

2016 | 2017 Business Plan



FUTURE READY. LEARNING FOR LIFE.

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 **MOHAWK**

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SECTION 1: BOARD OF GOVERNORS

Chair: Joe Parker

Vice Chair: Donna Cripps

Stephen Bauld

Rebecca Bentham

Gary Crowell

Domenic D'Ambrosio

Mark Farrow

Heather Giardine-Tuck

Doug Harrison

Trent Jarvis

Sheri Longboat

Moe Mahmood

Katrina McFadden

Sheree Meredith

Paul Pastirik

Raymond Simmons

Glen Steeves

Anna Ventresca

President: Ron J. McKerlie

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 2016-2017 Mohawk will focus on key initiatives aligned with its new 2016-2021 Strategic Plan while continuing 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 like our new Job Ready Guarantee and lifelong learning support for our graduates. Its goals are grounded in work that is already underway.

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: 2016-2017 KEY PRIORITIES

STUDENT SUCCESS

Strategic Plan Priority	2016-2017 Business Plan
More Entry Points, more Pathways to Completion with a Credential	Develop a degree submission and post grad cert multiyear strategy including new program mix to support recruitment and other strategic priorities. Undertake a gap analysis to identify missing pathways and develop completion strategies (through CE) and enhancing technologies to facilitate credit transfer.
Address Financial Barriers	Begin implementation of Accessible College Dream: Mohawk's Roadmap for Student Financial Support Develop a plan to increase financial literacy using existing tools and identifying gaps and potential for partnerships and sponsorships
Grow our Reach and Impact	Design a review process to evaluate City School by Mohawk to inform planning for the opening of additional locations or support through mobile deployments Develop and launch game based orientation app for domestic students and build into transition and orientation planning

GRADUATE SUCCESS

Strategic Plan Priority	2016-2017 Business Plan
Job Ready, Guaranteed	Conduct current state assessment of career supports and gap analysis to meet job ready guarantee
Career Support for Life	Conduct review of Alumni benefits and services and develop new Alumni Engagement plan aligned with CE strategy
Entrepreneurship, Innovation and Global Competencies	Identify where we can introduce entrepreneurial and global competencies within the academic plan including international case studies and/or online module. Build on current work of SURGE
A Leader in Simulation-Based Learning	Launch capital investments at all 3 campuses to support simulation based learning. Launch Siemens Mechatronics delivery
Most Satisfied Employers	Use findings from Mayor's Blue Ribbon Task Force on Workforce Development and EMSI data to develop an employer engagement strategy

COLLABORATIONS AND PARTNERSHIPS

Strategic Plan Priority	2016-2017 Business Plan
Leaders in Applied Research	Progress in rankings for applied research in the Canadian College System.
Generating Innovative Solutions for Industry and Community	Review resources, structure and communication tools for enhancing partnership opportunities that will give integrated approach to lead generation, current activities and future opportunities Create an annual “call for partnerships” that will generate opportunities for applied learning against community challenges
Redefining Campus to support growth and collaboration	Identify metrics to support blended learning models and virtual learning environments in relationship to space planning.

COMMUNITY LEADERSHIP

Strategic Plan Priority	2016-2017 Business Plan
Leaders in Indigenous Education	Complete construction and open Hoop Dance. Use Indigenous Education Plan to design educational and academic program content and curriculum and develop 5 year implementation plan. Implement Bundled Arrows initiatives and grow partnerships to include school boards
Leaders in Social Inclusion	Create a social inclusion strategy which includes: anti-bias training, baseline analysis of staff diversity, findings from diversity survey and forum, and Welcoming Communities Task Force Develop Social Inc. Business Model to plan and explore partnership opportunities and calls for social innovation projects.
Leaders in Internationalization and Global Experiences	Develop 5 year International Strategy including implementation and communications plan, marketing strategy with consideration for Welcoming Communities Task Force recommendations
Leaders in Environmental Sustainability	Annual reporting on Environmental Management Plan 2.0 and launch of annual “dirty dozen” list and action plan. Completion of the Mohawk College Terminal and launch to community Execute first phase of project on local food procurement in partnership with Greenbelt Foundation.

STRONG FOUNDATIONS

Strategic Plan Priority	2016-2017 Business Plan
Reputation and Pride	Develop 50th Anniversary Marketing and Communications plan focused on all stakeholder groups to support 50th Celebration and campaign
	Pilot engagement program in support of Strategic Plan and Employee Engagement
	Refresh annual list of top risks and mitigation strategies. Implement year 1 of 5 year plan on deferred maintenance.
Excellence in Staff and Faculty	Develop training, mentoring and recognition program to align with 5 year strategic plan and address staff engagement survey results
	Roll out of automated talent management system and succession planning tools
Financial Sustainability	Build on financial sustainability of collaborative program agreements and key partnerships with other educational institutions and corporate partners and explore options for shared services with other institutions
	Evaluate sale of residence that will meet building and service level requirements and profitability levels
Planning for the Future	Create and model growth scenarios around 5 year strategic plan and make recommendations for growth planning, next SMA

