

2019-2020 BUSINESS PLAN



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Section 1: Board of Governors

SECTION 1

BOARD OF GOVERNORS *

Name
<i>External Members</i>
Steve Stipsits
Stephen Bauld
Mark Farrow
Katrina McFadden
Sheree Meredith
Mila Ray-Daniels
David van der Woerd
Bill Chisholm
Barbara Sullivan
Sheri Longboat
Paul Pastirik
Raymond Simmons
Ron McKerlie, <i>PRESIDENT</i>
Name
<i>Internal Members</i>
Wendy Lawson
Tyler Lodder
Tracey Richardson
Kamala Kruse

*As of June 12, 2019

Section 2: Introduction

The way to achieve community transformation and prosperity is to leverage education as an enabler of hope and opportunity. To be successful, communities of the future will need to have a strong alignment between economic expectations and workforce skills, welcoming everyone to play a role in building a healthy, resilient and prosperous region.

In 2019-2020 Mohawk will continue its focus on key initiatives aligned with its 2016-2021 Strategic Plan and its 2017-2020 Strategic Mandate Agreement with the Government of Ontario. At the same time it will continue to deliver an exceptional college education and experience to a record number of students. Mohawk is well positioned to meet the financial challenge ahead and continue advancing its strategic priorities of Student Success, Graduate Success, Collaboration and Partnerships and Community Leadership.

This plan sets Mohawk apart with competitive differentiators and its goals are grounded in work that is already underway. It also drives completion of many of our key investments including new student learning spaces, investment in student supports, and furthering our reach of our City School programming through Challenge 2025.

Section 3: Strategic Plan

Vision: Future Ready. Learning for Life

Mission: We educate and prepare highly skilled graduates for success and contributions to the community, Canada and the world.

Values:

- We are student focused.
- We are committed to excellence.
- We engage our community.
- We are inclusive.
- We are accountable.

Strategic Themes and Priorities:

Student Success

- Provide more entry points and pathways to a credential.
- Address financial barriers.
- Grow our reach and impact.
- Student engagement to support success.

Graduate Success

- Ensure graduates are Job Ready. Guaranteed.
- Provide career support for life.
- Foster entrepreneurship, innovation and global competencies.
- Become a leader in simulation-based learning.
- Rank highest for most satisfied employers.

Collaboration and Partnerships

- Leaders in applied research.
- Generate innovative solutions for industry and community challenges.
- Reframe the definition of campus to support growth and collaboration.

Community Leadership

- Lead in Indigenous education in Ontario.
- Lead in social inclusion.
- Lead in internationalization and global experiences.
- Lead in environmental sustainability.

Strong Foundations

- Build reputation and pride.
- Foster excellence in staff and faculty.
- Maintain financial stability to ensure long-term viability.
- Plan for the future.

Section 4: 2019–2020 Key Priorities

STUDENT SUCCESS	
Strategic Plan Priority	2019-2020 Business Plan
More entry points, more pathways to completion with a credential	Finalize and launch a credential completion strategy to support recruitment and retention objectives.
Address financial barriers	Launch and measure the impact of the Financial Literacy Module.
Grow our reach and impact	Launch Challenge 2025 initiative and develop and action a plan in 2019.
	Develop a wellness strategy for the campus including a review of the Health Centre and The Square.
Student engagement to support success	Expand Campus to Community initiative to 18 in line with the plan and measure growth in student engagement.

GRADUATE SUCCESS	
Strategic Plan Priority	2019-2020 Business Plan
Job Ready, guaranteed	Launch an employer focused partnership program designed to support increased connections between students and workforce needs. Support students with workplace preparation modules.
Career support for life	Amplify alumni programming to enhance and expand career transition seminars, mentorship. Continue strategies to bring alumni back to college through continuing education.
Entrepreneurship, innovation and global competencies	Launch Year 1 of the implementation plan for the Centre for Digital Entrepreneurship.
A leader in simulation-based learning	Open the EON Industry Lab and initiate the revenue generation strategy.
Most satisfied employers	Complete employer research and develop engagement strategies to support KPI improvements.

COLLABORATIONS AND PARTNERSHIPS	
Strategic Plan Priority	2019-2020 Business Plan
Leaders in applied research	Launch IIOT research chair. Develop and launch strategy for sustainability chair.
	Develop a long term strategy for the College Student Success Innovation Centre and explore areas of collaboration with Centre for Experiential Learning.
	Participate in Supercluster strategies that are approved for this region.
Generating innovative solutions for industry and community	Develop an action plan arising from Challenge 2025.
Redefining campus to support growth and collaboration	Develop candidates for next PSW learning hub.

COMMUNITY PARTNERSHIP	
Strategic Plan Priority	2019-2020 Business Plan
Leaders in Indigenous education	Continue implementation of the Indigenous Education Strategy.
Leaders in social inclusion	Develop and release a workplan in support of the Equity and Social Inclusion commitments.
Leaders in internationalization and global experiences	Review international strategy and supports. Develop recommendations on growth and student supports.
	Continue to create opportunities for increasing the number and type of global experiences.
Leaders in environmental sustainability	Complete process for Zero Carbon (Operations) designation for The Joyce Centre.
	Complete and launch a Sustainability strategy for the College.
	Conduct a paper audit for 2019-2020 to measure use.

STRONG FOUNDATIONS	
Strategic Plan Priority	2019-2020 Business Plan
Reputation and pride	Develop and launch an integrated communications strategy across the College.
Excellence in staff and faculty	Develop renewed strategy around HR needs, PD structures and supports in support of employee engagement insights and to inform capabilities for new Chief HR Officer.
Financial sustainability	Develop multi-year budget framework. Launch new shared services initiatives and procurement framework in line with new provincial framework.
Planning for the future	Negotiate Strategic Mandate Agreement 3. Conclude North Lands process. Develop new 5 year Essential Deferred Maintenance Plan for Board approval. Complete key strategic capital projects – EON Development Lab, Aviation Learning Hub, plan for E-wing renewal, indoor Indigenous gathering space, Elevator Technician Lab, Welding Lab renos. Renew Health and Safety strategy based on audit results. Implement key IT initiatives including Banner 9, registration system upgrades, Learning Management System.

Section 5: Financial Position and Operations

	2019/20 BUDGET \$	2018/19 ACTUALS \$
FINANCIAL POSITION:		
Cash and Cash Equivalents	24,373,804	31,412,051
Accounts Receivable	16,502,811	20,126,873
Other Current Assets	88,128,821	98,007,025
Construction in Progress	3,000,000	1,205,332
Tangible Capital Assets	390,399,527	360,553,689
Tangible Capital Asset Accumulated Amortization	(163,030,697)	(143,434,424)
Long Term Receivable	28,831,009	29,898,639
Investments and Other Long term Assets	873,472	873,472
TOTAL ASSETS	389,078,747	398,642,657
Accounts Payable and Accrued Liabilities	40,571,921	40,312,950
Deferred Revenue	31,018,988	33,249,202
Restricted Contribution	8,956,911	7,992,493
Deferred Capital Contributions	133,898,039	139,917,344
Debt	50,351,667	52,995,197
Other Long Term Liabilities	6,685,000	6,685,000
TOTAL LIABILITIES	271,482,526	281,152,186
Unrestricted Net Assets	(821,366)	(4,099,948)
Internally Restricted Net Assets	25,747,652	48,700,000
Investment in Capital Assets	74,184,601	54,510,835
Endowments	17,629,825	17,524,075
Accumulated Remeasurement Gain and Losses	855,509	855,509
TOTAL NET ASSETS	117,596,221	117,490,471
TOTAL LIABILITIES & NET ASSETS	389,078,747	398,642,657
OPERATIONS:		
Grant Revenue	108,111,282	117,463,530
Tuition Fees	117,911,438	114,715,069
Other Student Fees	4,855,815	4,990,576
Contractual and other fee-for-services	2,296,948	5,287,137
Ancillary Revenue	15,359,612	15,286,399
Other Revenue	9,121,067	9,027,792
TOTAL REVENUE	257,656,162	266,770,503
Salaries and Wages	126,402,046	121,552,173
Employee Benefits	28,941,317	27,076,760
Transportation and Communication	2,953,358	3,661,346
Services	40,275,588	38,642,210
Supplies and Minor Equipment	11,994,249	12,810,861
Ancillary Services - Expenditures	9,945,805	10,944,365
Amortization Expense	19,596,273	17,781,617
Other Expenditures	17,547,526	12,658,081
TOTAL EXPENSES	257,656,162	245,127,413
TOTAL OPERATIONS SURPLUS	-	21,643,090

