

2026-27 Budget

Establishing
Our Priorities
Together

March 2026

Toronto
Metropolitan
University





President's Remarks

Provost's Remarks



Guiding Principles

1. Prioritize students
2. Protect TMU's core business of teaching and SRC
3. Be fair and transparent
4. Remain forward-looking
5. Conduct community-wide consultations



Stay Focused, Work Together

Four complementary plans serve as a blueprint for the next several years:

- Academic Plan
- Strategic Research Plan
- International Plan
- Campus Master Plan

These plans are united by the Strategic Vision 2020-2030

Priorities articulated in the 2025-2030 Academic Plan:

- Enhance the learning journey for greater student success;
- Create positive impact through SRC excellence and local and global collaboration;
- Support people and community;
- Continue our commitment to Truth and Reconciliation; and
- Ensure future readiness.





Priorities for 2026-27

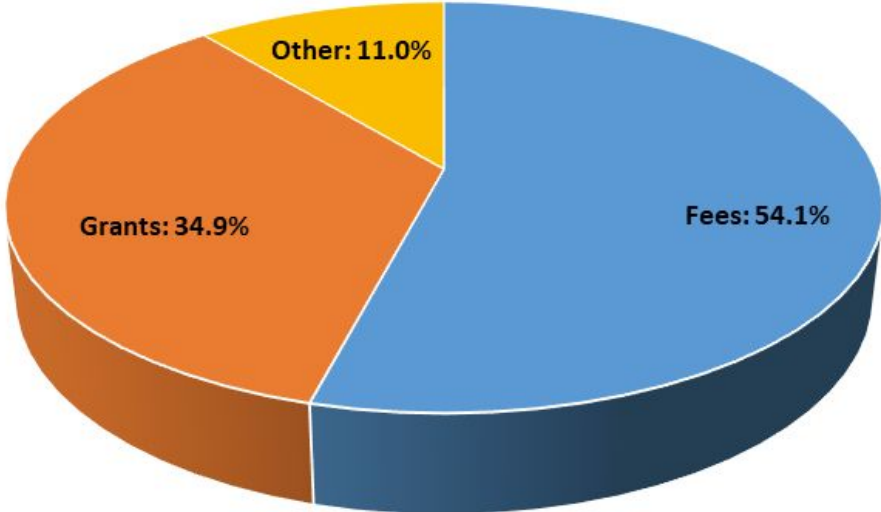
- Align with TMU's Strategic Vision and related plans
- Provide a high-quality experience for students both inside and outside the classroom
- Continue implementation of the university's Academic Plan
- Plan prudently for stewardship of resources

Update from University Planning

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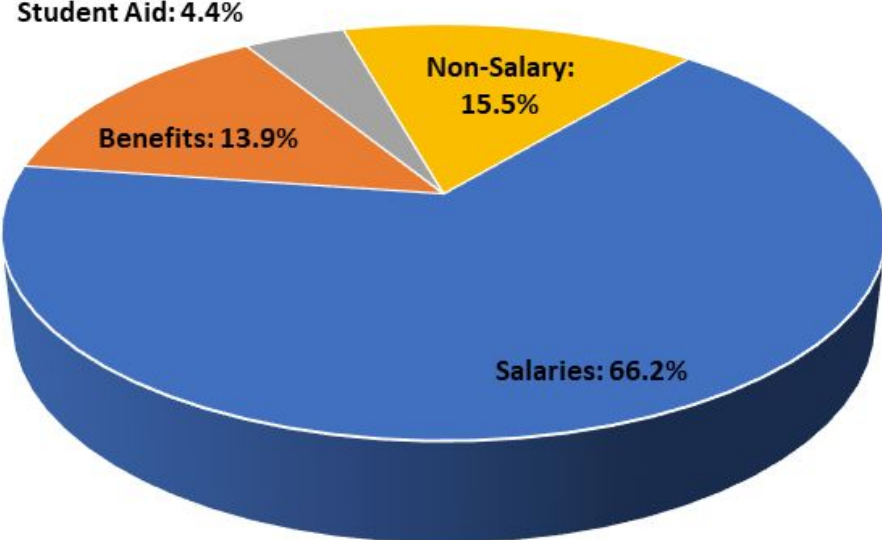
Operating Revenues & Expenditures