SECTION 5: CFIS STATEMENT OF FINANCIAL POSITION AND OPERATIONS

MOHAWK COLLEGE OF APPLIED ARTS AND TECHNOLOGY CFIS STATEMENT OF FINANCIAL POSITION AND OPERATIONS

	2016/17 BUDGET \$	2015/16 ACTUAL \$
FINANCIAL POSITION:		
Cash and Cash Equivalents	18,832,926	21,927,070
Accounts Receivable	17,211,337	18,255,283
Other Current Assets	56,735,017	63,430,720
Construction in Progress	17,000,000	277,563
Tangible Capital Assets	275,968,970	259,327,375
Tangible Capital Asset Accumulated Amortization	(118,642,838)	(104,389,975)
Long Term Receivable	31,589,777	32,450,837
Investments and Other Long term Assets	873,472	873,472
TOTAL ASSETS	299,568,661	292,152,345
Accounts Payable and Accrued Liabilities	42,861,244	42,743,003
Deferred Revenue	21,186,488	20,604,431
Restricted Contribution	6,154,799	11,445,100
Deferred Capital Contributions	118,403,949	104,843,931
Debt	45,271,746	47,003,150
Other Long Term Liabilities	9,568,123	9,568,123
TOTAL LIABILITIES	243,446,349	236,207,738
Unrestricted Net Assets	(8,516,892)	(9,028,971)
Internally Restricted Net Assets	15,468,050	23,015,000
Investment in Capital Assets	34,737,394	27,702,523
Endowments	16,298,317	16,120,612
Accumulated Remeasurement Gain and Losses	(1,864,557)	(1,864,557)
TOTAL NET ASSETS	56,122,312	55,944,607
TOTAL LIABILITIES & NET ASSETS	299,568,661	292,152,345
OPERATIONS:		
Grant Revenue	103,511,089	102,071,839
Tuition Fees	69,776,317	66,065,000
Other Student Fees	15,986,976	13,366,080
Contractual and other fee-for-services	4,302,568	2,724,642
Ancillary Revenue	14,528,431	14,281,365
Other Revenue	5,804,461	7,630,460
TOTAL REVENUE	213,909,842	206,139,386
Salaries and Wages	106,728,371	98,762,105
Employee Benefits	24,682,614	22,019,085
Transportation and Communication	3,132,034	2,958,600
Services	31,838,325	30,352,882
Supplies and Minor Equipment	8,605,147	9,460,194
Ancillary Services - Expenditures	8,348,538	8,645,918
Amortization Expense	14,252,863	13,764,852
Other Expenditures	16,321,950	13,827,201
TOTAL EXPENSES	213,909,842	199,790,837
TOTAL OPERATIONS SURPLUS	-	6,348,549

SECTION 6: 2016-2017 ENROLMENT TARGETS

Full Time Enrolments:

(Domestic, Collaborative & International)

	Spring	Fall	Winter	Total	% Increase over 2015/16
2015/16 Total Actual Enrolments	2,552	13,695	13,453	29,700	
2016/17 Financial Plan Target	2,559	13,974	13,611	30,145	1.5%
Year over Year Semester Growth	0.3%	2.0%	1.2%	1.5%	
2016/17 Stretch Target	2,576	14,332	13,964	30,872	3.9%
Year over Year Semester Growth	0.9%	4.7%	3.8%	3.9%	

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 fees include alumni, convocation, technology enhancement and the David Braley Athletic and Recreation Centre (DBARC) fee. Compulsory ancillary fees are governed by the MTCU "Tuition and Ancillary Fees" operating procedure. The Mohawk Student Association 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 centres, 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 & facility rentals
- Investment income
- Donations

Student enrolment is the key driver in determining operating budget revenue levels because enrolment influences the MTCU operating grant, tuition fees and ancillary revenue. The operating grants and tuition fees account for 78% percent 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 post-secondary and continuing education students. The fees are collected for activities the MTCU deems not directly related to academics. Compulsory ancillary fees account for approximately 5% percent of total revenue and have equal, offsetting expenses.

Compulsory Ancillary Fees are governed by the MTCU “Tuition and Ancillary Fees Reporting” operating procedure and mandates that student’s governing bodies be involved in decisions regarding compulsory ancillary fees. The proposed revenue and expenses were presented to and approved by the Mohawk Student Association (MSA).

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 how to pay 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, Board reserves and debt financing. In addition to new initiatives, the existing infrastructure continues to age and require capital spending on renewal and replacement.

Financing decisions associated with each capital request were assessed around such factors as availability of internal funds (operating, ancillary fees, restricted funds, 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:

The College will prepare a balanced annual financial plan, whereby revenue and expenditures net to zero. Furthermore, Board of Governors policy D05, entitled Financial Matters Effective Oct 12/05, reference 374.O.8.1, section 3b) states “at the end of each fiscal year, the President shall not permit the College to be in a deficit position”.

Academic Contribution Margins:

For the academic areas, the guideline approved by the Mohawk Executive Group require that allowable expenditures must be less than forecasted revenue in an amount sufficient to return 42% of revenue as an overall contribution to the College (the “Contribution Margin”). The contribution is towards learning resource centres, innovation and research and academic related overhead costs. The academic expenditure budgets are created in relation to revenue targets.

Compulsory Ancillary Fees:

In addition to tuition fees, all students are required to pay compulsory ancillary fees. Compulsory ancillary fees are charged to post-secondary and continuing education students for activities the Ontario Ministry of Training, Colleges & Universities (MTCU) deems not directly related to academics. Compulsory Ancillary Fees are governed by the MTCU “Tuition and Ancillary Fees Reporting” operating procedure and mandates that student’s governing bodies (MSA) be involved in decisions regarding compulsory ancillary fees and subsequent increases.

Compulsory ancillary revenue and offsetting expenses are presented separately from the College’s operating budget. This level of reporting provides the Board with an understanding of how the fees collected will be utilized. Any fees unspent in the current year may be deferred to the following year.

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 \$3,000

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

- Direct support of business priorities
- Improvements related to health and safety
- Legislative requirements (e.g. accessibility)
- 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 projects to be presented to Mohawk Executive Group (MEG) based on financial availability.

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

All capital, renovation and maintenance projects valued over \$1,000,000 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 may be used to support such things as reductions in enrolment, major repairs etc. The contingency attempts to prudently 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 subject to internal restrictions imposed in a formal manner by resolution of the Board of Governors. These restrictions represent specific projects, new initiatives or future obligations. Internal restrictions form part of the budget following Board approval.

Financial Health Indicators:

The College's financial health indicators will reflect and align with the Financial Sustainability Metrics as outlined in the College's 2014-2017 Strategic Mandate Agreement (SMA) with the MTCU. The 2014-2017 SMAs signed by all colleges 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 (Sept-Dec 2015)

- Budget Directions approved by Board of Governors
- Academic enrolment planning and contribution margin targets
- Non-Academic starting point was 2015/16 original base budget
- Compulsory Ancillary Fee proposals
- Capital equipment and project submissions

Review

Review (Jan-Mar 2016)

- Submission of operating investment proposals
- Community Access & Engagement, Applied Research and Ancillary business operations detail reviews
- Capital Planning Committee prioritize submissions
- MEG review of operating, fee supported and capital budget plans
- Board approval of tuition fees and compulsory ancillary fees

Approval

Approval (Mar-Apr 2016)

- MEG approval of operating budget and capital plan
- Communication with management teams
- Recommendation to Audit, Finance & Infrastructure Committee
- Board of Governors approval of overall 2016/17 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 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 post-secondary activity for domestic and international students which are informed by the strategic mandate agreement, academic plan and international strategy.

