

# Operating Budget

## 2025-2026



University  
of Windsor

## **To the University of Windsor Campus Community,**

With a firm commitment to the University of Windsor's long-term sustainability, we present the 2025/26 operating budget, reflecting our ongoing efforts to navigate unprecedented challenges and position the institution for a financially viable future.

This operating budget signals a shift in Canada's higher education landscape. Universities are facing severe financial difficulties, driven by factors beyond our control.

Entering the 2025/26 budget planning process, the University faced a projected tuition revenue decline of more than \$30M, on the heels of a \$14M tuition revenue shortfall last year, due primarily to significant international enrolment changes. While not of our making, it is our responsibility to manage these financial outcomes. We have explored every resource and avenue to optimize efficiencies, reduce costs, and strategically allocate funding, while still allowing us to fulfill our core mission and uphold our shared *Aspire* commitments. Difficult decisions – including personnel reductions, salary and hiring freezes, and operational restructuring – have been necessary.

Thanks to these efforts, the operating budget closes the funding gap as much as possible within the constraints of frozen domestic tuition, declining international enrolment, collective agreements, voluntary early retirement/severance costs, and government mandates. We mitigated the forecasted base deficit to approximately \$9M and then made strategic use of one-time funding from the Ministry of Colleges, Universities, Research Excellence, and Securities (MCURES) to bring our bottom line to a more manageable \$4.6M.

The financial challenges facing Canada's universities are not temporary. But with these challenges comes an opportunity to redefine our future. In this context, the 2025/26 budget marks a turning point, a time for fundamental transformation at the University of Windsor.

We must evolve to meet changing economic, political, and social realities. We must adapt, innovate and reimagine how we operate. We must follow a defined framework and commit to fiscal prudence and strategic change.

Above all, I want to instill confidence and optimism in our path forward. Together, this community overcame the unprecedented challenges of the COVID-19 pandemic, proving our resilience and adaptability. Once again, we will act with collective purpose and determination to ensure the University of Windsor's future.

Robert Gordon, PhD  
President and Vice-Chancellor



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## *2025/26 Operating Budget*

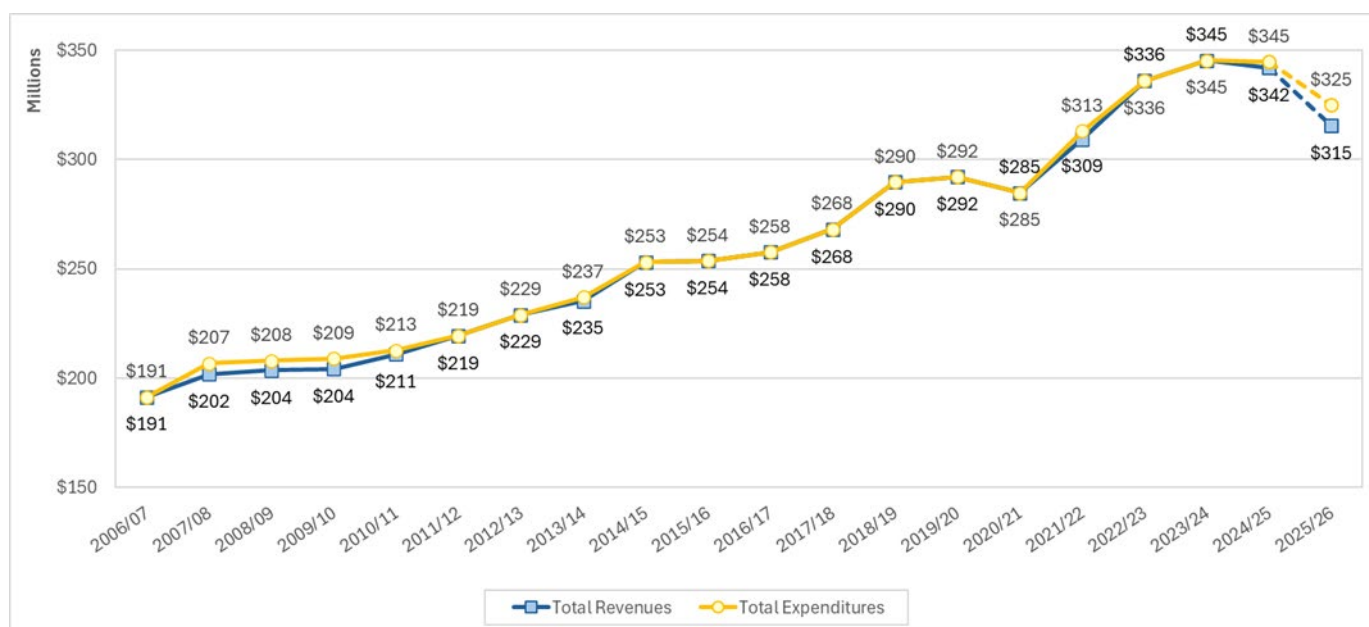
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# I. AN ERA OF REIMAGINING

## 1. FINANCIAL CHALLENGES AND PRESSURES

Financial sustainability is critical to fulfilling the University of Windsor’s academic mission, serving our communities, and advancing the commitments and priorities outlined in our strategic plan, *Aspire*. The University has a long history of fiscal prudence, consistently presenting balanced budgets through strategic enrolment planning and cost management. However, sustaining this practice has become increasingly difficult. Canada is experiencing unprecedented social and economic pressures and change, affecting nearly every sector – including postsecondary education.

Chart 1: 20-year History of UWindsor Operating Budget Net Position (in \$M)



As a result, we must enter a new “Era of Reimagining” at the University of Windsor—one that demands strategic decisions. Maintaining the status quo is not an option; adapting to this reality requires both immediate actions and long-term strategies.

## I. Changing Higher Education Landscape

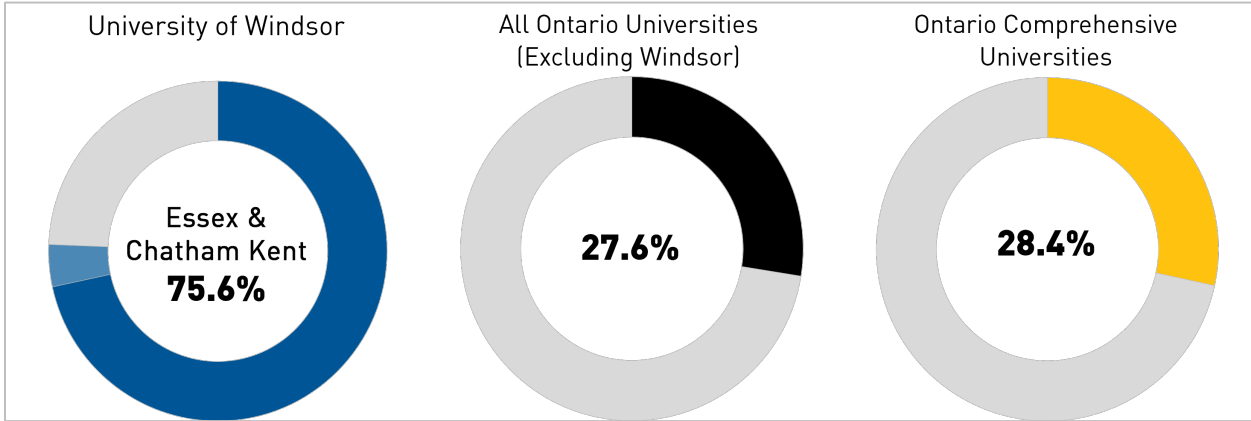
Last fall, Immigration, Refugees, and Citizenship Canada (IRCC) introduced new requirements for international student visas. Specifically, study permit caps were reduced by 10%, including graduate students and linking to the provincial attestation letter (PAL) program. Additionally, enhanced verification processes were implemented; designated learning institutions must now directly confirm each applicant’s letter of acceptance with the IRCC. Financial requirements have also been enhanced, and new language proficiency benchmarks have been introduced.

At the same time as the IRCC changes took place, geopolitical tensions between Canada and other countries intensified. As a result, Canada’s reputation as a primary study destination suffered, especially in India – the country from which UWindsor has historically recruited the majority of international students. This has resulted in a decrease in international student enrolment. The IRCC caps alone are expected to result in a loss of more than \$600M in 2025/26 for Ontario’s colleges and universities.<sup>1</sup>

UWindsor is in a vulnerable position—both literally and figuratively—due to factors that set us apart from our peers. In recent years, UWindsor has diversified its international student population by incrementally growing high-priority graduate programs while maintaining academic standards. As of Fall 2024, 25% of our full-time students hailed from outside Canada. This constituted about 29% of the University’s operating budget revenue.

We are also the most regionally dependent university in Ontario, with 76% of our domestic undergraduate students coming from the Windsor-Essex and Chatham-Kent regions, the highest proportion among all Ontario universities.

*Chart 2: Share of Full-Time Domestic Undergraduate Students from Their Home Region, UWindsor vs. Ontario Peer Universities<sup>2</sup>*



This student enrolment demographic enables us to support local and global communities by cultivating a talent pipeline that drives knowledge and economic growth. But it also means that local communities feel the ripple effects of any challenges the institution faces. It also renders UWindsor more susceptible to the effects of changes in international student enrolment, with any fluctuations having immediate budgetary impact.

**II. Limited Revenue Growth**

UWindsor’s ability to generate additional revenue from domestic tuition is currently constrained. Tuition rates have largely been frozen since 2019/20, following a sector-wide 10% reduction, with no

<sup>1</sup> <https://ontariosuniversities.ca/news/cou-statement-impact-of-federal-changes-to-international-student-study-permits/>  
<sup>2</sup> Comprehensive peer universities include Brock University, Carleton University, University of Guelph, Toronto Metropolitan University, University of Waterloo, Wilfrid Laurier University, and York University.

increases permitted through 2026/27. At the same time, the provincially mandated enrolment corridor limits access to operating grants for students admitted above the funded midpoint, despite these students requiring full instructional and support services. Together, these policies have stalled growth in UWindsor's most flexible revenue stream for more than six years.

Direct government-based operating funding remains the only other major source of revenue for the University's operating budget. While minor year-over-year increases in total operating revenue have occurred, these have been due to time-limited special purpose grants and do not reflect sustained public investment in institutional operations.

In 2024/25, UWindsor received \$9.3M in one-time funding through the Province's Postsecondary Education Sustainability Fund (PSESF), introduced in response to the recommendations of the Blue-Ribbon Panel on Postsecondary Financial Sustainability. This included \$2.8M in across-the-board support (equivalent to 3% of base funding) and an additional \$6.5M in top-up funding. Detailed information about the PSESF is included in a later section. It is important to note that while this funding provided important short-term relief in a period of fiscal constraint, it does not form part of the University's base operating grant and carries no commitment beyond the current fiscal year.

Inclusion of this temporary funding starting in the 2024/25 fiscal year reflected a system-wide recognition of growing financial pressures in Ontario's postsecondary sector. However, the structural limitations facing universities — flat base funding, frozen tuition, and corridor restrictions — remain unresolved, underscoring the need for long-term solutions and sustainable investment.

In addition to limited revenue growth opportunities, the University's reserves are modest, though we have seen growth in recent years. While efforts have been made in the last five years to build up the reserves, there is no option to fund material base deficits through use of one-time reserve funds.

### **III. Rising Expenses**

The situation is further compounded by rising expenses, including higher costs for personnel, operational expenditures, and service agreements. Approximately 75% of UWindsor's operating budget is allocated to people-related expenses. Adding to these challenges are inflation-driven expense increases across various other areas, including IT licensing, cybersecurity, subscriptions, renovations, maintenance, utilities, and supplies.

### **IV. Budget Planning**

In 2024/25, UWindsor faced an initial \$8.4M gap between revenues and expenses when planning the operating budget. The Budget Balancing Committee established in the prior year identified \$5.6M in cost-saving measures, yet a \$2.8M base deficit remained. That deficit was fully offset by one-time provincial funds supported by the Ministry of Colleges, Universities, Research, Excellence and Security (MCURES) Post-Secondary Education Sustainability Fund, allowing a balanced budget to be presented to the Board of Governors last spring.

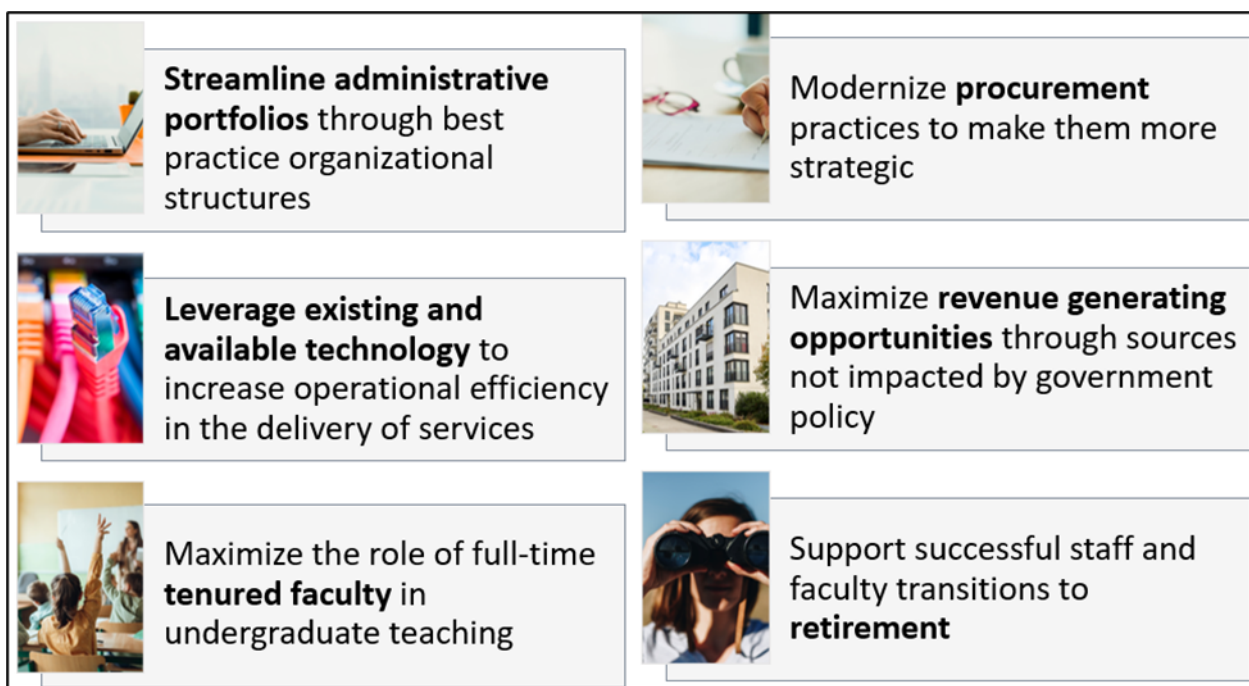
For 2025/26, UWindsor is expecting a further decline in tuition revenue from international students which, coupled with the 2024/25 base deficit, has required transformational actions on behalf of the campus community to ensure our long-term financial sustainability.