Section 6: 2019–2020 Enrolment Targets

Full Time Enrolments
(Domestic & International)

	Spring	Fall	Winter	Total	% Increase over 2018/19
2018/19 Total Actual Enrolments	2,747	13,233	13,445	29,425	
2019/20 Financial Plan Target	2,926	13,889	14,194	31,009	
Year over Year Semester Growth	179	656	749	1,584	5.4%

Section 7: Approved 2019-2020 Budget Book

Financial Planning Framework

The Financial Plan comprises three main budget components:

- The **Operating Budget** represents the revenue and expenses associated with the day-to-day operations of academic, student, ancillary and corporate services. Primary sources of revenue are government grants, student tuition fees, contracted services and ancillary business operations (campus stores, facility rentals, residence). These revenue sources support the cost of salaries and benefits, supplies, commodities and other non-salary related expenses.
- The **Fee Supported Budget** represents the compulsory ancillary fees paid by students for specific services. These include fees such as athletics and recreation, career services, student buildings, academic support, etc. Compulsory ancillary fees are governed by the MTCU "Tuition and Ancillary Fees" operating procedure. The Mohawk Student Association (MSA) is included in the decision making process for fee levels.
- The **Capital Budget** reflects the funding sources and uses for capital, including building projects, facility improvements, deferred maintenance, information technology and equipment.

What is an Operating Budget?

The College's annual Operating Budget shows the spending requirements and revenue estimates needed to support the day-to-day ongoing operations of Mohawk's programs, services and activities in the academic, student, ancillary and corporate services areas. Each year, a balanced budget is prepared such that budgeted expenditures equal budgeted revenue. The operating budget includes amortization of capital assets and, interest costs associated with the repayment of debt financing.

College expenses include but are not limited to:

- Salaries and fringe benefits
- Supplies and materials
- Commodities (e.g., hydro, diesel fuel and gasoline)
- Contracted services
- Other non-salary related expenses

The academic expenditure level represents direct academic delivery costs for the projected program enrolments and also program development, program review and accreditation activities. The contribution margin from the academic area (operating grant plus tuition less academic delivery costs) in turn contributes towards learning resource centre's, innovation & research and academic related overhead costs.

These expenses are paid for by revenue generated by various sources such as:

- General and specific grants from both the Federal and Provincial levels of government
- Student tuition fees and other compulsory student fees
- Ancillary revenue such as campus stores, parking, residence, food services and facility rentals
- Investment income
- Donations

Student enrolment is the key driver in determining operating budget revenue levels as enrolment influences the Ministry of Training, Colleges and Universities (MTCU) operating grant, tuition fees and ancillary revenue. The operating grant and tuition fees account for 80% of total revenue.

What is a Fee Supported Budget?

In addition to tuition fees, all students are required to pay compulsory ancillary fees. Compulsory ancillary fees are charged to postsecondary and continuing education students. The fees are collected for activities MTCU deems are not directly related to academics. Compulsory ancillary fees account for approximately 5% percent of total revenue.

Compulsory Ancillary Fees are governed by the MTCU "Tuition and Ancillary Fees Reporting" operating procedure and mandates that student governing bodies be involved in decisions regarding compulsory ancillary fees. Proposed revenue and expenses are presented to the MSA prior to submission for approval by the Board of Governors.

What is a Capital Budget and Forecast?

Mohawk College's Capital Budget and Forecast outlines the college's capital plans for upcoming years and identifies the funding sources for infrastructure projects such as facility and lab improvements, building projects, deferred maintenance, information technology and equipment.

Mohawk relies on a number of funding sources, some that occur each year and others that are one-time in nature. Funds for new capital projects include government grants for facility renewal and academic equipment, student levies, donations, funds from operations, board reserves and debt financing. In addition to new initiatives, the existing infrastructure continues to age and requires capital spending on renewal and replacement.

Financing decisions associated with each capital request were assessed for such factors as availability of internal funds (operating, ancillary fees, restricted funds, and board reserves), accessibility to provincial grant programs and fundraising opportunities.

Financial Policies & Practices

College budget policy is influenced by Generally Accepted Accounting Principles and MTCU guidelines, policies and operating procedures. In addition, Mohawk also maintains several policies that are well established in this organization and others, that are equally as important but less formalized. Examples of budget practices or policies include:

Balanced Financial Plan:

Under its governing legislation, the college is required and will prepare a balanced annual financial plan each year, whereby revenue and expenditures net to zero.

Academic Allowable Spend:

For the academic areas, the guidelines approved by the Mohawk Executive Group (MEG) require that allowable expenditures must be less than forecasted revenue in an amount sufficient to return a percentage of revenue as an overall contribution to the college (the "Contribution"). The Contribution is allocated towards learning resource centres, innovation and research and academic related overhead costs. The academic expenditure budgets were created based on the 2018/19 mid-year forecast of program costs and adjusted to remove one-time allocations and in-year full-time staffing costs. This adjusted expenditure level was further reduced by two percent to meet the college's newly introduced two percent budget-reduction strategy on discretionary expenditures. This multi-year budget reduction strategy reinforces a critical evaluation and prioritization of service levels. Financial managers were encouraged to evaluate opportunities for greater efficiencies.

Postsecondary program efficiency measures allow for maintaining the contribution margin target and investment in program development, program review and accreditation activities.

Compulsory Ancillary Fees:

In addition to tuition fees, all students are required to pay compulsory ancillary fees. Compulsory ancillary fees are charged to postsecondary and continuing education students to support services and activities distinct from academic programming or general overhead for the college. . Compulsory Ancillary Fees are governed by the MTCU "Tuition and Ancillary Fees Reporting" operating procedure and mandates that student governing bodies (e.g., MSA) be involved in decisions regarding compulsory ancillary fees and subsequent increases.

Approval of Capital, Renovation and Maintenance Projects:

Requests for the use of funds to be directed towards capital, renovation and maintenance projects are submitted through the Capital Planning Committee (CPC). Criteria for capital, renovation and maintenance project requests require that:

- Expenses should be one-time in nature
- Requests should be in excess of \$5,000

Capital requests must align with the strategic priorities of the college. The criteria used to evaluate the projects include:

- Direct support of college priorities and principles of the Campus Master Plan
- Improvements related to health and safety or accessibility requirements
- Legislative requirements
- Maintaining infrastructure

The funding sources for capital, renovation and maintenance projects are subject to annual MTCU approved funding allocations, and the college's operating budget availability. As such, the CPC will review the financial impact of each priority project and prioritize based on financial availability.

The recommended projects are presented to MEG for their approval based on their alignment with the strategic objectives of the college.

All capital, renovation and maintenance projects valued over \$2,500,000 require the approval of the Audit, Finance & Infrastructure Committee of the Board of Governors.

Risk Mitigation Strategies:

In light of possible budget uncertainties, the college prepares for and budgets for certain contingencies. Contingency funds may be used to support such things as reductions in enrolment, major repairs etc. The contingency prudently attempts to recognize the risk and the potential negative impact resulting from lost revenue or unexpected expenditures.

