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Business Plan 2013 | 2014

BOARD OF GOVERNORS: JUNE, 2013

SUBMITTED TO ONTARIO MINISTRY OF
TRAINING, COLLEGES & UNIVERSITIES

MOHAWK COLLEGE

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Mohawk College: 2013 | 2014

Business Plan

Board of Governors:
2012 – 2013

Chair
John Marinucci

Vice-Chair
Nancy Fram

Governors
Graham Browne
Donna Cripps
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Linda Marshall
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Joe Parker
Adam Pipe
Elaine Sinha
Glen Steeves
Don Wilford

President
Rob MacIsaac, President (ex officio)

Welcome:

Our Vision:

Prosperous Communities and Transformed Lives

Our Mission:

Creating New Realities by Opening Endless Possibilities

Our Values:

Mohawk's vision, mission and values were revised following broad stakeholder consultations in 2012-13.

We are student focused: Students and learning are at the heart of all we do.

We are committed to excellence: We are committed to best practices in education, corporate and student services.

We engage our community: We are responsive to and collaborative with the communities we serve.

We are inclusive: We ensure a welcoming and supportive environment for all.

We are accountable: We act with integrity, transparency and base our decisions on evidence.

Introduction:

The continued growth and prosperity of the Greater Hamilton Area rests a highly skilled and educated workforce. Mohawk College will continue to play a leadership role in staying responsive to employer needs and transforming students into future-ready graduates.

In 2013-14, Mohawk will focus on 33 key projects while continuing to deliver an exceptional college education and experience to a record number of students. While primary revenue sources decline and expenditures increase across the entire postsecondary education sector, Mohawk is well-positioned to meet the financial challenge ahead and continue advancing the college's strategic priorities of quality, innovation and sustainability.

Mohawk College:

Strategic Plan

Vision

Prosperous communities and transformed lives

Mission

Creating new realities by opening endless opportunities

Values

Our values guide our actions and decisions, define our innovation culture, and focus on students, staff and community

1. We are student focused

Students and learning are at the heart of all we do.

2. We are committed to excellence

We are committed to best practices in education, corporate and student services.

3. We engage our community

We are responsive to and collaborative with the communities we serve.

4. We are inclusive

We ensure a welcoming and supportive environment for all.

5. We are accountable

We act with integrity, transparency and base our decisions on evidence.

Strategic Priorities

Mohawk is committed to the following Strategic Priority Actions:

1. Quality

1.1 Quality Programs and Strategic Enrolment Management.
Plan and manage our academic offerings and enrolment to ensure high quality programs relevant to community needs.

1.2 Quality Employees.
As an employer of choice, ensure a high performing diverse workforce and quality work environment.

1.3 Quality Facilities, Equipment, and Services.
Provide first class facilities, equipment and services that support a quality student experience.

2. Innovation

2.1 Future Ready Students.
Give our students the hard and soft skills needed to succeed in a fast changing learning environment and workplace.

2.2 Future Ready College.
Implement leading practices in technology, process, decision making and learning to improve efficiency and effectiveness in operations.

2.3 Future Ready Community.
Cultivate a future ready community by creating centres of excellence in applied research in collaboration with partners in our region.

3. Sustainability

3.1 Social Inclusion
Ensure Mohawk engages, welcomes, and supports a diverse student body and community.

3.2 Greening Mohawk.
Embed environmental sustainability principles into our programs and practices.

3.3 Financial Well-Being.
Enhance revenue sources, expand our markets, improve efficiencies and optimize asset utilization to ensure our long-term viability.

Strategic Priority **1:**

Quality

2013 | 2014 Key Projects

1

1.1 Quality Programs and Strategic Enrolment Management.

Plan and manage our academic offerings and enrolment to ensure high quality programs relevant to community needs.

- Complete current blended learning project (100% of lecture based courses blended by end of December 2013)
- Complete market scan as part of new program development process and report to board on future directions by July 2013
- Program Review process complete and College PQAPA ready by March 2014
- Complete scenario analysis showing program closure and consolidation scenarios by September 2013 for incorporation in 2014-15 budget process

1.2 Quality Employees.

As an employer of choice, ensure a high performing diverse workforce and quality work environment.

- Develop new PD policy aligned to strategic objectives
- Design talent management strategy to identify and develop high potential employees

1.3 Quality Facilities, Equipment, and Services.

Provide first class facilities, equipment and services that support a quality student experience.

- Create and implement a life cycle plan for major facilities and equipment, including Academic
- Conduct Comprehensive Service Review and make recommendations with a view to focussing on our core business activities.
- Successfully complete construction and opening of ARC
- Develop Stoney Creek and IAHS campus renewal plan
- Successful completion of Fennell Renovations to accommodate Brantford Elgin Justice and Wellness students
- Finalizing of agreements or development of alternate strategies related to the HUB
- Completion of the Integrated Accessibility Standard Regulation Plan
- Refine the concept and present a financial strategy for Engineering Technology facilities
- Finalize and begin implementation of Student Success Plan
- Develop and implement a strategy for the Brantford Elgin Street Campus aimed at minimizing expenses and if possible achieving revenues
- Complete new Data Centre

Strategic Priority 2:
Innovation

2013 | 2014 Key Projects

2

2.1 Future Ready Students.

Give our students the hard and soft skills needed to succeed in a fast changing learning environment and workplace.

- Introduce E-portfolio for students by March 31st, 2014
- New programs designed complementary to e-health and energy centres of excellence
- Institutional Learning Outcomes – implementation plan, including metrics developed by December 31st, 2013

2.2 Future Ready College.

Implement leading practices in technology, process, decision- making and learning to improve efficiency and effectiveness in operations.

- Conduct Lean Analysis on IT and HR processes and report to the Board on key findings and directions
- Implement Phase One plan of Future Ready Processes

2.3 Future Ready Community.

Cultivate a future ready community by creating centres of excellence in applied research in collaboration with partners in our region.

- Open new Centre for Rapid Prototyping and Advanced Manufacturing by March 31st 2014

Strategic Priority 3:
Sustainability

2013 | 2014 Key Projects

3

3.1 Social Inclusion.

Ensure Mohawk engages, welcomes, and supports a diverse student body and community.

- Develop Indigenous Education Plan
- Continue implementation of Access strategies
- Enhanced Orientation at Mohawk

3.2 Greening Mohawk.

Embed environmental sustainability principles into our programs and practices.

- Continued implementation of the Environmental Management Plan

3.3 Financial Well-Being.

Enhance revenue sources, expand our markets, improve efficiencies and optimize asset utilization to ensure our long-term viability.

- Implement zero-based budgeting on pilot basis in CS, including facilities for 2013-14
- Establish 10 greatest risk potentials and identification of corresponding mitigation strategies for effective management
- Continue development of key partnerships with other education and corporate partners (McMaster, Sheridan, Pures, OCC)
- Ensure enrolment achieves 20% increase in summer 2014
- Develop Internationalization Strategy
- Develop new strategy for MCE

2013 | 2014

CFIS STATEMENT OF OPERATIONS

Mohawk College | FOR THE PERIOD: April 1, 2013 to March 31, 2014

			Actuals 2012-13	Budget 2013-14
4	**Revenue**		**181,959,967**	**185,578,794**
41	**Grant Revenue**		**95,409,666**	**93,424,831**
411	Grant Revenue		90,417,480	87,467,124
41110	Grant revenue Operating		88,609,796	85,854,024
		GRE	81,944,995	79,726,110
		Non-GRE	6,664,801	6,127,914
41120	Grant revenue Capital		395,136	117,000
		GRE	395,136	117,000
		Non-GRE	-	-
41130	Recognition of Deferred Revenue & Restricted Funds		1,412,548	1,496,100
		GRE	799,308	799,308
		Non-GRE	613,240	696,792
412	Flow Through Grants		-	-
		GRE	2,814,994	3,459,200
		Non-GRE	- 2,814,994	- 3,459,200
413	Provincial Grants Repayment of Prior Year		- 2,592	-
414	Amortization of Deferred Capital Contributions		4,994,778	5,957,707
		GRE	4,411,866	4,477,663
		Non-GRE	582,912	1,480,044
43	**Tuition Fees**		**50,923,844**	**53,819,732**
431	Tuition Fee - Regulated		38,712,633	41,210,980
432	Tuition Fee - Unfunded		12,211,211	12,608,752
439	Tuition Fee - Other		-	-
44	**Other Student Fees**		**11,101,755**	**13,403,326**
449	Other Student Fees		11,101,755	13,403,326
45	**Contractual and other fee-for-services**		**3,926,374**	**3,831,955**
451	Contractual Services		3,926,374	3,831,955
452	Other fee-for-services		-	-
46	**Ancillary Revenue**		**13,270,431**	**14,593,789**
461	Ancillary Revenue		13,270,431	14,593,789
49	**Other Revenue**		**7,327,897**	**6,505,161**
491	Reimbursement of Expenses		-	-
492	Donations		1,605,094	1,001,604
493	Gain/Loss on Sale of Assets		101,000	-
494	Gain/Loss on Sale of Inventory and other Assets		-	-
499	Other Revenue		5,621,803	5,503,557
49920	Investment Income		992,343	816,050
		GRE	-	-
		Non-GRE	992,343	816,050
49940	Interest Income		-	-
		GRE	-	-
		Non-GRE	-	-
49989	Realized MTM Gain/Loss		-	-

