

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

The 653rd Meeting of the Board of Governors
Thursday, October 8th, 2026 at 3:00 p.m.

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 Financial Report, Audited Financial Statement for Year ended April 30th, 2026 & Audit Finding Report

- Executive summaries, reports, and Audited Financial Statements were circulated in advance.

6. OPEN – ITEM(S) FOR INFORMATION

6.1 Senate Annual Report 2025/2026

- An executive summary, and report were circulated in advance.

6.2 Report from the Chair

- A verbal report will be provided.

6.3 Report from the President

- A report was circulated in advance.

6.4 Report from the Committee Chairs

- Campus Planning and Infrastructure
- Finance
- Governance
- University Relations
- Senate Summary

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: 1 September 2026
From:	Chair, Audit and Risk Committee	Date of Meeting: 8 October 2026
Subject:	Annual Financial Statements and Audit Findings Report for Fiscal Year 2025-2026	
Responsible Portfolio:	Vice-President (People, Finance and Operations)	

1.0 PURPOSE

☒ For Approval ☐ For Information ☐ For Discussion

2.0 MOTION

On the recommendation of the Audit and Risk Committee, move to approve the University's 2025-2026 Consolidated Financial Statements and the Audit Findings Report, as presented.

3.0 EXECUTIVE SUMMARY

The draft Consolidated Financial Statements and Audit Findings Report are presented to the Audit and Risk Committee for review and recommendation to the Board of Governors. As part of its oversight responsibilities for financial reporting, internal controls, risk management, and the external audit process, the Committee reviews the annual audited financial statements and related audit findings prior to Board approval.

The audited financial statements reflect a year of strengthened financial performance and improved financial position for the University, including a return to a consolidated surplus (\$15 million) and growth in net assets. The detailed financial results and management analysis have been presented separately to the Finance Committee through the Annual Financial Report.

KPMG LLP has completed its audit of the University's 2025-2026 Consolidated Financial Statements and has issued an unqualified audit opinion. The Audit Findings Report provides the Committee with information regarding the scope and results of the audit, significant accounting and auditing matters, and the auditor's required communications to those charged with governance. The report confirms that no significant changes were made to the audit plan, no significant deficiencies in internal controls over financial reporting were identified, and management's significant accounting estimates and related disclosures were found to be reasonable.

4.0 INPUT FROM OTHER SOURCES

The Consolidated Financial Statements were prepared by management and audited by the external auditing firm of KPMG LLP. As part of their audit, KPMG prepared the Audit Findings Report, which describes the audit process, identifies audit risks and results, and highlights internal control observations. Management's annual Financial Report presented to the Finance Committee provides additional information in support of the audited Financial Statements.

5.0 ANALYSIS AND STRATEGIC ALIGNMENT

The Audit and Risk Committee is responsible for assisting the Board of Governors in its oversight of the University's financial reporting processes, systems of internal control, risk management, and external audit activities. The annual review of the Consolidated Financial Statements and Audit Findings Report is a key component of this oversight responsibility and provides assurance regarding the integrity and reliability of the University's financial reporting.

KPMG LLP has reported that the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Carleton University as at April 30, 2026, together with its results of operations, changes in net assets, and cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

The Audit Findings Report indicates that there were no significant changes to the audit plan or key audit risks previously presented to the Committee and no significant deficiencies in internal controls over financial reporting were identified. The auditors were also satisfied with the reasonableness of management's significant accounting estimates and related disclosures, including those related to employee future benefits.

Through its review of the audited financial statements and the auditor's findings, the Committee fulfills its governance responsibilities by assessing the quality and integrity of financial reporting, the effectiveness of the external audit process, and compliance with applicable accounting standards and reporting requirements.

6.0 FINANCIAL IMPLICATIONS

Approval of the audited financial statements and Audit Findings Report does not, in itself, create additional financial implications. The financial results reflected in the statements have been presented separately through the Annual Financial Report.

7.0 RISK, LEGAL AND COMPLIANCE ASSESSMENT

The primary risks associated with this matter relate to the completeness and accuracy of the University's financial reporting, compliance with applicable accounting standards and external reporting requirements, and the effectiveness of internal controls over financial reporting. The annual external audit and the oversight provided by the Audit and Risk Committee are key mechanisms for mitigating these risks. KPMG LLP has issued an unqualified audit opinion and has not identified any significant deficiencies in internal controls over financial reporting or any significant changes to the audit risks previously presented to the Committee. These findings provide assurance that the University's financial reporting processes and governance controls remain effective.

8.0 REPUTATIONAL IMPLICATIONS AND COMMUNICATIONS STRATEGY

The University's reputation depends on maintaining stakeholder confidence in the integrity of its financial reporting and governance processes. The independent audit, resulting unqualified audit opinion, and positive audit findings provide assurance that the University's financial statements fairly present its financial position and results and have been prepared in accordance with applicable accounting standards.

9.0 OVERALL RISK MANAGEMENT ANALYSIS

	LOW	Moderate	HIGH	Critical
STRATEGIC	☒	☐	☐	☐
LEGAL	☒	☐	☐	☐
OPERATIONAL	☒	☐	☐	☐
TECHNOLOGICAL	☒	☐	☐	☐
FINANCIAL	☒	☐	☐	☐
REPUTATIONAL	☐	☒	☐	☐

10.0 IMPACT QUESTIONS

Leadership is requesting that Governors consider the following key question in advance of the meeting:

1. In light of the evolving higher education environment, including enrolment, funding, regulatory, and cybersecurity risks, are there emerging areas of risk that should receive additional focus in future audit plans or Committee oversight activities?

Audited Financial Statements and Audit Findings Report

2025-2026

Board of Governors Meeting
October 8, 2026

Presented by:

- Angela Marcotte, Associate Vice-President
(Financial Services) and Chief Financial Officer
- Duane McNair, Vice-President
(People, Finance and Operations)

Audit Results



Unqualified audit opinion



No audit misstatements



No significant control deficiencies



Auditor independence



Remaining completion items

- Subsequent events
- Legal letters
- Management representation letter

Significant Audit Areas & Accounting Judgements

AUDIT AREAS OF FOCUS

Management override of controls	No matters to report
Employee future benefits	No material misstatements
Internal controls over financial reporting	No significant deficiencies
Financial statement disclosures	No matters to report
Auditor independence	Confirmed

Employee future benefits



Largest accounting estimate and major year-over-year change in statements

Internal Controls, Compliance & Governance



Governance assurance

No significant deficiencies in internal controls over financial reporting were identified



Fraud and illegal acts – None were identified



Non-compliance – No matters to report



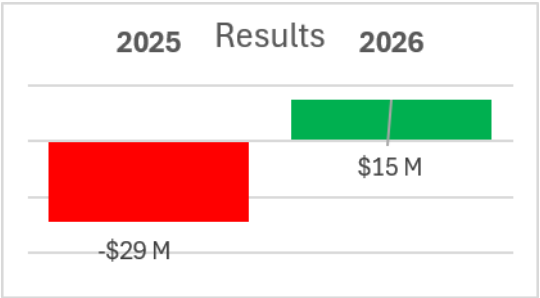
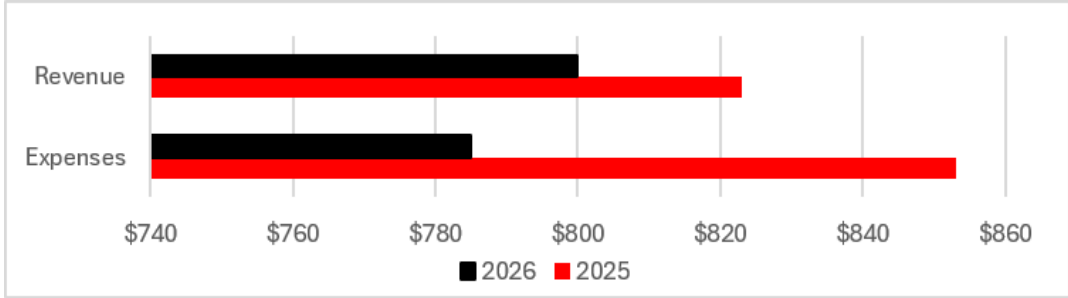
Audit difficulties – none reported



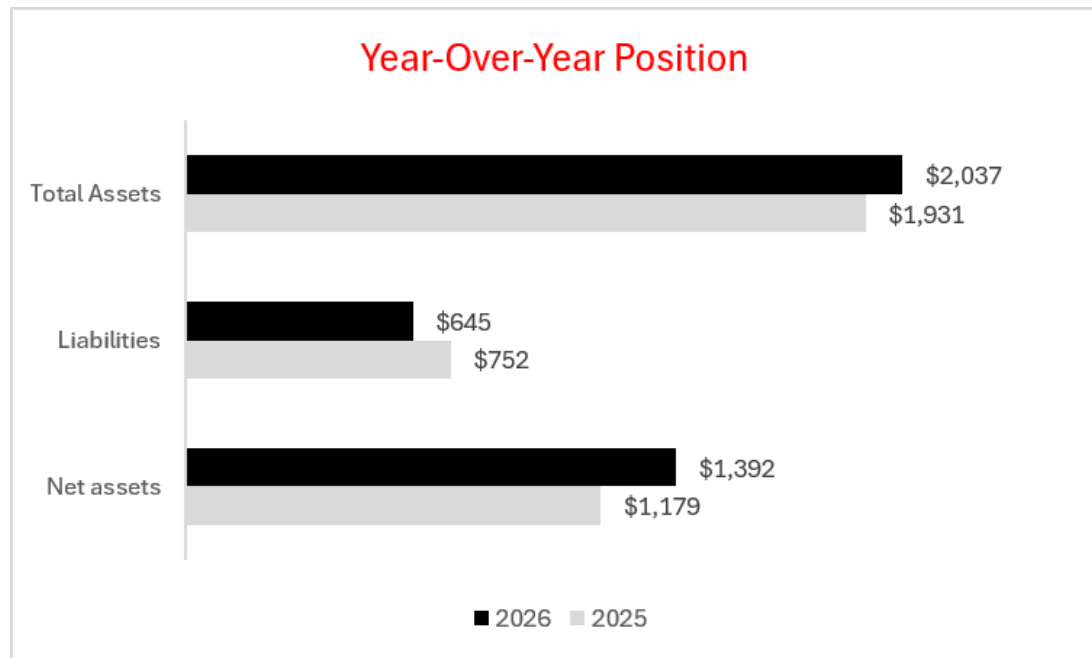
Management representations – to be signed after Board approval

Financial Results Context

Revenue	Expenses	Surplus	Assets	Net Assets
\$800M	\$785M	\$15M	\$2.04B	\$1.39B
2025: \$823M	2025: \$853M	2025: \$(29)M	2025: \$1.93B	2025: \$1.18B



Financial Position and Sustainability



Key Drivers



Assets ↑ **\$106M**

Primarily from employee future benefits and growth in investments



Liabilities ↓ **\$107M**

Driven by elimination of employee future benefit liability and debt & payable repayments



Net Asset ↑ **\$213M**

Reflects improved pension remeasurements, endowment growth and consolidated surplus

Key Financial Risks

Current financial position provides resilience, but risk monitoring remains important



Revenue environment

Enrolment, tuition policy and government funding pressures.



Investment markets

Investments and endowments remain exposed to market risk.



Employee future benefits

Asset position is sensitive to actuarial assumptions and market performance.



Liquidity & capital renewal

Capital requirements, deferred maintenance and commitments require ongoing monitoring.



Compliance & legal

Litigation, obligations and regulatory matters require annual review.



Cyber / digital risk

TOR assigns oversight of IT resilience, cybersecurity and emerging digital technologies.

Contingencies, Commitments and Other Disclosures

No matters have been identified that are expected to materially affect the University's financial position



Litigation

No provision recorded; administration believes claims are not expected to materially affect financial position.



Insurance

Participation in CURIE and additional commercial insurance for specific risks.



Capital commitments

Future acquisition, construction and renovation commitments of approximately \$21.0M.



Letters of credit

Letters of credit totaling approximately \$10.9M.



SNOLAB / TRIUMF

Asset retirement obligations disclosed; no immediate decommissioning plans disclosed.



Financial risks

Credit, interest rate, currency, liquidity and other price risks disclosed.

Motion

Recommended motion

On the recommendation of the Audit & Risk Committee, move to approve of the University's 2025-2026 Consolidated Financial Statements and the Audit Findings Report, as presented.

Consolidated Financial Statements of

CARLETON UNIVERSITY

Year ended April 30, 2026

CARLETON UNIVERSITY

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Year ended April 30, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Carleton University

Opinion

We have audited the consolidated financial statements of Carleton University (the Entity), which comprise:

- the consolidated statement of financial position as at April 30, 2026
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the consolidated financial position of the Entity as at April 30, 2026, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor's Responsibilities for the Audit of the Financial Statements***” section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

(date)

CARLETON UNIVERSITY

Consolidated Statement of Financial Position

April 30, 2026, with comparative information for 2025
(in thousands of dollars)

	2026	2025
Assets		
Current assets:		
Cash	\$ 72,180	\$ 90,115
Short term investments (note 3)	577,130	524,574
Accounts receivable (note 4)	42,692	38,079
Prepaid expenses	6,582	9,379
Current portion of net investment in lease (note 5)	1,320	1,216
	<u>699,904</u>	<u>663,363</u>
Investments (note 3)	525,929	502,120
Net investment in lease (note 5)	—	1,320
Employee future benefits asset (note 12(a))	63,642	—
Capital assets (note 6)	723,226	739,604
Collections (note 7)	24,949	24,949
	<u>\$ 2,037,650</u>	<u>\$ 1,931,356</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	\$ 49,380	\$ 87,234
Deferred revenue (note 9)	157,917	156,322
Accrued leave	21,090	23,381
Current portion of long-term debt (note 10)	3,418	4,261
	<u>231,805</u>	<u>271,198</u>
Long-term debt (note 10)	250,125	253,543
Deferred capital contributions (note 11)	163,435	171,820
Employee future benefits liability (note 12(a))	—	55,977
	<u>\$ 645,365</u>	<u>\$ 752,538</u>
Net assets:		
Unrestricted net assets	88	214
Internally restricted (note 13(b))	407,311	386,133
Employee future benefits (note 12)	63,642	(55,977)
Invested in capital assets (note 14)	417,263	422,318
Investment in collections (note 7)	24,949	24,949
Endowments (note 15)	479,032	401,181
	<u>1,392,285</u>	<u>1,178,818</u>
Contingent liabilities and commitments (notes 16)		
	<u>\$ 2,037,650</u>	<u>\$ 1,931,356</u>

See accompanying notes to consolidated financial statements.

CARLETON UNIVERSITY

Consolidated Statement of Operations

April 30, 2026, with comparative information for 2025
(in thousands of dollars)

	2026	2025
Revenue:		
Government grants for general operations	\$ 205,450	\$ 184,492
Fees	338,143	349,814
Research grants and contracts	104,324	102,797
Sales and services	27,777	23,022
Donations	21,933	57,556
Investment income (note 3)	65,711	60,745
Amortization of deferred capital contributions (note 11)	13,782	13,593
Other revenue (note 17)	25,627	24,174
	802,747	816,193
Expenses:		
Salaries	413,645	432,650
Benefits	45,646	54,424
Scholarships and Bursaries	55,470	56,919
Amortization of capital assets	46,105	45,838
Externally contracted services and fees	39,824	41,117
Employee future benefits (note 12(b))	34,851	35,433
Renovations	28,664	30,289
Minor equipment and furnishings	15,252	15,966
Supplies	17,938	13,480
Utilities	14,867	12,862
Travel	12,374	12,324
Interest	8,713	4,985
Licenses	5,117	46,808
Other expenses (note 18)	46,459	49,656
	784,925	852,751
Excess (deficiency) of revenue over expenses before the undernoted	17,822	(36,558)
Change in fair value of investments measured at fair value (note 3)	(2,860)	7,076
Excess (deficiency) of revenue over expenses	\$ 14,962	\$ (29,482)

See accompanying notes to consolidated financial statements.

CARLETON UNIVERSITY

Consolidated Statement of Changes in Net Assets

Year ended April 30, 2026, with comparative information for 2025
(in thousands of dollars)

	Unrestricted	Internally Restricted (note 13)	Employee Future Benefits (note 12)	Invested in Capital Assets (note 14)	Collections (note 7)	Endowment (note 15)	2026 Total	2025 Total
Net assets (deficit), beginning of year	\$ 214	\$ 386,133	\$(55,977)	\$ 422,318	\$ 24,949	\$ 401,181	\$ 1,178,818	\$ 1,159,898
Excess (deficiency) of revenue over expenses	14,962	—	—	—	—	—	14,962	(26,507)
Employee future benefit expense and contributions	3,442	—	(3,442)	—	—	—	—	(2,975)
Employee future benefit re-measurements and other items (note 12 (c))	—	—	123,061	—	—	—	123,061	19,017
Internally imposed restrictions	(22,093)	21,178	—	—	—	915	—	—
Internally endowed restrictions	(1,492)	—	—	—	—	1,492	—	—
Net change in investment in capital assets (note 14)	5,055	—	—	(5,055)	—	—	—	—
Contributions to collections (note 7)	—	—	—	—	—	—	—	2
Endowment contributions and investment income (note 15)	—	—	—	—	—	63,034	63,034	29,344
Unrealized gains on endowment investments (note 15)	—	—	—	—	—	12,410	12,410	39
Net assets, end of year	\$ 88	\$ 407,311	\$ 63,642	\$ 417,263	\$ 24,949	\$ 479,032	\$ 1,392,285	\$ 1,178,818

CARLETON UNIVERSITY

Consolidated Statement of Changes in Net Assets (continued)

Year ended April 30, 2026, with comparative information for 2025
(in thousands of dollars)

	Unrestricted	Internally restricted (note 13)	Employee Future Benefits (note 12)	Invested in Capital Assets (note 14)	Collections (note 7)	Endowment (note 15)	2026 Total	2025 Total
Plant	\$ 88	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 88	\$ 214
Provision for future benefits (note 12)	—	—	63,642	—	—	—	63,642	(55,977)
Appropriations – Operating	—	288,663	—	—	—	—	288,663	261,908
Research	—	58,705	—	—	—	—	58,705	59,571
Appropriations – Ancillary (schedule 1)	—	37,710	—	—	—	—	37,710	46,437
Entrepreneurial initiatives	—	7,086	—	—	—	—	7,086	6,545
Professional development	—	3,574	—	—	—	—	3,574	3,655
Sinking funds	—	11,565	—	—	—	—	11,565	8,011
Scholarships	—	8	—	—	—	—	8	6
Capital assets	—	—	—	417,263	—	—	417,263	422,318
Collections	—	—	—	—	24,949	—	24,949	24,949
Endowment	—	—	—	—	—	479,032	479,032	401,181
Net assets, end of year	\$ 88	\$ 407,311	\$ 63,642	\$ 417,263	\$ 24,949	\$ 479,032	\$ 1,392,285	\$ 1,178,818

See accompanying notes to consolidated financial statements.

CARLETON UNIVERSITY

Consolidated Statement of Cash Flows

Year ended April 30, 2026, with comparative information for 2025
(in thousands of dollars)

	2026	2025
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 14,962	\$ (29,482)
Add (deduct) non-cash items:		
Amortization of capital assets	46,105	45,838
Amortization of deferred capital contributions	(13,782)	(13,593)
Unrealized losses (gains) on investments and marketable securities	2,860	(7,076)
Net change in other non-cash operating working capital (note 19)	(40,366)	11,742
Changes relating to employee future benefits:		
Employee future benefits contributions (note 12(b))	(31,409)	(32,458)
Employee future benefits expenses (note 12(b))	34,851	35,433
Net cash provided by operating activities	13,221	10,404
Financing activities:		
Decrease in loans payable (note 10(a))	(4,261)	(4,025)
Capital contributions received (note 11)	5,397	8,173
Endowment contributions and investment income	75,444	29,383
Net cash provided by financing activities	76,580	33,531
Investing activities:		
Net change in investments	(79,225)	45,199
Decrease in net investment in lease	1,216	1,139
Capital assets additions	(29,727)	(66,510)
Net cash used in investing activities	(107,736)	(20,172)
(Decrease)/Increase in cash and cash equivalents	(17,935)	23,763
Cash, beginning of year	90,115	66,352
Cash, end of year	\$ 72,180	\$ 90,115

See accompanying notes to consolidated financial statements.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements

Year ended April 30, 2026
(in thousands of dollars)

1. Description:

Carleton University (the "University") was incorporated as a university in 1943 under the laws of the Province of Ontario. The University is dedicated to providing post-secondary and graduate education and to conducting research.

The University is a registered charity and therefore is, under section 149(1)(f) of the Income Tax Act (Canada), exempt from payment of income tax.

The consolidated financial statements reflect the assets, liabilities, net assets, revenue, expenses and other transactions of all of the operations and organizations controlled by the University. Accordingly, these consolidated financial statements include the academic, administrative and other operating expenditures funded by fees, grants and other general revenue; restricted purpose endowment funds and ancillary operations. These consolidated statements also include the assets, liabilities, deficit and operations of the University's subsidiary and joint ventures as follows:

Sudbury Neutrino Observatory Institute is a joint venture of the University and four other Canadian universities, which performs research in sub-atomic physics. The University's proportionate share of the Institute's operations has been included in these consolidated financial statements.

The University is a member, along with 20 other universities, of TRIUMF, which performs research in particle and nuclear physics and is located on the campus of the University of British Columbia (UBC). Prior to June 1, 2021, TRIUMF was a joint venture and was an unincorporated registered charity. On June 1, 2021, TRIUMF transferred all of its assets and liabilities to TRIUMF Inc., a not-for-profit corporation and the University became a member of the corporation with the 13 other universities. On March 6 2023, 7 universities joined TRIUMF increasing the membership to 21 universities. Each university has an undivided 1/21 interest 4.76%. (2025 - 4.76%) in its assets, liabilities and obligations. The land and buildings it occupies are owned by UBC. The facilities and its operations are funded by federal government grants, and the University has made no direct financial contribution to date. TRIUMF's net assets are not contemplated to be and are not readily realizable by the University. The University's proportionate share of TRIUMF's operations has been included in these consolidated financial statements.

Carleton University Foundation (U.S.) (the "Foundation") was incorporated without share capital on February 12, 1996 under the District of Columbia Non-Profit Corporation Act. The Foundation is not included in these consolidated financial statements. The objects of the Foundation, as established by the Internal Revenue Code of 1986, are to accept, receive, manage and distribute money and other property to support education and research at the University. The Foundation had minimal activity in the year. The Foundation has entered into an arrangement with an external service provider to assume responsibility for donation processing and the disbursement of funds to Carleton University and intends to wind up its operations and dissolve following completion of this transition.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

2. Summary of significant accounting policies:

The consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, and include the following significant accounting policies.

(a) Basis of presentation:

The University uses the deferral method of accounting for contributions for not-for-profit organizations.

These consolidated financial statements do not reflect the assets, liabilities and results of operations of the various student organizations at the University, or the Foundation.

(b) Financial instruments:

(i) Investments:

Investments are recorded at fair value. The fair value of investments recorded in the financial statements is determined as follows:

- a. Short term investments include investments that can be withdrawn without prior notice or penalty. Guaranteed Investment Certificates are stated at cost which together with accrued interest income approximates fair value.
- b. Equities and Fixed Income are valued at year end quoted market prices
- c. Pooled fund investments are valued at the unit values supplied by the pooled fund administrator, which represent the University's proportionate share of underlying net assets at fair value.
- d. Real assets are held in open or closed-ended pooled funds. They are valued at their estimated fair values by external investment managers using appropriate industry valuation techniques or independent appraisals.

(ii) Derivative and other financial instruments:

The University is party to certain derivative financial instruments, principally interest rate swaps. The University accounts for interest rate swaps as hedges. The University uses the accrual basis of accounting for hedges. At the inception of the hedging relationship, the University designated that hedge accounting would be applied and formally documented the hedging relationship between the swap and the loan. At inception and throughout the loan period, the critical terms of the swap and the loan are the same.

Gains or losses realized on settlement are deferred until the settlement of the swap. Payments and receipts under the interest rate swaps are recognized as adjustments to interest expense on long-term debt. The fair value of the swap is not recorded on the consolidated statement of financial position, but is disclosed in note 10(d).

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

2. Summary of significant accounting policies (continued):

(b) Financial instruments (continued):

(ii) Derivative and other financial instruments (continued):

Other financial instruments are recorded at fair value upon initial recognition, which represents cost and are subsequently recorded at cost, net of any provisions for impairment unless management has elected to carry the instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the University determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the University expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Capital assets:

Purchased capital assets are recorded at cost. Capital assets include intangible assets which are non monetary assets without physical substance. Capital assets are recorded at an appraised value established by independent appraisal in the period receipted by the University. Land acquired prior to May 1, 2011 is recorded at deemed cost, being its fair value at May 1, 2011, the transition date to Canadian accounting standards for not-for-profit organizations. All subsequent purchases are recorded at cost.

Amortization is provided on a straight-line basis over the estimated useful life of the asset. When components of a capital asset have different useful lives, they are accounted for as separate items of capital assets and depreciated separately.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

2. Summary of significant accounting policies (continued):

(c) Capital assets continued):

The estimated useful lives of assets are as follows:

Asset	Useful life
Buildings and its components	20 to 40 years
Cogeneration facility	25 years
Equipment and furniture	10 years
Computer equipment	4 years
Automobiles	5 years
Library holdings	10 years
Intangible assets	4 years

Construction costs are capitalized as work progresses and amortization commences in the period that the asset is available for use.

When a capital asset no longer contributes to the University's ability to provide services, its carrying amount is written down to its residual value.

(d) Art collection:

Purchases of items to be included in the collection are expensed. Donations of items to be included in the collection are recorded as direct increases in net assets at an appraised value established by independent appraisal in the period received by the University.

(e) Deferred capital contributions:

Contributions received for capital assets are deferred in the accounts and amortized over the same term and on the same basis as the related capital asset.

(f) Recognition of revenue and other contributions:

- (i) Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- (ii) Contributions and investment income externally restricted for purposes other than endowment are deferred and recognized as revenue in the period in which the related expenses are recognized.
- (iii) Endowment contributions and restricted investment revenue earned for re-endowment are recognized as direct increases in net assets in the period in which they are received or earned.
- (iv) Student fees are recognized as revenue in the period that the courses and seminars are held. Sales revenue is recognized at point of sale.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

2. Summary of significant accounting policies (continued):

(f) Recognition of revenue and other contributions (continued):

(v) Contract revenue is recognized as the service is provided.

(g) Internally imposed restrictions on net assets:

The University internally restricts the use of portions of its externally unrestricted net assets for specific future uses. When incurred, expenses are charged to operations, and the balance of internally restricted assets is reduced accordingly.

(h) Contributed services:

Volunteers, as well as members of the staff and faculty of the University, contribute an indeterminable number of hours per year to assist the University in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these consolidated financial statements.

(i) Employee benefit plans:

The University accrues its obligations and related costs for funded employee future benefit plans as the employees render the service necessary to earn the pension and other retirement benefits, based on the latest going concern funding valuation. The actuarial determination of the accrued benefit obligations for pensions and other employee future benefits uses the projected method on service (which incorporates management's assumptions used for funding purposes, other cost escalation, retirement ages of employees and other actuarial factors). The actuarial valuation is performed at least every three years. In the years between valuations, pension plan results are prepared based on extrapolations of the latest available funding valuation results. Assets of the employee future benefit plans are valued using fair values at the date of the consolidated financial statements.

The benefit plan expense for the year consists of the current service and finance costs. Re-measurements and other items are recorded directly on the consolidated statement of changes in net assets.

(j) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the consolidated financial statements in the period in which they become known.

Significant management estimates include assumptions used in determining the employee future benefits liability.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

3. Investments:

Fair value details of investments are as follows:

	2026	2025
Current:		
Short term	\$ 577,130	\$ 524,574
Non-current:		
Pooled Endowment Fund	464,585	388,787
Restricted Pooled Investment Fund	7,114	4,651
Fixed Income	54,230	108,682
	525,929	502,120
	<u>\$ 1,103,059</u>	<u>\$ 1,026,694</u>

Investment income is comprised of:

	2026	2025
Realized income on investments	\$ 52,957	\$ 46,025
Investment management fees and transaction costs	(986)	(962)
Endowment income made available for disbursements	13,740	15,682
	65,711	60,745
Change in fair value of investments measured at fair value	(2,860)	7,076
	<u>\$ 62,851</u>	<u>\$ 67,821</u>

4. Accounts receivable:

	2026	2025
Student	\$ 13,187	\$ 11,847
Research	14,500	13,311
Government	2,507	2,120
Other	14,255	12,865
	44,449	40,143
Less allowance for doubtful accounts	(1,757)	(2,064)
	<u>\$ 42,692</u>	<u>\$ 38,079</u>

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

5. Net investment in lease:

Carleton University has entered into an agreement with Environment Canada under which Carleton University built the National Wildlife Research Centre (NWRC) on its property and leased the building to Environment Canada. The lease term is for 99 years starting May 1, 2002. The University can terminate the lease after 25 years, with no penalty, with the final payment April 2027.

Carleton University's net investment in the direct financing lease consists of:

	2026	2025
Minimum lease payments receivable	\$ 1,300	\$ 2,600
Residual balance	20	(64)
	<u>1,320</u>	<u>2,536</u>
Less current portion of net investment in lease	(1,320)	(1,216)
Net investment in lease	<u>\$ —</u>	<u>\$ 1,320</u>

At April 30, 2026, future minimum lease payments receivable under the direct financing lease are as follows:

2026-27	\$ 1,300
	<u>\$ 1,300</u>

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

6. Capital assets:

Capital assets consist of the following:

	2026		2025	
	Cost	Accumulated amortization	Net book value	Net book value
Capital assets:				
Land	\$ 93,300	\$ —	\$ 93,300	\$ 93,300
Buildings and its components	1,022,265	459,537	562,728	574,264
Cogeneration facility	21,892	6,053	15,839	16,715
Equipment and furniture	93,504	52,757	40,747	41,793
Computer equipment	17,191	11,431	5,760	7,623
Automobiles	1,101	743	358	343
Library holdings	13,894	9,400	4,494	5,566
	<u>\$ 1,263,147</u>	<u>539,921</u>	<u>\$ 723,226</u>	<u>\$ 739,604</u>

Cost and accumulated amortization at April 30, 2025 amounted to \$1,248,286 and \$508,682, respectively. In the year, \$14,866 (2025 - \$14,727) of cost and accumulated amortization was removed from the respective balances for assets that had been fully-amortized and no longer in use.

Included in buildings and its components is \$7,505 (2025 - \$99,858) of construction in progress. As construction in progress is not yet in use, these assets are not amortized.

7. Collections:

The University has an art collection comprised of approximately 30,000 works of art. The collection focuses on three main areas. The first is twentieth-century Canadian art, in particular prints, drawings and photographs created since 1950. The second is European works on paper, in particular French prints from the 18th and 19th centuries. The third is Indigenous (Inuit, Métis and First Nations) art in all forms, including prints, drawings, sculptures and textiles. In 2026, there was no donated art (2025 - \$2).

8. Accounts payable and accrued liabilities:

As at year end, the University had \$6,405 (2025 - \$6,434) payable for government remittances, including harmonized sales tax/goods and services tax and payroll remittances.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

9. Deferred revenue:

Deferred revenue includes deposits, prepayments on contracts and deferred contributions received by the University. Deferred contributions are unspent externally restricted grants and donations received in the current and prior years for expenditures in a future year.

Details of the year-end balances are as follows:

	2026	2025
Research	\$ 77,670	\$ 77,838
Donations	17,095	16,961
Student fees	12,857	13,802
Grants	11,378	11,751
Student aid	12,521	11,645
Other	26,396	24,325
	<u>\$ 157,917</u>	<u>\$ 156,322</u>

Research includes the unexpended portion of restricted research grants and prepayments on research contracts.

Donations are the unexpended portion of donor restricted gifts to be spent on specific items in future years.

Grants are unexpended restricted grants to be spent on specific items in future years.

Student aid is the unexpended donations and interest to be spent on student aid and other special purposes.

Student fees are tuition and related amounts received for courses beginning after April 30.

Other deferred revenue includes deposits and prepayments on contracts.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

10. Long-term debt:

As at April 30, 2026, the University has principal outstanding of \$253,543 (2025 - \$257,804) under long-term debentures and loans.