Net Assets:

The college manages both “restricted” and “unrestricted” net assets. Internally Restricted Net Assets represent college surpluses that are internally restricted by the Board of Governors. These funds are for capital projects, strategic initiatives and future operating expenses. Expenditures require approval by the Board of Governors.

Financial Health Indicators:

The college’s financial health indicators reflect and align with the Financial Sustainability Metrics as outlined in the college’s 2017-2020 Strategic Mandate Agreement (SMA) with MTCU. The 2017-2020 SMAs signed by the college acknowledged that financial sustainability and accountability are critical to achieving institutional mandates and realizing Ontario’s vision for the postsecondary education system. To that end, seven metrics were identified to assess the financial health and sustainability of each institution:

1. Annual Surplus/Deficit
2. Net Income to Revenue Ratio
3. Accumulated Surplus/Deficit
4. Net Assets to Expense Ratio
5. Quick Ratio
6. Debt Servicing Ratio
7. Debt to Asset Ratio

Budget Process Timetable

The Budget Process Timetable identifies the key dates and milestones in Mohawk's development, review and approval of its respective budget processes.

Planning

Planning (September - December 2018)

- Budget Directions approved by Board of Governors
- Academic enrolment planning and allowable spend targets (starting point was 2018/19 mid-year forecast)
- Non-Academic starting point was 2018/19 original base budget
- Compulsory Ancillary Fee proposals
- Submission of operating investment proposals, information technology proposals, and capital equipment & projects

Review

Review (January - March 2019)

- Investment, Information Technology, & Capital Planning Committees prioritize submissions
- Centre for Community Partnership and Experiential Learning, IDEAWORKS, Centre for Climate Change Management, and Ancillary business operations detailed reviews
- Compulsory Ancillary Fee proposal updates
- Mohawk Executive Group (MEG) review of operating, fee supported and capital budget plans
- Board approval of tuition fees and program specific compulsory fees

Approval

Approval (March - April 2019)

- MEG approval of operating budget and capital plan
- Communication with management teams
- Board approval of Compulsory Ancillary Fees
- Recommendation to Audit, Finance & Infrastructure Committee
- Board of Governors approval of 2019/20 Financial Plan

Operating Budget

Budget reflects Strategic Priorities

Mohawk's Strategic Plan is viewed as an important element in guiding the actions and decisions of the Board of Governors and senior management over the life of the plan. The strategies outlined in the plan heavily influence the various departmental work plans, which in turn have an effect on the budget requirements needed to achieve the board's vision. Therefore, virtually every short-term and long-term goal has an impact on the approved operating, fee supported and capital budget plans.

Enrolment Planning

Mohawk has developed a robust approach to Strategic Enrolment Management (SEM) and created an automated tool to model enrolment potential and trajectories, measure success and determine areas of risk. Initially, the Deans and Associate Deans provide enrolment forecasts in all postsecondary activity for domestic and international students, which are informed by the strategic mandate agreement, academic plan and international strategy.

The SEM Planning Committee oversees the forecasting of enrolments, which are ultimately approved by MEG. The committee has representation from staff from across the college, including Administration, Deans and Associate Deans, Finance, Institutional Research, Registrar and Scheduling.

Enrolment Planning is the basis upon which operating budget revenue is calculated for the college. In developing the 2019/20 budget, substantial effort was placed on reviewing academic activity through the SEM tool and committee. Each existing program was examined and forecasted for both domestic and international enrolments, recognizing historical trends in enrolment, changing community needs and demographic shifts. Retention of students was also analyzed at length to ensure projections reflected likely attrition rates.

Key marketing directions will see Mohawk continuing to dominate the Hamilton market. Increased focus will be placed on the recruitment of non-direct students as well as strategic outreach into regions where the youth market is growing. The college will work to increase enrolment among Indigenous, International and the Access populations. As well, marketing will work with the academic area to identify program opportunities that will assist in attracting our target audiences with special emphasis on postgraduate certificates and continuing education programming.

International education is closely integrated into the enrolment planning process to ensure the recruitment targets are synchronized with the enrolment plans developed by the Academic areas.

Postsecondary enrolments drive expected revenue from grants, tuition and fees, food services, campus stores, parking etc. and correspondingly drive staffing requirements throughout the college.

Investment Strategies

Financial managers were given the opportunity to submit investment proposals requesting funding in support of new service expectations or expanded responsibilities in their respective areas. An investment pool of \$6.5M was directed towards:

- Investments that align to the college's key Strategic Plan priorities, the Strategic Mandate Agreement and/or to the principles of the Campus Master Plan.
- Investments that are required to meet collective agreement obligations.
- Investments that are one-time in nature.
- Investments where the return on investment (ROI) was clearly demonstrated.
- Investments which support improvements related to health and safety or accessibility requirements
- Investments that are mandated by legislative requirements.
- Investments that contribute to the maintenance of the college's IT infrastructure and support cross-functional IT

After a thorough and detailed review process, the approved investments will support the following initiatives:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ✓ Faculty, support and administrative staff positions ✓ Experiential Learning Management System ✓ Applied Research Skills Development Pilot Program ✓ Internationalization ✓ Sustainability Energy Research Team ✓ College Quality Assurance Audit Process ✓ Enterprise business processes documentation ✓ Student and financial systems upgrades and new product implementation ✓ Investments to support key collaborative capital projects and essential deferred maintenance ✓ Investment in counselling support ✓ Investment in the Testing Centre ✓ Enhanced wayfinding ✓ Learning Management System enhancements ✓ Apprenticeship Community Hub ✓ Centre for Digital Entrepreneurship & Student Enterprise ✓ Digital Creativity Centre ✓ IBM Skills Academy ✓ Information Technology self-service and automated service fulfilment ✓ Technology innovations and professional development | <ul style="list-style-type: none"> ✓ Part-time support staff collective agreement implementation ✓ Accessible social inclusion programming and spaces ✓ Development of health and wellness including strategy and action plan ✓ Front line support for financial services to promote financial literacy ✓ Building the college's reputation with our partners in the community, industry and government |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Unpredictable Revenue

Budgeting best practices encourages the avoidance of building a dependence upon unpredictable revenue. While all revenue sources have some degree of volatility, the financial impact resulting from changes in international enrolments is more pronounced given the higher value of the tuition fees associated with each student. With a projected overall enrolment increase of 5.4% and the high tuition value for international students, the financial plan includes a contingency for domestic and international enrolments.

Approved Operating Budget at a Glance

The college, while recognizing changes in the economic and demographic environment, continues to maintain a balanced budget on an ongoing basis. By this, we mean total operating expenditures equal total operating revenue.

Operating Plan Highlights

The proposed 2019/20 Financial Plan has been developed in accordance with the approved budget directions and thoroughly reviewed by MEG.