2013 | 2014

5	**Expenses**	**179,324,438**	**185,578,794**
51	**Salaries & Wages**	**95,777,157**	**95,572,228**
511	Salaries - Full Time & Partial Load Academic	46,471,108	46,005,747
512	Salaries - Part Time & Sessional Academic	5,125,722	5,675,958
513	Salaries - Support Staff	26,134,062	26,147,258
514	Salaries - Administrative Staff	14,286,299	15,332,296
515	Other Salary Costs - Full Time & Partial Load Academic	2,491,552	1,509,889
516	Other Salary Costs - Part Time & Sessional Academic	3,000	-
517	Other Salary Costs - Support Staff	378,121	188,609
518	Other Salary Costs - Administrative Staff	887,293	712,471
52	**Employee Benefits**	**19,754,584**	**21,472,896**
521	Benefits - Full Time & Partial Load Academic	4,866,941	5,762,784
522	Benefits - Part Time & Sessional Academic	496,303	530,419
523	Benefits - Support Staff	3,956,937	3,463,873
524	Benefits - Administrative Staff	1,561,260	1,996,677
525	Pension Plans	9,445,143	9,445,143
526	Postemployment Benefits & Compensated Absences	- 572,000	274,000
53	**Transportation & Communication**	**2,962,496**	**2,572,609**
531	Transportation & Communication	2,962,496	2,572,609
54	**Services**	**24,415,093**	**26,063,087**
541	Services	13,187,145	14,542,941
542	Utilities & Maintenance	10,873,287	11,142,723
543	Rental Expenditures	354,661	377,423
55	**Supplies & Minor Equipment**	**8,467,670**	**6,315,333**
551	Supplies & Minor Equipment	8,467,670	6,315,333
56	**Ancillary Services - Expenditures**	**7,922,128**	**8,519,782**
561	Ancillary Expenditures	7,922,128	8,519,782
57	**Amortization Expense**	**9,646,008**	**12,003,653**
571	Amortization Expense	9,646,008	12,003,653
59	**Other Expenditures**	**10,379,302**	**13,059,206**
591	Interest & Insurance Expenses	2,099,140	3,634,144
59110	Interest on Capital Leases	-	-
59120	Interest on Long Term Debt & Demand Loans	1,062,791	2,599,464
	GRE	275,852	1,852,794
	Non-GRE	786,939	746,670
59130	Interest Expense on Line of Credit	-	-
599	Other Expenses	8,280,162	9,425,062
	SURPLUS/(DEFICIT)	**2,635,529**	**-**

2013 | 2014

CFIS STATEMENT OF FINANCIAL POSITION

Mohawk College | FOR THE PERIOD: April 1, 2013 to March 31, 2014

		Actuals 2012-13	Budget 2013-14
1	**Assets**	**223,493,887**	**240,030,786**
11	**Cash and Cash Equivalents**	**9,101,416**	**1,846,470**
111	Cash and Cash Equivalents	9,101,416	1,846,470
112	Cash in Trust - Endowments	-	-
12	**Accounts Receivable**	**17,049,699**	**15,551,113**
121	Accounts Receivable	17,049,699	15,551,113
	GRE	3,689,408	3,551,000
	Non-GRE	13,360,291	12,000,113
14	**Other Current Assets**	**54,444,912**	**54,173,132**
141	Assets for Sale	1,567,201	1,700,000
142	Inventory for Consumption	-	-
149	Other Current Assets	52,877,711	52,473,132
14910	Current Portion of Loans and Advances Receivable	-	-
	GRE	-	-
	Non-GRE	-	-
14920	Current portion of Other Long Term Receivables	-	-
	GRE	-	-
	Non-GRE	-	-
14930	Prepaid Expenses	1,329,749	1,047,770
14940	Investments Greater than 90 Days & Less than 1 Year	51,523,227	51,400,627
14947	Investments Greater than 90 Days & Less than 1 Year		
	- MTM OB	- 311,133	24,735
14948	Investments Greater than 90 Days & Less than 1 Year		
	- MTM CY	335,868	-
14990	Other Current Assets	-	-
15	**CIP**	**23,556,213**	**-**
151	CIP	23,556,213	-
16	**Tangible Capital Assets**	**206,182,063**	**267,362,545**
161	Land	3,136,774	3,136,774
162	Site Improvements	30,970,713	51,802,619
163	Building	116,038,398	147,388,398
164	Furniture and Equipment	34,391,507	38,841,084
165	IT	17,013,186	18,501,187
166	Aircraft	-	-
169	Other TCA	4,631,485	7,692,483
17	**Tangible Capital Asset Accumulated Amortization**	**- 88,279,003**	**- 100,282,656**
172	AA Site Improvements	- 11,560,752	- 15,445,768
173	AA Building	- 35,580,147	- 38,846,840
174	AA Furniture and Equipment	- 25,607,987	- 28,073,872
175	AA IT	- 13,979,235	- 15,933,349
176	AA Aircraft	-	-
179	AA Other TCA	- 1,550,882	- 1,982,827

18	**Long Term Receivable**	**565,115**	**506,710**
181	Long Term Receivable	565,115	506,710
	GRE	-	-
	Non-GRE	565,115	506,710
19	**Investments and Other Long term Assets**	**873,472**	**873,472**
191	Long term Investments	-	-
19110	Investments Greater than 1 Year	-	-
19117	Investments Greater than 1 Year - MTM OB	-	-
19118	Investments Greater than 1 Year - MTM CY	-	-
199	Other Long term Assets	873,472	873,472
19990	Other Long Term Assets	873,472	873,472
19997	Other Financial Assets - MTM OB	-	-
19998	Other Financial Assets - MTM CY	-	-
2	**Liabilities**	**184,418,828**	**200,555,728**
21	**Bank Indebtedness**	**-**	**-**
211	Bank Indebtedness	-	-
22	**Accounts Payable and Accrued Liabilities**	**41,875,674**	**38,569,049**
221	Accounts Payable and Accrued Liabilities	31,630,702	27,201,690
	GRE	904,401	1,180,020
	Non-GRE	30,726,301	26,021,670
222	Accrued Interest	86,024	384,577
223	Current Portion of Long term liabilities	293,647	1,627,904
22310	Current Portion of Long Term Debt	293,647	1,627,904
	GRE	249,378	1,627,904
	Non-GRE	44,269	-
22320	Current Portion of Capital Leases	-	-
224	Demand Loans	9,865,301	9,354,878
22401	Demand Loans - OB	10,342,497	9,865,301
22402	Demand Loans - Newly acquired	-	-
22403	Demand Loans - Repayments	- 477,196	- 510,423
23	**Deferred Revenue**	**18,389,713**	**16,588,574**
231	Deferred Revenue	2,546,258	2,546,026
	GRE	397,859	210,000
	Non-GRE	2,148,399	2,336,026
232	Deferred Tuition Revenue	15,843,455	14,042,548
24	**Restricted Contribution**	**6,501,777**	**6,256,110**
241	Restricted Contribution	6,501,777	6,256,110
	GRE	564,623	610,063
	Non-GRE	5,937,154	5,646,047
24107	Restricted Contribution - MTM OB	-	268,474
24108	Restricted Contribution - MTM CY	268,474	-

