

The Board of Governors acknowledges and respects the Algonquin First Nation, on whose traditional territory the Carleton University campus is located.

The 646th Meeting of the Board of Governors
Tuesday, April 29th, 2025 at 3:00 p.m.
Richcraft Hall 2440R

AGENDA

OPEN SESSION

1. CALL TO ORDER AND CHAIR'S REMARKS

2. DECLARATION OF CONFLICT OF INTEREST

3. APPROVAL OF OPEN AGENDA

- The agenda was circulated with the meeting material.

4. OPEN CONSENT AGENDA

- Circulated with this agenda is a Consent Agenda which lists items presented to the Board for action or for information.

5. OPEN – ITEM(S) FOR APPROVAL

5.1 2025/2026 Tuition Fees (A. Hamdani)

- Executive summary and presentation were circulated in advance.

5.2 2025/2026 Operating Budget (A. Hamdani)

- Executive summary, report and presentation were circulated in advance.

6. OPEN – ITEM(S) FOR INFORMATION

6.1 Report from the Chair (B. Creary)

- A verbal report will be given.

6.2 Report from the President (W. Tetley)

- A written report was circulated in advance.

6.3 Committee Chair Updates

- Advancement and University Relations (K. Furlong)
- Building Program (A. Tremblay)
- Finance (A. Hamdani)

7. OPEN – OTHER BUSINESS

8. OPEN - QUESTION PERIOD

9. END OF OPEN SESSION AND BRIEF NETWORKING BREAK

AGENDA ITEM

5.1



To:	Board of Governors	Date of Report: 31 March 2025
From:	Chair, Finance Committee	Date of Meeting: 29 April 2025
Subject:	2025/2026 Tuition Fees	
Responsible Portfolio:	Provost and Vice-President (Academic)	

1.0 PURPOSE

☒ For Approval ☐ For Information ☐ For Discussion

2.0 MOTION

On the recommendation of the Finance Committee, move to approve domestic tuition for 2025-26, as per the 2025-26 Ontario Tuition Framework.

On the recommendation of the Finance Committee, move to approve the proposed increases to the Full Cost Recovery program fees as presented for 2025-26.

3.0 EXECUTIVE SUMMARY

Domestic tuition fee increases are regulated by provincial government policy through the Tuition Framework. On February 27, 2024, Carleton received a tuition framework indicating that the freeze for domestic tuition would continue for Ontario Residents for three years, while permitting tuition to be increased by 5% for out-of-province domestic students. Additionally, the tuition anomaly policy was confirmed to be continuing for the approved programs (Bachelor of Commerce, Bachelor of International Business, Master of Business Administration).

International tuition fee increases, which are not regulated by provincial government policy, were approved in April 2024 for two years, including for 2025-26.

Full Cost Recovery (FCR) Programs are intentionally not government grant eligible, and not eligible for OSAP; therefore, the provincial tuition framework does not apply to these programs. This also means that it is possible to implement different fee structures for these programs (e.g., per-credit tuition). The tuition set for these programs are higher than grant-eligible programs since they are intended to also replace foregone grant revenue. So far, these new programs have all been in the graduate space and have one or more of the following characteristics:

- Involve programs that have costs exceeding what the province would allow us to charge in tuition
- Have mainly or exclusively international student enrolments
- Have a level of student demand that will allow us to capture a higher tuition

FCR programs in 2025-26:

- Master Engineering Practice
- Master Finance
- Master Science Clinical Trials
- Master Biotech
- Master of Arts, Teaching English as an Additional Language

Tuition adjustments are proposed based on enrolment trends and comparative analysis for each FCR program.

4.0 INPUT FROM OTHER SOURCES

Tuition adjustments are proposed based on enrolment trends and comparative analyses, by program.

5.0 ANALYSIS AND STRATEGIC ALIGNMENT

Domestic fees are fully regulated by the provincial government. On January 17th, 2019, the Ontario Government announced its new Tuition Fee Framework for colleges and universities, which required tuition fee reductions of 10 percent in 2019-20, relative to 2018-19 levels. Since that time, tuition frameworks have mandated that domestic tuition remain frozen at 2019-20 levels, with an exception for out-of-province domestic students (the framework allowed for a 3% increase in 2021-22 and a 5% increase in each year thereafter). International fees are not regulated and are set using a number of factors such as: comparison with other institutions; the recruitment strategy; and the impact on the existing international student body. Full Cost Recovery programs are a more recent addition to Carleton's complement of programs. They are not subject to provincial tuition fee frameworks and are not part of Carleton's grant-eligible enrolment corridor.

6.0 FINANCIAL IMPLICATIONS

An important feature of the Ontario university tuition fee environment includes the flexibility to allow competitive fee increases where possible in keeping with current practice at all Ontario universities—especially given the fixed provincial grant and frozen domestic tuition for Ontario residents in grant-eligible programs. The 10% cut in 2019-20, in addition to a subsequent freeze on Ontario domestic tuition fees, results in tuition fees that today are effectively the same nominal tuition levels as they were in 2015-16 or 2016-17, depending on the program. The increase in revenue from international tuition increases is expected to be roughly \$5M, and it is estimated that a 5% increase in out-of-province domestic student tuition will result in roughly \$1M in additional tuition revenue for 2025-26.

7.0 RISK, LEGAL AND COMPLIANCE ASSESSMENT

The key risk associated with the tuition increases is the possibility of not generating sufficient revenues to meet expenses. Given rising expenses and that the provincial government regulates domestic tuition, which remains frozen for Ontario students for the foreseeable future, it is critical that the University take any opportunity it can to increase tuition fees when permitted. The other risk would be a potential impact on enrollment. This risk is mitigated by benchmarking with other institutions and ensuring tuition is competitive with market rates domestically and internationally.

8.0 REPUTATIONAL IMPLICATIONS AND COMMUNICATIONS STRATEGY

The few proposed fee increases are similar to the range from previous years and reflect current rates at other Ontario universities; therefore, we anticipate only minimal reputational impact as a result of the proposed fee increases.

9.0 OVERALL RISK MANAGEMENT ANALYSIS

	VERY LOW	LOW	MEDIUM	HIGH	VERY HIGH
STRATEGIC	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LEGAL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OPERATIONAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TECHNOLOGICAL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FINANCIAL	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
REPUTATIONAL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2025-26 Tuition Fees

Board of Governors Finance Committee

April 14, 2025

Domestic Fee Structure - Timeline

Regulated by the Provincial Tuition Policy Framework

2019-20

- All domestic tuition fees were cut by 10% following changes to the provincial government tuition framework.

2020-21 through 2024-25

- Domestic tuition fees for Ontario residents were frozen at 2019-20 levels, which were effectively the same as tuition levels in 2015-16 and 2016-17 depending on the program.
- Tuition increases were permitted for out-of-province domestic students (up to 3% in 2021-22 and up to 5% starting in 2022-23). Carleton approved +3% in 2021-22 and 2022-23, and +5% in 2023-24 and 2024-25.
- Select programs were approved for adjustment in 2023-24 under the tuition anomalies policy over several years: Bachelor of Commerce, Bachelor of International Business and Master of Business Administration (where those programs were shown to be more than 15% below similar programs).

Domestic Fees – 2025-26

In a February 27, 2024 memo, the province released the details of the tuition framework for three years (2024-25, 2025-26, 2026-27), indicating that:

- tuition continues to be frozen for domestic Ontario residents;
- tuition can be increased up to 5% for out-of-province domestic students; and
- tuition anomaly adjustments on approved programs can continue (up to a maximum of 7.5% a year), until allowed tuition amount is reached.

Summary of 2025-26 Domestic Tuition Fee Increase

Program	Domestic	
	Ontario Resident	Out-of-Province
Tuition Anomaly	7.5%	7.5%
All Other	0%	5%

Carleton programs approved by the Ministry of Colleges, Universities, Research Excellence and Security (MCURES, formerly MCU) as having tuition anomalies are:

- Bachelor of Commerce
- Bachelor of International Business
- Master of Business Administration

International Tuition Increases – Approved for 2 years by BOG April 2024

	Approved Increase for 2025/26
Undergraduate Degrees	8%
Research Master's (MA, MSc, MAsC, etc.)	3%
Professional Master's MEng, MBA, TIM, MCS	8%
PhD	Same as Domestic

Full Cost Recovery Program Tuition

- Full Cost Recovery Programs are intentionally not government grant eligible, nor eligible for OSAP.
- The provincial tuition framework does not apply to these programs and, therefore, we can implement different fee structures for these programs (e.g., per-credit tuition).
- The tuition set for these programs are higher than grant-eligible programs since they also are intended to replace foregone grant revenue.
- To date, these new programs have all been in the graduate space and have one or more of the following characteristics:
 - Involve programs that have costs exceeding what the province would allow us to charge in tuition
 - Have mainly or exclusively international student enrolments
 - Have a level of student demand that will allow us to capture a higher tuition
- Full Cost Recovery programs in 2025-26:
 - MEng Practice
 - M Finance
 - M.Sc Clinical Trials
 - M. Biotech
 - M.A. in Teaching English as an Additional Language

Proposed Full Cost Recovery Tuition Increases for 2025-26

	Proposed Increases* for 2025/26
MEng Practice	4%
M Finance	4%
MSc Clinical Trials	n/a
M Biotechnology	n/a
MA TEAL	No increase

* Proposed increases apply to domestic and international students since these programs are outside the Tuition Framework.

Motion

Move to recommend to the Board of Governors the approval of domestic tuition fees as presented for 2025-26.

Motion

Move to recommend to the Board of Governors the approval of Full Cost Recovery program tuition as presented for 2025-26.

AGENDA ITEM

5.2

To:	Board of Governors	Date of Report: 31 March 2025
From:	Chair, Finance Committee	Date of Meeting: 29 April 2025
Subject:	2025-26 Operating Budget	
Responsible Portfolio:	Provost and Vice-President (Academic)	

1.0 PURPOSE

☒ For Approval ☐ For Information ☐ For Discussion

2.0 MOTION

On the recommendation of the Finance Committee, move to approve the 2025-26 Operating Budget, as presented.

3.0 EXECUTIVE SUMMARY

Carleton's 2025-26 operating budget signals a year of financial instability. Since the Province introduced a corridor model for distributing the operating grant in 2017, events such as the 10% domestic tuition fee cut in 2019-20 and subsequent ongoing freeze, the repeal of Bill 124, diplomatic tensions, and IRCC-led changes to international student visas have had a deleterious impact on Carleton's financial position. From a \$44 million base operating budget surplus presented in 2018-19, the University now presents a \$32 million base operating budget deficit for 2025-26.

Table 1: Proposed 2025-26 Operating Budget

	Base	Fiscal
Tuition Fees	283,100	283,100
Government Grant	192,601	198,459
Investment Income	15,000	23,000
Other Income	24,617	24,617
Total Income	515,318	529,176
Salary & Benefits	416,415	421,749
Library Acquisitions	8,321	8,321
Campus Infrastructure	66,676	67,154
Student Support	41,084	41,084
Other Operational Expenses	14,743	14,310
Total Expenditures and Transfers	547,239	552,618
Net Operating Deficit	(31,921)	(23,442)
Net Operating Deficit: % of Rev.	6.2%	4.4%

When assessing the financial health of the institution, the leadership team focuses its long-range financial planning on its base budget projection, which communicates the structural financial position of the institution. In 2024-25, the University budgeted a base operating deficit of \$32 million, with term-limited investment income improving the fiscal result to a \$26 million reported deficit. The base operating deficit is projected to remain flat in 2025-26, despite cutting \$24 million in base budget for the coming year. This result highlights the core of the issue facing universities: a sector marked by slow and constrained change facing a rapidly evolving and unpredictable external environment. During 2024-25, the two most significant structural changes impacting university's finances are the decline in

international student intake and the retroactive application of Bill 124 salary adjustments. These events have a material flowthrough effect in 2025-26 and onward.