(a) Details of long-term debt:

			2026	2025
	Maturity	Interest rate	Principal outstanding	Principal outstanding
Unsecured debenture, Series A				
Interest payable in equal semi-annual payments	2061	3.26%	\$ 220,000	\$ 220,000
Loans payable:				
Leeds Residence	2027	6.78%	527	2,043
Prescott Residence	2029	7.21%	3,398	4,660
Frontenac Residence	2039	5.15%	9,308	9,798
Lennox & Addington Residence	2042	3.11%	20,310	21,303
			33,543	37,804
			253,543	257,804
Less current portion of long-term debt			(3,418)	(4,261)
			\$ 250,125	\$ 253,543

(b) Long-term debt repayments:

Principal repayments under the mortgage and loan agreements are as follows:

2026-27	\$ 3,418
2027-28	3,045
2028-29	2,306
2029-30	1,756
2030-31	1,833
Thereafter	241,185
	<u>\$ 253,543</u>

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

10. Long-term debt (continued):

(c) Debenture:

The University established a sinking fund investment by purchasing units in the endowment fund to provide funding to repay the Series A senior unsecured debenture maturing on July 5, 2061. The value of the sinking fund investment at April 30, 2026 is \$11,565 (2025 - \$8,011)

(d) Interest rate swaps:

The University has entered into interest rate swap agreements to manage the volatility of interest rates. The University converted a net notional \$82,258 of floating rate debt for fixed rate debt, with rates ranging from 2.815% to 6.844%. The related derivative agreements are in place until the maturity of the debts in 2027, 2029, 2039, and 2042.

These interest rate swaps qualify, and have been designated by the University, as cash flow hedging items against the floating rate long-term debt. The University has assessed the hedging relationship as effective. The fair value of the interest rate swaps at April 30, 2026, is estimated to be \$(545) (2025 - \$668). Had the swap agreements been terminated on that date, the university would have paid \$545 (2025 - received \$668). The University is current with respect to the required payments under the loan and swap agreements.

11. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. The amortization of the deferred capital contributions is recorded as revenue in the consolidated statement of operations. The changes in the deferred capital contributions balance are as follows:

	2026	2025
Balance, beginning of year	\$ 171,820	\$ 177,240
Less amortization of deferred capital contributions	(13,782)	(13,593)
Add capital contributions received:		
Contributions for equipment and buildings	5,245	7,327
Donated assets	152	846
	5,397	8,173
Balance, end of year	\$ 163,435	\$ 171,820

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

12. Employee future benefits:

Post-employment and post-retirement benefit plans:

The University has defined post-retirement benefit plans (other than pensions) and defined post-employment benefit plans covering substantially all of its continuing employees. These plans provide health, dental and severance benefits to eligible employees. The most recent full actuarial valuation of employee future benefits was completed as at April 30, 2025 and the results have been extrapolated to April 30, 2026.

The significant actuarial assumptions used in measuring the University's post-employment and post-retirement benefit obligation are as follows:

	2026	2025
Discount rate	5.20%	5.00%
Health care trend rate	4.43%	4.46%
Dental trend rate	4.00%	4.00%

Similar to many non-pension benefit plans in Canada, the University's plans are not pre-funded, resulting in plan deficits equal to the accrued benefit obligation.

Pension plan and pension plan liability:

The University contributes to the Carleton University Retirement Plan which is a defined contribution pension plan with a defined benefit minimum guarantee, covering substantially all full-time employees of the University.

An actuarial valuation of the Plan as of June 30, 2024 determined that the Plan is funded on a going concern basis with a surplus of \$26M and the plan is funded on a solvency (hypothetical wind up) basis with a surplus of \$199M. The Plan is fully funded. The next actuarial valuation for funding purposes is required June 30, 2027.

An actuarial valuation roll-forward for funding purposes was performed as at April 30, 2026, the measurement date for financial reporting purposes.

The significant actual assumption used in measuring the University's pension obligation are as follows:

	2026	2025
Discount rate	6.20%	6.20%
Rate of compensation increase	4.50%	4.50%

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

12. Employee future benefits (continued):

Accrued benefit asset: The reconciliation of the funded status of the Plan to the amounts recorded in the consolidated financial statements is as follows:

	2026			2025		
	Pension	Post-employment and post-retirement	Total	Pension	Post-employment and post-retirement	Total
Accrued benefit asset (liability)						
Accrued benefit obligation	\$(1,912,209)	\$ (178,809)	\$(2,091,018)	\$(1,702,140)	\$ (177,547)	\$(1,879,687)
Fair value of plan assets	2,154,660	–	2,154,660	1,823,710	–	1,823,710
Accrued benefit asset (liability)	\$ 242,451	\$ (178,809)	\$ 63,642	\$ 121,570	\$ (177,547)	\$ (55,977)

Changes in the employee future benefits asset (liability) are as follows:

	2026			2025		
	Pension	Post-employment and post-retirement	Total	Pension	Post-employment and post-retirement	Total
Balance, beginning of year	\$ 121,570	\$ (177,547)	\$(55,977)	\$ 93,298	\$ (165,317)	\$(72,019)
Expenses	(18,207)	(16,644)	(34,851)	(19,581)	(15,852)	(35,433)
Contributions	25,180	6,229	31,409	26,827	5,631	32,458
Re-measurement and other items	113,908	9,153	123,061	21,026	(2,009)	19,017
Balance, end of year	\$ 242,451	\$ (178,809)	\$ 63,642	\$ 121,570	\$ (177,547)	\$ (55,977)

During the year, post-employment and post-retirement benefit plans had re-measurements of \$8,608 in actuarial gains (2025 - \$2,009 in actuarial losses) and past service credit of \$545 (2025 - \$Nil) on its obligation. The pension plan had re-measurements of \$113,908 (2025 - \$21,026) related to actuarial gains and return of plan assets.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

13. Net assets:

(a) Capital management:

The University's overall objective for its capital is to fund capital assets, future projects and ongoing operations. The University manages its capital by appropriating amounts to internally restricted net assets for anticipated future projects, contingencies and other capital requirements. These allocations are disclosed in note 13(b).

The University also considers its endowments, as disclosed in note 15, as part of its capital. The University's objective with regards to endowments is to grow the endowment principal such that it preserves the original capital investment and provides the prescribed distribution rate described in note 15.

The University is not subject to any other externally imposed capital requirements and its approach to capital management remains unchanged from the prior year.

(b) Internally restricted net assets:

Internally restricted net assets are funds restricted by the University for future commitments and projects to improve and invest in the University's campus facilities, information systems, equipment, programs and student aid.

Internally restricted net assets have been designated for the following purposes:

	2026	2025
General appropriations	\$ 133,343	\$ 111,674
Pension liability reserve	69,212	69,212
Capital reserve	47,750	48,919
Student aid funds	2,236	1,906
Other projects and initiatives	36,122	30,197
Total operating appropriations	288,663	261,908
Research initiatives	58,705	59,571
Ancillary reserve fund	37,710	46,437
Entrepreneurial initiatives	7,086	6,545
Professional expense fund	3,574	3,655
Sinking funds	11,565	8,011
Scholarship funds	8	6
	\$ 407,311	\$ 386,133

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

13. Net assets (continued):

(b) Internally restricted net assets (continued):

- (i) General appropriations represent funds held centrally and within units to support long-term strategic initiatives and provide stability for economic uncertainties such as changes to student enrolment due to geopolitical events or government policy and salary cost escalations.
- (ii) Capital reserve funds relate to operating funds that have been allocated to capital improvements and additions, as well as for addressing the university's deferred maintenance.
- (iii) Pension liability reserve represents funds set aside to cover future pension liabilities.
- (iv) Student aid funds relates to funds available to provide financial support to students.
- (v) Other projects and initiatives relates to funding set aside to support various initiatives, including improvements to campus facilities and infrastructure, as well as other initiatives aimed at improving the quality of the university's activities and programs.
- (vi) Research initiatives relates to funds that have been internally restricted for research activities.
- (vii) Ancillary reserve fund relates to funding available for improving ancillary programs and physical facilities.
- (viii) Entrepreneurial initiatives represents funds earmarked for the continuation of providing entrepreneurial activities at the university, including professional development services and seminars, non-credit course offerings, and contract services.
- (ix) Professional expense funds are funds reserved for the professional expenses of faculty members.
- (x) Sinking funds have been established to fund the principal repayments of the bullet debenture held by the University, as disclosed in note 10.
- (xi) Scholarship funds relates to funds that do not have donor placed restrictions on them, but have been internally earmarked for student support in future years.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

14. Net assets invested in capital assets:

The investment in capital assets consists of the following:

	2026	2025
Capital assets	\$ 723,226	\$ 739,604
Less amounts financed by:		
Deferred capital contributions	(163,435)	(171,820)
Debenture	(80,000)	(79,074)
Loans payable (Leeds, Prescott, Frontenac Lennox & Addington residences)	(33,543)	(37,805)
Internal financing	(28,985)	(28,587)
	<u>\$ 417,263</u>	<u>\$ 422,318</u>

The net change in investment in capital assets is calculated as follows:

	2026	2025
Capital assets additions:		
Total additions	\$ 29,727	\$ 66,510
Less:		
Donated assets	(152)	(846)
Additions financed with grants	(5,245)	(7,327)
	<u>24,330</u>	<u>58,337</u>
Financing:		
Debenture	(926)	(37,102)
Loans payable	4,262	4,024
Internal financing	(398)	(3,664)
	<u>2,938</u>	<u>(36,742)</u>
Amortization of deferred capital contributions	13,782	13,593
Amortization of capital assets	(46,105)	(45,838)
	<u>(32,323)</u>	<u>(32,245)</u>
Net change in investment in capital assets	<u>\$ (5,055)</u>	<u>\$ (10,650)</u>

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

15. Endowments:

Contributions restricted for endowment consist of monies received primarily as benefactions and which either the donor or the Board of Governors has designated as endowment. The annual income earned from funds designated as endowment by the donor may be expended only for the purpose designated. If no purpose is designated by the donor, then the income is expended at the direction of the Board. Monies designated as endowment by the Board are unrestricted and the principal and annual income may be expended at its direction.

Investment income earned on endowed investments is distributed at a rate of 4% (2025 - 4%) of the moving average market value over four years of the endowment fund investments. Actual investment income earned in excess of the distributed amount is accumulated in the endowment fund for future distribution and to maintain capital.

	Externally endowed	Board designated	2026 Total	2025 Total
Donations and bequests	\$ 5,193	\$ —	\$ 5,193	\$ 6,154
Internal contributions	915	—	915	1,117
Realized gains on sale of investment	69,920	1,613	71,533	34,327
Investment income	4,211	197	4,408	5,175
Income distributions	(16,290)	(379)	(16,669)	(15,682)
	63,949	1,431	65,380	31,091
Unrealized gains (losses) on investments	12,410	61	12,471	(67)
Net change in year	76,359	1,492	77,851	31,024
Fund balance, beginning of year	390,431	10,750	401,181	370,157
Fund balance, end of year	\$ 466,790	\$ 12,242	\$ 479,032	\$ 401,181

The endowment balance consists of:

	2026	2025
Cumulative endowment principal	\$ 247,676	\$ 241,568
Cumulative undistributed investment income	206,684	147,412
Cumulative unrealized gains	24,672	12,201
Endowment balance on endowment investments	\$ 479,032	\$ 401,181

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

16. Contingent liabilities and commitments:

(a) Litigation:

The nature of the University's activities is such that there may be litigation, claims, or disputes pending or in prospect at any time. With respect to claims at April 30, 2026 administration believes that the University has valid defenses and that appropriate insurance coverage is in place wherever it is possible to do so. In the event any claims are successful, administration believes that such claims are not expected to have a material effect on the University's financial position. Accordingly, no provision has been made in the financial statements.

(b) Insurance:

The University is a member of the Canadian University Reciprocal Insurance Exchange (CURIE), a self-insurance co-operative comprised of Canadian universities and colleges. CURIE insures general liability, university property, cyber and errors and omissions risks. Annual premiums paid by the University are determined by the CURIE Board, on the advice of the actuary. There is a provision under the agreement for assessments to all member universities if these premiums are not sufficient to cover losses. As of December 31, 2025, the date of the latest financial statements available, CURIE had subscribers' equity of \$133,886 (2025 - \$130,336). Additional insurance for automobiles, artwork, miscellaneous property, and major construction projects is purchased through commercial insurers to provide coverage for losses not insured by CURIE.

(c) SNOLAB - Asset retirement obligation:

As stipulated within the Constitution for SNOLAB, this joint-venture research project's assets and liabilities are to be divided among the member institutions. The agreements also indicate decommissioning costs for the former Sudbury Neutrino Observatory as well as SNOLAB facility expansions are the responsibility of member institutions based on their proportionate share. Currently, new experiments are being developed using the facility. There are no immediate plans for decommissioning of the facilities or a reasonable estimate of when such decommissioning may occur.

(d) TRIUMF - Asset retirement obligation:

The members of TRIUMF and the Canadian Nuclear Safety Commission (CNSC) approved a decommissioning plan which requires all members to be severally responsible for their share of the decommissioning costs, as well as provide financial covenants to the CNSC for the amount of these costs. While there are no current intentions of decommissioning the facilities, TRIUMF has complied with federal legislation by putting in place a decommissioning plan, including a funding plan. This decommissioning plan does not require any payments from the members. All decommissioning costs are expensed in the period in which the costs are incurred.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

16. Contingent liabilities and commitments:

(e) Capital commitments:

As of April 30, 2026, commitments for future acquisitions, construction and renovations amount to approximately \$20,994 (2025 - \$29,397). These costs will be financed by a combination of debt, gifts, grants, and allocations from operations.

(f) Other:

In addition to the capital commitments disclosed in note 16(e), the University has issued letters of credit totaling \$10,937 (2025 - \$10,936) related to capital and other obligations.

17. Other revenue:

	2026	2025
Commissions and sponsorships	\$ 10,147	\$ 9,155
Medical insurance recoveries	2,537	2,069
Salary and benefit recoveries	966	1,495
Miscellaneous	11,977	11,455
	<u>\$ 25,627</u>	<u>\$ 24,174</u>

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

18. Other expenses:

	2026	2025
Support services	\$ 12,338	\$ 12,307
Equipment rental	11,451	10,132
Minor repair and upkeep	5,568	6,821
Miscellaneous	3,581	5,643
Property taxes and insurance	4,468	4,771
Advertising and promotion	2,835	3,810
Banking and bad debts	2,299	2,754
Membership fees	2,148	2,011
Communication	1,771	1,407
	<u>\$ 46,459</u>	<u>\$ 49,656</u>

19. Net change in non-cash operating working capital:

	2026	2025
(Increase)/Decrease in accounts receivable	\$ (4,613)	\$ 4,893
Decrease in prepaid expenses	2,797	146
(Decrease) in accounts payable and accrued liabilities	(37,854)	(4,435)
Increase in deferred revenue	1,595	9,072
(Decrease)/Increase in accrued leave	(2,291)	2,066
	<u>\$ (40,366)</u>	<u>\$ 11,742</u>

20. Financial risks:

The University, through its financial assets and liabilities, is exposed to various risks.

(a) Credit risk:

Credit Risk is the risk of financial loss to the University if a counterparty to a financial instrument fails to meet its contractual obligations. The University is exposed to credit risk with respect to its accounts receivable and fixed income investments. The University assesses on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. In 2026, \$1,757 (2025 - \$2,064) was recorded as an allowance for doubtful accounts.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

20. Financial risks (continued):

(a) Credit risk (continued):

To manage credit risk related to fixed income investments the University's Statement of Investment Policies and Procedures defines permitted investments and limitations are established on credit ratings, maturity term and fixed income products. The majority of the University's fixed income investments are highly rated securities. The University monitors the financial health of the investments included in its fixed income portfolio on an on-going basis with the assistance of the Investment Committee and its external investment managers.

(b) Interest rate risk:

The University is exposed to interest rate risk with respect to its fixed income investments. To manage this risk, the University's Statement of Investment Policies and Procedures provides guidance and restrictions on the maturity term of these investments to manage the interest rate sensitivity with the capital requirements of the University.

The University is also exposed to interest rate risk with respect to its floating rate debt. This risk is mitigated by entering into interest rate swap agreements for its floating rate debt that fixes the interest rate over the term of the debt. Long-term debt and interest rate swaps are disclosed in the consolidated statement of cash flows and note 10.

(c) Currency risk:

The University is exposed to foreign currency risk from direct and indirect investments that are denominated in currencies other than the Canadian dollar. Fluctuations caused by changes in currency rates applied to these investments can result in a positive or negative effect on the fair value of these investments and on the cash flows from these investments. The University's overall currency positions are monitored by the Investment Committee and its external investment managers. In 2026, the equity investments remained unhedged and the majority of the fixed income investments are Canadian. There has been no material change to the risk exposure from 2024.

(d) Liquidity risk:

Liquidity risk is the risk that the University will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The University manages its liquidity risk by monitoring its operating and capital requirements. The University prepares capital and operating budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The University invests its capital in accordance with the University's Statement of Investment Policies and Procedures which aligns risk tolerance with the liquidity requirements of the University's obligations.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

20. Financial risks (continued):

(e) Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The University is exposed to these risks in connection with its holdings of domestic and foreign equities (including pooled funds), as well as through its investments in real estate and infrastructure. This risk is managed by the University's Statement of Investment Policies and Procedures which sets limits on asset class allocation and the University monitors the financial health of its investments on an on-going basis with the assistance of its Investment Committee and its external investment managers.

21. Ontario Student Opportunity Trust Fund (Phase I and Phase II) and Ontario Trust for Student Support:

The restricted endowment fund includes funds granted by the Government of Ontario for Phase I and Phase II of the Ontario Student Opportunity Trust Fund (OSOTF) and the Ontario Trust for Student Support (OTSS), as these programs provide for the matching by the Province of Ontario of the endowment contributions received by the University. The investment revenue earned on those funds must be used to provide financial aid to Ontario Students.

CARLETON UNIVERSITY

Notes to Consolidated Financial Statements, continued

Year ended April 30, 2026
(in thousands of dollars)

21. Ontario Student Opportunity Trust Fund (Phase I and Phase II) and Ontario Trust for Student Support (continued):

As per Ministry of Colleges and Universities policies, the transactions related to the Ontario Student Opportunity Trust Fund and to the Ontario Trust for Student Support must be presented in these consolidated financial statements, for the year ended March 31, 2026.

Endowment Fund	Ontario Student Opportunity Trust Funds		Trust for Student Support	2026 Total	2025 Total
	Phase I	Phase II			
Fund balance, beginning of year	\$ 18,261	\$ 9,346	\$ 17,475	\$ 45,082	\$ 43,442
Schedule of changes in expendable funds available for awards:					
Balance, beginning of year	\$ 432	\$ 1,149	\$ 59	\$ 1,640	\$ 1,693
Realized investment income net of direct investment- related expenses and preservation of capital contributions	1,891	316	946	3,153	2,918
Bursaries awarded	(2,039)	(451)	(795)	(3,285)	(2,971)
Balance, end of year	\$ 284	\$ 1,014	\$ 210	\$ 1,508	\$ 1,640
Endowment total book value	\$ 18,545	\$ 10,360	\$ 17,685	\$ 46,590	\$ 45,082

22. Comparative information:

Certain comparative figures have been reclassified to conform with the current year's presentation.

CARLETON UNIVERSITY

Schedule 1 - Consolidated Schedule of Changes in Ancillary Net Assets

Year ended April 30, 2026

(in thousands of dollars)

Unrestricted	Residence & Conference Services	Campus Services	Physical Recreation & Athletics	Parking Services	Health & Counselling Services	Other Ancillary Units	2026 Total	2025 Total
Revenue	\$ 34,531	\$ 12,716	\$ 17,100	\$ 7,452	\$ 7,013	\$ 1,825	\$ 80,637	\$ 70,418
Expenses	36,262	11,126	16,077	5,751	6,739	981	76,936	61,176
Excess (deficiency) of revenues over expenses	(1,731)	1,590	1,023	1,701	274	844	3,701	9,242
Transfer from non-ancillary unrestricted net assets	(12,019)	(182)	(116)	—	497	(608)	(12,428)	(4,896)
Appropriated to internally restricted net assets	—	(1,408)	(907)	(1,701)	(771)	(236)	(5,023)	(7,220)
Return of funds from internally restricted net assets	13,750	—	—	—	—	—	13,750	2,874
Net assets, end of year	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Internally restricted	Residence & Conference Services	Campus Services	Physical Recreation & Athletics	Parking Services	Health & Counselling Services	Other Ancillary Units	2026 Total	2025 Total
Net assets, beginning of year	\$ 21,625	\$ 2,510	\$ 17,912	\$ (2,289)	\$ 2,099	\$ 4,580	\$ 46,437	\$ 42,091
Appropriated from unrestricted net assets	—	1,408	907	1,701	771	236	5,023	7,220
Return of funds to unrestricted net assets	(13,750)	—	—	—	—	—	(13,750)	(2,874)
Net assets, end of year	\$ 7,875	\$ 3,918	\$ 18,819	\$ (588)	\$ 2,870	\$ 4,816	\$ 37,710	\$ 46,437



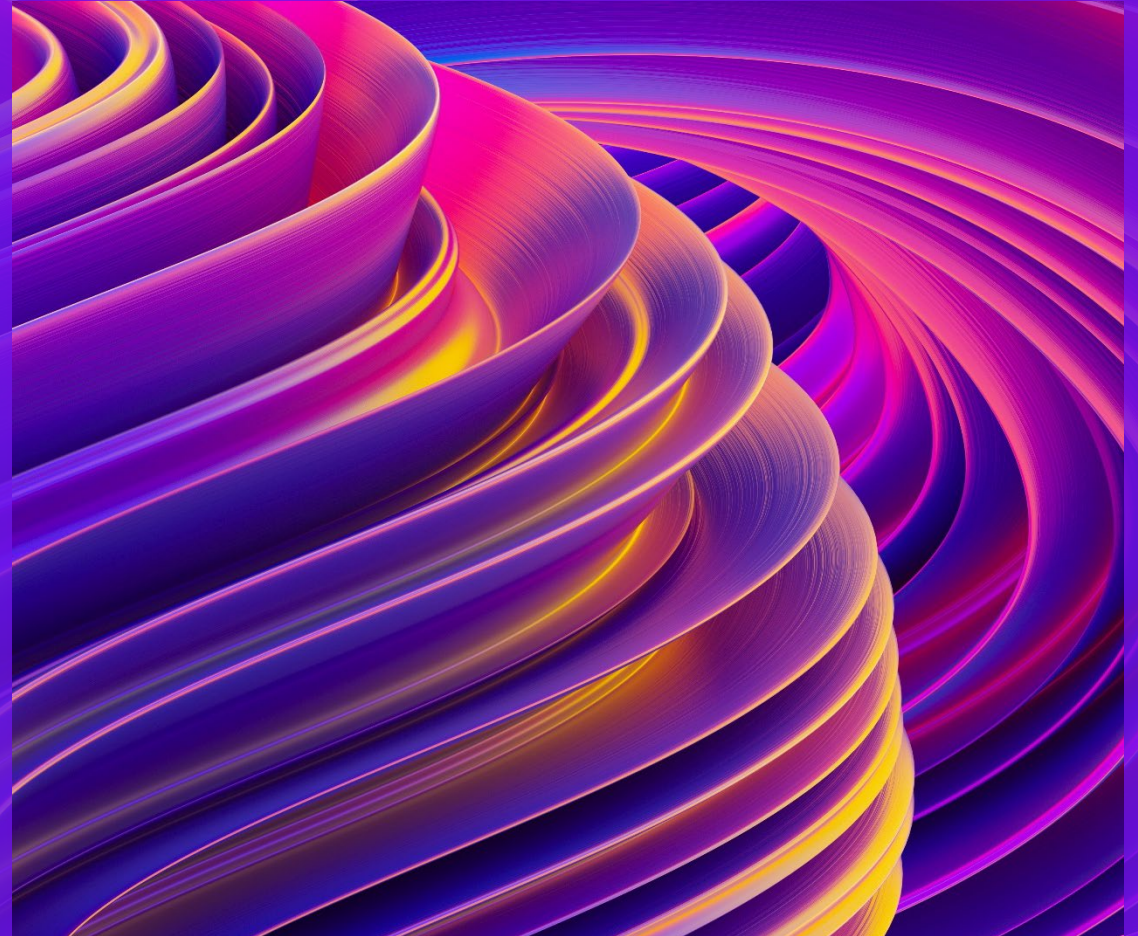
Carleton University

**Audit Findings Report
for the year ended April 30, 2026**

KPMG LLP

Prepared as of July 31, 2026, for presentation to the Audit and Risk
Committee on September 16, 2026

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



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Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

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9	Policies and practices	11	Specific topics	12	Misstatements	13	Control deficiencies
14	Audit quality	16	Independence	17	Appendices		



Audit highlights



No matters to report



Matters to report

Status

We have completed the audit of the consolidated financial statements ("financial statements"), with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.



Significant changes



Significant changes since our audit plan



Risks and results



Significant risks



- Management override of controls

Policies and practices & Specific topics



Accounting policies and practices



Other financial reporting matters



Specific topics



Misstatements



Audit misstatements



- We did not identify any corrected or uncorrected misstatements.

Control deficiencies



Control deficiencies



- We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

Audit Quality



Learn more about how we deliver audit quality.



Independence



Independence



- We are independent with respect to the University, in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

The purpose of this report is to assist you, as a member of the Audit and Risk Committee ("Audit Committee"), in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management, the Audit Committee, and the Board of Governors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Status

As of July 31, 2026, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the Audit Committee
- Obtaining responses from external legal counsels
- Completing assessment of the valuation of private investments for their issued valuations subsequent to year end
- Completing certain audit and file review procedures, including our quality control procedures
- Completing our subsequent events review procedures up to the date of the Board of Governors meeting date
- Obtaining evidence of the Board of Governors' approval of the financial statements
- Obtaining the signed management representation letter subsequent to the approval by the Board of Governors

We will update the Audit Committee, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

Our auditor's report will be dated upon the completion of all remaining procedures.

Significant changes

We have made the following significant changes since our communication in the Audit Planning Report:

Audit strategy

 Significant changes to materiality	 Nothing to report, materiality remained the same from planning.
 Significant change to involvement of others	 Nothing to report, our audit did not require the addition of any team members.
 Significant changes to the risk assessment and response	 Nothing to report, no new risks were identified.
 Significant changes to the nature of our involvement in the work of component auditors	 Nothing to report
 <Significant changes to key milestones and deliverables>	 Nothing to report

Significant risks and results

We highlight our significant findings in respect of **significant risks**.



Management Override of Controls (non-rebuttable significant risk of material misstatement)

RISK OF



FRAUD

Significant risk

Estimate?

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

No

Our response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. We took the following steps to address this risk as required under professional standards:

- Tested journal entries and other adjustments;
- Performed a retrospective review of estimates;
- Evaluated the business rationale of any significant unusual transactions;
- Evaluated the design and implementation of controls surrounding journal entries and other adjustments;
- Determined criteria to identify high-risk journal entries and other adjustments; and
- Tested high-risk journal entries and other adjustments made at the end of the reporting period.

We also made enquiries of upper Management and the Audit Committee related to their awareness of fraud risk factors of the organization and whether the organization is currently dealing with any suspected, alleged or known fraudulent activity.

Findings

No matters to report

Other significant findings and results

We highlight **other significant findings**, including such findings in other areas of focus as identified in the Audit Plan as follows:

Employee Future Benefit Liability		RISK OF FRAUD
Other Significant findings	Estimate?	
Management is required to disclose information in the financial statements about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities within the next financial year. Generally, these are considered to be “critical accounting estimates.” We have summarized our assessment of the subjective areas.	Yes	
Our response		
The University uses accounting valuations to account for its liabilities associated with all employee future benefits. We rely on the actuarial valuations performed by management’s expert in the valuation of the accrued EFB liability at April 30, 2026. A full valuation of the EFB plans was performed as at April 30, 2024 and was rolled forward for the current year update. The date of the next required valuation is April 30, 2027. Our audit procedures over the EFB balances included: • We obtained the actuarial valuations and/or actuarial accounting updates for the post-employment/post-retirement benefits. • KPMG specialists assessed that an acceptable model was used, key assumptions were reasonable and that the value calculated by the actuary was accurate based on the inputs. Key assumptions included the rate of compensation increase, discount rate and demographic assumptions. • As management utilized an expert in preparing the actuarial valuation, KPMG assessed the professional competence and objectivity of management’s expert. • The employee data provided to the actuary was tested as the University obtained a full actuarial valuation in the prior fiscal year for the non-pension benefit obligation. KPMG reviewed the disclosures in the notes to the financial statements.		
Significant findings		

As a result of the aforementioned audit procedures, we did not identify any material audit misstatements. We believe management’s process for estimating the Employee Future Benefit Liability is appropriate. KPMG believes that the account balances are reasonable in the context of the financial statements as a whole. Employee future benefits are fairly stated and disclosed.

Accounting policies and practices

We highlight the following:



Financial statement presentation - form, arrangement, and content



No matters to report



Concerns regarding application of new accounting pronouncements



No matters to report – no newly effective significant accounting policies and practices, and no changes to significant accounting policies and practices.



Significant qualitative aspects of financial statement presentation and disclosure



No matters to report

Additional audit-related work

KPMG performed the following services in addition to the audit of the consolidated financial statements of the University, either as a required deliverable per the engagement letter, management, or per request from the Audit and Risk Committee.



Matter

Finding

KPMG has completed the additional audits for the:

- Account Reconciliation Report of the Attendant Care Services Program
- Statement of Revenues and Expenditures of the Revitalizing Language and Culture Through Landscape Project
- Statement of Revenues and Expenditures of the Enabling Independence Project
- Statement of Revenues and Expenditures of the Facilities Renewal Program
- Carleton University Foundation (US)

Other audits

In-progress:

- Summary Enrolment Report
- Summary Enrolment Report – Bachelor of Information Technology Program
- Carleton University Pension
- Facilities Renewal Program
- The William D. Ford Federal Direct Loan Program

Information Technology

KPMG has performed risk assessment and evaluation procedures over the IT environment including obtaining a detailed understanding of the general IT controls ('GITC') in support of our evolution towards data and analytics enabled and controls-reliant audit approach. There were no issues identified as a result of the work performed.

Specific topics

We have highlighted the following that we would like to bring to your attention:

Matter	Finding
Illegal acts, including noncompliance with laws and regulations, or fraud (identified or suspected)	No matters to report
Other information in documents containing the audited financial statements	No matters to report
Significant difficulties encountered during the audit	No matters to report
Difficult or contentious matters for which the auditor consulted	No matters to report
Management’s consultation with other accountants	No matters to report
Disagreements with management	No matters to report
Related parties	No matters to report
Significant issues in connection with our appointment or retention	No matters to report
Other matters that are relevant matters of governance interest	No matters to report

Audit misstatements

Audit misstatements include financial presentation and disclosure omissions.



As outlined in our Audit Plan, materiality for fiscal 2026 was set at \$13.5M (2025 - \$12.5M) which translated into an audit misstatement posting threshold of \$675,000 (2025 - \$625,000). As such, all misstatements identified during the audit greater than \$675,000 have been recorded on our summary of adjustments and differences.

Materiality is established to identify risks of material misstatements, to develop an appropriate audit response to such risks, and to evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors. Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and the Audit Committee that all identified adjustments or differences be corrected, if any.

Uncorrected differences

We did not identify any differences that remain uncorrected in the financial statements.

Corrected adjustments

We did not identify any differences that were communicated to management and subsequently corrected in the consolidated financial statements.

Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

Audit quality - How do we deliver audit quality?