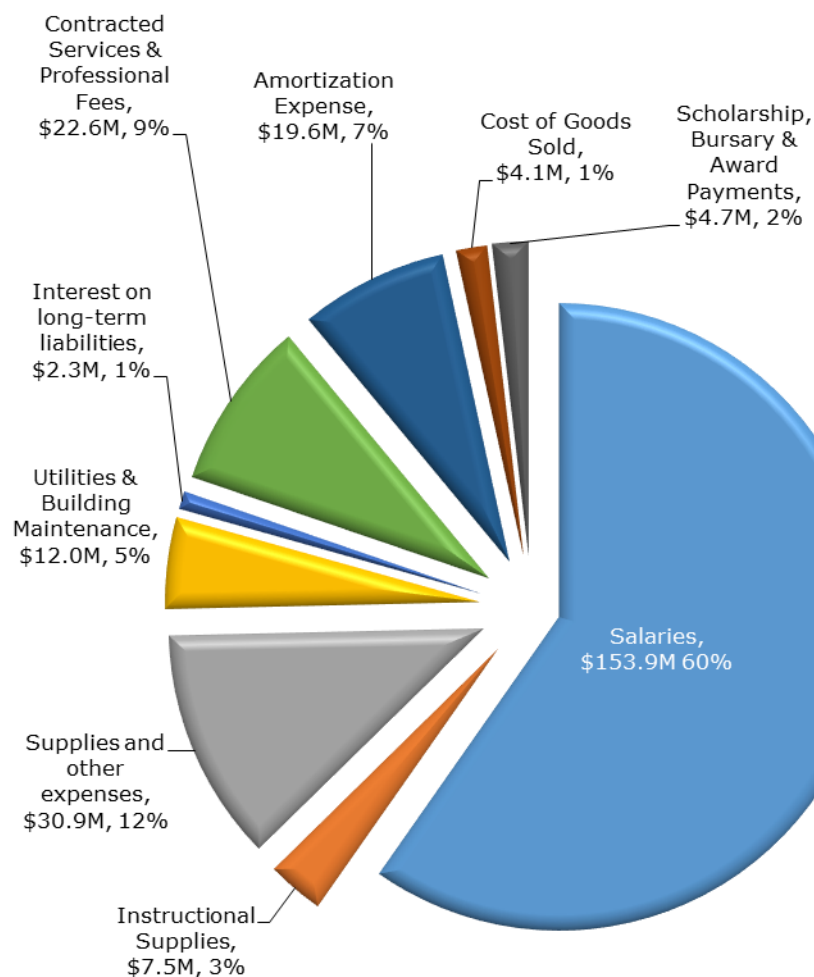
- The plan delivers a balanced budget. Gross revenue and expenditures are budgeted at \$258M, including amortization of capital assets.
- The plan was developed around delivering educational programming to 15,505¹ postsecondary full-time equivalents (FTE).
- The full-time staffing complement for 2019/20 is 1,090, representing 454 Faculty, 218 Administrative staff and 418 Support staff².
- Throughout the budget development process, the full-time complement was increased by a net 43 regular full-time permanent positions over the 2019/20 initial staffing plan.

¹ The number of student FTEs includes both domestic and international students in a postsecondary program.

² Faculty and Support staff are determined by those positions covered under the respective collective agreements.

Total Expenditures breakdown (\$258 Million)

The pie chart below illustrates the college's 2019/20 Approved Operating Budget expenditures by cost component.



Expenditure Highlights

Human Resources: The 2019/20 plan projects 60% of the budgeted expenditures are for full-time, part-time salaries and related fringe benefits.

Full-time Salaries: Full-time salary rate increases for faculty and support are in accordance with the respective collective agreements. For the approved full-time complement, the Financial Plan includes the rate increases, step increases on anniversary dates and support staff special allowances. Administrative staff salaries are budgeted in accordance with the current review of administrative salaries.

Fringe Benefits: The 2019/20 employee fringe benefit rates are 25% for full-time and 14% for part-time employees. Fringe benefits are for employee expenses such as CPP, EI, EHT, WSIB, health and life insurance as well as contributions to a defined benefit pension plan (CAAT).

Full-Time Equivalents: The 2019/20 initial full-time staffing plan consists of 1,047 permanent full-time positions across the faculty, administrative and support groups. Through the consideration of investment proposals, MEG recommended an increase of 43 new full-time positions for a total of 1,090 permanent positions at a cost of \$118M, as shown on the table below. Increases to the staffing plan support existing growth, prepares for future growth in enrolments, and supports our leadership role in social inclusion, Indigenous, sustainability and internationalization.

2019/20 Staffing Plan:

	Count	\$	Count	\$	Count	\$	Count	\$
Initial Staffing Plan	419	53,924,844	216	27,696,420	412	33,597,340	1047	115,218,604
2019/20 Plan	454	56,451,991	218	27,822,083	418	33,901,574	1090	118,175,648
Net Increase	35	2,527,148	2	125,663	6	304,234	43	2,957,044

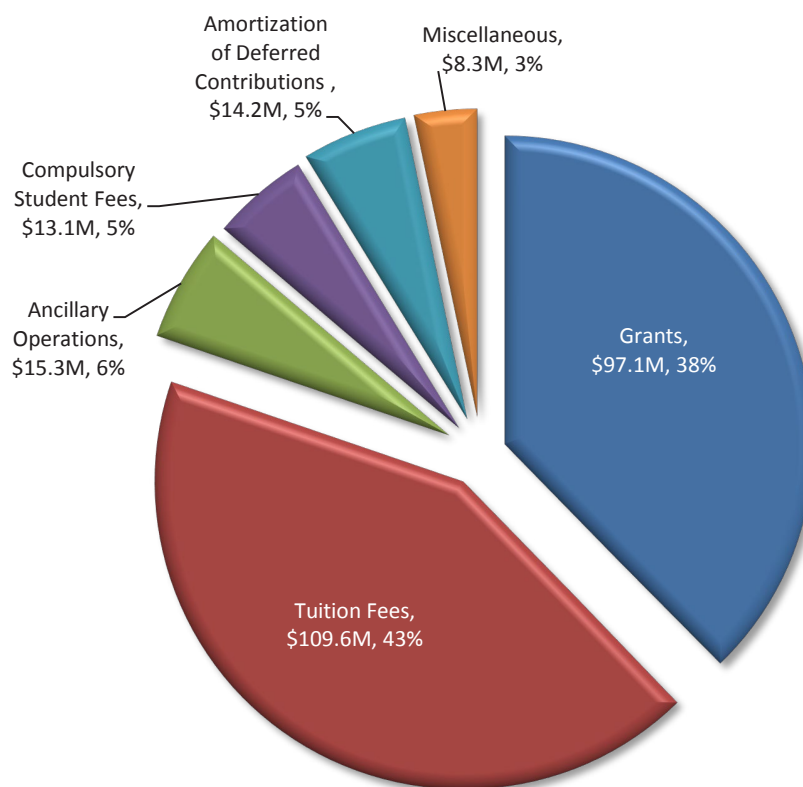
Academic Expenditures: The appropriate academic expenditure level was based on the 2018/19 mid-year forecast of program costs and adjusted to remove one-time allocations and in-year full-time staffing costs. This adjusted expenditure level was further reduced by two percent to meet the college's newly introduced two percent budget-reduction strategy on discretionary expenditures. This multi-year budget reduction strategy reinforces a critical evaluation and prioritization of service levels. Financial managers were encouraged to evaluate opportunities for greater efficiencies.

Postsecondary program efficiency measures allow for maintaining the contribution margin target and investment in program development, program review and accreditation activities.

Non-Academic Expenditures: Non-salary expenses associated with running operations include supplies, utilities, maintenance, contract services, insurance, financing charges, travel, professional development and promotion. Generally speaking, the 2019/20 non-salary operating budget allocations represent the 2018/19 approved initial levels adjusted for one-time investments. Finance assessed expenses that impact all areas of the college, which include utilities, credit card commission, insurance, legal and US exchange rate implications.

Total Revenue Breakdown (\$258 Million)

The Mohawk College operating budget of \$258M is balanced with the use of a variety of revenue sources. The following pie chart shows the funding sources of the 2019/20 Approved Operating Budget.



Revenue Highlights

The Corridor Operating Grant (COG) is our baseline-operating grant that is set at a fixed amount. Any changes below the set corridor could result in reduced funding, and any growth above the corridor will not be funded without MTCU approval.

The college's single largest revenue source is ministry grants, which represents \$97M or 38% of total revenue. Of this total, the corridor operating grant is the primary provincial grant valued at \$64.7M, that is now fixed for the 2019/20 fiscal years going forward until adjusted by MTCU. This funding is based on a three-year average weighted funding unit for enrolments in the years 2015/16, 2016/17 and 2017/18. The calculation of weighted funding units are based on values set for each program of study related to their complexity and cost to deliver.