Revenues



Grants + Fees = 89%

Expenditures



Salaries + Benefits = 80%

Domestic Enrolment

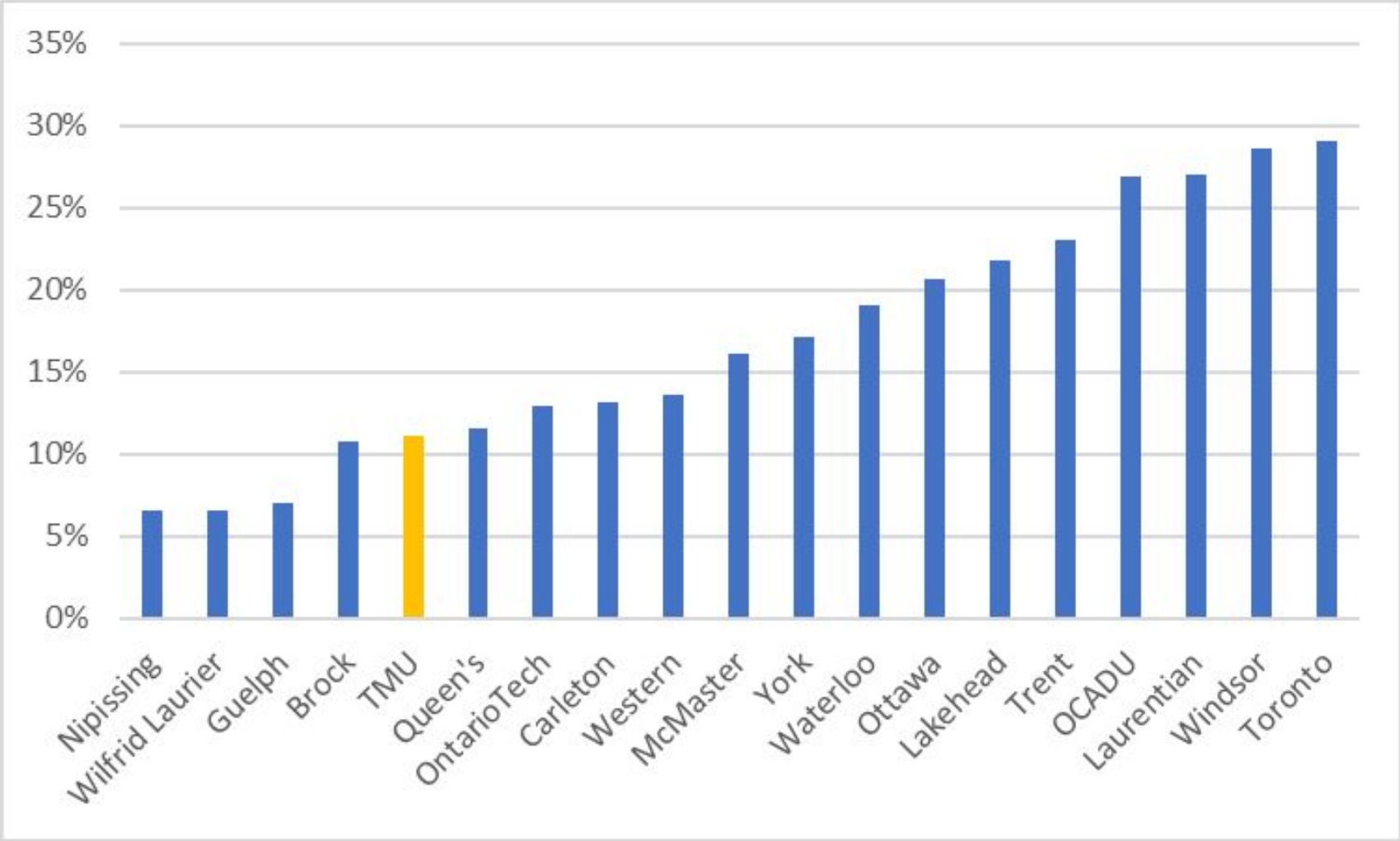
- Level of domestic enrolment for which we receive grant funding is set by government
- Undergraduate enrolment in degree programs in 2025-26 is higher than a few years ago
- The plan for 2026-27 is to maintain enrolment near current level
- Application data for 2026-27 indicates that:
 - TMU remains a popular choice for domestic students
 - TMU is on track to meet domestic intake targets