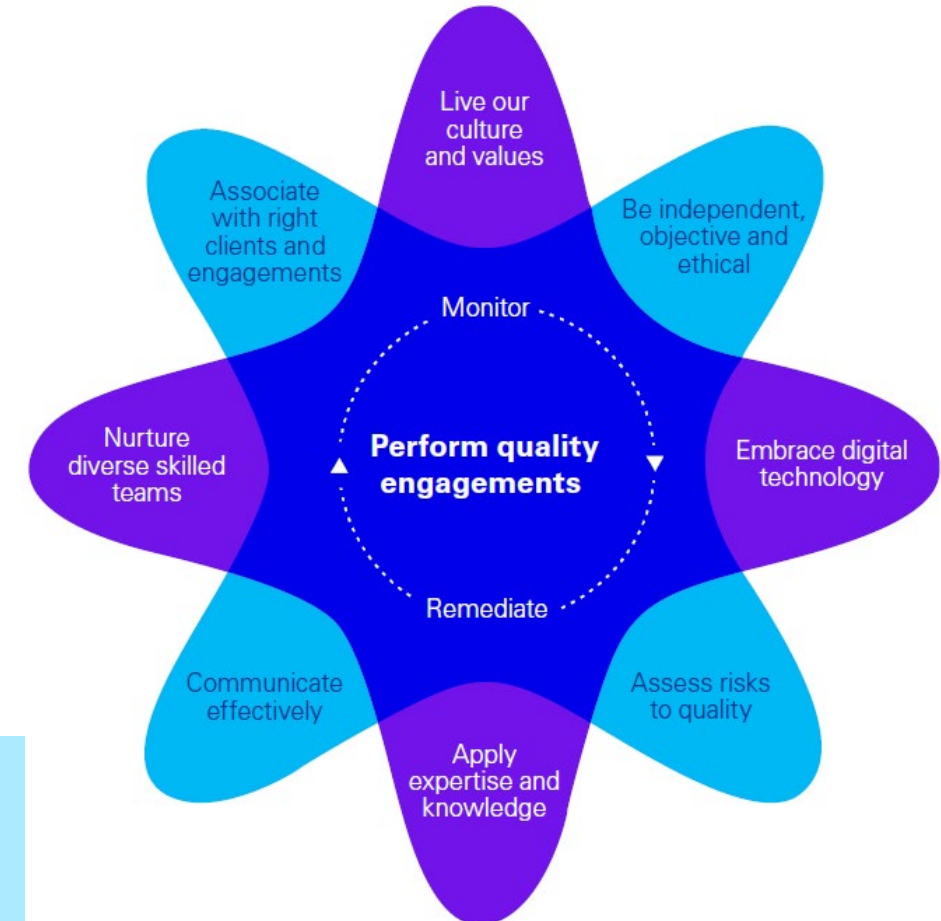
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:

 [KPMG Canada Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.

Audit quality - Indicators (AQIs)

The objective of these measures is to provide the Audit and Risk Committee and management with more in-depth information about factors that influence audit quality within an audit process. Below you will find the current status of the AQIs that we have agreed with management are relevant for the audit.



Audit team composition



Experience of the team

- Experience, commitment and knowledge of the broader public sector.
- A combination of continuity and fresh perspectives.
- Access to specialist resources with public sector experience.



Technology in the audit



Implementation of Technology in the Audit

- Increase in use of technology in the audit year over year.
- Additional use of valuation audit tools to gain further evidence over the valuation of investments.



Independence



We will not audit our own work

- We will not put ourselves in a situation where we would audit our own work.
- We apply the most rigorous standards to our professional services in order to ensure our continued independence in our role.



Timing of prepared by client (PBC) items



Timeliness of PBC items

- The financial records are closed and ready on the first day of audit work.
- Client-prepared documentation is prepared accurately and is provided on a timely basis.
- Participation of all client personnel as required in the audit process, such as IT, HR, Legal, etc.



Audit and Risk Committee



Interactions with those charged with governance

- Committee members participate fully in the discussion with auditors, including meeting in camera with the auditors.
- KPMG provides current industry trends and updates to accounting and audit standards.



Voice of the client



Measure our success from your perspective

- Take deep personal accountability, individually and as a team, to fulfill our commitments to you.
- Measure our success from the only perspective that matters—yours.



Nothing to report



Some matters to report



Specific matters to report

Independence

As a firm, we are committed to being and being seen to be independent. We have strict rules and protocols to maintain our independence that meet or exceed those of the IESBA Code¹ and CPA Code. The following are the actions or safeguards applied to reduce or eliminate threats to an acceptable level:



Dedicated ethics & independence partners



Process for reporting breaches of professional standards and policy, and documented disciplinary policy



Ethics, independence and integrity training for all staff



International proprietary system used to evaluate and document threats to independence and those arising from conflicts of interest



Operating policies, procedures and guidance contained in our quality & risk management manual



Mandated procedures for evaluating independence of prospective audit clients



Restricted investments and relationships



Annual ethics and independence confirmation for staff

Statement of compliance

We confirm that, as of the date of this communication, **we are independent** of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

¹International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)



Appendices

ARequired
communications**B**

Draft Audit Report

CManagement Rep
Letter**D**

Insights

E

Technology

Appendix A: Other required communications



Engagement terms

A copy of the engagement letter and any subsequent amendments has been provided to the Audit Committee.



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2024 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2024 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2025 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2025 Annual Inspections Results](#)



Appendix B: Draft auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Carleton University

Opinion

We have audited the consolidated financial statements of Carleton University (the Entity), which comprise:

- the consolidated statement of financial position as at April 30, 2026
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the consolidated financial position of the Entity as at April 30, 2026, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor's Responsibilities for the Audit of the Financial Statements***” section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

(date)

Appendix C: Management representation letter

[Letterhead of Client]

KPMG LLP
150 Elgin Street, Suite 1800
Ottawa, ON K2P 2P8
Canada

(date)

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as “financial statements”) of Carleton University (“the Entity”) as at and for the period ended April 30, 2026.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated February 24, 2026, including for:
 - the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - providing you with unrestricted access to such relevant information.
 - providing you with complete responses to all enquiries made by you during the engagement.

- providing you with additional information that you may request from us for the purpose of the engagement whether from group or component management.
- providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
- such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the Entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- We have disclosed to you:
 - the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - others where such fraud or suspected fraud could have a material effect on the financial statements.
 - all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, short sellers, or others.
 - all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements or illegal acts, whose effects should be considered when preparing financial statements.
 - all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment, or disclosure, in the financial statements have been adjusted or disclosed.

Related parties:

- We have disclosed to you the identity of the Entity's related parties.
- We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- All related party relationships and transactions/balances have been appropriately accounted for, and disclosed, in accordance with the relevant financial reporting framework.

Estimates:

- The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Going concern:

- We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

- We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Approval of financial statements

- Wisdom Tettey and Duane McNair have the recognized authority to take, and have taken, responsibility for the financial statements.

Yours very truly,

Wisdom Tettey, President and Vice-Chancellor

Duane McNair, Vice-President (People, Finance and Operations)

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

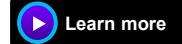
Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Appendix D: Insights to enhance your business

We have the unique opportunity as your auditors to perform a deeper dive to better understand your business processes that are relevant to financial reporting.



Lean in Audit

Lean in Audit™ is KPMG's award-winning methodology that offers a new way of looking at processes and engaging people within your finance function and organization through the audit.

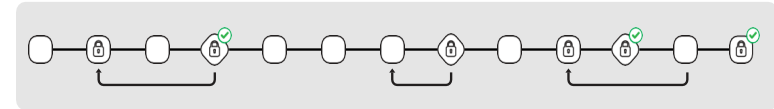
By incorporating Lean process analysis techniques into our audit procedures, we can enhance our understanding of your business processes that are relevant to financial reporting and provide you with new and pragmatic insights to improve your processes and controls.

Clients like you have seen immediate benefits such as improved quality, reduced rework, shorter processing times and increased employee engagement.

How it works

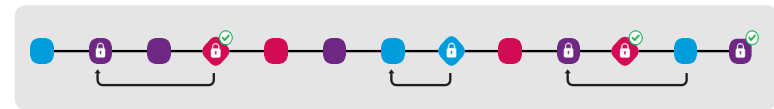
Standard Audit

Typical process and how it's audited



Lean in Audit™

Applying a Lean lens to perform walkthroughs and improve Audit quality while identifying opportunities to minimize risks and redundant steps



How Lean in Audit helps improve businesses processes

Make the process more streamlined and efficient for all



Value: what customers want (maximize)



Process controls



Necessary: required activities (minimize)



Redundant: non-essential activities (remove)



Key controls tested

Appendix D: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, board of directors and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Accelerate - The key issues driving the audit committee agenda

Discover the most pressing risks and opportunities that face audit committees, boards and management teams.

Sustainability Reporting

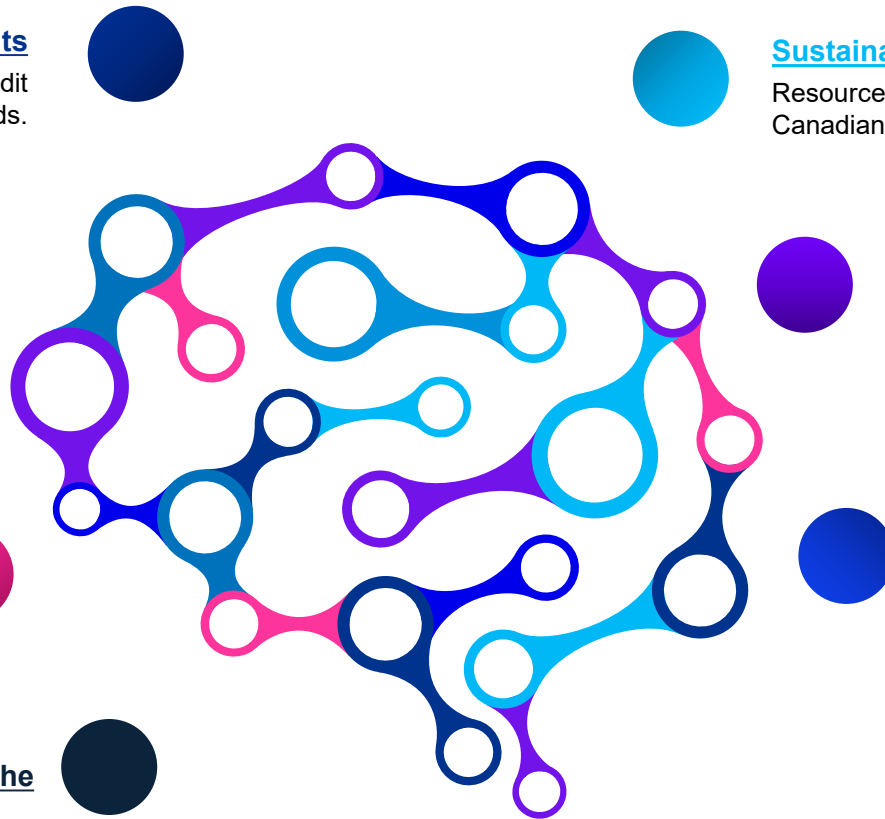
Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.



Appendix E: Continuous evolution

Our investment:

We are in the midst of a five-year investment to develop our people, digital capabilities, and advanced technology.

Responsive delivery model

Tailored to you to drive impactful outcomes around the quality and effectiveness of our audits.

Result: A better experience

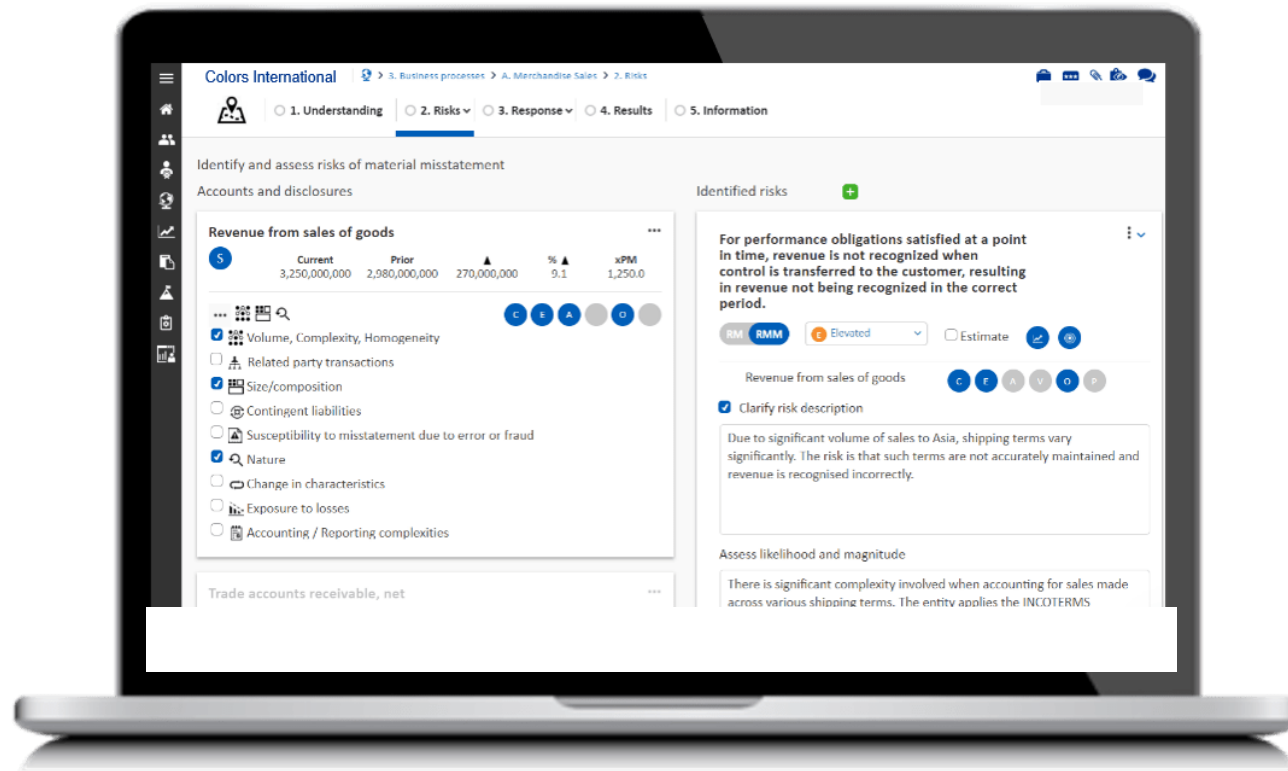
Enhanced quality, reduced disruption, increased focus on areas of higher risk, and deeper insights into your business.





Appendix E: KPMG Clara Generative AI

With our global alliance partner Microsoft, we have embarked on a journey to embed Generative AI into our smart audit platform—KPMG Clara. This will make our auditors more productive and give them the tools to provide quicker feedback, make more insightful connections, and deliver a better audit experience.



AI done right

Although early adoption is key, we are focused on avoiding reliance on a 'black box' so we're building 'explainability' and 'traceability' at the core.



Bolstered productivity

Focused on removing time-consuming low value tasks, we'll apply our skills in other, more judgmental areas or in order to give insights to you.



Quality at our fingertips

We are teaching our model with our knowledge databases to capture our vast experience. This means quality information accessible in seconds.



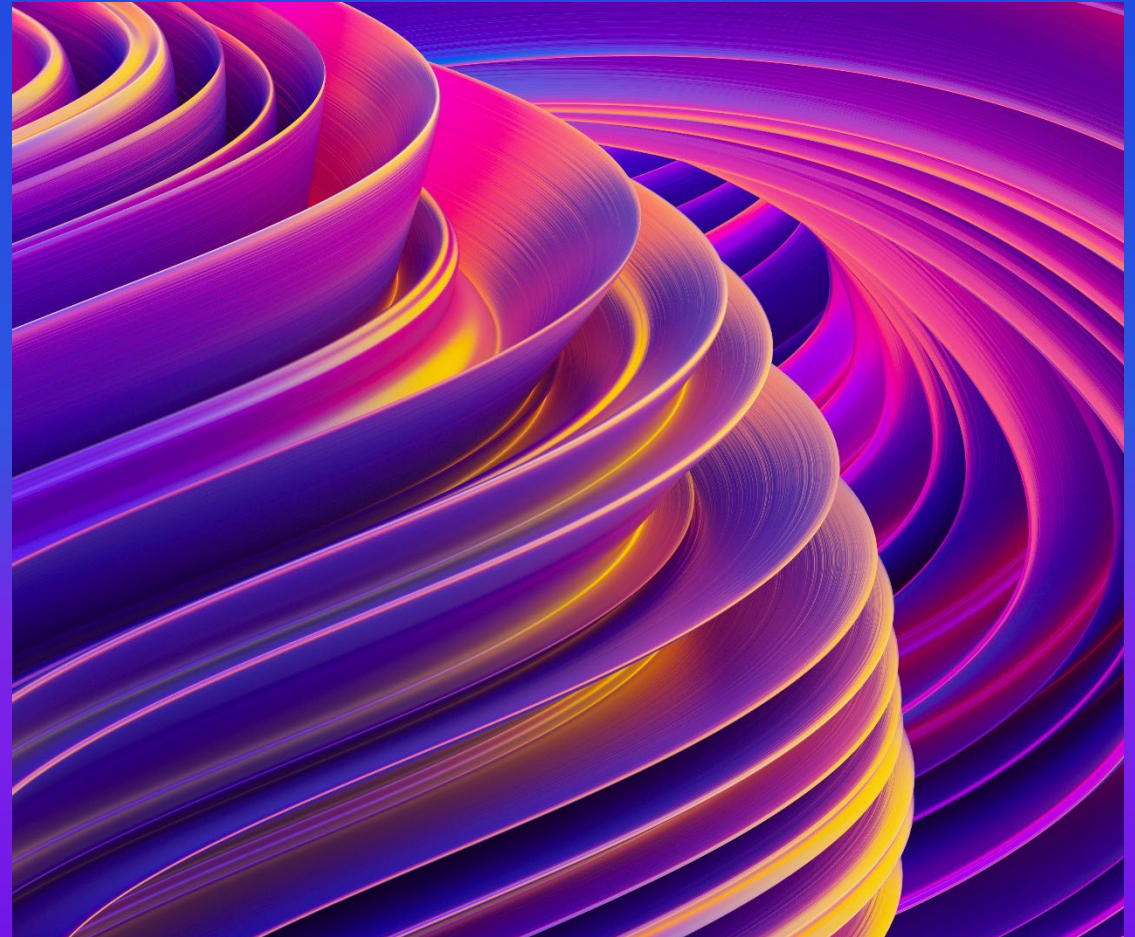
Secure integration

KPMG Clara has been built on a solid and secure Azure Cloud backbone, allowing us to easily integrate Generative AI in partnership with Microsoft.



<https://kpmg.com/ca/en/home.html>

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Angela Marcotte
Associate Vice-President, Financial Services
Carleton University
1125 Colonel By Drive
Ottawa, ON, K1S 5B6

September 17, 2026

We have been engaged to express an opinion on the consolidated financial statements of Carleton University ("the Entity") as at and for the year ending April 30, 2026.

Professional standards specify that we communicate to you in writing all relationships between the Entity and our firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, we consider relevant rules and related interpretations prescribed by the relevant professional bodies and any applicable legislation or regulation, covering such matters as:

- a) provision of services in addition to the audit engagement
- b) other relationships such as:
 - holding a financial interest, either directly or indirectly, in a client
 - holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client
 - personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client
 - economic dependence on a client



PROVISION OF SERVICES

The following summarizes the fees paid or payable to our firm (excluding HST) relating to our audit of the April 30, 2026 consolidated financial statements and the fees for other professional services billed between January 1, 2026 and August 31, 2026:

Description of Service	Fees
Audit	
Audit of the consolidated financial statement for fiscal year ending April 30, 2026	\$86,724
Audit of the financial statements for the Carleton University Retirement Plan for fiscal year ending June 30, 2026	\$18,784
Audit of financial statements for U.S. Foundation for fiscal year ending December 31, 2025	\$1,266
Audit opinion on the Training Equipment and Renewal Fund Audit Statement for the period from December 9, 2024 to December 8, 2025	\$5,500
Audit opinion on the Student Enrolment for the 2025/2026 academic year	\$15,543
Audit opinion on the Bachelor of Information Technology Student Enrolment for the 2025/2026 academic year	\$3,917
Audit opinion on the Attendant Care Services Program for the period from April 1, 2025 to March 31, 2026	\$2,965
Audit opinion on the William D. Ford Federal Direct Loan Program for fiscal year ending April 30, 2026	\$4,217
Audit opinion on the Facilities Renewal Program Audit Statement for the period from April 1, 2025 to March 31, 2026	\$4,593
Audit opinion on the Enabling Independence Project for the period from May 15, 2023 to March 31, 2026	\$5,000
Audit opinion on the Revitalizing Language and Culture Through Landscape Project for the period from April 1, 2025 to March 31, 2026	\$5,000
TOTAL AUDIT	\$153,509
Description of Service	Fees
Tax	
Indirect tax services for the Carleton University Retirement Plan	\$19,250
TOTAL TAX	\$19,250
Description of Service	Fees
Advisory	
Real estate advisory services	\$72,598
TOTAL ADVISORY	\$72,598
TOTAL	\$245,357

Professional standards require that we communicate the actions that have been taken to eliminate identified threats to independence to reduce threats to independence to an acceptable level. We have not provided any prohibited services. We have taken the following actions or applied the following safeguards regarding threats to independence created by the services listed above:

- We instituted policies and procedures to prohibit us from making management decisions or assuming responsibility for such decisions.
- We obtained pre-approval of non-audit services and during this pre-approval process we discussed the nature of the engagement and other independence issues related to the services.



Carleton University
September 23, 2026

- We obtained management's acknowledgement of responsibility for the results of the work performed by us regarding non-audit services and we have not made any management decisions or assumed responsibility for such decisions.

OTHER RELATIONSHIPS

We are aware of the following other relationships between our firm and the Entity, that, in our professional judgement, may reasonably be thought to bear on our independence:

CONFIRMATION OF INDEPENDENCE

We confirm that, as of the date of this letter, we are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

OTHER MATTERS

This letter is confidential and intended solely for use by those charged with governance in carrying out and discharging their responsibilities and should not be used for any other purposes.

KPMG shall have no responsibility for loss or damages or claims, if any, to or by any third party as this letter has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line.

Licensed Public Accountants



To:	Board of Governors	Date of Report: 1 September 2026
From:	Chair, Finance Committee	Date of Meeting: 8 October 2026
Subject:	Financial Report to the Board of Governors	
Responsible Portfolio:	Vice-President (People, Finance and Operations)	

1.0 PURPOSE

☐ For Approval ☒ For Information ☐ For Discussion

2.0 MOTION

This report is for information only

3.0 EXECUTIVE SUMMARY

While the University's audited financial statements present a single consolidated result, management monitors financial performance through the major operating, ancillary, capital, and research funds that support decision-making and resource allocation. This report provides an overview of those results and their contribution to the University's financial sustainability.

The University achieved a strong financial outcome in 2025-26, reporting an operating surplus of \$13.3 million compared to a budgeted deficit of \$23.4 million. Improved results were driven by cost containment measures, stronger investment income, and increased government grant funding, while ongoing financial sustainability initiatives generated approximately \$24 million in recurring savings.

The positive operating results strengthened reserves, liquidity, and overall financial flexibility. Ancillary operations generated record revenues, research activity remained strong, and the University's overall financial position improved through growth in net assets, endowments, and employee future benefit valuations.

Although the 2025-26 results represent a significant milestone, long-term challenges remain, including enrolment pressures, rising costs, and significant capital renewal requirements. Continued implementation of the Mission Sustainability Framework and multi-year financial planning initiatives will be essential to maintaining the University's financial resilience and supporting its strategic priorities.

4.0 INPUT FROM OTHER SOURCES

The annual Financial Report was prepared by Financial Services, with commentaries provided by management. The Consolidated Financial Statements were also prepared by management and are subject to an audit by our external auditors, KPMG LLP.

5.0 ANALYSIS AND STRATEGIC ALIGNMENT

The Annual Financial Report supports the Finance Committee's oversight of the University's financial performance, position, and long-term sustainability, including results against budget and management's stewardship of institutional resources.

The University continues to maintain a strong balance sheet, healthy liquidity, and generally favourable financial health indicators. Compliance with both debt measures under the Capital Debt Policy further strengthens its capacity to manage uncertainty and address strategic and capital priorities.

Despite this progress, enrolment pressures, compensation and inflationary cost growth, and capital renewal requirements continue to affect long-term sustainability. The results should therefore be viewed as an important milestone rather than resolution of the University’s structural financial challenges. Continued multi-year planning and implementation of the Mission Sustainability Framework remain essential.

6.0 FINANCIAL IMPLICATIONS

There are no direct financial implications with the review and discussion of this report.

7.0 RISK, LEGAL AND COMPLIANCE ASSESSMENT

The University is subject to a range of internal and external financial reporting requirements, including audited financial statements and reporting to government and sector organizations. The University remains in compliance with these obligations.

The Finance Committee's review of the Financial Report supports the Board's oversight of financial performance, financial sustainability, and key risks, including enrolment volatility, cost pressures, and capital renewal requirements. These risks are managed through ongoing financial monitoring, multi-year planning, the Mission Sustainability Framework, established internal controls, and the annual independent audit conducted by KPMG LLP.

8.0 REPUTATIONAL IMPLICATIONS AND COMMUNICATIONS STRATEGY

The University's reputation is supported by transparent financial reporting, responsible stewardship of institutional resources, and sustained financial health. The Financial Report and audited Consolidated Financial Statements provide stakeholders with assurance regarding the University's financial performance and long-term sustainability. The annual independent audit and resulting unqualified auditor's opinion help maintain confidence in the University's governance, accountability, and financial management practices.

9.0 OVERALL RISK MANAGEMENT ANALYSIS

	LOW	Moderate	HIGH	Critical
STRATEGIC	☒	☐	☐	☐
LEGAL	☒	☐	☐	☐
OPERATIONAL	☒	☐	☐	☐
TECHNOLOGICAL	☒	☐	☐	☐
FINANCIAL	☒	☐	☐	☐
REPUTATIONAL	☐	☒	☐	☐

10.0 IMPACT QUESTIONS

Leadership is requesting that Governors consider the following key question in advance of the meeting:

- 1. Given the positive 2025-26 financial results, how should the University balance reinvestment in strategic priorities with the need to strengthen long-term financial sustainability and resilience?

Financial Report

Fiscal Year ending April 30, 2026

Board of Governors Meeting
October 8, 2026

Presented by:

- Angela Marcotte, Associate Vice-President (Financial Services) and Chief Financial Officer
- Duane McNair, Vice-President (People, Finance and Operations)

Financial Highlights

YEAR-END OPERATING RESULT

\$13.3M

Operating surplus

Compared with a \$23.4M opening shortfall

Key context

\$24M

Base budget reduction implemented

(\$3.7M)

Tuition shortfall relative to budget

\$26.8M

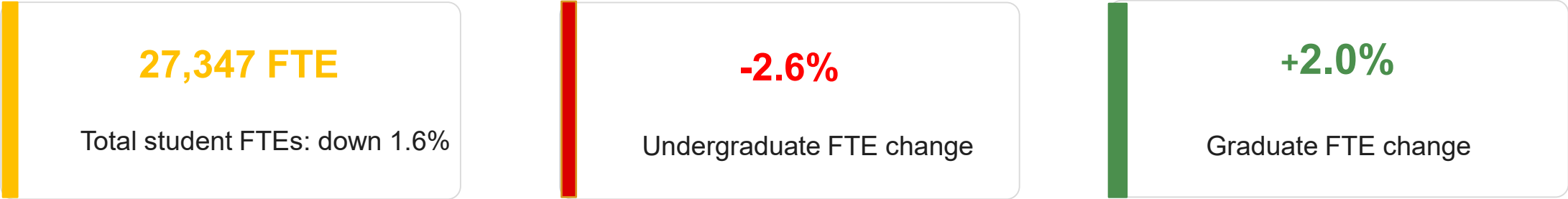
Increase to operating reserves

CORE TAKEAWAY

Stronger year-end position, but structural pressures remain.

Operating Environment

ENROLMENT



ENROLMENT CHANGE

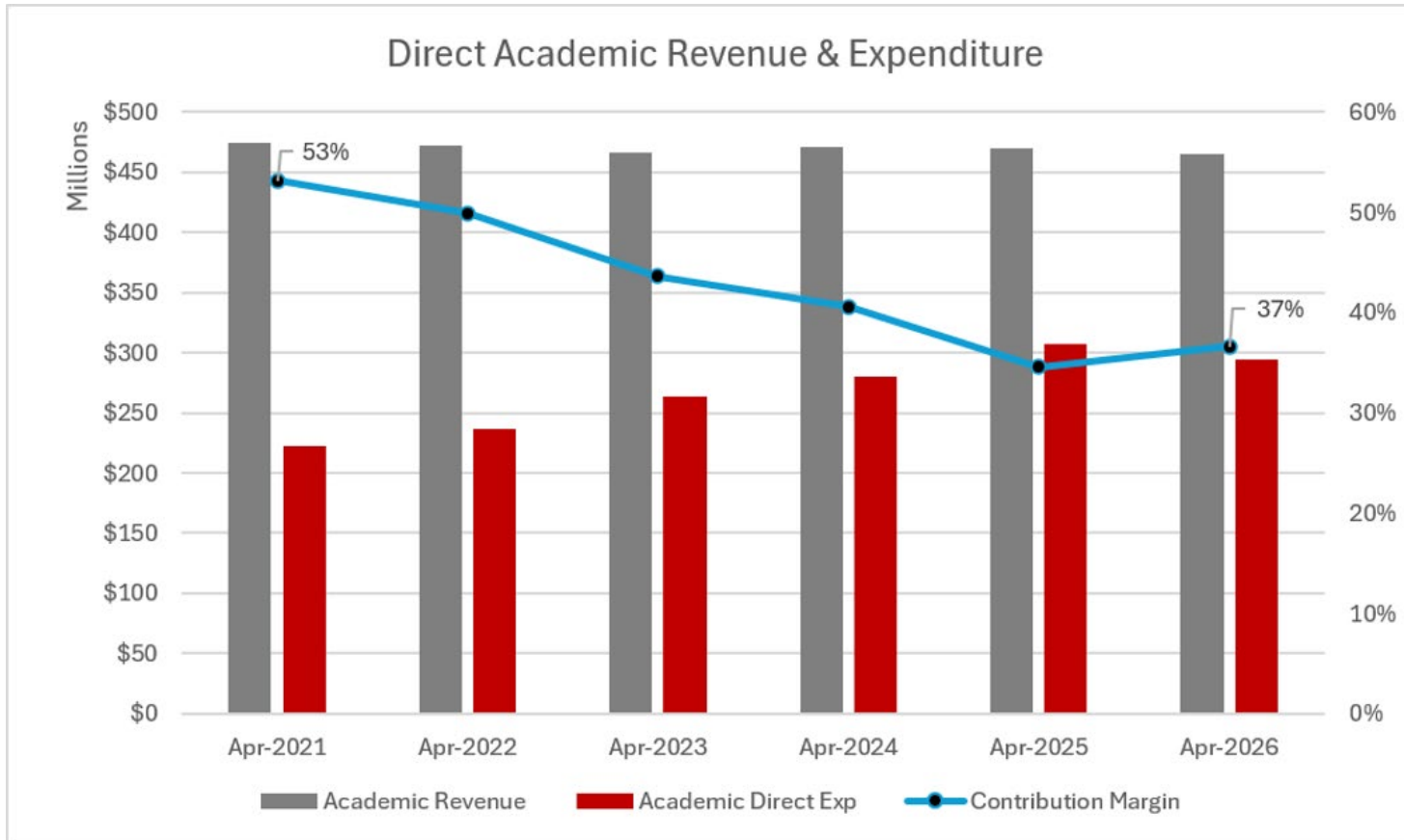
FTE students



- Domestic tuition and operating grant changes did not affect 2025-26 results.
- International enrolment pressures continue to affect tuition revenue.
- Compensation growth, inflation and capital renewal requirements remain significant planning considerations.