The University had planned for a 25% and 10% reduction in undergraduate and graduate international students, respectively, in 2024-25 due to the impairment of *Brand Canada* as a destination for international education. Actual international intake in 2024-25, however, is 55% and 35% lower in undergraduate and graduate students, respectively, than in 2023-24. Early application data lead us to anticipate this trend to continue into 2025-26 with a projected additional 50% and 10% decline in undergraduate and graduate international student intake, respectively, against 2024-25 levels. These declines follow an international student enrolment trend that began several years ago; in 2024-25, the University has experienced a 72% drop in international undergraduate intake since our peak of over 800 students in the fall of 2018. Compared to fall 2020, our undergraduate international intake has dropped 70%. Based on current projections, we are expecting as of fall 2025 to have dropped by 86% from the peak in 2018.

The repeal of Bill 124 had a material financial impact on the University, both in terms of retroactive salary payments and ongoing salary commitments, as salary and benefits are the University's largest operating expenditure, representing over 75% of operating budget expenditures. This salary adjustment coupled with collective agreement-driven increases exacerbate the structural budget challenges the University faces, as increases in salaries continue to outpace revenue growth. Other financial pressures include the University's deferred maintenance obligation which continues to grow; additionally, our Enterprise Resource Planning system is nearing a point at which we will need to evaluate options for replacement.

A positive financial outcome for the University, however, occurred through an announcement made recently by the Ministry of Colleges, Universities, Research Excellence and Security. On March 24, 2025, the Ministry announced an annual investment of \$150M starting in 2025-26 to support the continued delivery and enhancement of STEM programming at Ontario's colleges and universities. The allocation responds to institutions whose enrolment has increased above the level funded in SMA3, while also providing support to all institutions that provide STEM programming in the province to help them retain existing STEM enrolments. For Carleton, this results in \$7.8 million in additional, ongoing provincial funding. Additionally, Postsecondary Education Sustainability Fund top-up monies are being allocated to institutions based on their updated financial health risk ratings. Carleton has received a medium risk rating, which will result a one-time 3.5% increase to operating funding, or \$5.9 million.

As revenues decrease and salary costs increase, the University has undertaken a spending reduction campaign across all Resource Planning Committees. The University has reduced its base spending by \$30 million by introducing a Voluntary Retirement Incentive Program (VRIP), reducing general and administrative spending, and making changes to class sizes and offerings. These budget reductions will impact service levels. The University is reviewing the impact of staff reductions in areas where mission critical services are located and will make hiring decisions as needed. We plan to continue investing in strategically important programs such as the Bachelor of Nursing, Bachelor of Engineering (Mechatronics), Bachelor of Data Science, Bachelor of Cybersecurity, Bachelor of Accounting, Master of Biotechnology, and the Master of Science in Clinical Trials in response to changes in societal needs and demands. Lastly, the University plans to allocate limited resources to continue support of our learning and research environments. After investment, the net base budget reduction from these activities is nearly \$24 million.

Table 2: Base Budget Deficit Reconciliation – 2024-25 to 2025-26

In \$ millions	Base	Fiscal
2024-25 Operating Deficit	(31.6)	(26.2)
Deficit Increase (due mostly to international enrolment and salaries)	(32.3)	(28.4)
Increased Government Grant	7.8	13.7
Net Budget Cut *	24.2	17.5
2025-26 Operating Deficit	(31.9)	(23.4)

* The fiscal cut is lower than the base cut due primarily to the bridge funding to retirement needed to support VRIP employee salaries.

4.0 INPUT FROM OTHER SOURCES

The operating budget consultation process involves many stakeholders from the Resource Planning Committees. In the fall of 2024, input was sought from the Board of Governors and discussions occurred with RPCs about emerging priorities and future pressures. These discussions centred on the Strategic Integrated Planning Committee, which is composed of the President, Vice-Presidents, Deans, Deputy Provost, Associate Vice Presidents, Executive Directors and the Director of Planning and Budgeting. In March, RPC chairs presented their operating plans and requests for resources to all the other RPC chairs. The Provost's Budget Working Group (PBWG) then made resource allocation decisions to best support the University's operating priorities. All positions requested through this process are currently on hold until reviewed by the Position Review Committee. Input concerning projected enrolment and tuition fees was received from the Vice-President (Students and Enrolment), the Office of Graduate Studies, the Office of the Provost, Financial Services, the Office of Institutional Research and Planning, and the Faculties. Information regarding grant allocations was provided by the Ministry of Colleges, Universities, Research Excellence and Security.

5.0 ANALYSIS AND STRATEGIC ALIGNMENT

The University's current financial picture and short-term revenue growth potential create a difficult operating environment for continued delivery our mission and our commitment to serve the public good. Our current Strategic Integrated Plan is at the end of its implementation period; before launching a new strategic planning exercise, however, we are focused on making the operational changes required to restore financial stability over the next 24 months.

6.0 FINANCIAL IMPLICATIONS

The \$24 million in base budget reductions planned for the 2025-26 fiscal year are part the University's mission sustainability priorities. Continued attention to these priorities will be required to stem the depletion of university resources and the challenge to continue operating as a going concern. Organizational restructuring may begin as early as the current fiscal year. The operating budget presented for approval does not include an estimate for the impact of possible restructuring.

7.0 RISK, LEGAL AND COMPLIANCE ASSESSMENT

The risk is that the University may not generate sufficient revenue and/or cost savings necessary to meet financial requirements due to changing student enrolment. Factors include:

- Limited capacity to increase revenues due to the corridor model which caps total funding for domestic students, as well as frozen government grants and domestic tuition fees and a cap on international student intake
- Rising inflation, labour costs, supply chain constraints
- Fluctuations within the mix of full-time and part-time students, which affects revenue
- Increased government oversight due to deteriorating university-sector finances
- Increasing competition for students in Ontario, across Canada and internationally
- Heightened competition for funding from alternative revenue sources, such as charitable donations, sponsorships, research and foundation grants due to economic uncertainty

This risk is being mitigated through:

- Provincially mandated Efficiency and Accountability project.
- The University has issued a 40-year bond with a very favourable, locked-in interest rate. The bond offers the University flexibility to help offset current inflationary pressures.

8.0 REPUTATIONAL IMPLICATIONS AND COMMUNICATIONS STRATEGY

Carleton's financial health is critical to achieving our institutional priorities and is a significant contributor to its reputation. To support and sustain Carleton's history of strong financial management, the planning and budgeting process is supported by a robust framework that involves communicating to, between, as well as engaging with, managers at all levels and is reviewed through a well-defined governance process, including the Board of Governors and Senate. The final budget report is also available to the Carleton and external community.

A town hall update is planned for the university community in April followed by a more in-depth budget webinar in May 2025.

9.0 OVERALL RISK MANAGEMENT ANALYSIS

	VERY LOW	LOW	MEDIUM	HIGH	VERY HIGH
STRATEGIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LEGAL	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OPERATIONAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TECHNOLOGICAL	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FINANCIAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
REPUTATIONAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

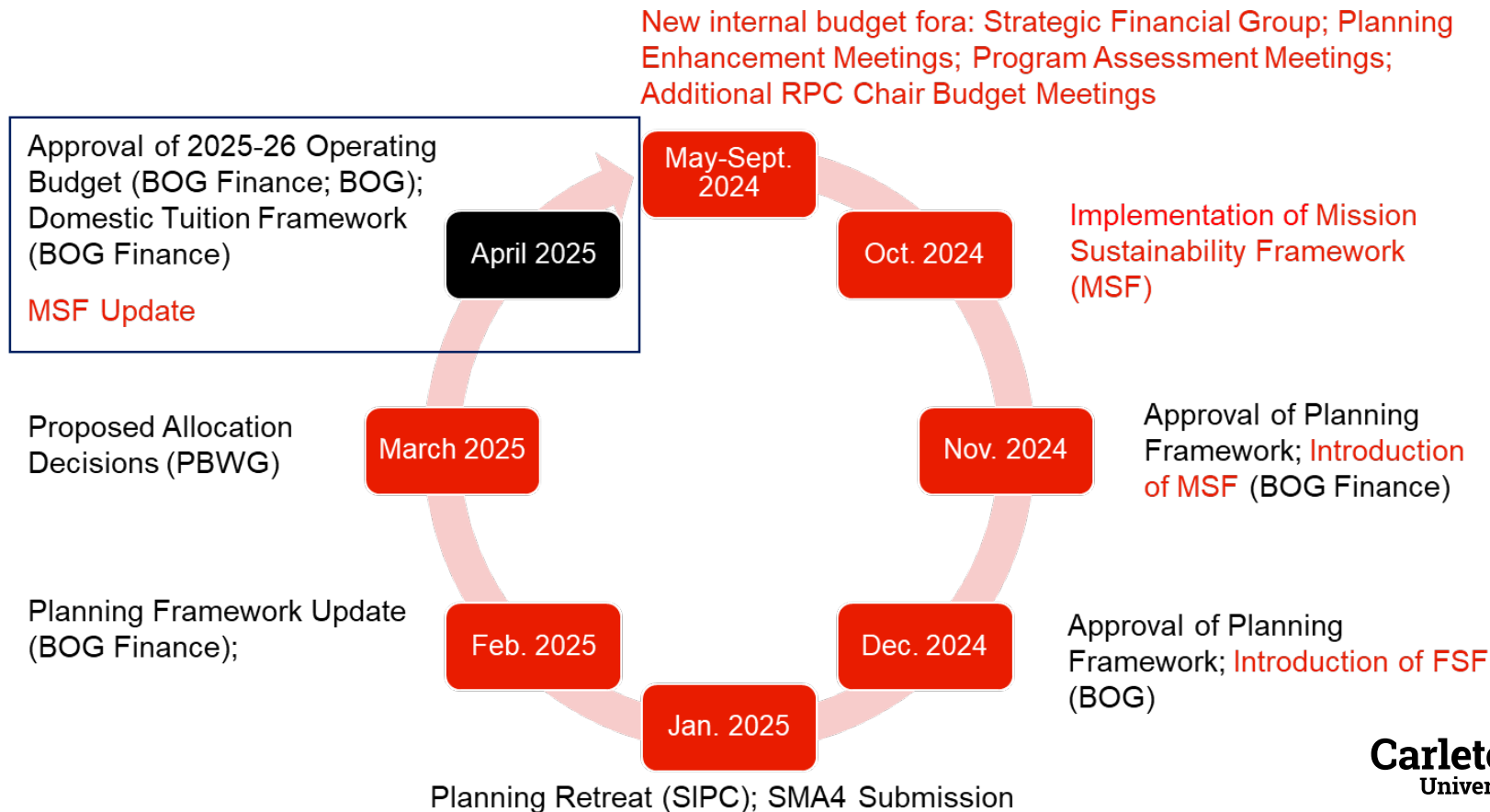
2025-26 Operating Budget

L. Pauline Rankin, Provost and Vice-President (Academic)

Board of Governors

April 29, 2025

2024-25 Planning Framework



2024-25 Operating Budget: Projected Actuals

	2024-25		Variance	
	Projection	Budget	\$	%
Tuition Fees	294,700	309,200	(14,500)	-4.7%
Government Grant	183,914	180,914	3,000	1.7%
Investment Income	22,000	22,000	-	0.0%
Other Income	22,176	21,476	700	3.3%
Total Income	522,790	533,590	(10,800)	-2.0%
Salary and Benefits	448,222	427,222	(21,000)	-4.9%
Library Acquisitions	7,982	8,482	500	5.9%
Campus Infrastructure	62,761	65,261	2,500	3.8%
Student Support	40,407	41,607	1,200	2.9%
Other Operational Expenses	17,618	17,173	(445)	-2.6%
Total Expenditures and Transfers	576,990	559,745	(17,245)	-3.1%
Net Operating Deficit	(54,200)	(26,155)	(28,045)	-107.2%
Net Operating Deficit: % of Rev.	10%	5%		