## 2. OPERATIONAL RECOVERY OBJECTIVES

The University's era of re-imagining calls on the campus community to identify strategic cost savings through reductions in personnel costs and efficiency improvements, along with exploring alternative revenue streams. Decisions were made with careful consideration of the University's core mission, strategic priorities, and fiscal health. Avoiding any impact on our students, and the student experience, has been set as the top priority for all decisions.

The University organized its priorities into six broad categories, each with differing savings targets and timeline horizons. Actions under each category have been incorporated in Budget 2025/26.

*Image 1: Six Focus Areas for Operational Efficiency*



## 3. APPROACH AND DECISION MAKING

### I. Resource Allocation (Budget) Model

The University has paused its Activity-Based Budgeting (ABB) model and has implemented zero-based budgeting, a decision that is expected to be in place for at least two fiscal years. This change allows for more agile resource allocation in alignment with current enrolment trends, institutional priorities, and long-term financial sustainability.

Since 2020, the University has used the ABB model to support its strategic mission by allocating resources based on revenue generation. While ABB has effectively incentivized revenue growth in recent years, it lacks the flexibility to adapt quickly to cost changes, now the University's top priority. The campus-wide operational changes required must be championed by the Executive Leadership Team (ELT) and implemented across all Departments and Faculties, regardless of their revenue projections.

Pausing the ABB model gives us the time, autonomy, and authority to take the necessary fiscal management steps. Despite this pause, UWindsor administration believes that the ABB model is the best long-term resource allocation tool and provides vital information for decision making. The results of the ABB model calculations for 2025/26 are included in Appendix C.

Despite the shift away from ABB as the primary resource allocation model, revenue growth continues to be incentivized for faculties. Faculties with tuition revenues in excess of the budgeted targets will receive in-year budget adjustments in a manner consistent with the ABB model principles. In addition, Faculties must demonstrate financial growth projections (a 'business case') in accordance with the ABB model principles to be eligible to replace vacant faculty member positions.

## **II. Zero-Based Budgeting Approach**

The use of zero-based budgeting principles in the short term is key to UWindsor's strategy for achieving long-term financial sustainability.

Zero-based budgeting is a method that requires all expenses to be justified for each new budget period, starting from nothing. The starting point is fixed/unavoidable costs, including tenured faculty, essential staff, debt service requirements, insurance, contract, and license obligations (e.g., systems, library contracts, cyber security, etc.), utilities and other facility maintenance requirements, collectively bargained commitments, and other required fees and costs. Other costs are funded from the least-to-most flexible, with funding for discretionary budget spending being last.

Another advantage of zero-based budgeting during this time is that it does not require senior leadership to enforce an equal, across-the-board budget reduction target percentage assigned to each faculty and department; a strategy that disproportionately disadvantages smaller units with less budgetary flexibility beyond staff salaries. By making budget allocation decisions centrally, we are able to expedite action, realize savings in areas where they least disrupt services provided, and focus on university-wide priorities/initiatives.

## **III. Leading Change: The Operational Excellence Committee**

The Operational Excellence Committee (OEC), established in September 2024 as an advisory body to the President, is critical to the University's financial sustainability efforts. UWindsor's budget planning process has engaged both academic and non-academic unit representatives in proposing cost-reduction strategies, efficiency improvements, and restructuring or redesign proposals.



The OEC evaluates and refines stakeholder ideas into cost-saving initiatives, which are then recommended to the President. All decisions align with the abovementioned Six Focus Areas and the institution's core academic mission and strive to avoid negative effects on the student experience. To date, every initiative forwarded by the OEC — many of which are outlined in the efficiency actions of this document — has been approved by the President and implementation has begun, overseen by a Rapid Response Team (RRT) created late in 2024.

The RRT collaborates with Deans, institutional leaders and other key stakeholders to implement the new initiatives. The 2025/26 operating budget formalizes the RRT as a unit dedicated to supporting operational transformation and change management for at least the next two years.

#### **IV. Efficiency and Accountability Fund Consultant Reviews**

In June 2024, MCURES invited Universities and Colleges, including UWindsor, to apply for funding to support a third-party review of efficiency and operations through the Efficiency and Accountability Fund (EAF). UWindsor was one of the schools that received funding.

While the broad scope of review areas was set by MCURES, each university had the flexibility to determine specific focus areas for the consultants. Reviews were required to cover five key areas: governance, administrative, and student services; academic programming; physical assets and facilities; collaborative procurement opportunities; and revenue-generating opportunities.

While the review provided external perspectives, all budget efficiency decisions were made by university leadership. The review reaffirmed the direction the University is taking; we had already identified and implemented institution-wide efficiency changes that align with many of the consultants' recommendations.

In addition, the EAF review highlighted that UWindsor's efforts to reduce its cost base will require government support.

## II. BUDGETING ENROLMENT

Enrolment continues to drive nearly all operating revenue for UWindsor; students are classified into four main components: 1) undergraduate domestic, 2) undergraduate international, 3) graduate domestic, and 4) graduate international.

### 1. ENROLMENT PROJECTIONS

UWindsor's total full-time enrolment is budgeted at 14,868 in Fall 2025, a decrease of 554 students (-3.6%) from actual full-time enrolment results achieved in Fall 2024. Undergraduate students are budgeted to increase by 173 (+1.6%) from last year's actual to 10,921 in Fall 2025, while graduate student enrolment is budgeted down by 727 (-15.6%) against last year to 3,947. It is anticipated that 20% of Fall 2025 full-time UWindsor enrolment will be international students, down from 25% in Fall 2024. As mentioned previously, the decline in international student enrollment is due to changes by the IRCC and geopolitical tensions.

*Chart 3: Fall 2025 Full-time Enrolment Breakdown*

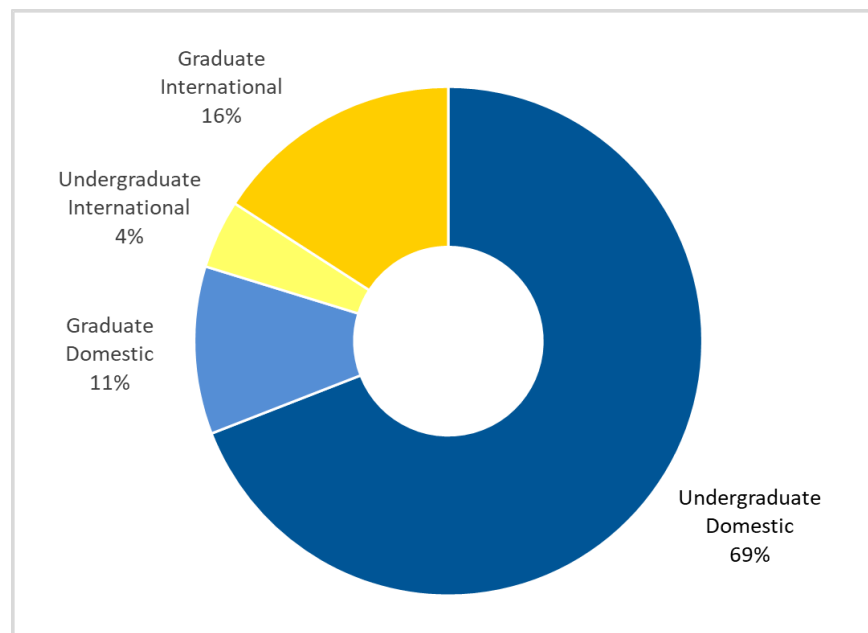
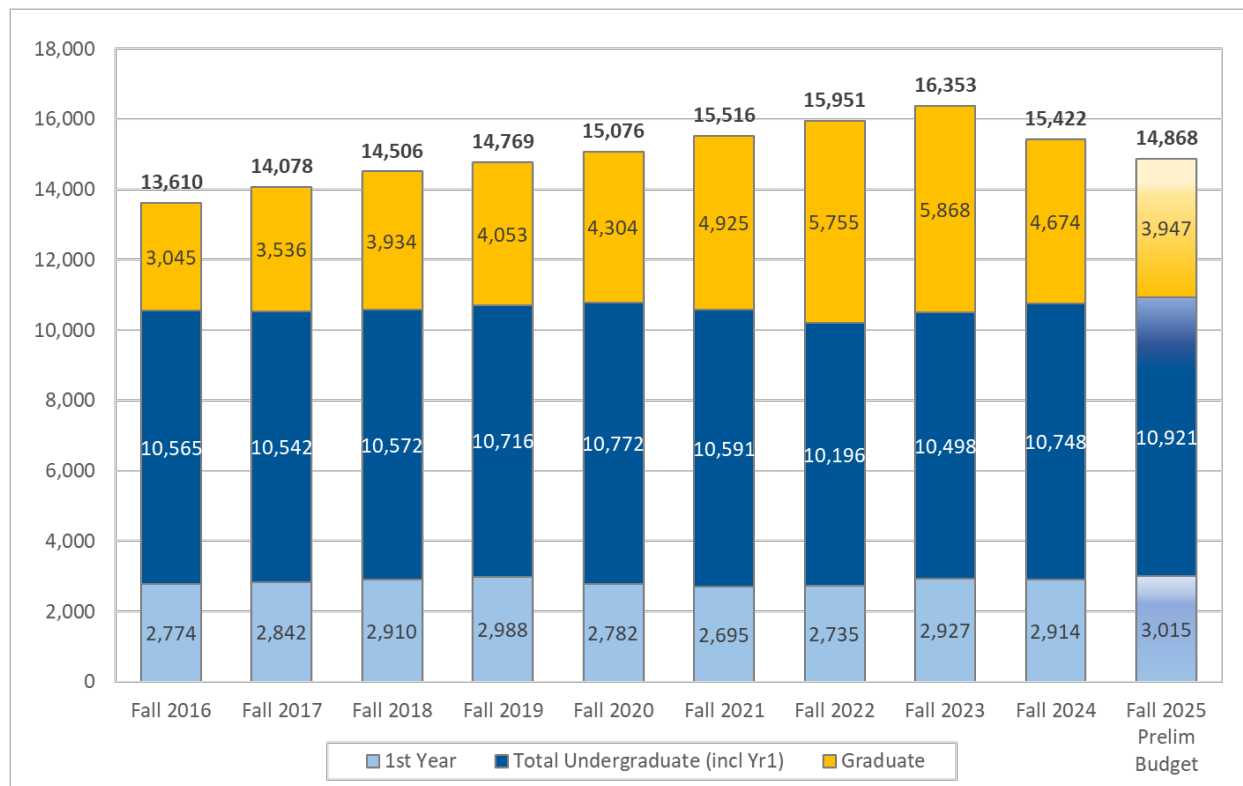


Chart 4: Full-time Student Enrolment by Level



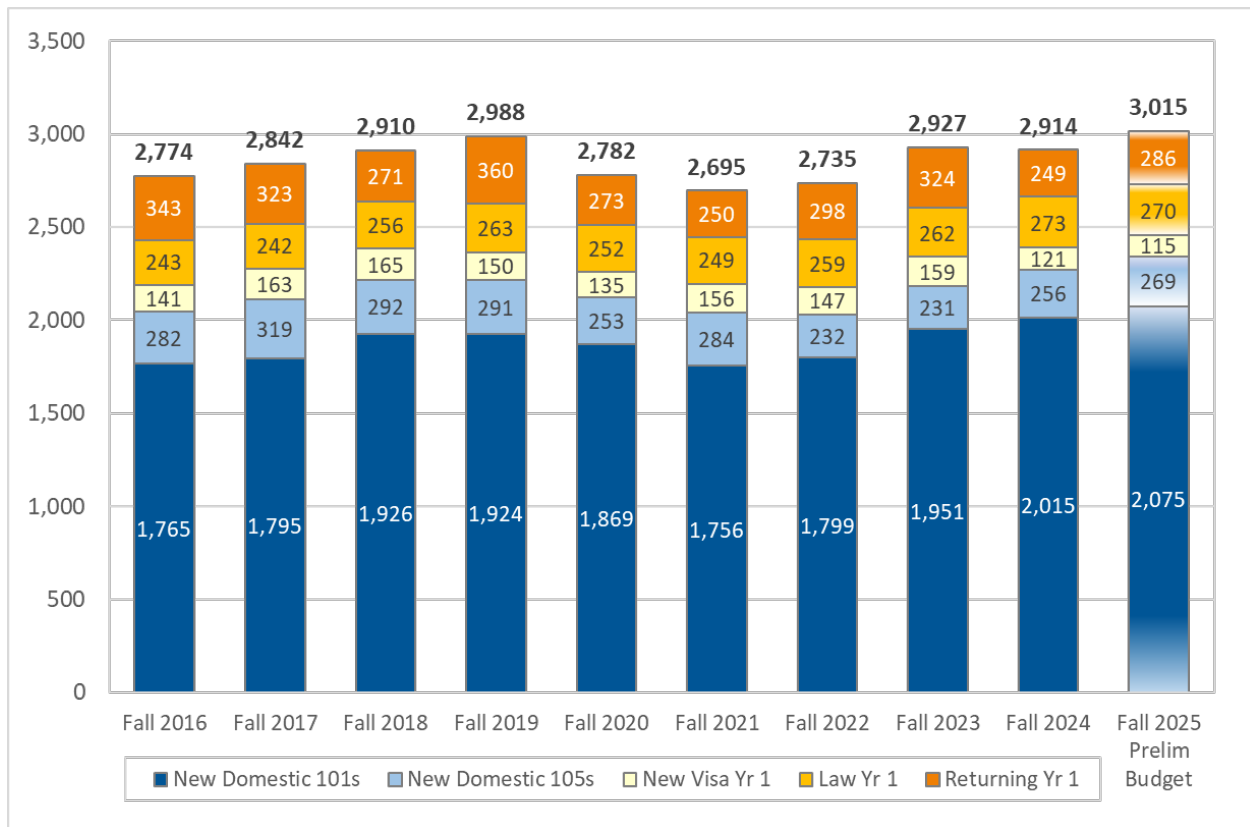
## I. Undergraduate Students

First year enrolment is a critical driver of total undergraduate student enrolment. An increase in first year enrolment has long-lasting implications as these students will likely continue their studies through the remainder of their three- or four-year undergraduate programs.

