



# **Wilfrid Laurier University**

*Inspiring Lives of Leadership and Purpose*

## **2026/27 Budget**

***Board Approved***

*April 16, 2026 – Board of Governors*

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## Executive Summary – 2026/27 Budget

### Overall Fiscal Outlook

The assumptions and estimates included in the 2026/27 Operating, Ancillary and Capital budgets are based on the information available to management at the time of preparation. In recent years, post-secondary institutions in Canada have faced sector-wide challenges, with continued revenue constraints and significant inflationary pressures contributing to growing financial risks.

Successfully navigating this difficult environment has required highly disciplined and effective resource allocation, considering both the short-term horizon as well as long-term strategic priorities. Since 2019, Laurier has implemented significant budget savings targets, cumulatively reaching an excess of \$43 million in base budget savings in the most recent budget.

On February 12, 2026, MCURES announced a \$6.4 billion investment to support the postsecondary sector's long-term success and stability through a new funding model, and the end of the tuition freeze starting September 2026. For Laurier, this investment provides significant revenues for the 2026/27 fiscal year and predictability of funding for the remainder of the Strategic Mandate Agreement SMA4 (2025-2030). The estimated government grant impact of the new funding model for Laurier is included in the 2026/27 budget, based on preliminary information awaiting final confirmation from the Province.

This predictable operating funding is welcome news for Laurier and for the sector. The funding allocated to Laurier recognizes our prudent financial management over the past few years as well as our strategic enrolment growth in areas that meet our province's needs. The end of the general tuition freeze, and the substantial infusion of grant revenue will result in a surplus budget for the 2026/27 fiscal year which will help to address some of our immediate budget challenges. Continued focus on efficiency and disciplined investment in strategic priorities is needed to succeed in a highly competitive sector while mitigating future risks to financial sustainability.

Years of limitations on revenue have meant that Laurier has been challenged to keep pace with rising operating costs, make the appropriate level of investments in facilities renewal and information technology systems, or invest appropriately in strategic initiatives and programs. Allocation of the expected 2026/27 surplus, with considerations for investment to support our achieved enrolment growth, as well as strategic and growth priorities, capital and technology infrastructure, and strengthening reserves, will be developed over the coming months for consideration.

Laurier's fiscal performance will continue to be subject to the MCURES University Financial Accountability Framework. The Framework consists of the five financial health indicators previously reported by Ontario Universities and incorporates debt ratios and the institution's credit rating into an overall risk assessment. Laurier's 2024/25 financial performance resulted in a "low" risk assessment, which is expected to be maintained as per the approved 2025/26 budget and the 2026/27 proposed budget.

## Operating Budget

The Operating Budget comprises the major annual revenues and expenditures of the university's financial operations. Revenues from student tuition fees and government operating grants account for 86% of the total operating revenues. Faculty and staff salaries and benefits account for 76% of the total operating expenditures. Table 1 below is a summary of the 2026/27 Operating Budget.

**Table 1: 2026/27 Operating Budget Summary**

	Budget 2025/26	Budget 2026/27	Change	% Chg
Tuition Fees	189,829	210,629	20,800	11.0%
Enrolment Based Government Grants	124,124	160,332	36,208	29.2%
Other Income & Fees	55,131	60,244	5,113	9.3%
<b>Revenue</b>	<b>369,084</b>	<b>431,204</b>	<b>62,120</b>	<b>16.8%</b>
Salary & Benefit	280,056	310,751	30,695	11.0%
Non-Salary Expenses	91,384	98,565	7,181	7.9%
<b>Total Expenses</b>	<b>371,440</b>	<b>409,316</b>	<b>37,876</b>	<b>10.2%</b>
<b>Surplus/(Deficit) Before Contributions</b>	<b>(2,356)</b>	<b>21,888</b>	<b>24,245</b>	
Austerity Measures Savings	1,000		(1,000)	
Anticipated BEd funding	1,400		(1,400)	
Contribution (to)/from Reserves	(43)	(929)	(886)	
<b>Surplus/(Deficit) After Contributions</b>	<b>0</b>	<b>20,959</b>	<b>20,959</b>	

The 2026/27 Budget shows total revenues of \$431.2 million, an increase of \$62.1 million, or 16.8%, over last year's Budget. Tuition revenue has increased by \$20.8 million, primarily due to an anticipated 9.1% increase in enrolment and allowable tuition increases under the renewed tuition framework. An overall \$36.2 million increase in grant funding over the prior year is the result of the recently announced new funding model, which brings a 30% increase in annual operating funding to the sector. Other Income & Fees increased by \$5.1 million or 9.3% over the prior year, with non-tuition fee revenue – primarily the Comprehensive Student Services fee, representing the most significant contributor to this growth.

Total expenditures are \$409.3 million, an increase of \$37.9 million, or 10.2%, over last year. Salaries and benefits increased by \$30.7 million over the previous year, largely due to existing collective agreements currently in place, benefit increases and transitioning to UPP on January 1, 2026. Non-salary expenses increased by \$7.2 million. Section 3.2.6 provides further details.

Consistent with prior years, institutional budget reductions of 1% and limited investments for 2026/27 are included in the budget. Allocation of the expected 2026/27 surplus, with considerations for investment to support our achieved enrolment growth, as well as strategic and growth priorities, capital and technology infrastructure, and strengthening reserves, will be developed over the coming months for consideration.

## Ancillary Budget

The Ancillary Services Budget as summarized in Table 2 below includes the self-sustaining units of Business Development, Conference Services, Food Services, Hawk Shops, HUB Operations, Off Campus Housing (Ezra Bricker Apartments & Houses), OneCard Operations, Parking & Transportation Resources, Printing Services and Residence Operations (Waterloo & Brantford campuses).

**Table 2: 2026/27 Ancillary Budget Summary**

<i>In 000's</i>	<b>Budget 2025/26</b>	<b>Budget 2026/27</b>	<b>Change</b>	<b>% Chg</b>
<b>Revenue Total</b>	<b>60,052</b>	<b>64,070</b>	<b>4,018</b>	<b>6.7%</b>
Salary & Benefits	8,778	10,129	1,351	15.4%
Non-Salary Expenses	47,074	49,663	2,589	5.5%
<b>Expense Total</b>	<b>55,852</b>	<b>59,792</b>	<b>3,940</b>	<b>7.1%</b>
<b>Net Surplus/(Deficit)</b>	<b>4,200</b>	<b>4,278</b>	<b>78</b>	<b>1.9%</b>

The revenue of the ancillary enterprises increased by \$4.0 million from an approved budget of \$60.1 million in 2025/26 to \$64.1 million in 2026/27, with expenditures also increasing by \$4.0 million. Section 3.2.4 provides further details.

The ancillary portfolio net position is a projected surplus of \$4.3 million in 2026/27.

## Capital Budget

The 2026/27 capital project list identifies a number of projects with an estimated total cost of \$14.85 million, including \$2.25 million for major capital projects, \$1.0 million for ICT project priorities, \$8.65 million of facilities renewal priorities across operating and ancillary fund components, as well as \$2.95 million of equipment renewal.

Capital expenditure requirements are addressed through a variety of funding sources, including reserves established through proceeds from sale of assets, planned contributions from the operating budget and a proportion of any realized surpluses, capital-specific government funding envelopes, departmental annual operating budget lines, central operating budget accounts, as well as strategies that rely on fundraising and partnership arrangements.

## Multi-Year Forecast

A multi-year planning approach is critical for ensuring institutional success and sustainability. On a consolidated basis, inclusive of operating and ancillary fund projections, a surplus of 26.2 million (before contributions to reserves) is anticipated in 2026/27 with declining surpluses in subsequent years. To accurately depict genuine uncertainty impacting specific assumptions, three scenarios have been developed in the Operating Multi-Year Budget forecast. The consolidated forecast over the next four years projects a \$10.3 million deficit in 2030/31 in the Base case scenario.

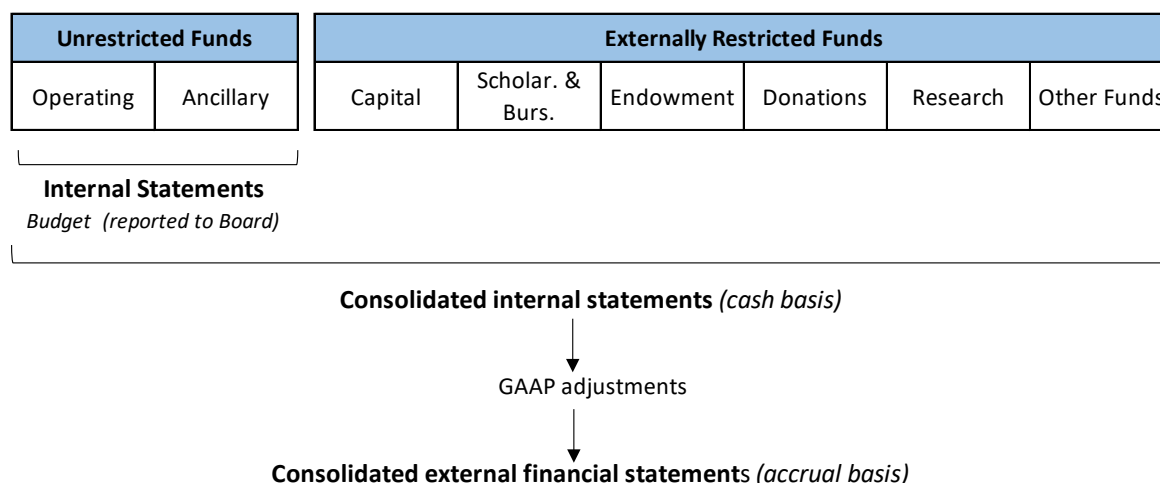
## Part A – Overview

This draft report includes the Operating, Ancillary, and Capital Funds which are Laurier’s largest funds and components of the overall Consolidated Financial Statement Funds.

Figure 1 depicts the different funds which are presented annually in the audited financial statements.

Every budget report contains forward-looking information and is based on information available to management at the time of preparation; actual results may vary from these assumptions.

**Figure 1: Consolidated Financial Statement Funds**



Prior to the Board of Governors receiving this final Budget in 2026, the draft Budget was presented to the Senate Executive and Finance Committee on March 23, to Senate on April 8, and to the Board Finance, Investments & Property Committee on March 26. Fee information, a key assumption included in this 2026/27 Budget report, has been included in a separate set of 2026/27 Fee Reports. The Tuition Fee Report was approved in two parts due to the February announcement of a renewed domestic tuition framework. In the January/February governance cycle, the governing bodies reviewed the tuition rates for international students, cost-recovery programs, and non-credit programs, culminating with approval at the February 13 meeting of the Board of Governors. In the March/April governance cycle, rates for domestic students (Ontario and non-Ontario), as well as The Non-Tuition Fee Report, are being presented in parallel with the budget report, culminating with approval at the April 16 meeting of the Board of Governors.

### For Approval:

- Operating Budget
- Ancillary Budget
- Capital Budget

### For Information:

- Multi-Year Operating Budget Forecast
- Multi-Year Ancillary Budget Forecast
- Multi-Year Consolidated Forecast

# Part B - Operating Budget

## 1. 2026/27 Budget Context

The Operating Budget comprises the major annual revenues and expenditures of the university’s financial operations. Revenue from student tuition fees and government operating grants account for 86% of the total operating revenues. Faculty and staff salaries and benefits account for 76% of the total operating expenditures.

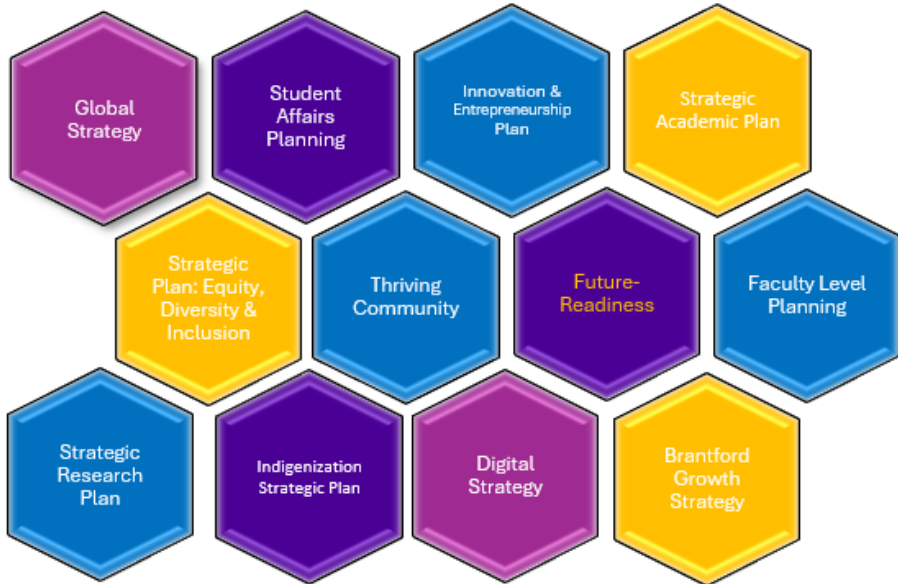
The Operating Budget does not include those financial activities that are not available for general operating purposes such as direct sponsored research, trust and endowments, and government grants for major capital projects. These financial activities are consolidated and presented annually in the audited financial statements.

*Several internal and external factors directly influence Laurier’s Budget. These include:*

### Strategic Plan

The university is currently in the third year of the Laurier Strategic Action Plan (2024-2028) entitled *Focused for a Thriving Future*. The Strategic Action Plan succeeded the Laurier Strategy (2019-2024) as the university’s guiding strategic document. The Strategic Action Plan builds on the Laurier Strategy and on a number of other significant strategic documents approved over the past several years (see Figure 2 below). The strategy highlights Laurier’s role and responsibility in preparing people to be engaged global citizens who will work to address the world’s challenges in the coming decade. The four areas of focus are: Enhance Academic Experience, Elevate Holistic Student Development, Excel in Research and Innovation, and Enrich Community Engagement and Partnership. These areas are supported by Operational Effectiveness and People, which are the foundations for the success of the overall strategy. Each area of focus has a series of objectives tied to specific performance metric targets reported annually.

**Figure 2: Strategic Planning Environment at Laurier**



## Strategic Mandate Agreement and Government Funding

The Strategic Mandate Agreement (SMA) between MCURES and Laurier is the university's formal agreement with the government regarding the institution's role in supporting the provincial government's objectives and priority areas for the postsecondary education system; the SMA serves as a key component of the ministry's accountability framework for the postsecondary education sector. SMA4 is the current and fourth agreement, starting in 2025 and ending in 2030; at the time of writing, it is under revision to reflect the new funding model impact on funding and reporting.

SMA4 retains the key features of SMA3 which are further detailed in subsequent sections: the corridor funding model, where enrolment is funded to a fixed midpoint within a corridor, and performance-based funding linked to metrics. SMA4 development was centred around five prioritized MCURES policy objectives, to:

1. Streamline reporting and data collection
2. Strengthen accountability and stewardship in the sector
3. Better align educational outcomes with labour market needs and government priorities
4. Emphasize Ontario's postsecondary institutions as centers of excellence
5. Review the current funding model to ensure long-term financial health of the sector (*new funding model announced in February 2026 – see below*)

### *New Funding Model*

In the summer of 2024, along with the launch of the SMA4 process and in alignment with the policy objectives identified, MCURES also announced a review of the funding model. Laurier participated in the consultation process this past Fall.

Following the review process, a new funding model was announced on February 12, 2026, with a \$6.4 billion investment to support the postsecondary sector's long-term success and stability within the Province of Ontario. Extending over four years (2026-2030), the new funding model is intended to focus the sector on delivering programs that align with student and labour-market demand supported by increased, predictable funding. This investment will raise annual operating funding for the sector by 30% and fund 70,000 additional in-demand seats sector-wide.

As a result of these changes to the government funding model, the university will need to review and consult internally to determine whether and how to revise our internal grant allocation methodology. This will ensure appropriate alignment between our internal allocation and the external accountabilities and reporting requirements for operating grant funding.

### *Science, Technology, Engineering, and Mathematics (STEM) Funding*

On April 22, 2025, MCURES announced a \$150 million annual investment to support the continued delivery and enhancement of STEM programming for universities and colleges. Due to Laurier's significant growth in serving Ontario students, particularly in STEM programming area, Laurier's share of that funding was \$16.1 million, representing funding for over 2,000 existing STEM learners. This STEM funding was operationalized through the indicated increase in Laurier's funded midpoint, or corridor reset for 2025/26 (Figure 3).

*Postsecondary Education Sustainability Fund*

In February 2024, MCURES announced a set of measures to stabilize university and college finances with funding totalling \$1.3 billion, including a \$903 million investment over three years through the Postsecondary Education Sustainability Fund (PSESF) providing recurring one-time only grant funding from 2024/25 to 2026/27.

The PSESF is operationalized through a 3% one-time only increase in 2024/25, followed by a subsequent 2% increase in each of the following two years, reaching 7% for 2026/27.

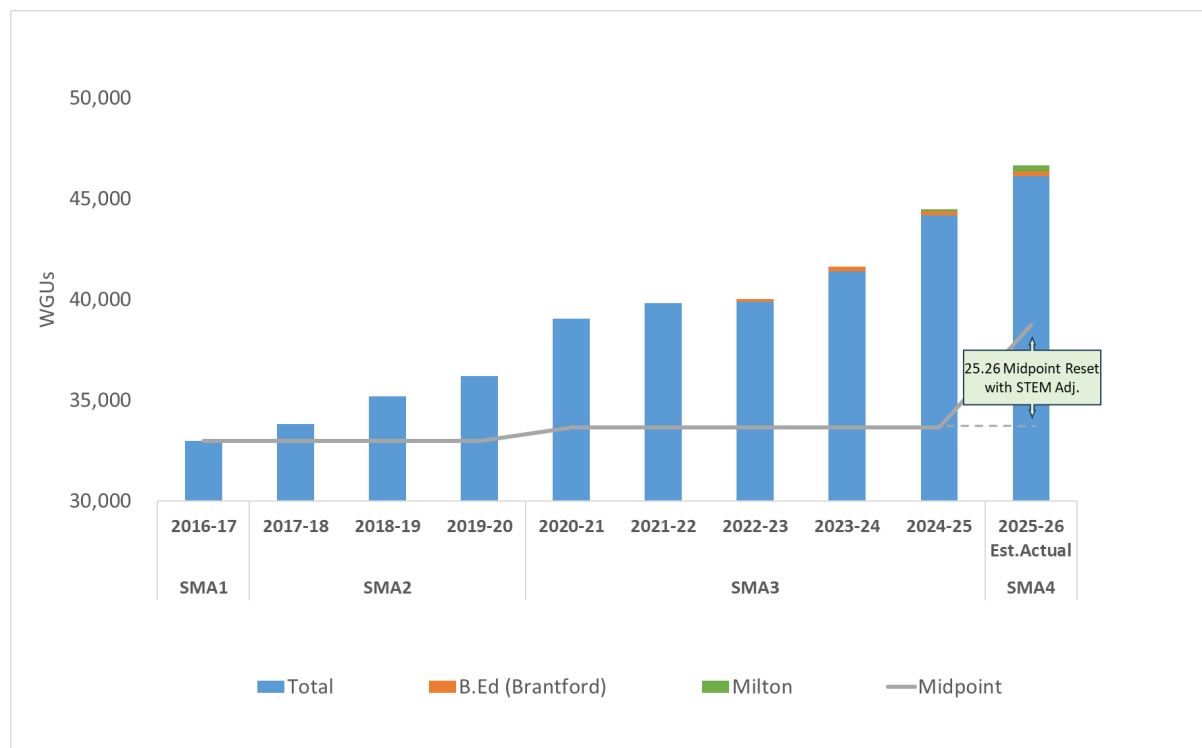
*Corridor Funding Formula*

Ontario universities operate in a corridor funding model where, rather than incrementally funding grant-eligible (normally domestic) enrolment, institutions are funded to a fixed mid-point level within a corridor.

Figure 3 depicts Laurier’s enrolment corridor midpoint and weighted grant units (WGUs), over time. For 2026/27, the university is awaiting further confirmation about how the new funding model will impact Laurier’s corridor.

The 2026/27 budget includes undergraduate funded seats at the Milton campus. To date, all Milton undergraduate enrolments have been fully funded outside the corridor.

**Figure 3: Enrolment Corridor**



### *Performance-Based Funding*

An increasing proportion of funding is linked to performance metric targets. With the introduction of SMA4, the number of metrics has decreased from ten to eight. The metrics are principally system-wide metrics determined by MCURES, with institutions having choice in defining three of the metrics (marked with an asterisk).

#### Skills and Job Outcomes:

1. Graduate Employment Rate in a Related Field
2. Graduation Rate
3. Graduate Employment Earnings
4. Experiential Learning

#### Economic and Community Impact:

5. Community/Local Impact
6. Institutional Strength/Focus\*
7. Investment and Innovation-Related\*
8. Institution-Specific\*

With the introduction of SMA4, most metrics now exclude international students, focusing on domestic students in order to mitigate the risk of metric volatility.

Each metric includes an institutionally designated weighting (from 5%-25% per metric), and an annually-set target with a band of tolerance informed by historical performance. While metric targets are designed to support continuous improvement, SMA4 did introduce target adjustment rules to recognize top quartile and consistent results, removing the continuous improvement factor on certain metric targets.

MCURES implemented a 10% performance-based funding allocation for 2023/24, which was increased to 25% for 2024/25. For SMA4, the performance-based grant remains at 25% for 2025/26 and 2026/27 (years 1 and 2), with MCURES planning to review the percentage going forward. The stop-loss mechanism, preventing universities from losing more than 5% of performance-based funding for each metric will remain in place for the duration of SMA4. Any increases or decreases in government grant funding due to performance-based funding are managed on a slip-year basis (e.g., metric performance in 2025/26 is reflected in 2026/27 government grant payments).

### *Efficiency, Accountability, and Transparency*

This is a new priority area for SMA4, where 5% of an institution's base operating funding is linked to reporting and attestation accountabilities. Key reporting activities include those related to enrolment and each institution's financial outlook as outlined in the University Financial Accountability Framework. Institutions are also required to attest to engagement with the ministry in three priority areas: Efficiency metric development, skills and competencies assessment development, and plan development for an institutional research security framework.