Operating Environment

COST PRESSURES



- Core academic activities are generating smaller contribution margin
- Constrained flexibility to support institutional-wide costs and strategic investments

Operating Results and Reserves

Better-than-budget results strengthened operating reserves

\$556.9M

Operating income:
\$27.5M above budget

\$23.4M

Investment income
variance above budget

\$530.2M

Expenditures: \$22.7M
below budget

\$26.8M

Combined increase to
reserves

RESERVE IMPACT

\$13.5M

Unspent expenditure
budgets appropriated

+

\$13.3M

Net general operating
surplus transferred

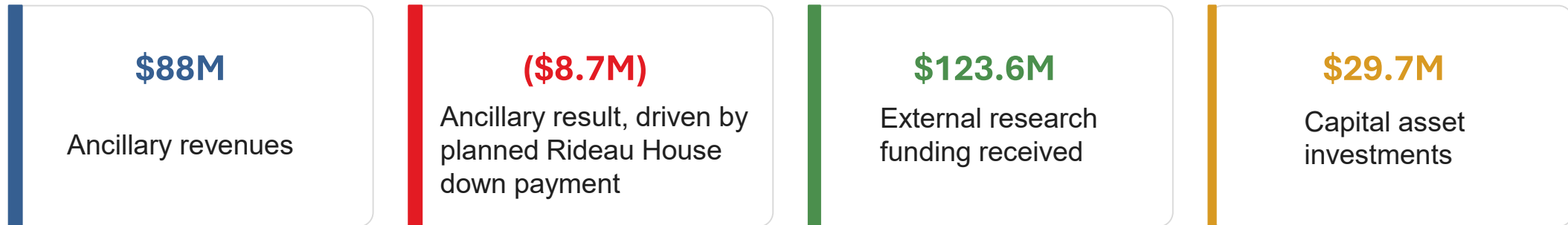
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\$26.8M

Increase to operating
reserves

- Results exceeded budget expectations.
- Investment income remains variable and should not be treated as recurring structural revenue.
- Reserves improve capacity to manage future risks and strategic priorities.

Ancillary, Research and Capital Activity

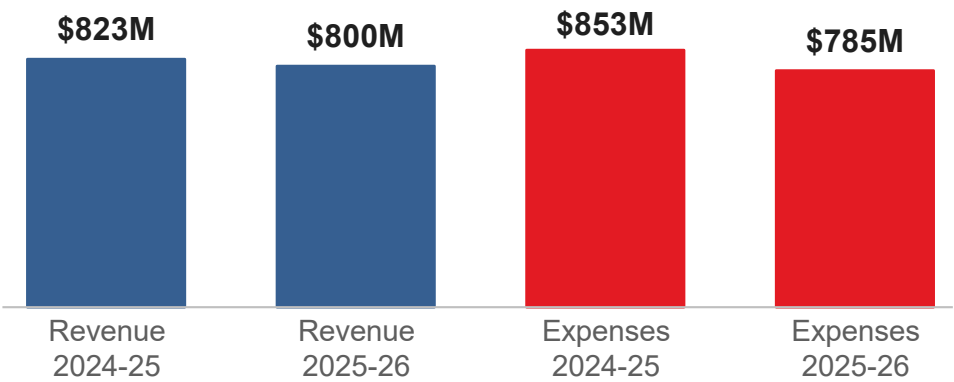


- **Ancillary** - Operational performance remained strong. The deficit primarily reflects planned use of reserves for Rideau House.
- **Research** - Sponsored research activity remained strong, with both revenue and expenditures exceeding \$123M.
- **Capital Renewal** - Capital additions were complemented by \$28.7M in non-capital renovation and infrastructure spending.

Consolidated Financial Statements



YEAR-OVER-YEAR SUMMARY



- The \$15M consolidated surplus compares with a \$29.5M deficit in the prior year.
- Revenue declines were driven primarily by lower in-kind donations and tuition income, partially offset by higher government grants.
- Expenses decreased due to the non-recurrence of prior-year voluntary retirement incentive costs and continued cost controls.

Understanding the Results



Management reporting and audited reporting serve different purposes

Audited statements

Combine all university activity into one consolidated result under accounting standards.

Management reporting

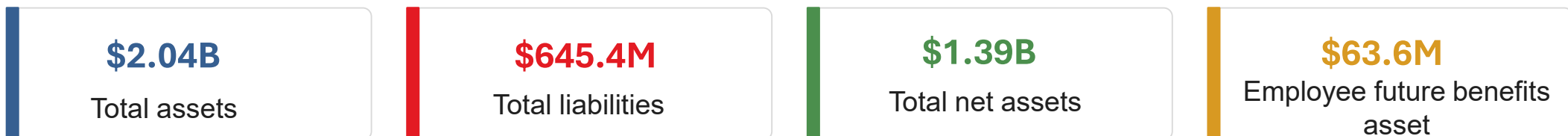
Groups activity by fund for budget monitoring, accountability and decision-making.

RECONCILIATION OVERVIEW



Both views are useful. The Financial Report explains operating performance against budget, while the audited statements present the consolidated accounting result.

Balance Sheet Strength

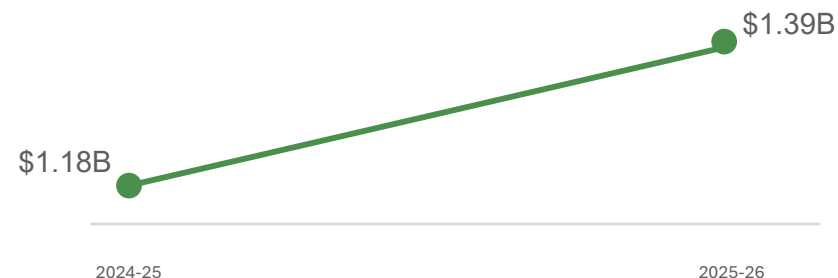


Liquidity and net assets improved materially.

KEY DRIVERS

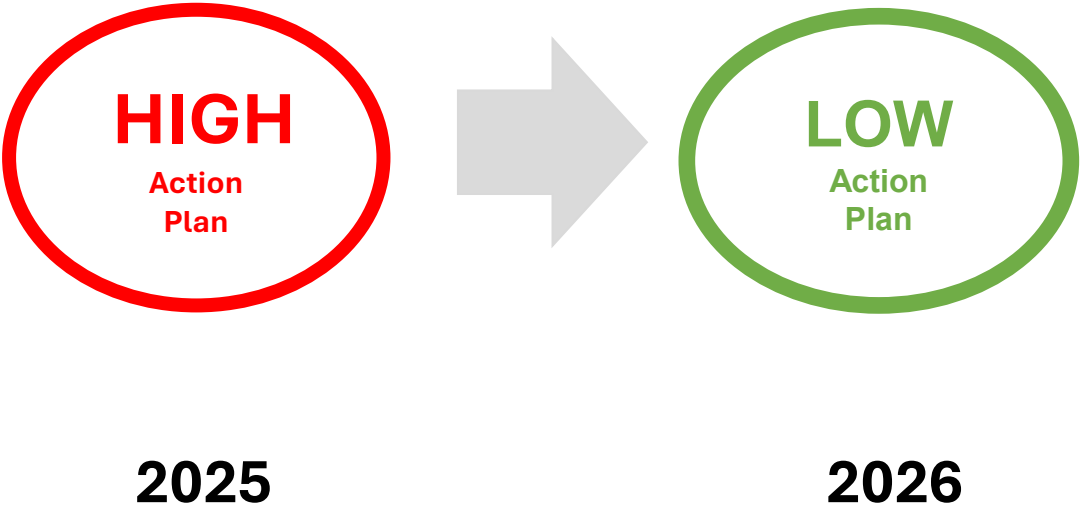
- Cash and short-term investments increased to \$649.3M.
- Employee future benefits moved from a \$56.0M liability to a \$63.6M asset.
- Endowment balances grew by \$77.9M.
- The employee future benefits asset reflects accounting valuation and is not spendable cash.

NET ASSET MOVEMENT

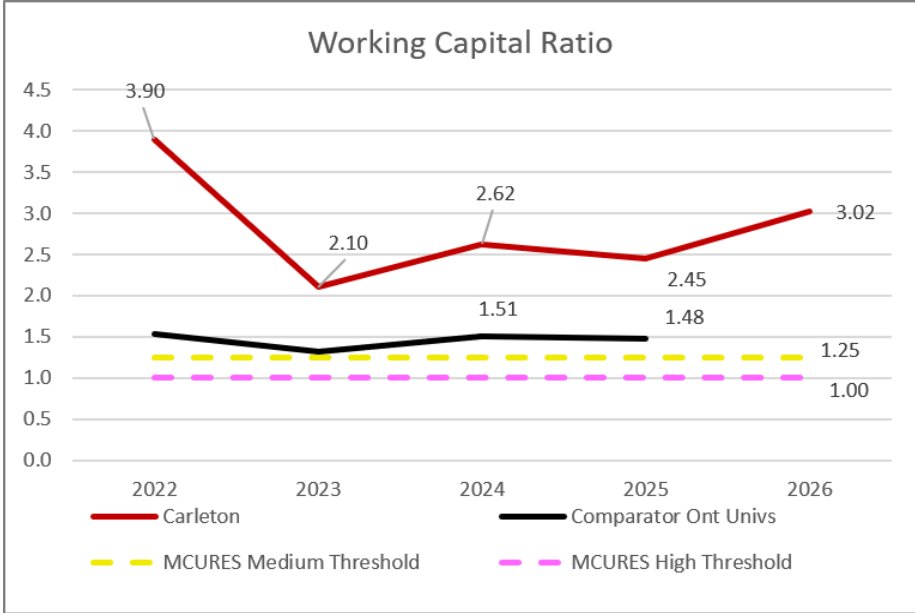
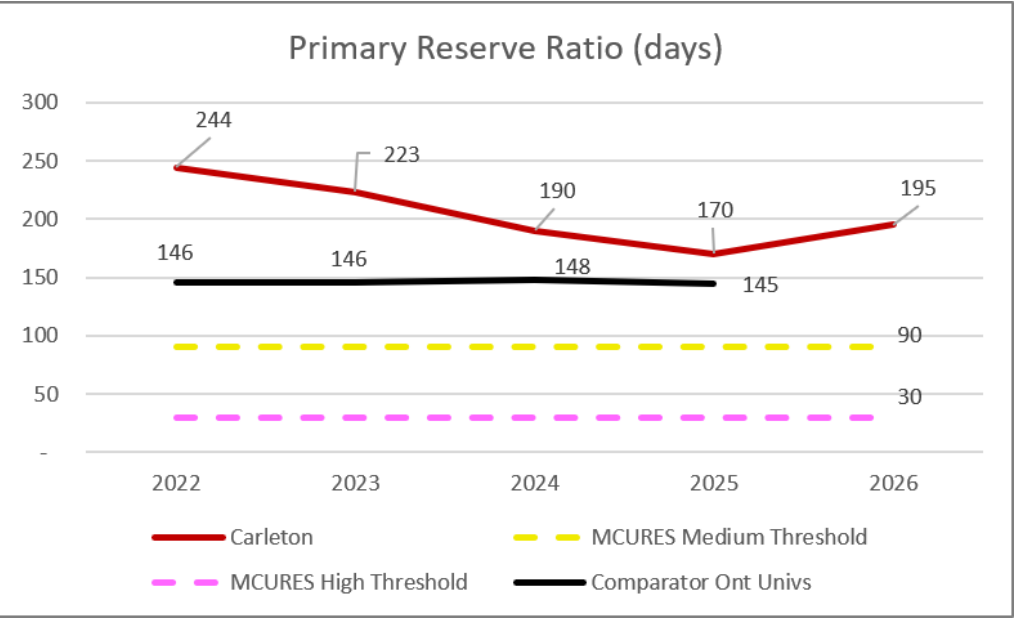
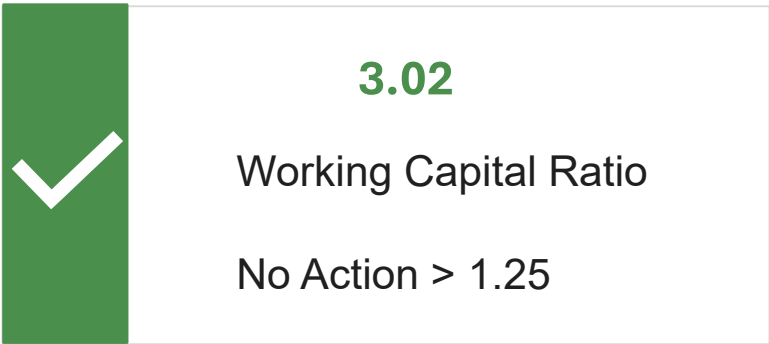
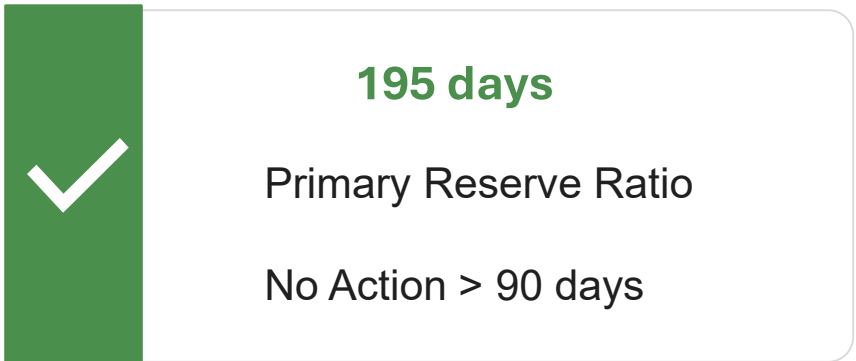


Financial Health – Projected MCURES Action Plan

		Medium Threshold	High Threshold	Carleton 2026	Carleton 2025
Liquidity	Primary Reserve Days	90 days	30 days	195	167
	Working Capital	1.25	1	3.0	2.4
Liquity Category Score				0	0
Sustainability	Viability	60%	30%	168%	156.6%
	Debt	35%	55%	24%	30%
	Debt to Revenue	35%	50%	31%	31%
	Interest Burden	2%	4%	1.2%	0.6%
Sustainability Category Score				0	0
Performance	Surplus(Deficit)	1.5%	0%	1.87%	-3.58%
	Net Oper Revenues	7%	2%	1.65%	1.26%
Performance Category Score				1	2.0
Credit Rating				AA(low)	AA(low)
Credit Rating Category Score				0	0
Data Driven Action Plan				Low	High
Category Score	0, 0.25, 0.5, 0.75	1, 1.25	1.5, 1.75	2	
Category Action	No Action	Low Action	Medium Action	High Action	



Financial Health – Liquidity Metrics



Financial Health – Performance Metrics



1.87%

Net Income/Loss Ratio

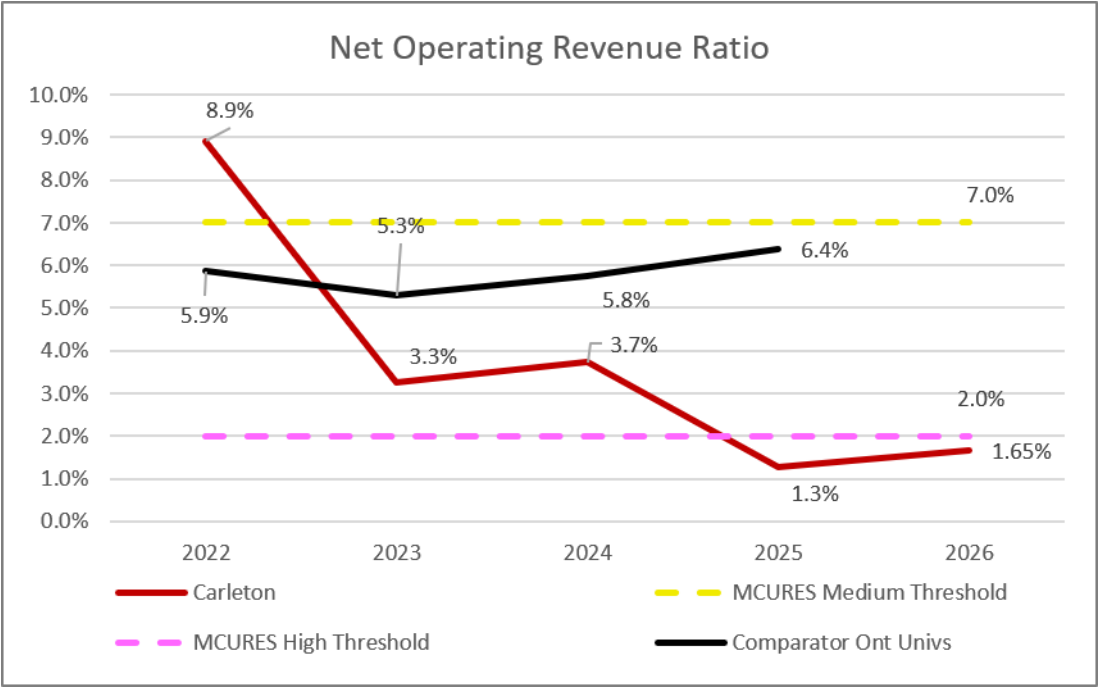
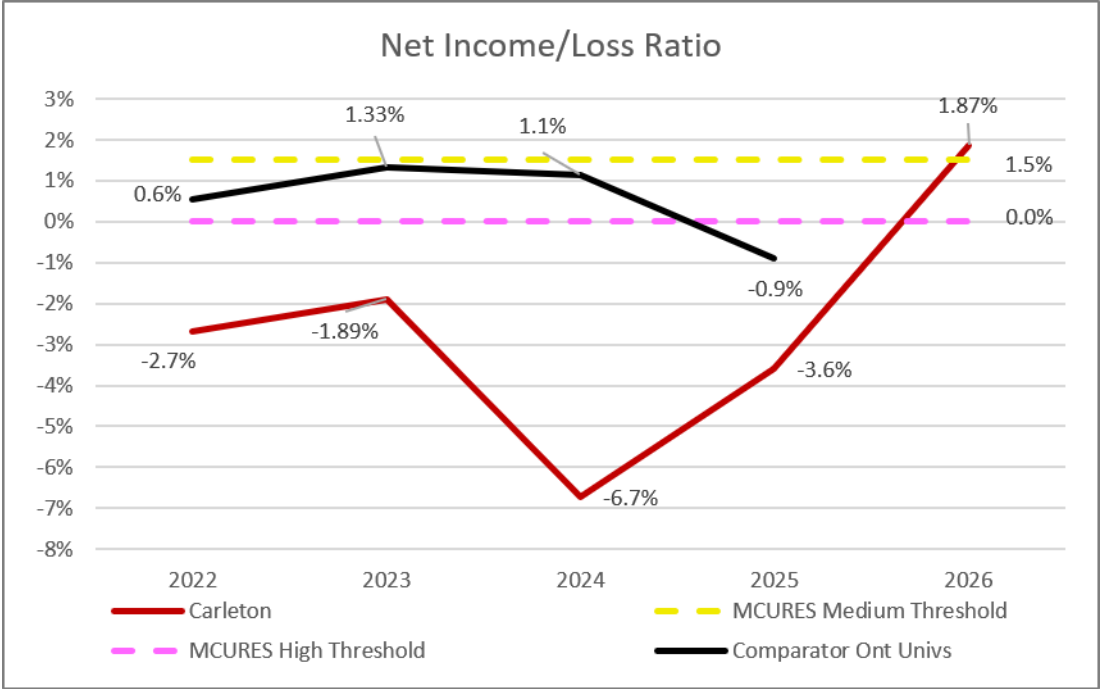
No Action > 1.5%



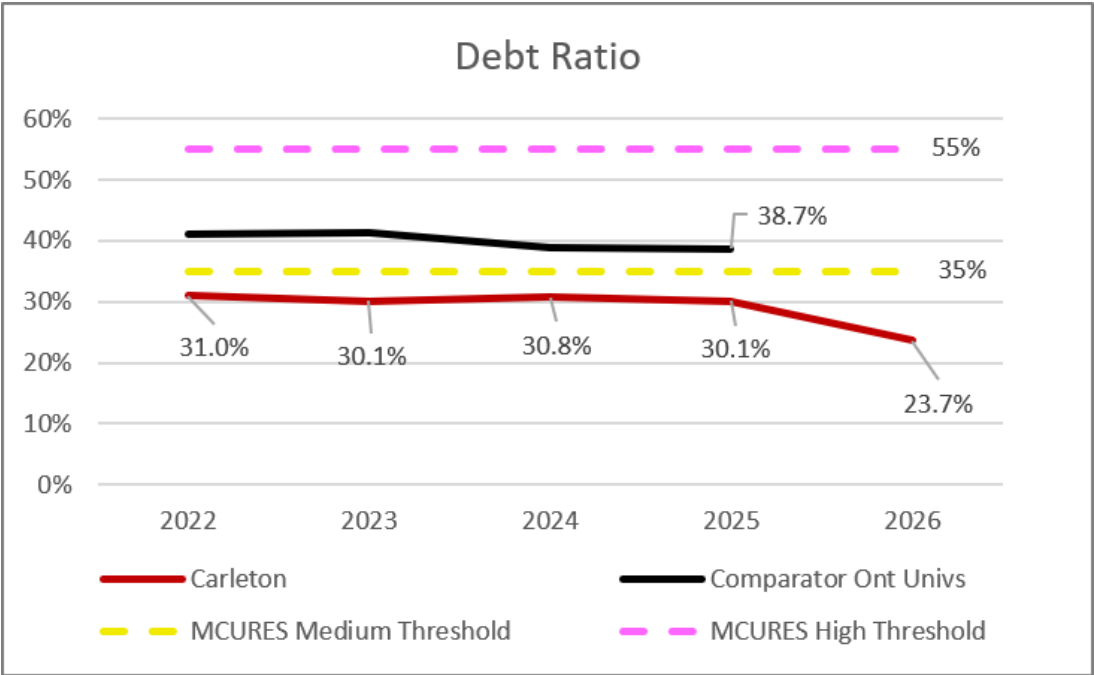
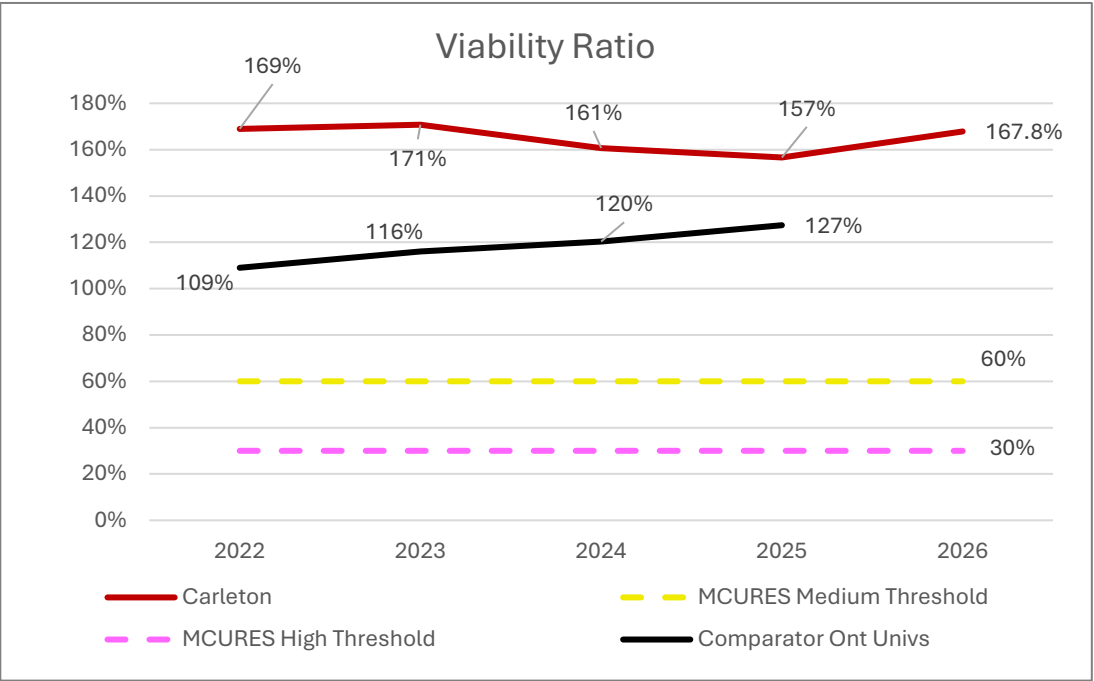
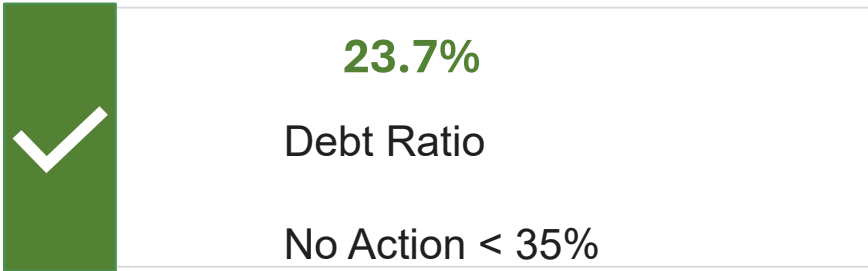
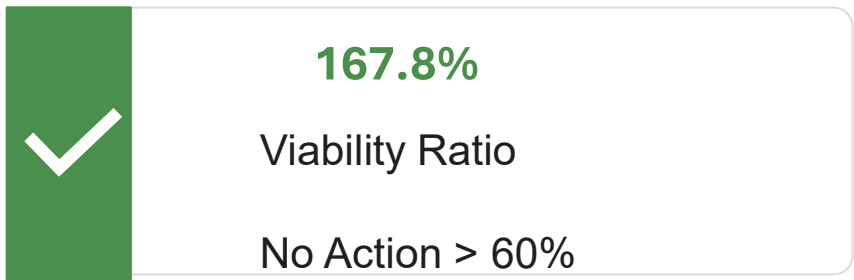
1.65%

Net Operating Revenue Ratio

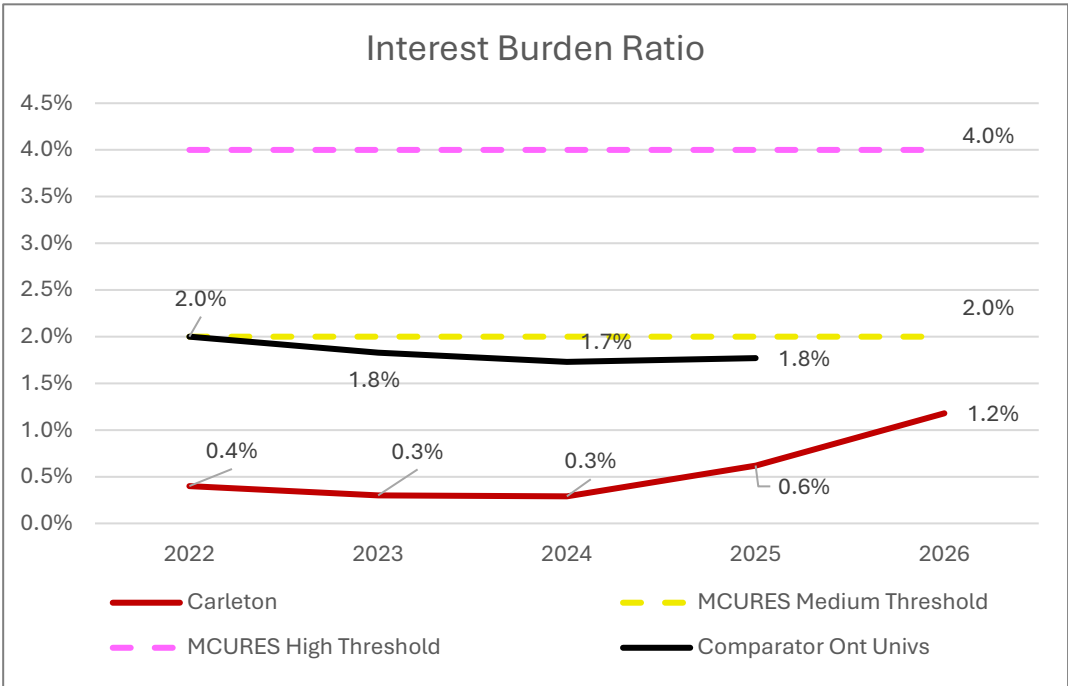
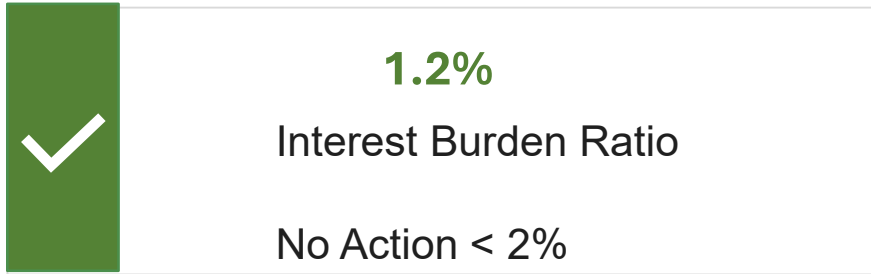
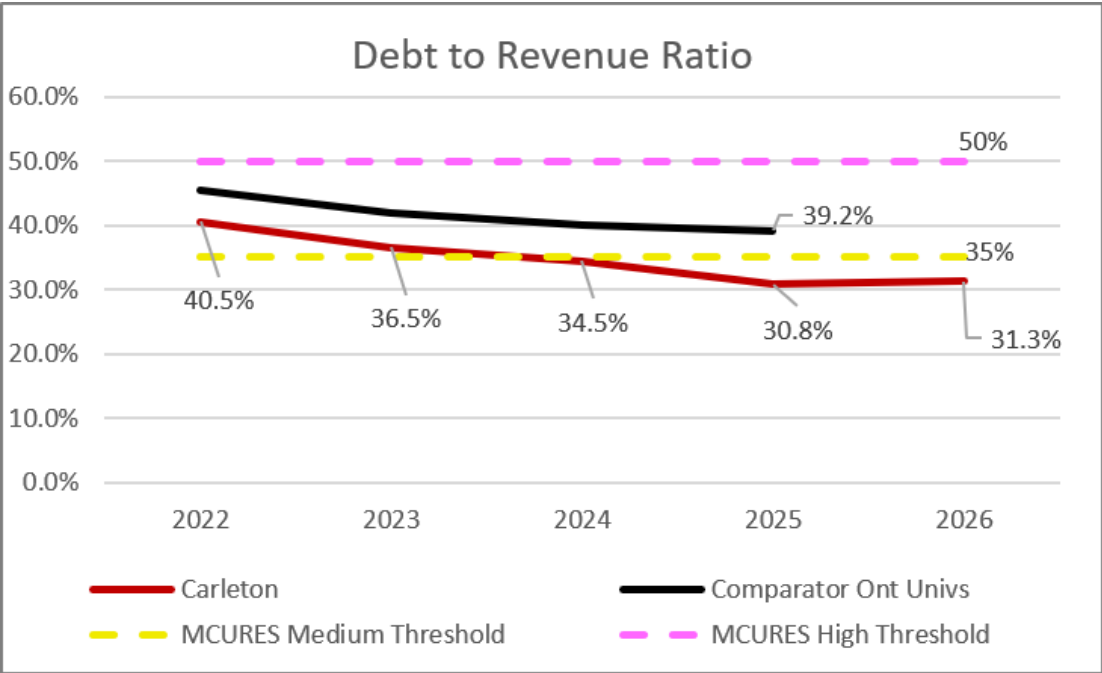
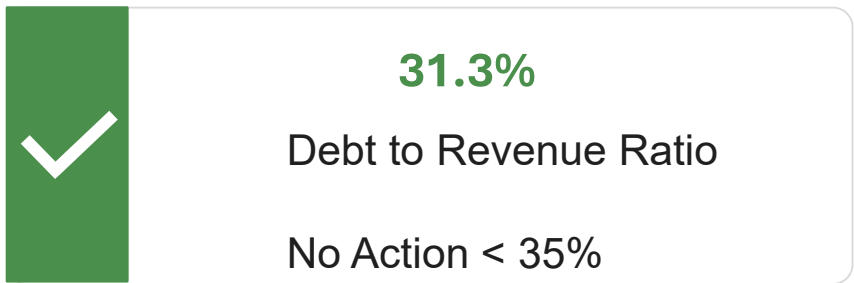
No Action > 7%



Financial Health – Sustainability Metrics



Financial Health – Sustainability Metrics





FINANCIAL REPORT TO THE BOARD OF GOVERNORS

2025-2026

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FINANCIAL HIGHLIGHTS OF THE YEAR

The University's audited financial statements, prepared in accordance with Canadian accounting standards for non-profit organizations, received an unqualified opinion from the external auditors (KPMG). No audit adjustments were required during the audit process.