First year enrolment has several components, including 101s (domestic and international students entering university directly from Ontario high school), 105s (college transfers and out of province Canadian students), Visa (international students), students entering Law School, and returning students (those who are continuing at the year 1 level).

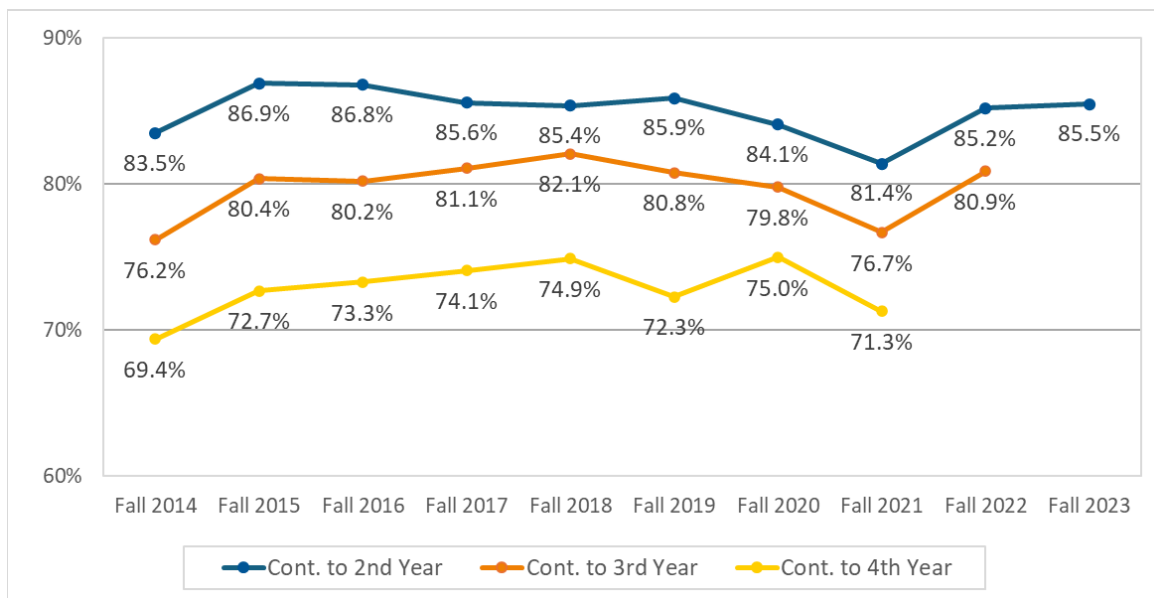
The Fall 2025 budget reflects another year of growth in Year 1 enrolment, due mainly to the 101s (students entering directly from high school). For Fall 2025 we are budgeting 101s at 2,075, an increase of 23 students over the prior year's actual results, with total first year full-time budgeted at 3,015, up 101 against Fall 2024 actual.

Chart 5: First year Full-time Undergraduate Student Enrolment

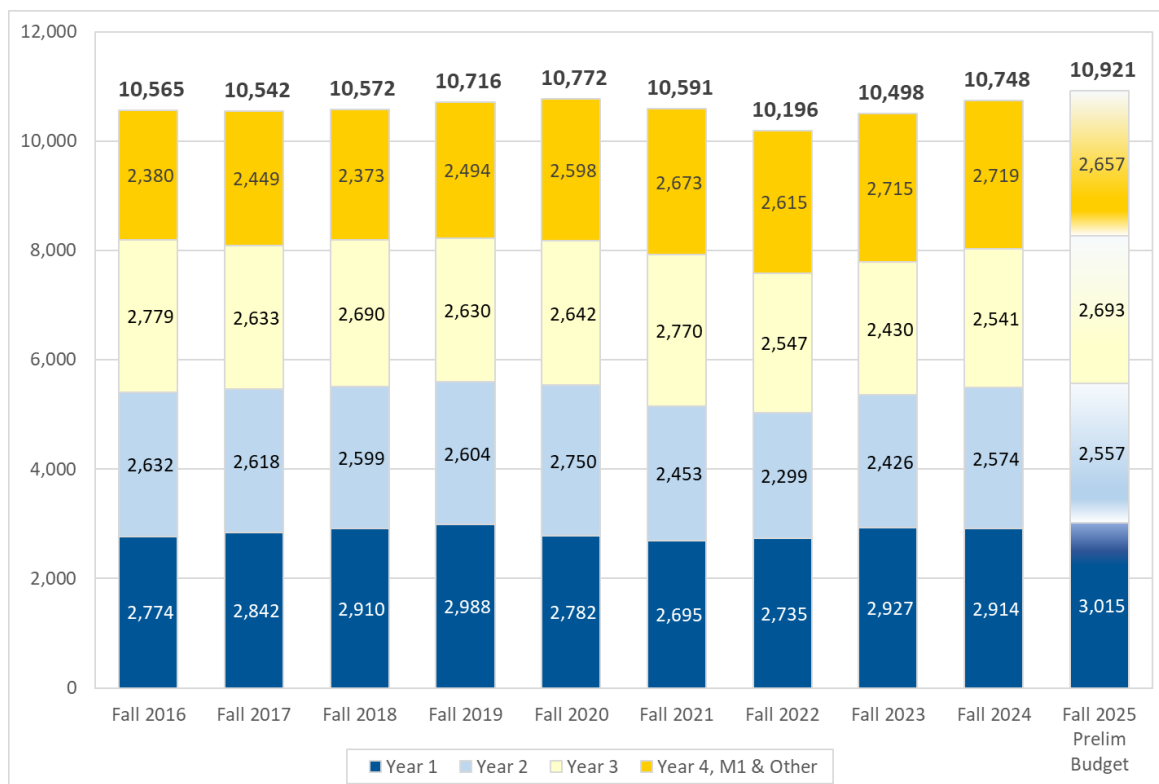


UWindsor employs various strategies to improve student retention, from academic support to addressing financial concerns to promoting student engagement and belonging. UWindsor's retention rates dipped among students who started their studies in Fall 2021, likely due to the COVID-19 pandemic. Retention rates have since rebounded; 85.5% of Fall 2023 students progressed to second year for Fall 2024. The following chart provides a detailed look at UWindsor undergraduate retention rates by Fall semester year of entry.

**Chart 6: Undergraduate Retention Rates**



**Chart 7: Full-time Undergraduate Student Enrolment by Level**



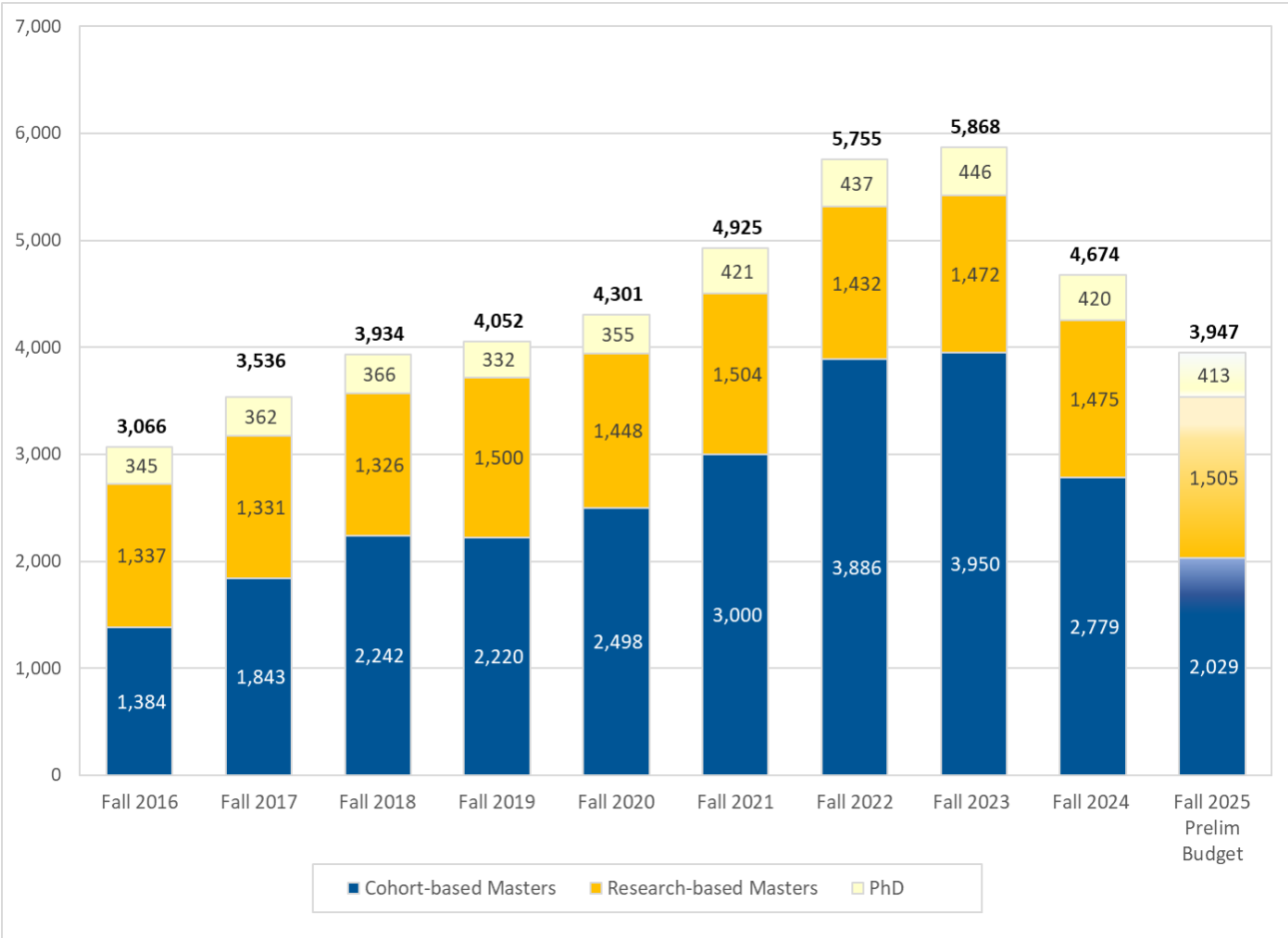
## II. Graduate Students

Graduate student enrolment is comprised of three main categories: traditional research-based Masters' programs, PhD programs, and cohort-based Masters' programs. Fall 2025 total full-time graduate



student enrolment is budgeted at 3,947, down 727 students (-15.6%) from prior year actuals due to a decline in international cohort-based Masters’ program (ICBM) enrolments. The chart below provides a retrospective of full-time graduate student enrolment by program type compared against the Fall 2025 budget.

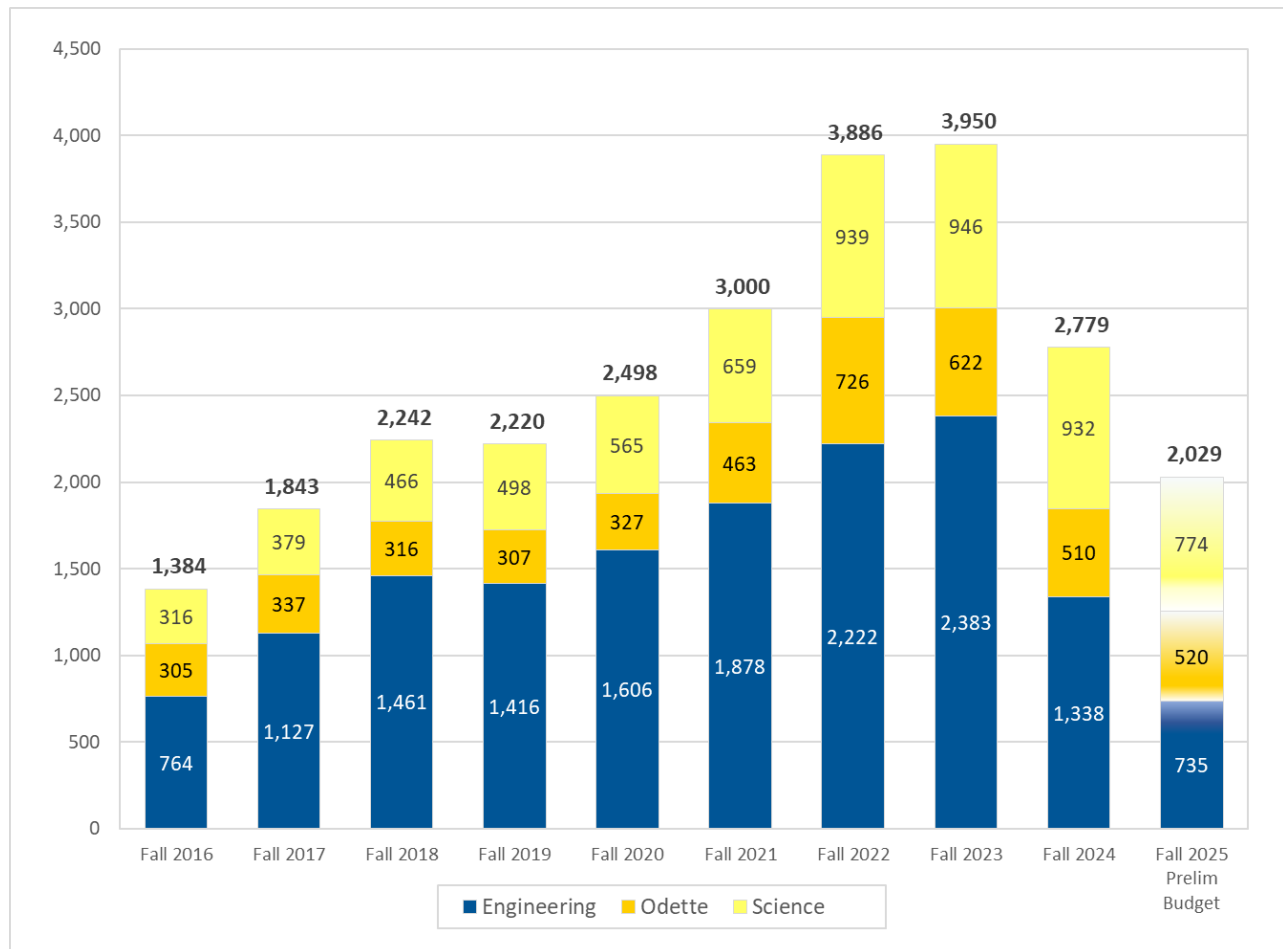
Chart 8: Full-time Graduate Student Enrolment by Program Type



Enrolment in research-based Masters’ and PhD programs has remained consistent during the past five years and is budgeted to remain so in Fall 2025.