Tuition revenue was modelled directly from the enrolment plan and approved fees schedule. Deans and Associate Deans used the SEM planning tool to set enrolment targets, which translated into tuition revenue. The enrolment plan projects the delivery of full-time postsecondary domestic and international education for 31,009 enrolments (15,505 Full-time Equivalents FTEs).

The Tuition and Ancillary Fees Minister's Binding Policy Directive prescribed a 10% decrease in tuition fees for 2019/20 for all grant funded domestic programs of study effective September 1, 2019. These fees are to remain frozen for 2020/21. International tuition fees are not impacted by this announcement and will be increased by 3%.

Tuition revenue varies directly with in-year enrolment activity, and failure to attain the planned enrolments poses a risk to the Financial Plan. This is more pronounced with international enrolments, as their tuition is four times greater than domestic tuition. Recognizing this risk, mitigating contingencies for both domestic and international enrolments have been built into the budget.

Ancillary revenue is derived from the ancillary business operations such as campus stores, residence, food services, conferences, parking and DBARC operations. The projected net contribution from Ancillary operations of \$3.8M represents 25% of total \$15.4M revenue.

The Centre for Community Partnerships and Experiential Learning offers a broad range of programs including employment services, academic upgrading, school-college works initiatives and enhanced language training. The projected net contribution of \$1.1M represents 10% of total \$10.6M revenue.

Innovation and Research initiatives include Medic, Energy and Additive Manufacturing projects and primary funding sources are the Natural Sciences & Engineering Research Council of Canada and Southern Ontario Network for Advanced Manufacturing Innovation. The college's operating budget will support \$1.5M net expense for administrative and research purposes.

The Centre for Climate Change Management initiatives include support of base operations, Campus Carbon Management Initiative and Industry Partnership Initiative with project funding from Climate Action Fund. The college's operating budget will support \$354K net expense for administrative purposes.

Fee Supported Budget

In addition to tuition fees, all students are required to pay compulsory ancillary fees. These fees generate approximately \$13M, which is 5% of total revenue. The fees have offsetting expenses and are critical in supporting services including, athletics and recreation, career services, student buildings, academic support, etc.

Compulsory ancillary fees are governed by the MTCU “Tuition and Ancillary Fees Reporting” operating procedure and mandates that the students’ governing body (i.e. Mohawk Students’ Association – MSA) be involved in decisions regarding compulsory ancillary fees and subsequent increases. On January 17, 2019, MTCU announced the Student Choice Initiative (“Initiative”). The Initiative introduced a new approach in determining essential and non-essential fees for students at all Ontario postsecondary institutions. This change also required the amendment of a protocol agreement in place with the MSA, which sets out the means by which students will be involved in decisions to increase compulsory ancillary fees or introduce new ones.

The total postsecondary essential ancillary fee will be set at \$1,340.50 per academic year. These fees will support the growing costs to some compulsory fees such as Convocation and Student Success. The MSA has been impacted by the rules introduced by the Initiative and are engaged in their budget planning process to reflect these changes in their operations.

With the new Initiative, there are areas of fees that are considered non-essential and students will be given the option to opt out of paying.

The proposed postsecondary non-essential fees amount to \$148.85 per academic year.

The following table represents the 2019/20 Compulsory Ancillary Fee revenue budget.

2019/20 Compulsory Fee Revenue Budget

Name of Fee	2019/20 Planned in year revenue \$(000)	*2020/21 Planned in year revenue \$(000)
Postsecondary Fees - College:		
Assessment for Success	\$ 470	\$ 479
Convocation	\$ 611	\$ 623
Student ID Card	\$ 459	\$ 468
Technology Enhancement	\$ 2,427	\$ 2,476
Copyright	\$ 127	\$ 127
Transcript	\$ 228	\$ 233
DBARC	\$ 2,797	\$ 2,853
Athletics and Recreation	\$ 1,777	\$ 1,813
Career Services	\$ 539	\$ 550
Health and Counselling	\$ 1,429	\$ 1,458
Academic Support	\$ 1,599	\$ 1,631
Financial Aid	\$ 117	\$ 119
Walk Safe Programs	\$ 55	\$ 56
Sub-total Postsecondary Fees - College	\$ 12,635	\$ 12,885
Postsecondary Fees - MSA:		
HSR Bus Pass	\$ 3,310	\$ 3,376
Health and Dental Plan	\$ 3,197	\$ 3,261
Student Center Building	\$ 763	\$ 779
Career Services	\$ 162	\$ 165
Health and Counselling	\$ 240	\$ 245
Academic Support	\$ 339	\$ 346
Sub-total Postsecondary Fees - MSA	\$ 8,011	\$ 8,172
Total Postsecondary Fees	\$ 20,646	\$ 21,057
Continuing Education Fees:		
Career Services	\$ 27	\$ 28
Health and Counselling	\$ 69	\$ 70
Academic Support	\$ 78	\$ 80
Walk Safe Programs	\$ 35	\$ 36
Copyright	\$ 13	\$ 13
Transcript	\$ 22	\$ 22
Student Buildings	\$ 76	\$ 78
Technology Enhancement	\$ 19	\$ 19
Athletics & Recreation Fee	\$ 33	\$ 34
Total Continuing Education Fees	\$ 372	\$ 379
Apprenticeship Fees:		
Apprenticeship Service Fee - College	\$ 87	\$ 89
Apprenticeship Service Fee - MSA	\$ 27	\$ 28
Total Apprenticeship Fees	\$ 114	\$ 116
Total Fees Collected	\$ 21,132	\$ 21,552

* 2019/20 enrolment used to estimate 2020/21 planned revenue

Capital Budget

The 2019/20 Financial Plan aligns capital priorities with funding sources and financing strategies in a concerted effort to improve the learning environment and building infrastructure needs. Sources such as government grants, student ancillary fees, donations, funds from operations and strategic use of board reserves are carefully considered and employed in a fiscally prudent manner to yield the best results for our student body.

The major capital projects included in the 2019/20 capital plan are aviation leasehold improvements, a provision for the land acquisition and Century Manor improvements, and the completion of the Augmented and Virtual Reality Teaching Centre. In addition to the major capital projects, other capital requests for equipment and smaller scale projects were evaluated by the college's Capital Planning Committee. The committee prioritized capital projects and performed an overall assessment of Facility Services support requirements.

The criteria used to evaluate the projects include:

- Direct support of college priorities and principles of the Campus Master Plan
- Improvements related to health and safety or accessibility requirements
- Legislative requirements
- Maintaining infrastructure

Financing decisions associated with each capital request were based on provincial capital grant programs, student ancillary fees, donations, restricted funds and availability of internal operating and board reserve funding.

2019/20 Capital Additions & Funding Sources

The total gross capital value of additions is \$41M and is summarized in the table below. The provision for the land acquisition and Century Manor improvements represents \$16.75M or 41% of the total. The college's continued commitment to essential deferred maintenance of \$4.5M or 11% of the plan includes roof replacements, cooling systems and high voltage gear. College-wide priorities of \$12.6M or 31% of plan includes information technology commitments of \$5.1M, renovations to meet the Accessibility for Ontarians with Disabilities Act (AODA), health and safety requirements and continued investments in academic equipment.