Statement of Operations

The University reported a consolidated surplus of \$15.0 million in 2025-26, compared to a deficit of \$29.5 million in the prior year. The prior-year deficit was largely attributable to the Voluntary Retirement Incentive Program implemented during 2024-25. The improvement in 2025-26 reflects increased government grant revenue, reduced salary and benefit expenditures, and continued strength in investment income. Government grants for general operations increased to \$205.5 million, while investment income rose to \$65.7 million. Salaries and benefits declined by approximately \$27.8 million from the prior year.

Investment earnings continued to play an important role in supporting operating results, particularly in offsetting the impact of lower international tuition revenues. Management continues to recognize that investment returns are subject to market volatility and therefore maintains a diversified portfolio and prudent investment policies. Investment income totalled \$65.7 million in 2025-26 compared to \$60.7 million in the prior year.

Ancillary operations delivered another strong year, with revenues increasing to \$80.6 million from \$70.4 million in 2024-25. While ancillary reserves declined to \$37.7 million, this primarily reflects the planned use of reserves to support the new Rideau House residence project. Overall, ancillary operations remain financially healthy and continue to provide important support for student services and future capital investment.

Research activity remained strong, with sponsored research expenditures exceeding \$123 million during the year. While research funding levels were lower than the exceptional volumes experienced in the previous year, Carleton continues to maintain a robust research profile that enhances the University's reputation, supports student recruitment, and contributes to external partnerships. Because restricted research revenues are recognized only as

related expenditures are incurred, research activity has limited impact on the annual surplus or deficit.

Statement of Financial Position

The University continues to be in a strong liquidity position with cash and short-term investments totaling \$649.3 million at April 30, 2026, compared to \$614.7 million one year earlier. Total investments exceeded \$1.1 billion, providing flexibility to support operations, capital investments, and future strategic priorities.

During the year, \$29.7 million was invested in capital assets, including construction work on the Rideau House student residence, which welcomed its first residents in September 2025. The University also continued to address deferred maintenance and renewal requirements, with renovation expenditures totaling \$28.7 million, which is comparable to the previous year.

Internally restricted net assets increased to \$407.3 million from \$386.1 million, primarily reflecting growth in operating appropriations and reserves established to support future strategic priorities, capital requirements, and financial sustainability initiatives. General operating appropriations increased from \$261.9 million to \$288.7 million during the year.

A significant balance sheet change in 2025-26 was the improvement in the University's employee future benefits position. The balance moved from a \$56.0 million liability to a \$63.6 million asset, primarily due to strong pension asset performance and favourable actuarial remeasurements. Although the non-pension future benefits obligation increased modestly to \$178.8 million, growth in pension plan assets resulted in an overall net asset position. This accounting adjustment does not represent funds available for spending but reflects the improved funded status of the pension plan.

Overall, total assets increased to \$2.04 billion from \$1.93 billion in the prior year, while total net assets increased to \$1.39 billion from \$1.18 billion, reflecting the annual operating surplus, growth in endowment balances, and favourable pension remeasurements.

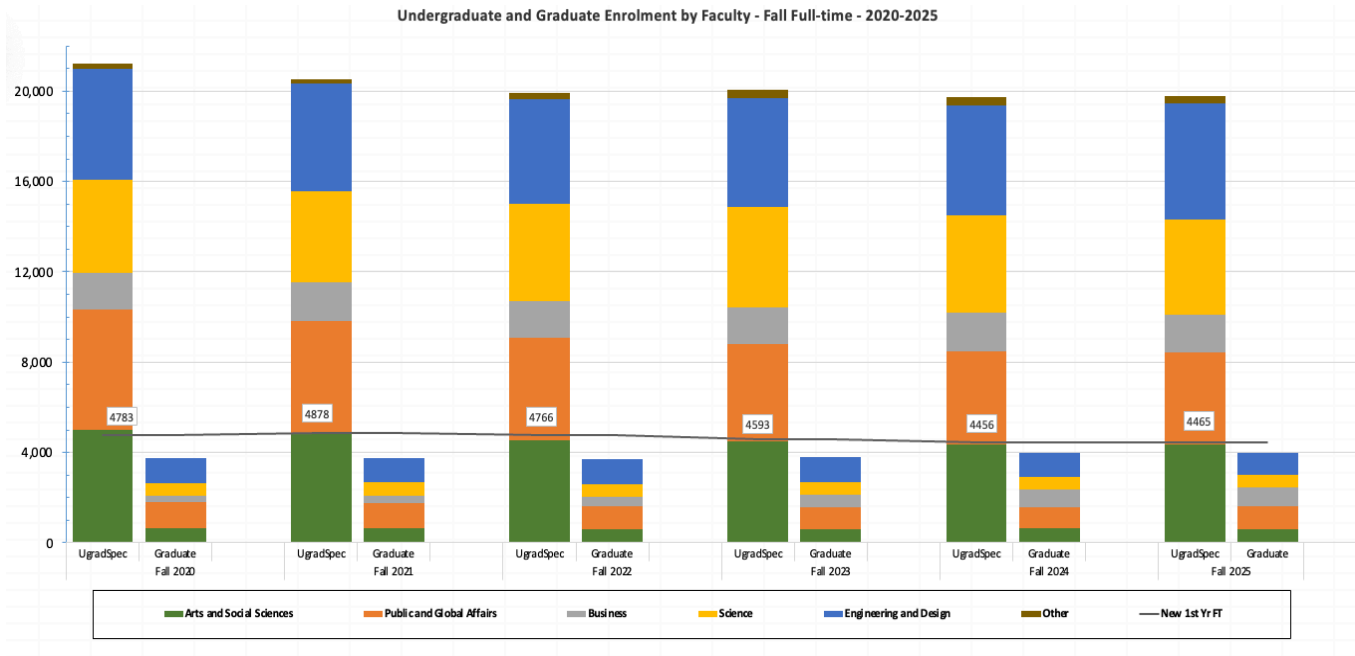
OPERATING ENVIRONMENT

Full-time equivalent (FTE) students attending Carleton during 2025-26 totaled 27,347, a decrease of 1.6% from the prior year. Graduate enrolment increased by 2.0%, while undergraduate enrolment declined by 2.6%. New first-year enrolment remained stable, increasing by 0.2%. Enrolment patterns since the pandemic have been less predictable than historical trends, and government policies affecting international student recruitment continue to impact enrolment levels. Domestic tuition fees remained frozen at 2019-20 levels throughout 2025-26, with the recently approved tuition framework changes not taking effect until 2026-27. As a result, tuition revenue was generated from a fee structure that had remained largely unchanged for nine years, contributing to a tuition revenue shortfall of \$3.7 million relative to budget.

In June 2025, Carleton and the Ministry of Colleges, Universities, Research Excellence and Security (MCURES) signed the current Strategic Mandate Agreement (SMA4), which covers the period 2025 to 2030. The agreement continues to include performance-based funding metrics aligned with student, graduate, community, and economic

outcomes. As these priorities closely align with Carleton's existing strategic objectives, management believes the associated funding risk remains limited, although performance against the established metrics continues to be closely monitored. In addition, provincial operating grants increased substantially in 2025-26, reflecting both the reset of the enrolment corridor midpoint to recognize previously unfunded enrolment growth and the introduction of the Financial Health Sustainability Fund. Looking forward, the province's funding formula review is expected to further support institutions that expand enrolment in priority areas, particularly STEM and health-related programs.

The University continues to operate within a complex regulatory environment. The repeal of Bill 124 and subsequent compensation adjustments have increased labour cost pressures across the sector. More recently, procurement requirements under the Building Ontario Businesses Initiative (BOBIA) and restrictions on the procurement of certain U.S.-based goods and services have introduced additional operational considerations. These changes, combined with inflationary pressures and ongoing capital renewal requirements, continue to influence the University's financial planning environment.

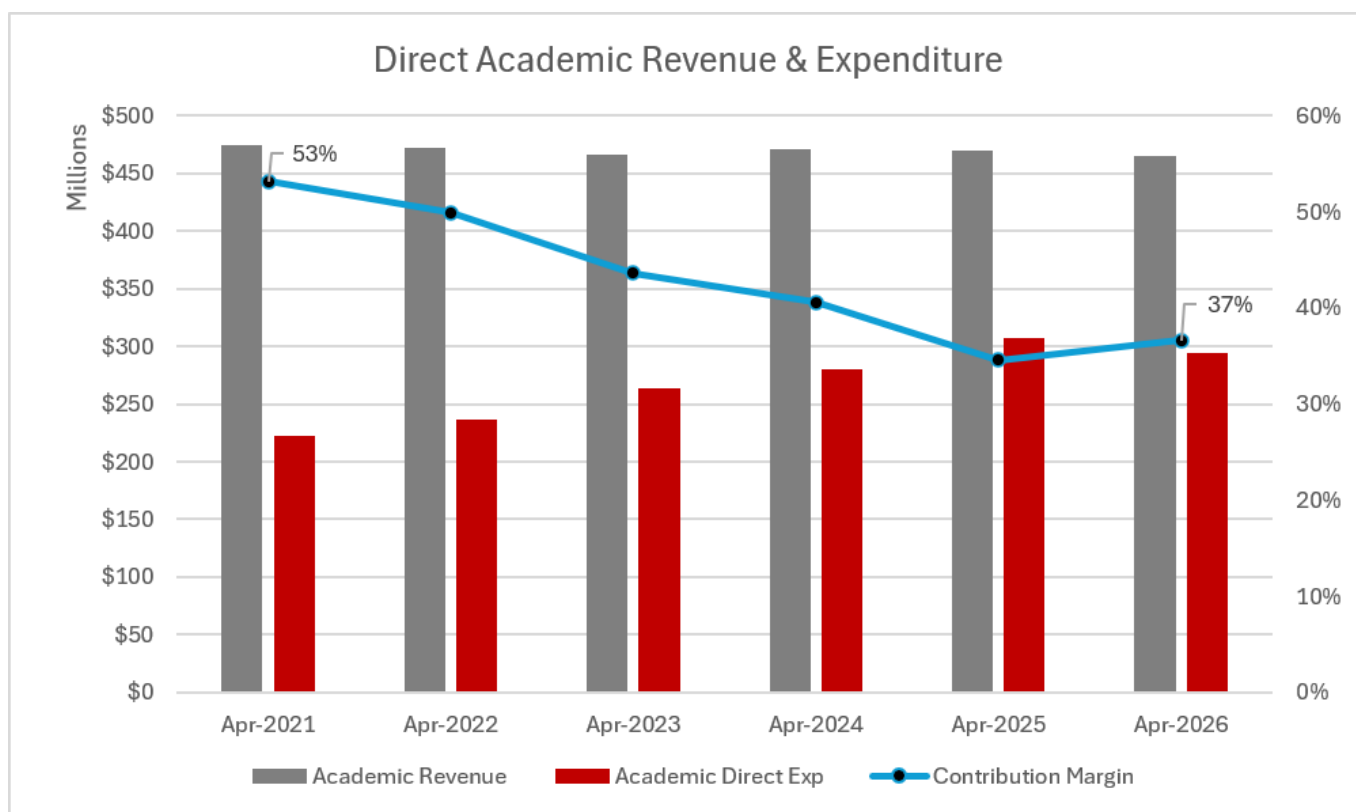


Despite recent improvements in provincial funding, the University's most significant long-term financial challenge remains the gap between revenue growth and expenditure growth. While tuition and operating grant revenues have remained relatively stable in recent years, compensation and other operating costs have continued to increase. This trend is particularly evident within the University's core academic operations. Between 2020-21 and 2025-26, direct academic-related revenue, consisting primarily of tuition fees and operating grants, declined modestly from \$474.9 million to \$464.9 million, while faculty direct expenditures increased from \$222.4 million to \$294.8 million. As a result, the contribution margin generated by academic activities declined from 53.2% to 36.6% over the same period.

The declining contribution margin has important implications for the University's long-term financial sustainability. The net contribution generated by academic activities supports a broad range of institutional costs that

are not directly attributable to faculties, including student services, information technology, facilities operations, capital renewal, debt servicing, compliance requirements, and strategic initiatives. As the contribution available from tuition and grant revenues declines, financial flexibility becomes increasingly constrained, and a larger proportion of available revenues is required to support direct academic costs.

In response to these challenges, the University's focus during 2025-26 was the development of a sustainable multi-year financial plan. As an initial step, approximately \$24 million in budget reductions and cost containment measures were implemented, representing the largest single-year operating adjustment in the University's history. These actions, together with efforts to enhance revenues and improve operational efficiency through the Mission Sustainability Framework, contributed directly to the positive financial results achieved during the year.



AUDITED CONSOLIDATED FINANCIAL STATEMENTS AT A GLANCE

Consolidated Statement of Operations

The audited Statement of Operations combines all activities of the University (general operating, ancillary, research, capital, and trust) into one column and should be read in conjunction with the Financial Report, which highlights key operating income and expenses as compared to the approved 2025-26 Operating and Ancillary Budgets.

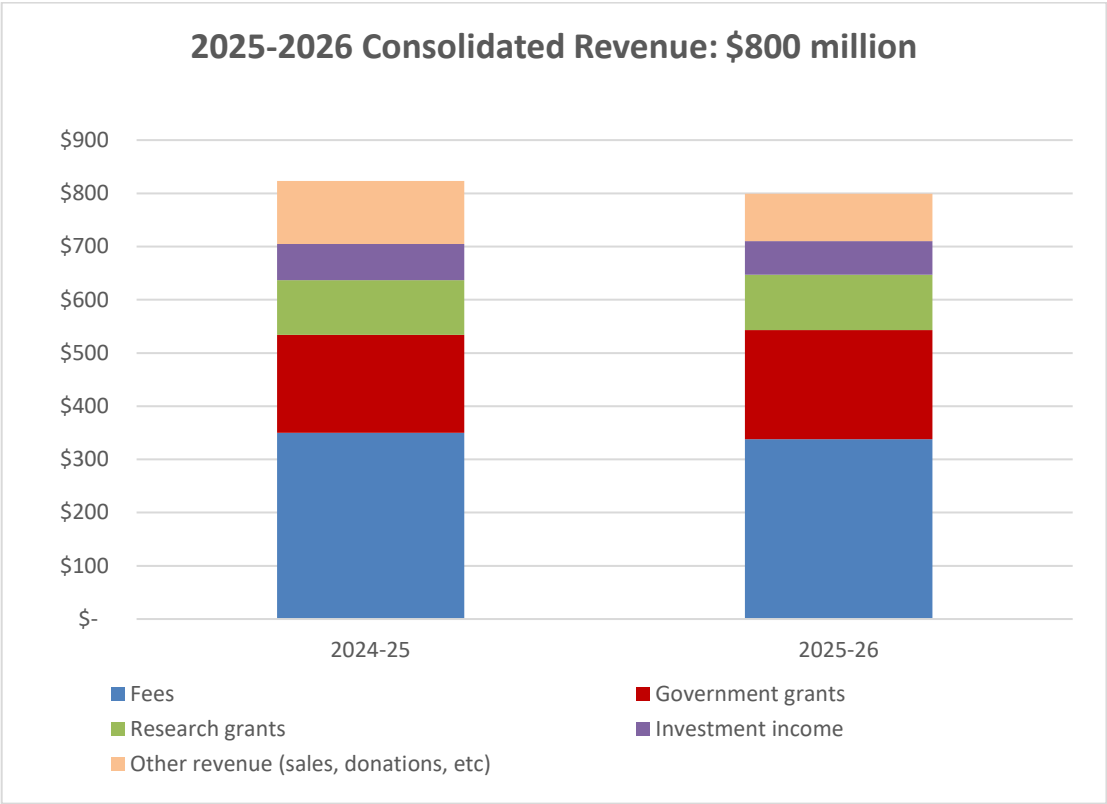
As shown in the Consolidated Financial Statements, the University experienced a surplus in revenue over expenses of \$15.0 million in 2025-26. This surplus is the result of cost cutting efforts, increased government grants, and strong investment income returns.

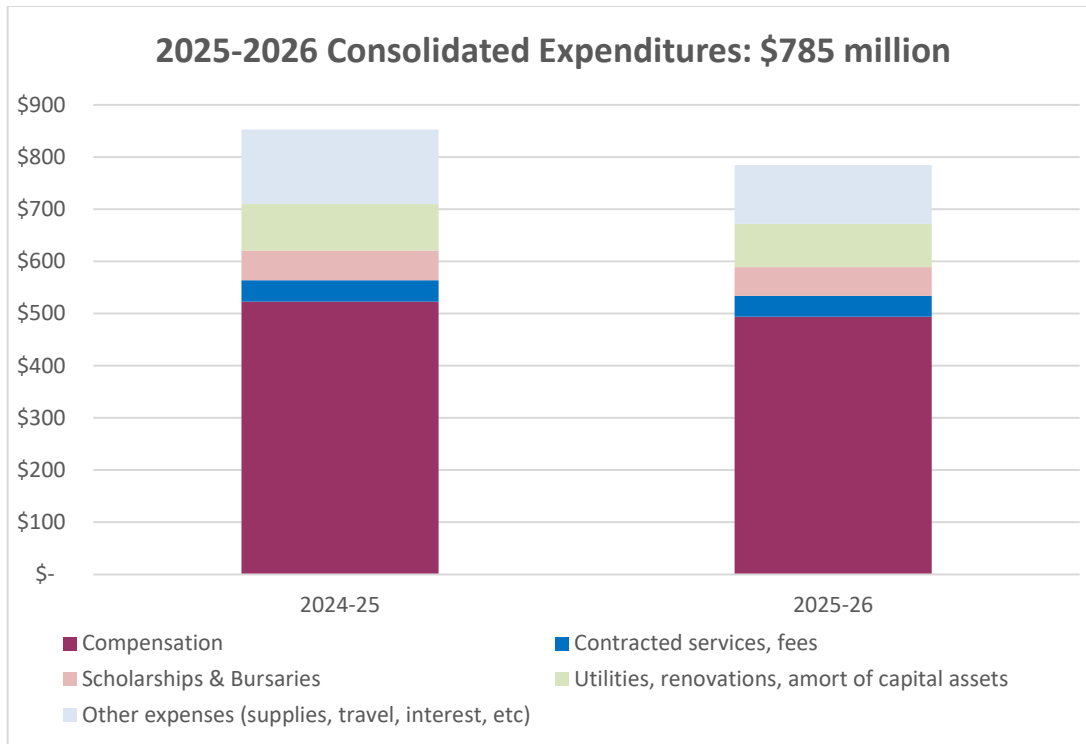
Including the operating statement impact of the change in investment fair value, the University's consolidated revenue was \$800 million, which is a decrease of \$23 million (2.8%) from the previous year. Consolidated expenses decreased by \$68 million to \$785 million (8.7%).

The majority of the decrease in revenue was a result of decreased in-kind donations (\$30 million) and tuition income (\$11 million), which was partially offset by increases in government grants (\$21 million).

Carleton has continued its success in expanding its research profile. Research grants and contracts recognized in the financial statements totaled \$104.3 million. Additionally, the research enterprise also received \$16.3 million in donation revenue, most of which was industry in-kind support.

The following charts illustrate the sources of consolidated revenue and expenditures for 2025-26.





Salaries and benefits, at \$494 million, form the largest part of the University’s consolidated expenditures, accounting for 63% of total expenses. This represents a decrease of \$68 million (8.0%) from 2024-25 in part because the prior year included one-time voluntary retirement incentive costs that did not recur in 2025-26. The University also benefited from ongoing salary savings associated with those retirements, together with continued vacancy management and discretionary spending controls. A summary of full-time equivalent (FTE) employee numbers is included in Schedule 3.

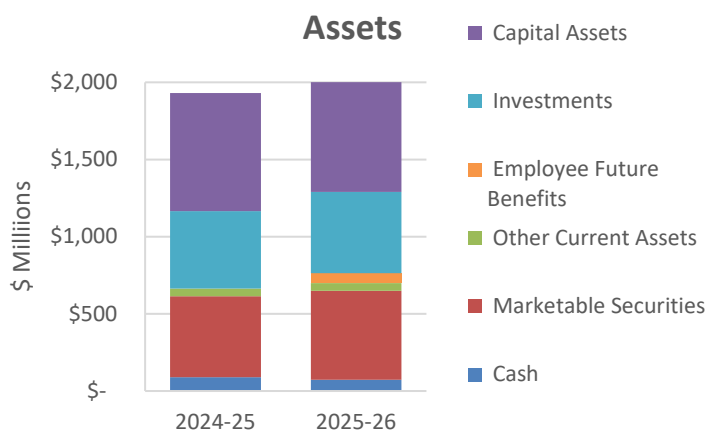
Licensing fees decreased from \$46.8 million 2024-25 to

\$5.1 million in 2025-26. In the prior year, significant industry in-kind donations of software licenses for research were received by the University, however no such gifts were made in the current year.

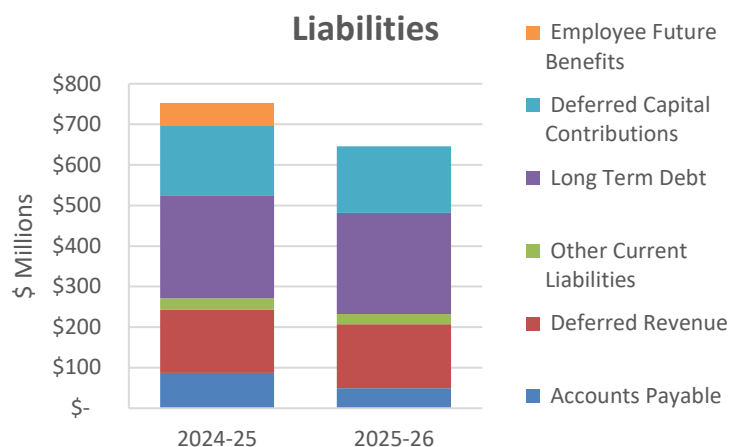
Student support, in the form of scholarships and bursaries, remained relatively stable at \$55 million in 2025-26, as compared to \$57 in the prior year. In addition to this form of support, the University also employs thousands of students as teaching and research assistants, academic mentors, athletic facilitators and in various other positions across campus. Including employment, Carleton University provided almost \$112 million in financial support to its students in 2025-26.

Student Support and Employment (\$000)	Employment	Support	Total
Scholarship, bursary, grant	-	55,469	55,469
Teaching assistantship	27,148	-	27,148
Research assistantship	21,615	-	21,615
Other student employment	7,340	-	7,340
Total	56,103	55,469	111,572

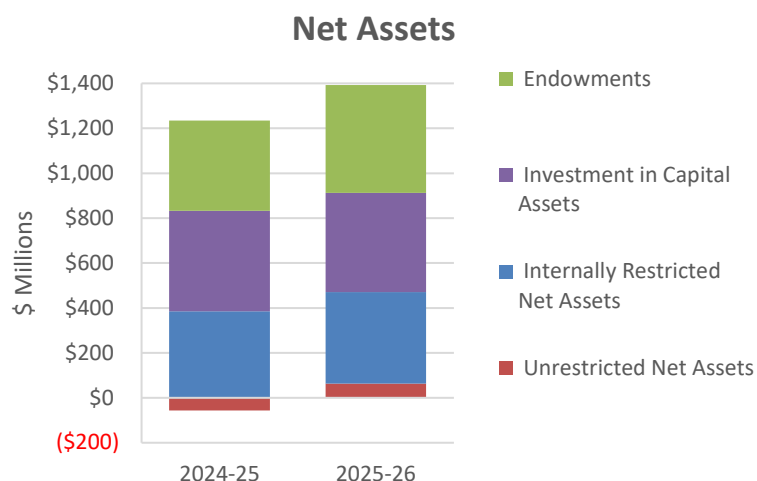
Consolidated Statement of Financial Position



Total assets increased by \$106.3 million to \$2.04 billion at April 30, 2026. This increase was driven primarily by the University's employee future benefits position, which improved from a \$56.0 million liability to a \$63.6 million asset because of strong pension plan investment performance and actuarial remeasurements. The University also strengthened its liquidity position, with cash and short-term investments increasing to \$649.3 million and long-term investments increasing to \$525.9 million. These increases were partially offset by the normal reduction in net capital assets resulting from annual amortization.



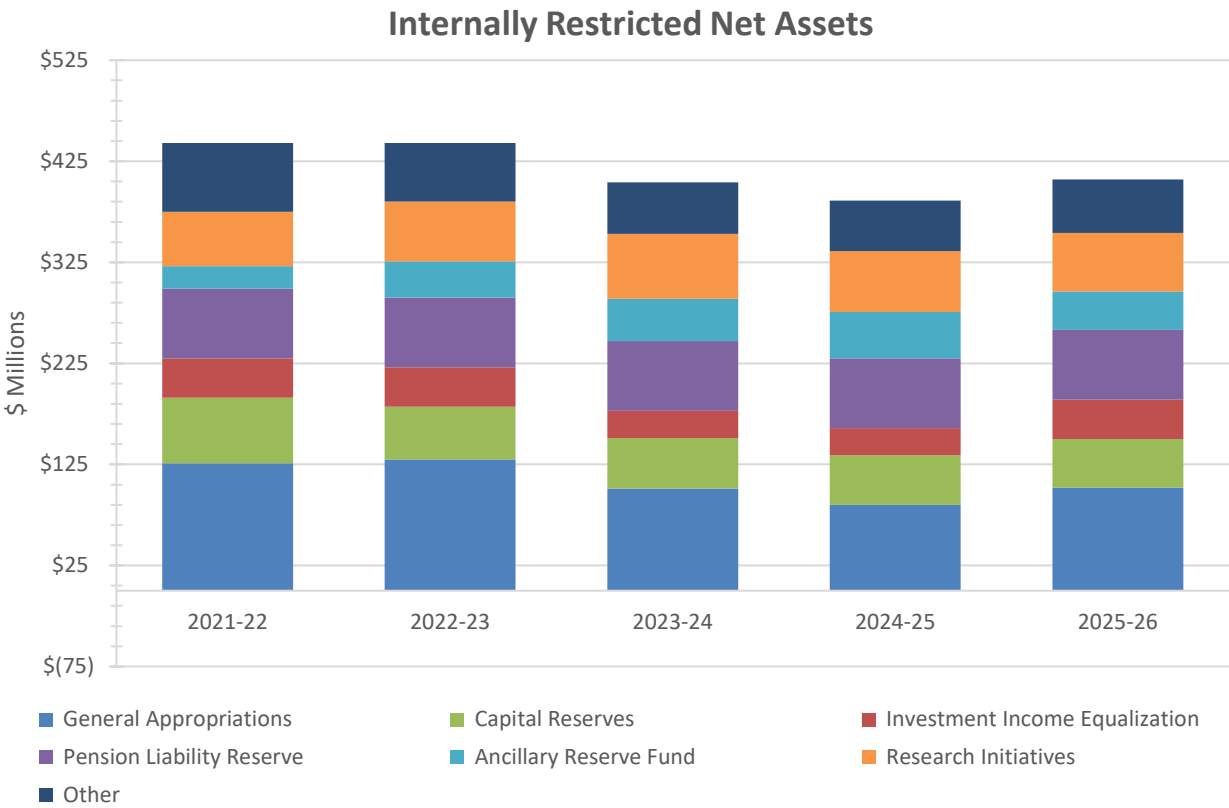
Total liabilities decreased by \$107.2 million to \$645.4 million at April 30, 2026. The decrease was driven primarily by the University's employee future benefits position, which moved from a \$56.0 million liability in 2025 to a net asset position in 2026, as well as lower accounts payable balances, due to the timing of year-end obligations. These reductions were partially offset by a modest increase in deferred revenue related to research, grants, and other restricted funding received for future activities.



Total net assets increased by \$213.5 million to \$1.39 billion at April 30, 2026. The increase was driven by three factors: the operating surplus of \$15.0 million, favourable pension plan remeasurements of \$123.1 million, and growth in endowment balances of \$77.9 million resulting from donations, investment income, and unrealized investment gains. Internally restricted net assets increased by \$21.2 million to \$407.3 million, primarily reflecting growth in operating appropriations established to support future strategic initiatives, capital requirements, and financial sustainability priorities.

A substantial part of the University’s net assets are internal reserves and are shown on the Consolidated Statement of Financial Position as internally restricted assets. The chart below shows the change in

these reserves over the last five years, with the largest change being associated with the drawdown of operating reserves for the planned 2025-26 deficit budget. The current balance of internally restricted net assets is \$407 million, as compared to \$386 million one year ago.



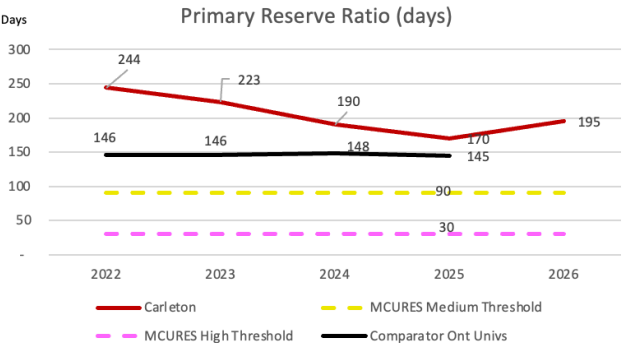
FINANCIAL HEALTH

Both MCURES and Carleton University recognize that financial sustainability is essential to maintaining a strong and resilient post-secondary education system. To support this objective, a series of financial metrics have been established and are monitored through the Strategic Mandate Agreement (SMA) framework. While certain measures can fluctuate from year to year due to investment market performance, pension

accounting adjustments, and the strategic use of reserves, the University's results indicate that Carleton remains financially healthy and well positioned to manage external challenges while continuing to invest in its strategic priorities. The following section compares Carleton's results against the Ministry's financial health benchmarks and, where available, peer institutions.

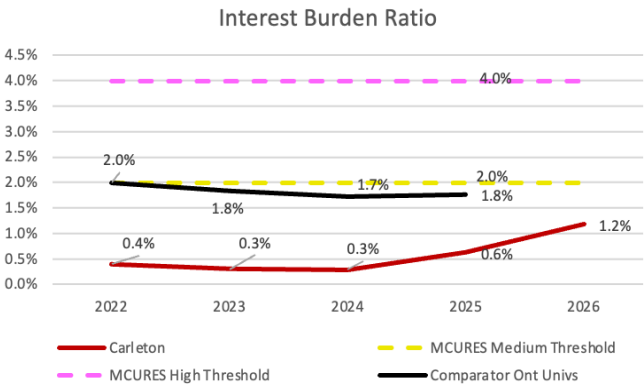
Primary Reserve Ratio

Measures financial strength and flexibility by comparing expendable net assets to total expenses and estimating how many days the institution could operate using available resources. A higher number is desirable; Carleton's 2026 result was 195 days, compared to sector averages closer to 145 days.



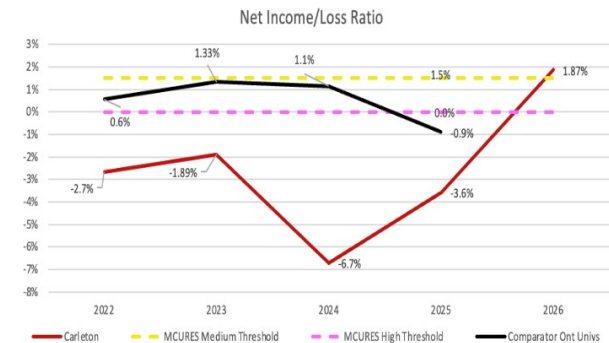
Interest Burden Ratio

Measures debt affordability by comparing debt servicing costs to total expenses. A lower percentage is desirable; Carleton's 2026 ratio of 1.2% is below both the sector average and MCURES's 2% medium-risk threshold.



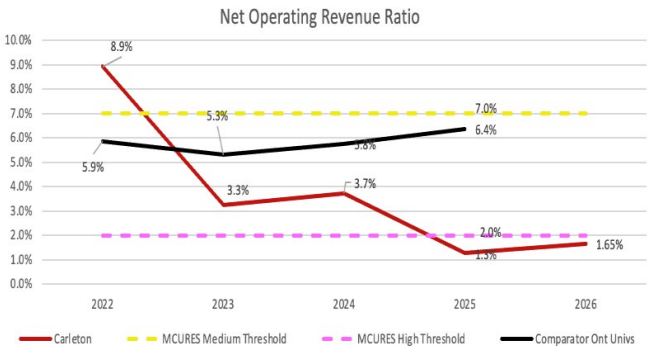
Net Income/Loss Ratio

The ratio shows the extent to which revenues contribute to net assets and helps identify trends in net earnings. It should be reviewed alongside the primary reserve ratio. Carleton's recent negative results reflected strategic reinvestment, while the current-year ratio moved the University back into a positive position.