A Strategic Enrolment Management Planning Committee oversees the forecasting of enrolments which are ultimately approved by the Mohawk Executive Group. The committee is represented by staff from across the organization, including Administration, Deans and Associate Deans, Finance, Institutional Research, Registrar and Space Scheduling.

Enrolment Planning is the basis upon which operating budget revenue are calculated for the College. In developing the 2016/17 budget, substantial effort was placed on reviewing academic activity through the Strategic Enrolment Management 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. International student enrolments were projected with added emphasis.

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 Aboriginal, International and the Access population. 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 post graduate 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. The College's goal is to double international enrolment in five years' time starting in 2014/15. Post-secondary enrolments drive expected revenue from grants, tuition and fees, food services, campus stores, parking etc. They 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 \$4.5M was available to support these requests. Financial Managers presented investments for consideration by the Mohawk Executive Group. Each investment proposal was linked to the Strategic Plan and anticipated outcomes were identified by linking to the 2016/17 business priorities and how the investment proposal will be measured against the 5-year metrics.

Decisions were also based upon whether the request was one-time in nature or ongoing. After a thorough and detailed review process, the approved investments are categorized as follows:

Academic	
Academic Hiring	\$ 680,154
Program Quality & Development	545,330
Internationalization	337,883
Professional Development	254,353
Community Engagement	195,553
Future Ready Processes	150,046
Applied Research	135,000
Other Academic Initiatives	100,000
Total Academic	\$2,398,319

Student Services	
Future Ready Processes	\$510,068
Community Engagement	200,502
Strong Reputation	185,416
Student Success	110,208
Social Inclusion & Indigenous Education	30,451
Internationalization	25,000
Total Student Services	\$1,061,645

Corporate Services & President	
Growth in Information Technology	\$ 353,103
Professional Development	258,536
Staff Engagement	163,213
Community Engagement	115,742
Future Ready Processes	91,667
Sustainability	65,584
Health & Safety	49,250
Enhance Revenue Sources	-70,315
Total Corporate Services & President Office	\$1,026,780

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 3.9% 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.

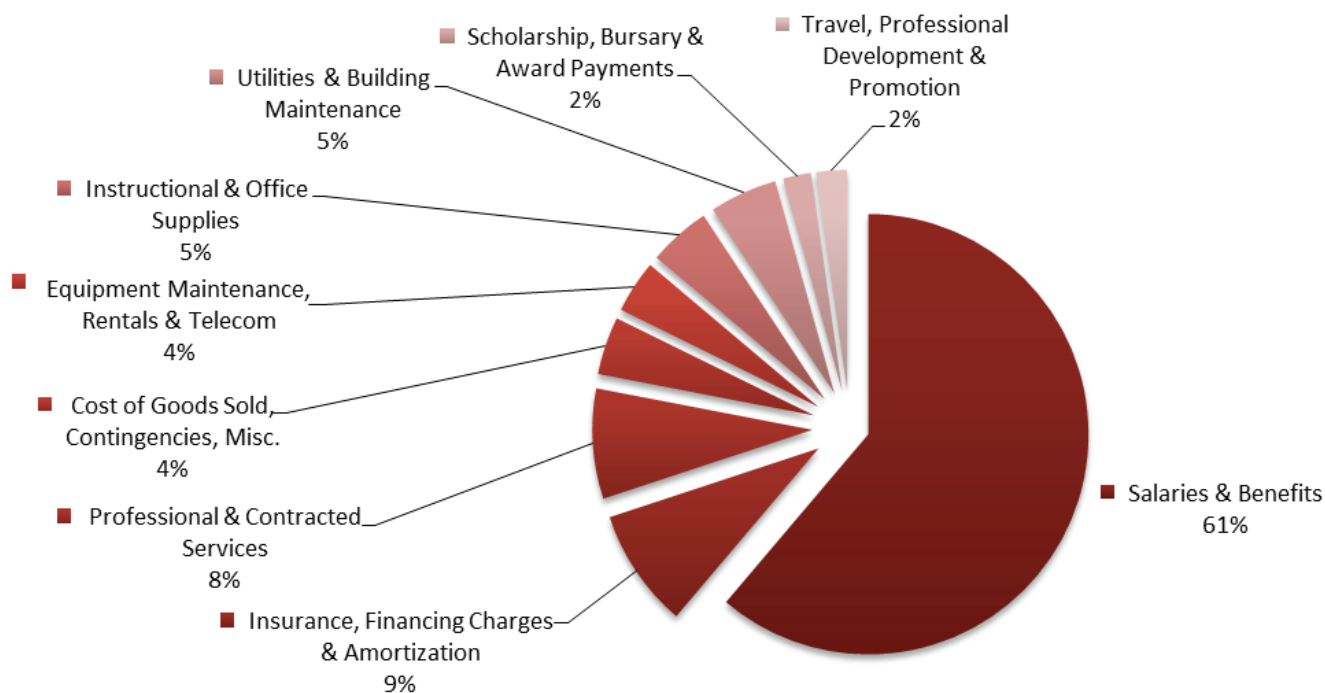
Operating Plan Highlights

The proposed 2016/17 Financial Plan has been developed in accordance with the approved budget directions and thoroughly reviewed by the Mohawk Executive Group.

- The Plan delivers a balanced budget. Gross revenue and expenditures are budgeted at \$213.9M, including amortization of capital assets.
- The Plan was developed around delivering educational programming to 15,436^{0F} post-secondary full-time-enrolments (FTEs).
- The full-time staffing complement for 2016/17 is 969, representing 417 Academic staff, 180 Administrative staff and 372 Support staff^{1F}.
- Throughout the budget deliberations, the full-time complement was increased by a net 26 regular full-time permanent positions over the 2016/17 initial staffing plan.

Total Expenditures by Object (\$213.9 Million)

The pie chart below illustrates the College's 2016/17 Approved Operating Budget expenditures by cost component. Human Resource costs (full-time, part-time and benefits) account for \$131 million or approximately 61% of the total expenditure budget.



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

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

Expenditure Highlights

Human Resources: The 2016/17 plan projects over 61% of the budgeted expenditures are full-time and part-time human resources.