Enrolment in ICBMs peaked in Fall 2023 at 3,950 when UWindsor accepted an extraordinarily large cohort of international graduate students to clear deferrals created during the COVID-19 pandemic. However, as discussed previously, federal changes have resulted in declines in international student applications and enrolments beyond what was previously forecasted. The following chart displays historical cohort-based Masters’ program enrolment by Faculty.

Chart 9: International Cohort-Based Masters' Program Enrolment by Faculty



UWindsor's international enrolment strategy and focused programs reflect the market needs in Windsor-Essex and beyond, including Engineering, Business, Data Analytics, Biotechnology and Applied Computing. UWindsor will continue focusing on high-quality, job-ready programs and diversifying international students' country of origin.

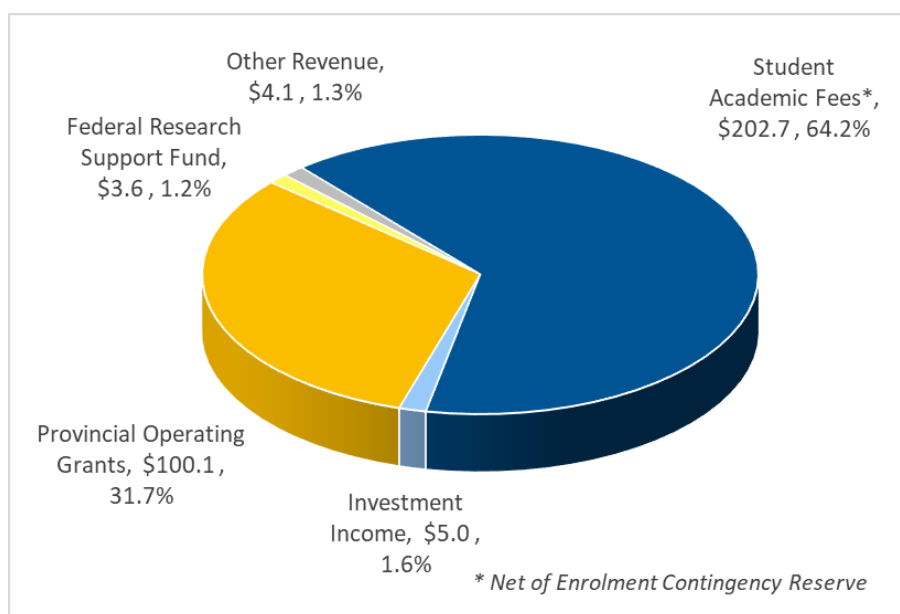
### III. OPERATING REVENUE

Operating revenue for 2025/26, net of the Enrolment Contingency Reserve (ECR), is projected at \$315.5M. This represents a decrease of \$26.4M (-7.7%) compared to the previous year, primarily due to anticipated changes in tuition revenue.

The University's operating revenue is drawn from three main sources: student academic fees, government funding, and other institutional revenues. Student academic fees include tuition revenue (net of the ECR) and student incidental fees, representing the largest and most variable component of the operating budget. Government funding consists of both provincial operating grants and federal support. Other institutional revenues include income earned on working capital and various miscellaneous sources, such as cost recoveries and student application fees.

The chart below provides a breakdown of the University's 2025/26 operating revenue by major category.

*Chart 10: 2025/26 Operating Revenue (in \$M)*



One-time funding received under the PSESF is once again not included in the 2025/26 operating revenue total. Further details provided in the Government Funding section.

## **1. STUDENT ACADEMIC FEES**

### **I. Domestic Tuition Rate Freeze**

Domestic tuition remains frozen with only two exceptions:

- tuition can increase by no more than 5% for students from outside the province of Ontario; and
- some tuition increases are allowed under the tuition anomaly adjustment program (discussed below).

### **II. Tuition Anomaly Adjustment Program**

The 2023/24 tuition fee framework allowed institutions to apply for Tuition Anomaly Adjustments for up to three comparable programs where current domestic rates are at least 15% below the sector average. Increases of to 7.5% per year are allowed in approved programs until the sector average is reached.

UWindsor received approval to adjust domestic tuition rates for undergraduate Business, undergraduate Engineering, and Law/Dual JD programs. This 2025/26 tuition budget includes the application of our third and final anomaly increases of 6.74% to Business, 6.55% to Engineering, and 7.36% to Law/Dual JD programs; all three programs reach their maximum eligibility this year.

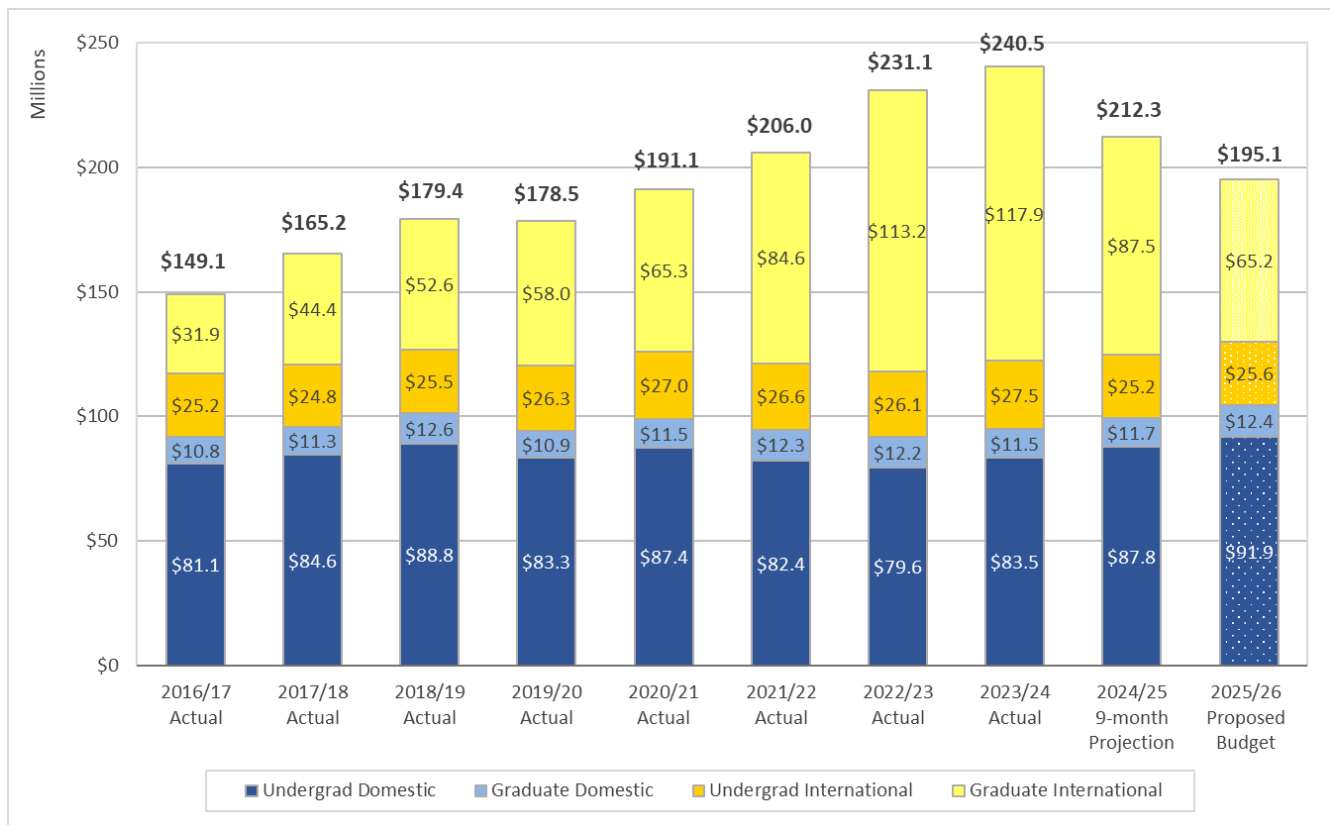
### **III. International Student Tuition Guarantee**

UWindsor has had an International Student Tuition Guarantee (ITG) since 2021/22, providing all international students with a commitment to hold tuition consistently at the first term rate assuming typical degree completion time. Considerations for the ITG have been included in the 2025/26 tuition fee budget.

### **IV. Tuition Fee Budget**

Total gross tuition fee revenue is budgeted at \$195.1M, down by \$31.6M (-13.9%) from a \$226.7M budget for the prior year, a direct result of IRCC policy changes. The chart below provides a historical review of UWindsor tuition revenues by student category.

Chart 11: Historical Tuition Revenue by Student Category (in \$M)

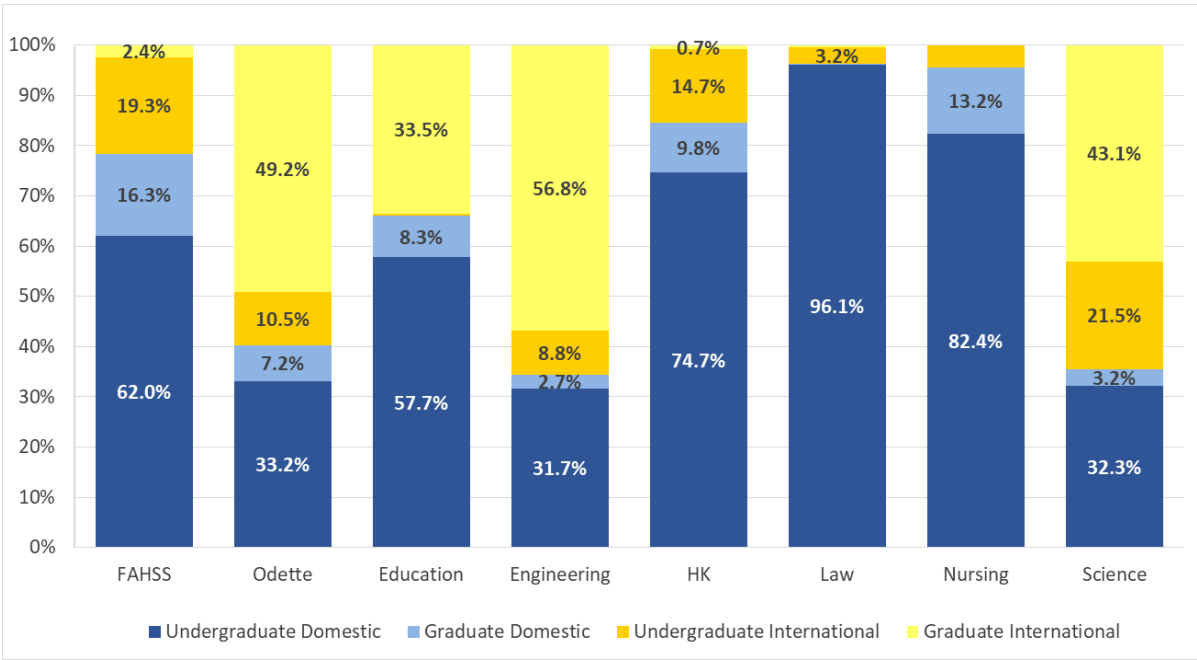


## V. Tuition by Faculty

UWindsor's eight Faculties can be organized into two groups when analyzing tuition fee characteristics: 1) Diversified Faculties with significant international cohort-based graduate program tuition revenue and 2) Faculties relying primarily on domestic student tuition revenues. The Faculties of Engineering, Science, and the Odette School of Business fit into the first category and have been most negatively affected by the downturn in international student enrolment opportunities, as illustrated in the student category graphic below.