Major Drivers of the 2024-25 Deficit

International Student Enrolment

The planning assumptions for the 2024-25: student intake decline of 25% and 10% for undergraduate and graduate students, respectively. Actual decline: 55% and 35%, respectively

Bill 124

The ongoing impact of retroactive salary increases associated with the repeal of Bill 124 was \$18.5 million. Compensation is our single, largest annual expense increase, with limited flexibility

Salaries and Benefits

This represents the single largest expense increase. Significant organizational restructuring may be required

Voluntary Retirement Incentive Program Payouts

The \$21 million accrued expense associated with the VRIP will be reflected in 2024-25. This program was introduced in November 2024 and was not included, therefore, in the original planning assumptions for the 2024-25 budget

2025-26 Revenue Assumptions

Student Enrolment

- Undergraduate intake: 0% domestic, -50% international
 - UG Int'l decline: \$3.4 million impact
- Graduate intake: +2% domestic, -10% international
- Retention/Transition – Based on most recent academic year

Tuition Fees

- Ontario residents: Flat domestic tuition fees
- Out-of-province students: 5% increase to domestic tuition fees
- Adjustments for tuition anomalies
- Increases to international fees based on framework approved in 2024-25

Risk Assessment: International Tuition Fee Revenue

- 72% decline in international undergraduate intake since our peak of 823 in the fall of 2018
- Based on current projections, we are expecting, as of Fall 2025, to have dropped by 86% from the peak in 2018
- Early application data indicate an unfavourable variance

New Programs and Program Renewal

- Changes will have a material impact on enrolment projections

Investment Income

- Increased investment income target; unrealized gains and balancing the need for equalization fund

Government Grant

- Additional 3%/2%/2% blue-ribbon response expires in 2026-27; Unclear whether this will remain for 2027-28
- Additional \$7.8 million in grant funding to support STEM growth in 2025-26
- Additional \$5.9 million in one-time grant funding from the Postsecondary Education Sustainability Fund – Medium Risk Rating

2025-26 Expenditure Assumptions

Overall, expenditures are planned to decrease in 2025-26 due to the net effect of the spending reduction campaign launched in 2024-25 against obligatory cost increases and investment decisions.

Salaries and Benefits

- Increases in line with collective agreements
- In this moment, our staffing levels must be examined but collective agreements limit flexibility in our approach

Campus Infrastructure

- Plans to review capital and IT needs in this financial climate and make short-term adjustments
- Increases for inflation and market adjustment on contracted services

Student Support

- Assessing the undergraduate scholarship grid

Proposed 2025-26 Operating Budget

	Operating Fund (\$ '000's)					
	Recommended 2025-26 Budget		2024-25 Budget		% Variance	
	Base	Fiscal	Base	Fiscal	Base	Fiscal
Tuition Fees	283,100	283,100	309,200	309,200	-8.4%	-8.4%
Government Grant	192,600	198,459	180,914	180,914	6.5%	9.7%
Investment Income	15,000	23,000	12,000	22,000	25.0%	4.5%
Other Income	24,618	24,617	21,476	21,476	14.6%	14.6%
Total Income	515,318	529,176	523,590	533,590	-1.6%	-0.8%
Salaries and benefits	416,415	421,749	427,252	427,222	2.5%	1.3%
Library Acquisitions	8,321	8,321	8,482	8,482	1.9%	1.9%
Campus Infrastructure	66,676	67,154	62,299	65,261	-7.0%	-2.9%
Student Support	41,084	41,084	41,607	41,607	1.3%	1.3%
Other Operational Expenses	14,743	14,310	15,573	17,173	5.3%	16.7%
Total Expenditures and transfers	547,239	552,618	555,213	559,745	1.4%	1.3%
Net Operating Deficit	(31,921)	(23,442)	(31,623)	(26,155)	-0.9%	10.4%
Net Operating Deficit: % of Rev.	6.2%	4.4%	6.0%	4.9%		

Major Drivers of the 2025-26 Deficit

Continued Impacts of International Student Intake Decline

- 2025-26 will be impacted by the flowthrough of the 2024/25 international student intake decline
- In addition, it is estimated that there will be a further decline in international student intake compared to 2024-25 levels (50% and 10% for undergraduate and graduate students, respectively)

Ongoing Increases to Staffing Costs

- Constraints associated with collective agreements and staffing levels result in ongoing salary and benefit increases

Increased Government Operating Grant

Spending Reduction Campaign

2025-26 Operating Budget: Interventions

Intervention	Base Budget Impact
Voluntary Retirement Incentive Program	\$(18.1 million)
Vacant Position Claw Back	\$(9.3 million)
Adjusted Class Sizes and Offerings	\$(0.5 million)
General and Administrative Cuts	\$(1.8 million)
Cost Recovery from Non-Operating Sources	\$(0.6 million)
Total Base Budget Reduction	\$(30.3 million)
Allocations to Programs and Unfunded Initiatives	\$1.2 million
Position Requests	\$8.9 million
Denied Position Requests - Provisional	(\$4 million)
Net Base Budget Reduction	\$(24.2 million)

Additional Ongoing Interventions

- Efficiency and Accountability review mandated by Province
- Mission Sustainability Task Force has been activated
- Position Review Committee has commenced its work

Additionally, \$14.9 million in divisional carry forward reserves were transferred to centrally managed reserves to address operating deficits.

Status of Reserves

Reserves (\$ million)	Total	Available	Potentially Available	Committed
Total Reserves, April 2024	404	151	153	100
2024-25 Projected Results				
Operating	(54)	(52)	(2)	-
Ancillary	(3)	-	(3)	-
Use of Reserves	(21)	(6)	-	(15)
Total Reserves Est., April 2025	326	93	148	85
2025-26 Budgeted Operating Deficit	(23)	(23)	-	-
2025-26 Budgeted Ancillary Deficit	(9)	-	(9)	-
Total Reserves Est., April 2026	294	70	139	85

Risks and Risk Management

University Corporate Risk Profile	Impacted
Internationalization activities	X
Cybersecurity	X
Compliance and regulation legal requirements	X
Capital asset management	X
Research capacity and funding	X
Financial	X
Students and enrollment	X
Community wellness	X
Recruitment, retention and fostering talent	X
Technology enablement	X

The key risks presented by the current financial projections are:

- Operational
- Human Capital
- Strategic
- Reputational
- Government Oversight

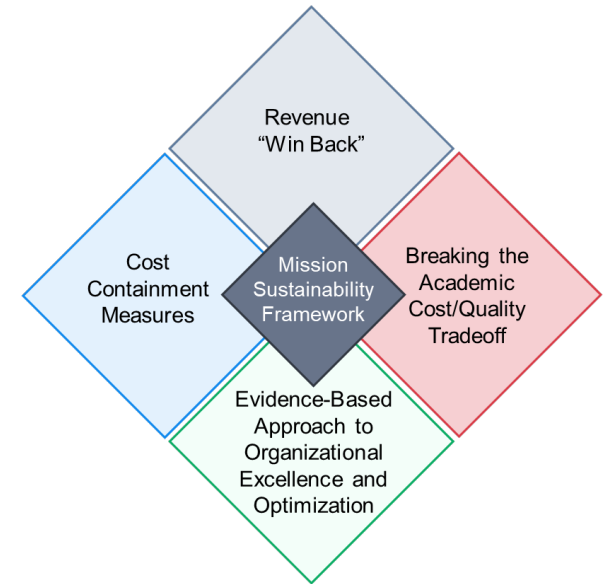
Planning Variables

There are several unknowns as we prepare our long-term financial forecast:

1. Continued uncertainty about when international recruitment trends will reverse.
2. A lack of clarity as to whether the government will maintain the 3%/2%/2% operating grant increase (\$12 million impact) as part of the continuing funding envelope as of 2027-28.
3. Whether changes to domestic tuition fee increases will be permitted once the current Tuition Fee Framework expires at the end of 2026-27.

Mission Sustainability Framework and Task Force

- A Task Force has been convened to plan and implement projects within the Mission Sustainability Framework, including:
 - Developing recommendations for service level and spending reductions
 - Completing the MCURES Efficiency and Accountability Review
- The Position Review Committee continues to implement a hiring freeze except for mission critical roles
- Concurrently, a cross-functional international enrolment strategy working group has been established with the mandate of regaining international student market share



Guiding Principles for Decision Making

- Prioritize mission-critical core activities (teaching, learning and research)
- Base decisions on data and evidence
- Implement changes to maximize deficit reduction while minimizing disruption
- Safeguard students' academic experience

MCURES Efficiency and Accountability Review

The Ministry has mandated an Efficiency and Accountability Review of Carleton's operations. This third-party supported review will cover the following five areas:

- Governance, administrative and student services
- Academic programming
- Physical assets and facilities
- Collaborative procurement opportunities
- Revenue-generating opportunities

Efficiency and Accountability Framework: Deliverables

Review Deliverables: Timeline

Scope of work proposal:	April 21, 2025
Scope of work approval by Ministry:	June 1, 2025
Preliminary report and financial analysis:	October 1, 2025
Finance Committee input on preliminary report*:	November 18, 2025
Board of Governors Executive Committee input on preliminary report**:	November 24, 2025
Final report, including proposed implementation plan, submitted to MCURES:	December 1, 2025
Final report presented to Board of Governors	December 2, 2025

* We plan to engage in on going discussion with the Finance Committee throughout this process.

** The final report can be submitted to MCURES prior to presentation to the Board:

“The proposed Implementation Plan and the Final Report should include a timeline for Board review and approval of the Plan, if it has not yet been fully approved by December 1, 2025.”

Recommendation

On the recommendation of the Finance Committee, move to approve the 2025-26 Operating Budget as presented.

2025-26 Operating Budget Report

April 2025

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Message from the Provost

Carleton's 2025-26 operating budget signals a year of financial instability. Since the Ontario government introduced a corridor model for distributing the operating grant in 2017, events such as the 10% domestic tuition fee cut in 2019-20 and subsequent ongoing freeze, the repeal of Bill 124, diplomatic tensions, and policy changes on international student visas imposed by Immigration, Refugees and Citizenship Canada have had a cumulative and deleterious impact on Carleton's financial position. From a \$44 million base operating budget surplus presented in 2018-19, the University now presents a \$32 million base operating budget deficit for 2025-26.

When assessing the financial health of the institution, the leadership team focuses its long-range financial planning on its base budget projection, which communicates the structural financial position of the institution. In 2024-25, the University budgeted a base operating deficit of \$32 million, with term-limited investment income improving the fiscal result to a \$26 million reported deficit. The base operating deficit is projected to remain flat in 2025-26, despite cutting \$24 million in base expenditure budget for the coming year. This result highlights the current plight of Ontario universities: a sector marked by slow and constrained capacity to change coping with a rapidly evolving and unpredictable external environment. During 2024-25, the two most significant structural changes impacting Carleton University's finances are the decline in international student intake and the retroactive application of Bill 124 salary adjustments. These events have a material flowthrough effect in 2025-26 and onward.