Full-time Salaries: Full-time salary rate increases for faculty and support are in accordance with the respective collective agreements effective September 1, 2014. 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 Broader Public Sector wage freeze legislation.

Fringe Benefits: The 2016/17 employee fringe benefit rates are as follows: 25% for full-time and 14% for part-time employee. Employer deductions include both legislated (e.g. CPP, EI etc.) and discretionary (e.g. health and life insurance) fringe benefits as well as contributions to a defined benefit pension plan (CAAT).

Full-Time Equivalents: The 2016/17 initial full-time staffing plan consists of 943 full-time permanent positions equivalents across the faculty, administrative and support groups. Through the consideration of investment proposals, MEG recommended an increase of 26 new full-time positions for a total of 969 permanent positions at a cost of \$101.8M, as shown on Table 1 below. Increases to the staffing plan support existing growth and prepares for future growth in enrolments and supports our leadership role in social inclusion, aboriginal, sustainability and internationalization.

2016/17 Staffing Plan:

	FACULTY		ADMINISTRATIVE		SUPPORT		TOTAL	
	Count	\$	Count	\$	Count	\$	Count	\$
Initial Full Time Staffing Plan	412	49,937,764	170	21,024,267	361	28,980,269	943	99,942,299
Final MEG Approved Staffing Plan	417	50,338,126	180	21,924,931	372	29,537,120	969	101,800,177

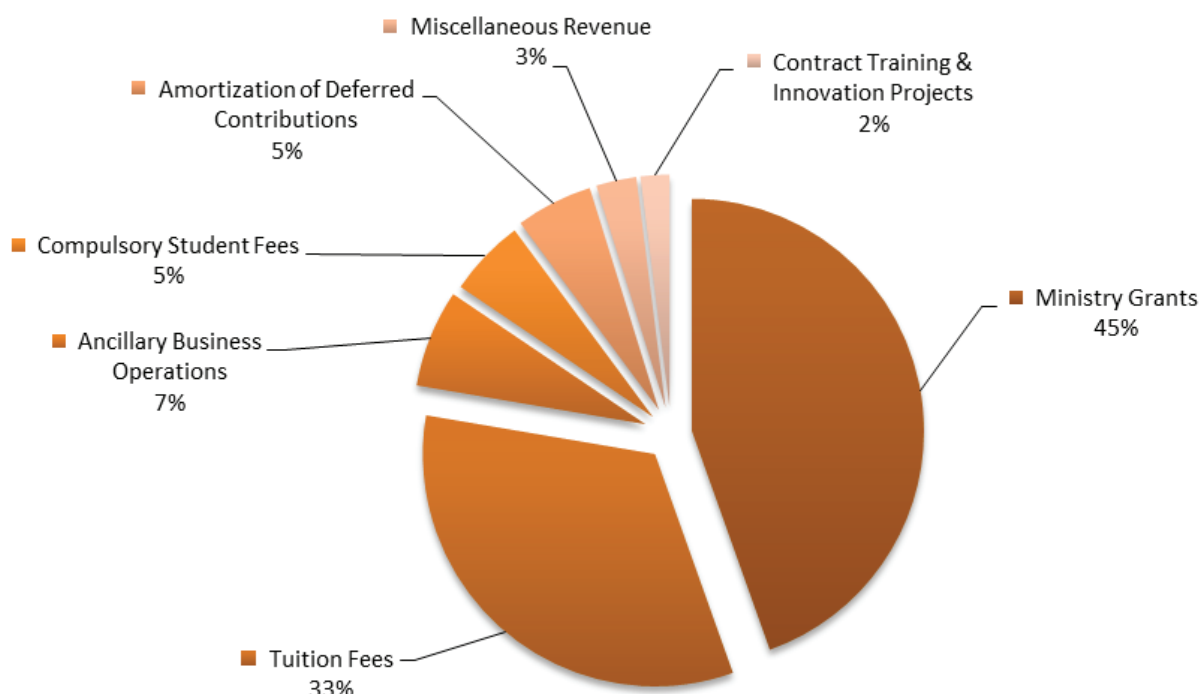
Contribution Margins: The overall contribution margin targets were established for the different academic streams: Post-Secondary 42%, Apprenticeship 30% and Continuing Education 40%.

Post-Secondary program efficiency measures over the past two years allow for maintaining the contribution margin target and investment in program development, program review and accreditation activities. Efficiency measures include a revised general education course delivery model, new model for delivering English language training to international students, improved alignment of foundation programs and various program modifications.

Non-Salary Expenditures: Non salary expenses associated with running operations includes supplies, utilities, maintenance, contract services, insurance, financing charges, travel, professional development and promotion. Generally speaking, the 2016/17 non-salary operating budget allocations represent the 2015/16 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.

Where the Money Comes From (\$213.9 Million)

The Mohawk College operating budget of \$213.9 million is balanced with the use of a variety of revenue sources. The following pie chart shows the funding sources of the 2016/17 Approved Operating Budget.



The College's single largest revenue source comes from the Province in the form of grants. In 2016/17, \$95M or 45% of the College's total funding will be operating grants. The General Purpose Operating Grant (GPOG) is the primary provincial grant. The GPOG comprises base and growth funding envelopes and these allocations are based on complex calculations involving a rate per weighted funding unit and averages of prior year enrolments. The GPOG growth funding envelope for 2016/17 will be significantly (\$3.7M) higher than the previous year due to enrolment growth experienced in the 2013/14 and 2014/15 fiscal years. This growth allocation compensates for initial decreases in other grant funding envelopes and hence, the overall grant revenue of \$95M is at the same level as the 2015/16 forecast.

Tuition revenue was modelled directly from the enrolment plan and approved fees schedule. Deans and Associate Deans used the 'strategic enrolment management' planning tool to model enrolments and resulting revenue. The enrolment plan projects the delivery of full-time post-secondary domestic, collaborative and international education for 30,872 enrolments (15,436 FTEs).

Commencing 2014/15, the Ontario government mandated a four-year tuition fee framework which caps the average annual tuition fee increase at 3%. The "2016/17 Tuition and Compulsory Ancillary Fees" report approved by the Board of Governors on February 10, 2016 outlined the fee increases for first year students, returning students, regular programs, high demand, etc. with the overall enrolment mix yielding an increase of 3% and therefore, not exceeding the allowable limit.