On the basis of performance in 2025/26, Laurier does not expect any material reduction in the amount of the performance-based grant envelope for 2026/27.

## Tuition Fee Framework

The Ministry of Colleges and Universities (MCURES) provides a regulatory framework that guides the fee setting for publicly funded tuition fees and the application of the framework for tuition fee set-aside (TSA), billing, and program fee policy. For the 2026/27 budget, approximately 82% of all tuition fee revenue is governed by the framework.

On February 12, 2026, MCURES announced a renewed tuition framework. Under the framework, universities will be permitted to apply increases of up to 2% annually to all domestic students in all programs across all years of study for Fall 2026. The 2% maximum increase will be in place for three years, with the first increases to take place in September 2026. After the first three years, allowable increases will be based on a three-year rolling average of the Consumer Price Index (CPI) or 2%, whichever is lower.

This new tuition framework ends the general freeze on domestic tuition that began in 2019/20 and continued through the end of 2025/26. During this period, rate increases for domestic students were only permitted for out of province students and for students in approved programs under the Tuition Anomaly Program. Increases under both of these programs continue to be permitted under the renewed framework as detailed below.

Under the current tuition fee framework, and as approved by the Board of Governors, Canadian citizens/permanent residents who reside outside of Ontario at the time of admission may be charged a tuition fee that is up to 3% higher in 2021/22, and up to 5% higher in each of 2022/23, 2023/24, 2024/25, and 2025/26, and 2026/27 than the rate for Ontario residents. Laurier is assessing new and returning out-of-province students in undergraduate programs with a 5% tuition increase in 2026/27.

In 2023, the government permitted tuition increases in specific programs with tuition rates significantly lower than similar programs across the sector. Through this Tuition Anomaly Program, Laurier received permission to increase tuition rates in the Bachelor of Business Administration, Bachelor of Science and Bachelor of Arts in Computer Science, and Bachelor of Science in Data Science. The first set of increases associated with these exceptions took effect for 2023/24 and a further set of increases was included in the Tuition Fee Reports for 2024/25 and 2025/26. Business Administration reached its approved target rate (\$5,179 per term) with an increase of 3.6% for 2025/26. For 2026/27, it will be permitted to increase by 2% as per the new framework. The Computer Science and Data Science programs will increase by 7.5% for 2026/27 and are scheduled to reach their approved target rate of \$4,554 per term in 2027/28.

The February 12, 2026 funding announcement also included changes to the Ontario Student Assistance Plan (OSAP) to reduce grant funding available and increase loan funding. For students with the greatest financial need, OSAP will shift from 75:25 ratio of grants to loans to a 15:85 ratio. MCURES also announced that they will be working with institutions to enhance the Student Access Guarantee (SAG) program, funded by the Tuition Set-Aside (TSA), to offset the impact of tuition increases for low-income students. At the time of writing, the university is awaiting further information. Laurier expenditures on scholarships and bursaries will continue to be monitored in light of changes to the grant and loan provisions of OSAP and the potential impact on student access, retention, and graduation.

## International Students: Regulatory Changes

Over the past two years, universities and colleges across Canada have been impacted by a series of regulatory changes enacted by the federal government through Immigration, Refugees, and Citizenship Canada (IRCC). On January 22, 2024, the IRCC announced a two-year cap on study permit applications to reduce the rate of growth in international students studying in Canada. On November 25, 2025, the IRCC announced a further reduction in the cap – targeted to be 7% lower than 2025 and 16% lower than 2024, and that graduate level students will be included in the national study permit target but not included in the caps given to individual institutions through their allocations of study permit applications.

With the overall reduction in the permit caps, the province was required to revise the allocation of study permit applications for Ontario universities and colleges. In early January, Laurier received its allocation for the 2026/27 cycle. Although this allocation is lower than in previous years, Laurier expects that the number of allocated study permit allocations will be sufficient to meet demand from new international undergraduate students. This is in part due to improvements to the study permit process for pathway program students (Wilfrid Laurier International College for Laurier) that result in a more optimized use of our allocation.

These regulatory changes, and in particular the disruptions that accompanied their implementation, impacts both projected 2026/27 and future international enrolments. It is increasingly clear that the greatest consequence of these changes is to Canada's reputation as a destination of choice. Future years will be affected both by these reputational issues as well as by the cap on study permits.

## 2. 2026/27 Budget Process

The 2026/27 budget process continues to focus on safeguarding overall financial sustainability while pursuing Laurier's strategic objectives. In the short term, the increase in our major revenue sources (tuition and government grant), which was announced in February 2026, will provide for operating surplus for the next 3 years as depicted in the base case scenario of the multi-year operating budget forecast (Part D, figure 19). While this is positive news for Laurier, the goal to maintain financial sustainability in the long-term will require continued focus on efficiency and disciplined investment in strategic priorities.

The 2026/27 budget development process was guided by the following principles:

- Prioritize the financial sustainability of the institution in the long term
- Grow capacity for strategic action
- Focus on revenue generation aligned to mission
- Focus on student recruitment and retention
- Reduce activity that is low-value, low-impact, and/or not well-aligned with strategy
- Reinforce critical strengths and address critical weaknesses
- Minimize impact of budget reductions on occupied positions

To manage this careful balance, the Budget Co-Chairs (Debbie Martin, Vice President: Finance & Administration, and Heidi Northwood, Provost & Vice President: Academic) have worked closely with both the Executive Leadership Team and Budget Council, supported by the Budget Coordinating Team in accordance with the roles and responsibilities outlined below.

**Budget Co-Chairs**

The Provost & Vice President: Academic and the Vice President: Finance & Administration are jointly responsible, as co-chairs, for overseeing the development of the University Budget and making a recommendation to the President.

**Executive Leadership Team (ELT)**

The Executive Leadership Team (ELT) is made up of the president and vice-presidents who oversee all aspects of university administration. These include the activities and strategic direction of the university at all of its campuses and locations. ELT prioritizes essential requests and determines how budget targets are allocated across portfolios.

**Budget Council (BC)**

The Budget Council (BC) is an advisory committee to the President regarding the annual budget development and resource allocation decisions. Members fulfill fiduciary responsibilities at an institutional-level basis and advise on overall budget objectives that support the mission and goals of the university.

The Budget Council provides oversight for the development of the University Budget, as informed by strategic and integrated planning.

- Establishes the annual budget development process
- Provides advice and recommendations for transparent resource allocation decisions reflective of the university's strategic priorities
- Informs assumptions on key budget drivers

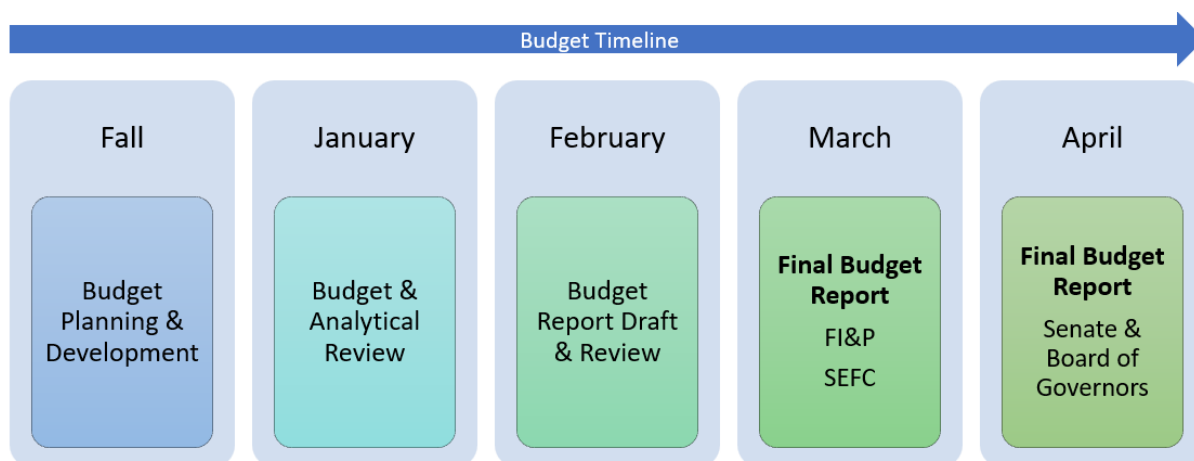
Final approval of all budget recommendations, as presented in the Budget Report, is made by the Co-Chairs. The Council membership is representative and ensures appropriate attention to the breadth of the University Budget and is structured to balance academic and administrative budget leaders.

**Budget Coordinating Team (BCT)**

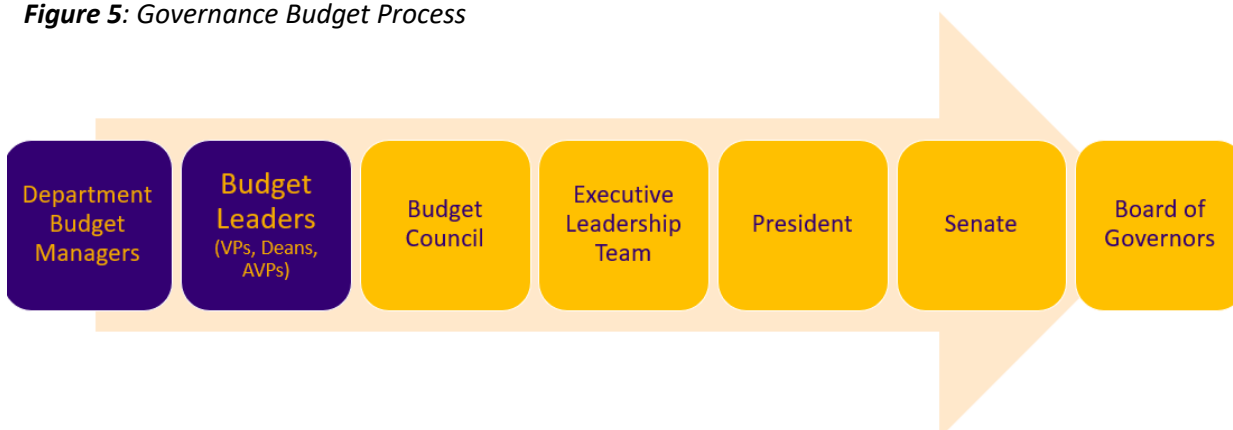
The Budget Coordinating Team is co-chaired by the Assistant Vice President: Financial Resources and the Assistant Vice President: Integrated Planning & Budgeting. The Budget Coordinating Team is responsible for overseeing the operational development of the budget.

Working through the timeline in Figure 4, the ultimate objective of the budget process is to bring forward a recommended budget for consideration by the governing bodies – review and recommendation by Senate and review and approval by the Board of Governors (as depicted in Figure 5).

**Figure 4: Annual Budget Process Timeline**



**Figure 5: Governance Budget Process**



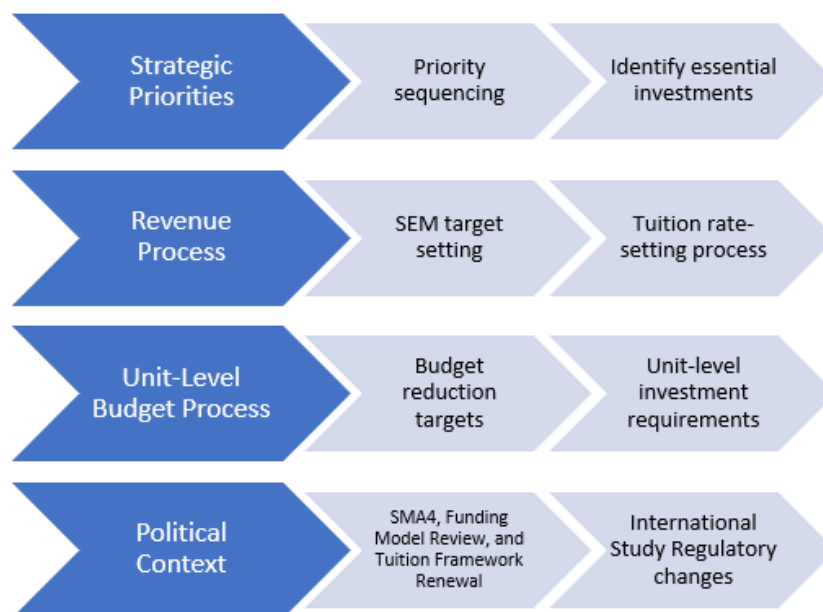
The 2026/27 budget development process was divided into three phases, beginning with a budget template approach to collect and consider both budget pressures and reduction strategies.

**Phase I:** Budget Planning & Development (Unit Planning)

**Phase II:** Budget Coordinating Team Analysis & Review

**Phase III:** Executive Leadership Team (ELT) and Budget Council Review

Although the budget process is developed through a phased approach with unit leaders across the university, additional iterative, parallel processes occur to build understanding of key inputs early in the process resulting in a framework to facilitate highly strategic decision-making on budget priorities.

**Figure 6: Parallel Process Approach**

The 2026/27 budget development process began with a **structural deficit budget of \$7.1 million**. This structural deficit did not yet reflect new costs for 2026/27, including salary increases, essential requests, and other institutional costs pressures, nor did it include increased revenue expectations based on enrolment or the tuition rate and grant revenue increases announced in February 2026.

### **Phase I: Budget Planning & Development (Unit Planning)**

The first phase of the budget development process included the completion of a budget template by each unit. The purpose of this template was to provide budget leaders with an opportunity to identify proposed plans for 2026/27, resulting in anticipated resource needs and the identification of funding sources available or required. The template also included 1% budget target modelling at the unit level; however, Full-Time Faculty, Contract Teaching Faculty, and Librarian salary costs were excluded to keep pace with enrolment growth and collective agreement obligations.

### **Phase II: Budget Coordinating Team Analysis and Review**

The Budget Coordinating Team (BCT) conducted a comprehensive review and analysis of the revenue and expense factors driving the budget:

- revenue: tuition, government grant, other revenue
- institutional costs, unit-level and central
- inflationary salary and related collective agreement obligation costs
- direct costs of teaching
- essential requests
- budget targets

The full detail on all these elements is provided in Sections 2.1 through 2.3 below.

### **Phase III: Executive Leadership Team and Budget Council Review**

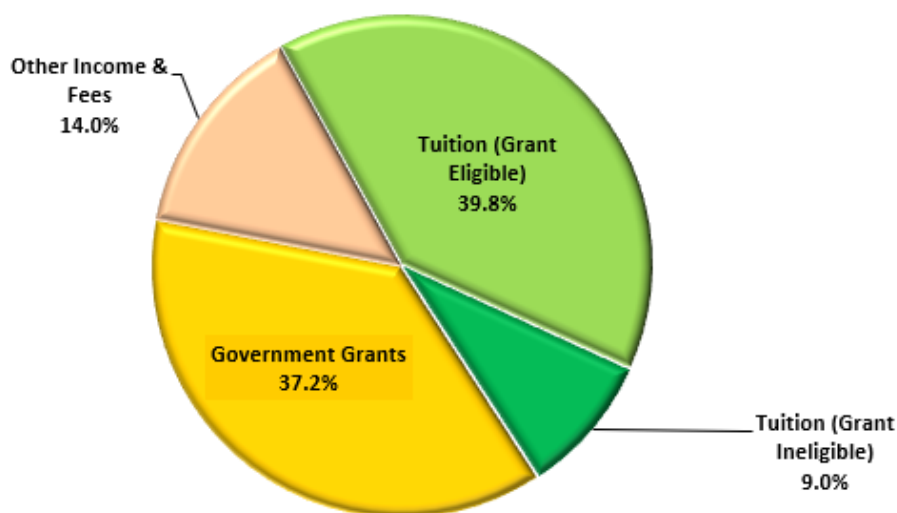
The Executive Leadership Team along with Budget Council reviewed the overall financial position of the 2026/27 draft budget through the review of the major revenue and expense drivers outlined above.

## **2.1 Revenue Process**

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The revenue process considers three separate components: government operating grant, tuition fees, and other income and fees.

**Figure 7: Breakdown of Total Revenue**



### **Operating grants**

MCURES allocates enrolment-based operating grant revenue in alignment with the Strategic Mandate Agreement (SMA) which will incorporate the changes from the recently announced new funding model. Operating grant allocations for universities are governed primarily by the enrolment corridor that includes a fixed midpoint indicating the level of funded student enrolment.

MCURES's funding model includes several distinct funding categories:

SMA-Related Funding:

- Base Operating Funding:
  - Enrolment Envelope: Includes the Core Operating Grant (COG) and is based on a fixed corridor midpoint measured in Weighted Grant Units (WGUs), which vary by program and/or year of study.
  - Differentiation Envelope: Delivers funding related to performance, including participation in data collection, evaluation, and publication. This envelope includes Performance-Based Funding (PBF) distributed based on outcomes measured against

eight metrics. PBF was first activated in 2023/24 at 10% of funding, increasing to the current 25% in 2024/25. The Accountability Grant is also part of this envelope, set at 5% of base operating grant and tied to reporting and attestation accountabilities.

Other Grant Funding Mechanisms:

- **Postsecondary Education Sustainability Funding (PSESF):** In February 2024 MCURES announced the Postsecondary Education Sustainability Fund, which provided three years of recurring, compounding one-time only grant funding applied to base operating grant received under the existing Enrolment and Differentiation envelopes. Beginning in 2024/25, PSESF equated to a 3% increase in funding, increasing a further 2% for each of 2025/26 and 2026/27 to a total of 7% of existing base funding.
- **International Student Recovery:** A grant reduction based on each institution's level of relevant international enrolments.

Laurier's operating grant funding includes amounts allocated to Martin Luther University College, a federated college of the university.

Estimated grant allocations for 2026/27 are presented in Table 10.

### **Tuition revenue**

Revenue from tuition is the product of tuition rates and enrolment. The processes for both are outlined below.

#### **Tuition rates**

Tuition rates for publicly funded (largely domestic) students are governed by the Province's Tuition Fee Framework. For 2026/27, the framework allows for an increase of up to 2% to all domestic students in all programs across all years of study. Under the Tuition Anomaly Program, domestic tuition increases for undergraduate programs in Computer Science and Data Science are able to increase by 7.5% as they have not yet reached rates charged by similar programs across the sector.

Canadian citizens and permanent residents who reside outside of Ontario at the time of admission may be charged a tuition fee that is higher than the rate for Ontario residents. For 2026/27, that increase is up to 5%, which Laurier is assessing to new and returning undergraduate out-of-province students for 2026/27.

For international students and students in non-publicly funded programs and courses, the university has discretion over tuition fee increases as these are not eligible for government grant funding and are not governed by the Province's Tuition Fee Framework. Tuition rates for these programs are guided by the market and Laurier's relative competitiveness. For international students, the university has formalized its practice through a Tuition Guarantee, limiting continuing student increases to a maximum of 5%. This guarantee enables international students to better determine the total cost of their degree.

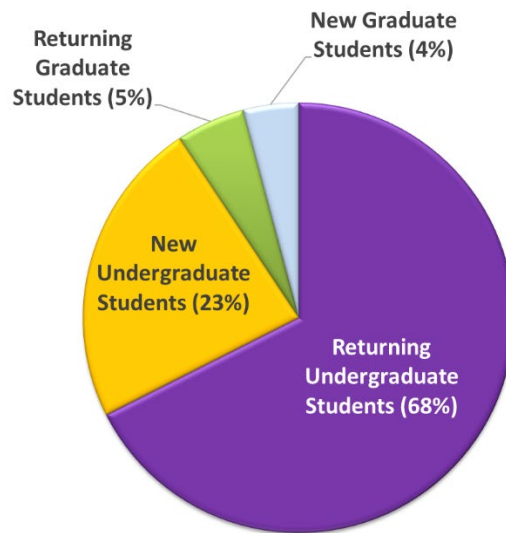
#### **Enrolment projections**

Student enrolment is the major driver of institutional revenue. The Strategic Enrolment Management (SEM) Committee is responsible for enacting the institutional enrolment strategy, coordinating associated processes, developing tactics, and monitoring key indicators related to the full student life cycle from recruitment through graduation. Intake enrolment projections are determined by the

Provost with the relevant Dean, through a data-informed process reflecting external trends and linked to subsequent internal resourcing. The SEM committee reviews the intake projections and monitors retention metrics. These core inputs form the basis of the enrolment projection, which is then used to forecast tuition and operating grant revenue for new and returning students institutionally and by Faculty.

Figure 8 depicts the proportion of the various cohorts of students included in the enrolment projection.

**Figure 8:** Components of Enrolment Forecast by Student Fall Headcount



## 2.2 Enrolment

The following table illustrates the projected change in total students<sup>1</sup> :

**Table 3: Forecasted Change in Total Students**

Total Fall Headcount (Full-time & Part-time) *								
	2024-25	2025-26	2025-26	2026-27	2026-27 / 2025-26		2026-27 / 2025-26	
	Actual	Budget	Actual	Budget	Budget / Budget		Budget / Actual	
					#	%	#	%
<b>Undergraduate</b>								
Domestic	19,653	19,670	20,278	20,964	1,294	6.6%	686	3.4%
International	928	798	863	801	3	0.4%	-62	-7.2%
Full Time	17,223	17,136	18,026	18,564	1,428	8.3%	538	3.0%
Part Time	3,358	3,332	3,115	3,201	-131	-3.9%	86	2.8%
<b>Graduate</b>								
Domestic	1,684	1,767	1,837	1,868	101	5.7%	31	1.7%
International	397	400	371	369	-31	-7.8%	-2	-0.5%
Full Time	1,231	1,344	1,350	1,387	43	3.2%	37	2.7%
Part Time	850	823	858	850	27	3.3%	-8	-0.9%
Undergraduate	20,581	20,468	21,141	21,765	1,297	6.3%	624	3.0%
Graduate	2,081	2,167	2,208	2,237	70	3.2%	29	1.3%
<b>Total</b>	<b>22,662</b>	<b>22,635</b>	<b>23,349</b>	<b>24,002</b>	<b>1,367</b>	<b>6.0%</b>	<b>653</b>	<b>2.8%</b>
Domestic	21,337	21,437	22,115	22,832	1,395	6.5%	717	3.2%
International	1,325	1,198	1,234	1,170	-28	-2.3%	-64	-5.2%
<b>Total</b>	<b>22,662</b>	<b>22,635</b>	<b>23,349</b>	<b>24,002</b>	<b>1,367</b>	<b>6.0%</b>	<b>653</b>	<b>2.8%</b>
Full Time	18,454	18,480	19,376	19,951	1,471	8.0%	575	3.0%
Part Time	4,208	4,155	3,973	4,051	-104	-2.5%	78	2.0%
<b>Total</b>	<b>22,662</b>	<b>22,635</b>	<b>23,349</b>	<b>24,002</b>	<b>1,367</b>	<b>6.0%</b>	<b>653</b>	<b>2.8%</b>

\* # of registered students in the Fall term

Overall, the total student headcount for Fall 2026 is projected to increase year-over-year with a 6.3% increase in Undergraduate students and 3.2% increase in graduate students compared to the prior year budget. Budgeted undergraduate enrolment reflects the increase in full-time enrolment realized in 2025/26, with continued growth expected in 2026/27, and a decline in international graduate enrolment aligned with that achieved in 2025/26 after several years of growth.