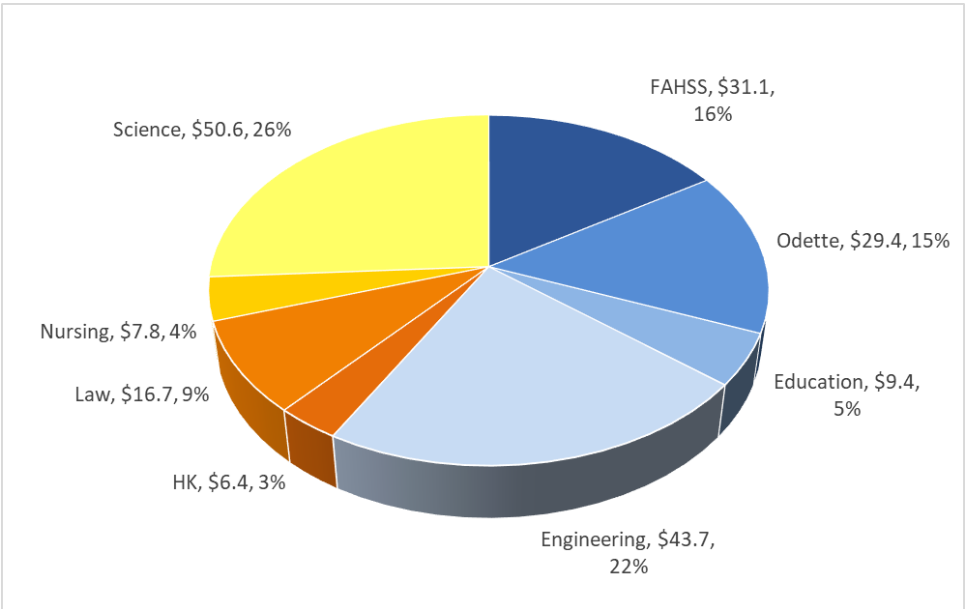


Chart 12: 2025/26 Faculty Tuition Revenue Composition by Student Category



The chart below provides the distribution of budgeted tuition revenue for each Faculty.

Chart 13: 2025/26 Tuition Fee Revenue Budget by Faculty (in \$M)

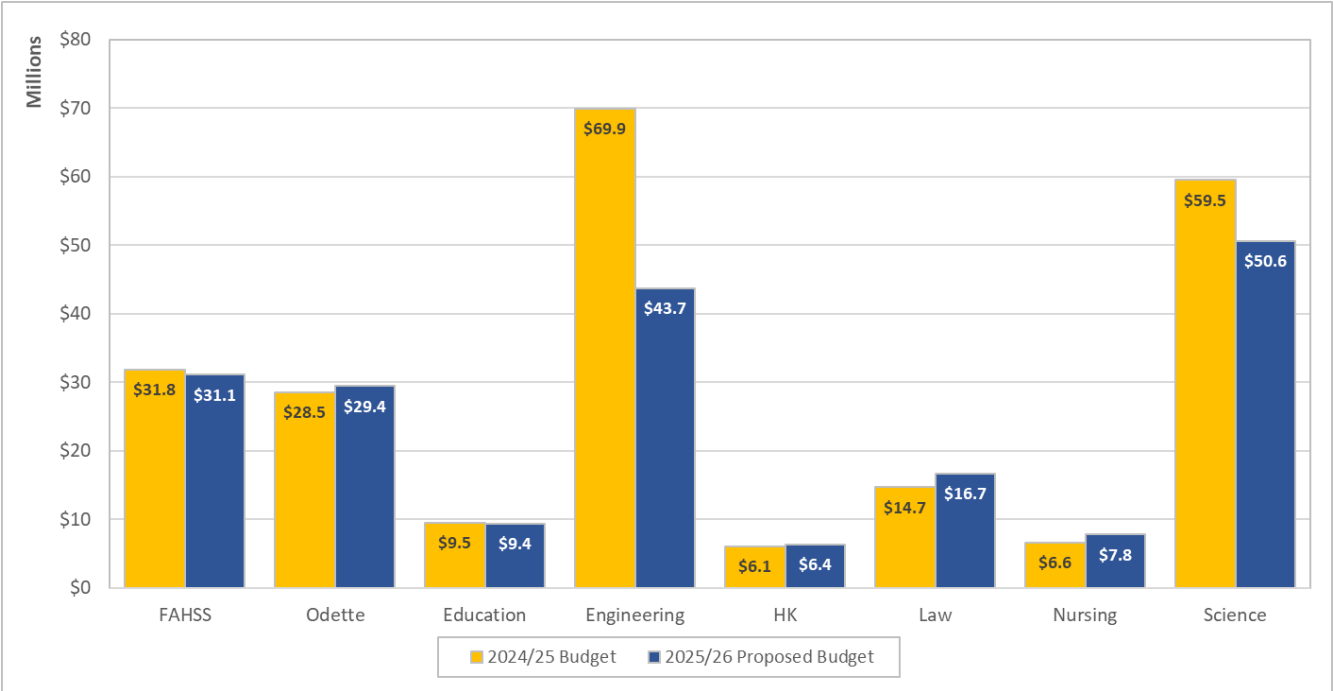


This is the first year in recent history that the Faculty of Science is budgeted to generate the highest tuition revenue (\$50.6M, 26% of total). The decline in international student enrolments in the MEng program has resulted in the Faculty of Engineering falling to second position (22% of total), with FAHSS

(16%), Odette (15%), and Law (9%) rounding out the top five. The Faculties of Education, Human Kinetics, and Nursing are relatively smaller, generating the remaining 12% of UWindsor tuition fees.

The following chart provides a year-over-year comparison of tuition revenues by Faculty.

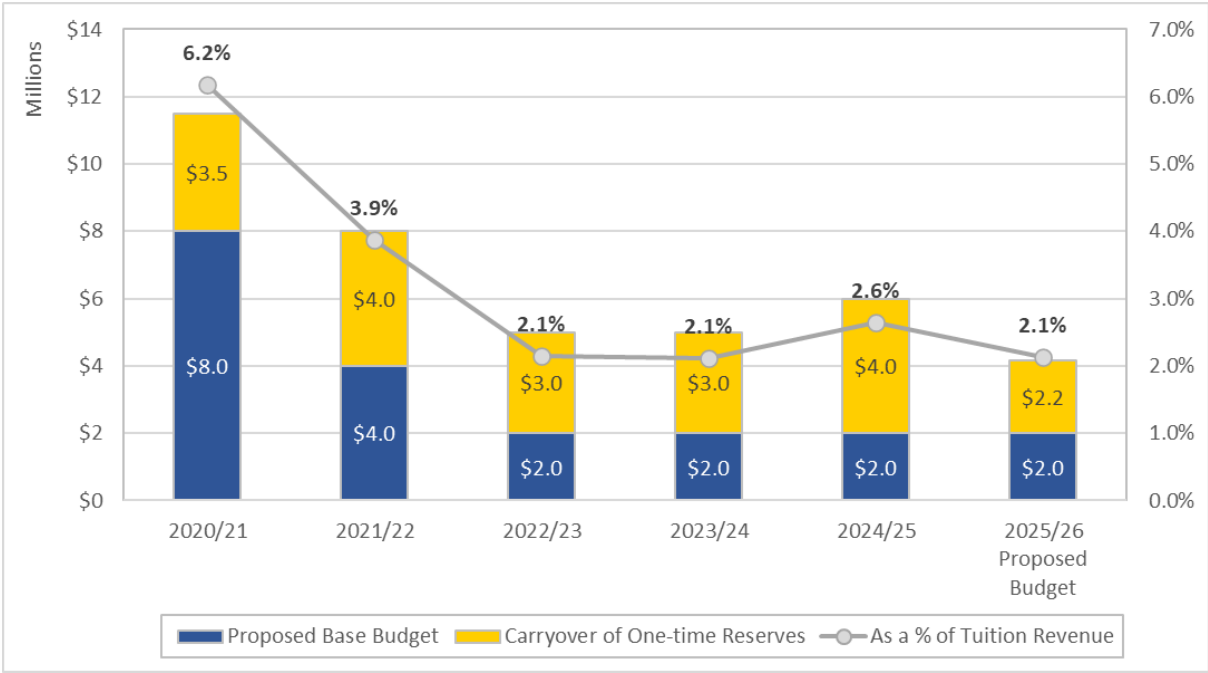
Chart 14: Year-over-year Comparison of Tuition Fee Budget by Faculty (in \$M)



**VI. Maintaining Enrolment Contingency Reserve (ECR)**

We are maintaining the Enrolment Contingency Reserve (ECR) as a tuition revenue risk mitigation strategy. The ECR will be funded at \$4.2M in 2025/26 (\$2M base plus \$2.2M in one-time carryover reserves) or about 2% of the gross tuition revenue budget. This strategy, employed since the COVID-19 pandemic years, has proven useful in mitigating in-year deficits or budget cuts.

Chart 15: Enrolment Contingency Reserve Planning (in \$M)



**VII. Student Incidental Fees**

Compulsory student incidental fees include Student Late Payment Fees, Student Health Fees, Co-op Fees, and Athletics & Recreation Service Fees, among others. In 2025/26, these fees are budgeted at \$9.6M, up about \$400K from the previous year. In most cases rate increases (CPI and other approved rate changes) offset anticipated enrolment reductions. Revenues generated against these budgets are either specifically designated in support of relevant expenditures or directed to non-academic units to fund costs associated with supporting academic programs.

**2. GOVERNMENT OPERATING GRANTS**

**I. General Enrolment – Base**

Core Operating Grant

The Core Operating Grant (COG) is the University’s primary source of base operating funding and is allocated through MCURES enrolment corridor model. Institutions receive full funding if their enrolment remains within +/- 3% of a negotiated corridor midpoint. Windsor’s corridor midpoint was first established in 2016/17 at 26,333 Weighted Grant Units (WGUs) and increased to 27,046 WGUs in 2024/25.

STEM Corridor Adjustment

Beginning in 2025/26, the government is making an annual investment of \$150M to support ongoing STEM enrolment at Ontario universities and colleges. For UWindsor, this investment will be operationalized through a corridor midpoint adjustment, resulting in a permanent increase of 286.97

WGU to the funded enrolment level. It is expected to generate an annual increase of \$908K to UWindsor's operating funding, which has been recognized in the base operating budget of the institution. With this adjustment, UWindsor's corridor midpoint will increase to 27,333.21 WGUs in 2025/26. Using a projected COG reference value of \$1,061.62 per WGU, the University is projecting a total COG of \$29.0M for 2025/26.

While this adjustment is important recognition of previously unfunded enrolment within the corridor, it does not address domestic enrolment growth in programs falling outside the corridor model. Incremental growth in Teacher Education and Graduate-level programs (Master's and Doctoral) has resulted in a current unfunded amount of approximately \$4.8M, including \$1.5M in Education and \$3.3M in Graduate students.

#### International Student Recovery (ISR)

The International Student Recovery (ISR) reduces the COG by \$750.00 for each international undergraduate and master student enrolled (PhDs are excluded). For 2025/26, the University is budgeting for ISR reduction in operating funding totaling \$2.2M, 2.3% of the University's total budgeted base operating revenue. During the past five years \$18.7M has been deducted from UWindsor's operating grants for the ISR.

## **II. Differentiation Envelope – Base**

#### Performance Grant

The 2019 Ontario Budget tied a substantial portion of university operating funding to institutional performance through a renewed Strategic Mandate Agreement (SMA) framework. Beginning with SMA3, a significant share of what was previously distributed through the COG was reallocated into a newly structured Performance Grant, housed within the Ministry's Differentiation Envelope. For the 2025/26 fiscal year, UWindsor is projecting \$65.0M in funding through the Performance Grant, which now represents approximately 70% of the University's total base operating funding.

#### Strategic Mandate Agreement 4

2025/26 marks the first year of SMA4, which will remain in effect through 2029/30. Under SMA4, disbursements are tied to institutional performance on a set of eight ministry-approved metrics focused on job outcomes, research funding, student progression, and institutional strength.

The disbursement-performance connection means that portions of the University's total operating funding is formally "at risk". During the first two years of SMA4, 25% of the University's total operating funding is affected, and the at-risk portion increases by 5% annually beginning in 2027/28, reaching 30% in 2027/28, 35% in 2028/29, and 40% in 2029/30. This step-up approach reflects the province's ongoing shift toward outcomes-based funding while providing a transitional period for institutions to adjust.

SMA4 also introduces a separate compliance-based funding mechanism tied to institutional accountabilities. For the duration of SMA4, 5% of Windsor's total operating grant (excluding time-limited funding) will be linked to a defined set of reporting and attestation requirements. If any requirement is not fulfilled, the full 5% will be deducted in the subsequent fiscal year. SMA4 accountability requirements fall into two categories:

**1. Data Reporting Requirements:**

- Audited enrolment reports;
- Graduate record file; and
- University Financial Accountability Framework reporting, with timelines based on institutional risk level.

**2. Annual Attestations:**

- Research Security: participation in planning and disclosure of international agreements, as directed by the Ministry;
- Efficiency Metrics: engagement with the Ministry to develop sector-wide efficiency benchmarks and provide timely responses to data requests; and
- Skills and Competencies Assessment: collaboration with the Ministry to design and support system-wide skills assessment initiatives.

**III. Postsecondary Education Sustainability Fund – One-time**

Starting in 2024/25, the government allocated \$903M over three years through the PSESF. This Fund has two parts, a \$700M base allocation, of which all institutions receive a portion, and a \$203M top-up fund, which provides supplementary financial support to institutions identified as having “greater financial need”.

Under the PSESF base fund allocation, institutions received a 3% increase to their operating funding in 2024/25, with further increases of 2% scheduled for both 2025/26 and 2026/27. These increases are calculated based on each institution’s total operating grant (including both the COG and the Performance Grant) and are provided as special-purpose funding outside of base.

As shown in the table below, for the 2024/25 fiscal year, the funding allocation for UWindsor was \$2.8M. In 2025/26 UWindsor is expected to receive an additional \$1.9M, representing funding of \$4.7M. In 2026/27 UWindsor is expected to receive an additional \$2.0M, representing funding of \$6.7M above normal COG and Performance. This represents \$14.1M in additional funding for UWindsor from this new envelope.

In 2025/26, the Ministry is allocating a portion of the \$203M in top-up funding to provide targeted financial support to institutions with greater financial need. Based on the Ministry’s assessment, the University of Windsor has qualified for a one-time top-up of \$3.2M, equivalent to a 3.5% increase to its 2023/24 operating funding. As more Universities become financially vulnerable, the top-up funding will be stretched across more institutions, creating a less material share for UWindsor. Both the PSESF and the PSESF Top-up Funding are provided as special-purpose grants and are not included in base operating funding.

The following table outlines Windsor’s anticipated allocations under both components of the PSESF until 2026/27.