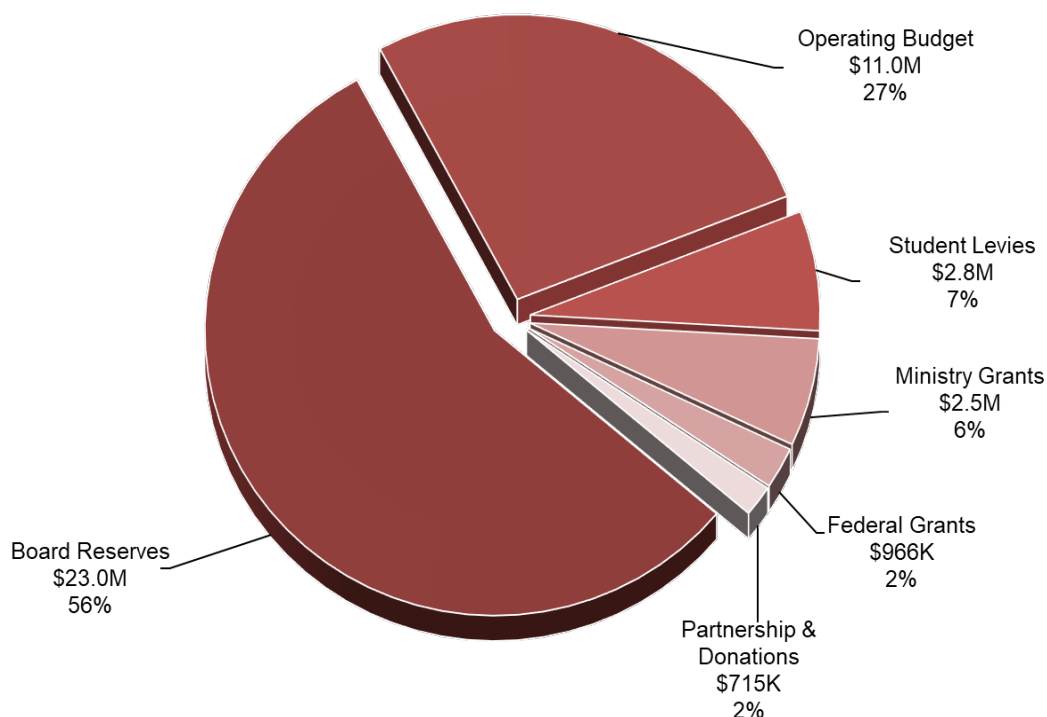
2019/20 Capital Plan Additions by Major Category

	Gross Costs (\$ 000's)	% of Total
Land Acquisition and Century Manor Improvements	16,750	41
Essential Deferred Maintenance	4,500	11
Aviation Leasehold Improvements	3,000	7
Augmented and Virtual Reality Teaching Centre	2,721	7
2018/19 Carry-over projects	1,400	3
College-wide priorities	12,603	31
Total	40,974	100

The funding sources for capital additions are shown in the graph below. Operating funds support \$11M or 27% of the total capital additions. Student ancillary fees totaling \$2.8M or 7% of the plan are for academic information technology improvements and services. Ministry grants of \$2.5M or 6% of the plan include grants for apprenticeship renewal \$1.4M, essential deferred maintenance \$691K and academic equipment \$426K. Other funding sources include federal grants for a new City School mobile unit, and partnership contributions for the Augmented and Virtual Reality Teaching Centre.

Board reserve funding is \$23M or 56% of the plan. Capital projects include a provision for land acquisition and Century Manor improvements \$16.75M, aviation leasehold improvements \$3M, completion of the Augmented and Virtual Reality Teaching Centre \$2.1M and carry-over projects \$956K.

GRAPH – 2019/20 Funding Sources for Capital Additions (\$000's)



Debt Capacity:

The college's debt level is projected to be \$53M at March 31, 2020, which comprises the DBARC loan of \$30M, Justice and Wellness loan of \$7M, Energy Savings loan of \$4M and the new loan for The Joyce Centre for Partnership & Innovation of \$12M. The debt financial health indicators for the next three-year period provides the following projected results compared to MTCU benchmarks:

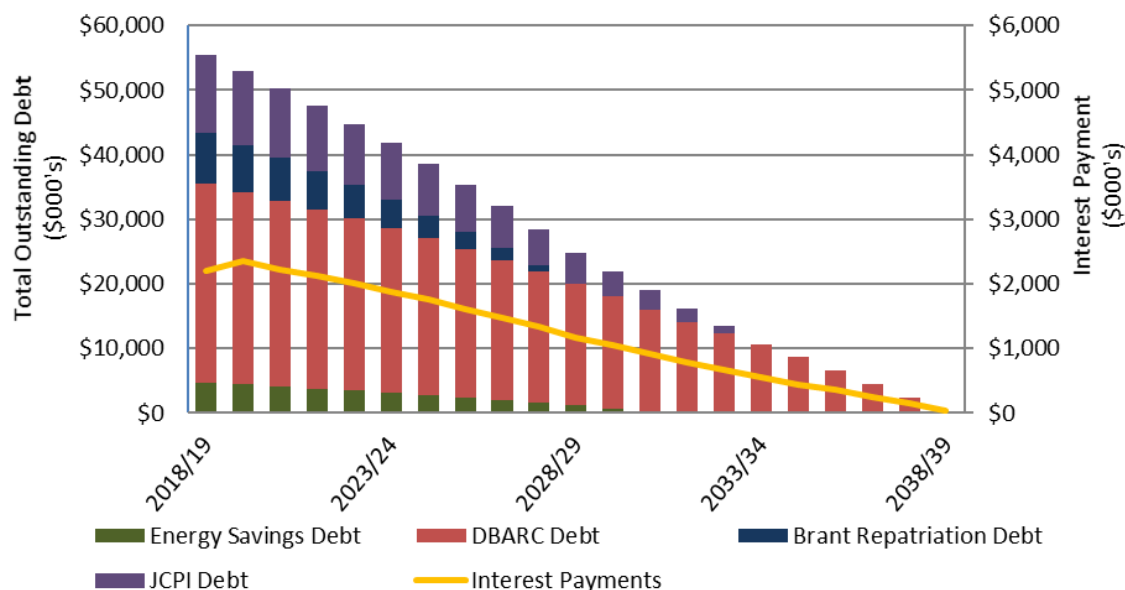
Debt to Assets ratio: Average 27.0% projection is below 35.0% benchmark (favourable)

Debt Service ratio: Average 1.87% projection is below 3.0% benchmark (favourable)

The Debt to Assets ratio measures the proportion of the total assets that are financed by debt; and, the Debt Service Ratio measures the cost of servicing debt (principal & interest) as a proportion of total revenue.

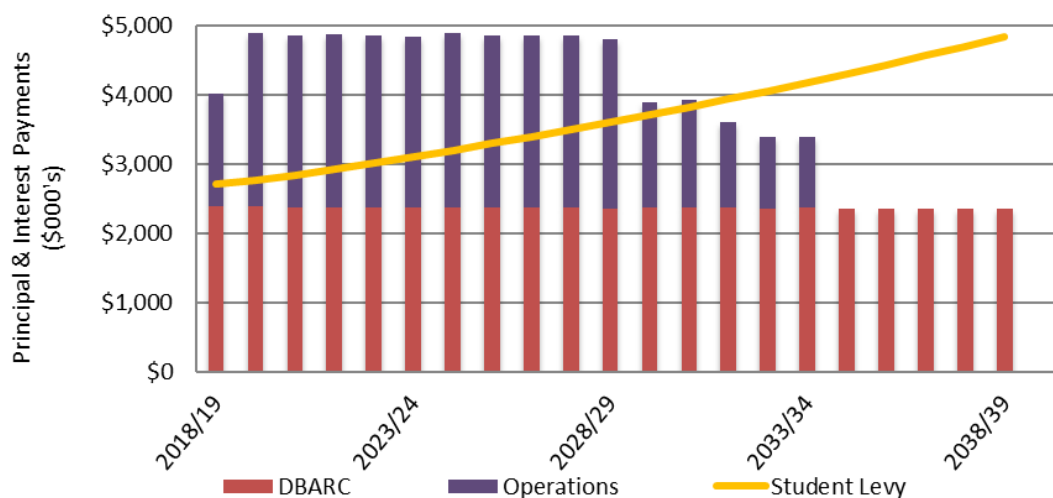
The following graph reflects the projected debt level and interest expense for the next twenty years.