2013 | 2014

25	**Deferred Capital Contributions**	**82,142,181**	**77,303,517**
251	DCC	82,142,181	77,303,517
	GRE	69,292,449	63,900,463
	Non-GRE	12,849,732	13,403,054
25102	DCC - Additions	1,662,586	1,119,045
	GRE	526,352	616,606
	Non-GRE	1,136,234	502,439
25103	DCC - Amortized to Revenue	- 4,994,778	- 5,957,707
	GRE	- 4,411,866	- 4,477,663
	Non-GRE	- 582,912	- 1,480,044
25107	DCC - MTM OB	-	-
25108	DCC - MTM CY	-	-
252	DCC Unspent - Third Parties	-	-
25202	DCC Unspent - Additions	-	-
25207	DCC Unspent - MTM OB	-	-
25208	DCC Unspent - MTM CY	-	-
26	**Capital Lease**	**-**	**-**
261	Capital Lease	-	-
26103	Capital Lease - Payments	-	-
27	**Debt**	**24,114,014**	**50,169,009**
271	Debt	24,114,014	50,169,009
	GRE	24,114,014	50,169,009
	Non-GRE	-	-
27102	Debt - Acquired	18,084,235	28,355,765
	GRE	18,084,235	28,355,765
	Non-GRE	-	-
27103	Debt Retired/Paid in the Year	- 881,342	- 966,482
	GRE	- 838,362	- 922,213
	Non-GRE	- 42,980	- 44,269
29	**Other Long Term Liabilities**	**11,395,469**	**11,669,469**
291	Obligation for Pension Plan Benefits	-	-
292	Obligation for Postemployment Benefit &		
	Compensated Absences	8,263,000	8,537,000
293	Obligation under AFP	-	-
299	Derivatives and Other Long term Liabilities	3,132,469	3,132,469
	GRE	-	-
	Non-GRE	3,132,469	3,132,469
29917	Derivatives MTM - OB	3,293,609	3,132,469
29918	Derivatives MTM - CY	- 161,140	-
3	**Net Assets**	**39,075,059**	**39,475,058**
31	**Unrestricted Net Assets**	**- 12,288,846**	**- 8,551,980**
311	Unrestricted Net Assets	- 12,288,846	- 8,551,980
32	**Internally Restricted Net Assets**	**15,847,000**	**6,351,617**
321	Internally Restricted Net Assets	15,847,000	6,351,617

2013 | 2014

33	**Investment in Capital Assets**	**24,273,861**	**30,032,377**
331	Investment in Capital Assets	24,273,861	30,032,377
36	**Restricted Contributions**	**-**	**-**
361	Restricted Contributions	-	-
	GRE	-	-
	Non-GRE	-	-
37	**Endowments**	**14,619,252**	**15,019,252**
371	Endowments	14,619,252	15,019,252
	GRE	2,595,243	2,595,243
	Non-GRE	12,024,009	12,424,009
37107	Endowments MTM - OB	-	-
37108	Endowments MTM - CY	-	-
38	**Accumulated Remeasurement Gain & Losses**	**- 3,376,208**	**- 3,376,208**
381	Accumulated Remeasurement Gain & Losses	- 3,376,208	- 3,376,208
38107	Accumulated Remeasurement Gain & Losses - OB	- 3,604,742	- 3,376,208
38108	Unrealised Remeasurement - CY Gains/Losses	228,534	-
38109	Remeasurement Reclassified to Statement of Operation	-	-

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Approved Financial Plan

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MOHAWK COLLEGE

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Mohawk-McMaster Institute for Applied Health Sciences: Call 905.540.4247 ext. 26710

Background and Introduction

President's Message

Mohawk College has achieved a balanced budget for the fourth consecutive year despite increasing fiscal constraints.

Mohawk's $185.6 million budget for 2013-14 was balanced through a combination of:

- Increased enrolment of 1,791 students (6.7 per cent) for a record total of 26,280 domestic students and 2,303 international students.
- Reduction strategies totalling $2.9 million, achieved through a five per cent expenditure reduction across all non-academic areas.
- Achievement of an overall contribution margin of 38 per cent in academic areas.

The 2013-14 budget also includes a limited investment pool of $2 million to fund key strategic priorities in academic and student service areas. The majority of the reinvestments will be made in academic areas.

Balancing Mohawk's 2014-15 budget will prove far more challenging as the Province looks to eliminate a forecasted $12 billion deficit and reduce its $275 billion debt. As a result, Ontario's postsecondary education sector will be confronted with both further declines in primary revenue sources and increasing expenditures.

Mohawk is anticipating a financial gap of between $5 to $7 million in 2014-15 due to lower revenue and higher expenditures. Closing that gap will be Mohawk's priority in the year ahead as we prepare for a new reality of doing less with less. An academic program prioritization project will be undertaken to reinvest limited resources in the college's high-demand, high-quality programs. A modernization strategy will continue in student services to improve student satisfaction and reduce costs, with more transactions moving to online self-service. Mohawk will also look to further reduce salary and benefit expenses across the college, which currently account for approximately 64 per cent of the total college's operating revenue.

Closing the significant financial gap facing Mohawk will be a challenge. However, four years of balanced budgets and prudent financial stewardship have Mohawk better positioned than most postsecondary institutions to meet the financial challenge while continuing to advance our college's strategic priorities for the benefit of our students.

Board of Governors

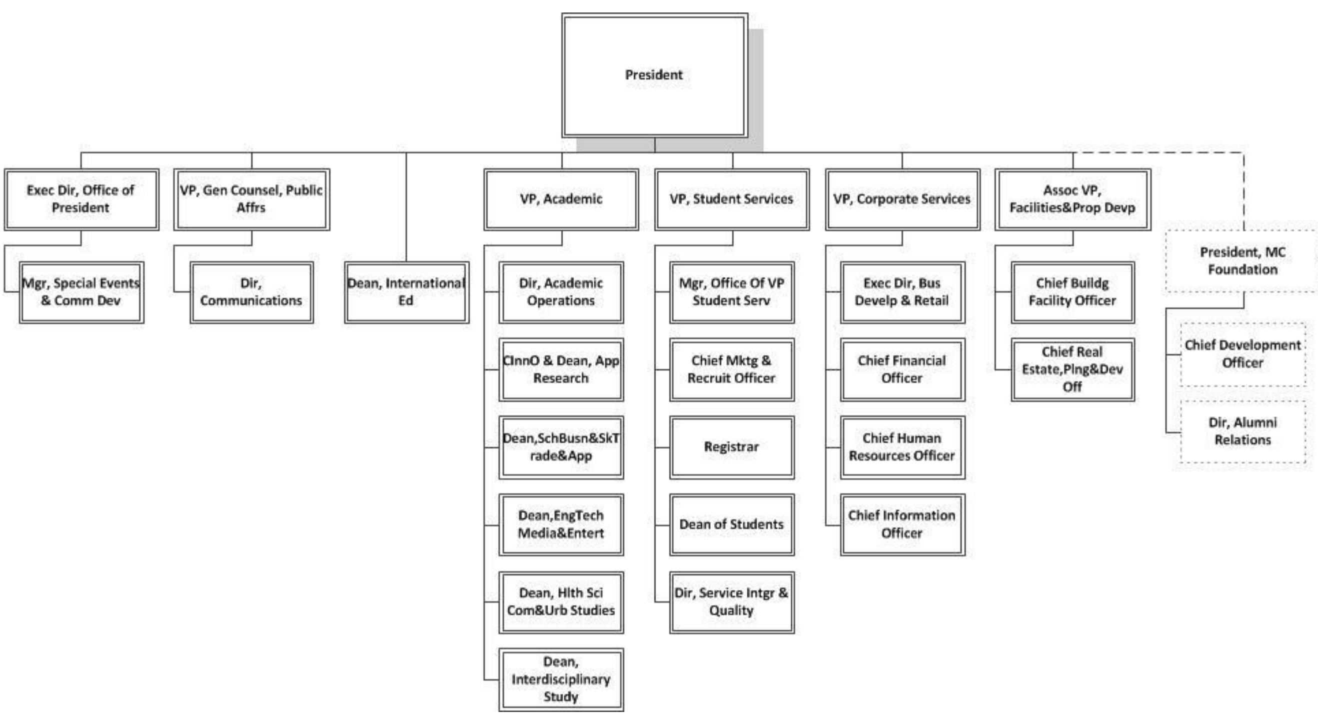
Mohawk's Board of Governors represents a cross section of Golden Horseshoe business, industry, education, healthcare and community leaders including four internal Governors representing faculty, administration, support staff and students.