The University had planned for a 25% and 10% reduction in undergraduate and graduate international students, respectively, in 2024-25 due to the impairment of Canada's brand as a destination for international education, along with the operational losses incurred because of a delayed introduction of Provincial Attestation Letter requirements. Actual international intake in 2024-25, however, was materially lower in undergraduate and graduate students than in 2023-24. Early application data lead us to anticipate this trend will continue into 2025-26 with a projected additional 50% international undergraduate student decline and 10% international graduate student decline against 2024-25 levels. These declines continue an international student enrolment trend that began several years ago. In 2024-25, the University registered a 72% drop in international undergraduate student intake since our peak of more than 800 students in the fall of 2018. Compared to fall 2020, our undergraduate international intake has dropped 70%. Based on current projections, we are expecting as of Fall 2025 to have dropped by 86% from the peak in 2018.

The repeal of Bill 124 also had a material financial impact on the University both in terms of retroactive salary payments and ongoing salary commitments. Salaries and benefits are the University's largest operating expenditure, representing over 75% of operating budget expenditures. The Bill 124 salary adjustment, coupled with collective agreement-driven increases, exacerbate the structural budget challenges the University faces as increases in salaries continue to outpace revenue growth. Other financial pressures include the continued expansion of deferred maintenance obligations and an aging Enterprise Resource Planning system.

A positive financial outcome for the University, however, occurred through an announcement made recently by the Ministry of Colleges, Universities, Research Excellence and Security (MCURES). On March 24, 2025, the Ministry announced an annual investment of \$150M beginning in 2025-26 to support the continued delivery and enhancement of science, technology, engineering and mathematics (STEM) programming at Ontario's colleges and universities. The allocation rewards institutions where enrolment has increased above the level funded in Strategic Mandate Agreement 3 (SMA3), while also providing support to all institutions that provide STEM programming in the province to help them retain existing STEM enrolments. For Carleton, this will result in \$7.8 million in additional, ongoing provincial funding. Additionally, Postsecondary Education Sustainability Fund top-up monies are being allocated to

institutions based on their updated financial health risk ratings. Carleton has received a medium risk rating, which will result in a one-time 3.5% increase to our operating funding, or \$5.9 million.

As revenues decrease and salary costs increase, the University has undertaken a spending reduction campaign across all Resource Planning Committees. The University has reduced its base spending by \$30 million through introduction of a Voluntary Retirement Incentive Program (VRIP), reducing general and administrative spending, and making changes to class sizes and offerings. The University is reviewing the impact of staff reductions in areas where mission critical services are located and will make hiring decisions as needed. Inevitably, these budget reductions will impact service levels.

The University's operating budget continues to be shaped by the three directions of our Strategic Integrated Plan and five operating priorities set by the Strategic Integrated Planning Committee (SIPC). These priorities have focused on increased efforts in undergraduate recruitment to ensure a broad and diverse population of students in the learning ecosystem; investments in initiatives aimed at student success and retention; development of new programs and program renewal that will help students become graduates who will make significant impacts on their communities and the world; exploration of new online markets to provide greater reach and flexibility in the delivery of our teaching mission; and service rationalization and process modernization initiatives designed to further our operational excellence efforts.

We plan to continue investing in strategically important programs such as the Bachelor of Nursing, Bachelor of Engineering (Mechatronics), Bachelor of Data Science, Bachelor of Cybersecurity, Bachelor of Accounting, Master of Biotechnology, and Master of Science in Clinical Trials in response to changes in societal needs and demands. Lastly, the University plans to allocate limited resources to continue support of our learning and research environments. After investment, the net base budget reduction is nearly \$24 million.

Despite these significant efforts, the long-range financial outlook is clear: more organizational restructuring is required to restore financial stability. Continued attention to these priorities will be required to stem the depletion of university resources and the challenge to continue operating as a going concern. Organizational restructuring may begin as early as the current fiscal year. The operating budget presented for approval, however does not include an estimate for the impact of possible restructuring.

As shown in Section 3 of this report, the proposed 2025-26 Operating Budget meets the objective set out by the Board of Governors that a budget be developed within the framework presented in November 2024.

The 2025-26 Operating Budget, therefore, is respectfully submitted to the Board of Governors.

L. Pauline Rankin
Provost and Vice-President (Academic)
Chief Budget Officer

1.0 The Budget Process

Carleton's planning and budget framework is based on a five-year planning horizon, with the Strategic Integrated Plan and operating priorities providing the direction needed for the development of individual unit plans and priorities. University-wide, long-term planning is informed by the Strategic Integrated Planning Committee. These plans, converted to a series of goals and initiatives, are then assessed by the Provost's Budget Working Group.

In March, Resource Planning Committee Chairs meet to present their proposed budgets, promoting transparency and fostering discussion and collaboration across units. This approach ensures that proposed initiatives are aligned with the needs of the academic enterprise and service units, spending priorities are established, and alignment and efficiency of service delivery are considered. As a result, budget allocations are informed not only by the overall financial situation of the University, but by the values and priorities of individual units.

Annual allocations also are affected by the University's Enrolment Linked Budget Allocation (ELBA) mechanism, which provides Faculties with a share of additional revenue associated with growth in enrolment. The ELBA funds are built into Faculty base budgets over time and are intended to cover increased teaching costs, lab infrastructure and equipment, as well as student initiatives associated with growth in enrolment. All RPCs have been permitted to carry forward unspent budgets as a contingency against unexpected change in future revenues and expenses, for short-term planning and development needs and for longer-term strategic initiatives. Carry forward balances were scraped centrally during 2024-25 as a financial management measure and may continue to be scraped centrally to meet the demands of the University's deficit position.

The planning and budgeting review process continues throughout the fiscal year. A mid-year contingency reserve is available to respond to off-cycle requirements presented by the RPCs. In concert with the University's annual Financial Report, which includes consolidated financial statements and a management discussion, the President's annual report completes the planning and budgeting cycle and highlights progress on our plans and priorities.

Basis of Budgeting

The basis of accounting for the University's financial statements is done in accordance with Canadian accounting standards for not-for-profit organizations. For budget purposes, revenues are recognized when received and expenses when paid out once eligibility requirements have been met; debt service payments and capital outlays are recognized as expenses; and depreciation and amortization expenses are not recognized as expenses in the budget document.

A complete reconciliation between the financial statements and the budget is provided in the annual Financial Report to the Board of Governors.

2.0 Challenges in Balancing the Operating Budget

Carleton's operating revenues had increased continuously over the preceding 10-year period up until 2024-25 due to increases in international tuition fees along with growth in enrolment and research. Enrolment and research growth bring with them increases in costs as the University is met with the need to hire new faculty and professional staff, expand on-campus services and student supports, and invest in its infrastructure, with these expenditures being more fixed than variable in nature. Throughout this period, the University maintained a balanced budget until 2024-25 when it reported an operating budget deficit. The factors listed below are the primary challenges the university faces in returning to a balanced operating budget.

Tuition and Other Fees

Tuition represents a significant portion of the University's revenue and the fee-setting process is critical in ensuring financial sustainability for the institution. Fees provide Carleton with the ability to offer innovative, cutting-edge programs, provide a broad range of student support (including scholarships), and attract world-class faculty, graduate and undergraduate students in pursuit of its academic mission. Charging fees that are beyond market rate could have an adverse effect on enrolment and overall university revenues. Failure to increase tuition fees when provided the flexibility to do so also could levy an adverse effect on overall university revenues, given its compounding effect and the uncertainty over permissible future increases. This risk is mitigated by approving increases when permitted by the Provincial Tuition Fee Framework.

Tuition fees for grant-eligible students are regulated by the provincial government through the Tuition Fee Framework, whereas tuition fees for non-grant-eligible students are set to be broadly consistent with the fees charged by other Ontario universities for similar degrees. In 2019, the Ontario government announced a 10% tuition fee reduction on all grant-eligible tuition fees for the 2019-20 academic year, followed by a freeze through to 2026-27. As a result of these policy decisions, current tuition levels are effectively at 2015-16 and 2016-17 nominal tuition levels, depending on the program.

The provincial government permitted tuition fees for domestic out-of-province students to increase by 3% in 2021-22 and 5% in 2022-23 through to 2026-27.

Additionally, the Province of Ontario permitted universities to increase domestic tuition fees for up to three programs with below-market fees. For Carleton, these approved programs were the Bachelor of Commerce, the Bachelor of International Business, and the Master of Business Administration. Over several years, tuition for these programs will be allowed to increase to bring them up to the average for comparable programs. A six-year period of tuition fee and grant reduction, in real terms, however, has placed significant financial pressure on all Ontario post-secondary institutions, something the sector continues to navigate.

International Student Visa Caps and Delays

In January 2024, Immigration, Refugees and Citizenship Canada announced the imposition of a cap on international undergraduate student permit applications to stabilize new growth for a period of two years (2024-25 and 2025-26). In January 2025, the provincial government provided institutions with allocations for Provincial Attestation Letters for international students, providing the same allocation for undergraduate students in 2025-26 as provided in 2024-25. Graduate students are now also included in the international student caps, although allocation levels allowed institutions to maintain current levels of graduate student enrolment. While efforts are being made to mitigate tuition losses at both levels, confusion and delays in international student visa processing times will continue to have serious implications.

Changes in Domestic Enrolment Patterns

Meeting enrolment targets continues to be one of Carleton's top financial risks. Healthy first-year undergraduate student enrolment, in addition to strong retention rates, are among the main drivers of the University's financial sustainability. The growing financial pressures faced by Ontario universities will likely lead to greater competition for domestic students, making growth in this demographic more challenging than experienced prior to 2019.

Strategic Mandate Agreement

During the first and second rounds of Strategic Mandate Agreements (SMA), the Ministry of Colleges, Universities, Research Excellence and Security (MCURES) committed to engaging the post-secondary education sector on changes to their respective funding models to better support funding predictability and stability, as well as to support differentiation and student-focused outcomes. This resulted in the implementation of the corridor model (universities entered enrolment corridors in 2017-18), along with the establishment of the differentiation envelope and the performance/outcomes-based funding grant. The provincial government announced that performance or outcomes-based funding would be expanded through the third round of Strategic Mandate Agreements (SMA3). SMA3 is ending soon, as 2024-25 is the fifth year of the five-year agreement. Throughout SMA3, Carleton has achieved most of its performance targets with the exception of an enrolment growth metric in the last few years. The first three years of SMA3 saw funding adjustments paused as institutions responded to COVID, but funding attached to the metrics was reactivated for Years 4 and 5. The financial impact of not achieving the enrolment related metric was very minimal in Year 4 (\$250), and is expected not to be material in Year 5, in part because Carleton performed so well on other metrics, notably graduation rate, graduate earnings, and research metrics.

In March 2023, the Ontario government created the Blue-Ribbon Panel to provide advice and recommendations related to the long-term financial stability of the Ontario post-secondary education sector. On the advice of the Blue-Ribbon Panel, the Ontario Government announced in 2024 that Carleton would receive a one-time grant of \$7.2 million to offset past unfunded growth in science, technology, engineering and mathematics (STEM) programs, along with an additional increase of 3%, 2% and 2% in the operating grant for 2024-25, 2025-26 and 2026-27, respectively. It is not clear whether these increases will become permanent or will be limited only to a three-year term.