The following tables and figures provide additional detail on budgeted undergraduate Fall 2026 enrolment by headcount relative to actual enrolment for Fall 2025.

<sup>1</sup> Student enrolment tables exclude students registered at Martin Luther University College

**Figure 9: Fall Headcount - Student Composition**

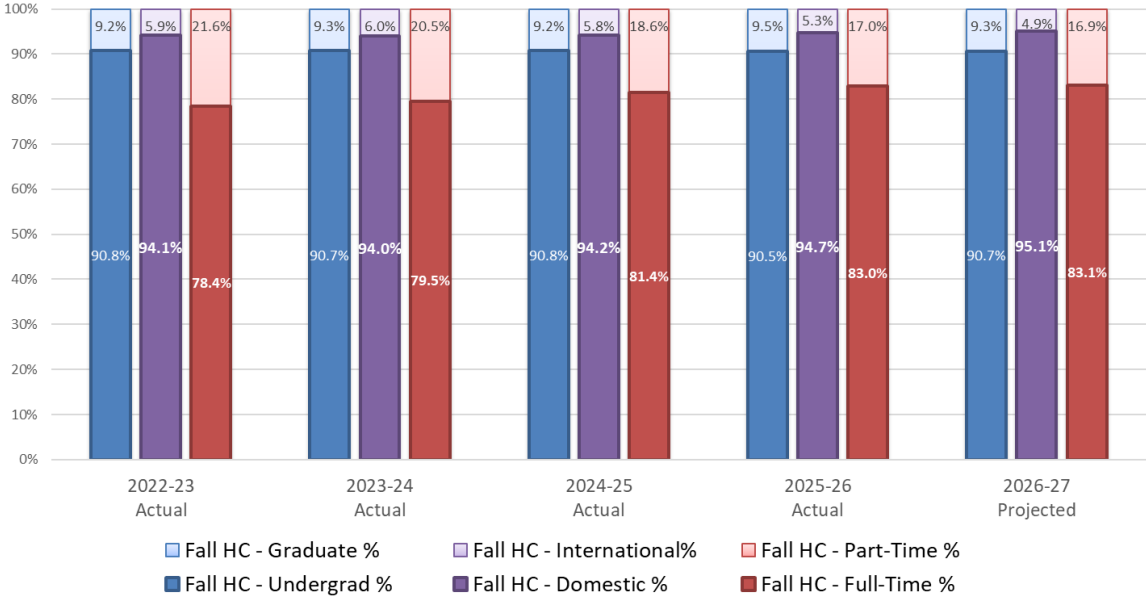


Figure 9 highlights the total student population in terms of student level (UG/Graduate), student visa status (domestic/international), and attendance (full-time/part-time) since 2022. For 2026/27, the percentage of enrolment related to graduate programs is anticipated to decrease with undergraduate growth anticipated to outpace graduate growth. Overall, the percentage of international students continues to decline, reflecting the decline of Canada’s reputation as a destination of choice for study. Part-time students as a percentage of total enrolment at both the undergraduate and graduate levels continue to decline from a peak during the height of the pandemic.

**Undergraduate (UG) Students:**

Total projected undergraduate full-time headcount for Fall 2026 is estimated to increase to 18,564. The incoming first-year class makes up 29% of the total full-time undergraduate enrolment.

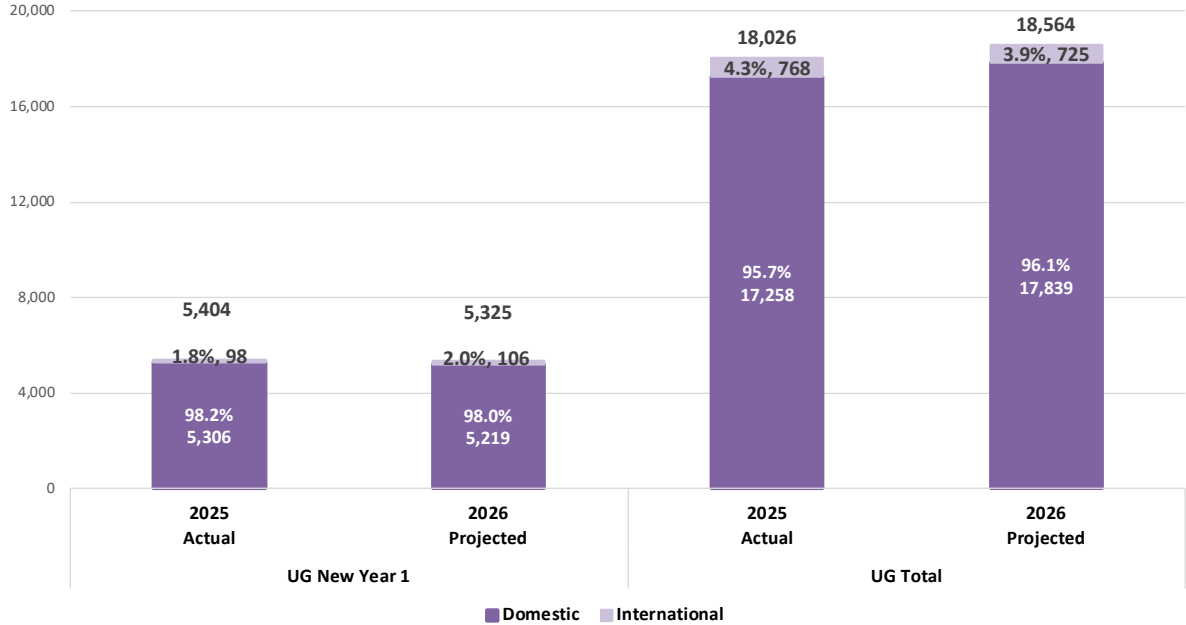
**Table 4: Fall Full-Time Headcount – Undergraduate Intake**

1st Year Fall Full-Time Headcount – Undergraduate				
Fall Full-Time Headcount	2024 Actual	2025 Actual	2026 Projected	26p vs 25a % Change
Domestic – 1 <sup>st</sup> entry	4,496	4,914	4,814	-2.0%
International – 1 <sup>st</sup> entry	109	98	106	8.2%
<b>1<sup>st</sup> entry Sub-Total</b>	<b>4,605</b>	<b>5,012</b>	<b>4,920</b>	<b>-1.8%</b>
Domestic – 2 <sup>nd</sup> entry (Bachelor of Education)	322	392	405	3.3%
International – 2 <sup>nd</sup> entry	0	0	0	-
<b>Total</b>	<b>4,927</b>	<b>5,404</b>	<b>5,325</b>	<b>-1.5%</b>

The anticipated Fall 2026 undergraduate intake will represent the second largest incoming class to date at Laurier. The projected intake target shows a 1.5% decrease over the prior year intake, which was the largest incoming class achieved at Laurier. There is some projected increase in intake for the Bachelor of Education program at the Waterloo campus to round out full cohorts. Also included is the third undergraduate incoming class in Milton, including the first intake to an engineering program for Fall 2026. Anticipated international enrolment for engineering is the main driver of the increase in forecasted international intake.

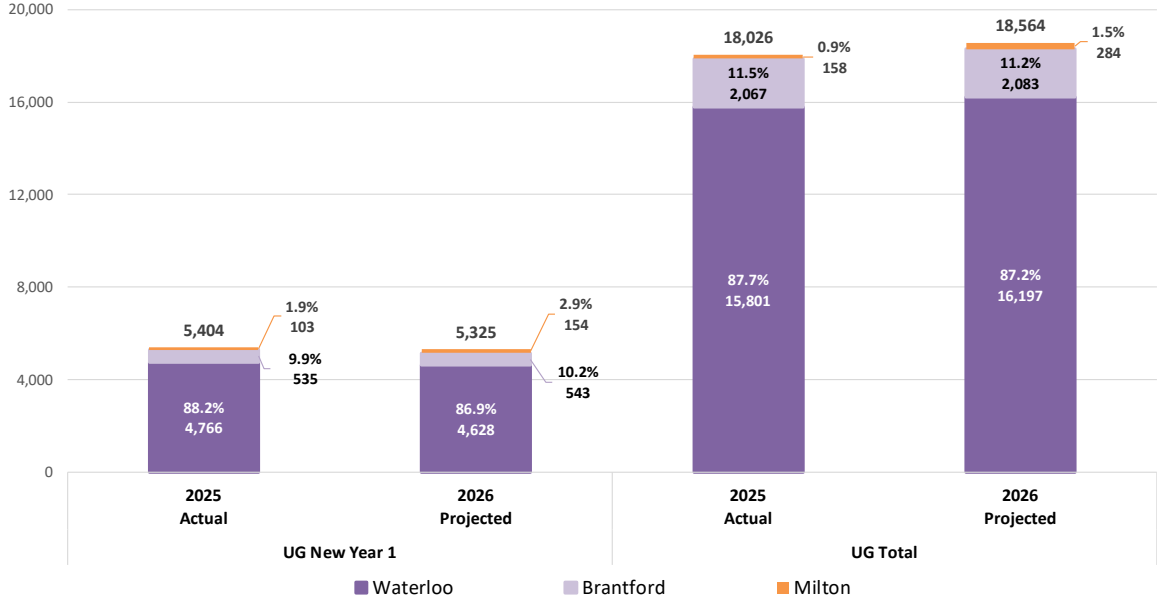
Total full-time undergraduate enrolment for both first year intake and overall is displayed by Student Visa Status (Figure 10), by Campus (Figure 11) and by Faculty (Figure 12).

**Figure 10: Total Undergraduate Fall Full-time Headcount by Student Visa Status**



The above figure shows the student visa status breakdown for both total full-time undergraduate enrolment and 1st year intake. Overall undergraduate international enrolment is expected to decrease 5.6%, with increases only in limited programs, reflecting Canada’s declining reputation as a destination of choice.

Figure 11: Total Undergraduate Fall Full-time Headcount by Campus

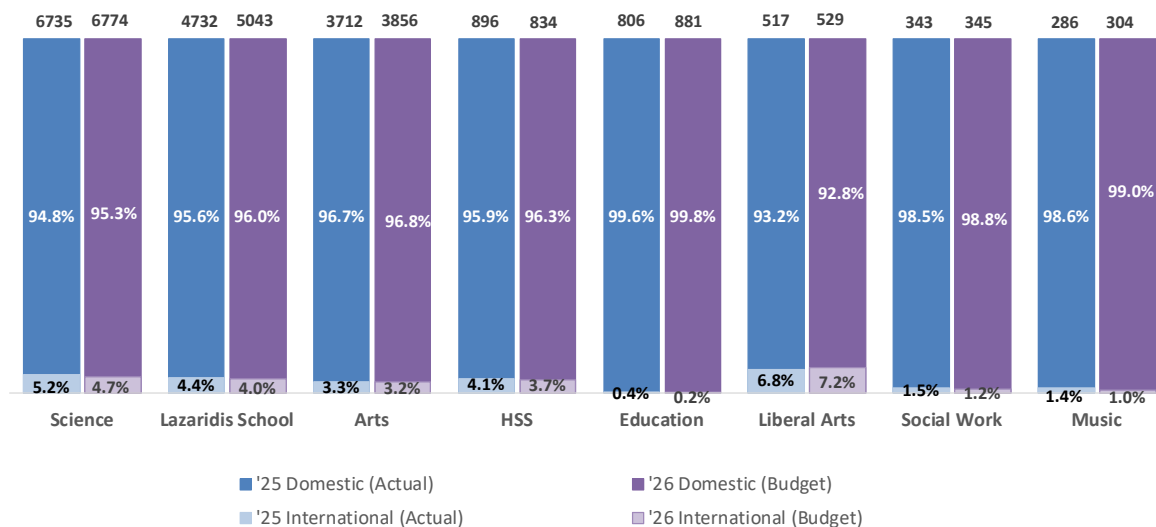


The Brantford campus is projecting a 1.5% increase in intake with new year 1 students across all Faculties similar to the previous year. Overall, Brantford Campus enrolment is expected to increase 0.8%, with growth in returning students in the Faculty of Education due to the flow through of the additional cohort from Fall 2025, partially offset by a reduction in Bachelor of Business Technology Management returning students as that program continues to transition to the Milton Campus.

Intake for the Waterloo campus is expected to decrease by 2.9%, with flat international intake and a decline in domestic intake across the majority of Faculties. In particular, the Bachelor of Business Administration intake levels-off after nearly doubling last year from Fall 2022 levels. Also, computer science has seen sector-wide decline, with Laurier’s intake declining since a peak in Fall 2023. Overall, Waterloo Campus enrolment is expected to increase 2.5%, driven by increases in returning students in the Faculty of Arts and the Lazaridis School and by strong undergraduate student retention.

For Fall 2026, an additional cohort will join the Milton campus, including the first cohort of undergraduate engineering driving the 49.5% increase in intake. With three years of intakes, Milton overall undergraduate enrolment continues to grow.

**Figure 12: Total Undergraduate Fall Full-time Headcount by Faculty**



Total undergraduate Fall full-time headcount is up 3.0% institutionally, reflecting a 3.4% domestic increase and a 5.6% international decrease compared to Fall 2025 actual enrolment. Figure 12 above shows the enrolment projection variation across Faculties:

- The Faculty of Science is projecting overall steady enrolment, with domestic increases offsetting the 8.5% decrease in international enrolment.
- The Lazaridis School anticipates a 6.6% increase in enrolment as recent larger, domestic intake cohorts of Business students flow through resulting in a 7.0% increase in domestic enrolment.
- The Faculty of Arts is projecting an enrolment increase of 3.9%. With steady international enrolment, this increase relates solely to domestic enrolment growth.
- Faculty of Human and Social Sciences enrolment is expected to decline 6.9%, with declines in both international and domestic returning enrolment.
- The Faculty of Education is projecting a 9.3% increase for Fall full-time enrolment due to the flow-through of increased domestic intake at the Brantford Campus last year.
- The Faculty of Liberal Arts is expected to increase enrolment by 2.3%, with enrolment increases anticipated for both domestic and international students.
- The Faculty of Social Work’s total UG Fall full-time enrolment is projected to be essentially unchanged year-over-year.
- The Faculty of Music is projecting 6.3% overall undergraduate enrolment growth primarily due to growth in domestic returning students.

**Graduate Students:**

At the graduate level, budgeted student enrolment<sup>2</sup> is projected to increase 2.2% compared to prior year actual enrolment, with growth anticipated across several program categories.

The composition for the projected Graduate Fall FTE is displayed by Program Category (Table 5), Student Visa Status (Table 6) and by Faculty (Figure 13):

**Table 5: Graduate Fall FTE by Program Category**

Graduate FTE by Program Category				
Fall FTE	2024	2025	2026	26p vs 25a
	Actual	Actual	Projected	% Change
<b>Grant Eligible Programs</b>				
Doctoral	230.4	223.5	241.2	7.9%
Masters	1,105.7	1,176.7	1,246.2	5.9%
Diploma and General Grad Studies	0.6	3.3	0	-
<b>Grant Ineligible Programs</b>				
Full Cost Recovery *	149.3	202.9	154.6	-23.8%
<b>Total</b>	<b>1,486.0</b>	<b>1,606.4</b>	<b>1,642.0</b>	<b>2.2%</b>

\* Enrolments in cost recovery programs are not eligible for government grant funding

PhD programs are forecasted to grow 7.9% with increases across the majority of Faculties, primarily in the Faculty of Science and the Lazaridis School. Masters program growth is concentrated in one year grant eligible programs, including a new Toronto cohort of the Master of Business Administration program in partnership with the Global Institute of Sport (GIS). The reduction in anticipated graduate cost recovery enrolment is mainly due to an expected decline in the Graduate Diploma in Accounting, where enrolment fluctuates with student enrolment in prerequisite courses.

**Table 6: Graduate Fall FTE – Student VISA Status**

Graduate FTE by Type of Student				
Fall FTE	2024	2025	2026	26p vs 25a
	Actual	Actual	Projected	% Change
Domestic – Grant Eligible	906.4	995.1	1075.0	8.0%
Domestic – Grant Ineligible *	185.4	245.5	198.7	-19.1%
International**	394.2	365.8	368.3	0.7%
<b>Total</b>	<b>1,486.0</b>	<b>1,606.4</b>	<b>1,642.0</b>	<b>2.2%</b>

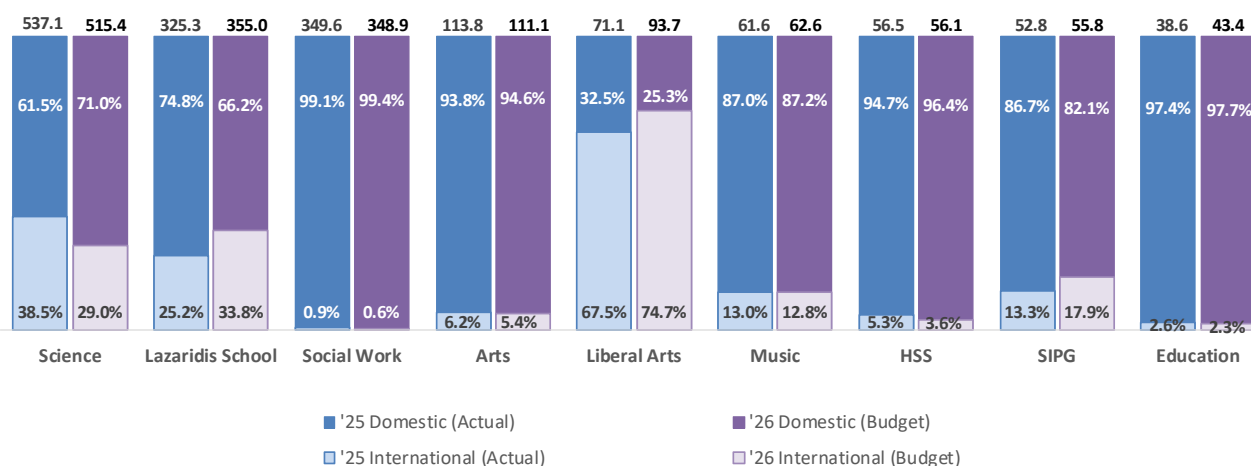
<sup>2</sup> Consistent with MCURES reporting, graduate enrolment is reported as Fall full-time equivalents (FTEs) with 1 part-time graduate student = 0.3 FTE

\* Includes domestic students in cost-recovery programs (2/3 of category) and those who exceed WGU/grant limit (1/3 of category)

\*\* Includes inbound exchange students and international students in full-cost recovery programs

Graduate growth is projected in domestic student enrolment eligible for provincial grant funding, with an increase of 8.0% over the prior year. Growth is concentrated at the masters level, making up approximately 90% of the increase. Domestic ineligible enrolment in graduate programs is anticipated to decrease by 19.1%, reflecting decreases in cost recovery diploma programs. International graduate enrolment is projected to remain stable overall, with some rebalancing among masters programs.

**Figure 13: Graduate Fall FTE by Faculty**



Total Fall full-time equivalent graduate enrolment is projected to increase 2.2%, with a levelling off of international enrolment growth and 2.7% domestic growth (see Table 10). Figure 13 above shows the variation across Faculties:

- The Faculty of Science is anticipating a 4.0% decrease overall for graduate Fall enrolment, with domestic enrolment growth primarily in masters programs outweighed by the decline in international masters enrolment.
- The Lazaridis School is expecting to increase graduate enrolment for Fall by 9.1% driven by an anticipated 46.5% increase in international enrolment, primarily at the masters level.
- The Faculty of Liberal Arts is projecting 31.8% growth in graduate enrolment based on a planned international course-based masters student increase of 45.7%.
- Graduate enrolment at the School of International Policy and Governance (SIPG) is anticipated to increase 5.7%, driven by increases in international enrolment at both the masters and PhD levels.
- Education is projecting a 12.4% graduate enrolment increase, including the first cohort of the new PhD program.
- The graduate enrolment for the Faculties of Social Work, Arts, Music and Human and Social Sciences are expected to be similar to the prior year.

## 2.3 Expense Process

The current financial expense assumptions incorporate updated salary and benefit information, updated projections including institutional costs, direct costs of teaching, and new investments in priority areas.

Total expenses for 2026/27 are \$409.3 million. Expense changes are categorized as Direct Cost of Teaching, Essential Requests, Institutional Costs – Unit Oversight and Institutional Costs – Central Oversight.

### Direct Costs of Teaching

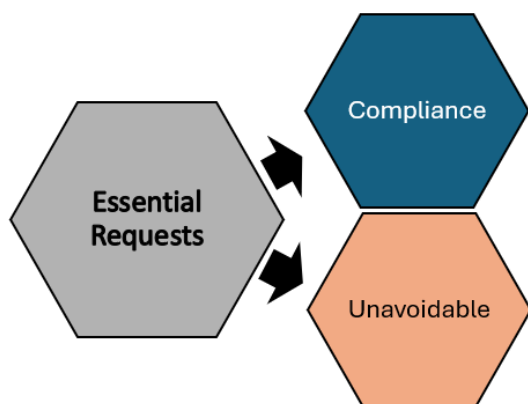
The direct costs of teaching associated with the creation of new academic programs and enrolment changes in continuing programs are considered when establishing the expense budget. Senate Academic Planning Committee and Senate review and approve the creation of new programs and the related detailed multi-year budgets. These necessary expenditures on direct program costs (principally teaching) are offset by incremental revenue from the new programs.