Mohawk is proud of the excellent leadership demonstrated by our Board of Governors, and for their individual and collective commitment to ensure students and learning are at the heart of all we do.

2012-2013 Members

Chair	John Marinucci	
Vice-Chair	Nancy Fram	
Governors	Graham Browne	Donna Cripps
	Gary Crowell	Heather Giardine-Tuck
	Joy Grahek	Doug Harrison
	Trent Jarvis	Linda Marshall
	Taunya Paquette	Joe Parker
	Adam Pipe	Elaine Sinha
	Glen Steeves	Donald Wilford
President	Rob MacIsaac, President (ex officio)	

Mohawk College Organizational Structure



Our History

Mohawk College has a rich history dating back to 1966

The following is updated from Mohawk College, The Years to 1985: A History 1946-1985

The Name Mohawk College

The Board of Governors held its inaugural meeting on September 28, 1966 at which time the name of the College was discussed. For many years, there had been a strong desire to have a college in the City of Brantford. The Government decided that Hamilton was a more appropriate location and the College now serves the Golden Horsehoe, with campuses in Brantford, Stoney Creek, and Hamilton.

Choosing a name to reflect the wider community was a highly delicate matter in 1966. At the time, there seemed to be a preference for Aboriginal names. Joseph Brant, Chief of the Mohawks, had played a prodigious role in the former British Colony, winning respect for himself and his people. A note was made of the fact that the Mohawk Trail School, not far from the site of the College, was being turned into a museum for the celebration of the Canadian Centennial. The name "Mohawk" was comfortable for both Hamilton and Brantford. Thus the name Mohawk College of Applied Arts and Technology was agreed upon as reflecting the special nature of a large area of Brant County, including the Six Nations and New Credit Reservations, the City of Brantford, part of the adjacent region of Haldimand-Norfolk, and the County of Wentworth. Approval for the name was given by the Board on October 17, 1966.

The Coat of Arms and Colours

Many Heraldic symbols have a kind of iconograph of the name incorporated in their design. Several board members offered suggestions and as one of them remembered, attention focused on a stuffed hawk in one of the display cases. It was decided to feature the "hawk" section of "Mohawk". After consultation with the Royal College of Heraldry in England, a proposed Coat of Arms was approved at the June 18, 1969 Board meeting along with the college colours of red, black and gold. The hawk remains a symbol of Mohawk today, and the vision of the hawk is celebrated as part of the Mohawk character.

The following is extracted from the article appearing in BIZ Magazine, Summer '96 entitled *Drums Along the Mohawk* written by Joanna Miclash.

The history of Mohawk College springs from deep within the roots of the Hamilton area. From the first cotton mills of the 1800s, located in Dundas and Ancaster, to the flourishing foundries of Hamilton harbour in the 20th century, Hamilton had established itself as a leading industrial city. In 1947, the Provincial Institute of Textiles, a predecessor to Mohawk College and located at what is now the Wentworth Campus, was founded as one of the first Ontario schools to offer specialized post-secondary training in the technical fields.

A decade later, the school was restructured as the Hamilton Institute of Technology in response to the increasing need for technical education. The first class of 104 young men was offered select courses in textile, electrical, electronics and mechanical technology. On May 21, 1965, William Davis, then minister of education, introduced Bill 153, an act that called for the establishment of new alternatives to university in Ontario - the colleges of applied arts and technology. The Hamilton region, including Brant, Wentworth and part of Haldimand-Norfolk, was designated "Area Nine", and would establish one of twenty new colleges throughout the province.

The idea was to provide a college to service the needs of the changing communities; a post-secondary institution that would be an alternative to the "sheepskin of a university education". Until the mid '60s, the choices for high school graduates who did not attend university were very limited. The new colleges of applied arts and technology would be revolutionary in that they would offer a new vocational training option, one that would bring educated and trained graduates beyond post-secondary directly into the labour force.

A sprawling 66-acre site on the mountain beside Hillfield College was chosen as the future site of the college in Hamilton. An old root cellar on the grounds, recognizable today as the core of "The Arnie", Mohawk's lively student centre, had been part of the farm that supplied food to the psychiatric hospital on the mountain brow. After an original $7 million cost projection, by mid-1965 the cost had skyrocketed to some $15 million and the project would take three years to complete. Planning progressed, and in September, 1966, the first board of governors met to select a name. It is perhaps no coincidence that at the time there was a trend towards returning to native roots - thus Seneca College in North York and Algonquin College in Ottawa. The name Mohawk College of Applied Arts and Technology reflected the area's historic native heritage; Joseph Brant, the founder of Brantford, was a highly esteemed Mohawk chief.

In 1968, Mohawk's student body had grown to 1,900 full-time students, 2,000 continuing education students, and 150 staff. Tuition for a three-year diploma course was $235 a year. The first Mohawk students were unquestionably part of the '60s generation. The idea of "night college" was relatively new. The Hamilton Spectator reported in June, 1965 that "a 35-year-old man with a wife and children can come at night if he wants to be an electrical technician". But the challenges of a rapidly changing society were only beginning to emerge. With an initial student ratio of 688 men to three women, the college encouraged participation by more women, which meant the introduction of programs in early childhood education, legal and medical secretarial and communication arts. Keith McIntyre, president of Mohawk College since the fall of 1981, remembers fondly the "pioneer era" of Ontario's college system. "Although there were different kinds of challenges," he says, "they were memorable years."

By the mid-1970's, Mohawk had emerged as a leading college in engineering, applied arts and business, and health technology, with more than 18,000 full- and part-time students and a staff of 600. As McIntyre reflects, the college was now entering a "maintenance period". "Most of the launch was accomplished, now it was a matter of expanding and fine-tuning the system."

RELATIONSHIP TO STRATEGIC PLAN:

The Financial Plan (the Plan) is the enabling document that outlines the allocation of resources to deliver on the Strategic Plan. Operating, Fee Supported and Capital budgets were established by evaluating proposed activities in relation to their impact on ongoing operations and the achievement of Mohawk`s Strategic Plan. The evaluation of new investment proposals considered how effectively the requests linked to Mohawk's strategic outcomes and priorities.

Vision, Mission & Values

Our Strategic Plan evokes a vision of Mohawk as a postsecondary destination renowned for its innovation culture and for skilled graduates ready to make a difference. It positions Mohawk as a preferred choice for local and international students seeking real world learning experiences and services customized to their needs. It also positions Mohawk as an ideal college for employers interested in partnering with us and in recruiting our highly desirable graduates.

Our Vision

Prosperous communities and transformed lives

Our Mission

Creating new realities by opening endless opportunities

Our Values

Our values guide our actions and decisions, define our innovation culture, and focus on students, staff and community:

1. We are student focused.

Students and learning are at the heart of all we do.

2. We are committed to excellence.

We are committed to best practices in education, corporate and student services.

3. We engage our community.

We are responsive to and collaborative with the communities we serve.

4. We are inclusive.

We ensure a welcoming and supportive environment for all.

5. We are accountable.

We act with integrity, transparency and base our decisions on evidence.

To review the complete strategic plan and list of strategic priorities for the College, please refer to the Mohawk's website, www.mohawkcollege.ca.

Student Satisfaction

The annual Key Performance Indicator (KPI) survey is administered at all 24 Ontario colleges each year by an independent research firm for the Ontario Ministry of Training, Colleges and Universities (MTCU). Students, graduates and employers are surveyed to measure their satisfaction with the programs, facilities and services offered by Colleges in Ontario. The results of the 2012/13 survey were released on April 17/13.

Mohawk has maintained its goal of being in the top 3 among the largest colleges in Ontario.