As a result, the full-time post-secondary tuition revenue increased by \$5.1M over the 2015/16 forecast which is attributable to an increase in both the domestic and international tuition rate and enrolment projections (predominately international). Continuing education revenue is slightly lower with a transfer of some nursing activity to the post-secondary area.

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, given their tuition is four times greater than domestic. Recognizing this risk, staff has appropriately planned mitigating contingencies for both domestic and international enrolment.

Ancillary revenue is derived from the campus stores, residence, food services, conferences, parking and DBARC operations. The projected net contribution from Ancillary operations of \$3.8M represents 26% of total \$15.0M revenue.

Community Access and Engagement offers a broad range of programs including employment services, academic upgrading, school-college works initiatives and enhanced language training. The projected net contribution of \$1.6M represents 19% of total \$8.2M revenue. This includes an investment of \$162K to support the City Schools access strategy.

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 Canada Health Infoway. The College's operating budget will support \$695K net expense for administrative functions.

Fee Supported Budget

In addition to tuition fees, all students are required to pay compulsory ancillary fees. These fees generate approximately \$12M which is 5% of total revenue. The fees have equal, offsetting expenses and are critical in supporting services that includes technology enhancement, health, athletics, counselling, convocation and alumni.

Compulsory ancillary fees are governed by the MTCU "Tuition and Ancillary Fees Reporting" operating procedure and mandates that student's governing bodies (MSA) be involved in decisions regarding compulsory ancillary fees and subsequent increases. The fee supported budgets presented to the Board of Governors are in compliance with the binding policy directive. The following table represents the 2016/17 Compulsory and Ancillary Fee gross budget plan.

Name of Fee	Planned in-year Fees (\$000's)
Alumni	381
Assessment for Success	402
Athletics & Recreation Fee	1,159
Copyright	118
Convocation	456
David Braley Athletics Recreation Centre	2,154
ID Card	364
Student Centre Building	144
Student Experience Fee	2,902
Sustainability Initiatives Fee	144
Technology Enhancement	2,073
Transcript	213
Sub-Total Post-Secondary Fees	10,510
Apprenticeship Service Fee	104
Sub-Total Apprenticeship Fees	104
Academic Service Fee	439
Capital Campaign	28
Copyright	14
Recreation Fee (NEW)	24
Student Activity Fee (College Portion 70%)	256
Student Bursary (NEW)	24
Technology Enhancement Fee	48
Transportation Fee	48
Sub-Total Continuing Education Fees	882
TOTAL COLLEGE FEES	11,496

Capital Budget

The 2016/17 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 ministry grants, student levies, fundraising, research grants, 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 multi-year capital infrastructure forecast presented at the Board of Governors retreat in October 2015 and revisited again in November with the '2016/17 Budget Directions' report was the starting point for building the 2016/17 capital plan. The capital projects identified within this forecast include major priority projects that were reported to the MTCU as part of its "Refresh of Capital Inventory for Postsecondary Education": Partnership & Innovation Centre at Fennell Campus, Hospital Simulation Lab at IAHS and Centrum at Stoney Creek Campus. The multi-year capital plan also includes the completion of parking lot upgrades at Fennell Campus and an increased allocation for essential deferred maintenance. Under the direction of Mohawk's Capital Planning Committee, the development of the 2016/17 capital plan and multi-year forecast will guide the College's maintenance, growth and financing plans. Project charters were developed for capital project requests and captured project deliverables, risks, milestones, staffing and financial requirements. The committee prioritized capital projects and performed an overall assessment of facilities support requirements.

In addition to the multi-year capital infrastructure plan, other capital requests for equipment and smaller scale projects were evaluated by the College's Capital Planning Committee. Project charters were developed defining project deliverables, risks, milestones, staffing and financial requirements. The Committee prioritized capital projects and performed an overall assessment of facilities support requirements. The criteria used to evaluate the projects include:

- Direct support of 2016/17 business priorities
- Improvements related to health & safety or accessibility
- Legislative requirements
- Maintaining infrastructure

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

Debt financing was not considered as a source of funds for any major capital projects in the 2016/17 fiscal year. The College's total debt level at March 31, 2016 will be approximately \$57M and it is expected that the 'Debt Servicing' ratio and the 'Debt to Assets' ratio will be in line with their respective MTCU benchmarks.

2016/17 Capital Additions & Funding Sources

The total gross capital value of additions is \$25M and is summarized below. Campus Renewal is \$9.8M or 39% of the total and includes Phase 1 Partnership & Innovation Centre, Centrum, Hospital Simulation lab, and parking lot improvements. Facilities renewal projects are \$8.0M or 32% and include \$4.6M for essential deferred maintenance, aviation program facilities improvements, academic lab upgrades, renovations to meet AODA and health and safety requirements and, student space at the IAHS. There is continued investment in information technology at 19% and academic equipment at 10%.

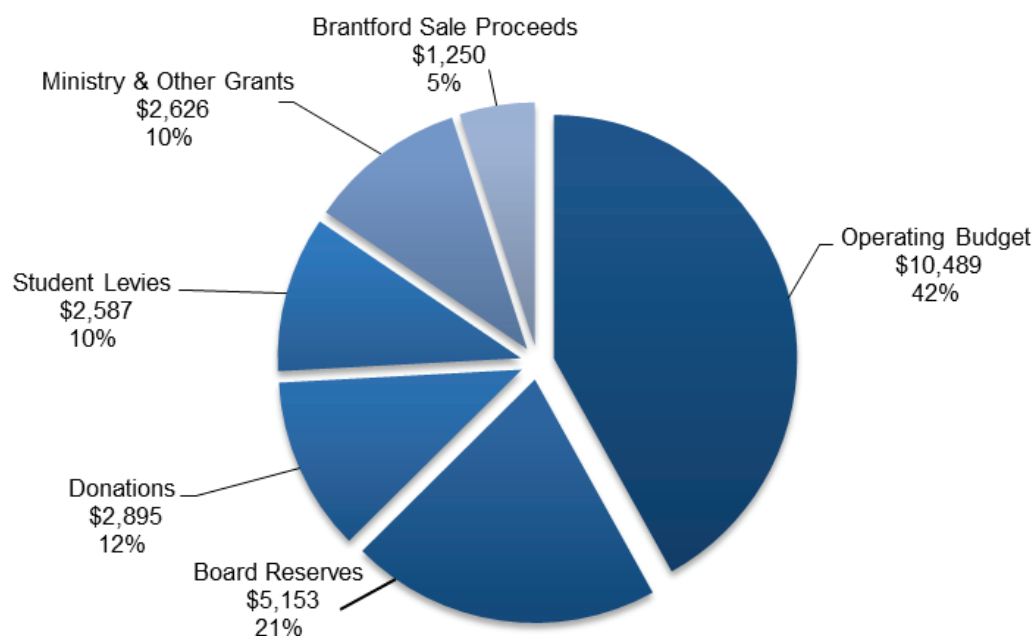
2016/17 Capital Plan Additions by Major Category