Each Dean reviewed the Strategic Enrolment Management (SEM) plans for their Faculty and identified resource needs based on any change in enrolment mix. Requests and relevant enrolment are reviewed by the Provost to determine eligible costs to be funded. Examples of direct cost of teaching expenditures include the hiring of full-time faculty or Contract Teaching Faculty (CTF), lab support, equipment, space modifications, and operating costs.

### Essential Requests

As part of the budget template process, budget leaders had the opportunity to identify critical needs for 2026/27. The funding to be allocated to Essential Requests was capped at \$500,000, and therefore, the critical request criteria were limited to Compliance and Unavoidable only. This phase of budget planning assumed a continued fiscally constrained environment; budget leaders were therefore directed to fund all other requests through the cessation of another activity or reallocation of resources within their units. The principles of the two categories are highlighted in Figure 14:

**Figure 14:** Essential Request Principles



- **Compliance** – obligations of the highest priority and urgency, where failure to act would result in non-compliance with legal, external regulatory and create significant institutional risk.
- **Unavoidable** – costs that the university is already committed to or will unavoidably incur regardless of budget decisions. These may include mandated increases to contractual obligations.

VPs were requested to focus on prioritizing only the most essential items to minimize the overall budget impact to the university. Prioritization included consideration of whether requests could be delayed or if there was potential for cost flexibility.

The final prioritization of the Essential Requests was completed by the Budget Co-Chairs in consultation with ELT.

Allocation of any 2026/27 surplus with considerations for investment in strategic and growth priorities, capital infrastructure, and strengthening reserves, will be developed over the coming months.

### **Institutional Costs – Unit Oversight**

Institutional costs with unit oversight are costs that are directly attributable to a unit, and the unit has the responsibility to oversee the cost, but the unit has limited control over how the cost may increase or decrease (e.g., scholarships, pension valuation, contractual obligations, etc.).

These costs were reviewed by the unit and the Budget Coordinating Team as part of the budget development process with the objective of limiting any cost changes to a modest level based on actual experience and anticipated future changes, while reducing conservatism. The proposed changes were reviewed by the Vice President: Finance & Administration and the Provost & Vice President: Academic. Budget Council also had an opportunity to review cost changes and advise the Co-Chairs.

### **Institutional Costs – Central Oversight**

Institutional costs with central oversight are costs that cannot be directly attributed to a unit. These costs are reviewed for any changes that may cause the cost to increase or decrease (e.g., interest income, ancillary contribution).

These central oversight costs (both revenue and expense) were reviewed based on actual experience and/or anticipated future changes and adjusted accordingly. The expected change was reviewed by the Vice President: Finance & Administration and the Provost & Vice President: Academic and brought to Budget Council for information.

## **3. 2026/27 Operating Budget**

The 2026/27 Operating Budget detailed information is presented in the following pages beginning with a summary of the Operating Budget (Table 7). The summary is broken out into major revenue and expense types with a comparison to the 2025/26 Budget, noting the major changes year-over-year. Additionally, the summary is further broken out into Base (ongoing revenue and expense components) and One-Time-Only (OTO), time-limited revenue and expense components.

**Table 7: 2026/27 Budget by Revenue & Expense****2026/27 Operating Budget***In \$000's*

	<b>Approved Budget 2025/26</b>	<b>BASE Budget 2026/27</b>	<b>OTO Budget 2026/27</b>	<b>Total Budget 2026/27</b>	<b>Change</b>	<b>% Chg</b>
<b>Revenue</b>						
Tuition Fees	189,829	210,629		210,629	20,800	11.0%
Enrolment Based Government Grants	124,124	152,914	7,418	160,332	36,208	29.2%
Other Income & Fees	55,131	57,532	2,712	60,244	5,113	9.3%
<b>Revenue Total</b>	<b>369,084</b>	<b>421,075</b>	<b>10,129</b>	<b>431,204</b>	<b>62,120</b>	<b>16.8%</b>
<b>Salary &amp; Benefit Expenses</b>						
Full/Part Time Faculty Costs	128,393	136,729	6,955	143,684	15,291	11.9%
Full/Part Time Staff Costs	97,539	105,653	358	106,011	8,472	8.7%
Benefits	34,338	37,018	1,600	38,618	4,280	12.5%
Current Service Costs	19,786	22,438		22,438	2,652	13.4%
<b>Salary &amp; Benefit Expenses Total</b>	<b>280,056</b>	<b>301,838</b>	<b>8,913</b>	<b>310,750</b>	<b>30,694</b>	<b>11.0%</b>
<b>Non-Salary Expenses</b>						
Scholarships & Bursaries	21,113	22,761	120	22,881	1,768	8.4%
Operating Costs	54,033	57,399	1,198	58,597	4,564	8.4%
Debt Service	6,833	7,003		7,003	170	2.5%
Utilities, Insurance & Taxes	7,405	8,085		8,085	680	9.2%
Contingency	2,000	2,000		2,000	( )	(0.0%)
<b>Non-Salary Expenses Total</b>	<b>91,384</b>	<b>97,248</b>	<b>1,318</b>	<b>98,566</b>	<b>7,182</b>	<b>7.9%</b>
<b>Expense Total</b>	<b>371,440</b>	<b>399,086</b>	<b>10,230</b>	<b>409,316</b>	<b>37,876</b>	<b>10.2%</b>
<b>Surplus/(Deficit) Before Contributions</b>	<b>(2,356)</b>	<b>21,989</b>	<b>(101)</b>	<b>21,888</b>	<b>24,244</b>	
Austerity Measures Savings	1,000				(1,000)	
Anticipated BEd funding	1,400				(1,400)	
Contribution (to)/from Reserves	(43)	(1,000)	71	(929)	(886)	
<b>Surplus/(Deficit) After Contributions</b>	<b>0</b>	<b>20,989</b>	<b>(30)</b>	<b>20,959</b>	<b>20,959</b>	

The 2026/27 Operating Budget is inclusive of the revenues and expenses for the Milton campus. Laurier Milton was launched in Fall 2024 with students entering undergraduate Computer Science and Psychology programs. The Bachelor of Business Technology Management was introduced in Fall 2025, and the Bachelor of Engineering in Software Engineering will begin in Fall 2026. To date, all Milton undergraduate enrolments have been fully funded by the provincial government; it is anticipated that Milton enrolment will continue to be fully funded. For 2026/27, Milton operations show a small deficit of \$71k. Similar to previous years, this deficit will be managed as a separate Milton reserve (within Operating Specific Reserves); the \$71k is part of the "Contributions (to)/from Reserves" in Table 7 above.

Table 8 below breaks out major revenue and expense types for Milton.

**Table 8:** 2026/27 Budget by Revenue & Expense (Milton only)

<b>Milton Campus 2026/27 Operating Budget</b>				
<i>In \$000's</i>				
	<b>Approved Budget 2025/26</b>	<b>Total Budget 2026/27</b>	<b>Change</b>	<b>% Chg</b>
<b>Revenue</b>				
Tuition Fees	1,305	3,108	1,803	138%
Enrolment Based Government Grants	874	2,106	1,232	141%
Other Income & Fees	130	265	135	104%
<b>Revenue Total</b>	<b>2,309</b>	<b>5,479</b>	<b>3,170</b>	<b>137%</b>
<b>Salary &amp; Benefit Expenses</b>				
Full/Part Time Faculty Costs	1,066	2,093	1,027	96%
Full/Part Time Staff Costs	600	871	271	45%
Benefits	321	652	331	103%
<b>Salary &amp; Benefit Expenses Total</b>	<b>1,987</b>	<b>3,615</b>	<b>1,628</b>	<b>82%</b>
<b>Non-Salary Expenses</b>				
Scholarships & Bursaries	135	488	353	261%
Operating Costs	666	662	-4	-1%
Building Lease	390	723	333	85%
Bus Access Fee	55	55	0	0%
Utilities, Insurance & Taxes	32	7	-25	-77%
<b>Non-Salary Expenses Total</b>	<b>1,278</b>	<b>1,935</b>	<b>657</b>	<b>51%</b>
<b>Expense Total</b>	<b>3,266</b>	<b>5,550</b>	<b>2,285</b>	<b>70%</b>
<b>Surplus/(Deficit)</b>	<b>(957)</b>	<b>(71)</b>	<b>885</b>	<b>-92%</b>

Table 9 below depicts the key components contributing to the year-over-year change as shown in Table 7. The details of these key components are further explained in Sections 3.1 (Revenue Projections) and 3.2 (Expense Projections). Positive values indicate a favourable impact to the budget, whereas a negative value indicates an unfavourable impact.

**Table 9: Key Components of the Budget Build Process**

In \$ Millions	BASE	OTO	TOTAL
<b>2025/26 Budget - Structural Deficit</b>	-7.1	-1.3	-8.4
<b>Tuition &amp; Grant Revenue</b>	<b>54.8</b>	<b>7.4</b>	<b>62.2</b>
<b>Salary &amp; Benefits</b>	-16.2		-16.2
<b>Institutional Costs</b>	-3.7	0.3	-3.4
<b>Essential Requests</b>	-0.5		-0.5
<b>Faculty Hiring to support enrolment growth &amp; ratio compliance</b>	-4.9	-10.0	-14.9
<b>Direct Cost of Teaching</b>	-1.7	-0.6	-2.3
<b>Budget Reductions</b>	1.3		1.3
<b>Gapping &amp; Revenue Adjustments</b>		4.4	4.4
<i>Other Adjustments</i>	-1.0	-0.3	-1.3
<b>2026/27 Surplus / (Deficit) before Contributions</b>	<b>21.0</b>	<b>0.0</b>	<b>21.0</b>

### 3.1 Revenue Projections

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Overall, total revenues are expected to increase by \$62.1 million or 16.8%. Revenue from student tuition fees and government operating grants account for 86% of the total operating revenues. The following provides a comprehensive review of each major component of operating revenues and the factors causing the change from the previous year.

#### 3.1.1 Tuition Revenue

Total tuition revenue is the product of enrolment projections and tuition rates. The process of how each input is determined is described in Section 2. Table 10 breaks out the tuition revenue components, related student FTEs, and year-over-year budgeted change. Total tuition revenue is projected to increase by \$20.8 million or 11.0% when compared to the prior year's budget, reflecting 9.1% budgeted change in full-time equivalent (FTE) enrolment and allowable tuition rate increases for 2026/27. A significant proportion of this increase in revenue relates to enrolment growth achieved in 2025/26 that will flow through into 2026/27.

Total projected tuition revenue is up 5.4% from estimated actual 2025/26 tuition. This increase is based on increased enrolment of 2.4%, tuition fee increases for the majority of domestic and international programs and overall student mix.

**Table 10: Budgeted Operating Revenue Components – FTE Enrolment and Tuition**

	FTE Enrolment							Tuition \$						
	2025-26	2025-26	2026-27	2026-27 / 2025-26		2026-27 / 2025-26		2025-26	2025-26	2026-27	2026-27 / 2025-26		2026-27 / 2025-26	
	Budget	Actual	Budget	YoY Budget Change		Budget / Actual		Budget	Est. Actual	Budget	YoY Budget Change		Budget / Actual	
			#	%	#	%				\$	%	\$	%	
<b>Undergraduate</b>														
Domestic	19,051	20,350	20,945	1,893	9.9%	595	2.9%	\$139,115	\$148,839	\$158,335	\$19,220	13.8%	\$9,496	6.4%
International	818	892	817	-1	-0.1%	-74	-8.3%	\$25,293	\$25,951	\$25,728	\$436	1.7%	-\$223	-0.9%
Full Time	16,742	18,545	18,948	2,206	13.2%	403	2.2%							
Part Time	3,127	2,697	2,814	-313	-10.0%	117	4.3%							
<b>Graduate</b>														
Domestic	1,194	1,241	1,274	80	6.7%	33	2.7%	\$14,346	\$15,545	\$16,242	\$1,897	13.2%	\$697	4.5%
International	397	366	368	-29	-7.3%	3	0.7%	\$11,076	\$9,488	\$10,324	-\$752	-6.8%	\$835	8.8%
Full Time	1,344	1,349	1,387	43	3.2%	38	2.8%							
Part Time	247	257	255	8	3.3%	-2	-0.9%							
<b>Undergraduate</b>	19,870	21,242	21,762	1,893	9.5%	520	2.5%	\$164,407	\$174,790	\$184,063	\$19,656	12.0%	\$9,273	5.3%
<b>Graduate</b>	1,591	1,606	1,642	51	3.2%	36	2.2%	\$25,421	\$25,033	\$26,566	\$1,145	4.5%	\$1,533	6.1%
<b>Total</b>	<b>21,461</b>	<b>22,848</b>	<b>23,404</b>	<b>1,944</b>	<b>9.1%</b>	<b>556</b>	<b>2.4%</b>	<b>\$189,829</b>	<b>\$199,824</b>	<b>\$210,629</b>	<b>\$20,801</b>	<b>11.0%</b>	<b>\$10,806</b>	<b>5.4%</b>
<b>Domestic</b>	20,245	21,591	22,219	1,973	9.7%	628	2.9%	\$153,460	\$164,384	\$174,577	\$21,117	13.8%	\$10,193	6.2%
<b>International</b>	1,215	1,258	1,186	-30	-2.4%	-72	-5.7%	\$36,368	\$35,440	\$36,052	-\$316	-0.9%	\$613	1.7%
<b>Total</b>	<b>21,461</b>	<b>22,848</b>	<b>23,404</b>	<b>1,944</b>	<b>9.1%</b>	<b>556</b>	<b>2.4%</b>	<b>\$189,829</b>	<b>\$199,824</b>	<b>\$210,629</b>	<b>\$20,801</b>	<b>11.0%</b>	<b>\$10,806</b>	<b>5.4%</b>
Full Time	18,086	19,894	20,335	2,249	12.4%	441	2.2%							
Part Time	3,374	2,954	3,069	-305	-9.0%	115	3.9%							
<b>Total</b>	<b>21,461</b>	<b>22,848</b>	<b>23,404</b>	<b>1,944</b>	<b>9.1%</b>	<b>556</b>	<b>2.4%</b>							

**Undergraduate tuition revenue: Year-over-year budget change**

Undergraduate tuition revenue is forecasted to increase by \$19.7M million or 12.0% over the prior year budget. This includes undergraduate enrolment growth of 9.5% as well as allowable tuition rate increases for both domestic and international students.

**Undergraduate domestic tuition revenue**

Undergraduate domestic tuition revenue is forecasted to increase by \$19.2 million or 13.8% over the prior year budget. This reflects a 9.9% increase in enrolment and a 2% tuition rate increase beginning in September 2026 and application of approved Tuition Anomaly rate increases in Spring 2026 to include an additional cohort of students.

**Undergraduate international tuition revenue**

Undergraduate international tuition revenue is forecasted to increase by \$0.4 million or 1.7% over the prior year budget. This reflects flat enrolment year-over-year, tuition rate increase of mainly 5% and an increase in the number of international students who qualify for domestic tuition rates, decreasing the rate of international tuition growth.

**Graduate tuition revenue: Year-over-year budget change**

Graduate tuition revenue is forecasted to increase by \$1.1 million or 4.5% over the prior year’s budget. The Fall 2026 graduate FTE enrolment is increasing 3.2%, along with a 2% tuition increase for domestic students effective Fall 2026 and international/cost recovery rate increases effective Spring 2026 that range from 0-10% with the majority at 5%.

**Graduate domestic tuition revenue**

Graduate domestic tuition revenue is forecasted to increase by \$1.9 million or 13.2% over the prior year budget. While graduate domestic Fall FTE is anticipated to increase by 6.7% overall, total FTE is increasing by over 8%, with higher growth anticipated in select programs garnering higher tuition.

**Graduate international tuition revenue**

Graduate international tuition revenue is forecasted to decrease by \$0.8 million or (6.8%) over the prior year’s budget, with a 7.3% decrease in Fall FTE expected. However, overall FTE is expected to decrease by 10.8%, offset by anticipated annual tuition increases for international students.

**Figure 15: Total Student Revenue Source by Type**

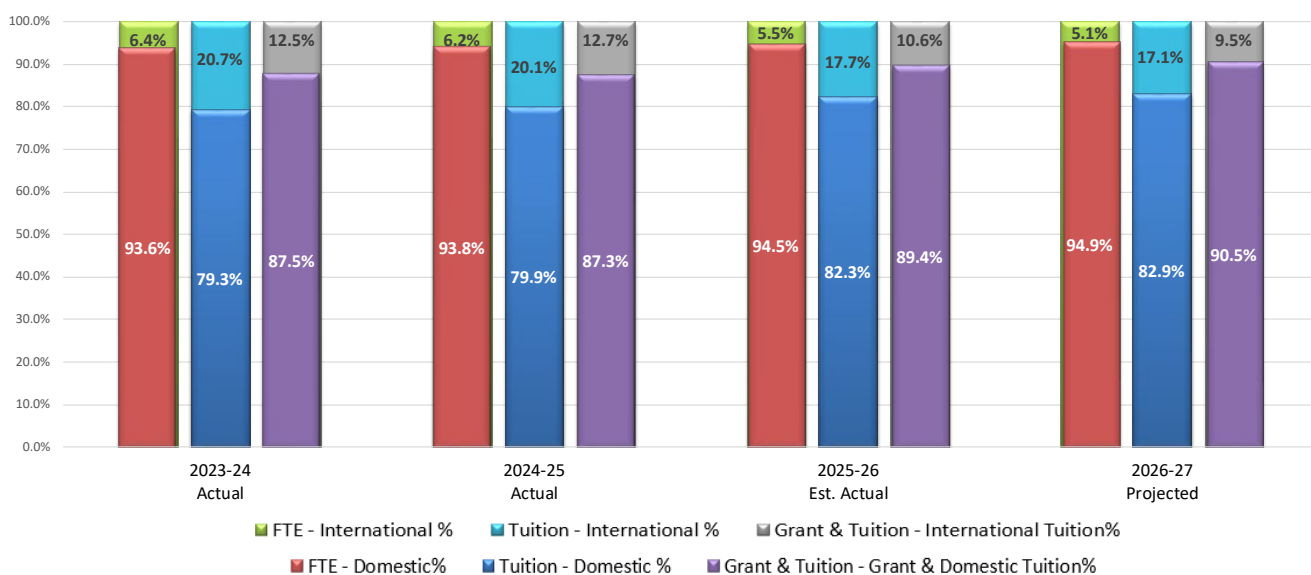


Figure 15 shows the percentage breakdown over time for Domestic and International enrolment, tuition, and total enrolment-based revenue (tuition and operating grant) over time.

In 2026/27, declining international enrolment at the undergraduate level along with increasing domestic enrolment, leads to a further decline in international tuition as a proportion of total tuition, from 17.1% in 2025/26 to 17.7% estimated for 2026/27; this means that the international enrolment decline is not fully offset by international tuition rate increases. In terms of total enrolment-based revenue, the year-over-year change is greater because of the increase in operating grant, increasing domestic enrolment-based revenue to 90.5%, up from 89.4% as estimated for 2025/26. The declines in international enrolment and revenue represent the continuation of a multi-year trend.

### 3.1.2 Government Grants

Table 11 outlines the major sources of government grant funding in fiscal 2026/27 with best estimates and allocations available at the time of writing and pending confirmation through finalization of the 2025-2030 Strategic Mandate Agreement, including confirmation of final technical details .

**Table 11: Major Sources of Government Grant Funding**

<b>Major Sources of Government Grant Funding</b>	
<b>Budget (In 000's)</b>	<b>2026/27 Budget</b>
<b>Total Enrolment Envelope</b>	<b>53,695</b>
<b>Total Differentiation Envelope</b>	<b>99,719</b>
<b>Institutional Base Operating Funding</b>	<b>153,414</b>
Postsecondary Education Sustainability Fund <sup>1</sup>	7,418
Milton Campus <sup>2</sup>	2,106
International Student Recovery	(725)
<b>Institutional Total</b>	<b>162,212</b>
Allocation to Martin Luther University College	(1,880)
<b>Total</b>	<b>160,332</b>

1 - 7% increase for 2026/27

2 - Estimated funding for UG Milton Campus enrolment

The estimated 2026/27 grant funding represents a 29.2% budget increase over 2025/26 (see table 7) and includes:

- Base Operating Funding, which has been operationalized through various changes introduced with the new funding model and updated distribution between the Enrolment and Differentiation Envelopes.
- A final cumulative increase of an additional 2% related to the Postsecondary Education Sustainability Fund (PSESF), estimated institutionally at \$7.4 million in one-time only funding.
- Milton campus base operating grant, which is increasing mainly due to increased upper year enrolment as another year of undergraduate students' progress.
- Reduction in International Student Recovery (ISR) proportional to the decrease in applicable international students who are subject to the recovery (UG and masters level).

Laurier's operating grant funding includes amounts allocated to Martin Luther University College (MLUC), a federated college of the university. Annual amounts vary with MLUC eligible enrolment.

## Other Income & Fees

Other income & fees are expected to increase \$5.1 million from the prior year. This category includes the student fees for essential services as well as other general fees and program revenues, such as financing income, non-tuition fees (e.g. transcript fees, co-op/internship fees, application fees), athletics, student interest, and continuing education. Additionally, this year, the main contributors to the overall net increase include:

### Favourable contributors:

- Increase in non-tuition fee revenue of \$2.6 million of which the Comprehensive Student Services fee was the most significant contributor
- Increase of \$0.9 million to an allocated funding amount of \$4.43 million for the Facilities Renewal Program (FRP) for 2026/27 as well as the true-up of \$0.4 million of other grants to actual grant funding (Mental Health, Accessibility, Municipal Tax)
- Increase in interest income of \$0.4 million due to estimated interest on current bank balances and short-term investments

## 3.2 Expense Projections

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Total expenses are expected to increase by \$37.9 million (10.2%). Faculty and staff salaries and employee benefits account for 76% of the total operating expenditures. Figure 16 depicts the breakdown of total expenses.