For three years in a row, Mohawk has achieved the highest overall student satisfaction score among Greater Toronto and Hamilton Area (GTHA) colleges.

The 2012/13 KPI results rated the student satisfaction at Mohawk for:

- KPI Question #14 "Overall, your program is giving you knowledge and skills that will be useful in your future career" = 87.4%
- KPI Question #26 "The overall quality of the learning experiences in this program" = 81%
- KPI Question #44 "The overall quality of the facilities/resources in the college" = 72.6%
- KPI Question #45 "The overall quality of the services in the college" = 71.2%

The following key measures increased over 2011/12 ratings:

- the graduation rate at Mohawk = 62.1%
- the graduate employment rate, 6 months upon graduation, at Mohawk = 83.4%
- the graduate satisfaction rate, 6 months upon graduation, at Mohawk = 80.8%
- the employer satisfaction rate, 6 months upon graduation, at Mohawk = 94.3%

Financial Planning Framework

The Financial Plan comprises three main budget components:

- The **Operating Budget** represents the revenue and expenses associated with the day-to-day operations of academic, student, ancillary and corporate services. Primary sources of revenue are government grants, student tuition fees, contracted services and ancillary operations (campus stores, facility rentals, residence). These revenue sources support the cost of salaries and benefits (approx 65%), supplies, commodities and other non-salary related expenses.
- The **Fee Supported Budget** represents the compulsory ancillary fees paid by students for specific services. These fees include alumni, convocation, technology enhancement and athletic fee.
- The **Capital Budget** reflects the funding sources and uses for capital, including building projects, facility improvements, deferred maintenance, information technology and equipment.

What is an Operating Budget?

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

College expenses include but are not limited to:

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

The appropriate academic expenditure level is based on prior year actual program costs and the projected program enrolments. The contribution margin from the academic area (operating grant plus tuition less direct and indirect academic costs) supports College overhead which includes student services, information technology and physical plant costs.

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

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

Student enrolment is the key driver in determining operating budget revenue levels because enrolment influences the MTCU operating grant, tuition fees and ancillary revenue. The operating grant and tuition fees account for 76% of total revenue.

What is a Fee Supported Budget?

In addition to tuition fees, all students are required to pay compulsory ancillary fees. Compulsory ancillary fees are charged to post-secondary and continuing education students and are targeted to provide specific services to students. The fees are collected for activities MTCU deems not directly related to academics including alumni, convocation, technology enhancement, and athletic fee. Compulsory ancillary fees account for approximately 4.9% of total revenue and have equal, offsetting expenses.

Compulsory Ancillary Fees are governed by the MTCU "Tuition and Ancillary Fees Reporting" operating procedure and mandates that student's governing bodies (MSA and MCACES) be involved in decisions regarding compulsory ancillary fees. The proposed revenue and expenses for Post-Secondary Fees were presented to and approved by the Mohawk Student Association (MSA). The fees for Continuing Education were approved by the Mohawk College Association of Continuing Education Students (MCACES).

To maintain transparency in the 2013/14 budget process, compulsory ancillary revenue and offsetting expenses (net $0 overall) were presented to show these fees and expenses separately.

What is a Capital Budget & Forecast?

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

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

Continuing capital initiatives are the Mohawk Athletics & Recreation Centre and the Brantford Repatriation. Both projects are scheduled to be operational for September 2013 with the associated amortization implications captured in the Financial Plan.

The capital budget process involves consideration of priority capital needs, financing capabilities, Board directions, student needs and goals outlined in the College's strategic plan.

Financial Policies & Practices

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

- Academic Contribution Margins: For the academic areas, the guidelines approved by the Mohawk Executive Group require that allowable expenditures must be less than forecasted revenue in an amount sufficient to return 38% of revenue as an overall contribution to College overhead (the "Contribution Margin"). Therefore, expenditure budgets are created in relation to revenue targets.

- Budget for new staff at full-year cost: Budgeting for new positions at full-year cost demonstrates the college's ability to afford the full commitment of an annual salary and benefits, notwithstanding the likelihood that the position will not be recruited immediately on the first day of the new budget year. Budgeting for full-year impact eliminates any annualization impacts in future years that are realized when new positions are first budgeted for a partial year to match their anticipated start date.
- Balanced Financial Plan: The College will prepare a balanced annual financial plan, whereby revenue and expenditures net to zero. Furthermore, Board of Governors policy D05, entitled Financial Matters Effective Oct 12/05, reference 374.O.8.1, section 3b) states "at the end of each fiscal year, the President shall not permit the College to be in a deficit position".
- Risk Mitigation Strategies: In light of possible budget uncertainties, the College prepares for and budgets for certain contingencies. Contingency may be used to support such things as reductions in enrollment, major repairs etc. The contingency attempts to prudently recognize the risk and the potential negative impact resulting from lost revenue or unexpected expenditures.
- Net Assets: The College manages both "restricted" and "unrestricted" net assets. Internally Restricted Net Assets represent College surpluses that are subject to internal restrictions imposed in a formal manner by resolution of the Board of Governors. These restrictions represent specific projects, new initiatives or future obligations. Internal restrictions form part of the budget following Board approval.
- Debt Limits: The College established overall debt limits, namely:

  Debt Servicing ratio to be less than or equal to 2.4%
  Debt to Assets ratio to be less than or equal to 35%

- Approval of Capital, Renovation and Maintenance Projects: Requests for the use of funds to be directed towards capital, renovation and maintenance projects are submitted through the Capital Planning Committee (CPC). Criteria for capital, renovation and maintenance project requests require that:
  - Expenses should be one-time in nature
  - Requests should be in excess of $3,000

  Capital requests must align with the strategic priorities of the College. The criteria used to evaluate the projects include:
  - Health & safety improvements
  - Maintaining infrastructure
  - Board and President priorities
  - Establishment of new programs
  - Revenue generation

  The funding sources for capital, renovation and maintenance projects are subject to annual MTCU approved funding allocations and the College's operating budget availability. As such, the CPC will review the financial impact of each priority project and vote on the projects to be presented to Mohawk Executive Group (MEG) based on financial availability.

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

All capital, renovation and maintenance projects valued over $1,000,000 require the approval of the Audit, Finance & Infrastructure Committee of the Board of Governors.

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

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

Budget Process Timetable

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

2013/2014 Compulsory Ancillary Fees Process Timelines

Activity	Month
• College begins internal discussions regarding fees	September
• MSA/MCACES and College confirm protocol for negotiating fee increases and introducing new fees	November
• College submits proposed fee increases with appropriate substantiation to MSA/MCACES	November – December
• MSA/MCACES review proposals requesting additional information, presentations as required	December – January
• MSA Board Retreat & MSA Board meeting • MCACES Board meeting	January
• MSA/MCACES each provide to College its approved recommendations on College fees; interim for MSA levied fees following its January Board meeting	January
• Fee recommendations presented to Audit, Finance and Infrastructure Committee of the Board	February
• All Ancillary Fees posted to College website per MTCU guidelines	March

2013/2014 Operating Budget Process Timelines

Activity	Month
Enrolment Planning • Creation, review and finalization of enrolment planning forecast	November - December
Strategic Planning • Consider strategic direction and priorities for the next year and beyond	November
Full-time Staffing • Complement reconciled and details uploaded • Staffing details distributed to operating areas • Academic contribution margins completed	December - January
Discretionary Expenses • Establish Reduction Targets for non-academic areas • Calculated and uploaded in FAST • Decision Unit memo, template and instructions distributed	January
Submission of Operating Budgets to Financial Services • Decision Units submitted from all operating areas for quantification • Summary by Financial Services	February
Review of Submissions • MEG preliminary review of proposed Operating Budget & Decision Units • SMT Budget discussion surrounding budget challenges, MEG-approved Investments & New Mandates	February February
Update budget and quantify Contribution Margins and Decision Units based on final approvals	March
MEG final consideration and approval of operating and capital budgets	March
Presentation to the Board of Governors and final approval of Financial Plan	April

2013/2014 Capital Budget Process Timelines

Activity	Month
• Develop proposals for all new projects	November - December
• Capital Planning Committee (CPC) meeting to review: * List of all capital projects submitted in Project Management tool * Priority lists for each VP area and College-Wide	December
• CPC meeting to prioritize top requests. Status update on 2012/13 projects and consideration of budget carry-over requests.	January
• CPC meeting to finalize projects (in principle).	February
• Finance circulates the list of recommended projects and their corresponding impact on the income statement. Adjust recommended list if required	February
• Mohawk Executive Group final approval of Capital Budget submissions	March
• Presentation to the Board of Governors and final approval of Financial Plan	April
• Project Managers develop Project Charters and submit by April 30th.	April
• Meeting to review Project Charters	May

Operating Budget

Budget reflects Strategic Priorities

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

Enrolment Planning

Mohawk has developed a robust approach to Strategic Enrolment Management and created an automated tool to model enrolment potential and trajectories, measure success and determine areas of risk. For example, cost-ratio analysis of opening a program section over and above the original enrolment plan enables responsiveness to demand when warranted. A Strategic Enrolment Management Planning Committee oversees the forecasting of enrolments which are ultimately approved by the Mohawk Executive Group (MEG). The committee is represented by staff from across the organization, including Administration, Deans and Associate Deans, Finance, Institutional Research, Registrar and IT.