International Enrolment

- Significant increase in applications to TMU for 2026-27 compared to prior year, at a rate much higher than average for province
- Cap in visa permit applications implemented by federal government will continue, with allocations for 2026 reduced by 33%
- Graduate students no longer count towards cap as of 2026
- Number of permit applications that result in new students joining us depends on federal approval rates and processing timelines
- Winter intake addresses some challenges related to visa processing and aligns with academic calendar in Southern Hemisphere

International Student Share of Enrolments by University

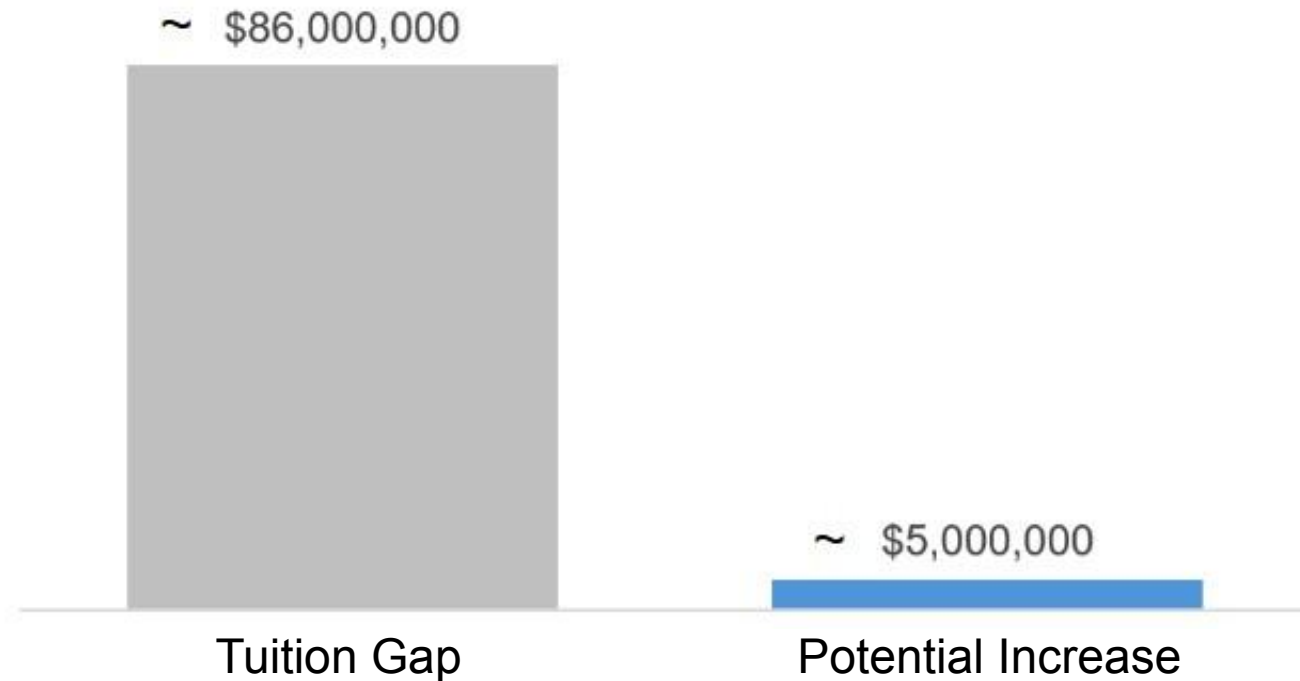


% of total enrolment (2024-25 FFTE)

Provincial Context: Tuition Fee Policy

- In February, the Province announced that domestic tuition fees would be allowed to increase by 2% per year for three years beginning in 2026-27, and the lower of 2% or the rate of inflation after that.
- In 2019-20, a decrease of 10% to domestic tuition fees in comparison to 2018-19 levels was implemented, followed by six years of frozen fees while costs continued to increase due to inflation.
- The recent change will help the institution as fees represent an important component of our revenues. However, the impact of the previous reduction and freeze mean that increases will be based on the lower fee level.
- TMU remains committed to access and will ensure that enhanced financial support is available to students in need.