**Figure 16:** Total Expenses Breakdown



### 3.2.1 New and Replacement Full-time Faculty Positions / Direct Cost of Teaching

#### New & Replacement Faculty Positions

Each year, the university reviews all full-time faculty positions that become vacant through retirements, resignations, or limited term appointment contract end-dates. The Faculties submit requests for new and replacement faculty positions based on evidence of program need. Decisions about the allocation of new positions are based on factors such as student enrolment by program, anticipated future student demand, new program growth, and accreditation requirements. At an institutional level, the university also monitors the total tenure-track and tenured faculty complement, the proportion of full-time to part-time course section teaching, and the ratio of students to faculty members. In 2025/26, the university invested in a significant number of limited term faculty positions to reflect enrolment growth.

Based on the strength of enrolment growth in 2025/26, driven by both new students and stronger retention of continuing students, additional investment in new and renewed faculty positions is necessary. As a result, the 2026/27 operating budget includes a significant further investment in new and replacement faculty positions, with a total of 66 net new tenure-track and limited term appointment faculty positions approved. The balance between base and OTO investments is designed to address the areas of greatest need, while preserving a level of flexibility to respond to near-term changes in student demand. Based on the criteria described above, the largest numbers of positions were allocated to the three largest Faculties: the Faculty of Science, the Lazaridis School, and the Faculty of Arts.

**Table 12: Full-time Faculty Investments**

<i>In millions</i>	<b>BASE</b>	<b>OTO</b>	<b>TOTAL</b>
Full-Time Faculty	4.9	8.5	13.3
Contract Teaching Faculty		0.7	0.7
Start-up Funds		0.8	0.8
<b>New and Replacement Faculty Positions</b>	<b>4.9</b>	<b>10.0</b>	<b>14.9</b>

Additional full-time faculty positions have been allocated to all Faculties with distribution more heavily weighted to the Faculty of Science, which has experienced significant, sustained enrolment growth and the Lazaridis School, which has experienced more recent growth in undergraduate Business, an accredited program. Full-time faculty were also allocated to the Faculty of Education to support the recent growth in the Bachelor of Education program, an identified area of growth by MCURES, which has received funding increases for the last several years in support of enrolment growth.

#### Direct Costs of Teaching

Direct costs of teaching costs (DCT) result from the creation of new programs and from significant changes in student enrolment. Full-time faculty hires are included in table 12 above; the information in the table below includes contract teaching faculty stipends, staff resources, and operating expenses related to these drivers. For 2026/27, these costs include support for the new PhD in Education, practicum support for BEd program growth, additional staffing and stipends for the growing MSc in User Experience Design, costs associated with the BEng Software Engineering program launch, teaching and staff support for BBA program growth, and program operations for the new MBA offering in Toronto.

**Table 13: Direct Cost of Teaching**

<i>In millions</i>	<b>BASE</b>	<b>OTO</b>	<b>TOTAL</b>
Contract Teaching Faculty	0.2	0.3	0.5
Support Staff and Program Operations	1.5	0.3	1.8
<b>Direct Cost of Teaching</b>	<b>1.7</b>	<b>0.6</b>	<b>2.3</b>

### 3.2.2 Institutional Costs – Unit Oversight

Institutional costs with unit oversight are costs that are directly attributed to a unit, and the unit has the responsibility to oversee the cost, but the unit has limited control over how the cost may increase or decrease. Reflected below are the changes that have been incorporated into the budget. In Table 14, a positive figure indicates a budget increase (negative impact) whereas a negative figure indicates a budget reduction/savings (positive impact). The total impact of institutional costs (unit oversight) was unfavourable at \$4.8 million.

**Table 14: Institutional Costs – Unit Oversight**

<i>In 000's</i>	<b>BASE</b>	<b>OTO</b>	<b>Total</b>
<b>Expense</b>			
Scholarships/TAs	2,451	120	2,571
Insurance/Utilities/Taxes	858		858
ICT/Library Inflation and FX *	511	83	594
Facility Operations	449	111	560
PER/Travel	258		258
Employee Benefits	-155		-155
Recruitment		80	80
One Market	50		50
LEAF UG	49		49
Faculty Support	40		40
Commissions		-70	-70
Others less than \$25K	-13		-13
<b>Increase in Expenses</b>	<b>4,497</b>	<b>324</b>	<b>4,822</b>
<b>Negative Impact on Operating Budget</b>	<b>4,497</b>	<b>324</b>	<b>4,822</b>

\* FX (Foreign Exchange)

### 3.2.3 Institutional Costs – Central Oversight

Institutional costs with central oversight are costs that cannot be directly attributed to any one unit. These costs are reviewed centrally for any changes that may cause the cost to increase or decrease. Reflected below are the changes that have been incorporated into the budget. In Table 15, a positive figure indicates an increase to revenue or expense, whereas a negative figure indicates a decrease to revenue or expense. The total impact of changes to institutional costs (central oversight) was favourable at \$1.5 million.

**Table 15: Institutional Costs – Central Oversight**

<i>In 000's</i>		BASE	OTO	Total
<b>Revenue</b>	Bank Interest Income	1,060	825	1,885
	Application Fees	280		280
	Internal Loan Interest Revenue	40		40
	<i>Other</i>	34		34
	<b>Increase in Revenue</b>	<b>1,414</b>	<b>825</b>	<b>2,239</b>
<b>Expenses</b>	Contingency	72		72
	Bad Debt Expense	300		300
	LEEP Internal Loan Payment	164		164
	Special Research Allowance		100	100
	Supplemental Pension Arrangement		100	100
	Central Memberships	40		40
	<i>Other</i>	6		6
<b>Increase in Expenses</b>	<b>582</b>	<b>200</b>	<b>782</b>	
<b>Positive Impact on Operating Budget</b>		<b>832</b>	<b>625</b>	<b>1,457</b>

### 3.2.4 Budget Targets

The preliminary 2026/27 forecast reflected an operating deficit even before considerations for new costs, including salary increases, contributions to strategic and capital priorities, and other institutional cost pressures. During the budget development phase, a general domestic tuition increase was not anticipated for 2026/27 and any change in base operating grant funding was also anticipated to be delayed until at least 2027/28 with the funding formula review. Therefore, additional tactics were required to improve the budget deficit and support the achievement of Laurier's strategic objectives.

Laurier has made significant budget reductions since the tuition freeze began in 2019/20. To continue to make deep reductions puts the institution at risk. As a result, this budget cycle required us to continue to prioritize the development of new and expanded revenue sources and managing inflationary pressures in support of improved financial sustainability. An assigned budget target of 1% to each VP was consistent with the target assigned last year. The 1% target was calculated on the BASE budget of \$127.7 million that excludes Full-time Faculty, Contract Teaching Faculty and Librarian salary and benefits costs in order to keep pace with enrolment growth and collective agreement obligations.

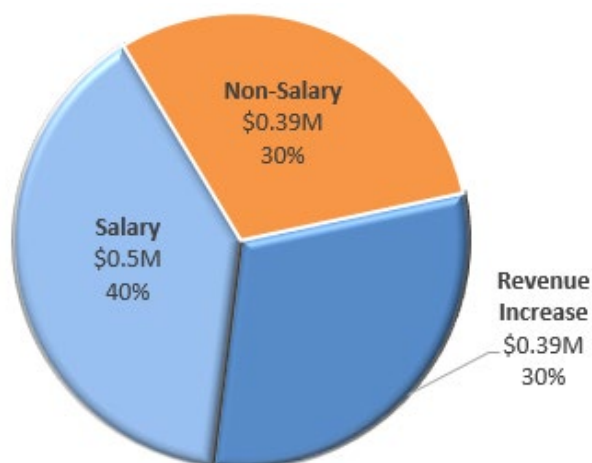
VPs were responsible for assigning differentiated budget targets within their portfolio based on information received in the unit templates. The actual targets assigned are shown in Table 16.

**Table 16: Budget Targets by VP Portfolio (in 000's)**

VP Portfolio	BASE Budget	% of Total University Budget	Target 1.0%
Presidents Area	2,753	2.2%	28
Chief Human Resources & Equity Officer	4,981	3.9%	50
VP - Student Affairs	22,300	17.5%	223
Vice President:Academic	53,697	42.0%	537
VP - Research	2,447	1.9%	24
VP - Finance & Administration	31,511	24.7%	315
VP - Advancement and External Relations	10,034	7.9%	100
	<b>127,724</b>	<b>100.0%</b>	<b>1,277</b>

Figure 17 shows the breakdown of the Operating Unit’s targets by type and highlights the nature of activity that is planned to realize the budget target.

**Figure 17: Unit Budget Targets by Type**



Non-Salary reductions represent 30% of the overall \$1.3 million of budget targets achieved. The VP: Academic and the VP: Finance & Administration portfolios contributed 42% and 28% respectively of the overall non-salary reductions, with the remaining 30% attributed to other VP portfolios.

Salary/benefits represent 40% of the budget targets achieved. The majority of the \$0.5 million salary targets were achieved through vacancy savings (resignations or retirements).

The revenue increase was primarily driven by the true up of grants to the relevant Transfer Payment Agreements, new revenue associated with the stadium dome, and adjusting budgeted revenue to align with actuals.

The major contributors to the non-salary saving reductions include the following:

### Efficiency savings

- License optimization
- Achieve long-term savings through more strategic purchasing approaches
- Replacement of legacy technology

### Other major savings

- Reduction of Athletics maintenance costs through the funding of collected fees
- Funding of limited Faculty-based graduate scholarship top-ups as being replaced through other funding sources.

## **3.2.5 Central Review of Preliminary Budget Position**

As in previous years, the Budget Coordinating Team completed a comprehensive review of central and institutional items to identify potential savings and cost containment opportunities. The focus continues to be on reducing fiscal conservatism to bring the budget as close as possible to projected actuals, considering interdependency across all funding sources, to mitigate the level of unit level budget targets.

## **3.2.6 Commentary to 2026/27 Budget by Expense**

This section provides detailed commentary to the 2026/27 Budget including review of the major drivers influencing the expenditure assumptions. Further, it provides explanations and highlights the major variances to expenditures as noted in Table 7 for 2026/27 as compared to 2025/26.

### **Salary & Benefit Expenses**

Salaries and benefits for faculty and staff (full and part-time) make up the largest portion of the university's operating expenditure budget (\$310.8 million or 76%).

The salaries & benefits increase of \$30.7 million or 11.0% over the previous year is a result of the following major salary and benefit related budget components:

#### Full/Part Time Faculty Costs – Increase of \$15.3 million

Compensation increases of \$5.9 million driven by the implementation of negotiated collective agreements are the largest cost driver of this budget category.

#### The atypical factors contributing to this increase this year include:

- New and replacement faculty hires totalling \$8.0 million
- Increase of \$1.1 million to reflect the 1.2% UPP-related salary offset effective Jan 1, 2026
- Increase in TA-ships of \$0.4 million to reflect collective agreement rate changes and changes in student volume

### Full/Part Time Staff Costs – Increase of \$8.5 million

Compensation increases of \$5.1 million driven by collective agreements are the largest cost driver of this budget category. Additionally, direct cost of teaching accounted for a \$0.6 million change year over year.

*This year, some atypical factors contributed to the increase, including:*

- Increase of \$0.8 million to reflect the 1.2% UPP-related salary offset effective Jan 1, 2026
- New positions and conversion of limited term to continuing positions resulted in an increase of \$1.4 million through the prioritization and recommendation for approval process by CSSAC. These positions are funded through an increase in the Comprehensive Student Services Fee as described in Other Income & Fees.

*This year, a number of atypical factors offset the staff salary increases, including:*

- Salary savings of \$0.4 million of which the majority are related to positions not currently occupied and anticipated vacancies.

### Benefits – Increase of \$4.3 million

The statutory and fringe benefits budget has been adjusted to reflect the impact of the transition to the University Pension Plan Ontario (UPP), which is estimated at a \$1.9 million increase in pension costs for 2026/27. To reflect the growing variance between budgeted and actual benefit costs as well as the continued increases in health and dental costs, the fringe benefit rate for full-time positions has been increased from 21% to 22% for 2026/27. This 1% increase results in a \$2.0 million increase.

### Pension Plan: Current Service Costs – Increase of \$2.7 million

The Wilfrid Laurier University Pension Plan converted to the University Pension Plan (UPP) effective January 1, 2026. At conversion, the Laurier Plan was in a surplus position and therefore no additional special payments are required in 2026. A UPP valuation will be performed annually, and the university could be required to make additional special payments towards past service /pre-conversion benefits. The next annual UPP valuation will take place January 1, 2027.

Employer pension contributions will increase in 2026/27 because the required contribution under the UPP are approximately 1.2% higher than the most recent contributions required under the Laurier Plan. Also, there is an increase in the overall pensionable earnings year over year. The UPP contributions rates are set by UPP's Joint Sponsors and subject to change based on the Plan's financial status. The current rates are the same for the employer and the employees at 9.2% of pensionable earnings up to the YAMPE (years additional maximum pensionable earnings) + 11.5% of pensionable earnings above the YAMPE. Contributions are capped according to the pension limits under the Canada Income Tax Act (ITA), which determine the maximum benefit that can be earned under a registered pension plan.

## Non-Salary Expenses

This category, which includes a number of non-salary budgets, increased \$7.2 million year-over-year. The following explains the main cost category changes:

### Scholarship & Bursaries - Increase of \$1.8 million

Scholarship and bursary costs are expected to increase in 2026/27. This is mostly driven by a growing Tuition Set Aside (TSA) obligation that enables Laurier to provide additional bursaries to support students with demonstrated financial need. Laurier's TSA obligation increases as domestic enrolment and average domestic tuition rates increase, and reserved TSA funds must be used for need-based student financial assistance. A smaller component of the increase relates to Undergraduate and Graduate level merit-based scholarships. While there are no changes to the scholarship grids in 2026/27, enrolment increases drive additional scholarship costs. Undergraduate scholarship costs are informed by award rate (%), award value (\$), and enrolment levels. Graduate scholarships are informed by enrolment levels in scholarship-eligible Masters and PhD programs and the respective award value (\$).

### Operating Costs - Increase of \$4.6 million

This category includes a multitude of accounts across all units within the university. The largest categories with budget exceeding \$3.0 million include Externally Contracted Services, Equipment/Software, Deferred Maintenance, Library Acquisitions, and Equipment/Operating Renewal. Annual review of Institutional Costs relating to rental and other contractual agreements were reviewed and adjusted, as necessary.

#### *The atypical unfavourable changes to this category this year include:*

- Increase of \$0.9 million to Facilities Renewal Program (FRP) projects to \$4.43 million for 2026/27 to align with the increase in grant that will be received
- **Conestoga Partnership (Brantford)** - \$0.8 million
  - Wind-down of Conestoga partnership in Brantford in 2026/27 reflects the removal of BASE expenses and in turn coverage on an OTO basis for positional budgets
- Start-up funds to support research and scholarly activity of new faculty hires
- Costs associated with external partner in the provision of services such as space, marketing, recruitment, industry engagement, promotion of the newly launched professional graduate cohort of \$0.75 million
- Increase of \$0.4 million related to service enhancement funding for areas supported by the CSS fee
- Additional leased space in Milton to support continued ramp-up of operations - \$0.3 million

### Debt Service – Increase of \$0.2 million

A ramp-up approach was introduced for the Laurier Energy Efficiency Project (LEEP) internal loan payment commencing in 2024/25. This payment increased by \$0.15 million in 2025/26 to \$0.35 million and further in 2026/27 to the final payment amount of \$0.51 million and has a 35-year payback payment schedule. LEEP was completed in 2021/22 and has resulted in significant energy savings and utility cost savings.

### 3.3 Budget by Faculty

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#### RCM Budget Model

Since 2017/18, the Budget Report has included a statement showing the budget by Faculty. This analysis is an important element of the budget, given that revenue from academic programming (tuition and grant) is 86% of total operating revenue and the direct costs of Faculties represent 51% of total operating expenses. These proportions highlight the centrality of the Faculty budgets to the university budget as a whole. Transparency about the relative contribution margin of Faculties (i.e., a measure of the capacity of each Faculty to contribute to the shared services required for the functioning of the entire university) is an important tool in understanding how resources are allocated to areas of priority and demand.

The methodology employed to generate the contribution margin by Faculty is rooted in the Responsibility Centre Management (RCM) budget model that was developed in the mid-2010s and adopted in 2017/18. The RCM model was launched with a multi-year transition plan designed to increase resources to Faculties in surplus and to incentivize all Faculties to move into a surplus position. The model recognized that not all Faculties would be able to reach surplus because of structural issues with tuition and grant funding for certain disciplines; the model included an equalization payment mechanism to provide for temporary and/or permanent subvention where necessary.

The transition plan to the RCM budget model was paused when the university entered a period of austerity following the tuition reduction and freeze in 2019.

In 2025/26, the university adopted a contribution margin approach that depicts the Faculties' financial position. Table 17 presents the 2026/27 budget by Faculty using this contribution margin framework, showing the direct costs within each Faculty as a percentage of the allocated tuition and grant. The remainder, if available, is used to fund the shared service and institutional costs of the university as a whole (Table 17).

This approach replaced the more complex and precise RCM approach, which allocated all shared service and institutional costs to the Faculties based on cost pools and drivers. At the time, the rationale for the change to a contribution margin approach was the increasing amount of government grant that was being provided in special envelopes (e.g., STEM funding, PSESF funding) that did not align with our internal allocation principles. Going forward, the university will be developing strategies for investment over the next four years in light of the significant changes from the funding model and renewed tuition framework. The approach to the budget by Faculty presentation will be reviewed in alignment with those strategies.

**Table 17: 2026/27 Budget by Faculty**

(in \$000s)

	Arts	Lazaridis	Education	HSS	Liberal Arts	Music	SIPG	Science	Social Work	Total
Tuition & Grant Revenue	56,154	96,258	16,869	25,673	12,113	6,593	1,488	134,509	16,089	365,748
Non-Tuition & Grant Revenue	331	306	456	134	61	1,327	0	1,039	2,537	6,188
<b>Total Revenue</b>	<b>56,485</b>	<b>96,564</b>	<b>17,325</b>	<b>25,807</b>	<b>12,174</b>	<b>7,920</b>	<b>1,488</b>	<b>135,547</b>	<b>18,626</b>	<b>371,936</b>
<b>Total Direct Costs</b>	<b>36,202</b>	<b>53,550</b>	<b>8,546</b>	<b>13,307</b>	<b>10,678</b>	<b>10,800</b>	<b>2,693</b>	<b>62,071</b>	<b>12,519</b>	<b>210,365</b>
<b>Contribution Margin</b>	<b>20,283</b>	<b>43,014</b>	<b>8,779</b>	<b>12,500</b>	<b>1,496</b>	<b>(2,880)</b>	<b>(1,205)</b>	<b>73,477</b>	<b>6,107</b>	<b>161,571</b>
<i>Direct Costs as % of Revenue</i>	<i>64.1%</i>	<i>55.5%</i>	<i>49.3%</i>	<i>51.6%</i>	<i>87.7%</i>	<i>136.4%</i>	<i>181.0%</i>	<i>45.8%</i>	<i>67.2%</i>	<i>56.6%</i>

*Excludes Milton*

<b>Reconciliation to Table 7:</b>	
Total Faculty Contribution Margin (from above)	161,571
Net Shared Service Costs	(142,518)
Net Central Revenue	1,907
<b>Surplus/(Deficit) After Contributions (Table 7)</b>	<b>20,959</b>

The contribution margin amount of each Faculty reflects net changes in revenue and direct costs. The direct costs change is a result of increases in salary costs (see section 3.2.6) and new direct costs of teaching (Table 13) offset by the budget reductions (Table 16).

## Part C – Reserves

Internally Restricted Net Assets as shown on Laurier’s audited financial statements represent funds restricted by the university for future commitments, projects and other specific purposes.

Reserves are an important component of the long-term fiscal strategy in a number of ways. Historically, reserves have provided a source of funds to address operating and ancillary fund deficits, and as a source of funding for specific strategic initiatives. More recently, reserves have provided internal loans for capital purposes. Laurier’s efforts to strengthen financial sustainability includes strategies to replenish reserves and serve these needs. As outlined in Laurier’s Budget Planning Policy, the University’s fiscal policy is the realization of annual operating and ancillary surpluses to strengthen reserves for the purposes of mitigating future fiscal challenges and investing in capital projects and facilities renewal.

The table below indicates preliminary forecasted reserve balances for 2025/26; Actual April 2026 reserve amounts will be impacted by year-end results.