Enrolment Planning is the basis upon which operating budget revenue are calculated for the College. In developing the 2013/14 budget, substantial effort was placed on reviewing academic activity through the Strategic Enrolment Management tool and committee. Each existing program was examined and forecasted for both domestic and international enrolments, recognizing historical trends in enrolment, changing community needs and demographic shifts. Retention of students was also analyzed at length to ensure projections reflected likely attrition rates and international student enrolments were projected with added scrutiny.

Post-Secondary enrolments drive expected revenue from grants, tuition and fees, food services, campus stores, parking etc. They correspondingly drive staffing requirements throughout the College.

Decision Units

Decision Units were used to enable management to make strategic budget decisions based on levels of activity provided in each area. Decision Units recognize that the functions and responsibilities of a work environment change and force re-evaluation of budgets to reflect those shifting priorities. In turn, management is able to redeploy necessary resources to meet changing operational priorities.

Reduction targets of 5% for non-academic areas were established and proposals were considered by the Mohawk Executive Group to realize savings strategically. The total funds realized by the reduction strategies allowed for the creation of a pool of funds for reinvestment. Of the total strategies proposed, over $2.9M was approved by the Mohawk Executive Group. The total net reductions approved provided an investment pool of approximately $2.0M to finance investment strategies.

Investment Strategies

As new demands are placed upon an operating department, Financial Managers are given the opportunity to request new funding to meet the need driven by expanded responsibilities or third party requirements. In order to meet service expectations or expanded responsibilities, Financial Managers presented investment strategies requesting approval for new investment in their respective areas.

Investment strategies were put forward by the Senior Management Team at a strategic planning retreat in December. Financial Managers also presented investments for consideration on Decision Unit forms which were assessed by the Mohawk Executive Group using the following criteria:

- How each request fit within the College's current Strategic Plan
- How it supported the retention and success of students
- Whether the project produced a return or avoided future costs
- The College's ability to execute (human resources, time factor)
- Whether the request was one-time in nature or ongoing
- The impact of successfully completing the project
- Maintaining or meeting legislative compliance

After a thorough and detailed review process, a total of $2.0M in investment strategies was approved and has been primarily directed towards academic initiatives including program quality strategies and blended learning investments.

Unpredictable Revenue

Budgeting best practices encourages the avoidance of building a dependence upon unpredictable revenue. While all revenue sources have some degree of volatility, the financial impact resulting from changes in international enrolments is more pronounced given the higher value of the tuition fees associated with each student. This impact is significantly favourable when enrolments are higher than predicted. Conversely, if the College budget for international revenue is based on the highest forecast and does not achieve that number, then the unfavourable impact would also be significant.

While all revenue sources have some degree of volatility, the financial impact of changes in post-secondary enrolments is pronounced. With a projected domestic enrolment increase of 7.3% and further, the high tuition value for international students, the financial plan includes a contingency for domestic and international enrolments.

Approved Operating Budget at a Glance

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

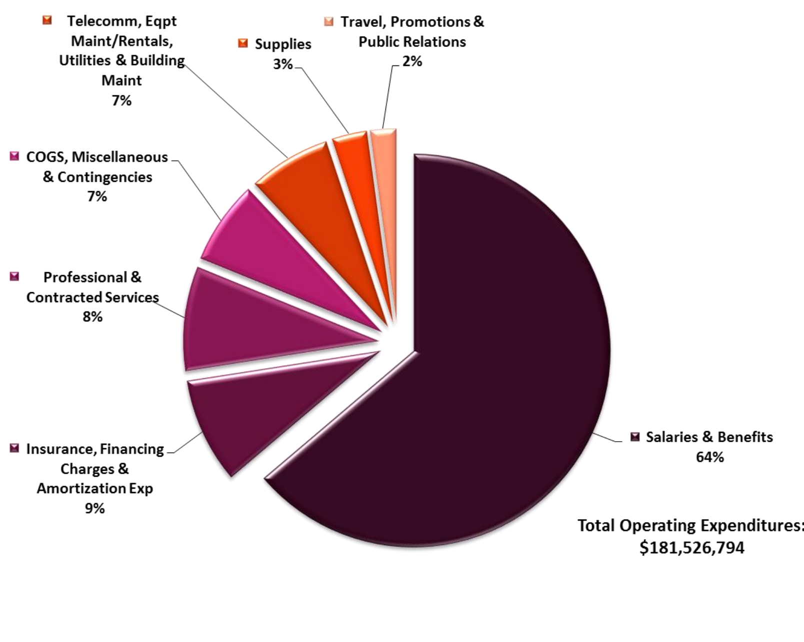
Operating Plan Highlights

The proposed 2013/14 Financial Plan has been developed in accordance with the approved budget directions and thoroughly reviewed by the Mohawk Executive Group.

- The Plan delivers a balanced budget that has been prepared in accordance with Generally Accepted Accounting Principles (GAAP). Gross revenue and expenditures are budgeted at $185M, including amortization of capital assets.
- The Plan was developed around delivering educational programming to 14,292[1] post-secondary FTEs.
- The full-time staffing complement for 2013/14 is 947, representing 438 Academic staff, 152 Admin staff and 357 Support staff[2].
- Throughout the budget deliberations, the net full-time complement was reduced[3] by 3 full-time positions over the 2013/14 initial staffing plan.

Gross Operating Expenditures (by Object) ($181 Million)

The pie chart below illustrates the College's 2013/14 Approved Operating Budget expenditures by cost component. Total Human Resource costs (full-time, part-time and benefits) account for $115.8 million or 64% of the approved operating budget.



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1 The number of student FTEs includes both domestic and international students in a post-secondary program.
2 Academic and Support staff are determined by those positions covered under the respective collective agreements.
3 The reduction of positions will be managed to minimize the impact on individuals where possible, by hopefully taking advantage of early retirements, redeployment etc.

Gross Operating Expenditures (by Department) ($181 Million)

The 2013/14 Financial Plan includes total gross expenditures of $185 million (includes Scholarship, Bursary and Awards payments of $4M). The total gross Operating expenditures is $181M. The major service area, Academic Services, represents $94.5 million or 51% of the College's proposed total expenditures. The following table shows the College's total expenditures by operational program area.