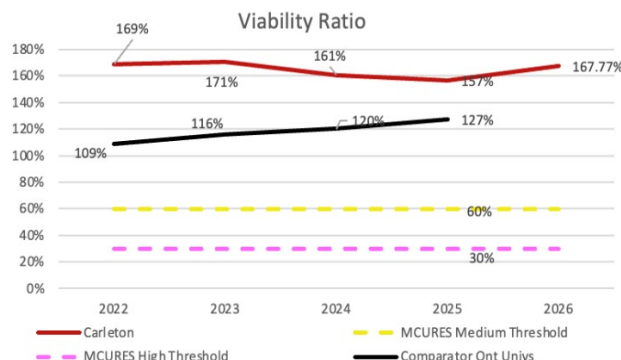
Net Operating Revenues Ratio

The ratio measures an institution's ability to generate positive operating cash flow. Positive results indicate stronger financial health, while sustained negative results signal financial pressure. A positive ratio is desirable; Carleton's 2026 ratio was +1.65%, just below the Ministry's high-action threshold of 2.0%.



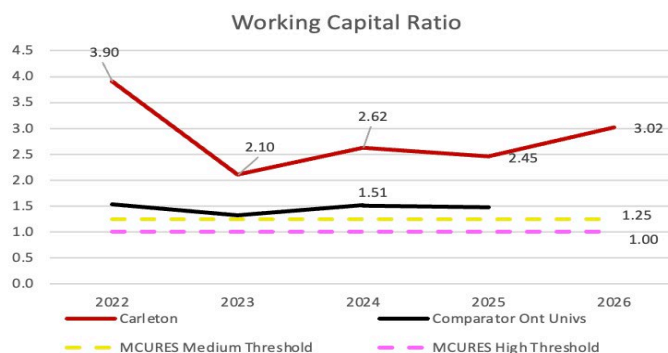
Viability Ratio

The viability ratio measures financial health by comparing available funds to long-term debt that could be settled immediately if needed. A higher percentage is desirable; Carleton's 2026 ratio of 167.77% exceeds the recent sector average of 127%.



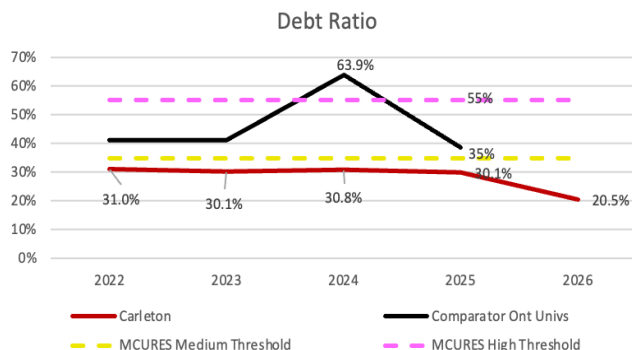
Working Capital Ratio

The working capital ratio measures liquidity by comparing current assets to immediate debts. Carleton has consistently held low short-term debt relative to cash and liquid investments.



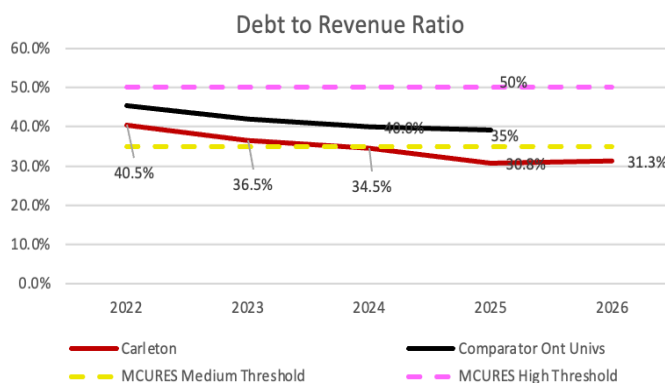
Debt Ratio

The debt ratio shows the share of assets financed by debt. A lower ratio indicates greater borrowing capacity and financial flexibility, while a higher ratio may signal increased default risk. Since issuing the \$220 million debenture in 2021, Carleton has maintained a healthy debt ratio, currently 20.5%, below both the Ministry thresholds and comparator institutions.



Debt to Revenue Ratio

The debt to revenue ratio provides an indication of an institution's ability to repay debt and settle long-term commitments. While the University's ratio increased significantly in 2021 with the bond issuance, our ratio of 31.3% is below the Ministry's medium threshold of 35%.



CAPITAL INVESTMENTS, INFRASTRUCTURE, AND FACILITY RENEWAL

Carleton continues to invest in renewing the campus infrastructure and funding new projects to meet the growing needs of its community. Our most recent report on deferred maintenance estimated its value at \$204 million for non-ancillary buildings and another \$45 million for general campus infrastructure. Deferred maintenance on ancillary buildings, such as residence and athletic facilities, accounted for an additional \$88 million. These costs are funded solely by ancillary operations.

During 2025-26, the university spent \$28.7 million on

various non-capital renovation and infrastructure projects, including projects addressing the campus-wide deferred maintenance issue.

The University capitalized \$29.7 million in spending this year, including \$18.4 million for major capital projects. This includes the construction related to Rideau House student residence, as well as building improvements to Herzberg, Lanark House, and Renfrew House.

The following tables outline the capital additions for the year and the sources of funding:

Capital Asset Additions (\$000)	2025-26	2024-25
Building projects, construction in progress	18,437	52,480
Equipment and furnishings	10,973	13,536
Other asset additions	317	494
	29,727	66,510

Major Capital Projects (\$000)	2025-26	2024-25
Debtenture	926	37,494
Internally Financed Loan	3,577	2,709
Facilities Grant	785	2,523
Ancillary funds	11,788	6,615
Operating funds	1,186	1,937
Capital Reserve	176	1,242
	18,438	52,520

As society evolves in the digital age, the University must make strategic shifts towards technological investments alongside our traditional physical infrastructure. This includes investments in digital platforms, cybersecurity and cloud technologies that enhance operational efficiency, support hybrid learning and research

environments, as well as contribute to the institution's resilience in this rapidly changing landscape.

The University's operating fund spent \$10 million in 2025-26 to support the non-salary technology costs for central IT infrastructure, up from \$8 million in the prior year.

USING THIS FINANCIAL REPORT

As noted earlier, this Financial Report should be read together with the University's Audited Financial Statements.

The accumulated balances reported for the operating, ancillary, and plant funds are consistent with those shown in the audited financial statements. However, the University's operating results are presented differently in this report than in the audited Consolidated Statement of Operations. This internal reporting approach provides management with information that is more useful for budget monitoring, decision-making, and assessing financial performance against the budget approved by the Board of Governors.

The main differences between the Financial Report and the audited financial statements relate to the treatment of capital expenditures, internal reserve allocations, and endowment contributions.

For internal reporting purposes, capital expenditures are recorded when funds are spent, as this better reflects the use of approved budgets and funding sources. Under accounting standards, however, the audited financial statements record only the annual amortization expense of those assets over their useful lives.

The Financial Report also recognizes transfers to

reserves and other internally restricted funds as current-year expenses. In the audited financial statements, these transfers are not treated as expenses. Instead, they are reported as internally restricted net assets on the Statement of Financial Position. These reserves support future obligations and priorities, such as pension commitments, capital projects, research initiatives, and budget carry forwards. This approach helps departments and faculties plan and manage resources over multiple years.

Similarly, internal contributions to the University's endowment funds are treated as expenditures in the Financial Report but are recorded differently in the audited financial statements as transfers between unrestricted and endowed net assets. In addition, investment income or losses related to Board-designated endowments are included in the audited financial statements but are excluded from the Financial Report's operating results.

A reconciliation between the Financial Report operating results and the audited Consolidated Statement of Operations is shown below.

Detailed analysis of operating revenue and expenses compared to the Board-approved 2025-26 operating budget is provided in Section 1 that follows and summarized in Schedule 1.

	Reference	2025-26	2024-25
Operating budget result, before increases to or (use of) reserves	Section 1.3	\$ 13.3 M	\$ (10.7 M)
Increase / (Decrease) in operating appropriations	Section 1.2.2	\$ 13.4 M	\$ (9.9 M)
Investment in capital assets	F/S Note 14	\$ (5.1 M)	\$ (10.7 M)
Employee future benefits	F/S Net Assets	\$ (3.4 M)	\$ (3.0 M)
Internal contributions to endowment and sinking funds	F/S Net Assets	\$ 4.5 M	\$ 3.5 M
Research surplus/(deficit)	Section 3.2	\$ (0.9 M)	\$ (4.0 M)
Ancillary surplus/(deficit)	Section 2	\$ (8.7 M)	\$ 4.3 M
Plant surplus/(deficit)	Section 3.1	\$ (0.1 M)	\$ 0.3 M
Other minor adjustments in net assets	F/S Net Assets	\$ 2.0 M	\$ 0.7 M
Excess of revenue over expense per audited statements		\$ 15.0 M	\$ (29.5 M)

The Internal Statement of Operations following this Management Discussion and Analysis section provides a more detailed analysis of the key revenue and expenditures that impact the University's consolidated results.

CONCLUSION

Despite the province lifting the freeze on domestic tuition fees and providing limited increases to grants, the ongoing enrolment challenges resulting from government policies and actions affecting international students mean that Carleton University continues to face significant financial pressures. Through prudent planning and adherence to conservative budgeting practices, the University was able to mitigate the impact of lower-than-historic international student enrolment in 2025-26. In addition, recent cost containment initiatives, including the voluntary retirement incentive program implemented in 2024-25, eliminated the anticipated draw on strategic funds that would otherwise have been required to balance the approved operating budget. These sustainability measures, combined with continued strong investment returns, enabled the University to increase its reserves by \$13.3 million during the year.

Duane McNair, MBA CPA
Vice-President (People, Finance and Operations)
September 2026

While the University's financial performance in 2025-26 is a positive outcome and reflects the effectiveness of the actions taken to strengthen its financial position, the external environment remains uncertain and future pressures are expected to persist. The current year's results should therefore be viewed as an important step in Carleton's longer-term financial sustainability journey rather than an end point. While overall ancillary operations remain financially healthy despite a planned deficit in the current year, and the research enterprise continues to demonstrate resilience, the University must maintain its focus on the Mission Sustainability Framework and other strategic initiatives to preserve financial flexibility, manage emerging risks, and ensure its long-term viability in an increasingly challenging operating environment.

Angela Marcotte, CPA, CA
Associate Vice-President (Financial Services) and
Chief Financial Officer
September 2026

1. INTERNAL STATEMENT OF OPERATIONS

The audited financial statements provide a consolidated view of the University's financial position and results in accordance with Canadian accounting standards for not-for-profit organizations. For budgeting and operational oversight, management uses an internal reporting framework that groups activities by fund. For example, operating, ancillary, research and capital activities are monitored separately to support planning, budget accountability, and decision-making.

Schedule 1 of this report presents actual operating results compared to the 2025-26 budget approved by the Board of Governors. Section 4 provides a reconciliation to the audited financial statements.

The analysis that follows highlights significant revenue and expenditure variances across the operating, ancillary, capital and research activities.

1.1 Operating Income

Operating income was \$556.9 million, which was \$27.5 million above budget. Approximately \$5.3 million of this variance related to specific-purpose revenues with offsetting expenditures. After excluding these items, net operating income was \$551.6 million, or \$22.3 million above budget.

The favourable variance was primarily driven by investment income, which was \$23.4 million above budget, reflecting stronger investment returns than those estimated in the budget. Recognizing that a portion of the University's investment portfolio is exposed to equity market risk, the University maintains a Stabilization Reserve that can be drawn upon to offset future investment income shortfalls and other unforeseen financial pressures. Consistent with this approach, \$12 million of the year's \$23.4 million budget surplus was appropriated to the Stabilization Reserve, increasing its balance to the \$39 million cap previously recommended by the Investment Committee.

Government grants and other income collectively exceeded budget by \$7.9M, although \$5.3 million of this variance related to new revenues that supported specific corresponding expenditures and therefore did not fully affect the operating bottom line.

These positive revenue variances were partially offset by a \$3.7 million tuition shortfall, due mostly to lower than planned international enrolments, particularly at the graduate level.

	<i>Enrolment (F.T.E.)</i>		<i>Increase/Decrease</i>	
	<i>2025-2026</i>	<i>2024-2025</i>	<i>#</i>	<i>%</i>
Undergraduate - Domestic	19,881	19,963	(82)	-0.4%
Undergraduate - International	1,537	2,017	(480)	-23.8%
	21,418	21,980	(562)	-2.6%
Graduate - Domestic	5,035	4,607	428	9.3%
Graduate - International	894	1,204	(310)	-25.7%
	5,929	5,811	118	2.0%
Total	27,347	27,791	(444)	1.6%

Overall, operating income exceeded budget, but the favourable result was largely attributable to investment performance rather than recurring core revenue growth. Tuition revenue remains below budget and below the prior year, highlighting the continuing financial pressure from international enrolment declines and constrained fee growth.

The following table summarizes operating income by major revenue category:

	<i>2025-2026 Actual \$000</i>	<i>2025-2026 Budget \$000</i>	<i>Variance from Budget \$000</i>	<i>2024-2025 Actual \$000</i>
Grant income	203,836	198,459	5,377	184,493
Tuition Fee Revenue	279,366	283,100	(3,734)	295,278
Investment Income	46,372	23,000	23,372	52,927
Other Income	25,508	24,830	2,522	33,750
Subtotal	556,926	529,389	27,537	566,448
Items offset by expenditures	(5,280)	-	(5,280)	(14,358)
Net Revenues	551,646	529,389	22,257	552,090

As not all variances have a direct impact on the net operating result, the following table distinguishes between income variances that affect the operating result and revenues that are offset by corresponding expenditures:

	<i>Operating Result Impact \$000</i>	<i>Income Offset by Expenditure \$000</i>	<i>2025-26 Variance from Budget \$000</i>	<i>2024-25 Variance from Budget \$000</i>
Grant income	1,941	3,436	5,377	3,579
Tuition Fee Revenue	(3,734)	-	(3,734)	(13,922)
Investment Income	23,372	-	23,372	30,927
Other Income	678	1,844	2,522	11,006
Subtotal	22,257	5,280	27,537	31,590

The majority of revenues that are offset by corresponding expenditures relate to targeted funding received for student support initiatives, specific departmental activities, and donor-supported programs. While these revenues increase reported income, they do not have a material impact on the University's net operating result, as they are matched by related expenditures incurred for their intended purpose.

1.2 Operating Expenditures and Appropriations

Operating expenditures, before appropriations, totaled \$530.2 million in 2025-26, which was \$22.7 million below budget. The favourable variance reflects a combination of lower utilization of budget contingencies, spending levels below budget in several areas, and the receipt of \$5.3 million in additional revenues that supported related expenditures, as noted above.

Savings were realized in compensation-related costs, utilities, benefits, and student support programs, while many units also spent less than their allocated budgets, resulting in the reappropriation of \$13.5 million in unspent balances for future needs. Collectively, these factors more than offset budget pressures in other areas and contributed to the overall positive variance to plan.

In addition to the appropriation of \$13.5 million in unspent expenditure budgets, the University realized a net general operating surplus of \$13.3 million, which was transferred to reserves. Together, these amounts increased the operating reserves by \$26.8 million to strengthen the University's financial sustainability and capacity to address future risks and strategic opportunities.

A breakdown of the expense variances to budget are shown below.

1.2.1 Operating Expenditures

Expenses and Transfers above the original budget are calculated as follows:

	<u>\$000</u>
Actual operating expenditures and transfers	530,172
Opening operating budget	<u>552,831</u>
Expenditures less than budget	<u>(22,659)</u>

The items making up the \$22,659,000 decrease in expenditures and transfers were:

	<u>\$000</u>
a) Contingencies	(6,122)
b) Specific university expenditures	(7,519)
c) Expenditures funded from additional income	5,280
d) Net appropriations	<u>(13,451)</u>
Total expenditures less than budget	<u>(22,659)</u>

a) Contingencies

The favourable variance in contingencies reflects the salary increase estimates that were lower than originally forecast, due largely to staffing reductions and the ongoing impact of the Voluntary Retirement Incentive Program and Position Review Committee. Additionally, there was limited use of the general contingency during the year.

b) Specific university expenditures

The savings on specific expenditures were realized in several areas, including \$3.6 million in student support and \$0.6 million in joint program costs, both of which were driven by enrolment levels below the assumptions used in the original budget. Benefit costs were also below budget by \$1.7 million, reflecting a smaller workforce. In addition, bad debt expense was lower than anticipated by \$0.6 million, due in part to enhanced collection measures implemented during the year.

c) Expenditures funded from additional income

Additional expenditures of \$5.3 million were supported by new income received during the year, including \$3.4 million in government grants for student and disability supports. An additional \$1.9 million was received by departments and in miscellaneous fees and were directed toward their related purposes.

d) Net appropriations

Net appropriations reflect the carry forward of unspent Faculty and Divisional budget balances for future needs. The University returned \$52.0 million of prior year appropriations to units and appropriated \$65.4 million of current year unspent balances. While this results in a net \$13.4 million increase in appropriated fund balances, or reserves, it also represents a corresponding decrease in expenditure spending by units.

1.2.2 Appropriations

Appropriations, also known as internally restricted net assets or reserves, represent commitments that are recognized as charges against the operating results in the current year, although the expenditure has not yet taken place. The commitment can either be to an outside supplier (i.e., an outstanding encumbrance may exist based on a purchase order which has not yet been fulfilled), or an internal commitment to a departmental manager that budgetary balances available in the current year can be used for specific projects in the future.

Generally, unspent budgetary balances are carried forward into the next year. This is seen as an effective institutional policy as it allows managers to plan expenditures over a period that extends beyond the fiscal year and deters any potentially wasteful spending towards the year-end that may arise if budgetary funds were no longer available.

The net decrease in the general operations appropriated fund balance for the year is as follows:

	<u>\$000</u>
Returned to units from 2024-25 reserve balance	(51,965)
Unspent budget from units appropriated to reserves 2025-26	65,416
Additional surplus appropriated to reserve balance	13,303
Total increase in appropriated reserve balance	<u>26,754</u>

Details of the returned and new appropriations are as follows:

	<i>Returned</i> \$000	<i>Appropriated</i> \$000	<i>Difference</i> \$000
Faculties	11,405	15,137	(3,732)
Divisions	6,565	10,337	3,772
Specific expenditures (projects, student support)	32,650	39,766	7,116
Capital reserves	1,345	176	(1,169)
Subtotal	51,965	65,416	13,451
Appropriated Surplus	-	13,303	13,303
	<u>51,965</u>	<u>78,719</u>	<u>26,754</u>

The original budget for 2025-26 included a planned draw on reserves of \$23.4 million, so the appropriated surplus of \$13.3 million represents an improvement of \$36.7 million.

In addition to the \$78.7 million appropriated amount above, \$209.9 million of prior year reserve funds were not returned during 2025-26, as the planned or possible expenditures will occur in future fiscal years. As a result, the operating fund had the following reserve balances as of April 30, 2026:

	<i>Balance Held May 2025 \$000</i>	<i>Appropriated \$000</i>	<i>Balance April 2026 \$000</i>
Faculty RPCs carry forward	19,084	15,137	34,211
Division RPCs carry forward	5,705	10,337	16,042
Specific pending expenditures	902	39,766	40,668
Capital reserves	47,574	176	47,750
Pension liability reserve	69,212	-	69,212
Investment income equalization fund	26,983	12,017	39,000
Strategic Initiatives fund	40,484	1,286	41,770
Total appropriations not returned	209,944	78,719	288,663

The capital reserve currently has only modest commitments, including \$3.5 million for Mackenzie Building renovations, \$1.7 million for Dunton Tower renovations, and \$1.4 million for the ongoing campus transportation strategy. The remaining balance may be used together with the \$100 million in uncommitted bond proceeds for future capital projects or, given current financial constraints, may be partially redirected to strategic operating priorities.

While the pension fund is currently fully funded on an actuarial basis, the plan remains top of mind for the University when assessing future risks. On an accounting basis, the plan improved during the year by \$120.9 million to an asset position of \$242.5 million on April 30, 2026, because of the market's impact on the assets backing the pension plan. Given the market's ability to impact the position of the pension plan, the University continues to hold \$69.2 million reserved for pension obligations.

As referenced in section 1.1, the University maintains an investment income equalization fund to mitigate against market risks on its equity investment holdings within short-term operating investments.

The strategic initiatives fund may be utilized in the near-term to assist the University in bridging the current structural budget deficit. As the University works to develop and implement initiatives related to the Mission Sustainability Framework, the University may need to draw on the strategic initiatives fund to support these efforts.

1.3 Operating Results

As noted in section 1 above and on Schedule 1 at the end of this report, actual operating results show that revenues equal expenditures and appropriations.

As some revenue and expense items noted above are offsetting, the analysis below excludes these items to provide a variance summary for the major categories.

Final Operating Budget Results	
	<i>Actual</i>
	<i>Incr/Decr</i>
	<i>\$000</i>
Income Variations	
Government grants (section 1.1.1)	1,941
Tuition fees (section 1.1.2)	(3,734)
Miscellaneous income (section 1.1.3)	700
Investment income (section 1.1.4)	23,372
Departmental income (section 1.1.5)	(22)
Total income variations	22,257
Expenditure Variations	
Expenditures less than contingencies (sec 1.2.1)	6,969
Expenditures less than allocations (sec 1.2.1)	7,519
Total expenditure variations	14,488
Net change in results	36,745
Original surplus (deficit) included in budget	(23,442)
Appropriated surplus or use of reserve (section 1.2.2)	(13,303)
Total change in accumulated surplus	-

1.4 Accumulated Unrestricted Surplus

The prior year's accumulated operating balance was \$nil and therefore remains unchanged for April 2026. Given the University's surplus in 2025-26, no reserves were utilized to balance the annual operating budget's results. Unrestricted operating surpluses are appropriated and held in internally restricted net assets for future purposes. In the same vein, internally restricted net assets are returned to the unrestricted operating fund when there is an in-year deficit.

2. Ancillary Operations - Operating Result and Fund Balance

Schedule 2 of this report details the 2025-26 operations of each ancillary as compared to the opening budget. Overall, the ancillary results can be summarized as follows:

	<i>2025-26 Actual \$000</i>	<i>2025-26 Budget \$000</i>	<i>2024-25 Actual \$000</i>
Revenue and internal recoveries	87,832	84,501	77,831
Expenses and transfers	60,284	58,344	51,723
Surplus (deficit) from operating activity	27,548	26,157	26,108
Major renovations	21,780	21,128	11,503
Capital debt	14,495	14,537	10,259
Surplus (deficit) from operating activity and debt servicing	(8,727)	(9,508)	4,346

Ancillary operations ended the year with a combined deficit of \$8.7 million compared to a budgeted deficit of \$9.5 million. The deficit can primarily be attributed to a planned \$10 million down-payment on the new Rideau House residence.

The favorable variance relative to budget reflects strong revenues across several ancillary units including higher residence occupancy and strong performance across all revenue categories in Athletics and Recreation and Campus Services. Expenses were higher than budget due in part to increased utility costs, particularly electricity. Major renovations were relatively on target as a \$5.7 million accrual for Rideau House construction delay costs offset a \$5.6 million in-year spending reduction from the deferral of the high-voltage electrical infrastructure project in Nideyinàn until May 2026 and cost savings realized on several Housing Services projects.

Overall, ancillary operations continue to maintain a strong financial position, with positive operating results across all units, supporting ongoing operations, future capital renewal, and long-term financial sustainability.

The change in the fund balance is as follows:

	<i>Balance at April 2026 \$000</i>	<i>Balance at April 2025 \$000</i>	<i>Change \$000</i>
Accumulated Surplus - Internally Restricted	37,710	46,437	(8,727)

3. Other Income and Expenditures

As explained in section 1 above, the 2025-26 audited financial statements include all the activities of the University which, for management purposes, are segregated into separate funds. The following sections highlight the more significant non-operating activities from the Consolidated Statement of Operations.

3.1 Capital Investments, Plant Income and Expenses

The accounting for investments in capital assets is one of the major differences in how the University accounts for expenditures internally, versus those in the audited financial statements. Included here is a high-level view of capital investments, as well as operating results for the non-capital portion of renovation projects, known as plant income and expenses.

While additions to capital assets totaled \$29.7 million in 2025-26, the University continues with a cautious approach to future construction, including the pause of major renovations to the Paterson Hall and Loeb buildings. To maintain existing buildings in acceptable condition, the University has worked to address its considerable backlog of deferred maintenance projects. In the current year alone, \$28.7 million was spent on building modernization and maintenance projects. In the current year, projects funded by ancillaries include the completion of the new Rideau House student residence, completion of the P9 site restoration, and a few housing projects including electrical upgrades, cooling tower updates, door replacements, and furniture and fixtures upgrades.

As indicated in the University's audited financial statements (note 6), capital assets totaled \$723.2 million as of April 30, 2026, as compared to \$739.6 million in the previous year. Capital assets have been funded through a combination of direct investments in capital assets, deferred contributions, and financing, as outlined below.

	2026 \$000	2025 \$000	Increase/(Decrease) \$000
Capital assets	723,226	739,604	(16,378)
<u>Funding</u>			
Investment in capital assets	417,263	422,318	(5,055)
Deferred capital contributions	163,435	171,820	(8,385)
Loans payable	33,543	37,805	(4,261)
Debenture	80,857	80,694	1,068
Internal financing	28,128	26,967	235
	723,226	739,604	(16,378)

The specific assets funded through external and internal financing are as follows:

	Maturity	Interest rate	2026 \$000	2025 \$000	Increase/(Decrease) \$000
<u>External loan financing</u>					
Prescott residence	2029	7.21%	3,398	4,660	(1,262)
Leeds residence	2027	6.49%	527	2,043	(1,516)
Frontenac residence	2039	4.85%	9,308	9,798	(490)
Lennox & Addington residence	2042	2.81%	20,310	21,303	(993)
			33,543	37,804	(4,261)

	<i>Maturity</i>	<i>Interest rate</i>	<i>2026 \$000</i>	<i>2025 \$000</i>	<i>Increase/(Decrease) \$000</i>
<u>External debenture financing</u>					
Rideau residence	2061	3.26%	80,000	79,074	926
<u>Internal loan financing</u>					
Rideau residence	2066	4.95%	3,457	-	3,547
Parking facilities	2048	3.35%, 7.7%	21,365	22,168	(803)
Teraanga Commons renovations	2037	3.50%, 5.45%	10,521	11,438	(917)
Ice Arena	2027	0.00%	-	850	(850)
Building fit-ups (funding in advance of expenditure)			(6,448)	(5,868)	(580)
			28,985	28,588	397
			142,528	145,466	(2,938)

The debenture financing represents the utilized portion of the \$220 million issuance in 2021. Amounts that have not yet been applied toward capital projects are invested with the University's available cash resources and contribute towards investment income for operating purposes. The 40-year bullet bond requires interest-only payments during that time, and as such, the University has established a sinking fund to accumulate sufficient funds to retire the principal due in 2061. The current sinking fund payments are \$1.8 million annually (Operating - \$1.1M; Ancillary - \$0.6M) and the balance of the fund as of April 30, 2026, is \$11.6 million. It is currently forecasted that the sinking fund will reach \$220 million before the 2061 due date.

Annual external debt servicing costs, comprised of principal and interest, are as follows:

	<i>Operating \$000</i>	<i>Ancillary \$000</i>	<i>Total \$000</i>
2026-27	4,570	7,291	11,861
2027-28	4,570	6,767	11,337
2028-29	4,570	5,886	10,456
2029-30	4,570	5,263	9,833
2030-31	4,570	5,273	9,843
Thereafter	141,670	104,349	460,605
	164,518	134,829	513,935

Per the University's capital debt policy, two ratios, debt per full-time equivalent (FTE) student and debt service coverage, are to be used as a guideline to determine the maximum amount of outstanding debt.

	<i>Threshold</i>	<i>2025-26</i>	<i>2024-25</i>
Debt per student FTE	< \$15,023	\$ 9,877	\$ 9,992
Debt service coverage ratio	> 2.5	5.0	1.4

As shown in the table above, the University performs well against its debt metrics. Debt per FTE remains comfortably below the policy threshold, while stronger operating results in 2025-26 restored the debt service coverage ratio to 5.0, exceeding the minimum threshold of 2.5. After several years in which financial statement deficits resulted in the debt service coverage ratio falling below the guideline, the University is once again in compliance with both debt measures outlined in the policy.

Management has reviewed the covenant requirements associated with the University's outstanding debt obligations and confirms that the University remained in compliance with all material covenant provisions during 2025-26. The University's debt agreements do not contain restrictive financial ratio covenants; instead, covenant requirements focus primarily on reporting obligations, asset encumbrance restrictions, debt servicing, and prudent financial stewardship.

The plant income and expenses included below represent non-capital and renovation projects, which are specifically funded from external sources, as well as those non-capital expenditures being funded from operations (e.g. general, ancillary, research) over a period of time.

The following summarizes the Plant income and expenses for 2025-26:

	<i>2025-2026 Actual \$000</i>	<i>2024-2025 Actual \$000</i>	<i>Increase (Decrease) \$000</i>
Income and Transfers			
Government grants, other income	5,777	4,078	1,699
Transfers from/(to) operating & ancillary	672	919	(247)
Net income	6,449	4,997	1,452
Expenses			
Additions	6,575	4,669	1,906
Surplus (deficit)	(126)	328	(454)
Opening fund balance	214	(114)	328
Closing fund balance	88	214	(126)

In addition to government grants for non-capital projects, \$0.7 million in funding was provided by the operating fund for projects. During the year, \$6.6 million in expenditure was incurred, leaving a small balance in the fund as of April 30, 2026.

3.2 Research Funding and Expenditures

The table below provides a summary of externally sponsored and internally funded research activity.

Externally sponsored research funding is considered restricted revenue and is not recognized as revenue on the audited financial statements until matching expenditures are made. Funding received but not spent during the year is shown as deferred revenue. Internally funded research revenue does not have external restrictions placed on it and is recognized as revenue when received. Unspent funds at year-end are shown as internally restricted balances on the financial statements.

	<i>Balance April 30, 2025 \$000</i>	<i>2025-26 Funding \$000</i>	<i>2025-26 Expenditure \$000</i>	<i>Balance April 30, 2026 \$000</i>
<u>Tri-Agency Sponsored Research</u>				
CIHR	4,478	3,967	4,245	4,200
NSERC	23,905	21,591	22,763	22,733
SSHRC	18,312	24,310	24,145	18,477
	46,695	49,868	51,153	45,410
<u>Other Sponsored Research</u>				
Federal Government Agencies	5,004	14,087	14,644	4,447
SNO and TRIUMF	-	10,053	10,053	-
CFI / Ontario Research Fund	4,747	6,088	7,253	3,582
Provincial, municipal governments	2,407	2,944	2,091	3,260
Business, Partnerships, & Other	18,985	40,556	38,570	20,971
	31,143	73,728	72,611	32,260
<u>Total Sponsored Research</u>	77,838	123,596	123,764	77,670
Internally funded research	59,571	4,279	5,145	58,705
<u>Total Research</u>	137,409	127,875	128,909	136,375

Acronyms:	
CFI - Canadian Foundation for Innovation	CIHR - Canadian Institutes for Health Research
NRC – National Research Council	NSERC – Natural Science and Engineering Research Council
SNO – Sudbury Neutrino Observatory Institute	SSHRC - Social Science and Humanities Research Council
TRIUMF - National Laboratory for Particle and Nuclear Physics	

Research activity remains strong, with funding and expenditure exceeding \$100 million annually. Although sponsored research funding declined in 2025-26 due primarily to lower in-kind contributions, related expenditures also decreased, leaving sponsored research balances relatively stable at \$77.7 million, compared to \$77.8 million in 2024-25. As these funds are externally restricted, they are reported as deferred revenue until spent on their intended research purposes.

The balance of internally restricted research projects declined by \$0.9 million during the year, from \$59.6 million to \$58.7 million, reflecting expenditures that exceeded new internal funding. These balances remain internally restricted to support ongoing research activities.