	Gross Costs (\$ 000's)	% of Total
Campus Renewal	9,780	39
Facilities Renewal College-wide	6,680	27
Facilities Renewal Academic	1,368	5
Academic Equipment	2,426	10
Information Technology – Academic	2,761	11
Information Technology – College-wide	1,985	8
Total	25,000	100

The funding sources for the capital additions are shown in the graph below. Operating funds support \$10.5M or 42% of the total capital additions. Other funding sources include donations of \$2.9M primarily for Partnership & Innovation Centre and Centrum; MTCU grants for (pre) apprenticeship renewal \$1.4M, academic equipment renewal \$426K and facilities renewal \$691K; student levies for information technology enhancements \$2.6M; and, proceeds from the sale of Brant-Elgin Street campus \$1.25M for Partnership & Innovation renovations. At the November 11, 2015 meeting, the Board approved a financial commitment up to \$5.0M from Board reserves for the major capital priority projects (hospital simulation lab, centrum, partnership & innovation centre, parking). The total projection has been updated to \$5.2M which includes bridge financing of \$347K for outstanding pledges. There may be further funding requests for major project initiatives from Board reserves at the June 9, 2016 meeting after completion of the fiscal year-end audit.

After considering revenue sources and amortization implications, the net impact to the income statement for the capital additions is approx. \$6.0M.

2016/17 Funding Sources for Capital Additions (\$000's)



Debt Capacity:

Mohawk's debt level is \$57M which comprises the DBARC \$33M, Brantford Repatriation \$10M, Student Residence \$8M and Energy Savings renovations \$6M. The debt financial health indicators for the next three year period provide the following projected results compared to College benchmarks:

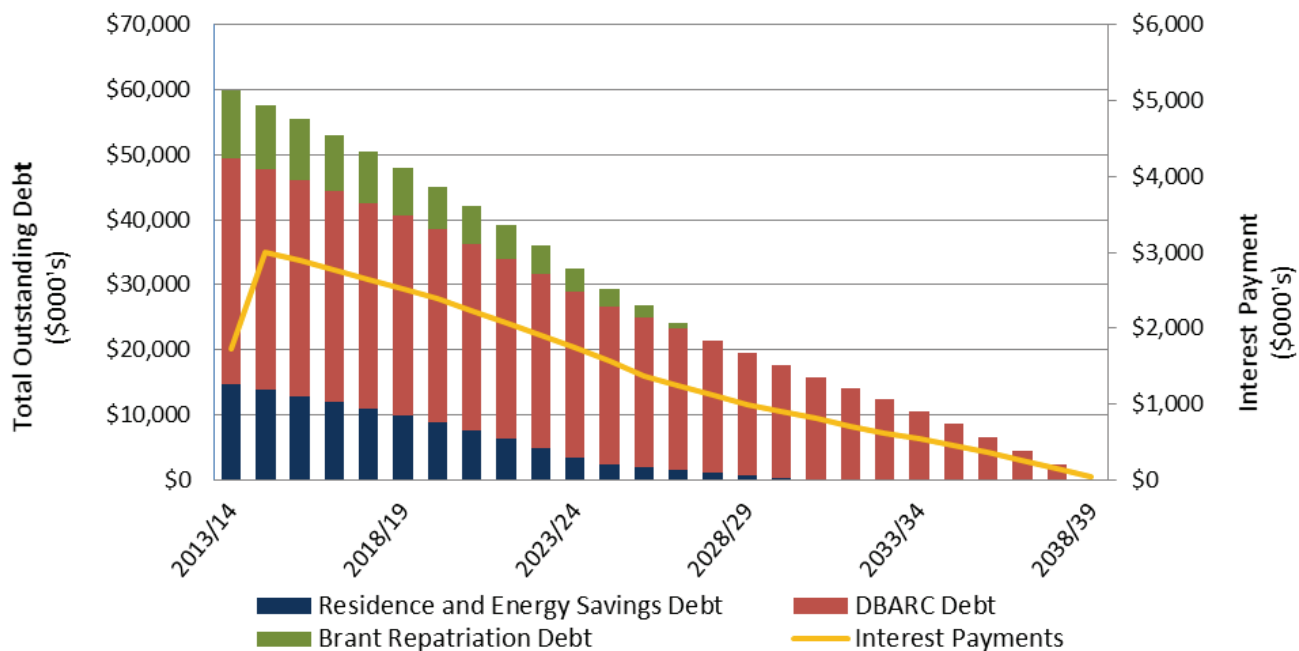
- **Debt to Assets ratio:** Average 34% projection is below 35% benchmark (favourable)
- **Debt Service ratio:** Average 2.3% projection is below 3% benchmark (favourable)

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.

Given the debt level and the cost of servicing this debt, further financing is not planned unless the college is able to pay off a portion of its existing debt (e.g. sale of residence). Upfront revenue sources such as government funding or donations will be sought for major infrastructure projects beyond 2016/17 (e.g. Partnership & Innovation Centre).