	Revenue			Expenditures			Net		
(000's)	2012-2013 Actual	2013-2014 Budget	Variance %	2012-2013 Actual	2013-2014 Budget	Variance %	2012-2013 Actual	2013-2014 Budget	Variance %
Academic	$ 15,729	$ 14,567	-7%	$ 94,805	$ 94,456	0%	-$ 79,077	-$ 79,888	1%
VP Academic	*$ 107*	*$ -*	*-100%*	*$ 1,060*	*$ 2,178*	*105%*	*-$ 954*	*-$ 2,178*	*128%*
Teaching Learning Quality	*$ 2,224*	*$ 1,923*	*-14%*	*$ 5,887*	*$ 5,969*	*1%*	*-$ 3,663*	*-$ 4,046*	*10%*
Business	*$ 277*	*$ 252*	*-9%*	*$ 8,975*	*$ 10,205*	*14%*	*-$ 8,698*	*-$ 9,953*	*14%*
Interdisciplinary	*$ 9,859*	*$ 10,411*	*6%*	*$ 18,354*	*$ 18,278*	*0%*	*-$ 8,495*	*-$ 7,867*	*-7%*
Community and Urban	*$ 1,656*	*$ 915*	*-45%*	*$ 26,676*	*$ 26,359*	*-1%*	*-$ 25,020*	*-$ 25,443*	*2%*
Engineering Technology	*$ 519*	*$ 266*	*-49%*	*$ 22,442*	*$ 21,019*	*-6%*	*-$ 21,923*	*-$ 20,754*	*-5%*
Stoney Creek Programming	*$ 1,088*	*$ 800*	*-26%*	*$ 11,411*	*$ 10,448*	*-8%*	*-$ 10,324*	*-$ 9,647*	*-7%*
Corporate Services	$ 153,044	$ 159,844	4%	$ 40,835	$ 51,248	25%	$ 112,209	$ 108,596	-3%
VP Corporate	*$ -*	*$ -*		*$ 705*	*$ 625*	*-11%*	*-$ 705*	*-$ 625*	*-11%*
Finance	*$ 140,095*	*$ 145,343*	*4%*	*$ 17,467*	*$ 25,290*	*45%*	*$ 122,628*	*$ 120,053*	*-2%*
Information Technology	*$ 1,222*	*$ 1,936*	*58%*	*$ 9,372*	*$ 11,296*	*21%*	*-$ 8,150*	*-$ 9,361*	*15%*
Strategic Enrolment Mgr	*$ -*	*$ -*		*$ -*	*$ -*		*$ -*	*$ -*	
Human Resources	*$ 122*	*$ 69*	*-43%*	*$ 2,968*	*$ 3,335*	*12%*	*-$ 2,846*	*-$ 3,266*	*15%*
Business Dev. & Retail	*$ 11,604*	*$ 12,496*	*8%*	*$ 10,324*	*$ 10,701*	*4%*	*$ 1,280*	*$ 1,795*	*40%*
Facilities and Property Dev.	$ 4,435	$ 4,005	-10%	$ 15,673	$ 13,874	-11%	-$ 11,238	-$ 9,869	-12%
Student Services	$ 3,986	$ 5,602	41%	$ 17,511	$ 18,358	5%	-$ 13,525	-$ 12,756	-6%
VP Student Services	*$ 3*	*$ -*	*-100%*	*$ 2,746*	*$ 2,838*	*3%*	*-$ 2,742*	*-$ 2,838*	*3%*
Marketing	*$ 5*	*$ -*	*-100%*	*$ 3,514*	*$ 3,247*	*-8%*	*-$ 3,509*	*-$ 3,247*	*-7%*
Student Development	*$ 2,893*	*$ 4,368*	*51%*	*$ 6,885*	*$ 7,948*	*15%*	*-$ 3,992*	*-$ 3,580*	*-10%*
Registrar	*$ 395*	*$ 705*	*79%*	*$ 3,517*	*$ 3,568*	*1%*	*-$ 3,122*	*-$ 2,863*	*-8%*
Aboriginal	*$ 690*	*$ 529*	*-23%*	*$ 850*	*$ 758*	*-11%*	*-$ 160*	*-$ 229*	*43%*
President Office	$ 496	$ 1,071	116%	$ 3,615	$ 4,599	27%	-$ 3,119	-$ 3,529	13%
President	*$ -*	*$ -*		*$ 970*	*$ 1,425*	*47%*	*-$ 970*	*-$ 1,425*	*47%*
International	*$ 496*	*$ 1,071*	*116%*	*$ 2,034*	*$ 2,560*	*26%*	*-$ 1,537*	*-$ 1,489*	*-3%*
Strategic Planning	*$ -*	*$ -*		*$ 611*	*$ 614*	*0%*	*-$ 611*	*-$ 614*	*0%*
General Counsel	$ 0	$ -	-100%	$ 1,098	$ 1,158	5%	-$ 1,098	-$ 1,158	5%
Development and Alumni	$ 353	$ 489	39%	$ 1,870	$ 1,885	1%	-$ 1,517	-$ 1,396	-8%
Total	$ 178,044	$ 185,579	4%	$ 175,408	$ 185,579	6%	$ 2,636	$ 0	-100%

Expenditure Highlights

<u>Human Resources</u>

As a service based organization, colleges rely heavily on human resources to provide educational opportunities and the accompanying services. For Mohawk, the 2013/14 plan projects 64% of the budgeted expenditures are costs associated with full-time and part-time human resources.

<u>Full-time Salaries and Benefits</u>

The academic and support collective agreements effective fall 2013 allow for step increases on anniversary dates. In addition, support staff will receive a 2.0% increase effective September 1, 2013.

The Broader Public Service wage freeze legislation for non-union employees is effective March 31, 2012. The plan allows for Administrative staff to receive 1.5% increase effective April 1, 2013 with the exception for staff at step 14 or higher or at the maximum within their range.

Based on past practice and experience, staff have accounted for a human resource vacancy adjustment at 2% in anticipation of net savings realized when positions are vacated. (e.g. when employees leave the organization and are not immediately replaced, staff on maternity leave, promotions)

Fringe Benefit Increases: The 2013/14 employee fringe benefit rates remain the same as the 2012/13 fiscal year. The rates are 24% for full-time, 12% for part-time employee and 7% for overtime. Employer deductions include both legislated (e.g. CPP, EI etc.) and discretionary (e.g. health and life insurance) fringe benefits as well as contributions to a defined benefit pension plan (CAAT).

Full-Time Equivalents: The 2013/14 initial full-time staffing plan consists of 950 FTEs across the faculty, admin and support groups. Through the utilization of Decision Units, staff presented reduction strategies to achieve budget savings that netted a reduction of 15 FTE. Savings realized through these reductions allowed the MEG to approve 12 new FTEs netting a new total of 947 FTEs, at a cost of $94.8M, as shown on Table 1 below.

TABLE 1 – 2013/14 STAFFING PLAN

	FACULTY		ADMIN		SUPPORT		TOTAL	
	Count	Dollars	Count	Dollars	Count	Dollars	Count	Dollars
Initial Full Time Staffing Plan	438	$ 50,637,793	152	$ 17,754,778	360	$ 26,769,496	**950**	**$ 95,162,066**
Final MEG Approved Staffing Plan	438	$ 50,587,678	152	$ 17,674,659	357	$ 26,573,006	**947**	**$ 94,835,342**

Contribution Margins: The overall contribution margin targets were established for the different academic streams: Post-Secondary 38%, Apprenticeship 30% and Continuing Education 48%.

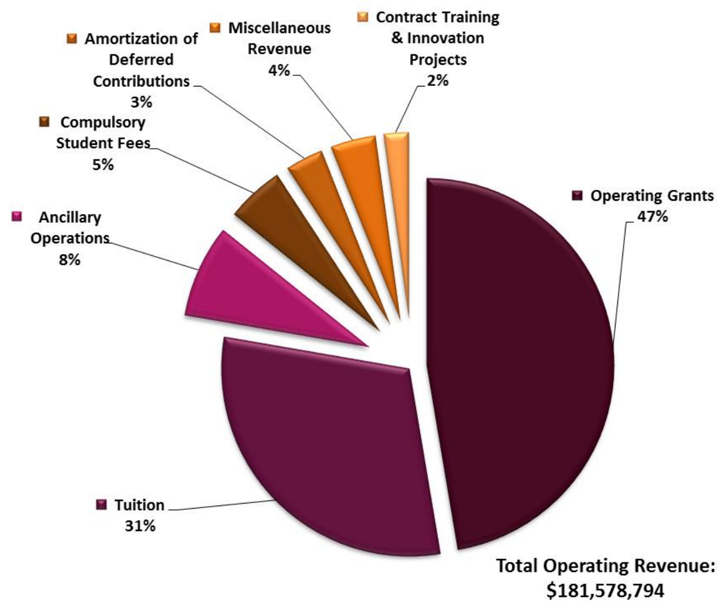
The original Post-Secondary contribution margin target of 39% recommended in the Budget Directions report was reduced to 38% in recognition of program quality and assurance costs required in 2013/14. The 1% reduction allowed for investment in program development, program review and accreditation activities. All future costs associated with program activities will be incorporated into the program's contribution margin and resulting budget.