In March 2025, the provincial government looked towards SMA4, which will be in place for another five years (2025 to 2030). As part of this agreement, the corridor midpoint will be adjusted upwards due to growth during SMA3, and recognition of Carleton's role in providing STEM education. The additional grant associated with this adjustment is approximately \$7.8M. Additionally, for 2025-26, there will be one-time top-up funding made available to institutions based on their financial health in recognition of the impact of international student policy changes. Carleton is expected to receive approximately \$5.9M based on criteria within the financial health risk ratings framework (Carleton is rated as "medium" risk in this framework).

Deferred Building and Infrastructure Maintenance

Carleton has an aging physical infrastructure. The majority of the campus's buildings, systems and underground infrastructure are now more than 30 years old. As campus infrastructure ages, maintenance and repairs become increasingly ineffective, prompting the need to fully replace major systems such as plumbing, HVAC, electrical and building envelopes to improve building performance, Facility Condition Index rating, energy efficiency and sustainability. Carleton has started an extensive multi-year program to perform an in-depth assessment of its aging infrastructure, including watermains, sewers and sanitary

lines, roofs and the high voltage electrical loop. The assessment will allow the University to prioritize the infrastructure that is in critical need of repair and/or replacement.

Deferred maintenance projects are funded by an asset renewal program, running until the end of fiscal 2027-28, along with additional annual contributions from the provincial government's Facilities Renewal Program (approximately \$5M annually). Given the province's current fiscal outlook, there is risk associated with the future funding of capital renewal.

Carleton has adapted its systems to provide online course delivery and increased remote access capabilities. While the University has been largely successful in enabling this transition and managing its systems in this new environment, there are potential risks. The University may not be able to respond adequately to demands for increased capacity or new services, fully meet the needs of the campus through existing service models, or continue the maintenance of highly customized, legacy IT systems (i.e., technological debt) as this will impede the introduction of new services and innovation. Carleton will continue its IT Infrastructure Renewal program and the implementation of its Digital Strategy, which will build on a shared vision of how digital technology will support the Strategic Integrated Plan. At the same time, building resilient, secure IT systems is critical in an era of escalating cybersecurity threats.

Rising Capital Project Costs

Construction demand in Ottawa is high and recent capital project planning has seen pre-2020 cost estimates increase as the availability of labour diminishes and material costs soar due to supply chain disruptions and escalating demand. Increases in government-led infrastructure spending initiatives have had the effect of elevating cost and delivery pressure on future capital projects at Carleton.

The University works to mitigate this risk by estimating market-driven cost increases, but these estimates are subject to a significant amount of estimation risk as total project costs are largely dependent on final design and market conditions at the time of implementation. Should costs continue to increase, the University will need to assess operating and capital priorities to make judicious use of available resources. Similarly, the costs of IT infrastructure and cybersecurity protections are escalating more rapidly than inflation.

Repeal of Bill 124

In November 2022, the Ontario Superior Court of Justice declared that the *Protecting a Sustainable Public Sector for Future Generations Act* (formerly Bill 124) violated the Canadian Charter of Rights and Freedoms on the grounds that the legislation interfered with collective bargaining rights. Ontario's Court of Appeal upheld the Superior Court of Justice decision and on February 23, 2024, the Government of Ontario repealed Bill 124 in its entirety through an Order-in-Council, as was permitted through the legislation. Through discussion with its bargaining units, Carleton has increased employee salaries as a result of the repeal of Bill 124. This has had a significant and material impact on the University's overall operating expenditures.

3.0 The Operating Budget

Carleton's 2025-26 operating budget signals a year of financial instability. Since the Province introduced a corridor model for distributing the operating grant in 2017, events such as the 10% domestic tuition fee cut in 2019-20 and subsequent ongoing freeze, the repeal of Bill 124, diplomatic tensions, and IRCC-led changes to international student visas have had a deleterious impact on Carleton's financial position. From a \$44 million base operating budget surplus in 2018-19, the University now presents a \$32 million base operating budget deficit for 2025-26.

	Operating Fund (\$ '000's)	
	2025-26 Budget	
	Base	Fiscal
Tuition Fees	283,100	283,100
Government Grant	192,601	198,459
Investment Income	15,000	23,000
Other Income	24,617	24,617
Total Income	515,318	529,176
Salary and Benefits	416,415	421,749
Library Acquisitions	8,321	8,321
Campus Infrastructure	66,676	67,154
Student Support	41,084	41,084
Other Operational Expenses	14,743	14,310
Total Expenditures and Transfers	547,239	552,618
Net Operating Deficit	(31,921)	(23,442)
Net Operating Deficit: % of Rev.	6.2%	4.4%

The University's operating budget continues to be shaped by the three directions of our Strategic Integrated Plan and five operating priorities set by the Strategic Integrated Planning Committee (SIPC). These priorities have focused on increased efforts in undergraduate recruitment to ensure a broad and diverse population of students in the learning ecosystem; investments in initiatives aimed at student success and retention; development of new programs and program renewal that will help students become graduates who will make significant impacts on their communities and the world; exploration of new online markets to provide greater reach and flexibility in the delivery of our teaching mission; and service rationalization and process modernization initiatives designed to further our operational excellence efforts.

3.1 Operating Income

The operating fund is supported by four key revenue sources:

- **Tuition fees** – from domestic and international students
- **Government operating grants** – operating envelope, differentiation envelope, special purpose envelope and funding for federal research overheads
- **Investment income** – income generated on cash investments and internally financed loans
- **Other income** – application fees, deferred payment and late registration, overhead recoveries and departmental income

	Operating Fund (\$ '000's)			
	Proposed 2025-26 Budget		Variance to 2024-25 Budget	
	Base	Fiscal	Base	Fiscal
Domestic Tuition Fees	195,200	195,200	7,000	7,000
Government Grant	192,601	198,459	11,687	17,545
Provincially Regulated Income	387,801	393,659	18,687	24,545
International Tuition Fees	87,900	87,900	(33,100)	(33,100)
Investment Income	15,000	23,000	3,000	1,000
Other Income	24,617	24,617	3,141	3,141
Total Income	515,318	529,176	(8,272)	(4,414)

The overall reduction in income is driven by low international student enrolment which simultaneously is increasing the economic dependence risk of the institution on the Government of Ontario. Offsetting the decline in international student tuition fee revenue is an increase in provincial operating grant funding, as explained in section 2 of this report. The following sections will provide more detail on each of these revenue sources.

3.2 Tuition Fees

Early application data lead us to anticipate the international enrolment decline trend will continue into 2025-26 with a projected additional 50% and 10% decline in undergraduate and graduate international student intake, respectively, against 2024-25 levels. These declines follow an international student enrolment trend that began several years ago. By 2024-25, the University experienced a 72% drop in international undergraduate intake since our peak of more than 800 students in the fall of 2018. Compared to fall 2020, our undergraduate international intake has dropped 70%. Based on current projections, we are anticipating, as of Fall 2025, to have dropped by 86% from the peak in 2018.

Domestic enrolment assumptions are to maintain 2024-25 undergraduate intake levels in 2025-26 and for a 2% increase in graduate intake. Enrolment numbers for newly launched programs are promising at the time of writing this report.

	2024-25 Budget	2024-25 Projection	2025-26 Proposed Budget	Budget Change
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Domestic Tuition Fees	188,200	190,600	195,200	7,000
International Tuition Fees	121,000	104,100	87,900	(33,100)
Total	309,200	294,700	283,100	(26,100)

3.3 Government Operating Grants

Government grants for 2025-26 are projected to be \$17.5 million higher than Budget 2024-25. This growth is driven by the term-limited 2% increase in the operating grant as part of the government's 2024 response to the Blue-Ribbon Panel, as well as the recent announcement of an additional sustainability top-up grant and ongoing funding for the University to retain its STEM enrolment. Additional details related to the SMA are outlined in section 2.

	2024-25 Budget	2024-25 Projection	2025-26 Proposed Budget	Budget Change
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Operating and Performance Grants	172,577	172,577	189,744	17,167
Research Overheads	5,047	5,047	5,455	408
Other Grants	3,290	3,290	3,260	(30)
Grants Offset by Additional Expense	-	3,000	-	-
Total	180,914	183,914	198,459	17,545

Other grants include the Accessibility Fund for Students with Disabilities, Municipal Tax and Credit Transfer funding. Grants Offset by Additional Expense relate to special purpose grants received during 2024-25 for targeted initiatives, such as student success and financial support. The proposed opening budget for 2025-26 does not include amounts for these restricted grants, which will be adjusted during the year as amounts are confirmed and received.

3.4 Other Income

	2024-25 Budget	2024-25 Projection	2025-26 Proposed Budget	Budget Change
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Miscellaneous Fees	7,837	8,037	8,341	504
Miscellaneous Income	6,110	6,410	8,255	2,145
Department Income	7,529	7,729	8,021	492
Total	21,476	22,176	24,617	3,141

Other income for 2025-26 is projected to be \$3 million higher than budget in 2024-25. The increase in budgeted other income is, primarily, the result of an increase in internal overhead charges to ancillaries.

3.5 Short-Term Investment Income

Short-term investment income is forecasted to total \$23 million for the 2025-26 fiscal year. The breakdown is as follows:

	2024-25 Budget	2024-25 Projection	2025-26 Proposed Budget	Budget Change
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Investment Income on Cash Flows	20,684	20,684	21,324	640
Endowment income*	325	325	330	5
Interest on Internal Loans	991	991	1,346	355
Total	22,000	22,000	23,000	1,000

* The endowment income included in the operating budget relates to endowments for which a specific purpose has not been designated by the donor.

In 2015, the Investment Committee recommended to invest \$100 million of available operating cash in equity funds. Over the long term, this decision has yielded higher returns; yet, it is recognized that equity funds are more susceptible to market risks. To mitigate this risk and shield the operating budget from large variations in actual results, any variation in actual investment income earned against budget will be appropriated to, or drawn from, an investment income equalization fund. The current value of the fund is \$39 million, equal to the fund's capped value.

In November 2022, the University invested the available proceeds from its \$220 million debenture offering in a ladder series of Guaranteed Investment Certificates (GICs). These GICs will provide additional investment income in 2025-26.

3.6 Operating Expenditures

The planned operating expenditures are budgeted in the following expense categories:

- Salaries and benefits
- Campus infrastructure (e.g., maintenance, renovations, facilities, utilities and equipment)
- Student support and enrolment incentives (e.g., scholarships, bursaries and awards provided by the University over and above the Ontario Student Assistance Program (OSAP))
- Other expenditures (e.g., library acquisitions, research support, travel, and supplies)

	Operating Fund (\$ '000's)			
	Proposed 2025-26 Budget		Variance to 2024-25 Budget	
	Base	Fiscal	Base	Fiscal
Salary & Benefits	415,415	421,749	10,837	5,473
Library Acquisitions	8,321	8,321	161	161
Campus Infrastructure	66,676	67,154	(4,377)	(1,893)
Student Support	41,084	41,084	523	523
Other Operational	14,743	14,310	830	2,863
Total Expenditures and Transfers	547,239	552,618	7,974	7,127

The repeal of Bill 124 had a material financial impact on the University, both in terms of retroactive salary payments and ongoing salary commitments, as salary and benefits are the University's largest operating expenditure, representing over 75% of operating budget expenditures. This salary adjustment coupled with collective agreement-driven increases exacerbate the structural budget challenges the University faces, as increases in salaries continue to outpace revenue growth. Other financial pressures include the continued growth of deferred maintenance obligations and an aging Enterprise Resource Planning system.