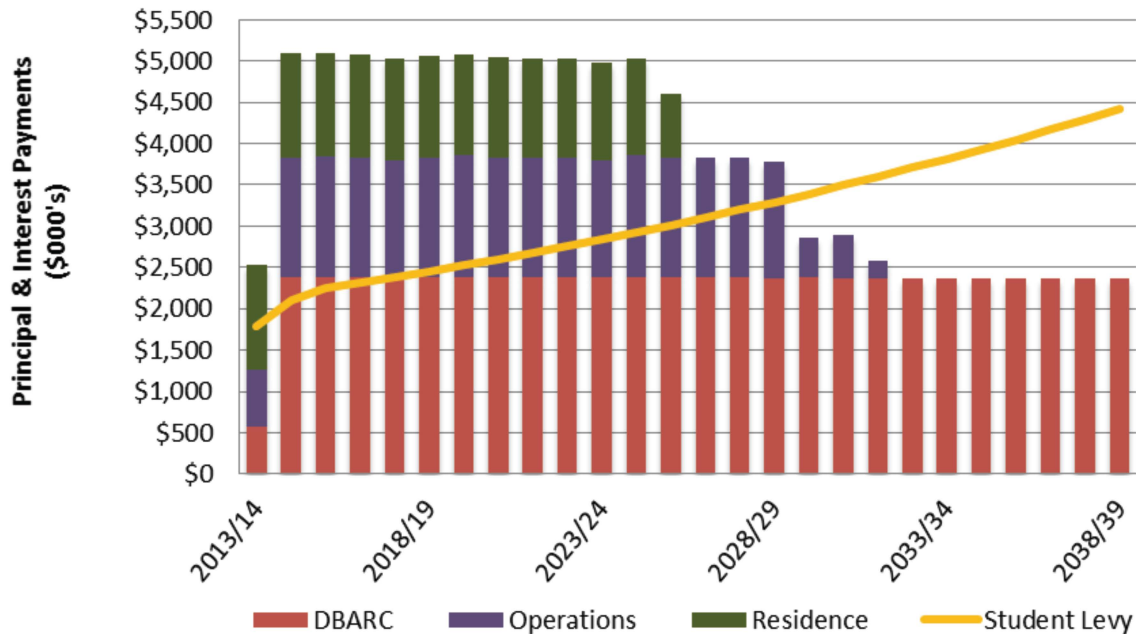
The following graph reflects the projected debt level and interest expense for the next twenty-three years.

Graph: Interest & Debt



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 annual levy should cover the annual principal and interest payments by year 2017/18. The College should be fully repaid by 2033/34 (18 years). Savings from operations (purple) cover the energy savings loan (lower utility costs) and the Brantford repatriation loan (closure of Brant-Elgin Street campus). Student residence fees (green) fully support the residence loan. The sources of funds for these loans are illustrated in the following chart.

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. While the infrastructure projects for the next five years are prioritized by the College, the funding sources for major initiatives like the Partnership & Innovation Building are dependent on the sale of the residence, government funding and/or fundraising efforts. The College plans to continue to fund \$3.8M per year from operations for priority essential deferred maintenance items.

The tables below present the Essential Deferred Maintenance requirements and the Multi-year Infrastructure Capital projections.

Essential Deferred Maintenance Items

Maintenance Items	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	Total \$
Project Planning	250,000	200,000	200,000	200,000	202,000	1,052,000
Structural	-	300,000	-	-	-	300,000
Interior Finishes	190,000	150,000	100,000	100,000	50,000	590,000
Mechanical/HVAC/Plumbing	536,000	1,296,000	2,270,000	989,000	1,288,000	6,379,000
Electrical	1,301,000	856,000	853,000	540,000	1,813,000	5,363,000
Conveyance	-	-	-	495,000	-	495,000
Fire Safety	739,000	172,000	966,000	1,730,000	-	3,607,000
Security	40,000	35,000	35,000	15,000	-	125,000
Site: Roads, Sidewalks, Hardscape	30,000	30,000	30,000	30,000	-	120,000
Building Envelope	1,465,000	1,517,000	70,000	443,000	1,238,000	4,733,000
TOTALS	4,551,000	4,556,000	4,524,000	4,542,000	4,591,000	22,764,000

Multi-Year Infrastructure Capital Projections

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	\$	\$	\$	\$	\$	\$
Partnership & Innovation Centre:						
Board Reserves - Permanent	400,000	2,000,000	2,600,000	-	-	5,000,000
Board Reserves - Bridge Financing	337,127	-	-	-	-	337,127
Donations & Pledges	1,262,873	1,361,158	997,908	232,424	232,424	4,086,787
Proceeds Sale of Brantford	1,250,000	988,842	17,114	-	-	2,255,956
Proceeds Sale of Residence (estimate)	-	-	9,000,000	-	-	9,000,000
Debt Financing Request	-	-	100,000	12,000,000	-	12,100,000
Government Funding Request and/or Fundraising	-	-	2,184,978	8,767,576	9,267,576	20,220,130
(Costs and timing of cash flows under review)	3,250,000	4,350,000	14,900,000	21,000,000	9,500,000	53,000,000
Inter-Professional Hospital Simulation:						
Board Reserves - Permanent	1,250,000	850,000	-	-	-	2,100,000
Fundraising	-	900,000	-	-	-	900,000
	1,250,000	1,750,000	-	-	-	3,000,000
Centrum:						
Board Reserves - Permanent	1,405,746	420,000	-	-	-	1,825,746
Board Reserves - Bridge Financing	10,000	20,000	-	-	-	30,000
Donations	1,384,254	10,000	-	-	-	1,394,254
MTCU Apprenticeship Enhancement Funds	200,000	50,000	-	-	-	250,000
	3,000,000	500,000	-	-	-	3,500,000
Fennell Campus Parking:						
Board Reserves - Permanent	1,750,000	-	-	-	-	1,750,000
	1,750,000	-	-	-	-	1,750,000
Essential Deferred Maintenance:						
Operations	3,860,100	3,865,100	3,833,100	3,851,100	3,900,100	19,309,500
MTCU Facility Renewal Program	690,900	690,900	690,900	690,900	690,900	3,454,500
	4,551,000	4,556,000	4,524,000	4,542,000	4,591,000	22,764,000
TOTALS	13,801,000	11,156,000	19,424,000	25,542,000	14,091,000	84,014,000

SUMMARY OF SOURCES OF CAPITAL

							%
Government Funding and/or Fundraising	890,900	1,640,900	2,875,878	9,458,476	9,958,476	24,824,630	30%
Operations	3,860,100	3,865,100	3,833,100	3,851,100	3,900,100	19,309,500	23%
Debt Financing	-	-	100,000	12,000,000	-	12,100,000	14%
Board Reserves - Permanent	4,805,746	3,270,000	2,600,000	-	-	10,675,746	13%
Board Reserves - Bridge Financing	347,127	20,000	-	-	-	367,127	0%
Proceeds from Sale of Residence	-	-	9,000,000	-	-	9,000,000	11%
Donations & Pledges	2,647,127	1,371,158	997,908	232,424	232,424	5,481,041	7%
Proceeds from Sale of Brantford	1,250,000	988,842	17,114	-	-	2,255,956	3%
TOTALS	13,801,000	11,156,000	19,424,000	25,542,000	14,091,000	84,014,000	100%

The Outlook: 2017/18 – 2018/19 Financial Plan

Staff have simulated multi-year balanced financial plans. The years 2017/18 to 2018/19 have been modeled based on enrolments planned for 2016/17 with a projected annual increase. This activity drives expense plans based on Mohawk's strategic directions (e.g. the continuation of a contribution margin approach, continued implementation of three semesters of teaching and implementation of a differentiated staffing model). 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.