GRAPH – Interest & Debt



The following graph identifies the sources of funds for existing loans. The DBARC loan (red) is supported by the student capital levy fee (yellow line). The student levy amount will increase over time with the levy price indexing. The college should be fully repaid by 2032/33 (14 years). Savings from operations cover the energy savings loan (lower utility costs) and the Brantford repatriation loan (closure of Brant-Elgin Street campus), and increased revenue from opening The Joyce Centre for Partnership & Innovation will cover the costs of the related loan.

GRAPH – Sources of Funds for Loans



Multi-Year Infrastructure Capital Projections

The essential deferred maintenance items and multi-year infrastructure capital projections are provided on the following two tables. The college plans to fund \$3.8M from operations for priority essential deferred maintenance items.

Essential Deferred Maintenance Items

Maintenance Categories	2019/20 \$	2020/21* \$	2021/22* \$	2022/23* \$	2023/24* \$	Total \$
Project Planning	350,000	350,000	350,000	350,000	350,000	1,750,000
Interior Finishes	70,000	80,000	80,000	120,000	120,000	470,000
Mechanical/HVAC/Plumbing	1,370,000	1,540,000	1,850,000	1,390,000	1,340,000	7,490,000
Electrical	1,100,000	850,000	1,100,000	1,100,000	1,100,000	5,250,000
Conveyance	-	500,000	-	500,000	-	1,000,000
Security	420,000	150,000	165,000	165,000	165,000	1,065,000
Site: Roads, Sidewalks, Hardscape	30,000	50,000	75,000	75,000	75,000	305,000
Building Envelope	1,160,000	980,000	880,000	800,000	1,350,000	5,170,000
TOTAL	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	22,500,000

* - years 2020/21 to 2023/24 are shown for future consideration

Multi-Year Infrastructure Capital Projections

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	\$	\$	\$	\$	\$	\$
Land acquisition and Century Manor Improvements *						
Board Reserves - Permanent	16,750,000	2,000,000	2,000,000	2,000,000	2,250,000	25,000,000
	16,750,000	2,000,000	2,000,000	2,000,000	2,250,000	25,000,000
Aviation Leasehold Improvements						
Board Reserves - Permanent	3,000,000	3,000,000	-	-	-	6,000,000
	3,000,000	3,000,000	-	-	-	6,000,000
Augmented and Virtual Reality Teaching Centre (carry over)						
Board Reserves - Permanent	2,106,774	-	-	-	-	2,106,774
Partnership Contribution	614,707	-	-	-	-	614,707
	2,721,481	-	-	-	-	2,721,481
Essential Deferred Maintenance **						
Operating Budget	3,809,100	3,809,100	3,809,100	3,809,100	3,809,100	19,045,500
MTCU Facility Renewal Program	690,900	690,900	690,900	690,900	690,900	3,454,500
	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	22,500,000
Capital Planning Committee						
Operating Budget	7,241,224	-	-	-	-	7,241,224
Student Levies	2,782,835	-	-	-	-	2,782,835
MTCU Apprenticeship Enhancement Fund	1,390,643	-	-	-	-	1,390,643
MTCU Capital Equipment Renewal Fund	426,100	-	-	-	-	426,100
Federal Grants	966,128	-	-	-	-	966,128
Board Reserves - Permanent (carryover)	1,095,574	-	-	-	-	1,095,574
Donations	100,000	-	-	-	-	100,000
	14,002,504	-	-	-	-	14,002,504
TOTALS	40,973,985	9,500,000	6,500,000	6,500,000	6,750,000	70,223,985

SUMMARY OF SOURCES OF CAPITAL

							%
Board Reserves - Permanent	22,952,348	5,000,000	2,000,000	2,000,000	2,250,000	34,202,348	49%
Operating Budget	11,050,324	3,809,100	3,809,100	3,809,100	3,809,100	26,286,724	37%
Student Levies	2,782,835	-	-	-	-	2,782,835	4%
Ministry Grants	2,507,643	690,900	690,900	690,900	690,900	5,271,243	8%
Federal Grants	966,128	-	-	-	-	966,128	1%
Partnership Contributions & Donations	714,707	-	-	-	-	714,707	1%
Totals	40,973,985	9,500,000	6,500,000	6,500,000	6,750,000	70,223,985	100%

* - The acquisition of land and Century Manor improvements is a provision only.

** - years 2020/21 to 2023/24 are shown for future consideration

The Outlook: 2020/21 – 2021/22 Financial Plan

Below is a simulated, balanced outlook of the college's multi-year financial plan. The years 2020/21 to 2021/22 have been modelled based on enrolments planned for 2019/20, which are projected to remain relatively stable. This activity drives expense plans based on Mohawk's strategic directions. Costs vary directly with planned activity, which has been captured in all out-years. The results of the planning process allowed staff to plan for other out-year pressures, including capital building and increases in operating costs associated with major projects. Multi-year projections also allow for more informed and timely maintenance and renovation schedules.

	2017/18 Actual	2018/19 Actual	2019/20 Budget	2020/21 Outlook	2021/22 Outlook
	\$	\$	\$	\$	\$
Revenue:					
Grants	98,387,310	107,336,810	97,118,454	97,532,284	97,706,092
Tuition Fees	89,921,302	107,210,918	109,618,218	113,068,637	116,899,793
Ancillary Operations	14,017,695	15,286,399	15,359,612	15,666,804	15,980,140
Compulsory Student Fees	11,489,913	11,976,793	13,094,000	13,353,000	13,620,060
Amortization of Deferred Contributions - Capital	8,024,028	9,041,450	9,448,139	8,967,288	8,082,087
Amortization of Deferred Contributions	4,776,132	4,578,303	4,712,290	4,712,290	4,712,290
Miscellaneous	11,945,162	11,339,830	8,305,448	8,474,437	8,643,925
Total Revenue	238,561,542	266,770,503	257,656,162	261,774,740	265,644,388
Salaries & Benefits:					
Salary-Academic	55,180,532	61,641,470	63,393,970	66,361,849	67,989,086
Salary-Support	32,076,242	34,085,101	34,893,236	35,591,100	36,302,922
Salary-Admin	22,029,429	25,882,023	26,953,206	27,492,270	28,042,116
Fringe Benefits	23,827,903	27,076,762	28,676,208	28,223,216	28,853,090
Subtotal - Salaries & Benefits	133,114,106	148,685,356	153,916,619	157,668,435	161,187,214
Non Salary Expenses:					
Instructional Supplies	6,241,489	6,854,797	7,532,733	7,683,388	7,837,056
Supplies and other expenses	20,600,806	21,192,076	22,767,100	23,422,442	24,090,891
Utilities & Building Maintenance	18,922,196	18,596,234	12,042,349	12,283,196	12,528,860
Interest on long-term liabilities	2,071,984	2,192,063	2,349,927	2,225,280	2,119,541
Contracted Services & Professional Fees	21,288,782	21,198,722	22,560,276	23,011,482	23,471,711
Amortization Expense	15,164,336	17,781,617	19,596,273	20,075,355	19,495,791
Cost of Goods Sold	3,911,121	4,048,245	4,075,720	4,157,234	4,240,379
Scholarship, Bursary & Award Payments	4,776,132	4,578,303	4,712,290	4,712,290	4,712,290
Miscellaneous & Contingencies	-	-	8,102,872	6,535,638	5,960,655
Subtotal - Non Salary Expenditures	92,976,846	96,442,057	103,739,543	104,106,304	104,457,174
Total Expenditures	226,090,952	245,127,413	257,656,162	261,774,740	265,644,388
Net Surplus	12,470,589	21,643,090	-	-	-

The outlook for Ontario colleges will be impacted over time by the political landscape, and an aging demographic forcing greater reliance on international enrolments and non-traditional learners, including the Access population and mature students. Increased competition from other educational institutions offering similar services and programs will require Mohawk to provide greater focus on delivering value-added programming. Partnerships with other institutions, such as with McMaster, enhances Mohawk's competitive position within the education sector.