General Operating Fund 2025-26 Income,
Expenses and Unrestricted Surplus
Comparison To Budget (May 2025) and 2024-25 Actual

Schedule 1

	2025-26 Actual	2025-26 Budget	Actual to Budget		2024-25 Actual	Actual to Prior Year	
	\$000's	\$000's	\$000's	%	\$000's	\$000's	%
<u>INCOME</u>							
Government Grant	203,836	198,459	5,377	2.7	184,493	19,343	10.5
Tuition Fees	279,366	283,100	(3,734)	(1.3)	295,278	(15,912)	(5.4)
Miscellaneous Income	17,650	16,596	1,054	6.4	15,975	1,675	10.5
Investment Income	46,372	23,000	23,372	101.6	52,927	(6,555)	(12.4)
Departmental Income	9,702	8,234	1,468	17.8	17,775	(8,073)	(45.4)
Total Operating Income	556,926	529,389	27,537	5.2	566,448	(9,522)	(1.7)
<u>EXPENSES</u>							
Faculty of Arts & Social Sciences	68,526	71,030	(2,504)	(3.5)	72,869	(4,343)	(6.0)
Faculty of Public Affairs	46,847	47,847	(1,000)	(2.1)	48,726	(1,879)	(3.9)
Sprott School of Business	25,414	25,508	(94)	(0.4)	24,972	422	1.8
Faculty of Science	55,766	54,884	882	1.6	56,946	(1,180)	(2.1)
Faculty of Engineering and Design	55,055	53,798	1,257	2.3	58,912	(3,857)	(6.5)
Provost and Vice-President (Academic)	17,473	16,392	1,081	6.6	26,805	(9,332)	(34.8)
Vice-President (Students and Enrolment)	25,673	36,371	(698)	(2.6)	33,466	(7,793)	(23.3)
Library	12,046	12,284	(238)	(1.9)	13,339	(1,293)	(9.7)
Vice-President (Research and International)	6,424	5,858	566	9.7	6,544	(120)	(1.8)
Vice-President (Finance & Administration)	55,124	56,137	(1,013)	(1.8)	67,062	(11,938)	(17.8)
Advancement	4,734	5,670	(936)	(16.5)	5,785	(1,051)	(18.2)
University Communications	3,816	4,097	(281)	(6.9)	4,542	(726)	(16.0)
President	3,052	3,323	(271)	(8.2)	3,005	47	1.6
University Budgets and Provisions	146,161	164,576	18,415	(11.2)	158,097	(11,936)	(7.5)
Interfund Transfers (net)	4,061	5,056	(995)	(19.7)	6,081	(12,191)	(66.7)
Subtotal Operating Expenses	530,172	552,831	(22,659)	(4.1)	587,151	(56,979)	(9.7)
Net RPC Appropriations	13,451	-	13,451		(9,990)	23,441	
Appropriation of / (Return of prior year) surplus	13,303	(23,442)	36,745		(10,713)	24,016	
Total Expenses	556,926	529,389	27,537	5.2	566,448	(9,522)	1.7
Increase / (Decrease) in Unrestricted Surplus	-	-	-		-	-	

Note: 2025-2026 budget figures reflect the opening May 1, 2025 budget, with reallocations made to assist in comparison.

Schedule 2

2025-26 Actual			2025-26 Budget			Actual as Compared to Budget			Accumulated Surplus				
	Income	Expenses and Transfers	Surplus (Deficit)		Income	Expenses and Transfers	Surplus (Deficit)		Income	Expenses and Transfers	Surplus (Deficit)	Opening	Closing
	\$000	\$000	\$000		\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000
Housing, Residence Life & Conference Services	34,758	48,508	(13,750)		33,481	43,717	(10,236)		1,277	4,791	(3,514)	21,623	7,873
Campus Services	14,738	13,330	1,409		13,477	13,523	(46)		1,262	(193)	1,455	2,842	3,921
Physical Recreation & Athletics	18,925	18,018	907		18,116	18,486	(370)		809	(468)	1,277	17,911	18,818
Parking Services	7,523	5,821	1,702		8,311	5,216	3,095		(788)	605	(1,393)	(2,290)	(588)
Health & Counselling Services	5,326	4,556	770		4,424	4,389	35		902	167	735	2,101	2,871
Ancillary Property Rentals	2,883	2,848	35		2,624	2,639	(15)		259	209	50	706	741
Nideyinan	2,608	2,422	186		2,698	4,670	(1,972)		(90)	(2,248)	2,158	3,621	3,807
Carleton Dominion-Chalmers Centre	1,070	1,056	14		1,371	1,369	2		(301)	(313)	12	253	267
Total Ancillaries	87,832	96,559	(8,727)		84,502	94,009	(9,507)		3,330	(2,550)	780	46,437	37,710
Ancillary Reserve Balance												46,437	37,710

Carleton University
Operating Fund Full-Time Equivalent (FTE) Positions

Schedule 3

	April 2024			April 2026			2-yr Change			
	Faculty FTE	Staff FTE	Total FTE	Faculty FTE	Staff FTE	Total FTE	Faculty FTE	Staff FTE	Total FTE	%
<u>Operating Department/RPC</u>										
Faculty of Arts & Social Sciences	332.8	86.5	419.3	287.5	83.5	371.0	(45.3)	(3.0)	(48.30)	-12%
Faculty of Global & Public Affairs	225.8	66.5	292.3	202.1	61.5	263.6	(23.7)	(5.0)	(28.70)	-10%
Sprott School of Business	70.0	31.2	101.2	61.0	27.4	88.4	(9.0)	(3.8)	(12.75)	-13%
Faculty of Science	213.1	115.5	328.6	204.1	110.0	314.1	(9.0)	(5.5)	(14.50)	-4%
Faculty of Engineering & Design	223.7	99.5	323.2	204.8	100.5	305.3	(19.0)	1.0	(18.00)	-6%
Library	34.0	76.0	110.0	31.5	62.0	93.5	(2.5)	(14.0)	(16.50)	-15%
Academic Administration	-	130.7	130.7	-	121.0	121.0	-	(9.6)	(9.64)	-7%
Students & Enrolment	-	257.0	257.0	-	224.8	224.8	-	(32.2)	(32.24)	-13%
Research, Innovation & International	-	55.3	55.3	-	43.8	43.8	-	(11.5)	(11.50)	-21%
People, Finance & Operations	-	360.0	360.0	-	335.0	335.0	-	(25.0)	(25.00)	-7%
President	-	16.0	16.0	-	18.0	18.0	-	2.0	2.00	13%
Advancement	-	52.0	52.0	-	48.0	48.0	-	(4.0)	(4.00)	-8%
Communications	-	23.0	23.0	-	21.0	21.0	-	(2.0)	(2.00)	-9%
Total Operating Fund	1,099.4	1,369.2	2,468.6	991.0	1,256.5	2,247.5	(108.5)	(112.6)	(221.1)	-9%
<u>Ancillary Departments</u>										
Housing, Residence Life & Conference Services	-	31.0	31.0	-	29.0	29.0	-	(2.0)	(2.0)	-6%
Campus Services	-	19.0	19.0	-	14.0	14.0	-	(5.0)	(5.0)	-26%
Physical Recreation & Athletics	-	28.0	28.0	-	30.0	30.0	-	2.0	2.0	7%
Parking Services	-	5.0	5.0	-	4.0	4.0	-	(1.0)	(1.0)	-20%
Health and Counselling	-	32.4	32.4	-	34.1	34.1	-	1.7	1.7	5%
Carleton Dominion-Chalmers Centre	-	4.0	4.0	-	4.0	4.0	-	-	-	0%
Total Ancillary Fund	-	119.4	119.4	-	115.1	115.1	-	(4.3)	(4.3)	-4%
Total Operating and Ancillary FTEs	1,099.5	1,488.6	2,588.0	991.0	1,371.6	2,362.6	(108.5)	(116.9)	(225.4)	-9%

AGENDA ITEM

6.1



To:	Board of Governors	Date of Report: 30 September 2026
From:	Clerk of Senate	Date of Meeting: 8 October 2026
Subject:	Senate Annual Report 2025/2026	
Responsible Portfolio:	University Governance Secretariat	

1.0 PURPOSE

☐ For Approval ☒ For Information ☐ For Discussion

2.0 MOTION

This report is for information only.

3.0 EXECUTIVE SUMMARY

The report outlines the work Senate completed between July 1, 2025 and June 30, 2026. As the highest academic body at Carleton, Senate is responsible for making decisions that pertain to students and faculty, including: approving graduates, new programs, revising curricula, and endorsing or approving university strategies or reports etc. This year, Senate held six in-person meetings and three hybrid meetings on campus. Over the course of the academic year, Senate received 12 community presentations and approved: 6,918 graduates, 258 medalists, three honorary degrees, 3 new programs, 68 major program modifications including 3 new programs, 2 streams & specializations, 12 cyclical reviews, 3 program deletions, the creation of a new College of Global Studies, a new Policy on Petitions & Appeals, 1 revised Faculty Board Constitution, and updated Senate Nomination & Election Procedures. Senators also participated, for the first time, in a professional development activity to deepen their understanding of academic governance.

4.0 INPUT FROM OTHER SOURCES

This report was developed by the University Governance Secretariat to outline the work of Senate over 2025/26 academic year.

5.0 ANALYSIS AND STRATEGIC ALIGNMENT

Carleton is a bicameral institution, meaning governance is shared by the Board of Governors and Senate. As part of this structure, it is important that the Board receives an annual report from Senate. This report will provide Governors with an overview and understanding of the various initiatives completed or underway by Carleton's Senate. These initiatives align with the Strategic Plan.

6.0 FINANCIAL IMPLICATIONS

This report has no financial implications and is for the Board's information only.

7.0 RISK, LEGAL AND COMPLIANCE ASSESSMENT

There are no risk or legal implications.

8.0 REPUTATIONAL IMPLICATIONS AND COMMUNICATIONS STRATEGY

The work of Senate is communicated through its annual report and monthly meeting summaries (Inside Senate). Inside Senate is a high-level summary that ensures Senate's key decisions are accessible to the Carleton community just days after each meeting. The annual report compiles these meeting summaries into one cohesive public facing document. Both are distributed to the university community through Carleton's Top 5 newsletter and are posted on Senate's external website: www.carleton.ca/senate

9.0 OVERALL RISK MANAGEMENT ANALYSIS

	LOW	Moderate	HIGH	Critical
STRATEGIC	☒	☐	☐	☐
LEGAL	☒	☐	☐	☐
OPERATIONAL	☒	☐	☐	☐
TECHNOLOGICAL	☒	☐	☐	☐
FINANCIAL	☒	☐	☐	☐
REPUTATIONAL	☒	☐	☐	☐

10.0 IMPACT QUESTIONS

Leadership invites Governors to reflect on the following key question in advance of the meeting and to share their perspectives during the discussion:

How can the Board and Senate continue to strengthen alignment between academic governance and institutional strategy to ensure that governance modernization, academic innovation, and policy development effectively support Carleton's long-term priorities and student success?

Senate Annual Report

July 2025 - June 2026



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25/26 SENATE YEAR IN REVIEW

Carleton University Senate: Year in Review

Throughout the 2025–26 academic year, Carleton University's Senate continued to serve as a forum for thoughtful discussion, academic leadership, and shared decision-making. Senators considered a broad range of matters affecting students, faculty, and the university community, from academic policy and curriculum development to strategic planning and governance renewal. The year included Senate's first Academic Governance Workshop, early engagement in the Carleton@100 strategic planning process, approval of a new Policy on Petitions & Appeals, and ongoing efforts to modernize governance procedures and Faculty Board constitutions. These initiatives strengthened Senate's governance capacity while supporting a shared understanding of roles, responsibilities, and effective academic governance practices. Through its work, Senate remained focused on its core responsibility of advancing academic excellence while supporting a transparent, effective, and collegial system of university governance.

Key Highlights:

- **Academic Governance Workshop:** This first ever Professional Development activity for Senate provided members with the opportunity to deepen their understanding of academic governance principles and terminology.
- **Program Changes:** Commitment to academic renewal and responsiveness was demonstrated this year through unit restructuring, introduction of new programs, and discontinuation of older programs.
- **Policy on Petitions & Appeals:** Senate approved a comprehensive new policy to clarify and harmonize petition and appeal procedures across the university, enhancing consistency, transparency, and accessibility for students. The policy will come into effect following related updates to the undergraduate and graduate calendars.
- **Financial Updates:** Regular updates were provided to Senators on the university's financial situation, ensuring transparency and strategic alignment.

Academic Achievements:

- **6,918 Graduates Approved:**
 - Fall 2025: 575 undergraduate, 612 graduate
 - Winter 2026: 811 undergraduate, 576 graduate
 - Spring 2026: 3,479 undergraduate, 895 graduate
- **Academic Distinctions:**
 - 258 medals and prizes awarded
 - 3 Honorary degrees
- **Curriculum Development:**
 - 3 new academic programs introduced
 - 2 streams and specializations approved
 - 5 program deletions approved
 - 6 minors, streams specializations and concentrations closed
- **Quality Assurance:**
 - 12 cyclical programs reviews completed

ABOUT SENATE

Role of Senate at Carleton University

The Senate is Carleton University's highest academic governing body and serves as the principal authority on all academic matters. It plays a pivotal role in shaping the university's academic vision, policies, and priorities, directly influencing the experiences of both students and faculty.

Core Responsibilities of Senate:

- Conferring degrees and academic distinctions to graduating students;
- Approving recipients of medals, prizes, and scholarships;
- Endorsing new academic programs and overseeing revisions to existing curricula;
- Establishing and updating academic regulations, including those related to student performance, progression, and conduct.

Beyond its regular duties, the Senate provides strategic oversight and guidance on major institutional initiatives and academic policies. Senators help ensure that all decisions align with Carleton's academic mission and support the university's long-term goals for excellence in teaching, research, and student success.

2025/26 SENATE MEMBERSHIP

The Senate is composed of 82 members who represent the diverse voices of the Carleton community. Senate's membership reflects Carleton's commitment to collegial governance by bringing together elected representatives of faculty, students, contract instructors, academic leadership, alumni, and the Board of Governors. Its voting membership includes:

- **41 faculty members**
- **2 contract instructors**
- **10 elected undergraduate students**
- **3 graduate student representatives**
- **21 ex officio members** (*including academic and administrative leaders*)
- **2 members of the Board of Governors**
- **1 Academic Colleague** (*representing Carleton at the Council of Ontario Universities*)
- **1 Alumni Representative**
- **1 Clerk of Senate**

Ex Officio Members

- Wisdom Tettey, President, Vice-Chancellor & Chair of Senate
- Richard Dansereau, Clerk of Senate
- Suzanne Blanchard, Vice-President (Students & Enrolment) & University Registrar
- Rafik Goubran, Vice-President (Research, Innovation and International)
- L. Pauline Rankin, Provost & Vice-President (Academic)
- Duane McNair, Vice-President (People, Finance and Operations)
- David Hornsby, Vice-Provost (Academic and Global Learning)
- Maria DeRosa, Dean, Faculty of Science
- Larry Kostiuik, Dean Faculty of Engineering and Design (July 1 – July 31, 2025)
- Ron Miller, Interim Dean, Faculty of Engineering and Design (from August 1, 2025)
- Anne Bowker, Dean, Faculty of Arts & Social Sciences
- Brenda O'Neill, Dean, Faculty of Public and Global Affairs (July 1, 2025 – December 31, 2025)

- Mary Francoli, Interim Dean, Faculty of Public and Global Affairs (from January 1, 2025)
- Howard Nemiroff, Dean, Sprott School of Business
- Amber Butler, University Librarian
- Chantal Trudel, Director, School of Industrial Design
- Jean-Pierre Corriveau, Director, School of Computer Science
- Anne Bordeleau, Director, Azrieli School of Architecture and Urbanism
- Rob Teather, Director, School of Information Technology (July 1, 2025 to October 31, 2025)
- Ali Arya, Director, School of Information Technology (from November 1, 2025)
- Alison Kocsis, CASG President, to April 30, 2026
- Aidan Patrick, CASG President from May 1, 2026
- Sean Joe-Ezigbo, CUSA President, to April 30, 2026
- Maxwell Heroux, CUSA President from May 1, 2026
- Zeina Al Attar, GSA President, to April 30, 2026
- Diana Tutkishbayeva, GSA President from May 1, 2026
- Temuulen (Elen) Turbat, GSA VPA, to April 30, 2026
- Fatemeh Mohammad Zamani, GSA VPA from May 1, 2026

Board of Governors Representatives

- Brett Tackaberry
- Beth Creary (July 1, 2025 – December 31, 2025)
- Nathalie Laporte (January 1, 2026 – June 30, 2026)

Special Appointments

- Trevor Lewis, Alumni Representative
- Kim Hellemans, COU Academic Colleague (July 1, 2025 to December 31, 2025)
- Paul Wilson, COU Academic Colleague (January 1, 2026 to June 30, 2026)

Elected Faculty Senators

Terms end June 30, 2026

- Janine Debanné, Engineering and Design / Architecture
- Shane Hawkins, Arts & Social Sciences

- Beth MacLeod, Arts & Social Sciences (Secretary of the Faculty Board)
- Laura Madokoro, Arts & Social Sciences
- Jody Mason, Arts & Social Sciences
- David Mendeloff, Public & Global Affairs (Secretary of the Faculty Board)
- Yuu Ono, Engineering & Design (Secretary of the Faculty Board) (to December 31, 2025)
- Gabriel Wainer, Engineering & Design
- Paul Williams, Arts & Social Sciences

Terms end June 30, 2027

- Menna Agha, Engineering and Design / Architecture
- James Brunet, Engineering and Design / Information Technology
- Tonya Davidson, Arts & Social Sciences
- Emily Gray, Sprott School of Business
- Josh Greenberg, Public and Global Affairs
- Tim Haats, Engineering / Industrial Design (to December 31, 2025)
- Guy Lacroix, Arts & Social Sciences
- Gabriel Maracle, Public & Global Affairs
- Azar Masoumi, Arts & Social Sciences
- Maya Papineau, Public & Global Affairs
- Megan Rivers-Moore, Arts & Social Sciences
- Shazia Sadaf, Arts & Social Sciences
- Alexis Shotwell, Arts & Social Sciences
- Rania Tfaily, Arts & Social Sciences
- Simon Viel, Science

Terms end June 30, 2028

- AbdelRahman Abdou, Science / Computer Science
- David Amundsen, Science (Secretary of the Faculty Board)
- Jeni Armstrong, Public & Global Affairs
- Francois Brouard, Sprott School of Business (Secretary of the Faculty Board)
- Inna Bumagin, Science
- Sean Burges, Public & Global Affairs

- Mostafa El Sayed, Engineering & Design
- Ahmed El-Roby, Science / Computer Science
- Kevin Graham, Science
- Achim Hurrelman, Public & Global Affairs
- Irena Knezevic, Public & Global Affairs
- Martha Mullally, Science
- Rebecca Renfro, Sprott School of Business
- Cristina Ruiz Martin, Engineering & Design
- Niall Tait, Engineering & Design
- Winnie Ye, Engineering & Design

- Kishan Patel
- Mahnaz Talebi Dastenaee
- Mohammad Vatankhah

Undergraduate Students - Terms end June 30, 2026

- FPGA: Isabella Alma
- FED: Nathan Bruni
- FPGA: Stella Duncan
- Sprott: Nolan Giroux-Laplane
- FPGA: Nir Hagigi
- FASS: Erin Harlan (November 28, 2025 to June 30, 2026)
- FED: Xavier Haziza
- Science: Gabrielle Lachance
- FASS: Kuma Nyedii Buoy
- FASS: Ashley Paiva (July 1, 2025 to September 12, 2025)
- FASS: Emma Peirce

Elected Contract Instructors

- Morgan Rooney, Arts & Social Sciences
- Mustafa Bahrn, Science

Elected Student Senators

Graduate Students - Terms end June 30, 2026

NOMINATIONS & ELECTIONS

The Senate Office is responsible for managing the membership and operations of the Senate and provides support for its associated committees. This includes overseeing the nomination and election processes for academic staff and student representatives on Senate, Senate committees, and various Advisory Committees. The Senate Office also provides support to Carleton student academic societies for their elections.

In the reporting period, the Senate Office:

- Led the nomination and election process for student and faculty positions on Senate for terms beginning July 1, 2026.
- Supported the nomination process for student and faculty positions on Senate standing committees, for terms beginning July 1, 2026
- Supported nomination and election of student and faculty representatives to the Advisory Committee for the Vice-President Advancement (May 2026)
- Supported the elections for 12 student academic societies in Fall of 2025 and 14 student academic societies in Spring of 2026

Senate & Senate Committee Membership Renewal for the 2025/26 Year

Elections were held in March and April 2025, as follows:

- March 11-12, 2025:
 - Election to Senate of faculty representatives from the Faculty of Engineering and Design for terms beginning July 1, 2025
 - Election to Senate of faculty representatives from Faculty of Public and Global Affairs (FPGA) for terms beginning July 1, 2025.
- April 15–16, 2025:
 - Election of the Senate Representative to the Board of Governors for the 2025–26 academic year.

Between July 2025 and March 2026, Senate ratified 10 Senators to fill remaining vacancies, for appointments effective immediately upon approval.

Senate Committee Membership Renewal

- From April to June 2025, Senate approved the appointment of 26 committee members in 9 committees, for service beginning July 1, 2025.
- Between July 2025 and March 2026, an additional 14 vacancies were filled and approved by Senate, with service commencing immediately upon ratification.

Nomination & Outreach Strategy

Each Call for Nominations was supported by a targeted strategic communications plan to maximize outreach and engagement:

- The University Secretariat collaborated with the Office of the Provost for the Provost's Newsletter and utilized the Carleton Top 5 newsletter to reach faculty members.
- For student engagement, the Secretariat partnered with the Office of the Vice-President (Students and Enrolment) and the Office of Graduate Studies to run promotions in the *State of the Raven* and *The Graduate*.
- Additional outreach channels included departmental newsletters, direct email communications, and social media platforms such as Instagram.

2025/26 SENATE MEETINGS

2025/26 Senate Meeting Format and Operations

For most of the 2025/26 academic year, Senate meetings were conducted in person. A hybrid option was introduced for meetings in April, May and June, to accommodate student Senators who may no longer be on campus after the April exam period.

The Senate convened nine scheduled meetings during the academic year:

- 2025: September 26, October 31, November 28,
- 2026: January 30, February 27, March 27, April 24, May 29, June 19

Senate Orientation Session – September 12

An orientation session for incoming Senators was held on September 12, 2025, in the Senate Room (PK608). The session was co-facilitated by Dr. Richard Dansereau, Clerk of Senate, and Kathy McKinley, Assistant University Secretary (Senate).

The session provided an overview of the Senate's governance structure including its standing committees, outlined the roles and responsibilities of Senators, and reviewed commonly used motions and procedural practices. For those unable to attend, orientation materials were distributed electronically. Furthermore, individualized orientation sessions—conducted in person or via Zoom—were provided to Senators who joined after the September session or were unable to attend the initial orientation.

Senate Governance Workshop – September 12

On September 12, 2025, Senators were invited to participate in a governance workshop facilitated by Dr. Jessica Riddell, to deepen Senate's shared understanding of bicameral governance, and to build a common vocabulary around governance principles. The workshop included structured discussion sessions around a number of key governance themes, to provide space for honest dialogue and reflection on the evolving responsibilities of governance in a time of rapid change and upheaval in the higher education sector. This professional development activity was the first of its kind held for Senators at Carleton.

Senate Visioning Exercise – December 12

On December 12, 2025, Senators were invited to participate in a visioning exercise, as a preliminary engagement activity for the development of Carleton's new strategic plan, Carleton@100. The session was facilitated by Project Lead Rick Colbourne and was centered around 6 consultation themes: Higher Education Sector, Teaching and Learning, Research & Creative Practice, Business Model and Sustainability, Student Experience, and Technology and Digital / Artificial Intelligence.

Senate Standing Committees

Throughout the Fall 2025 and Winter 2026 semesters, Senate's 13 Standing Committees convened regularly to carry out their respective mandates.

The Assistant University Secretary (Senate) provided direct administrative support to the following five Standing Committees:

- Senate Executive Committee
- Senate Academic Governance Committee
- Senate Honorary Degrees Committee
- Senate Medals & Prizes Committee
- Senate Review Committee

This support included the development of an annual work plan in collaboration with each committee Chair, scheduling and coordinating meetings, preparing and distributing meeting materials, recording and maintaining official minutes, and managing committee records. Additional responsibilities included tracking committee membership, facilitating orientation and succession planning, and offering governance support as required.

Senate Ad Hoc Committees

During the 2025-26 academic year, the Assistant University Secretary provided direct administrative support to two Ad Hoc Senate committees:

- Senate Ad Hoc Committee on the Academic Integrity Policy – established to review and recommend revisions to the Senate Academic Integrity Policy
- Senate Ad Hoc Committee on Petitions & Appeals – established to draft a new Senate Policy on Petitions and Appeals

Both ad hoc committees were established in the fall of 2024, completed their work in 2026 and presented their reports and recommendations to Senate at the meeting on June 19, 2026.

Clerk of Senate

The Clerk of Senate serves as the Chief Electoral Officer of Senate, manages the membership of Senate committees, and serves on the following Senate Standing Committees:

- Senate Academic Governance Committee (Chair)
- Senate Committee on Medals & Prizes (Chair)
- Senate Executive Committee (ex officio member)
- Senate Honorary Degrees Committee (ex officio member)
- Senate Committee on Curriculum, Admissions and Studies Policy (ex officio member)

The Clerk also conducts, upon request, Procedural Reviews arising from academic petition and appeal processes under Senate-approved academic regulations. Procedural Reviews are restricted to determining whether the appropriate procedures were followed and whether any issues of procedural fairness or bias were properly addressed.

GOVERNANCE AND POLICIES

New Senate Policy on Petitions & Appeals.

In June of 2026, Senate approved a new Policy on Petitions & Appeals, created by the Senate Ad Hoc Committee on Petitions & Appeals. The new policy draws upon and brings together existing rules and procedures on petitions and appeals as outlined in the undergraduate and graduate calendars. The policy also harmonizes grade appeal processes for undergraduate and graduate students, and helps to clarify terminology and procedure, particularly in identifying the responsible office or committee for specific petitions and appeals.

To avoid duplication and/or inconsistencies of information, the Senate Policy on Petitions & Appeals will come into effect only after required changes are made to the undergraduate and graduate calendars and to the Terms of Reference of the Senate Undergraduate Studies Committee. Additionally, a new policy on procedural reviews must be approved by Senate before the Policy on Petitions & Appeals can take effect.

Revised Engineering Faculty Board Constitution

Faculty Boards for the 5 Faculties and 4 Independent Schools were advised in 2024–25 to revise their Faculty Board Constitutions in response to the restructuring of the Faculty of Graduate & Postdoctoral Affairs (FGPA).

During the 2025–26 academic year, Senate approved a new Engineering Faculty Board Constitution. Four additional Faculty Board Constitutions have been submitted to be reviewed and approved by Senate during the 2026–27 academic year.

Updated Senate Nomination & Election Procedures

To increase the transparency and clarity of academic governance processes, existing nomination and election procedures for Senate were documented, received, approved by Senate, and published on the Senate website.

New Guidelines for Senate Question Period

Senate reviewed and approved a new set of guidelines for Senate Question Period. The guidelines help to clarify the purpose of Question Period and make more transparent the procedures involved in submitting questions for consideration.

Revised Terms of Reference for Senate Committees

- Terms of Reference for the Senate Executive Committee were revised to include, among other changes, new duties regarding Senate Question Period.
- Terms of Reference for the Medals & Prizes Committee were updated.
- The name of the Senate Committee on Undergraduate Student Awards was changed to the Senate Committee on Student Awards, and its Terms of Reference were updated to incorporate responsibility for both graduate and undergraduate awards.

Framework for Artificial Intelligence

In March of 2026, Senate received a presentation from Vice-Provost (Academic & Global Learning) David Hornsby on a new Carleton Artificial Intelligence Framework. Building upon and extending earlier work, the Framework provides general principles and guidance on the use of Artificial Intelligence by students, instructors and researchers. The current iteration also was informed by extensive feedback from Senators and other members of the Carleton community. Senate's discussion of the framework reflected the growing importance of artificial intelligence in teaching, learning, and research, and its implications for academic governance.

GRADUATION & CONVOCATION

During the 2025–26 academic year, Senate approved the graduation of 4,865 undergraduate and 2,083 graduate students.

As part of its core responsibilities, Senate also approved medal and prize recipients and honorary degree candidates in preparation for Convocation ceremonies.

Convocation Highlights:

Carleton celebrated the academic achievements of over 6,900 graduates during the 2025–26 academic year at Spring Convocation, held from June 8 – 12, 2026. Seventeen ceremonies were held over five days, recognizing the dedication, perseverance, and accomplishments of Carleton's graduating class.

Medals & Prizes

In the 2025–26 academic year, Senate was pleased to approve 249 medalist nominations. The medals and prizes awarded include:

Fall 2025	1 Governor General's Silver Medal at the Undergraduate
1 Governor General's Gold Medal at the PhD Level	Level
1 University Medal at the PhD Level	1 Chancellor's Medal at the Undergraduate Level
5 Senate Medals at the PhD Level	1 President's Medal at the Undergraduate Level
1 University Medal at the Masters Level	7 University Medals at the Undergraduate Level
8 Senate Medals at the Masters Level	24 Senate Medals at the Undergraduate Level

Spring 2026

1 Governor General's Gold Medal at the PhD Level	2 Governor General's Silver Medals at the Undergraduate Level
1 University Medal at the PhD Level	4 Chancellor's Medals at the Undergraduate Level
5 Senate Medals at the PhD Level	1 President's Medal at the Undergraduate Level
1 University Medal at the Masters Level	43 University Medals at the Undergraduate Level
7 Senate Medals at the Masters Level	143 Senate Medals at the Undergraduate Level

Honorary Degrees

Three honorary degrees were awarded to the following individuals for the 2025/26 academic year:



Latha Vishnubothla received a Doctor of Engineering, honoris causa, on June 9th, 2026 in recognition of her distinguished career in advancing networking, security, and cloud technologies and inspiring future leaders through mentorship. On top shaping the future of technology in senior leadership roles at leading global technology companies, Latha mentors women in technology and serves her community as a yoga and meditation teacher.



Kellylee Evans received a Doctor of Music, honoris causa, on June 10th, 2026 in recognition of her distinguished career as a Canadian singer-songwriter, having released nine albums and toured globally. After a life-altering lightning strike, followed by a concussion, the mother of three was forced to halt her busy touring schedule. In the years that followed, Evans has dedicated her energy to recovery and making music. When not performing, Evans travels as a speaker, sharing her recovery journey and an inspiring message of self-care and resilience.



Bruce Lourie received a Doctor of Laws, honoris causa, on June 11th, 2026 in recognition of his distinguished career as a leader in environmental sustainability and an unwavering commitment to Canada's net-zero future. The initiator of the largest climate action in North America, phasing out coal-fired electricity in Ontario, and helping establish the Ontario Greenbelt, Lourie is known for his ability to rethink environmental problems and develop collaborative solutions that benefit the economy, society and the environment.

ACADEMIC PROGRAMS & CURRICULA

Senate Approved 68 Major Program Modifications in 2025–26

As part of its commitment to academic renewal and program quality, Senate approved 68 major modifications to Carleton's academic offerings during the 2025–26 academic year. These changes reflected evolving disciplinary needs, student interests, and institutional priorities.

Highlights of approved changes:

New Undergraduate Programs

- *Bachelor of Engineering in Systems Security Engineering*
- *Bachelor of Entrepreneurship*

New Graduate Programs

- *Master's in Mineral Exploration and Resource Management*

New Streams and Specializations

- *Financial Planning – B.Com in Sprott School of Business*
- *Collaborative specialization in Data Science to the MASc programs in Mechanical, Aerospace and Materials Engineering*

Program Deletions

Senate also approved the deletion of several programs and academic components that no longer aligned with institutional priorities or enrollment trends:

Programs

- *Closure of MENG programs in Infrastructure Protection and International Security*
- *Closure of BSc and BScH in Integrated Science*
- *Closure of Post Baccalaureate Diploma in Economics*

Minors and Concentrations

- *Deletion of graduate concentration in Arts Management*
- *Deletion of minor and concentration in Drama Studies*
- *Deletion of minor in Latin American and Caribbean Studies*

Streams and Specializations

- *Deletion of BGLnS specialization and stream in Latin American and Caribbean Studies*

Governance Changes

Senate approved several changes to academic governance to better meet the needs of Carleton's faculty and students:

- Creation of a new *College of Global Studies* to include the Bachelor of Global & International Studies, graduate programs Migration and Diaspora Studies, graduate specialization in Latin American & Caribbean Studies and graduate and undergraduate programs in Russian and Eurasian Studies (with the subsequent closure of the Institute of European, Russian and Eurasian Studies)
- Name change of the Institute of Interdisciplinary Studies to the *School of Interdisciplinary Studies*, with the addition of the Institute of African Studies as a 4th sub-unit to the School.
- Transfer of academic programs in Canadian Studies from the School of Canadian Studies to the School for Studies in Art & Culture.