As revenues decrease and salary costs increase, the University has undertaken a spending reduction campaign across all Resource Planning Committees. The University has reduced its base spending by \$30 million by introducing a Voluntary Retirement Incentive Program (VRIP), reducing general and administrative spending, and making changes to class sizes and offerings. These budget reductions will impact service levels. The University is reviewing the impact of staff reductions in areas where mission critical services are located and will make hiring decisions as needed. We plan to continue investing in

strategically important programs such as the Bachelor of Nursing, Bachelor of Engineering (Mechatronics), Bachelor of Data Science, Bachelor of Cybersecurity, Bachelor of Accounting, Master of Biotechnology, and the Master of Science in Clinical Trials in response to changes in societal needs and demands. Lastly, the University plans to allocate limited resources to continue support of our learning and research environments. After investment, the net base budget reduction from these activities is nearly \$24 million, one of the largest single-year cost cutting initiatives implemented in the University's history.

The \$24 million in base budget reductions planned for the 2025-26 fiscal year are part the University's mission sustainability priorities. Continued attention to these priorities will be required to stem the depletion of university resources and the challenge to continue operating as a going concern. Organizational restructuring may begin as early as the current fiscal year. The operating budget presented for approval, however, does not include an estimate for the impact of possible restructuring.

4.0 Financial Outlook

The University uses a five-year planning horizon to inform the availability of resources for the upcoming budget year as well as to assess the mid-term financial landscape of the institution.

For intake assumptions, we are mindful of the financial situation of Ontario universities in general which will precipitate greater competition for domestic students. We have projected using conservative increase assumptions in domestic intake, therefore, both at the undergraduate and graduate levels in the later years of the planning horizon. Given current geopolitical events coupled with new government regulations and process changes, we anticipate ongoing challenges with new international student cohort sizes. We have seen declines in application numbers at both the international undergraduate and graduate levels. The federal government's policy on international student caps thus far, however, has had less of a negative impact on graduate student registration than on undergraduate numbers; given that demand is growing in some programs geared to international graduate students, we anticipate that the impact won't be as significant at the graduate level as at the undergraduate level. The outer year projections in the University's long-range financial outlook include a conservative assumption that growth in international student numbers will be modest following a year of material decline in 2025-26 at the previous year's level.

Unfortunately, the provincial government has again decided to extend the freeze of domestic tuition for Ontario residents. The Ministry has clarified that the freeze will extend to 2026-27. We are assuming a 2% increase in domestic, provincial resident fees thereafter.

Operating grant income is regulated by the Ministry of Colleges, Universities, Research Excellence and Security. Essentially, this grant is fixed at the level of the funded midpoint of the University's enrolment corridor and is not indexed to inflation. Per student funding has not increased during the era of the Strategic Mandate Agreements which has the effect of dramatically reducing the value of operating grant, in real terms, since 2019-20. With the Ministry announcement in relation to the recommendations of the Blue-Ribbon Panel, the core funding envelope is expected to increase by 2% per year for the next two years.

In March 2025, the Ontario Government is looking towards SMA4, which will be in place for another five years: 2025-2030. As part of this agreement, the corridor midpoint will be adjusted upwards due to growth during SMA3, and recognition of our role in providing STEM education. This has been reflected in our long-range financial forecast.

Expenditure increases for University Budgets (e.g., utilities and student support) are included in the forecast. Compensation increases are based on collective agreements where applicable, and projections for subsequent years not covered by collective agreements.

Should no intervening action be taken, the University's base budget deficit is projected to materially increase over the next five fiscal years.

Favourable changes to the forecast will require enrolment growth, higher non-regulated revenues and operating efficiencies, including significant organizational restructuring. Unfavourable changes would be driven by higher than planned cost increases.

There are several unknowns as we prepare our long-term financial forecast:

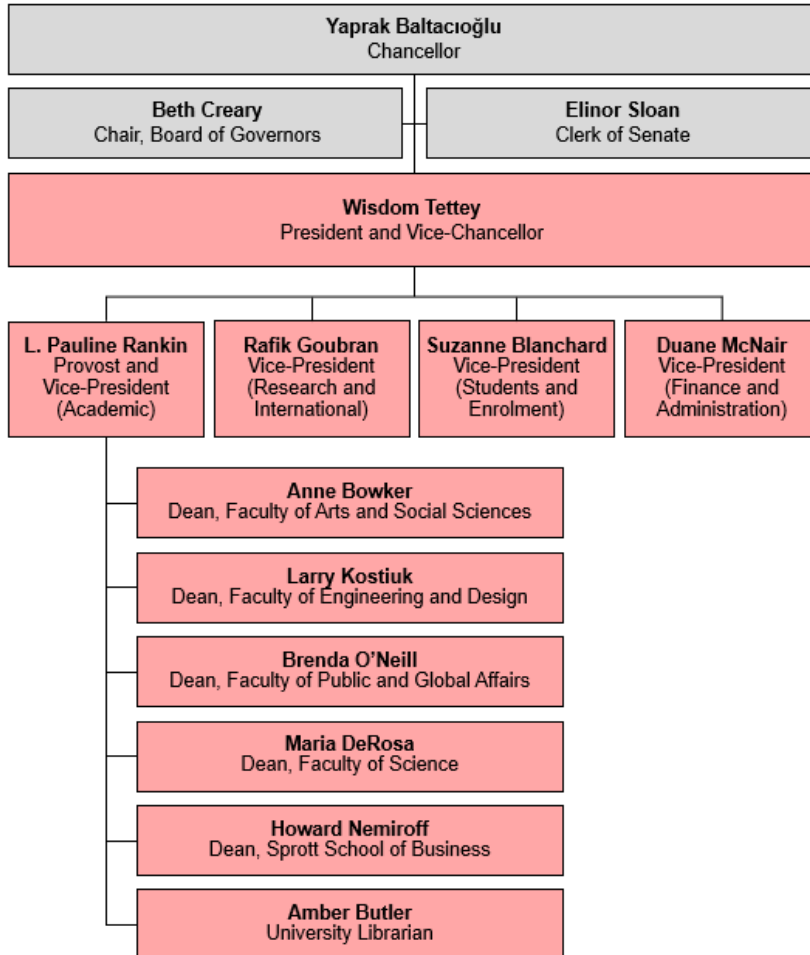
1. Continued uncertainty about when international recruitment trends will reverse.
2. A lack of clarity as to whether the government will maintain the 3%/2%/2% operating grant increase (\$12 million impact) as part of the continuing funding envelope as of 2027-28.
3. Whether changes to domestic tuition fee increases will be permitted once the current Tuition Fee Framework expires at the end of 2026-27.

Consequently, the work to be undertaken as part of the Efficiency and Accountability review mandated by MCURES in April 2025 will be critical in identifying opportunities for continued cost compression and organizational restructuring.

Appendix A: Senior Leadership Team

Organizational Chart

(Effective April 1, 2025)



Resource Planning Committee (RPC) Chairs

- President and Vice-Chancellor
- Provost and Vice-President (Academic)
- Vice-President (Finance and Administration)
- Vice-President (Research and International)
- Vice-President (Students and Enrolment)
- Dean, Faculty of Arts and Social Sciences
- Dean, Faculty of Engineering and Design
- Dean, Faculty of Public and Global Affairs
- Dean, Faculty of Science
- Dean, Sprott School of Business
- University Librarian

Appendix B: Financial and Budget Policies

Major financial policies are approved by the appropriate authority, including the Board of Governors, Carleton senior management and the Carleton University Retirement Plan Pension Committee. Along with external regulations (GAAP, Broader Public Sector Directive), these policies are part of the University's internal financial control framework and support budgeting and financial reporting by the University. This section describes the key financial policies and guidelines that support Carleton's planning and budgeting activities. All financial and budget policy details are available on the University Secretariat's website: carleton.ca/secretariat/policies.

Risk Management

Carleton is committed to risk management on a campus-wide basis as detailed in the Enterprise Risk Management Program's *Risk Management Manual*. The Board of Governors requires an annual audit of the University's financial statements by an independent certified public accounting firm, hired through a public bidding process. In addition, Carleton employs a third-party internal auditor to conduct, on an ongoing basis, internal management and operational audits based on a risk model approved by the Board of Governors.

Capital Planning and Approvals

All proposals over \$5 million are brought forward to the Building Program and Finance Committees for review and approval by the Board of Governors. The current Capital Planning Policy was approved by the Board in 2019.

Debt Policy

Externally held capital debt may only be incurred with approval from the Board of Governors. Carleton is committed to undertaking debt only when doing so is the most advantageous financing alternative available in achieving its strategic goals.

Investment Policies

The Carleton University Retirement Plan's Statement of Investment Policies and Procedures (SIPP) addresses the manner in which the Retirement Plan assists in providing plan beneficiaries with a financially secure retirement income at a reasonable cost. A similar SIPP is in place for the University's endowment funds and other investable assets. The SIPP must be reviewed and approved annually by the Board of Governors.

Operating and Capital Reserves

Carleton recognizes that reserves are the cornerstone of financial flexibility to manage risks inherent in long-term financial planning. Reserves are held centrally and within RPCs to support specific strategic initiatives as well as to address economic uncertainties. Appropriated reserves are governed by the University's *Operating and Capital Reserves Policy* and are approved by the Board of Governors.

Broader Public Sector Expenses Directive

As a designated Broader Public Sector organization, Carleton must comply with this provincial legislation, which determines specific rules for expenses paid for with public funds.

Appendix C: Fund Descriptions

The **Operating Fund** represents the resources available for teaching, student services, and academic and administrative support. It is funded by government operating grants, tuition fees and other general revenues.

The **Ancillary Fund** represents units that are supportive of Carleton's academic and research mission but are not directly related to its primary functions. Each ancillary is required, at minimum, to be self-supporting. Programming offered by ancillary services includes housing for students, dining options across campus, recreation and athletic programs, medical and counselling services, retail outlets, events management, parking on campus, printing services and overseeing student cards and transit passes.

The **Capital Fund** covers new construction, renovations to existing space and deferred maintenance projects. Large capital assets may be funded by government grants, internal resources, debt, or other funding received or designated for such purposes.

Restricted Funds, which include research funds, encompass funds earmarked for a specific or limited purpose, with limitations placed on them by external agencies, donors or internally by the University. They are typically set up to support students through scholarships and bursaries and provide financial support relating to research, contracts and other specific activities. These funds comprise both special purpose funds and endowment funds. Funds also can be internally restricted by the Board for specific purposes.

AGENDA ITEM

6.2

PRESIDENT'S REPORT TO THE BOARD OF GOVERNORS

April 29, 2025



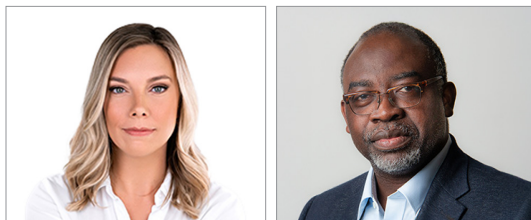
REPUTATION AND COMMUNITY HIGHLIGHTS



A supportive workplace and sense of community make Carleton one of the region's top employers.