Mohawk's commitment to continuous improvement in terms of quality and efficiency has fostered investment in best practices including future ready processes and program review. These investments will help reduce the overall cost base of operations.

Outlooks for 2020/21 and 2021/22:

Revenue is projected to increase by an average of 1.5% over 2020/21 and 2021/22. The MTCU has frozen the existing tuition fee framework with no annual increases over the next two years. The college's operating grant is forecasted under the COG to remain fixed. Ancillary operations are assumed to increase at 2% and essential ancillary fees at 2%.

Staffing costs will be monitored with a target rate of 60% of total revenue, which is in line with previous fiscal years. The level of staffing will continue to be under close review with comparisons to other colleges. Non-salary expenses are projected to increase 2% per year with some exceptions including interest on long-term debt and amortization expense.

With the above high level baseline assumptions that include the multi-year capital infrastructure plan, there should continue to be room for an annual investment pool of \$6.5M.

Overall, Mohawk is positioned to be financially sound provided that:

- there are no adverse impacts with the change in provincial government;
- enrolments and retention strategies are successfully managed with the goal of maintaining domestic enrolment levels while increasing international enrolment levels;
- program rationalization exercises are performed annually;
- the college continues with cost efficiency and containment strategies; and
- staffing levels remain under close review.

If these conditions are met, then the college should have financial capacity for the multi-year capital infrastructure plan and funds to be innovative and to launch and sustain new programs.

Glossary of Terms

Approved Budget

The final budget passed by the Board of Governors with detail adjusted by departments to show how they will operate within the fund-wide and department-wide numbers approved in that budget.

Actual

Actual (as opposed to budgeted) revenue and expenditures for the fiscal year indicated.

Base Budget

In simple terms, a reflection of the budget resources (financial, human and other) that are required to maintain service levels at the level of ongoing service delivery provided in the previous year's Operating Budget.

Benchmarking

Determining the quality of one's products, services and practices by measuring critical factors (e.g., how fast, how reliable a product/service is) and comparing the results to highly regarded competitors. Benefits Payments to which participants may be entitled under a pension plan, including pension, health and dental benefits.

Budget A plan of financial operation containing an estimate of proposed expenditures for a given period (usually a fiscal year) and the proposed means of financing them. Since the budget process includes many "budgets", it is necessary to specify whether the budget being discussed is projected, recommended, final (approved by the board), or current.

Budget Timetable

A schedule of key dates, which the college follows in the preparation, adoption and administration of the budget.

Capital Budget

A plan of proposed capital expenditures to be incurred both in the current year and (long-term) over several years in the future. The budgeted costs provide needed infrastructure, parking, building construction or classroom/office rehabilitation and other related items. Funding is received from various sources.

Capital Equipment

Physical plant and equipment with an expected life of five years or more.

Capital Expenditure

Monies spent for the renovation, maintenance or replacement of fixed assets, resulting in an extension of the assets' useful life.

Contribution Margin

The contribution margin from the academic area (operating grant plus tuition less academic delivery costs) in turn contributes towards learning resource centres, innovation & research and academic related overhead costs.

Cost

The amount of resources required for a business program, product, activity or service to produce an output, regardless of where the resources are accounted for. Direct costs can be identified specifically with a particular final cost objective (e.g., direct service, program or product), and usually appear in the budget of the program that provides the product or service. Indirect costs are incurred for a common or joint purpose benefiting more than one cost objective (e.g., direct service, program or product), but are not readily assignable to the cost objectives specifically benefited; they may be found elsewhere in the budget of the department that provides the product or service, or in the budgets of other departments that support that department.

Debt Payment

The payment of principal and interest on borrowed funds such as bonds or debentures.

Expenditure The disbursement of appropriated funds to purchase goods and/or service. Expenditures include current operating expenses that require the current or future use of net current assets, debt service, and capital outlays. This term designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlays.

Fiscal Year

Any period of 12 consecutive months designated as the budget year. The college's budget year begins April 1 and ends March 31.

Forecast

The projection of revenue and expenditures to year end.

Full-Time Equivalent Position (FTE Position)

A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. For an individual position, 1.00 FTE is usually equal to 2,080 hours of work per year. FTE takes into account the number of hours per week and portion of the year the position is funded. $FTE = (\text{hours worked per week} / 40) \times (\text{months funded} / 12)$. For instance, a year-around full-time position has an FTE of 1.00. A full-time position funded for 6 months (1/2 year) has an FTE of 0.5, as does a 20-hour-per-week year-around position.

Generally Accepted Accounting Principles (GAAP)

Nationally recognized uniform principles, standards, and guidelines for financial accounting and reporting, governing the form and content of many financial statements of an entity. GAAP encompasses the conventions, rules, and procedures that define accepted accounting principles at a particular time, including both broad guidelines and detailed practices and procedures.

Grant

A monetary contribution, typically from one level of government to another, as a means to lend support to a specific service, program or function.

Infrastructure

The basic installations and facilities necessary for the continuance and growth of the college.

Investment Proposal

Financial managers submitted Investment Proposals in the form of a business case typically representing one-time requests to support specific strategic initiatives or operational priorities. MEG reviewed the investment proposals and prioritized initiatives within the funding allocation.

Key Performance Indicators (KPI)

The Ministry of Training, Colleges and Universities (MTCU), and the Colleges of Applied Arts and Technology have defined five Key Performance Indicators (KPIs) to measure, in a consistent manner across the college system, college performance against ministry stated goals and objectives. The five KPIs are Graduate Employment, Graduate Satisfaction, Employer Satisfaction, Student Satisfaction and Graduation Rate.

Liability

A financial obligation of the college to third parties.

Long-Term Debt

Debt that matures greater than one year after it is issued.

One-Time Item

An item to be funded from prior years' surplus and only approved for the current budget year.

Operating Budget

Represents the revenue and expenses associated with the day-to-day operations. Primary sources of revenue are government grants, student tuition fees, contracted services and ancillary business operations (campus stores, facility rentals, residence). These revenue sources support the cost of salaries and benefits, supplies, commodities and other non-salary related expenses.

Revenue

Funds earned from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year.

Strategic Plan

A document outlining long-term goals, critical issues and action plans, which will increase the organization's effectiveness in attaining its mission, priorities, goals and objectives. Strategic planning starts with examining the present, envisioning the future, choosing how to get there, and making it happen.

ABBREVIATIONS AND ACRONYMS

AODA	Accessibility for Ontarians with Disabilities Act
CAAT	College of Applied Arts & Technology
CFIS	MTCU's College Financial Information System
COG	Corridor Operating Grant
CPC	Capital Planning Committee
CPP	Canada Pension Plan
DBARC	David Braley Athletic & Recreation Centre
EI	Employment Insurance
FTE	Full-Time Equivalent (may be used to describe full-time equivalent positions or full-time equivalent students)
JCPI	The Joyce Centre for Partnership & Innovation
KPI	Key Performance Indicators
MTCU	Ontario Ministry of Training, Colleges and Universities
MEG	Mohawk Executive Group
MPAC	McIntyre Performing Arts Centre
MSA	Mohawk Student Association
OFA	Ontario Financing Authority
SEM	Strategic Enrolment Management
SMA	Strategic Mandate Agreement



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