**Table 18: Internally Restricted Net Assets (Reserves)**

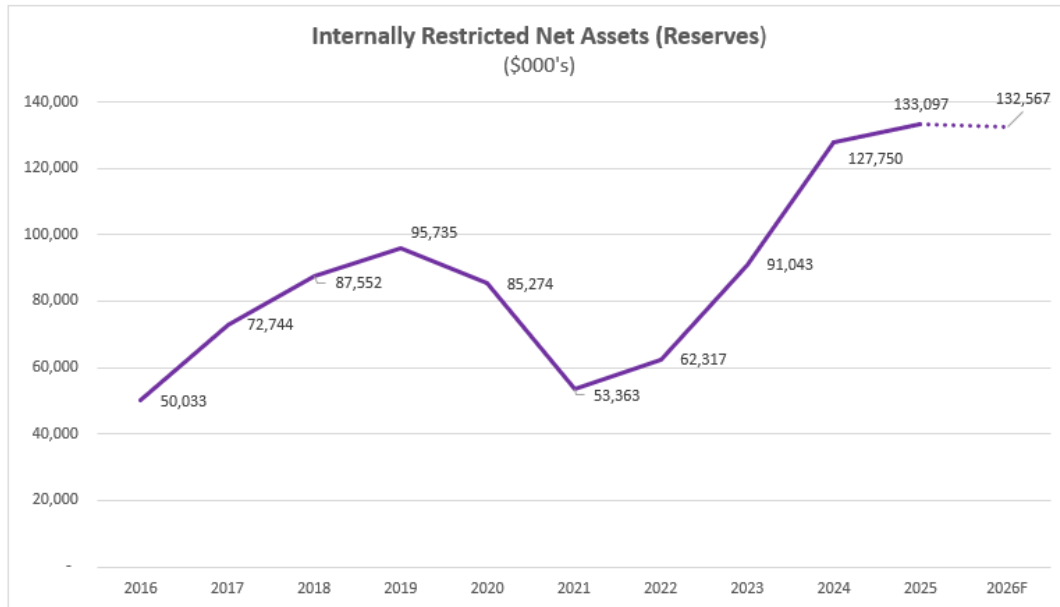
<b>Summary (In 000's)</b>	<b>Apr 2026 (forecast)</b>	<b>Apr 2025 (actual)</b>	<b>YoY Change</b>
Carryforward/Retained Surplus	9,686	10,545	(859)
Operating Stabilization Reserve	11,610	11,610	0
Operating Specific Reserves	6,451	4,429	2,022
Operating General Reserves	2,368	2,368	0
Major Repairs and Maintenance	11,597	16,035	(4,438)
Equipment Replacement and Renewal Fund	4,719	4,719	0
Research Reserves	6,909	6,909	0
Ancillary Reserves	12,247	7,969	4,278
Sinking Fund	38,500	35,704	2,796
Post-Employment Benefits, <i>Net of Internal Loans</i>	17,276	15,476	1,800
Capital Reserve	11,205	17,333	(6,128)
<b>Internally Restricted Net Assets</b>	<b>132,567</b>	<b>133,097</b>	<b>(530)</b>

Sinking fund and post-employment benefit reserves are forecasted based on planned contributions and repayment of internal loans. Ancillary reserves include deliberate contributions for the purposes of deferred maintenance for infrastructure needs. The Major Repairs and Maintenance Reserve includes funded capital projects in process. The Capital Reserve is the appropriation used to fund capital projects, established through the sale of assets and funded by an annual contribution from the operating fund.

Reserve balances will be impacted by year-end results, including the use of unit-specific carryforward funds, and potential additional year-end surplus contributions.

The figure below shows how the reserve balances have changed since 2016.

**Figure 18: Internally Restricted Net Assets (Reserves) Trend**



## Part D – Multi-Year Operating Budget Forecast

A multi-year planning approach is critical for ensuring institutional success and sustainability. The 2026/27 budget presents a surplus of \$21.9 million before contributions to reserve.

The Multi-Year Operating Budget model starts with the proposed 2026/27 Budget as the base and applies assumptions for future years to produce a Multi-Year Forecast. It incorporates revenue expectations reflecting the government's current and anticipated future Tuition Fee Framework, the Provincial operating grant funding, and the university's enrolment projections. Inflationary factors have been added to project salary and non-salary costs.

In preparing the multi-year model, certain assumptions and estimates were necessary. The assumptions and estimates are based on the information available to management at the time of preparing the 2026/27 Operating Budget. Readers are cautioned that actual results may vary from the forecast(s).

To accurately depict genuine uncertainty impacting specific assumptions, three scenarios have been developed in the Multi-Year Budget forecast.

- Base Scenario:** the 'most likely' scenario based on current knowledge
- Scenario 1:** represents the impact of financially favourable<sup>3</sup> budget assumptions
- Scenario 2:** represents the impact of financially unfavourable budget assumptions

### *Table 19: Multi-Year Assumptions*

#### **Enrolment Commentary:**

The enrolment projections are the foundation of the multi-year revenue scenarios. They are based on a set of potential outcomes given our knowledge of current and future initiatives, capacity and external demand. The enrolment levels have been factored into the projections for related increases in direct costs of teaching and scholarships.

Enrolment projections have been considered for both undergraduate and graduate programs, and for domestic and international students, and for all campuses including Milton.

Enrolment assumptions across the three scenarios vary based on anticipated impact of various trends and pressures:

- The impact on international enrolment due to international study permit policy and Canada's resulting decline as a destination of choice
- The changing competitive landscape and student demand patterns related to domestic enrolment
- Anticipated graduate enrolment trends
- Program growth opportunities aligned with student demand

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<sup>3</sup> Financially favourable / unfavourable: Immediate fiscal impact at a point in time on the budget and should not be construed as commentary on the qualitative impact, nor on the investment value of the increase or decrease.

<b>Tuition Rate: (annually)</b>	BASE	Scenario 1	Scenario 2
UG & Graduate Domestic tuition increase		2%	
UG and Graduate International tuition increase		3%	
Graduate Cost Recovery tuition increase		2%	

**Tuition Commentary:**

- The recently announced renewed tuition framework permits increases for domestic students up to 2% annually, extending to 2028/29. Subsequently, allowable increases will be based on a three-year rolling average of the Consumer Price Index, capped at 2%. Tuition Anomaly Program increases continue to apply as previously approved.
- International tuition increases are informed by ongoing market analysis and reflecting increased financial pressures for students. The 3% increase will ensure that we maintain an appropriate position in an environment of increasing competition.
- Tuition increases for Cost Recovery programs align with inflationary assumptions.

<b>Operating Grant:</b>	BASE	Scenario 1	Scenario 2
Base Operating Funding	Based on the information received by mid-February regarding the impact of the new funding model		
Share of 70K additional in-demand seats	Varying assumptions based on potential share of available seats		
Milton UG Operating Funding	Full funding based on projected levels of enrolment		

**Operating Grant Commentary:**

- Assumptions are based on the preliminary information known at the time of writing.
- The projected operating grant includes the relevant adjustments to account for changes in the International Student Recovery aligned with applicable international enrolment.

<b>Salary &amp; Benefits:</b>	BASE	Scenario 1	Scenario 2
Salary increases	Actual % to be determined through collective bargaining negotiations		
Student faculty ratio	Impact of enrolment		
Pension service cost	Based on most recent valuation		

**Salary & Benefits Commentary:**

- Collective bargaining for Laurier’s two largest union groups (WLUFAs Full-time Faculty & Librarians and WLUSA/OSSTF Staff) commences in spring/summer 2026. Across all scenarios, the same % has been assumed for forecast purposes only. The actual % increase will be determined through the upcoming negotiation process.

- The Pension Service cost assumption included in all scenarios is based on actuarial estimate and transition to UPP. While there is no pension deficiency costs included in any of the scenarios, the university could be required to make additional special payments towards past service/pre-conversion benefits. The next annual UPP valuation will take place January 1, 2027. Section 3.2.6 explains the Pension Plan: Current Service Costs in more detail.

<b>Non-Salary Expenses:</b>	<b>BASE</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Scholarships	Impact of enrolment		
Inflation (Revenue and Non-Salary)	Other Revenue: 1%; Non-Salary: 2%		

**Non-Salary Expenses Commentary:**

- A 2% inflation rate has been included in all scenarios based on the Bank of Canada’s target to keep total CPI inflation at the 2% midpoint of a target range of 1 to 3 per cent over the medium term.

<b>Central Gapping Adjustments:</b>	<b>BASE</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
OTO salary savings (\$2.0M)	Savings continue in future years		

**Central Gapping Adjustments Commentary:**

- The \$2.0 million assumption reflects the recognition of anticipated passive vacancy savings. Each year we budget positions as full FTEs for the full year, and naturally over the year we have turnover and vacancies that lead to salary and benefit savings. The amount has been determined based on past vacancy savings and reflects salary and benefits savings.

Table 20 and Figure 19 provide a very high-level overview of the Operating Budget forecast over the next four years. The multi-year scenarios below are reflective of the most likely funding and cost projections over the next four years. This includes a significant infusion of grant funding in 2026/27, and continued tuition fee increases, and the most probable inflationary cost increases for salary and non-salary costs. From the scenarios above, Laurier is expected to realize surpluses for the next 3 years with a return to deficit projections beginning in 2029/30.

Table 20: Multi-Year Operating Budget Model

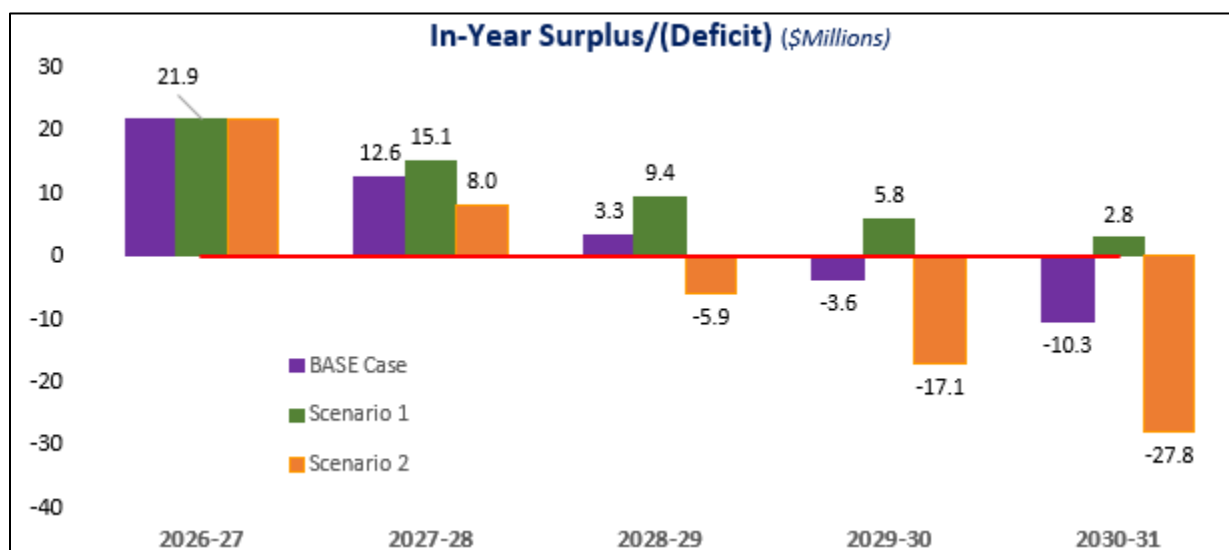
### Multi-Year Operating Budget Forecast (In millions)

Operating (including Milton) <i>In Millions</i>	2026/27	2027/28			2028/29			2029/30			2030/31		
	Budget	BASE	Scenario 1	Scenario 2	BASE	Scenario 1	Scenario 2	BASE	Scenario 1	Scenario 2	BASE	Scenario 1	Scenario 2
Tuition Fees	204.4	216.4	219.9	211.5	219.1	226.0	210.1	224.5	235.2	212.0	231.0	245.8	215.0
Enrolment Based Government Grants	156.1	161.6	162.6	160.6	163.3	165.4	161.3	165.1	168.2	162.0	166.5	170.7	162.4
<b>Grant &amp; Tuition Total</b>	<b>360.5</b>	<b>377.9</b>	<b>382.6</b>	<b>372.0</b>	<b>382.4</b>	<b>391.4</b>	<b>371.4</b>	<b>389.6</b>	<b>403.4</b>	<b>374.0</b>	<b>397.5</b>	<b>416.4</b>	<b>377.5</b>
Other Income & Fees	59.7	60.6	60.6	60.6	60.9	60.9	60.9	61.2	61.2	61.2	61.5	61.5	61.5
<b>Revenue Total</b>	<b>420.2</b>	<b>438.5</b>	<b>443.2</b>	<b>432.6</b>	<b>443.3</b>	<b>452.4</b>	<b>432.4</b>	<b>450.9</b>	<b>464.6</b>	<b>435.2</b>	<b>459.1</b>	<b>478.0</b>	<b>439.0</b>
Salary & Benefit Expenses	303.5	325.0	326.8	324.1	337.6	340.1	336.3	350.5	354.2	348.8	363.9	368.9	361.9
Non-Salary Expenses	94.7	100.9	101.2	100.5	102.5	102.8	102.0	104.0	104.6	103.5	105.5	106.2	105.0
<b>Total Expenses</b>	<b>398.2</b>	<b>425.9</b>	<b>428.1</b>	<b>424.6</b>	<b>440.0</b>	<b>443.0</b>	<b>438.2</b>	<b>454.5</b>	<b>458.8</b>	<b>452.3</b>	<b>469.4</b>	<b>475.2</b>	<b>466.8</b>
<b>Operating Surplus/(Deficit)</b>	<b>22.0</b>	<b>12.6</b>	<b>15.1</b>	<b>8.0</b>	<b>3.3</b>	<b>9.4</b>	<b>-5.9</b>	<b>-3.6</b>	<b>5.8</b>	<b>-17.1</b>	<b>-10.3</b>	<b>2.8</b>	<b>-27.8</b>
Contribution (to)/from Reserves	-0.9	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0
<b>Operating Surplus/(Deficit)</b>	<b>21.0</b>	<b>11.6</b>	<b>14.1</b>	<b>7.0</b>	<b>2.3</b>	<b>8.4</b>	<b>-6.9</b>	<b>-4.6</b>	<b>4.8</b>	<b>-18.1</b>	<b>-11.3</b>	<b>1.8</b>	<b>-28.8</b>

In supporting long-term financial sustainability, contributions to operating reserves continue to be included which contribute to strengthening reserves and supporting strategic projects.

Figure 19 provides a very high-level overview of all scenario in-year forecasts over the next four years projecting a range of a surplus of \$2.8 million in the best-case scenario to a deficit of \$27.8 million in the worst-case scenario in 2030/31.

Figure 19: Multi-Year In-Year Operating Forecast

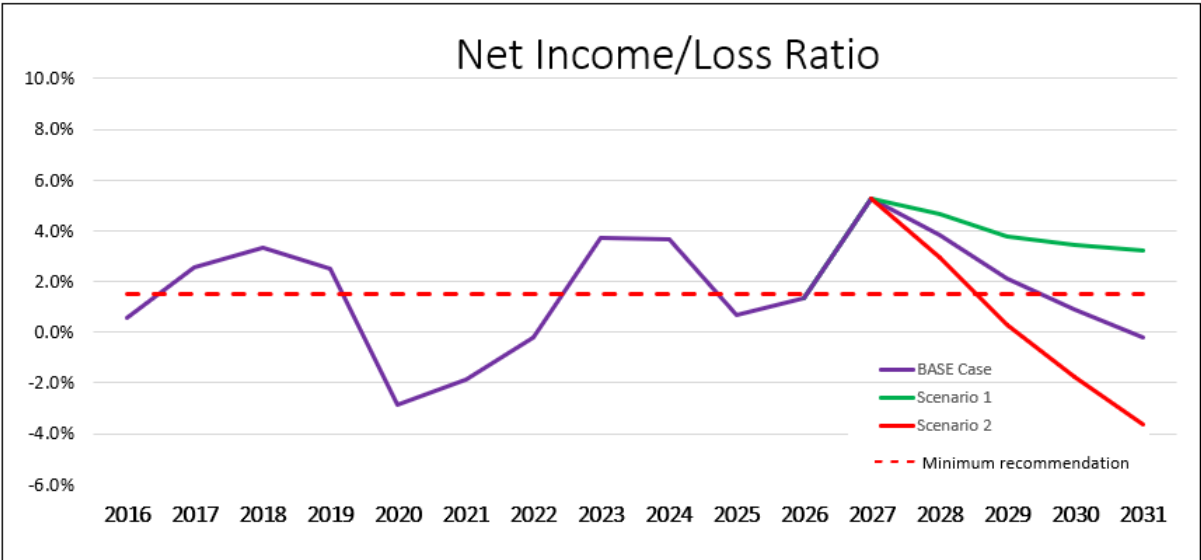


**Future Years Planning and Impact**

Revenue generation is an essential part of the university’s budget strategy. In accordance with the Laurier Strategic Action Plan, the university’s short-term revenue-generation priorities will depend on new program development, continued government advocacy, internationalization, curriculum renewal and reform, and multi-campus development. Concerted action in these areas is aligned with Laurier’s vision and mission and will contribute significantly to overall financial sustainability.

Projections of Net Income/(Loss) in figure 20 reflect the impact of ancillary and operating fund projections, as well as the proceeds of real estate transactions that took place in 2022/23 and 2023/24 causing the increase in those years. Future years reflect ongoing operating and ancillary fund activities. Based on multi-year scenarios, a deteriorating net income of the consolidated operating and ancillary fund is expected through to 2031, primarily in the BASE and Scenario 2 cases.

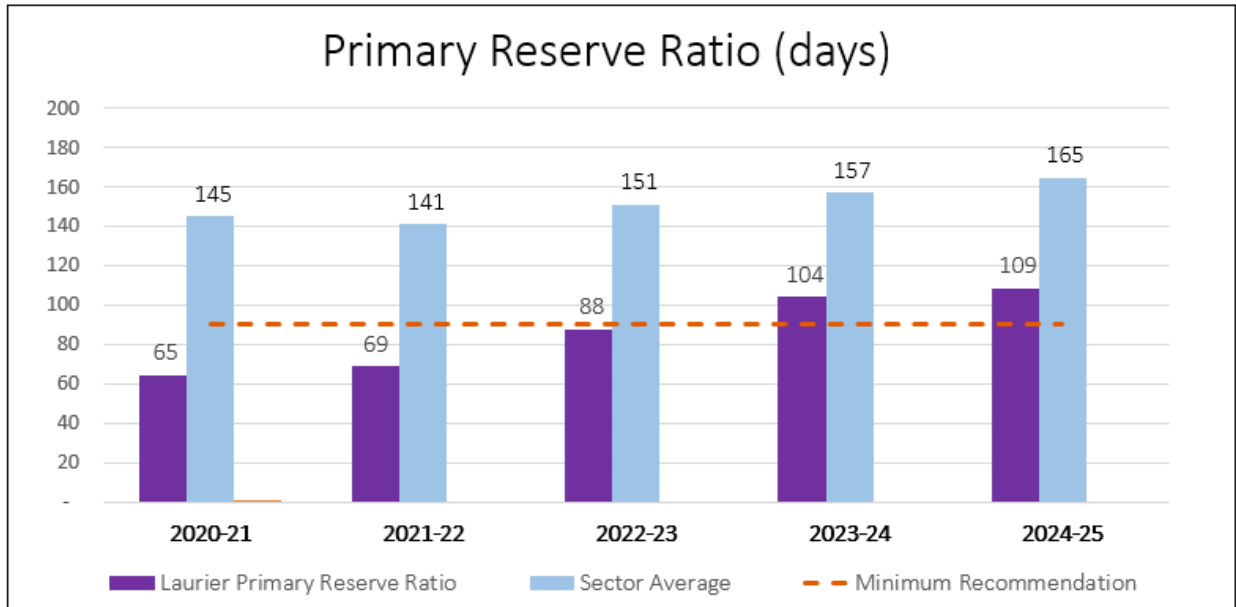
**Figure 20: Net Income/Loss Ratio**



In addition to improved performance in Net Income financial indicators, further strengthening of the Primary Reserve Ratio, a measure reflecting the health of the organizations expendable net assets relative to operations, is needed.

Primary Reserve Ratio is a measure of financial viability that compares expendable net assets to total expenses and provides an indication of an institution’s financial strength and flexibility by determining how many days an institution might (theoretically) function using only its expendable net assets. Expendable Net Assets include: unrestricted surplus (deficit), internally restricted net assets and internally restricted endowments, adjusted for the non-cash component of employee future benefits. A multi-year strategy that increases contributions to reserves will contribute to improvements in Laurier’s Primary Reserve Ratio, which has improved in recent years but remains lower than the sector average.

Figure 21: Primary Reserve Ratio



## Part E – 2026/27 Ancillary Budget

The Ancillary Services Budget is separate and distinct from the Operating Budget. All direct expenditures incurred in service areas of the university (e.g., facilities management) are charged to the ancillary operations as they are required to be self-sustaining.

The Ancillary Services units include the ancillary operations of Business Development, Conference Services, Food Services, Hawk Shops, HUB Operations, Off Campus Housing (Houses & Ezra Bricker Apartments), One Card Operations, Parking & Transportation Resources, Printing Services and Residence Operations (Waterloo & Brantford campuses). Table 22 provides a summary of the 2026/27 Budget being submitted for approval. Table 23 summarizes the 2026/27 Budget by each ancillary operation. The following provides highlights of the major changes in revenues and expenditures for Ancillary Services as compared to 2025/26 approved budget.

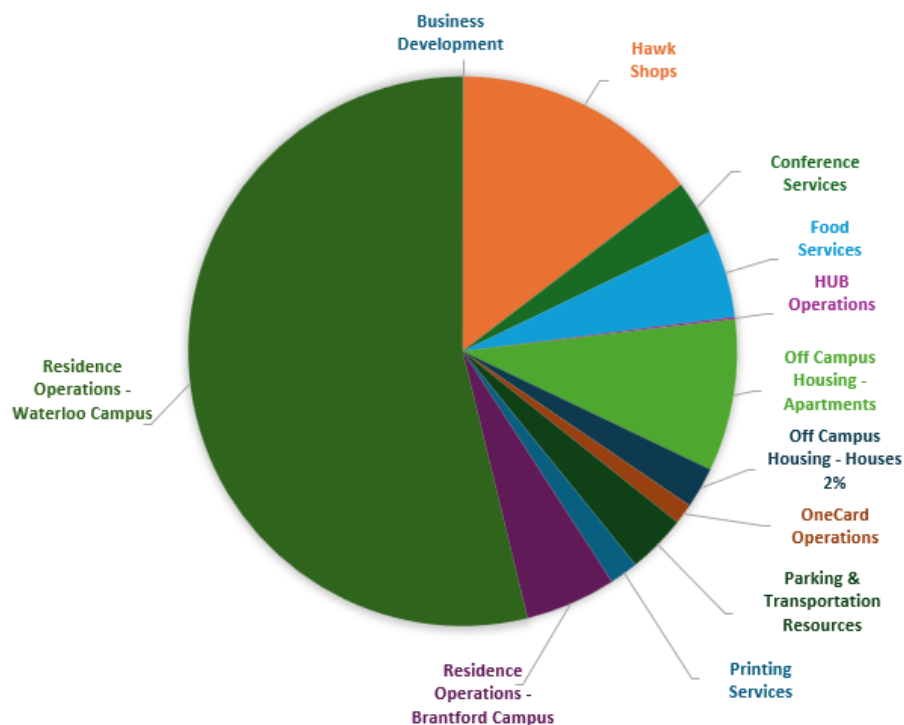
Ancillary Services is projecting a surplus of \$4.3 million in 2026/27.