One of the Region's Top Employers

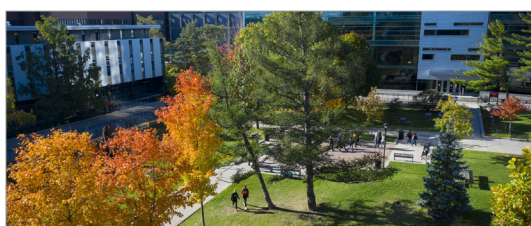
Carleton University was recently named one of Canada's Top 100 Employers and has now, for the 11th consecutive year, been recognized as one of the National Capital Region's [Top Employers](#). This award recognizes Carleton's long-standing commitment to creating a workplace that values creativity and encourages its more than 2,700 full-time employees to aspire to what's possible in their careers.



Microsoft's Kate Purchase and Carleton's Adegboyega Ojo will speak at the Carleton Challenge Conference.

Carleton Challenge Conference

The [Carleton Challenge Conference](#) returns May 13. Business, government, research and community leaders will gather to explore the current and future state of AI and its ethical, policy and security considerations. Speakers include Kate Purchase, Senior Director for International AI Governance at Microsoft; [Adegboyega Ojo](#), a Canada Research Chair in Governance and Artificial Intelligence at Carleton; Mark Schaan Deputy Secretary to the Cabinet – Artificial Intelligence, Government of Canada; and Elena Fersman, Vice President and Head of Global AI Accelerator at Ericsson.



Carleton's campus will be even more sustainable with a new natural gas steam boiler reducing emissions.

Clean Energy Upgrade

In early March, MP Yasir Naqvi announced [funding of over \\$1.6 million](#) to replace a natural gas steam boiler with an electric boiler in Carleton's central heating plant. This is expected to cut over 2,900 tonnes of emissions in 2030, equivalent to taking 888 gas-powered cars off the road for a year.



Sprott School of Business Interim Dean Howard Nemiroff will become Dean for a five-year term on July 1.

New Dean for Sprott

Howard Nemiroff has been appointed Dean of the Sprott School of Business for a five-year term, effective July 1. Since becoming Interim Dean at Sprott in September 2023, Nemiroff has led the school through a successful Association to Advance Collegiate Schools of Business re-accreditation for another six-year term, supported the development of a new Bachelor of Accounting degree that will launch in fall 2025 and expanded program offerings across undergraduate and graduate levels.

REPUTATION AND COMMUNITY HIGHLIGHTS



Mobility research and other forms of accessibility are the main focus at Carleton's new Abilities Living Lab.

ALL Aboard

Leaders from industry, government and the research community gathered at Carleton's Abilities Living Lab (ALL) on Mar. 6 to [celebrate the facility's opening](#). ALL is an integrated, interdisciplinary research environment for co-creation, iterative prototyping, experimentation and simulation to pursue a fully inclusive and accessible Canada. Funded by the Canada Foundation for Innovation and the Ontario Research Fund, the lab is motivated by the "nothing about us, without us" imperative, engaging people with disabilities in accessibility R&D.



A new guide from the Carleton-led Canadian Accessibility Network will help create more inclusive spaces.

Supporting Accessible Communities

Carleton is enhancing accessibility on campus and across Canada on multiple fronts. The university's [Student Support Certificate](#) has been refreshed, helping faculty and staff address diverse student needs. In the 2024-2025 academic year, more than 100 individuals also participated in the [Accessibility Institute's training and professional development offerings](#). And the Canadian Accessibility Network has created a new [Guide to Understanding and Dismantling Ableism](#), which will help remove barriers and create more inclusive spaces, policies, practices and interactions.



Lauren Tham (second from left), Itoro Umanah (centre) and Jahnelle Woldegiorgis (right) with competition officials.

Carleton Wins MLSE Case Competition

Three students from Carleton's Faculty of Public and Global Affairs — Itoro Umanah (Communications and Media Studies), Lauren Tham (Public Affairs and Policy Management) and Jahnelle Woldegiorgis (Global and International Studies) — [won first place](#) in the [MLSE Global Partnerships Case Competition](#). The annual sports marketing competition drew more than 1,350 participants from across Canada to develop novel partnership proposals for one of the company's sports teams.



Carleton's Nancy Delcellier has been recognized as one of Canada's top safety leaders.

A National Safety Leader

Congratulations to Nancy Delcellier, Carleton's Director of Environmental Health and Safety, who was named a 2025 Top Women in Safety by [Canadian Occupational Safety](#). She is among 70 women who were recognized for their dedication to empowering others, promoting diversity and inclusion, and embracing new opportunities with resilience.

ACADEMICS



Winnie Ye is being recognized for her profound impact on the global optics and photonics community.



Pavel Cheben's research has advanced the state of photonics technologies in groundbreaking ways.



Audra Diptée's work reflects her interest in the ways historical thinking can advance social justice.



Steve Ulrich's new post involves promoting advances in orbital mechanics and space robotics.



Students participated in community-engaged learning during an Alternative Spring Break trip to Guatemala.

Recognizing Academic Excellence

- Profs. Kevin Cheung (Mathematics and Statistics), Rick Colbourne (Sprott School of Business), Vicky McArthur (Journalism and Communication), Brenda Morris (Social Work) and Brian Strong (Linguistics and Language Studies) are recipients of the [2024-25 Future Learning Innovation Fellowship](#).
- Prof. Winnie Ye (Electronics) was named the [2025 recipient of Optica's Robert E. Hopkins Leadership Award](#).
- Prof. Pavel Cheben (Electronics) won the [2025 SPIE Maria Goeppert Mayer Award in Photonics](#).
- Prof. Audra Diptée (History) was named [2025-26 Visiting Public Humanities Faculty Fellow at the University of Toronto](#).
- Prof. Steven Ulrich (Mechanical and Aerospace Engineering) was elected as a member of the [International Astronautical Federation Astrodynamics Technical Committee](#).
- Carleton's [2025 Achievement Award](#) recipients were announced.

Academic Program Updates

- The Sprott School of Business added several new streams for current business undergraduates and new minors in business for undergraduates in other faculties.
- [Kanata-based DataKinetics has partnered with Carleton's Innovation Hub](#) through the Allies in Innovation program, which connects Carleton students to businesses.

Indigenous Initiatives

- In April, the Centre for Indigenous Support and Community Engagement hosted the annual Kinàmāgawin Symposium featuring keynote speaker Marilyn Poitras.

Equity, Diversity and Inclusion

- The Department of Equity and Inclusive Communities and the Carleton Office for Research Initiatives and Services (CORIS) were jointly awarded the 2024-25 Canada Research Chairs Program Stipend for Equity, Diversity and Inclusion to develop resources in support of equitable and inclusive hiring practices for Canada Research Chairs.

Special Events

- Two events were hosted as part of the Provost's Speaker Series in Partnership with Fulbright Canada to feature Fulbright scholars who hold appointments at Carleton this year and to underscore Carleton's commitment to advancing knowledge and interdisciplinary collaboration.

Experiential Learning

- During the winter 2025 reading week, nine students and one staff member travelled to Santa Lucía Utatlán, Guatemala, as part of the [Alternative Spring Break](#) program in partnership with [Reto Juvenil Internacional](#). Aligned with the United Nations' Sustainable Development Goals, students applied their academic knowledge to real-world experiences.
- The Co-operative Education student advising team expanded the supports offered to students in 2024-2025, resulting in 6,756 interactions with co-op students who sought guidance in their job searches or work terms. From May 2024 through April 2025, students secured 3,531 work terms. Carleton's co-op program is the third largest in Ontario and has been the fastest growing in Canada for the past 10 years.

RESEARCH



Jennifer Bruin (left, Biology) and Laura Horak (Film Studies) are Carleton's two new Dorothy Killam Fellows.

Two Carleton Researchers Receive Killam Fellowships

Two Carleton researchers have been honoured with [Dorothy Killam Fellowships](#), which are awarded for ground-breaking, best-in-class research that stands to have significant impact on a national or global scale. With two of the eight recipients across the country, Carleton's research excellence and prominence is being increasingly recognized. [Jennifer Bruin](#) (Biology) received her fellowship for work examining how chronic exposure to environmental pollutants contributes to rising global diabetes rates. [Laura Horak](#) (Film Studies) has been recognized for research in building a trans-inclusive media culture in Canada.



Amy Bombay is the new CRC in Multigenerational Trauma and Resilience in First Nations Peoples.

Four New Canada Research Chairs for Carleton

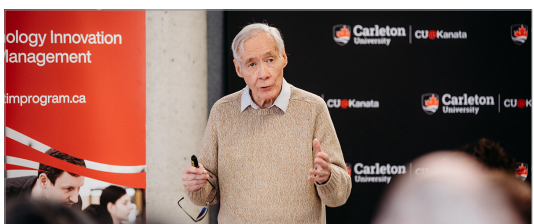
Four Carleton researchers have been appointed to newly created [Canada Research Chair](#) (CRC) positions, driving forward innovative research that tackles real-world challenges. Congratulations to Amy Bombay (Neuroscience), CRC in Multigenerational Trauma and Resilience in First Nations Peoples; Janet Jull (Health Sciences), CRC in Accessibility and Person-centred Care; Kristen Schell (Mechanical and Aerospace Engineering), CRC in Uncertainty-informed Net-zero Energy System Modelling; M. Remi Yergeau, CRC in Critical Disability Studies and Communication.



Peter Crockford is noted for the exceptional impact of his work in geochemistry and Earth history.

Carleton Scientist a Sloan Research Fellow

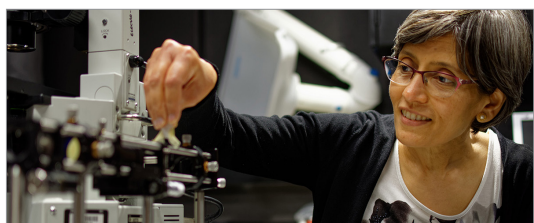
The Department of Earth Sciences's Peter Crockford has been awarded a [2025 Alfred P. Sloan Research Fellowship](#) in Earth System Science, one of the most prestigious honours for early-career researchers in North America. Recognizing the exceptional impact of his work in geochemistry and Earth history, Crockford is one of 10 Earth System Science scholars to receive the 2025 fellowship, joining an elite group of scientists whose discoveries have shaped our understanding of the natural world.



Sprott's Tony Bailetti is helping Canadian SMEs navigate economic uncertainty amid U.S. trade tensions.

Helping Canadian SMEs Overcome American Tariffs

Carleton's Technology Innovation Management (TIM) program, led by Sprott's Tony Bailetti, is helping Canadian small and medium-sized enterprises (SMEs) [navigate economic uncertainty](#) and U.S. trade tensions. Through the "Up Our Game, Canada!" initiative, TIM equips businesses with AI-powered tools, digital training and diversification strategies. Supported by 130 TIM students annually, the program focuses on experiential learning and tailored solutions. Bailetti emphasizes the urgent need for SMEs to adapt, innovate and future-proof their operations.



Physicist Sangeeta Murugkar is investigating how radiation affects cells to improve cancer treatment and safety.

Improving Radiation Therapy to Treat Cancer

Carleton researchers, led by physicists Rowan Thomson and Sangeeta Murugkar, are investigating how radiation affects cells to [improve cancer treatment and safety](#). Their multidisciplinary project involves culturing cells, irradiating them and analyzing responses using Raman spectroscopy and bioinformatics. Supported by the New Frontiers in Research Fund, their goal is to refine radiation therapy, reduce side effects and develop personalized treatments, potentially using real-time diagnostic tools to tailor care to individual patients.

RESEARCH



Sprott researcher Jinsun Bae focuses on how multinationals can adopt more responsible business practices.