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Outlook	2018/19 Outlook
	\$	\$	\$	\$	\$
Revenue:					
Grants	91,108,277	93,549,781	95,166,979	97,438,454	98,432,233
Tuition Fees	62,420,594	67,395,059	70,934,413	75,381,004	80,593,450
Ancillary Operations	13,997,376	14,333,364	14,528,431	14,819,000	15,115,380
Compulsory Student Fees	8,493,698	8,651,776	11,531,102	11,646,413	11,762,877
Contracts	2,796,162	2,724,642	4,302,568	4,302,568	4,302,568
Amortization of Deferred Contributions - Capital	10,453,868	6,950,535	7,051,543	7,092,821	6,689,024
Amortization of Deferred Contributions	4,162,163	4,678,958	4,400,000	4,500,000	4,500,000
Miscellaneous	4,313,800	7,855,272	5,994,806	5,994,806	5,994,806
Total Revenue	197,745,938	206,139,387	213,909,842	221,175,066	227,390,338
Salaries & Benefits:					
Salary-Academic	53,272,446	53,296,932	56,971,149	59,188,752	61,127,623
Salary-Admin	18,553,711	18,706,304	19,733,288	20,107,647	20,401,281
Salary-Support	26,011,972	26,758,869	29,713,321	30,864,173	31,747,137
Fringe Benefits	22,434,946	22,075,917	24,749,728	25,862,094	26,569,018
Subtotal - Salaries & Benefits	120,273,075	120,838,022	131,167,486	136,022,665	139,845,058
Non Salary Expenses:					
Supplies	9,217,966	10,789,608	9,771,690	10,322,376	10,862,697
Travel & Conference	1,508,013	1,716,648	2,123,273	2,165,738	2,209,053
Promotion and Public Relations	2,257,313	2,378,813	2,741,730	2,796,565	2,852,496
Telecomm. & Equipment Maintenance/Rentals	7,142,184	9,000,283	8,307,066	8,473,207	8,642,671
Insurance & Financing Charges	4,610,599	4,620,209	4,472,442	4,377,293	4,292,918
Contracted Services & Professional Fees	16,778,738	17,410,251	17,333,786	17,980,462	18,684,071
Utilities & Building Maintenance	10,124,207	10,304,784	10,222,243	10,426,688	10,635,222
Amortization Expense	13,567,440	13,764,852	14,252,863	14,799,146	15,159,416
Scholarship, Bursary & Award Payments	4,162,163	4,678,958	4,400,000	4,500,000	4,500,000
Cost of Goods Sold	4,400,321	4,288,410	4,066,989	4,743,902	4,838,780
Miscellaneous & Contingencies	-	-	5,050,274	4,567,023	4,867,955
Subtotal - Non Salary Expenditures	73,768,944	78,952,816	82,742,356	85,152,402	87,545,279
Total Expenditures	194,042,019	199,790,838	213,909,842	221,175,066	227,390,338

The outlook for colleges could be impacted over time by 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.

Within Mohawk, the commitment to continuous improvement in terms of quality and efficiency has enabled it to invest resources in best practices including future ready processes and program review. These investments will help reduce the overall cost base of operations.

Outlooks for 2017/18 and 2018/19:

Total revenue is projected to increase by an average of 3.1% over 2017/18 and 2018/19. The Province will be launching consultations on options to modernize the college funding model in the coming year to ensure long-term financial sustainability of colleges, while also fostering positive outcomes for students. In the meantime, the General Purpose Operating Grant is forecasted to increase over the next two years based on the current funding formula which considers enrolment growth in past years. Tuition fees are assumed to increase 3%, ancillary operations at 2% and compulsory ancillary fees at 1%.

Staffing costs are measured at an average rate of 61.5% of total expenditures, which is representative of 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. Amortization is based on capital projections with identified funding sources.

Overall, Mohawk is positioned to be financially sound if there are no adverse financial implications with a new provincial funding model, by maintaining domestic and increasing international enrolment levels with successful retention strategies, continuing with cost efficiency and containment strategies, and if 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.

The College: Mohawk College

Contingency: An appropriation of funds available to cover unforeseen events that occur during the fiscal year. These funds, if unused, lapse at year-end.

Contribution Margin: The contribution margin from the academic area (operating grant plus tuition less direct and indirect academic costs) allows for investment in program development, program review and accreditation activities and, recognizes continued support for investments made in research and academic overhead.

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 1st and ends March 31st.

Forecast: The projection of revenue and expenditures to year-end.

Full-Time Equivalent Position (FTE): 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

AF&I	Audit, Finance & Infrastructure Committee
AODA	Accessibility for Ontarians with Disabilities Acts
CAAT	College of Applied Arts & Technology
CICA	Canadian Institute of Chartered Accountants
CPC	Capital Planning Committee
CPP	Canada Pension Plan
DBARC	David Braley Athletic Recreation Centre
EI	Employment Insurance
FOAPAL	Is an account combination to record a budget or actual revenue/expenditure. Acronym stands for: Fund, Organization, Account, Program, Activity, Location
FTE	Full-Time Equivalent (may be used to describe full-time equivalent positions or full-time equivalent students)
F/T	Full-time
GPOG	General Purpose Operating Grant
HR	Human Resources
IAHS	Institute for Applied Health Sciences
IT	Information Technology
MEG	Mohawk Executive Group (senior management)
MSA	Mohawk Student Association
MTCU	Ontario Ministry of Training, Colleges and Universities
NA	Not Applicable
P/T	Part-time
RFT	Regular Full-Time
SEM	Strategic Enrolment Management
SMA	Strategic Mandate Agreement

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