Table 1: UWindsor Allocation of Postsecondary Education Sustainability Fund (in \$000s)

Description	2024/25 Actuals	2025/26 Projection	2026/27 Projection	Total
Base Operating Grant (COG + Performance)	\$93,078	\$93,986	\$93,986	
<b>PSESF Main Fund</b>				
% Annual Increase	3%	2%	2%	
2024/25 Allocation	\$2,792	\$2,792	\$2,792	\$8,377
2025/26 Allocation	-	\$1,917	\$1,917	\$3,835
2026/27 Allocation	-	-	\$1,956	\$1,956
<i>Total PSESF (treated as one-time funds)</i>	<b><u>\$2,792</u></b>	<b><u>\$4,709</u></b>	<b><u>\$6,665</u></b>	<b><u>\$14,168</u></b>
<b>PSESF Top-up Funding</b>				
% Annual Increase	7.0%	3.5%	TBD	
2024/25 Allocation	\$6,516	-	-	\$6,516
2025/26 Allocation	-	\$3,214	-	\$3,214
2026/27 Allocation	-	-	TBD	TBD
<i>Total PSESF Top-up Funding</i>	<b><u>\$6,516</u></b>	<b><u>\$3,214</u></b>	<b><u>TBD</u></b>	<b><u>TBD</u></b>

#### IV. Special Purpose Grants – Base

Special Purpose Grants are grants provided to address government and system-wide priorities. The 2025/26 budget for Special Purpose grants totals approximately \$2.3M and includes the following:

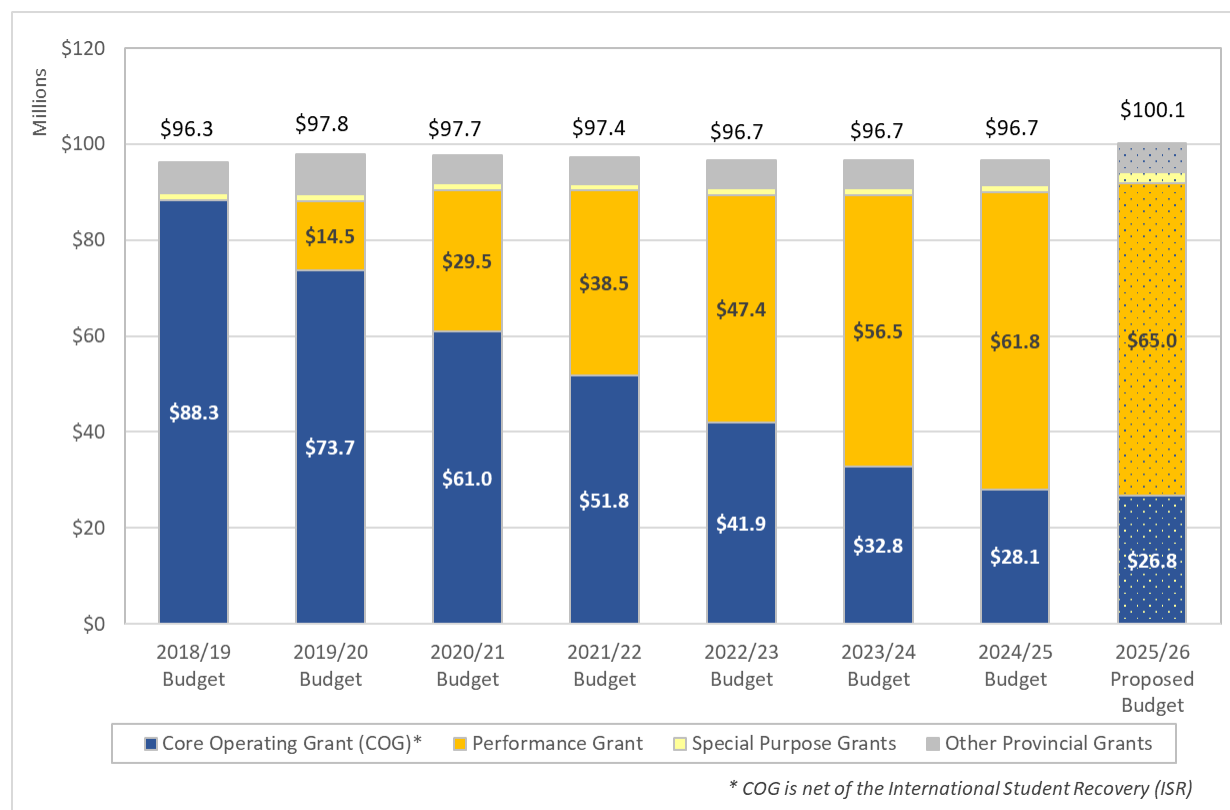
1. Municipal Tax Grant (\$879K)
2. Nursing Expansion (\$837K)
3. Funding for Students with Disabilities (\$530K)
4. Clinical Nursing Grant (\$400K)
5. Mental Health Services (\$100K)

#### V. Other Grants – Base

For 2025/26, UWindsor has budgeted \$5.6M for the Collaborative Nursing Grant, an increase of \$746K compared to last year's budget (see Appendix B), based on prior-year collaborative program enrolment levels. This separate envelope supports a Collaborative Nursing program currently offered jointly with St. Clair College. We are also budgeting \$400K base for Clinical Nursing, consistent with prior year.

The chart below provides a historical review of the budgeted Provincial Operating Grants by category since enacting SMA3. A complete breakdown of the Provincial Operating Grant funding for 2025/26 is provided in Appendix B.

Chart 16: Provincial Operating Grant History (in \$M)



### 3. OTHER INSTITUTIONAL REVENUE

#### I. Investment Income

The 2025/26 Operating Budget includes \$5M for revenue raised through the investment of working capital funds that are actively managed within the constraints of the Statement of Investment Policies and Procedures for Working Capital Funds (the SIPP). Working capital will continue to be managed and reinvested in response to changing market conditions within the constraints of the SIPP.

#### II. Other Operating Revenues

Other miscellaneous sources of operating revenue, including application fees and recoveries from the ancillary operations of the institution, are budgeted at \$4.1M. The institution remains focused on the development and implementation of alternative revenue strategies.

## IV. OPERATING EXPENDITURES

Operating expenditures – including investment and reserve funds – are budgeted at \$324.8M, down \$19.8M (-5.7%) versus the prior year. UWindsor is implementing a proactive budget balancing strategy through the OEC to contain spending as much as possible. The table below provides an overview of the 2025/26 operating expenditure budget by category compared against 2024/25.

Table 2: 2025/26 Operating Expenditures by Type compared to 2024/25 (in \$M)

Expenditure Type	2024/25 Reclassified Budget	2025/26 Proposed Budget	\$ Increase/ (Decrease) to 2024/25	% Increase/ (Decrease) to 2024/25
<u>Non-Student Employment Costs</u>				
Faculty Salaries & Benefits	\$136.3	\$131.2	-\$5.2	-3.8%
Staff Salaries & Benefits	99.4	88.3	-11.1	-11.2%
Flexible Instruction Costs	11.0	9.0	-2.0	-18.2%
	<b><u>\$246.7</u></b>	<b><u>\$228.4</u></b>	<b><u>-\$18.3</u></b>	<b><u>-7.4%</u></b>
<u>Student Employment &amp; Financial Aid Costs</u>				
Assistantships	\$12.4	\$12.0	-\$0.4	-3.1%
Student and Other Casual Wages	4.1	3.8	-0.3	-7.9%
Scholarships and Bursaries	13.5	13.9	0.4	3.1%
	<b><u>\$30.1</u></b>	<b><u>\$29.8</u></b>	<b><u>-\$0.3</u></b>	<b><u>-1.0%</u></b>
<u>Other Costs and Recoveries</u>				
Materials, Supplies and Services	\$34.8	\$34.8	\$0.0	0.0%
Equipment, Repairs and Renovations	15.9	14.4	-1.5	-9.4%
Utilities	11.6	11.2	-0.4	-3.1%
Debt Servicing Costs	11.7	11.7	0.0	0.0%
Internal Recoveries net of Other Expenses	-6.1	-5.4	0.7	11.3%
	<b><u>\$67.8</u></b>	<b><u>\$66.6</u></b>	<b><u>-\$1.2</u></b>	<b><u>-1.8%</u></b>
<b>Total Expenditures</b>	<b><u>\$344.6</u></b>	<b><u>\$324.8</u></b>	<b><u>-\$19.8</u></b>	<b><u>-5.7%</u></b>

The single largest component of the UWindsor operating budget, comprising \$244.3M (75.2%) of total expenditures, is the cost of employee salaries, wages, and benefits.

### 1. OPERATING EXPENDITURES BY TYPE

#### I. Overview of Faculty & Staff Salaries, Wages and Benefits

UWindsor operates with a non-union group and eight bargaining units as follows:

1. Windsor University Faculty Association (WUFA) – Faculty, librarians, ancillary academic staff, and sessional instructors
2. Unifor Local 444 – Special Constables & Parking Services
3. Unifor Local 2458 Full-time – Office & Clerical staff

4. Unifor Local 2458 Part-time – Office & Clerical staff
5. Unifor Local 2458 Engineers – Stationary Engineers
6. CUPE Local 1001 – Housekeeping & Grounds
7. CUPE Local 1393 – Trades, Technical, and Professional staff
8. CUPE Local 4580 – Graduate and Undergraduate Teaching Assistants

WUFA, Unifor Locals 444 and 2458 Engineers, CUPE 1393 and CUPE 4580 have agreements expiring in 2025. Assumptions have been included in this budget for the upcoming collective bargaining.

The University is employing several containment strategies related to the cost of employment, including:

- Wage freezes for all non-union personnel;
- Vacant position hiring freezes (with some limited exceptions for essential positions);
- Voluntary contract termination (VCT) offers for faculty members past normal retirement age;
- Voluntary early retirement (VER) packages for staff; and
- Voluntary severance packages (VSP) for certain low seniority staff.

## **II. Faculty Salaries**

The 2025/26 faculty salary budget of \$109.0M is down \$2.2M from the prior year. Under the ABB model, the determination of the amount of budget allocated to faculty member positions fell to the Dean of each respective Faculty. Turnover of faculty positions would result in salary savings for Faculties as individuals who had reached full Professor status at the end of their careers are generally replaced by new pre-tenure Assistant Professors. The savings from this turnover could be reinvested in the Faculty and/or applied against their realignment or ABB transition obligations.

Under zero-based budgeting, a comprehensive faculty member position review was conducted to ensure that the faculty complement in each academic unit was appropriate considering enrolment trends, teaching needs, accreditation and other external factors. Budget 2025/26 fully funds all full-time pre-tenure and tenured faculty members. Where, based on the review, an unencumbered budget was required to increase faculty headcount, a set-aside was established for the cost of replacing positions required to achieve the target faculty levels. This allows the University to continue to grow and renew its faculty membership in strategic areas aligned with student interest and local industry demand. The Provost and Vice-President, Academic will lead the setting of criteria for deploying the set-aside funding.

Faculty renewal and investment is important for the University's commitment to advancing bold, impactful research, scholarship and creative activity. Under the leadership of the Vice-President, Research & Innovation, searches for Canada Research Chairs continue in key priority research areas for the institution including public health and the environment. The funding required to support these important investments is included in the set-aside funding described above.

## **III. Sessional and Overload Teaching Costs**

Flexible teaching, including sessional and overloads complement permanent full-time faculty by bridging the gap between available teaching capacity and student demand. A sessional instructor is hired on

contract to teach a single class section, while overload teaching represents teaching by existing faculty above their required load.

The budget has been adjusted accordingly to \$7.8M, resulting in savings of \$1.5M versus the prior year budget. To help with the implementation of this lower budget, the Provost and Vice-President, Academic has implemented a policy limiting the number of small undergraduate classes (those with fewer than 12 students).

#### **IV. Assistantships**

Graduate and undergraduate teaching assistantships (GA/TAs) are budgeted at \$11.1M, down \$400K from prior year. The GA/TA needs of the University are variable depending on the number of enrolled students. Under the ABB model, base budget for GA/TA support was held within the Faculty units. Under zero-based budgeting, these funds will be held centrally and allocated annually to the Faculties based on an equitable allocation methodology.

#### **V. Staff Salaries and Wages**

Considerable effort has been made to decrease full- and part-time staffing costs while respecting UWindsor's people and collective agreements. The following initiatives have resulted in savings of more than \$8.7M in base staff salary budget:

- Comprehensive non-union compensation and position review and restructure;
- Consolidation and centralization of campus IT/AV technicians, communication and marketing, events, and advancement and alumni services;
- Development of a pilot secretarial pool in FAHSS;
- Implementation of ratio targets for secretarial support across all Faculties;
- Implementation of reduced administrative assistant support standards in non-faculty units;
- Reduction in internal mail distribution services;
- Centralization/systemization of course scheduling; and
- Creation of a "one stop" student hub for admissions, registrations, cashiers, and awards functions.

As with faculty positions under zero-based budgeting, all vacant staff positions have been reviewed, with budgets eliminated for those not essential to the above initiatives or UWindsor operations.

#### **VI. Employee Benefits**

Employee benefit costs are budgeted by employee group and benefit category as a percentage of salaries and wages. The blended benefit rate in 2025/26 is 20.6% of salaries and wages (prior year was 21.6%). Employee benefits can be broadly classified into three main areas:

1. Legislated Benefits (6.1%)
2. Negotiated Benefits (7.6%)
3. Pension Contributions (6.9%)



## VII. Pension Plan Costs

Planning for pension plan contributions is continuous due to its volatile nature and significant cost. The Financial Services Regulatory Authority (FSRA) of Ontario requires tri-annual actuarial valuations. These actuarial valuations dictate contribution levels from both plan members and the University.