Reforming Global Apparel Supply Chains

Sprott researcher Jinsun Bae studies [labour practices in global apparel supply chains](#), focusing on how multinationals can adopt more responsible business practices. Her research highlights gaps in corporate codes of conduct, particularly beyond first-tier suppliers, and the limitations of third-party audits. Bae emphasizes the need for stronger, consistent enforcement and support for compliant suppliers. By incorporating worker perspectives, she aims to bridge business and labour research, fostering sustainable practices and reducing exploitation in the fast fashion industry.



Carleton industrial designers are transforming infectious disease care with a rapidly deployable treatment centre.

Rapid-Response Treatment Centre for Infectious Diseases

Carleton researchers are transforming infectious disease care with a rapidly [deployable treatment centre](#) designed to help curb outbreaks like Ebola. As part of the global INITIATE² program, Industrial Design program director Chantal Trudel and her team developed a transparent screen enabling healthcare workers to safely treat patients from behind a barrier, using glove box access and secure supply transfer systems. Tested internationally, the design enhances infection control and patient comfort. Open-source blueprints with 3D-printable parts will ensure global accessibility.



Carleton researchers are revolutionizing food production with 3D printing to help people who struggle to eat.

Carleton Lab Cooking Up Innovative 3D-Printed Meals

Carleton researchers are [revolutionizing food production with 3D printing](#) to help people who struggle to eat, like those with dysphagia. Led by Food Science professor Farah Hosseini, the team will be creating nutritious, customizable meals using layers of proteins, grains, fruits and vegetables — improving texture, taste and safety. Based in Carleton's new Abilities Living Laboratory, their innovative work could benefit seniors, cancer patients and even astronauts with a goal of making eating more enjoyable for everyone.



Carleton's Accessibility Institute is investigating National Housing Strategy-supported housing accessibility.

Supporting Accessible Housing

Carleton's Accessibility Institute is investigating National Housing Strategy-supported housing accessibility as part of the Carleton-led "A Safe and Affordable Place to Call Home" study. Funded by the Canada Mortgage and Housing Corporation and Social Sciences and Humanities Research Council, the institute is leveraging expertise in the accessibility of built environments and is scheduling accessibility audits with affordable housing providers in Montreal, Ottawa and Saskatoon.



The Paul Menton Centre for Students with Disabilities has helped develop a virtual assistant to support students.

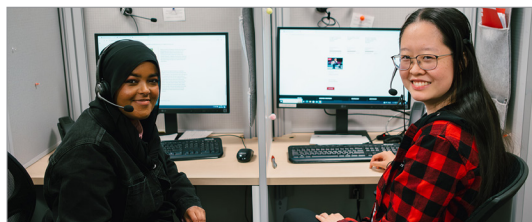
AI Prototype for Assessment of Functional Limitations

The Accessibility Institute, in collaboration with Carleton's Paul Menton Centre for Students with Disabilities, has developed the Accessibility Virtual Assistant (AVA), a prototype of an equity-focused artificial intelligence platform that can assess functional limitations of university students and propose intervention strategies and disability supports. The project will refine AVA to complement human expertise, ensuring that disability services remain responsive and student-centered in the future.

ADVANCEMENT



A welcome event with President Tetey offered a personal engagement opportunity for top donors.



Carleton's telephone outreach program, which employs student callers, had a successful fundraising year.



Retirees are one of the key audiences for Advancement's digital communications strategies.



A scholarship reception with recipients and staff from the Paul Menton Centre for Students with Disabilities.



A Master of Philanthropy and Nonprofit Leadership program event with TD on Women in Philanthropy.

Revenue (May 1, 2024 to March 28, 2025)

Philanthropic.....	\$13,121,493
Gifts in Kind	\$4,001,962
Sponsorships	\$1,764,543
Research & Partnerships	\$16,653,722
Total.....	\$35,541,720

Relationship Building — Recognizing that Advancement's work is based on strategic and meaningful engagement

- Introduced President Tetey to top donors with a multi-pronged strategy, ensuring key audiences were offered a personal engagement opportunity.
- Launched the Quad, a four-edition all-alumni newsletter aimed at increasing connection and pride of association with Carleton.
- Launched digital communications strategies for a variety of key audiences (retirees, recent grads, parents) including a Women's History Month series, which included posts acknowledging the important role of women in philanthropy and announcing a new donor-funded Women in Philanthropy research initiative at Carleton.

Research and Operations — Modernization in support of the alumni and donor pipeline

- Audited international geographic hubs with a critical mass of alumni to leverage connections in support of recruitment, reputation and engagement opportunities.
- Developed two new funding models in partnership with Finance for donors making gifts of more than \$500,000.

Revenue Generation — To support Carleton's mission

Goal: Grow annual giving revenue (gifts under \$25,000) to \$4.8 million

Results: **\$3.49 million to date**

Highlights include:

- Carleton's telephone outreach program, which employs current students to raise money from alumni and other constituents, reduced its scope this year and is still poised to raise close to \$100,000 by the end of April.

Goal: Secure 90 new major gifts and pledges over \$25,000

Results: **78 of 90 to date (39 gifts totalling \$10,488,273 and 39 pledges totalling \$8,680,714)**

Highlights include:

- \$230,000 committed to establish six new student awards.
- \$106,000 to establish a new experiential learning fund in the Norman Paterson School of International Affairs.
- Confirmed donor funded Chair in Philanthropy, Canada's first.

Goal: Increase the number of new gifts by will to 25 and continue to enhance the profile of the planned giving program

Results: **18 new individuals have confirmed that they have made provisions in their will for a planned gift**

Highlights include:

- Over \$4.4 million in realized legacy gifts have been received, supporting a range of initiatives, a substantial increase from the \$1.7 million received during the same period last year.
- Nine scholarships, eight bursaries and five annual funds were supported through realized estate gifts including \$50,000 to the Wellness Desk.

Goal: Secure three new Holistic Integrated Partnerships

Results: **Three confirmed to date**

Highlights include:

- Public announcements of the research, talent and philanthropic investments by the three industry partners will be made beginning this spring.

STUDENT LIFE



The Ravens women's basketball team won the U SPORTS silver medal, its third consecutive national medal.



Carleton men's baseball team won the national university championship this season.



The Ravens women's Nordic ski team won its third consecutive OUA title and eighth in the last nine years.



Student and figure skater Katherine Medland Spence won a gold medal in her first international competition.



Three Minute Thesis finalists gather with competition judges after another successful event.

Carleton's [Therapy Dog Program](#) certified seven new therapy dogs this winter, expanding the team to a total of 20 dogs dedicated to supporting students across campus through a low-barrier approach to mental health support. From September 2024 to April 2025, therapy dogs and their handlers conducted more than 300 visits across campus, facilitating over 5,200 interactions to help students reduce stress and engage in conversations that promote wellness and provide connections to resources.

The International Student Services Office (ISSO) immigration advising team supported over 1,000 students in the winter 2025 term, with a focus on navigating complex cases due to the recently updated immigration and refugee protection regulations. The ISSO also hosted a range of events, from educational offerings about off-campus housing and how to file income tax to peer-led engagement activities such as snowshoeing in Gatineau Park.

Health and Counselling Services now offers specialist physician consultations to support substance use health for students and staff. This service aligns with Carleton's substance use health approach, which understands that substance use is influenced by and has impacts on an individual's social, physical and mental health and well-being.

The newly developed International Student Employment Program, funded by the Royal Bank of Canada, is off to a strong start in strengthening the employability of Carleton's international students. In the program's first academic year, over 800 students registered, 276 completed the educational modules and 44 paid placements were filled.

The Co-Curricular Record (CCR) continues to provide an opportunity for Carleton students to document and showcase their involvement in leadership, mentorship, extracurricular activities and community service. During the 2024-2025 academic year, more than 3,400 positions were added to students' records, bringing the total number of students with at least one position on their CCR to over 2,000.

The Carleton Ravens women's basketball team completed the 2024-2025 Ontario University Athletics (OUA) regular season with an undefeated 22-0 record and won the U SPORTS silver medal, its third consecutive national medal and fifth since 2017. Ravens head coach Dani Sinclair was named the Peter Ennis U SPORTS Coach of the Year and guard Jacqueline Urban was named an OUA First-Team All-Star and U SPORTS Second-Team All-Star.

It's been a year of sporting success. The Ravens women's Nordic ski team won its third consecutive OUA title and eighth in the last nine seasons. The men's curling team won the OUA championship and silver at the national championship, while the men's baseball team won the national university championship. Carleton chemistry student Katherine Medland Spence [won gold](#) in her first international figure skating competition, and 101 student athletes were recognized for their academic performance as Academic All-Canadians and OUA Academic All-Stars.

Carleton held its annual [Three Minute Thesis Competition](#) on March 27. Two rounds of competition were held earlier in the day before eight finalists competed for the top prizes in the late afternoon. Contest prizes up for grabs by grad students consisted of one first-place prize of \$500, one second-place prize of \$300, one third-place prize of \$200 and an honourable mention.

ENROLMENT AND RECRUITMENT UPDATE

Undergraduate Enrolment Update

First year 101 (Ontario high school) applications

	2024	2025	% Change
Carleton total applications	21,894	22,126	1.1
Carleton applicants	15,622	15,676	0.3
System total applications	560,981	585,250	4.3
System applicants	95,475	100,250	5.0

First year, new, applicants (Carleton data) by region as of Mar. 19, 2025 — all applicants

	2024	2025	% Change
All	21,837	20,598	-5.7
Ottawa	6,603	6,798	3.0
Other Ontario	10,448	10,319	-1.2
Other Canada	1,700	1,557	-8.4
International	3,086	1,924	-37.7

OUAC data as of Mar. 6, 2025, Carleton applicant data Mar. 19, 2025

Recruitment Update

The Undergraduate Recruitment Office (UGR) hosted the March Open House on Mar. 8, followed by an additional week-long series of daily campus tours. Through these events, prospective students and their families had a chance to connect with faculty, student services staff and current students on campus; 2,518 guests and 1,030 students registered, an increase from 2,248 guests and 1,007 students in 2024.

UGR continues to collaborate with faculties and academic departments to support a variety of events, such as a fair organized

by the Faculty of Arts and Social Sciences for prospective and current students at the Carleton Dominion-Chalmers Centre. UGR also supported a Bachelor of Humanities student spotlight, an architecture open house, a social work information session and more, helping to connect over 375 students with Carleton.

UGR hosted a Grade 10 family night on Feb. 18, attracting 352 guests, more than double the 152 attendees in 2024. Held during the Grade 10 high school course selection period, the event shares insight on prerequisites and how high school decisions can impact university applications. Families also had the opportunity to hear from Rebecca Renfro, an associate dean at Sprott, and experience a university lecture.

UGR completed close to 90 in-person high school follow-up visits in winter 2025, primarily targeting Ottawa and Greater Toronto Area schools. This follow-up high school visit is a chance to speak to applicants about next steps and accepting their offer to Carleton. New this cycle, recruiters also offered a Grade 11 university preparation information session.

UGR revived the CUin2 event from pre-pandemic activities, welcoming Grade 11 students to campus for a day of guest lectures, two workshops and lunch in the Teraanga Commons dining hall. A total of 163 students participated and positive feedback was received from both the students and faculty members.

The Recruitment Coordinator, Indigenous Initiatives, participated in the Aboriginal Post-Secondary Information Program tour, a provincial initiative with other Ontario universities and colleges. Across seven weeks, the coordinator participated in over 50 visits with more than 1,600 students attending from grades 9 through 12. The coordinator also participated in the Aqsarniit Trade Show and Conference, an event highlighting the importance of working in unity to build a strong and healthy economy for all Inuit.