Senate Approved Suspended Admissions in 11 Academic Programs

In 2025–26, Senate received for information a list of eight academic programs with suspended admissions effective Fall 2026. These suspensions are part of ongoing academic planning and program review efforts across the university.

Each suspension request was initiated by the respective academic unit and subsequently approved by the Dean and the Vice-Provost (Academic). Unless otherwise specified, admissions to these programs are suspended for two admission cycles.

- MSC in Northern Studies
- PhD in Social Work
- Bachelor of Information Technology – Optical Systems and Sensors
- BSc in Food Science (Honours & Minor)
- M.Eng Infrastructure Protection & International Security, with Collaborative Specialization in Cyber Security
- Minor in Health Sciences
- Post-Baccalaureate Diploma in Economics
- MBA weekday in-person program
- Graduate Diploma (Type 2 & 3) in Architectural Conservation
- Bachelor of Science Honours in Nanoscience
- Extension of the suspended admission period for minors in German, Korean, Russian and Chinese

Senate Approved 29 Minor Academic Modifications

During the 2025–26 academic year, Senate approved **29** minor modifications and received an additional 778 for information.

Minor modifications represented the most frequent type of academic change and encompassed a wide range of updates to existing programs including:

- Revisions to academic calendar language and regulations
- Revisions to admission regulations
- Addition or deletion of courses
- Updates to existing concentrations or minors
- Adjustments to course requirements
- Modifications to course content, titles, or prerequisites

Senate Approved 12 Cyclical Program Reviews

As part of Carleton University's Institutional Quality Assurance Process (IQAP), all undergraduate and graduate programs undergo a cyclical review every seven years. The outcomes of these reviews are brought to Senate for approval to ensure continued academic excellence and relevance.

In 2025–26, Senate approved twelve final assessment reports and executive summaries resulting from the cyclical reviews of the following programs:

- Undergraduate programs in Economics.
- Bachelor of Information Technology – Information Resource Management.
- Graduate program in Political Management.
- Joint Graduate programs in Mechanical and Aerospace Engineering
- Graduate and Undergraduate programs in Applied Linguistics and Discourse Studies
- Graduate and Undergraduate programs in Music
- Graduate programs in Sustainable Energy
- Graduate & Undergraduate programs in Women's and Gender Studies
- Undergraduate Programs in Computer Science
- Graduate and Undergraduate programs in Anthropology
- Graduate and Undergraduate programs in Law and Legal Studies
- Graduate programs in International Affairs

These reviews provided valuable insights into program strengths, areas for improvement, and opportunities for innovation, helping to guide future planning and resource allocation.

COMMUNITY PRESENTATIONS & REPORTS

Senate welcomed a number of reports and presentations from the Carleton community during the 2025–26 academic year, including standard annual reports, financial updates, and strategic planning initiatives.

Institutional Reports and Updates

- Senate Committee Annual Reports (September 2025)
- Board of Governors Chair's Report (September 2025)
- Enrolment Update and Admission Statistics (January 2026)
- 2024–25 Senate Library Report (February 2026)
- Highlights from the consolidated 2026–27 Operating and Ancillary Budget (May 2026)

Strategic Planning and Institutional Initiatives

- Strategic Integrated Plan (SIP) Fall 2025 Implementation Report (October 2025)
- Strategic Visioning Session report (December 2025)
- Update on the Carleton@100 Strategic Planning Process (June 2026)

Emerging Issues and Academic Governance

- Efficiency & Accountability Fund Review Update (November 2025)
- Efficiency & Accountability Fund Review Update (February 2026)
- Presentation on process for program closures (November 2025)
- Carleton University Artificial Intelligence Framework (March 2026)

COMMUNICATIONS

In 2025–26, nine editions of Inside Senate were distributed to the Carleton community through the Top 5 newsletter and posted on the Senate website. These high-level summaries were designed to keep faculty, staff, and students informed of key decisions and discussions after each Senate meeting.

By making Senate activities more accessible and transparent, Inside Senate played an important role in strengthening communication and engagement across the university

Senate Survey

Each spring the Senate Office administers an annual Senate Survey to gather feedback from Senators regarding their experience serving on Senate. The purpose of the survey is to assess areas of strength and identify opportunities for

improvement in Senate operations and support. The 2026 Senate Survey was conducted from April 1 to May 1, 2026. It included questions related to the orientation process, communication strategies, and participation on Senate Standing Committees. The results of the survey will be compiled and shared with the Senate in September 2026 to inform future planning and enhance the overall effectiveness of Senate engagement

Priorities 2026–27

- **Finalization and implementation of Senate Policy on Petition & Appeals:**
 - Complete necessary revisions to Senate appeals committee TORs as required
 - Complete and approve revisions to undergraduate and graduate calendars to align with new policy
- **Conclusion of review and revisions to Senate Policy on Academic Integrity:**
 - Determine path to continue with revisions to policy
 - Bring to Senate for approval
- **Approval of remaining Faculty Board Constitutions:** Finalize and approve outstanding Faculty Board Constitutions.
- **Additional Learning Opportunities for Senators:** Identify, plan and schedule additional opportunities for Senate professional development.
- **Onboarding of new Assistant University Secretary**, Nick Paul, from September to December 2026. Nick will take over from Kathy McKinley as Assistant University Secretary (Senate) on January 1, 2027.
- **Continue to develop business continuity** through completion of Assistant University Secretary documentation of practices.

AGENDA ITEM

6.3

President's Report to the Board October 8, 2026

CORE MISSION

Priority 1: Pursue a Focus on Healthy, Excellent, Differentiating, Attractive and Sustainable Academic Programs, with High-Quality Student Experience and Success

Drive domestic and international enrolment growth to levels necessary to support a sustainable mission, through enhanced strategic enrolment management and development of a unique, differentiating and enriching student experience that elevates Carleton's ranking among peers.

Dynamic Fall Orientation

[Fall Orientation](#) welcomed more than 2,600 new students in September through programs and events designed to support their transition to university life. Activities included the Carleton Clubs Expo, CU Fest and a concert featuring Juno-nominated Crash Adams. The start of the academic year also marked Carleton's largest-ever residence cohort, with more than 4,000 students moving into residence from Sept. 1 to 6. Strong demand for residence accommodation resulted in over 98 per cent occupancy.

Student Co-op Employment Increasing

Employers continued to hire Carleton students in summer 2026, with 1,737 students completing co-op work terms, a three per cent increase over summer 2025. On June 18, Career Services partnered with the University of Ottawa, Algonquin College and La Cité to host the third annual Grad Career Fair, attracting more than 1,000 students and 60 employers.

NPSIA Celebrates 60th Anniversary

Carleton's Norman Paterson School of International Affairs (NPSIA) is [celebrating its 60th anniversary](#). Since 1966, NPSIA has trained students to become leaders, with graduates embarking on impactful careers in government, policy, diplomacy and related fields. NPSIA is widely considered Canada's top graduate program in international affairs and is globally recognized for excellence in teaching, research, policy engagement and public commentary. The anniversary was marked with an event in Richcraft Hall on Sept. 18 featuring Anita Anand, Canada's Minister of Foreign Affairs.

New and Enriched Academic Programming

- The Faculty of Engineering and Design has launched a new undergraduate [Systems Security Engineering program](#). The program prepares graduates to address cybersecurity challenges across the design, deployment and management of distributed systems, supporting workforce demand for advanced security expertise.
- Applications are open for Carleton's new online Master of Science in [Mineral Exploration and Resource Management](#). The program equips graduates with advanced scientific, managerial and ethical expertise in sustainable resource management, reinforcing Carleton's leadership in environmentally responsible resource education.
- The Faculty of Engineering and Design and the Office of Student Affairs have launched the [ECOR Tutoring Service](#), an Ontario Post-Secondary Access and Inclusion Program-

funded initiative that will provide free peer tutoring and drop-in support for first-year engineering students. The program is designed to enhance student success by improving access to academic support and reducing barriers to learning.

- The Faculty of Engineering and Design and Graduate Studies have implemented Accelerated Pathway and Guaranteed Admission programs to encourage high-achieving undergraduate students to pursue graduate studies at Carleton, strengthening student retention and graduate enrolment.
- During the summer term, incoming science students participated in transition programs offered through the Science Student Success Centre, including Summer Matchup mentoring and the CHEM4U preparatory course. These initiatives provided academic skills development, peer support and foundational chemistry review to support a successful transition to university studies.

Supporting International Learning

The Global Opportunities & International Student Services Office (GO-ISSO) provided more than 1,200 immigration advising interactions and delivered pre-arrival programming, health insurance administration and transition supports during summer 2026. GO-ISSO also supported more than 60 students participating in learning experiences across 24 countries and six global regions, maintained 109 active international exchange agreements and advanced strategic international partnerships that support experiential and intercultural learning opportunities for students.

Admissions Update

New first-year registration, undergraduate, as of Aug. 31, 2026, compared to Sept. 1, 2025

	Student count Sept. 1, 2025	Student count Aug. 31, 2026	Percentage change
All	4,781	5,504	15.12%
Domestic	4,608	5,292	14.84%
International	173	212	22.54%

Current student registration, undergraduate and graduate, as of Aug. 31, 2026, compared to Sept. 1, 2025

	Student count Sept. 1, 2025	Student count Aug. 31, 2026	Percentage change
All	29,803	29,562	-0.81%
Domestic	27,271	27,566	1.08%
International	2,531	1,996	-21.17%

Recruitment Update

- Between May and September, the Awards and Financial Aid Office awarded more than \$4.7 million in scholarships and \$850,000 in bursaries to eligible undergraduate students, recognizing academic achievement, responding to financial need and helping reduce financial barriers to student success.
- International Admissions and Recruitment launched a pilot partnership with BorderPass, providing new incoming international students with free study permit application support. The AI-powered application, pre-application review and licensed professional support, along with real-time tracking of study permit applications, aims to improve applicants' chance of study permit success and give Carleton insight into this critical part of the enrolment process.
- International Admissions and Recruitment expanded its in-country representative network from one to four regional hubs, adding South Asia, the Middle East and China to the initial hub in West Africa, enabling year-round local engagement across key international recruitment markets.

Priority 2: Scholarly Prominence in Established and Emerging Areas

Sustain and drive support for and year-over-year growth in scholarly productivity and recognitions (e.g., grants, publications, collaborations, awards) to enhance Carleton's reputation and ranking in identified areas of research and creative activity, thereby facilitating leadership in national and international partnerships that attract additional research funding, contracts, and impactful pathbreaking work and innovations.

SCHOLARLY RECOGNITIONS AND AWARDS

Research Achievement Awards

Ten faculty members were recognized through Carleton's [2026 Research Achievement Awards](#), celebrating outstanding contributions across disciplines. Established in 1989, the awards honour both established and emerging researchers whose scholarship advances knowledge, inspires innovation and reflects the breadth and quality of research taking place across the university.

Canada Research Chair in Next-Gen Economics

Economist Thomas Russell was appointed [Carleton's newest Canada Research Chair](#), recognizing his work advancing next-generation economic modelling. His research develops computationally efficient tools that can improve policy analysis, reflecting Carleton's growing strength in innovative scholarship with practical applications for economists and decision-makers.

Fellowships, Appointments and Honours

- Prof. Jason Jaskolka (Systems and Computer Engineering) began a Rogers Cybersecure Catalyst Fellowship, Academic Stream.
- Michael Wohl (Psychology) has been elected as a 2026 Fellow of the Canadian Academy of Health Sciences.
- David Hornsby, Vice-Provost (Academic and Global Learning), was awarded Principal Fellow (PFHEA) status by the Higher Education Academy.

- Prof. Banu Örmeci (Civil and Environmental Engineering) was elected to the Canadian Academy of Engineering, a national institution through which individuals who have made outstanding contributions to engineering in Canada provide strategic advice on matters of critical importance to Canada and to Canadians.
- Prof. Yasser Hassan (Civil and Environmental Engineering) received the Sanford Fleming Award, which recognizes outstanding contributions to transportation engineering research and/or practice in Canada.
- Prof. Halim Yanikomeroglu (Systems and Computer Engineering) was selected as the 2026 recipient of the prestigious [IEEE Canada R.A. Fessenden Award](#), which recognizes outstanding Canadian engineers who have made significant contributions to the field of telecommunications.
- Profs. Rod Phillips (History) and Ming Tiampo (Art and Architectural History) have been accepted into the Royal Society of Canada's Academy of Arts and Humanities.
- Profs. Jenny Bruin (Biology), Amy Bombay (Neuroscience) and Laura Horak (Film Studies) have been accepted into the Royal Society of Canada's College of New Scholars, Artists and Scientists.
- Prof. Danielle Manley (Science), director of Carleton's School of Nursing, received a 2026 Forty Under 40 Award from the *Ottawa Business Journal* and the Ottawa Board of Trade in recognition of her leadership in establishing Carleton's nursing program and advancing innovative approaches to healthcare education.
- Prof. Tracy Lauriault (Journalism and Communication) was appointed to the Council of Canadian Academies Panel on Citizen Science.

IMPACTFUL RESEARCH LEADERSHIP AND GRANT SUCCESS

Canadian Institutes of Health Research Grants \$1.5 Million to Carleton Researchers

Two Carleton research teams earned [more than \\$1.5 million](#) in Canadian Institutes of Health Research (CIHR) funding in August to investigate environmental contributors to diabetes and develop community-based supports for autistic children. The awards extend the university's strong performance in Canada's premier health research competition while advancing evidence-based solutions for pressing health challenges.

Major Boost Received for New Environmental Engineering Projects

More than \$1 million in Natural Sciences and Engineering Research Council (NSERC) funding will advance Carleton research [tackling microplastic pollution and low-carbon energy solutions for northern communities](#). The projects bring together environmental, geotechnical and structural engineering expertise to address pressing climate and infrastructure challenges while expanding Carleton's impact in sustainability-focused research.

New Funding Supports Anti-Racist Architectural Initiative

A federally funded interdisciplinary project will bring together architecture, information technology and community partners to develop [anti-racist approaches to architectural co-design](#). The New Frontiers in Research Fund award recognizes Carleton's capacity to pursue bold, boundary-crossing research that combines innovation with meaningful community impact.

Researcher Mehdi Ammi Awarded CIHR Team Grant

Professor Mehdi Ammi received a [\\$749,700 Canadian Institutes of Health Research \(CIHR\) Team Grant](#) to lead a national partnership examining equitable public health financing across Canada. Bringing together academic, government and community partners, the initiative will help inform more resilient public health systems and further expand Carleton's influence in health policy research.

Carleton Researchers Awarded Over \$10.4 Million from NSERC

One of Carleton's strongest Natural Sciences and Engineering Research Council (NSERC) competition outcomes to date brought [more than \\$10.4 million in funding](#), including Discovery Grants for 44 researchers. The results reflect sustained excellence across artificial intelligence, robotics, sustainability and engineering, while reinforcing the university's success in Canada's flagship science and engineering funding program.

Carleton Researchers Awarded Over \$6.3 Million from SSHRC

A record performance in the Social Sciences and Humanities Research Council (SSHRC) Insight Grants competition helped secure [more than \\$6.3 million for 44 Carleton researchers](#). With funding totals and success rates exceeding national benchmarks, the results highlight the growing influence of Carleton's social sciences and humanities scholarship across Canada.

CIHR Grants \$1.7 Million to Carleton Researchers

Three Carleton researchers [earned more than \\$1.7 million in Canadian Institutes of Health Research \(CIHR\) funding](#) last spring through highly competitive federal programs supporting impactful health research. The funded projects tackle HIV and sexually transmitted infections, iron deficiency in women and antimicrobial resistance, demonstrating Carleton's continued success in attracting investment for research with national and global health impact.

Collaborating on Mental Health Research

Prof. Kim Hellemans (Neuroscience) is a collaborator on a newly funded CIHR Team Grant through the Canadian Cannabis Brain Health Consortium, a national research initiative focused on cannabis, brain health and mental health.

Advancing African Indigenous Knowledge

Prof. Samuel Ojo Oloruntoba (African Studies) hosted the second [Africa Indigenous Knowledge Research Network](#) conference, an international initiative promoting the integration of Indigenous knowledge systems into entrepreneurship and development across Africa.

Carleton's Commitments to Sustainability

Prof. Elisabeth Gilmore (Civil and Environmental Engineering; Norman Paterson School of International Affairs) was appointed as the university's inaugural [Expert Advisor to the Provost on Climate Change and Sustainability](#). In this role, Gilmore will provide strategic guidance to advance Carleton's commitments to sustainability and climate action and inform research and education centred around these themes.

Advancing Scholarly Prominence

A Carleton-commissioned report was received in August 2026 regarding institutional performance in international university rankings, focusing on the Times Higher Education (THE) World University, Subject and Impact Rankings, and the QS World University Rankings, Rankings by Field and Subject and Sustainability Rankings. The recommendations include targeted reputation management and maximizing research publication citations.

CORE VALUES

Priority 3: Elevate Carleton as a Leader in Authentic Intentional Inclusion and Mutual Flourishing, Wellbeing and Accountability

Leverage our location, values, and expertise to strengthen relationships and build partnerships that support and advance inclusive impact and mutual flourishing in our region and beyond.

Community Healing Task Force Update

On June 30, the [Presidential and Provostial Task Force on Community Healing, Rebuilding and Belonging](#) launched its engagement and listening phase as it works to identify what the university can do to collectively build a truly inclusive Carleton. Over the summer, the co-chairs met with community and religious leaders, as well as with some campus student groups, to gather perspectives and ideas. The listening phase continues through consultation sessions, an anonymous form and direct communication with the co-chairs until Oct. 15.

Advancing Mutual Flourishing and Wellbeing

- Carleton's Department of Equity and Inclusive Communities co-hosted the third [Inter-Institutional Forum of the Scarborough Charter on Anti-Black Racism and Black Inclusion in Canadian Higher Education](#), in partnership with the Scarborough Charter Secretariat and the University of Ottawa. The forum explored strategies to advance Black access, participation and leadership in the face of evolving political and economic challenges.
- Carleton's MacOdrum Library opened a new [family room](#), creating a welcoming space where students, faculty and staff accompanied by children can study.
- "New Adventures, New Paths: Telling Our Stories," a collaboration between the Department of Equity and Inclusive Communities and Carleton Ravens Athletics, engaged male varsity athletes in creating stories that promote emotional intelligence, connection and positive expressions of masculinity among young men.
- A new [Inuktitut-language weekly radio program](#) delivering news, interviews, cultural programming and music was piloted from CKCU-FM's studio at Carleton.
- Carleton's Sprott School of Business was recognized in the [Positive Impact Rating \(PIR\) for Business Schools](#) for its commitment to societal impact and sustainability. Sprott achieved a Level 4 – Transforming School rating, the second-highest designation, among 87 business schools from 32 countries.
- Consultations are under way to update Carleton's Accessibility for Persons with Disabilities Policy to further support an inclusive, barrier-free campus. The revised policy will clarify responsibilities and strengthen guidance for creating a respectful, equitable environment.

- In June, Carleton celebrated National Indigenous History Month honouring the rich diverse cultures, voices and experiences of First Nations, Inuit and Métis peoples who continue to shape and strengthen communities across the country.
- During Pride Month, Carleton celebrated 2SLGBTQ+ members of the Carleton community and reaffirmed the university's commitment to fostering an inclusive campus where everyone feels welcome and supported.
- With support, funding and guidance from the Faculty of Engineering and Design, the National Society of Black Engineers (Carleton Chapter) was established as a student organization.
- The Office of Student Health and Wellness launched a [consultation process](#) to develop the fourth iteration of Carleton's [Student Mental Health Framework](#). The process will gather diverse perspectives, experiences and feedback from students, faculty, staff and campus partners to help inform the university's future approach to student mental health and well-being.
- The From Intention to Action (FITA) program developed a neurodiversity best practices research project and adopted the Behavioral Health Measure (BHM), strengthening its capacity to deliver inclusive, data-informed counselling services for students.
- Carleton's Counselling Services advanced a comprehensive eating disorder service enhancement initiative during summer 2026, implementing a new Five Domains assessment framework, eating disorder risk assessment recommendations, treatment-matching tools, enhanced clinical documentation standards and a structured service pathway. Two new group programs are scheduled to launch in fall 2026: Understanding Eating, Body Image and Change and the Dialectical Behavior Therapy-Informed Eating Disorder Skills Group.
- Counselling Services and the Centre for Resilience and Social Development (CRSD) secured funding from the Canadian Institute for Campus Mental Health to develop a campus-community counselling partnership focused on culturally responsive care. The initiative will establish standardized referral pathways, coordinated follow-up and service navigation assistance, aiming to support more than 200 students, increase referral completion from below 20 per cent to at least 60 per cent and reduce barriers for Black, racialized, newcomer and immigrant students.
- The Paul Menton Centre for Students with Disabilities (PMC) continued its partnership with Undergraduate Recruitment and Admissions Services to encourage incoming students to register with the PMC before the start of the fall term. As a result, the number of new student intakes increased by 20 per cent in summer 2026 over summer 2025.

A New Welcoming Space on Campus

The [P9 Greenspace Design Competition](#) has moved from student engagement to implementation, with construction underway beside the former P9 garage site. The selected concept was developed with fourth-year students Kylie Cozad and Amelie Murphy and refined for schedule, budget and constructability. The project will transform an underused space into a welcoming area for connection, study and rest, with further communications planned to highlight the winning design.

Making Campus More Sustainable

Carleton has [advanced to the Silver tier](#) in the federal Net-Zero Challenge, reinforcing its leadership in sustainability and climate action. It remains the only Canadian post-secondary institution participating in the program. The move from Bronze to Silver reflects the university's Canada-specific net-zero plan and interim emissions reduction target, supported by ongoing campus-wide sustainability efforts.

Support for EDI

Carleton has raised \$139,920 to date this fiscal year in support of equity, diversity and inclusion awards and initiatives that advance inclusion and accessibility through experiential learning and financial aid for equity-deserving and Indigenous communities.

Carleton University Appreciation Day

Faculty and staff gathered together at the university's annual appreciation event on June 24, an opportunity for camaraderie, celebration and reconnecting with friends and colleagues from all corners of campus. Activities included yoga, volleyball, a nature walk, lawn games, crafts, live music, treats and more.

Collective Bargaining Updates

Carleton and PSAC Local 77000, representing postdoctoral fellows, ratified a new collective agreement in June, which is retroactive to May 1, 2025, and will be in place until Apr. 30, 2028. Meanwhile, the bargaining committees for Carleton and CUPE 2424, which represents administrative, technical, and library workers, commenced collective bargaining in July, aiming to achieve a renewal agreement for the current collective agreement that expired in June.

KEY ENABLERS

Priority 4: Establish Distinction for Carleton as Partner and Anchor Institution of Choice

Leverage our location, values, and expertise to strengthen relationships and build partnerships that support and advance inclusive impact and mutual flourishing in our region and beyond.

Carleton Community Members Join Order of Canada

Three community members were [named to the Order of Canada](#) on June 26 for their positive impact on the lives of Canadians. Alum Donald Colin Robertson, a career diplomat with expertise in foreign, trade and defence policy, was named a Member of the Order. Former instructor and longtime advocate of social justice and human rights John William Foster was posthumously named a Member of the Order. Alum and respected business leader Eric E. Baker was named an Officer of the Order.

Aquatic Centre Project Update

Carleton and the City of Ottawa have agreed to enter formal negotiations toward the development of a state-of-the-art, high-performance aquatic facility on campus that will serve the university community, families throughout the National Capital Region and high-performance athletes from across Canada. Anchored by Carleton and the City of Ottawa but actively seeking additional public and private partners, this transformational investment will enhance student

wellness, accelerate athlete development, expand lifesaving and learn-to-swim programs, boost sport tourism and elevate Ottawa's profile a world-class destination for sport and recreation.

Strengthening Carleton's Indo-Pacific Partnerships

A \$517,100 investment from Global Affairs Canada will expand Carleton's research, mobility, and institutional [partnerships across the Indo-Pacific](#). The initiative creates new opportunities for faculty and graduate students while advancing the university's international engagement in one of the world's fastest growing and most strategically important regions.

Efficiency Canada Project Receives Government Support

Carleton-based Efficiency Canada [received \\$865,725](#) from Natural Resources Canada to support research that helps modernize electricity systems and accelerate Canada's clean energy transition. The investment recognizes the organization's national influence in energy efficiency research and its growing role in shaping evidence-based policy.

Significant Award from the Andrew Carnegie Foundation

An international research initiative led by Carleton researchers Samuel Ojo Oloruntoba from the Institute of African Studies and James Milner from the Faculty of Public and Global Affairs received [\\$1.8 million USD from the Andrew Carnegie Foundation](#) to examine migration, peacebuilding and Indigenous knowledge across Africa. The significant philanthropic investment expands Carleton's global research partnerships while supporting work with direct relevance for policy and community impact.

Carleton Researchers Secure \$7.5 Million in SSHRC Partnership Grants

Carleton achieved a historic milestone by leading three Social Sciences and Humanities Research Council (SSHRC) Partnership Grants, [securing \\$7.5 million](#) for major collaborations in cybersecurity, democratic governance and international trade. It marks the highest number of Partnership Grants the university has ever led in a single competition, highlighting its growing role in large-scale collaborative research.

Jennifer Evans Awarded SSHRC Destination Horizon Europe Grant

History professor Jennifer Evans received a Social Sciences and Humanities Research Council (SSHRC) Destination Horizon Europe Grant to build [international partnerships exploring LGBTQIA resilience across history](#). The award strengthens Carleton's engagement with European research networks while creating pathways for future participation in Horizon Europe's collaborative funding opportunities.

Carleton Researcher Receives Funding to Support Arctic Observation Efforts

Geography professor Peter Pulsifer became Carleton's first researcher to receive [Horizon Europe funding](#), joining a major international partnership initiative to strengthen Arctic observation systems. The milestone reflects Canada's growing participation in European research collaborations while showcasing Carleton's internationally recognized expertise in Arctic research and data governance.

President's Golf Tournament

The 19th annual President's Golf Tournament in August brought together more than 40 corporate sponsors and community partners, generating more than \$110,000 in net proceeds to support athletic financial awards. The event continues to reinforce the strong network of support that contributes to the success and accessibility of the Ravens student-athlete experience

New Partnerships

- Carleton joined the International Association of Universities (IAU), a global network of more than 600 institutions in more than 120 countries.
- Sprott has partnered with Enterprise to support the Employability Passport, a co-curricular program that helps undergraduate students develop the professional skills, self-awareness and career readiness needed for workplace success.
- Sprott's Technology Innovation Management (TIM) master's program partnered with J.L. Richards & Associates Limited (JLR) to provide faculty-supervised, student-led research projects that help JLR assess AI disruption and emerging technologies in the architecture, engineering and construction consulting sector.

Advancement Updates

- \$7.3 million has been raised to date this fiscal year to advance the university's mission and six new legacy commitments have been secured, contributing to Carleton's long-term stability and benefiting future generations of students. A legacy commitment is a donor's declaration that they have included Carleton in their will or estate plan, ensuring their values and generosity will continue to benefit future generations of students.
- Last fiscal year, Advancement exceeded its alumni engagement goal, recording meaningful interactions with more than 4,200 alumni across five key areas of work. This fiscal year, 1,246 alumni have already been engaged through activities in Vancouver, Victoria, and Toronto, with additional outreach planned in Calgary, California and Hong Kong. Building on this momentum, Advancement is aiming for a further 10 per cent increase in engagement, including activities with prospective students and their families.
- On May 12, Carleton hosted a donor recognition event celebrating a multi-year financial commitment to advance experiential learning in the Nursing Clinical Skills and Simulation Centre. The event was followed by the centre's official opening during National Nursing Week, attended by approximately 60 faculty, staff, donors and health care leaders from across Ottawa, showcasing a state-of-the-art learning environment that strengthens experiential learning, interdisciplinary collaboration and health care workforce preparation.
- In May 2026, Advancement, hosted a virtual tax and estate planning webinar for 144 alumni aged 45-plus. The webinar advanced alumni engagement and financial literacy by highlighting strategies to preserve wealth and direct tax savings toward charitable causes aligned with participants' personal values.
- In June 2026, Advancement hosted two donor appreciation events at Rideau House residence to recognize valued supporters and highlight the student experience. On June 23, legacy donors were thanked for their longstanding commitment through planned giving. On June 24, Tory Society donors attended their annual dedicated stewardship event, strengthening connections with the university. Both events featured residence

tours, student perspectives and discussions on affordability and accessibility, reinforcing the transformative role donor support plays in the student experience.

- In September 2026, alumni of the Riddell Master of Political Management program gathered in Toronto to reconnect with one another. It was also an opportunity for President Tettey to share the university's priorities, aspirations and commitment to preparing leaders who can make a meaningful impact in public life and beyond. Later the same day, another gathering took place in the home of a distinguished alum who wanted to provide Carleton with an opportunity to re-engage alumni, graduates and volunteers in Toronto. This will help strengthen relationships, renew connections and identify opportunities for further outreach

Summer Camp Success

Recreation and Athletics programming had strong participation in summer 2026, with 7,704 registrations in land, water and ice camps throughout July and August. Program growth included the expansion of the Geography and Sports Camp to two weeks, welcoming 100 participants, and the launch of a Video Journalism and Sports Camp in partnership with the School of Journalism and Communication. Adaptive sport programming also continued to grow, with the Multi Para Sport camp reaching 15 registrations.

Priority 5: Adopt a Cross-portfolio Matrix Approach to Operational Excellence within a Robust Culture of Enterprise Risk Management and Efficiency in Support of the Core Mission

Boldly address the university's financial challenges through implementation of a new budget process and framework, and related actions that incentivize creativity, promote collaboration, drive efficiencies, make two prudent investments in the core mission, and enforce effective internal controls and accountability to address deficits, manage debt, protect healthy reserves, and sustain efforts towards achieving a balanced budget by 2030.

A Vision for Carleton's Second Century

[Towards Carleton@100](#): From Promise to Inclusive Impact and Prominence, Together has entered its next phase. Five working groups completed environmental scans, reviewed by the steering committee in August. This fall the working groups will consult community members and partners on emerging opportunities and the choices they present and will engage rightsholders. This work will inform the strategic directions that provide the foundation of Carleton's 2027-2032 strategy and the longer-term vision towards 2042.

Leadership Renewal

Searches are underway for two key senior leadership positions. A search firm has been engaged to support the [Vice-President \(Advancement\) search](#), with an advisory committee established in accordance with the university's approved appointment guidelines. A search firm has also been secured for the Chief Communications Officer and Associate Vice-President (Communications and Public Affairs) position, with the search expected to commence in late fall.

New Budget Model

Carleton has initiated the development of a new budget model tailored to the university's needs, that will support stronger alignment between academic, administrative and financial planning. Key milestones included receipt of an external consultant's report in May 2026, a leadership retreat convened by the President in June and the development of a phased cross-portfolio implementation framework in July and August.

Long-Term Infrastructure Resiliency

The [Campus Avenue watermain project](#) is advancing as a major infrastructure renewal initiative to replace aging water, storm and sanitary sewer infrastructure along Campus Avenue. The work is intended to improve potable water reliability, reduce the risk of future emergency repairs and support the long-term resiliency of campus operations. Following recent repair work and demobilization for residence move-in weekend, Campus Avenue construction activity is expected to continue into the fall term and be completed in spring 2027.

Continuous Improvement

Several key units at Carleton — Advancement, the Office of the Vice-President (Students and Enrolment), the Department of University Communication — have undergone comprehensive external reviews to assess their function. Leadership teams from the units in question participated in stakeholder interviews to inform final reports as part of Carleton's continuous effort to strive for operational excellence.