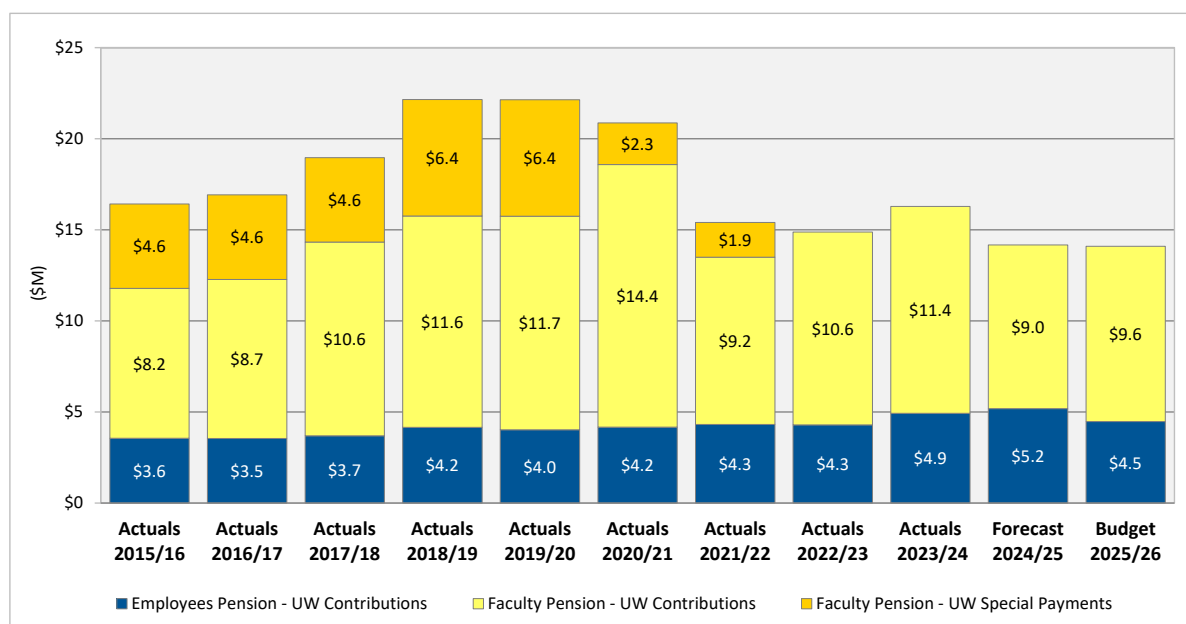
An elective valuation for the Faculty Plan was filed on July 1, 2023, and a valuation for the Employees' Plan is currently being filed as of July 1, 2024. The next required valuations are due on or before July 1, 2026, for the Faculty Plan and July 1, 2027, for the Employees' Plan.

As of the July 1, 2024, valuation, the Employees' Plan is showing a going concern surplus (115%) and a solvency surplus (114%). Contributions to the plan are shared evenly between the Plan membership and the University. The total budgeted cost of the Employees' Plan (current service costs) for the University in 2025/26 is \$4.5M.

The Faculty Plan is a hybrid plan comprised of a Money Purchase Plan (MPP) and the Minimum Guaranteed Benefit (MGB). Contributions to the MPP component for the Faculty Plan are currently 9% of pensionable earnings for plan members and 6% for UWindsor, subject to Income Tax Act annual contribution limits. UWindsor is solely responsible for funding the MGB liability of 3.3% of earnings, which represents the amount paid to ensure pensions are at the defined benefit level as prescribed in the Plan. The total budgeted cost of the Faculty Plan (current service cost) for the University for 2025/26 is \$9.6M.

As of the July 1, 2023, valuation, the Faculty Plan has a going concern surplus (102%) and a solvency surplus (151%). Thus, the earliest the Faculty Plan would have to make special contributions to fund a going concern deficit would be July 2027.

*Chart 17: UWindsor Pension Contributions (Employees' and Faculty Plans) (in \$M)*



## **VIII. Pension Stabilization Reserve**

Pension plan valuations can fluctuate over time, and the risk of future special payments remains. When Faculty Plan pension special payments ended during fiscal 2021/22, UWindsor established a Pension Sustainability Reserve. With both plans not requiring special payments and following a review with the Plan's actuaries, administration is reducing the Pension Stabilization Reserve base budget to \$500K in fiscal 2025/26. This level of Pension Stabilization base budget, combined with the accrued Employee Benefits Reserves, will help ensure there is sufficient funding to manage special payments should they return to historically high levels.

## **IX. Other Operating Costs**

All other UWindsor operating expenditures, net of cost recoveries, and transfers from other funds, make up 24.8% of the operating budget, totaling at \$80.5M -- down \$0.8M (-1.0%) versus the prior year.

These costs can be divided into the following categories:

- Infrastructure obligations
- Discretionary spending

### Infrastructure Obligations

Infrastructure obligations include bargained costs other than employee benefits (e.g. professional development funds), scholarships, library resources, institutional memberships, ITS software and system licenses, debt financing, insurance premiums, legal fees, municipal taxes, utilities, property maintenance and repairs, and fleet costs, among others.

All budgets for infrastructure obligations have been scrutinized to ensure funding accurately reflects the forecasted spend based on a historical analysis of the previous 5-year spending patterns. It is notable that the scholarship budget, despite the decline in enrolment and operating budget challenges, continues to grow year-over-year.

### Discretionary Spending

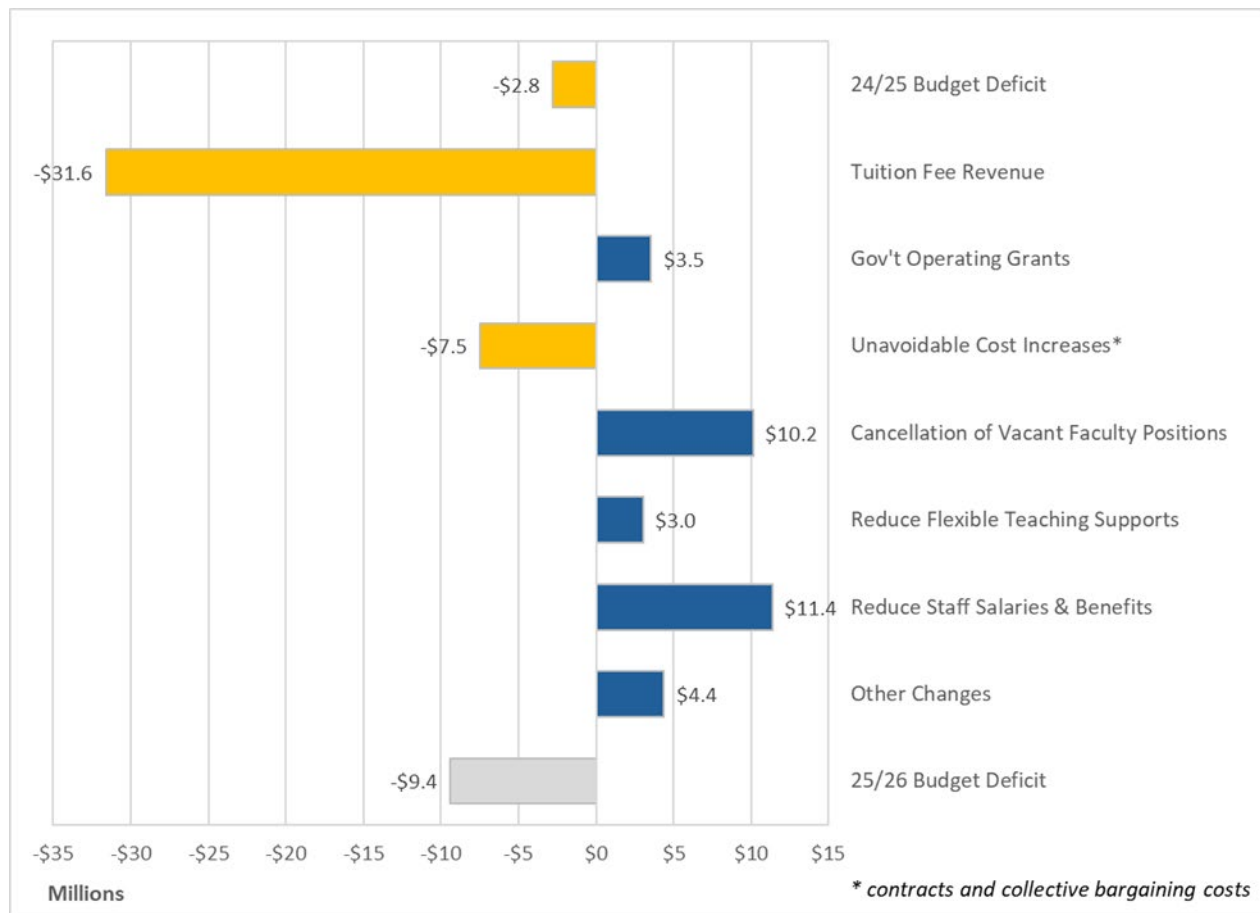
Discretionary spending is the most flexible part of UWindsor's expenditure budget, covering office supplies, printing, lab supplies, travel, events, equipment, and PCs and software, among other things.

For 2025/26, all discretionary budgets have been reset by first consolidating the funding and then reallocating using meaningful activity drivers. For example, the budget allocated for office supplies to each department has been determined by considering how many employees work in the department.

## **X. Impact of Efficiency Changes**

The following chart provides a general overview of how identified and implemented budget balancing activities have contributed to mitigating the budget deficit for 2025/26.

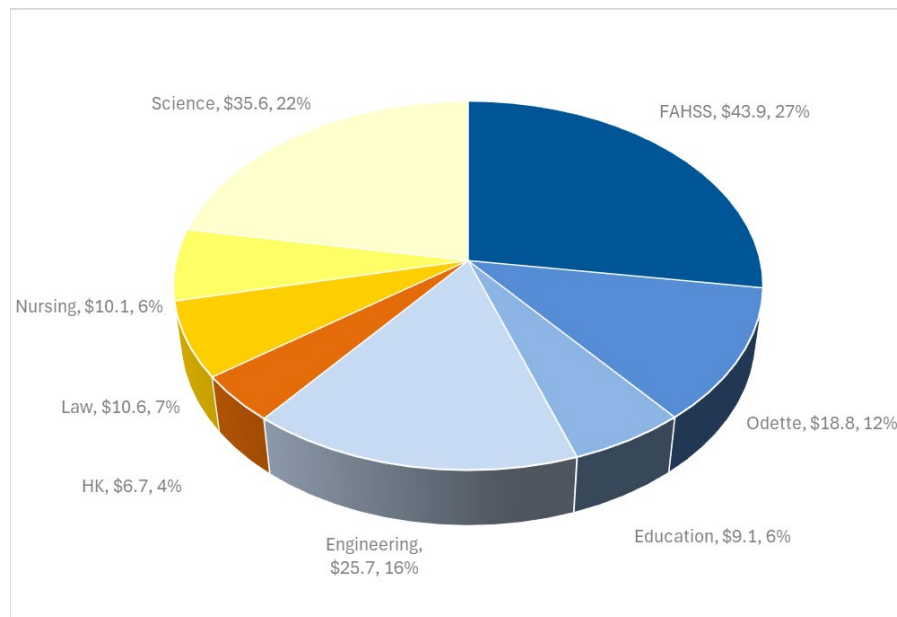
Chart 18: Base Budget Variance Analysis (in \$M)



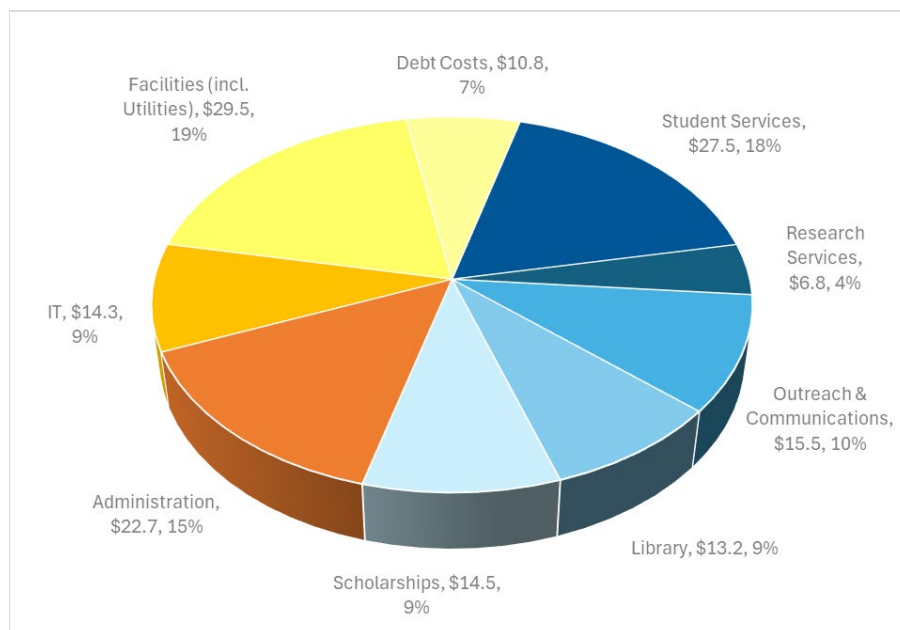
## 2. OPERATING EXPENDITURES BY OPERATIONAL DIVISION

The previous section analyzed operating expenditures by type (or category). Expenditures can also be examined by operational division, distinguishing between the direct costs of academic delivery and shared service costs that support academic and research activities. The diagrams below provide the 2025/26 budget by Faculty and by shared service unit.

*Chart 19: 2025/26 Direct Cost of Academic Delivery by Faculty (in \$M)*



*Chart 20: 2025/26 Shared Service Unit Budgets (in \$M)*



### 3. STRATEGIC INVESTMENT & RESERVE FUNDS

An important component of long-term financial sustainability planning for any organization is allocating resources in support of institutional strategic initiatives and establishing funds to mitigate institutional risk. UWindsor's strategic investments and reserves are established for this purpose, enabling the institution to execute key initiatives.

The table below provides a year-over-year comparison of UWindsor Strategic Investment and Reserve Funds held in the Operating Budget.