### Revenue

The revenue of the ancillary units is estimated to be \$64.1 million in 2026/27.

- Overall revenue associated with the Residence Operations reflects fee increases in line with inflationary cost pressures. Brantford residences revenue projection accounts for a higher vacancy rate. Fees for residence and other non-tuition fees are reviewed and endorsed by the Non-Tuition Fee Protocol Committee in addition to the Student Affairs Advisory Committee.
- Revenue growth in the Hawk Shops is expected in general merchandise and course materials primarily in digital and inclusive access products through revised pricing strategies, expanded e-commerce and enhanced partnerships across the university.
- Off Campus Housing portfolio reflects the decision to insource the operations within Q1 of the fiscal year.
- Food Services revenue projection reflects annual fee increases on meal plans and sustained growth in retail operations.
- Parking Resources revenue primarily represents the permit fee increase, pay and display parking along with student permit revenue.
- Printing Services projected revenue reflects an adjustment to printing opportunities along with consistent print fleet volume.
- Conference Services expects revenue from a combination of repeat customers and single event group conference activities and short term stay bookings at Hotel Laurier. There is a large One-Time event in summer 2026 which will enhance revenue. There is also an opportunity for external bookings throughout the fiscal year, especially in Brantford.
- One Card Operations revenue will increase related to the inflationary increase in the mandatory card fee as well as revenue growth in business activities such as table rentals and commission revenue.

**Figure 22: Total Revenue by Ancillary Service Units**

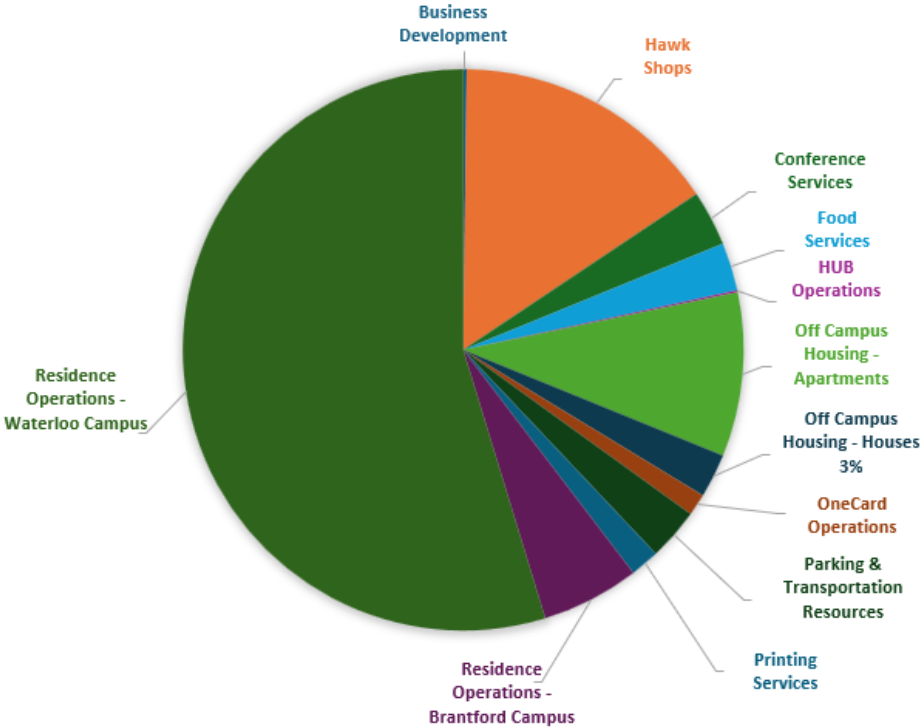


**Expenses**

Expenses are expected to be \$3.9 million higher than 2025/26 with a budget of \$59.8 million in 2026/27.

- Salary & benefits cost increases are based on updated salary information and adjusting residence allowance for dons to fair market value.
- Cost of Goods Sold is adjusted based on the projected revenue for each applicable organization.
- Debt Service expenses reflect LEEP debt repayment and the retirement of several internal loans.
- Off Campus Facility lease commitments includes inflationary increases and the addition of the new lease at 181 Lester Street.
- Operating Cost increases by \$0.9 million to \$12.0 million in 2026/27.
- Capital & Deferred Maintenance budget expense of \$2.9 million which represents proposed projects.
- Contribution to operating fund remains at \$1.0 million.

**Figure 23:** Total Expense by Ancillary Service Units



**Table 21:** Ancillary Services Internally Restricted Net Assets Forecast

Summary (In 000's)	Apr 2026 (forecast)	Apr 2025 (actual)	YoY Change
Ancillary Unit Reserves	405	(1,141)	1,546
Major Repairs & Maintenance (Residences & Food Services)	8,733	6,438	2,294
Residence Building Reserve	3,110	3,110	-
<b>Ancillary Services Internally Restricted Net Assets</b>	<b>12,247</b>	<b>8,407</b>	<b>3,840</b>

The Ancillary Services Internally Restricted Net Assets (IRNA) has a projected year end surplus of \$12.2 million. The 2025/26 forecast projects a positive contribution to ancillary unit reserves of \$1.5 million which improves those unit reserves to an accumulated balance of \$0.4 million. The major repairs and maintenance reserves will increase by \$2.3 million as projected by the year-end forecast. The Residence building reserve remains at \$3.1 million.

The Ancillary Services internally restricted net assets are important to support strategic initiatives and capital investments within this portfolio. While the operating expenses are significantly different from departments within the operating budget, there are significant resources dedicated to equipment and facility renewals within the ancillary portfolio. Much of the technology (hardware or software) requires ongoing investment and the franchise concepts in Food Services require capital investment for compliance with brand standards. The Residence and Off Campus Housing portfolio require significant facility renewals to address deferred maintenance and to remain competitive with student needs. Parking

& Transportation Resources maintains a strategic reserve to support essential capital improvements, maintenance, and repairs. This reserve enables the department to advance and enhance the goals of the Parking Master plan, including the strategic expansion, improvement or relocation of parking facilities. Each ancillary unit has a dedicated reserve and distinct criteria that influence the contribution and the prioritization of how the reserve funds are allocated.

**Table 22: 2026/27 Ancillary Services Budget Summary**

### 2026/27 Ancillary Services Budget

*In \$000's*

	Approved Budget 2025/26	Total Budget 2026/27	Change	% Chg
<b>Revenue</b>				
Residence Fees Revenue	34,763	37,309	2,546	7.3%
Other Revenue	25,289	26,761	1,472	5.8%
<b>Revenue Total</b>	<b>60,052</b>	<b>64,070</b>	<b>4,018</b>	<b>6.7%</b>
<b>Salary &amp; Benefit Expenses</b>				
Full/Part Time Staff Costs	6,439	6,747	308	4.8%
Benefits	2,340	3,382	1,042	44.5%
<b>Salary &amp; Benefit Expenses Total</b>	<b>8,779</b>	<b>10,130</b>	<b>1,351</b>	<b>15.4%</b>
<b>Non-Salary Expenses</b>				
Cost of Goods Sold	7,250	7,262	12	0.2%
Debt Service	8,045	8,049	4	0.0%
Off Campus Facility Rent	12,816	15,243	2,427	18.9%
Operating Costs	11,167	12,029	862	7.7%
Utilities, Insurance & Taxes	3,120	3,211	91	2.9%
Capital and Deferred Maintenance	3,676	2,869	(807)	(22.0%)
Contribution to Operating Fund	1,000	1,000	-	0.0%
<b>Non-Salary Expenses Total</b>	<b>47,074</b>	<b>49,663</b>	<b>2,590</b>	<b>5.5%</b>
<b>Expense Total</b>	<b>55,853</b>	<b>59,792</b>	<b>3,940</b>	<b>7.1%</b>
<b>Net Surplus/(Deficit)</b>	<b>4,200</b>	<b>4,278</b>	<b>79</b>	<b>1.9%</b>

**Table 23: 2026/27 Ancillary Services Budget Detail**

	Approved Budget 2025/26	Total Budget 2026/27	Change	% Chg
<b>Business Development</b>				
Revenue Total	14	36	22	157.7%
Expense Total	114	115	1	1.0%
<b>Surplus/(Deficit)</b>	<b>(100)</b>	<b>(79)</b>	<b>21</b>	<b>(20.9%)</b>
<b>Conference Services</b>				
Revenue Total	1,442	2,071	629	43.6%
Expense Total	1,260	1,913	653	51.8%
<b>Surplus/(Deficit)</b>	<b>182</b>	<b>158</b>	<b>(24)</b>	<b>(13.0%)</b>
<b>Food Services</b>				
Revenue Total	3,087	3,299	212	6.9%
Expense Total	1,826	1,650	(176)	(9.6%)
<b>Surplus/(Deficit)</b>	<b>1,261</b>	<b>1,649</b>	<b>388</b>	<b>30.8%</b>
<b>Hawk Shops</b>				
Revenue Total	9,308	9,339	31	0.3%
Expense Total	9,299	9,230	(69)	(0.7%)
<b>Surplus/(Deficit)</b>	<b>9</b>	<b>109</b>	<b>100</b>	<b>1108.9%</b>
<b>HUB Operations</b>				
Revenue Total	25	76	51	204.0%
Expense Total	24	71	47	194.9%
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>422.1%</b>
<b>Off Campus Housing - Apartments</b>				
Revenue Total	5,330	5,736	406	7.6%
Expense Total	5,631	5,649	18	0.3%
<b>Surplus/(Deficit)</b>	<b>(301)</b>	<b>87</b>	<b>388</b>	<b>(129.0%)</b>

Table 23: 2026/27 Ancillary Budget Detail-Continued

**2026/27 Ancillary Services Budget by Unit***In \$000's*

	Approved Budget 2025/26	Total Budget 2026/27	Change	% Chg
<b>Off Campus Housing - Houses</b>				
Revenue Total	1,533	1,545	12	0.8%
Expense Total	1,403	1,516	113	8.1%
<b>Surplus/(Deficit)</b>	<b>130</b>	<b>29</b>	<b>(101)</b>	<b>(77.7%)</b>
<b>OneCard Operations</b>				
Revenue Total	733	772	39	5.4%
Expense Total	698	751	53	7.6%
<b>Surplus/(Deficit)</b>	<b>35</b>	<b>22</b>	<b>(13)</b>	<b>(38.3%)</b>
<b>Parking &amp; Transportation Resources</b>				
Revenue Total	2,069	2,213	144	7.0%
Expense Total	1,593	1,799	206	12.9%
<b>Surplus/(Deficit)</b>	<b>476</b>	<b>415</b>	<b>(61)</b>	<b>(12.9%)</b>
<b>Printing Services</b>				
Revenue Total	1,088	1,083	(5)	(0.4%)
Expense Total	1,029	1,000	(29)	(2.8%)
<b>Surplus/(Deficit)</b>	<b>59</b>	<b>83</b>	<b>24</b>	<b>41.4%</b>
<b>Residence Operations - Brantford Campus</b>				
Revenue Total	3,720	3,428	(292)	(7.9%)
Expense Total	3,456	3,379	(77)	(2.2%)
<b>Surplus/(Deficit)</b>	<b>264</b>	<b>49</b>	<b>(215)</b>	<b>(81.6%)</b>
<b>Residence Operations - Waterloo Campus</b>				
Revenue Total	31,703	34,471	2,768	8.7%
Expense Total	29,521	32,720	3,199	10.8%
<b>Surplus/(Deficit)</b>	<b>2,182</b>	<b>1,751</b>	<b>(431)</b>	<b>(19.7%)</b>

## Part F – Multi-Year Ancillary Services Budget Forecast

A multi-year planning approach is critical for ensuring institutional success and sustainability of the ancillary portfolio. These projections are building on the work of the 2026/27 Proposed Budget. The strategy lays the groundwork for Laurier and the Ancillary Services to succeed.

The Multi-Year Budget Forecast model for Ancillary Services starts with the 2026/27 Proposed Budget as the base. The model consistently applies specific revenue assumptions by organization and inflationary factors to expenses. The net result is used to project the year-end reserve balances.

These assumptions are based on the information available to management at the time of preparing the multi-year budget forecast. Strategic investment assumptions, major capital improvements, impact of asset monetization strategies, a new food services management contract in 2026 and Milton campus assumptions have not, however, been included in future years.

**Table 24:** Multi-Year Budget Forecast for Ancillary Services

### Multi-Year Ancillary Budget Forecast (In 000's)

	Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31
<b>Revenue</b>					
Residence Fees Revenue	37,309	38,428	39,581	40,768	41,991
Other Revenue	26,761	26,954	27,694	28,458	29,247
<b>Revenue Total</b>	<b>64,070</b>	<b>65,382</b>	<b>67,274</b>	<b>69,226</b>	<b>71,239</b>
Full/Part Time Staff Costs	6,747	6,883	7,037	7,196	7,358
Benefits	3,382	3,474	3,569	3,667	3,768
<b>Salary &amp; Benefit Expenses Total</b>	<b>10,130</b>	<b>10,357</b>	<b>10,607</b>	<b>10,863</b>	<b>11,126</b>
<b>Non-Salary Expenses</b>					
Cost of Goods Sold	7,262	7,424	7,584	7,750	7,920
Debt Service	8,049	8,049	8,049	8,049	8,049
Off Campus Facility Rent	15,243	14,042	14,325	14,613	14,907
Operating Costs	12,029	11,731	11,968	12,210	12,458
Utilities, Insurance & Taxes	3,211	3,265	3,328	3,391	3,456
Contribution to Operating Fund	1,000	1,000	1,000	1,000	1,000
Capital and Deferred Maintenance	2,869	2,940	3,013	3,089	3,167
<b>Non-Salary Expenses Total</b>	<b>49,663</b>	<b>48,451</b>	<b>49,267</b>	<b>50,101</b>	<b>50,957</b>
<b>Total Expenses</b>	<b>59,792</b>	<b>58,808</b>	<b>59,873</b>	<b>60,964</b>	<b>62,083</b>
<b>Ancillary Net Surplus/(Deficit)</b>	<b>4,278</b>	<b>6,574</b>	<b>7,401</b>	<b>8,262</b>	<b>9,156</b>

## Assumptions:

In preparing the multi-year model, certain assumptions and estimates were necessary.

The revenue projections are the foundation of the multi-year revenue budget forecast. These projections are based on the most likely outcomes given current plans and knowledge. The revenue assumptions directly impact the cost of goods sold for the applicable unit.

**Table 25: Multi-Year Assumptions - Ancillary Services**

Units:	ASSUMPTIONS
Campus Stores Sales*	1.5% year-over-year increase in Academic Materials 2% year-over-year increase in in Supplies & Other 5% year-over-year increase in General Merchandise
Conference Services Sales & Events	Conference Services activities focused on multi-campus with a focus on Brantford
Food Services Sales Commission	Sales commission structure in place on meal plans and retail sales within the current contract
Off Campus Housing Portfolio – Rental Fees	3% year-over-year increase in Rental Fees with a target occupancy of 90% or greater
OneCard Fees & Sales*	OneCard Fee revenue remains consistent with first year enrolment Business Growth in facilities rentals and commission revenue
Parking Resources Permit Fees	Actual year-over-year increase in Permit Fees is subject to staff and faculty collective bargaining negotiations
Printing Services Sales & Fees*	5% year-over-year increase on Printing Services 1% year-over-year increase on Fleet Printing
Residence Fees – Waterloo & Brantford Campuses	3% year-over-year increase in Residence Fees Higher vacancy rate on Brantford campus Target occupancy of 97% on the Waterloo campus and target occupancy of 85% on the Brantford campus
Contribution to Operating Fund	\$1 million per year
Deferred Maintenance	Waterloo Residences Operations – 6% of total revenue Brantford Residences Operations – 2% of total revenue Food Services – 8% of commission revenue Parking Resources – fixed dollar amount per year

\* refers to Cost of Goods Sold commentary

### \* Cost of Goods Sold Commentary:

- Hawk Shops cost of goods sold is adjusted based on a unique percentage of revenue for general merchandise, supplies and academic materials to reflect the current changes in operations and product mix.
- Printing Services cost of goods sold is based on a blended percentage of revenue for both fleet printing and Printing Services activities.

- OneCard cost of goods sold to reflect the inflationary adjustment to the cost of the dual chip cards even though the revenue is consistent with first-year enrollment.

**Salaries & Benefit Expenses:**

**Salary & Benefits Commentary:**

- Collective agreements are in place for Ancillaries' two largest union groups (UFCW and WLUSA/OSSTF Staff) to July 2027 and June 2026 respectively. The increase is consistent with Operating Budget.

**Non-Salary Expenses:**

The Non-Salary expenses, i.e., inflationary factors or assumptions, have been held constant for the multi-year budget forecast and consistent with Operating Budget.

**Not included in this projection are the following:**

- Milton revenue/expenses pertaining to Ancillary Services operations.
- Strategic initiatives, major repairs, and capital improvements in future years.
- Impact of Asset Monetization
- Food Services Contract (2026)

## Part G – 2025/26 Consolidated Budget

On a consolidated basis, inclusive of operating and ancillary fund budgets, a surplus of \$25.2 million is anticipated in 2026/27.

**Table 26:** 2026/27 Consolidated Budget

### 2026/27 Consolidated (Operating & Ancillary) Budget

*In \$000's*

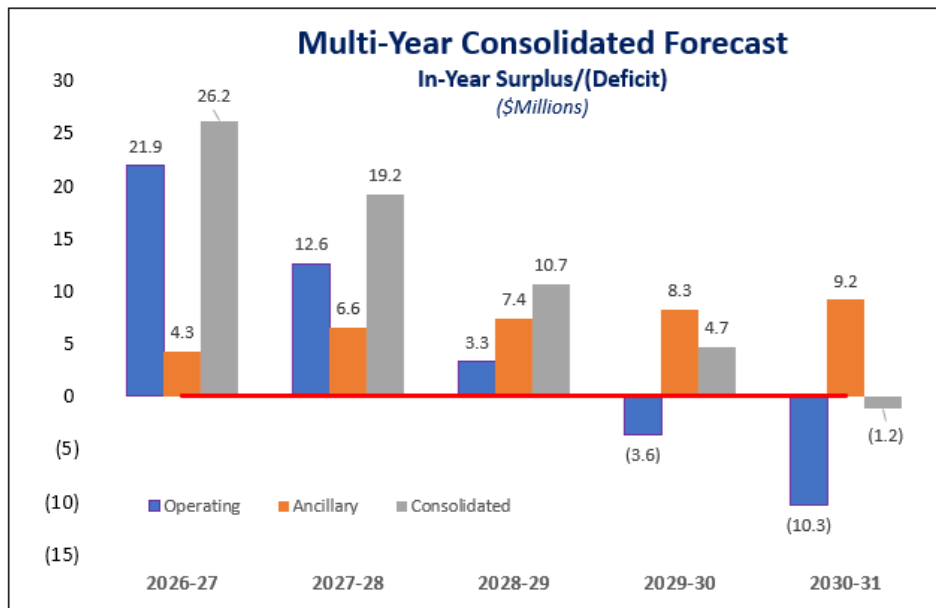
	<b>Approved Budget 2025/26</b>	<b>Total Budget 2026/27</b>	<b>Change</b>	<b>% Chg</b>
Tuition Fees	189,828	210,629	20,801	11.0%
Enrolment Based Government Grants	124,124	160,332	36,208	29.2%
Residence Fees	34,763	37,309	2,546	7.3%
Other Income & Fees	80,420	87,005	6,585	8.2%
<b>Revenue</b>	<b>429,135</b>	<b>495,274</b>	<b>66,140</b>	<b>15.4%</b>
Salary & Benefit	288,835	320,880	32,044	11.1%
Non-Salary Expenses	138,458	148,228	9,770	7.1%
<b>Total Expenses</b>	<b>427,293</b>	<b>469,108</b>	<b>41,815</b>	<b>9.8%</b>
<b>Surplus/(Deficit) Before Contributions</b>	<b>1,843</b>	<b>26,166</b>	<b>24,326</b>	
Austerity Measures Savings	1,000		(1,000)	
Anticipated BEd funding	1,400		(1,400)	
Contribution (to)/from Reserves	(43)	(929)	(886)	
<b>Surplus/(Deficit) After Contributions</b>	<b>4,200</b>	<b>25,237</b>	<b>21,040</b>	

## Part H – Multi-Year Consolidated Forecast

On a consolidated basis, inclusive of operating and ancillary fund projections, a surplus is anticipated in the first three years with declining surpluses in future years.

Figure 24 provides a very high-level overview of both the Operating and Ancillary Budget forecast over the next four years projecting a small, consolidated deficit of \$1.2 million in 2030/31 in the Base case scenario.

**Figure 24:** Multi-Year Consolidated In-Year Forecast



# Part I – Capital Budget Priorities and Funding Plan

## Overview

Capital spending includes various types of expenditures such as construction projects, repairs and maintenance, property and building acquisitions as well as equipment, system and information technology expenditures. Funding for capital spending relies on a variety of sources, including the use of established reserves, departmental annual operating budget lines, central operating budget accounts, internal and external loans, student fee contributions, as well as strategies that rely on fundraising and partnership arrangements.

The Capital Planning Policy, Capital Budgeting Policy and Capital Debt Policy are in place to enable clear understanding of the financial impacts and mitigate potential risks associated with capital projects.

## Capital Projects Budget Process

All projects presented in the capital projects budget have been reviewed by the respective committees; Facilities capital projects are reviewed and endorsed by the Capital Projects Committee, and ICT projects are prioritized by the Digital Technology Steering Committee and Digital Executive Council. Facilities capital projects are prioritized based on established principles including: funding status (government, grant, donor funding), risk and regulatory requirements, contractual obligations, accessibility, revenue generation or expense reduction, student experience, as well as sustainability and facilities renewal considerations. For technology projects, prioritization is aligned with priority areas such as digital & technology enablers, compliance, health and safety, as well as alignment with institutional priority areas and identified strategic risks.

## Information and Communication Technology

For information and communications technology systems, funding of \$1 million is included in the 2026/27 Capital Budget for prioritized projects. The Scheduling and Space Management Software Solution project started in 2025/26 and will continue into 2026/27. The Digital Technology Steering Committee reviews and assesses projects based on considerations including alignment to priority areas and mitigation of strategic risks. Many projects have both a capital and operating budget component.