Government's New Tuition Fee Framework: Effect on Existing Tuition Revenue Gap



- *TMU's 2025-26 tuition revenue is about \$86 million less than it would have been without the tuition cut and freeze in place since 2019-20.*
- *If the 2% increase from the government's new framework is implemented for 2026-27, this would amount to about 6% of this tuition revenue gap.*

Provincial Context: Operating Funding

- In February, the Province announced significant changes to operating funding for colleges and universities:
 1. Increase in the number of funded enrolment spaces – some of which have already occurred but are not yet funded, as well as future growth
 2. Increase the level of per-student funding
 3. Augmented support for northern and smaller institutions, and French language supports
- Per-student funding had been frozen for several years and TMU faced a large gap between its domestic enrolment and funded spaces until 2025-26, placing a significant financial pressure on the institution and making long-term investments challenging.

Budget Planning: TMU Context



Evolving Environment for Budget Planning

TMU is developing its 2026-27 budget in an environment that includes:

- Modest tuition fee increases after years of reduced and frozen fees
- Recently announced provincial operating grant funding increase
- Ongoing efforts to enhance efficiency
- International recruitment challenges due to visa caps
- Inflation



Preliminary Budget Model as of December 2025: to be updated pending information from Ministry

	APPROVED BUDGET (\$M)	PROJECTED (\$M)
Projected Revenues	2025-26	2026-27
Operating Grants	269.9	269.9
PSESF grant**	12.5	17.7
Tuition Fees	409.6	406.3
Other Revenues	16.1	16.1
Total Projected Revenues	708.1	710.0
Projected Expenditures		
Departmental Budgets	607.8	624.4
Student Financial Assistance	31.4	31.4
Utilities and Other Non Salary Expenses	68.9	70.4
Total Projected Expenses	708.1	726.2
Shortfall		-16.2

* Excludes School of Medicine

** Across-the-board Postsecondary Education Sustainability Fund (PSESF) committed for 3 years ending 2026-2027.

Responding to Provincial Funding Announcement

- Recent provincial government announcement will improve the financial outlook for universities and colleges in Ontario
- Looking ahead:
 - Preliminary planning indicated a budget shortfall that would have required budget reductions, but the information we now have suggests this will not be needed
 - Funding increases will not keep up with inflation going forward: need to continue with attention to efficiencies
 - Planned increase to student financial assistance in light of modest tuition rate change
 - Increased funding is tied to greater reporting requirements to Ministry about university operations

Third-Party Review

- Third-party efficiency review conducted in 2024-25 to identify opportunities to generate incremental revenue and find efficiencies in expenditures. The review included five areas:
 - Governance, Administrative, and Student Services
 - Academic Programming
 - Physical Assets & Facilities
 - Collaborative Procurement
 - Revenue Generation
- The report provided suggestions for improving the university's financial position.
- Implementation is underway, including efforts to find savings through streamlining of administrative processes and explore opportunities to generate additional revenue.
- However, reviewers were clear: efficiencies cannot fully address financial pressures; system-level investment is needed.

Making Progress at TMU: Resilience

- While the university has faced significant financial pressures in recent years, we are working together to make the best use of our resources, continue to offer a solid university experience and make TMU a sought-after place to study and work. Some recent achievements include:
 - Innovative new approaches to curriculum
 - Recent approval of new programs in nursing and cyber science, with additional proposals in development
 - TMU's position in global university rankings (Times Higher Education World University Rankings and Impact Rankings, QS World University Rankings and Sustainability Rankings)
 - Major grants and awards for groundbreaking research at TMU
 - Cost savings through consolidation of leased office space

Questions?

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Next Steps

- Ongoing community consultations
 - Town halls
 - Stakeholder consultations with various groups
 - Budget development for faculties, divisions and other units
 - Senate
- Board of Governors' discussion and decisions
- Budget resources:
 - Website: www.torontomu.ca/budget
 - Questions: budget@torontomu.ca