Table 3: Strategic Investment and Reserve Funds (in \$000s)

Fund Name	2024/25 Budget	2025/26 Budget	Variance
<i>Strategic Investment Funds</i>			
Strategic Priority Fund	\$2,000	\$2,000	-
Strategic Research Activity Fund	998	998	-
Deferred Maintenance Fund	2,000	1,500	-\$500
Environmental Sustainability Small Projects Fund	100	75	-25
	<b><u>\$5,098</u></b>	<b><u>\$5,098</u></b>	<b><u>-\$525</u></b>
<i>Reserve Funds</i>			
For the Future Fund	\$3,300	\$3,000	-\$300
Pension Stabilization Fund	800	500	-300
Energy Sustainability Reserve	1,800	1,500	-300
SMA3 Protection Reserve	100	-	-100
	<b><u>\$6,000</u></b>	<b><u>\$5,000</u></b>	<b><u>-\$1,000</u></b>
<b>Total Investment &amp; Reserve Funds</b>	<b><u>\$11,098</u></b>	<b><u>\$9,573</u></b>	<b><u>-\$1,525</u></b>

## I. Strategic Investment Funds

### Strategic Priority Fund

The Strategic Priority Fund (SPF) is budgeted at \$2M in 2025/26, consistent with the prior year, and will be deployed to support initiatives that align with *Aspire*. Many initiatives are planned which align with financial sustainability and Foundational Commitments through *Aspire*. Examples include:

### Foundational Commitments

- An Institutional Lead on AI will be named in Spring 2025, with responsibility for both taking advantage of opportunities and mitigating the institutional risks associated with AI.
- A number of new social collision spaces are set to open in 2025/26, including a refreshed first floor of the Leddy Library, and Sunset House – a gathering place for retirees, and a cornerstone to our Age Friendly Campus initiative.
- The President has called for the Rapid Response Taskforce (an office of quality improvement and innovation) to remain in place for at least two years to support the campus with process improvements and efficiencies and related change management.
- *UWindsor Leader*, a comprehensive suite of professional development opportunities, have been launched as a way to complement and reinforce the institution's Leadership Development Framework and ensure our leaders are equipped to succeed.

### Strategic Priorities

- The Faculty of Engineering is exploring the opportunity to launch a Bachelor of Technology and Sustainability, offering prospective students an incredible opportunity to learn in this high

demand area, and aligning with the institution's Sustainability Framework (Fostering an Environmentally Sustainable Campus)

- The Faculty of Science is piloting the deployment of a Canadian-made AI tutoring and learning assistant tool to support learners in Chemistry and Biochemistry (Teaching, Learning and Student Experience)
- The University is launching a community oriented Downtown Campus Revitalization plan founded on partnerships. In September 2025, the University will formally launch its strategic partnership with the YMCA of Southwestern Ontario including their co-location in 300 Ouellette Ave. Further work is underway under the alternative revenues and real estate to expand community partnership in this manner (Community Engagement).
- The University has signed an MOU with the Foundation for Educational Exchange between Canada and the United States to established Fulbright Canada Research Chairs at UWindsor. This opportunity is an important catalyst for continued research partnership between our two nations (Research, Scholarship and Creative Activity).
- A comprehensive project is underway to re-imagine the University's complaints processes such that complaints can be easily triaged and referred, and where services to mediate, coach and de-escalate situations without recourse to a formal process are available (Equity, Diversity, Inclusion).

#### Strategic Research Activity Fund

Under the purview of the Vice-President, Research and Innovation, the Strategic Research Activity Fund was established when UWindsor implemented the ABB model. It accounts for approximately 30% of the Federal Research Support Funding received from the government and is consistent with prior year funding. In addition to these centrally managed research activity funds, each Faculty receives a percentage of the indirect research incentive grant, supporting research activities and capacity building in the Faculties.

#### Deferred Maintenance Fund

Ongoing improvements and maintenance of existing buildings mitigates financial and safety risk and is a key element of the student experience. The 2025/26 budget includes \$1.5M, down from \$2M last year, to address deferred maintenance on campus.

#### Environmental Sustainability Small Projects Fund

While drafting and achieving the institution's carbon neutrality goals is primarily work that is funded by the institution's Capital Budget, it is recognized that small, grass roots projects happening across campus that support our environmental sustainability are also high value in the fight against climate change. This Fund provides a small budget to the Sustainability Steering Committee for small projects.

## **II. Reserve Funds**

#### For the Future Fund

As has been customary in the years since the COVID-19 pandemic, the University maintains a base reserve fund equal to approximately 1% of total revenues. In 2025/26, the For the Future Fund is budgeted at \$3M, down from \$3.3M last year.

#### Pension Stabilization Reserve

The Pension Stabilization Reserve is explained in the Operating Expenditure section above.

#### Energy Sustainability Reserve

When considering future institutional risk, it is important to reflect on the impacts of climate change and government energy regulation. To address this, the operating budget maintains a base Energy Sustainability Reserve of \$1.5M, down from \$1.8M last year, to mitigate potential future increases in energy costs. This reserve is available in the short-term to fund campus sustainability initiatives, including matching government funding for capital or repair projects, and can return to the utilities base budget if rates increase unexpectedly. UWindsor will continue to monitor government policy and energy costs, adjusting the reserve as needed.

## **V. BUDGET IMPLEMENTATION CONSIDERATIONS**

### **1. MANAGING ONE-TIME COSTS**

Significant work has been done to identify cost savings opportunities, which have been incorporated into the 2025/26 operating budget to reduce the base budget deficit. While many of these strategies will set the institution on a path toward financial sustainability by effectively lowering the base budget, they come with one-time costs related to severance, bumping, wage and benefit protections, implementation, and more.

UWindsor will be required to draw down its reserve funding to manage these one-time costs during the next several years, making the institution more financially vulnerable.

### **2. GOVERNMENT ADVOCACY AND PLANNING**

The University has benefited greatly from the one-time funding extended by MCURES through the PSESF and the EAF, both in Budget 2024/25 and Budget 2025/26. While the province's future policy decisions remain uncertain, the University acknowledges that any one-time monies granted by the province will be assigned first to the in-year deficit, then to covering the costs of implementing this budget (including retirement incentive programs), and then directly to students through scholarships, bursaries, work opportunities, and additional academic opportunities and supports. Should base funding become available, it will be applied to mitigate the University's base budget deficit.



## **VI. CONCLUSION**

UWindsor is confronting unprecedented challenges in higher education, shaped by socioeconomic forces beyond our influence but requiring our stewardship.

The preparation of the 2025/26 operating budget has been unlike any other, from overcoming a \$14M tuition shortfall last fiscal year to facing a budget gap exceeding \$30M. The entire campus community should take pride in having supported the mitigation of this forecasted deficit to just over \$9M, with \$4.6M (1.4% of the budget) of that amount not offset by the strategic use of one-time PSESF monies (see Appendix A).

Achieving this result required extensive efforts to reduce costs amid limited revenue opportunities and shifting enrolment patterns, with changes affecting staffing, services, and operations.

As sector pressures persist, this operating budget is not an end, but a beginning. It marks a new era where we must reimagine UWindsor, making strategic choices that are both fiscally responsible and progressive.

## APPENDIX A: 2025/26 OPERATING BUDGET

	2024/25 RECLASSIFIED BUDGET (\$000s)	2025/26 PROPOSED BUDGET (\$000s)	% OF TOTAL EXPENSE BUDGET	\$ INCREASE/ (DECREASE) TO 2024/25 (\$000s)	% INCREASE/ (DECREASE) TO 2024/25
<b>OPERATING REVENUE</b>					
Student Academic Fees	\$ 226,721	\$ 195,121	60.1%	\$ (31,600)	(13.9%)
Less: Enrolment Contingency Reserve	(2,000)	(2,000)	(0.6%)	-	0.0%
Student Incidental Fees	9,158	9,555	2.9%	397	4.3%
Government Grant - Provincial	96,657	100,118	30.8%	3,460	3.6%
Government Grant - Federal	3,550	3,639	1.1%	89	2.5%
Investment Income	4,200	4,950	1.5%	750	17.9%
Other Revenue	3,528	4,080	1.3%	552	15.6%
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 341,814</b>	<b>\$ 315,463</b>	<b>97.1%</b>	<b>\$ (26,352)</b>	<b>(7.7%)</b>
<b>OPERATING EXPENDITURES</b>					
Faculty Expenditures	\$ 171,148	\$ 160,446	49.4%	\$ (10,702)	(6.3%)
Research Services	7,356	6,843	2.1%	(513)	(7.0%)
Outreach & Communications	14,231	15,506	4.8%	1,275	9.0%
Academic & Student Services	29,771	27,455	8.5%	(2,316)	(7.8%)
Library	14,530	13,212	4.1%	(1,318)	(9.1%)
Scholarships	14,352	14,480	4.5%	128	0.9%
Administration	24,840	22,690	7.0%	(2,151)	(8.7%)
Information Technology	14,151	14,316	4.4%	165	1.2%
Facility Costs (including Utilities)	32,351	29,547	9.1%	(2,804)	(8.7%)
Debt Costs	10,779	10,779	3.3%	0	0.0%
<i>Subtotal Base Operating Expenditures</i>	<b>\$ 333,509</b>	<b>\$ 315,273</b>	<b>97.1%</b>	<b>\$ (18,236)</b>	<b>(5.5%)</b>
<b>STRATEGIC INVESTMENT &amp; RESERVE FUNDS</b>					
Strategic Investment Funds	\$ 5,098	\$ 4,573	1.4%	\$ (525)	(10.3%)
Reserve Funds	6,000	5,000	1.5%	(1,000)	(16.7%)
<i>Subtotal Strategic Investment &amp; Reserve Funds</i>	<b>\$ 11,098</b>	<b>\$ 9,573</b>	<b>2.9%</b>	<b>\$ (1,525)</b>	<b>(13.7%)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 344,607</b>	<b>\$ 324,846</b>	<b>100.0%</b>	<b>\$ (19,761)</b>	<b>(5.7%)</b>
<b>BASE OPERATING POSITION</b>	<b>\$ (2,792)</b>	<b>\$ (9,383)</b>	<b>(2.9%)</b>	<b>\$ (6,591)</b>	<b>236.1%</b>
<i>Postsecondary Education Sustainability Fund</i>	<b>2,792</b>	<b>4,710</b>	<b>1.4%</b>	<b>1,918</b>	<b>68.7%</b>
<b>OPERATING BUDGET SURPLUS/(DEFICIT)</b>	<b>\$ 0</b>	<b>\$ (4,673)</b>	<b>(1.4%)</b>	<b>\$ (4,673)</b>	<b>100.0%</b>

## APPENDIX B: 2025/26 PROVINCIAL GRANTS

	2024/25 RECLASSIFIED BUDGET (\$000s)	2025/26 PROPOSED BUDGET (\$000s)	% OF TOTAL EXPENSE BUDGET	\$ INCREASE/ (DECREASE) TO 2024/25 (\$000s)	% INCREASE/ (DECREASE) TO 2024/25
<b>PROVINCIAL GRANT</b>					
Core Operating Grant (COG)	\$ 31,238	\$ 29,017	8.9%	\$ (2,221)	(7.1%)
Performance (Differentiation) Grant	61,840	64,969	20.0%	3,129	5.1%
Sub-Total	\$ 93,079	\$ 93,987	28.9%	\$ 908	1.0%
Special Purpose Grants	\$ 1,523	\$ 2,346	0.7%	\$ 823	54.1%
Collaborative Nursing	4,844	5,590	1.7%	746	15.4%
Other Provincial Grants	372	400	0.1%	28	7.5%
International Student Recovery	(3,160)	(2,205)	(0.7%)	955	30.2%
<b>TOTAL BASE PROVINCIAL OPERATING GRANTS</b>	<b>\$ 96,657</b>	<b>\$ 100,118</b>	<b>30.8%</b>	<b>\$ 3,460</b>	<b>3.6%</b>
Postsecondary Education Sustainability Fund*	2,792	4,710	1.4%	1,918	68.7%
<b>TOTAL PROVINCIAL FUNDING</b>	<b>\$ 99,449</b>	<b>\$ 104,828</b>	<b>32.3%</b>	<b>\$ 6,362</b>	<b>6.4%</b>

## APPENDIX C: 2025/26 “SHADOW” ABB FACULTY NET POSITION

	Faculty of Arts, Humanities & Social Sciences	Odette School of Business	Faculty of Education	Faculty of Engineering	Faculty of Human Kinetics	Windsor Law	Faculty of Nursing	Faculty of Science
	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)
<b>OPERATING REVENUE</b>								
Student Fees	\$ 32,316	\$ 29,500	\$ 8,893	\$ 40,805	\$ 5,711	\$ 16,721	\$ 8,333	\$ 53,962
Government Operating Grant	29,840	8,003	7,078	13,503	6,585	4,794	9,133	21,878
Other Revenue	657	269	1,025	638	28	184	8	1,441
<b>TOTAL BUDGETED REVENUE</b>	<b>\$ 62,813</b>	<b>\$ 37,772</b>	<b>\$ 16,996</b>	<b>\$ 54,946</b>	<b>\$ 12,324</b>	<b>\$ 21,699</b>	<b>\$ 17,474</b>	<b>\$ 77,281</b>
<b>OPERATING EXPENDITURES</b>								
Direct Faculty Expenses	\$ 42,332	\$ 19,090	\$ 10,095	\$ 27,163	\$ 6,460	\$ 10,610	\$ 10,035	\$ 35,363
Other Direct Expenses	544	946	200	3,330	49	1,262	15	4,998
Allocation of Shared Service Cost Pools	29,234	13,156	6,715	33,700	5,339	5,137	6,296	35,216
Initial Contribution to University Fund	707	427	188	656	149	247	197	833
<b>TOTAL BUDGETED EXPENDITURES</b>	<b>\$ 72,817</b>	<b>\$ 33,619</b>	<b>\$ 17,198</b>	<b>\$ 64,849</b>	<b>\$ 11,997</b>	<b>\$ 17,256</b>	<b>\$ 16,543</b>	<b>\$ 76,410</b>
<b>ABB NET POSITION</b>	<b>\$ (10,004)</b>	<b>\$ 4,153</b>	<b>\$ (202)</b>	<b>\$ (9,903)</b>	<b>\$ 327</b>	<b>\$ 4,443</b>	<b>\$ 931</b>	<b>\$ 871</b>