**Table 27:** 2026/27 Technology Project Priorities

Project Name	Stakeholder	Brief Description	2026/27 Project Cost (In Millions)
Scheduling and Space Management Software Solution Project	Enrolment Services	Procuring a modern solution for academic scheduling, exams, and space booking to replace outdated CMIS and improve efficiency and user experience.	0.15
Academic Advising Systems and Process Assessment Project	VP Academic Office	Enterprise-wide initiative to define user requirements and deliver a unified advising solution integrating multiple student support areas.	0.85
<b>Total</b>			<b>\$1.00</b>

## Equipment Replacement and Renewal Funds

In the operating budget, a central expense provision exists for the ongoing funding and budget oversight for expenditures related to capital renewal of equipment. A new capital renewal was set up for lab equipment in the Faculty of Human and Social Sciences. Minor adjustments were also made to align with currently inventory levels. Table 28 lists the areas in which a renewal budget has been established.

**Table 28: Equipment Renewal Budget**

<b>Operating Budget</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Change</b>
Meeting Rooms	38,172	33,172	-5,000
ICT Software	118,255	118,255	0
Desktop PC/Laptops	708,000	708,000	0
ICT Infrastructure	1,102,500	1,102,500	0
ICT Classroom Technology (Waterloo)	270,028	270,028	0
ICT Classroom Technology (Brantford)	91,928	91,928	0
Teaching Labs	245,300	235,300	-10,000
<b>Total ICT Renewal</b>	<b>2,574,183</b>	<b>2,559,183</b>	<b>-15,000</b>
Music Equipment	100,000	100,000	0
Science Equipment	100,000	100,000	0
Athletic Equipment	100,000	100,000	0
Academic Furniture	50,000	50,000	0
FHSS Lab Equipment	0	25,500	25,500
Library	20,000	20,000	0
<b>Total Equipment Renewal Budget</b>	<b>2,944,183</b>	<b>2,954,683</b>	<b>10,500</b>

## Facilities Renewal Priorities

Facilities renewal expenditures, for most universities, continue to be a major challenge as aging buildings and infrastructure deteriorate. The amount of annual Facilities Renewal Program (FRP) funding through the government is anticipated to be \$4.4 million in 2026/27 which will contribute funding to capital renewal needs but will not fully address the facilities renewal requirements of the university. These funds will be fully allocated to roof replacement in the Arts building and roof retrofit of the athletic centre.

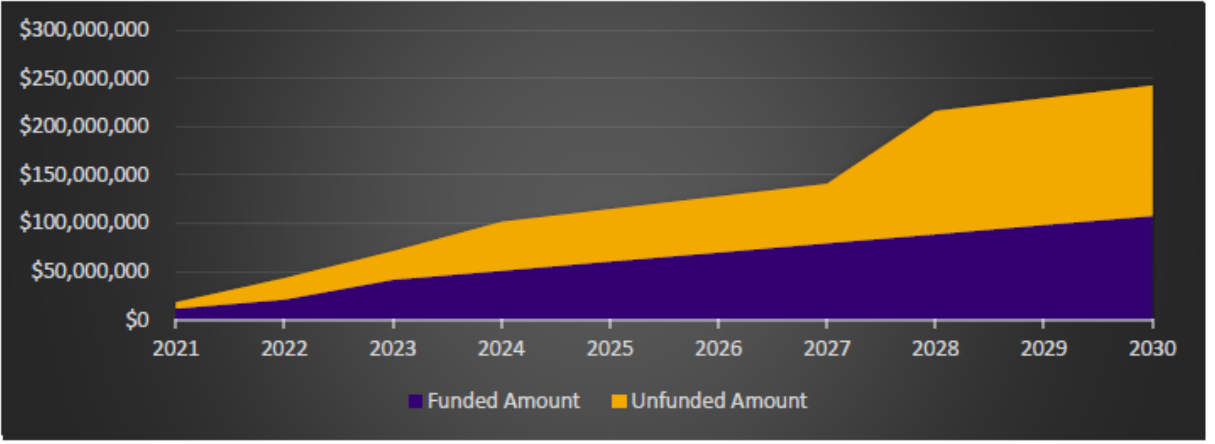
As outlined in the Asset Management Plan, a November 2020 review of expected future funding and potential sources for non-funded projects reflects a cumulative shortfall of \$135 million for the 10-year period ending 2030. To address this shortfall, Laurier plans to secure additional funds from a variety of sources, including government incentives and grants, fundraising, alumni donations, student contributions, additional university contributions and potentially asset monetization. Details of the analysis and cost projections are available in the Facilities Capital Plan 2021-2026.

The Facilities Capital Plan, prepared by the Facilities and Asset Management department, was approved by the Board in spring 2021. The plan identifies capital projects required to meet Laurier's present and future facilities needs in alignment with Laurier's strategic mandate and objectives. The plan also reflects a high-level prioritization and potential funding sources for these long-term investments.

The implementation of projects within the capital plan is dependent on the magnitude of available funds. The Capital Budget is provided for informational purposes and reflects projects that have received Board approval, as per the Capital Planning Policy. For 2026/27, this includes design and development work for

the Seagram Stadium project, Milton Education Village Infrastructure, and Brantford renewal and renovation projects.

**Figure 25:** Cumulative Annual Funding Needs included in the Asset Management Plan



**Table 29:** 2026/27 Facilities & Infrastructure Capital Project Priorities\*

Project Name	Campus	2026/27 Project Cost (In Millions)
Seagram’s Athletics and Recreation Project Phase 2 Design Development	Waterloo	\$0.80
Milton Education Village Infrastructure	Milton	0.86
Waterloo Renewal and Renovation Projects	Waterloo	6.03
Brantford Renewal and Renovation Projects	Brantford	0.75
Ancillary Services Facilities Renewal	Waterloo & Brantford	2.47
<b>Total</b>		<b>\$10.91</b>

\*Total project costs spanning multiple years may be greater than 2026/27 project costs

The capital plan includes a further listing of projects which are assessed through principles of prioritization and strategic subthemes. Details on the capital planning process, the committee’s work to prioritize capital projects, and further details regarding each of the projects are available in the *Facilities Capital Plan 2021 – 2026*.

### Consolidated Capital Priorities and Funding Plan

The 2026/27 capital project list identifies a number of projects with an estimated total cost of \$14.85 million, including \$2.25 million for major capital projects, \$1 million for ICT project priorities, \$8.65 million of facilities renewal priorities across operating and ancillary fund components, as well as \$2.95 million of equipment renewal.

**Table 30: Consolidated Capital Priorities and Funding Plan (in Millions)**

Project Name	2026/27 Project Cost	Student Fee Contributions	Capital Reserve *	2026/27 Operating and Ancillary Budget Components		
				Equipment Replacement & Renewal	Facilities Renewal Funds **	FRP Funding ***
<b>Major Capital Projects</b>						
Seagram's Athletics and Recreation Project Phase 2 Design Development****	0.80	0.80				
Milton Education Village Infrastructure	0.86		0.86			
Brantford Renovation Projects	0.60		0.60			
<b>Information and Communication Technology Project Priorities</b>						
Scheduling and Space Management Software Solution Project	0.15		0.15			
Academic Advising Systems and Process Assessment Project	0.85		0.85			
<b>Equipment Replacement and Renewal</b>	<b>2.95</b>			<b>2.95</b>		
<b>Facilities Renewal Priorities</b>						
Arts E - Roof, Skylight and Mech Units Replacement	3.50					3.50
Athletic Centre Roof Retrofit	1.50				0.60	0.90
LEEP microgrid upgrades for science and science research	0.80				0.80	
Library Cladding Retrofit	0.08				0.08	
DAWB - Server Room HVAC	0.15				0.15	
One Market - Loop System upgrdes	0.15				0.15	
Ancillary Services Facilities Renewal	2.47			2.47		
<b>Total</b>	<b>14.85</b>	<b>0.80</b>	<b>2.46</b>	<b>5.42</b>	<b>1.78</b>	<b>4.40</b>

\* Capital reserve comprised of proceeds from sale of assets

\*\* Facilities Renewal Funds refer to existing base budget to fund ongoing projects and repairs

\*\*\* FRP Funding refers to grants to assist post-secondary institutions to address ongoing maintenance repairs and renovations

\*\*\*\* Preliminary project planning estimates (prior to approval)

**Appendix I: Acronyms used in Budget document**

Acronym	Description
BC	Budget Council
BCT	Budget Coordinating Team
BEd	Bachelor of Education
CMIS	Campus Management Information System
COG	Core Operating Grant
CPI	Consumer Price Index
CSS	Comprehensive Student Service
CSSAC	Comprehensive Student Service Advisory Council
CTF	Contract Teaching Faculty
DCT	Direct Cost of Teaching
ELT	Executive Leadership Team
LEAF	Laurier English and Academic Foundation
LEEP	Laurier Energy Efficiency Project
FAM	Facilities Asset Management
FHSS	Faculty of Human and Social Sciences
FI&P	Finance, Investments and Property
FRP	Facilities Renewal Program
FFTE	Fiscal Full-Time Equivalent
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principles
GIS	Global Institute of Sport
HC	Headcount
ICT	Information and Communications Technologies
IRCC	Immigration, Refugees, and Citizenship Canada
IRNA	Internally Restricted Net Assets
ISR	International Student Recovery
ITA	Income Tax Act
LEEP	Laurier Energy Efficiency Program
MCURES	Ministry of Colleges, Universities, Research Excellence and Security
OSAP	Ontario Student Assistance Plan
OSSTF	Ontario Secondary School Teachers Federation
OTO	One Time Only
PBF	Performance-Based Funding
PSESF	Postsecondary Education Sustainability Fund
RCM	Responsibility Centre Management
SAAC	Student Affairs Advisory Committee
SAG	Student Access Guarantee
SEFC	Senate Executive and Finance Committee
SEM	Strategic Enrolment Management
SIPG	School of International Policy and Governance
SMA	Strategic Mandate Agreement
STEM	Science, technology, engineering, and mathematics

Acronym	Description
TSA	Tuition Set-Aside
UFCW	United Food and Commercial Workers
UG	Undergraduate
UPP	University Pension Plan
VP	Vice-President
WGU	Weighted Grant Unit
WLIC	Wilfrid Laurier International College
WLUFA	Wilfrid Laurier University Faculty Association
WLUSA	Wilfrid Laurier University Staff Association
YAMPE	Year's Additional Maximum Pensionable Earnings

## Appendix II: Glossary of Budget Terms

Term	Definition
Ancillary budget	<p>This budget accounts for most of the operations provided as supplementary to the primary function of instruction and research. Although an integral part of the institution's total operations, they are reported separately. It includes sales producing operations ancillary to the normal functions of instruction and research.</p> <p>Ancillary operations typically include bookstores, food services (dining hall, cafeterias, and vending machines), residences, parking, university press, publishing, laundry services, property rentals, university facility rentals, theatres, and conference centres.</p>
Appropriation	<p>Based on an approved budget, an authorization for spending specific amounts of money for specific purposes during specific periods of time. Presented in a resolution or ordinance adopted by the governing body.</p>
Audited Financial Statements	<p>Financial statements that have been prepared in accordance with Generally Accepted Accounting Principles and reviewed by an independent accounting firm who verifies that the statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles (GAAP).</p> <p>Unlike internal management reports, audited financial statements are prepared and presented in a very prescribed way to allow for consistent reporting across similar entities, and comparable reporting for the individual entity year-over-year.</p> <p>While budgets are prepared on a forward-looking basis, Audited Financial Statements are prepared on historic looking basis (e.g., they report on the previous fiscal year's actual performance).</p>
Base funding	<p>Refers to the revenue (tuition, grant, other income) that is expected to be received annually. Base funding provides predictability in resources available to commit to long-term, sustained expenses that are more permanent in nature such as salaries and benefits and other fixed operating costs. Base funding is a concept related to forward looking budgeting.</p>
Budget	<p>Written report showing the university's comprehensive financial plan for one fiscal year, including estimated revenues and expenditures for the year.</p> <p>For Laurier, the "Budget" is provided for in three separate, but related budgets: the "Operating Budget," "Ancillary Budget" and "Capital Budget."</p>
Budget policy	<p>The university's fiscal policy is to plan for a surplus operating fund budget, and surplus ancillary fund budget, where total cash revenues are to exceed total cash expenses. Surplus revenues exceeding budget will be used to strengthen university reserves to support financial sustainability (through strong balance sheet performance), provide risk mitigation for future fiscal challenges, and provide a source of funding for capital projects and facilities renewal requirements.</p>

Term	Definition
Capital costs / budgets	<p>Capital costs are expenditures incurred for the purpose of maintaining and upgrading physical infrastructure and equipment necessary for operations.</p> <p>Capitals costs include investment in new buildings, construction, and system implementation (digital strategy projects) as well as maintenance of existing facilities, infrastructure, and assets.</p>
Carry forward	<p>Carry-forward refers to surplus funds that can be “carried-forward” from one fiscal year to the next. At Laurier, units may have a carry-forward (or retained surplus) balance established through prior year surplus, which may be available for future years.</p> <p>At the entity level, carry-forward can also be referred to as a cumulative surplus/deficit, and represents the balance of prior years’ surplus and deficit contributions.</p>
Contingency Fund	<p>Money allocated within the Operating Budget for use in cases of emergency or to cover unforeseen expenditures.</p>
Corridor Funding Model	<p>The primary mechanism to determine enrolment-based funding allocations for institutions in Ontario. The mechanism determines the corridor’s minimum (the “floor” of the corridor) and maximum (the “ceiling” of the corridor) enrolment within which the institution receives predictable funding, based on the pre-determined corridor midpoint.</p>
Debt-to-revenue ratio	<p>A measure of an organization’s financial leverage, calculated by dividing its total debt by its total revenue.</p>
Deferred Maintenance	<p>The postponement of maintenance activities such as property repairs to save money. Typically, the term “Deferred Maintenance” is used to refer to the total cost of facility renewal projects that are backlogged due to funding constraints.</p>
Deficit	<p>A financial situation where expenses exceed revenue resulting in a negative balance.</p>
Designated Learning Institution (DLI)	<p>A DLI is a school approved by a provincial or territorial government to host international students.</p>
Enrolment Envelope	<p>Base Provincial operating grant funding related to enrolment; Part of SMA-Related Funding, this envelope is based on a corridor midpoint measured in weighted grant units (WGUs).</p>
Expenditures	<p>Expenditures (expenses) are the use of funds for goods and services.</p> <p>On a cash basis, expenditures are reflected as they are paid.</p> <p>On an accrual basis, expenditures are reflected when the goods or services are received, regardless of the date of monetary transaction.</p>
Fiscal full-time equivalent	<p>Fiscal Full-time Equivalent/Full-time Equivalent. For Undergraduate students, 1.0 is equivalent to 10 half-credit course registrations. For Graduate students 1.0 is</p>

Term	Definition
(FFTE/FTE) student	equivalent to one full-time student headcount; a part-time graduate student is 0.3 FTE.
Headcount enrolment	A count of the number of students enrolled in programs at Laurier; refers to the number of students, regardless of course load, and includes both full and part-time students. The Fall academic term is normally used as the benchmark for measuring year-over-year enrolment changes.
Financial Accountability Framework	<p>The Province's University Financial Accountability Framework consists of financial metrics, associated thresholds, and action plans, from which an overall risk rating and action plan for each university are derived. Risk ratings will be assessed annually.</p> <p>The inputs for the calculation of financial metrics are:</p> <ul style="list-style-type: none"> <li>• University audited financial statements</li> <li>• University credit rating reports</li> </ul>
Fiscal year/ year end	A fiscal year is used for accounting purposes and for preparing annual financial statements. Laurier's fiscal year is May 1 to April 30. Year-end is the last day of the end of the fiscal year (i.e., April 30).
Forecast	An estimated prediction of Laurier's future financial position, based on anticipated revenues and expenditures known at the time of development.
Fund	A division in a budget segregating independent fiscal and accounting requirements. An entity within the financial plan designated to carry on specific activities or to reach certain objectives.
Fund Accounting	Fund accounting classifies resources for accounting and reporting purposes in accordance with activities or objectives as specified by donors, governing agencies, or other sources in accordance with regulations, restrictions, or limitations imposed by sources outside of the University, or in accordance with directions issued by the governing body of the institution.
GAAP	GAAP = Generally Accepted Accounting Principles - a set of accounting rules, standards, and procedures that ensure consistency, accuracy, and transparency in financial reporting.
(Growing) Moving Average	<p>The moving average assesses enrolment for the purposes of determining an institution's position relative to its corridor midpoint, corridor floor and corridor ceiling is based on total number of funding-eligible WGUs. Enrolments are assessed using a five-year moving average of WGUs, slipped one year to determine each university's enrolment position within its corridor.</p> <p>Initially, this was a Growing Moving Average when first implemented in 2017/18, with 2016/17 WGUs making up the entire calculation, and then the time period lengthening to include subsequent years of WGUs as available (e.g., for 2019/20, the Growing Moving Average included 2016/17 WGUs x 3 + 2017/18 WGUs + 2018/19 WGUs).</p>

Term	Definition
Non-GAAP	<p>Non-GAAP financial measures provide additional information about the institution. They can help management tell the institutions story to the WLU community. They can help show a more accurate picture of past and on-going performance.</p> <p>Non-GAAP financial measures are disclosed outside of financial statements and present financial results differently from the financial statements. Non-GAAP financial measures are developed by management and are typically unaudited.</p>
Interest burden ratio	A financial metric that shows the proportion of an organization's revenue that is used to pay interest on its debt.
Internal Management Reports	<p>At Laurier, internal management reports refer to the quarterly financial statements that summarize the University's financial performance against the Board-approved budget. The purpose of internal management reports is to provide in-year monitoring of the university's financial performance, to enable effective decision making and risk mitigation. Laurier prepares internal management reports for the operating fund and ancillary fund</p> <p>In preparing for Audited Financial Statements, the internal management report is consolidated with other fund reports (research, endowment, capital, etc.) and receives a number of adjustments to align with GAAP requirements prior to review by external auditors.</p>
International Student Recovery	A reduction in operating grant based on the number of international undergraduate and non-PhD graduate students.
Liquidity ratio	Financial metrics used to determine an organization's ability to pay off its short-term debts with its current assets.
Operating Fund / Budget	The operating fund/budget includes tuition, grant, fees, and other generally unrestricted revenue, and funds the costs of instruction and research (other than sponsored or contract research), academic support services, library, student services, administrative services, plant maintenance, and other operating expenses of the university that are largely related to instruction and research.
One-time Only (OTO) funding	Expenses/funding that occur in the current year only and do not carry forward into the following fiscal year.
Performance Grant	A portion of the Differentiation Envelope; the Performance Grant links a portion of provincial operating grant funding to the University's performance on a set of metrics established through the Strategic Mandate Agreement that measure skills and employment outcomes along with economic and community impact.

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Internally Restricted Net Assets	Internally Restricted Net Assets are those assets (net of liabilities) that the Board of Governors has designated for certain purposes and do not have any external restrictions imposed on them. Such amounts include, but are not limited to, sinking fund contributions, capital reserves, and carryforward of unspent amounts.
Revenue	<p>Ontario university revenue is the total income a university receives from a variety of sources, including tuition, grants, donations, and other fees.</p> <p>On a cash basis, revenue is reflected as it is paid.</p> <p>On an accrual basis, revenue is reflected when the goods or services are delivered or completed, regardless of the date of monetary transaction. Laurier follows the deferral method of accounting for contributions. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p>
Sinking Fund	A sinking fund is a fund that includes funds set aside to pay off a loan or debt. For Laurier, the current sinking fund includes planned contributions and investment returns which will provide funds to address a debenture obligation. A sinking fund helps ease the burden of a significant revenue outlay in a particular fiscal period.
Shared Services	The units that provide services to the university as a whole, such as Human Resources, student services, ICT, FAM, etc. Shared Services support and enhance the academic enterprise, through direct support to faculties or indirect support to other shared services.
Strategic Mandate Agreement (SMA)	Bilateral agreements established between the Ministry of Colleges and Universities and the Province's publicly funded colleges and universities. The University is in the process of finalizing SMA4 (2025-2030) with the Province.
Structural budget deficit	<p>A planned deficit that persists over multiple years, resulting from budgeted expenditures that chronically exceed budgeted revenue.</p> <p>Structural budget deficits can exist regardless of actual year-end performance on audited financial statements as the structural deficit typically is found in the operating budget. Other variables can impact the actual year end position that show the university performing favourable even though a revenue/expenditure imbalance exists for the operating budget in isolation.</p>
Student Headcounts	A count of the number of students enrolled in programs at Laurier; refers to the number of students, regardless of course load, and includes both full and part-time students. The Fall academic term is normally used as the benchmark for measuring year-over-year enrolment changes.
Surplus	A financial situation where revenues exceed expenses resulting in a positive balance.
Targets (Budget)	Budget targets are a % reduction that units are required to achieve. Targets consider departmental needs and priorities while also balancing the greater financial health of the university as a whole.

Term	Definition
Tuition (Grant Eligible)	Tuition fees from students who are eligible for operating grant funding from the Provincial Government. For example, domestic students in publicly funded programs.
Tuition (Grant Ineligible)	Tuition fees from students who are not eligible for operating grant funding from the Provincial Government and/or programs not eligible for operating grant funding. For example, full cost recovery or self-funded programs, and most international students.
Unfunded students	Students who are enrolled at the institution but do not receive government funding (if the university enrolls more students than its corridor midpoint).
Variance	A budget variance is the difference between the budgeted or baseline amount of expense or revenue, and the actual amount. The budget variance is favorable when the actual revenue is higher than the budget or when the actual expense is less than the budget.
Weighted Grant Unit (WGU)	The basic units of measurement for per student funding in the Ontario postsecondary system's corridor model. WGU values vary from program to program, reflecting the historical differences in the relative costs of program delivery. WGUs were introduced in 2017-18 as part of the provincial operating grant funding corridor model. The weighting factors for calculating WGUs were revised from those used previously in order to create equal funding per weighted student enrolment for students in similar programs across all institutions as well as a common WGU value.