The academic managers accepted their area targets and are informed of their allowable expenditure budgets.

Non-Salary Expenditures: Expenses associated with the operational cost of running each operation includes supplies, promotion, equipment, insurance and financing charges, memberships, contracted services, utilities, maintenance and amortization expense. Overall, non-salary expenditures have increased by $1.9M or 2.8% over the 2012/13 forecast.

Where the Money Comes From ($181 Million)

The Mohawk College operating budget of $181 million is balanced with the use of a variety of revenue sources. The following pie chart shows the funding sources of the 2013/14 Approved Operating Budget.



The College's single largest revenue source comes from the Province in the form of grants. In 2013/14, $86M or 47% of the College's total funding will be grants. In the 2012 Budget, the government announced that the operating grants to Colleges and Universities will be reduced by $40M in 2013/14. Mohawk's share of this decrease is $561K. The MTCU General Purpose Operating Grant (GPOG) is further reduced by a growth unit decline ($337K) and reduced by $375 per term for international students in first year programs ($460K). The total of these reductions is $1.4M.

Tuition revenue was modeled directly from the Enrolment Plan and approved fees schedule. Deans and Associate Deans used the Strategic Enrolment Management tool, a sophisticated planning and evaluation database, to model enrolments and resulting revenue. The Enrolment Plan projects the delivery of post-secondary education for 28,583 enrolments (14,292 FTEs) which is an increase of 6.7% over the current fiscal year.

On March 28, 2013, the Ontario government announced a new four-year tuition fee framework which caps the average annual tuition fee increase at 3% commencing 2013/14. Out-year planning will incorporate the new tuition fee guidelines.

In executing the College's revenue diversification and international strategy, Mohawk entered a license agreement with Pures College to offer programs to international students at the Toronto campus. The 2013/14 plan builds upon the success of the initial plan growing the total number of students served from 157 to 451 with an overall net contribution of approximately $560K. Staff has incorporated sufficient contingencies to manage the risk associated with the aggressive growth.

The $2.1M increase in tuition over the 2012/13 forecast is primarily attributable to an increase in the average tuition fee and an increase in domestic enrolments. Tuition revenue varies directly with in-year enrolment activity and failure to attain the planned enrolments poses a risk to the Financial Plan. This is more pronounced with international enrolments given their tuition is 4-5 times greater than domestic. Recognizing this risk, staff has appropriately planned mitigating contingencies for both domestic and international enrolment.

Ancillary revenue is derived from the campus stores, residence, parking, food services and facilities rentals. The projected net contribution of $4.9M represents 32% of total $15.2M revenue.

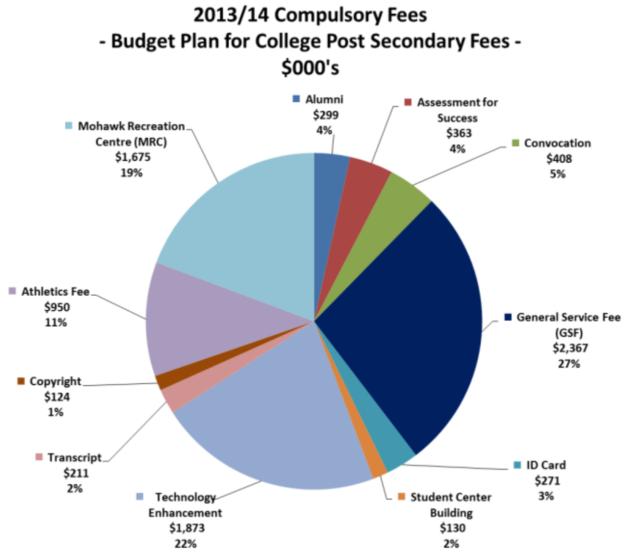
Community and Training Solutions offers a broad range of programs including pre-apprenticeship, literacy and basic skills, enhanced language training, school college works initiatives and employment programs. The projected net contribution of $2.1M represents 22% of total $9.6M revenue.

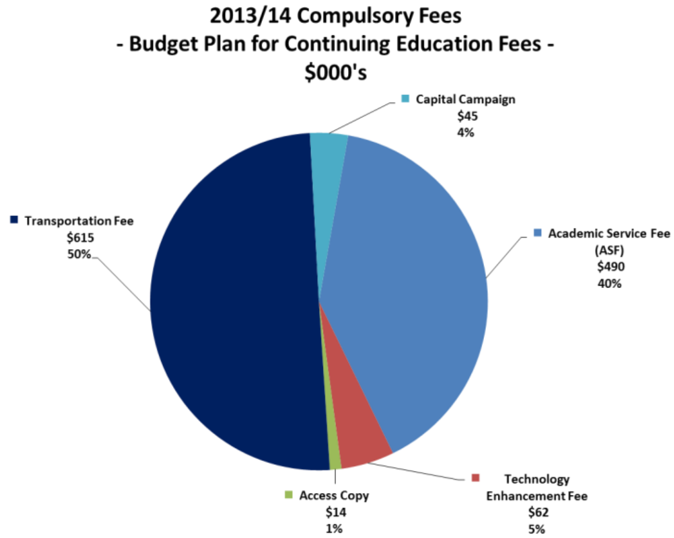
Fee Supported Budget

Compulsory ancillary fees are governed by the MTCU "Tuition and Ancillary Fees Reporting" operating procedure and mandates that student's governing bodies (MSA and MCACES) be involved in decisions regarding compulsory ancillary fees and subsequent increases. Compulsory ancillary fees account for approximately 4.9% of total revenue or $9M, and have equal, offsetting expenses. The fees are charged for activities MTCU deems not directly related to academics.

The following table represents the 2013/14 Compulsory and Ancillary Fee gross budget plan ($000's).

Description of College Administered Fees	Total In-Year Fees Budgeted
Alumni	$ 299
Assessment for Success	$ 363
Convocation	$ 408
General Service Fee (GSF)	$ 2,367
ID Card	$ 271
Student Center Building	$ 130
Technology Enhancement	$ 1,873
Transcript	$ 211
Copyright	$ 124
Athletics Fee	$ 950
Mohawk Recreation Centre (MRC)	$ 1,675
Total College PS Fees	**$ 8,672**
Academic Service Fee (ASF)	*$ 490*
Technology Enhancement Fee	*$ 62*
Access Copy	*$ 14*
Transportation Fee	*$ 615*
Capital Campaign	*$ 45*
Total College Continuing Ed Fees	**$ 1,226**
Apprenticeship Service Fee	$ 93
Total College Apprenticeship Fees	**$ 93**





Capital Budget

The 2013/14 Financial Plan aligns capital priorities with funding sources and financing strategies in a concerted effort to improve the learning environment and building infrastructure needs. Sources such as ministry grants, student levies, fundraising, funds from operations, strategic use of Board Reserves and debt financing are carefully considered and employed in a fiscally prudent manner to yield the best results for our student body.

The Financial Plan includes $4.3M of operating funds to support capital priorities including facilities renewal, information technology and academic equipment. Other funding includes MTCU grants for academic equipment renewal $426K and facilities renewal $458K and also, student levies for information technology enhancements $1.9M and student centre building $285K. Donations of $964K will be used to complete the Fennell Campus Renewal-Phase 1 projects.

The Capital Planning Committee (CPC) prioritized capital projects supported by operating funds and reviewed projects from alternative funding sources for an overall assessment of facilities support requirements.

The Board approved major building infrastructure projects well underway are the Athletic & Recreation Centre and the Fennell Campus building enhancements to accommodate the student population from the closing of Brant Elgin Street campus. Both initiatives are planned for completion by the Fall 2013.

Financing for the Athletic & Recreation Centre $35M has been approved by the Ontario Financing Authority (OFA). Construction financing is in place until substantial completion is reached wherein the loan term will be set over a twenty-five year period. The new student capital levy fee will contribute towards the amortization cost of the building and the interest on the long-term loan.

The Brantford Repatriation financing request for $11M is currently under review by the MTCU. The annual operational cost savings resulting from the Brant Elgin Street campus closure will exceed the principal and interest payments for the construction costs at Fennell Campus.

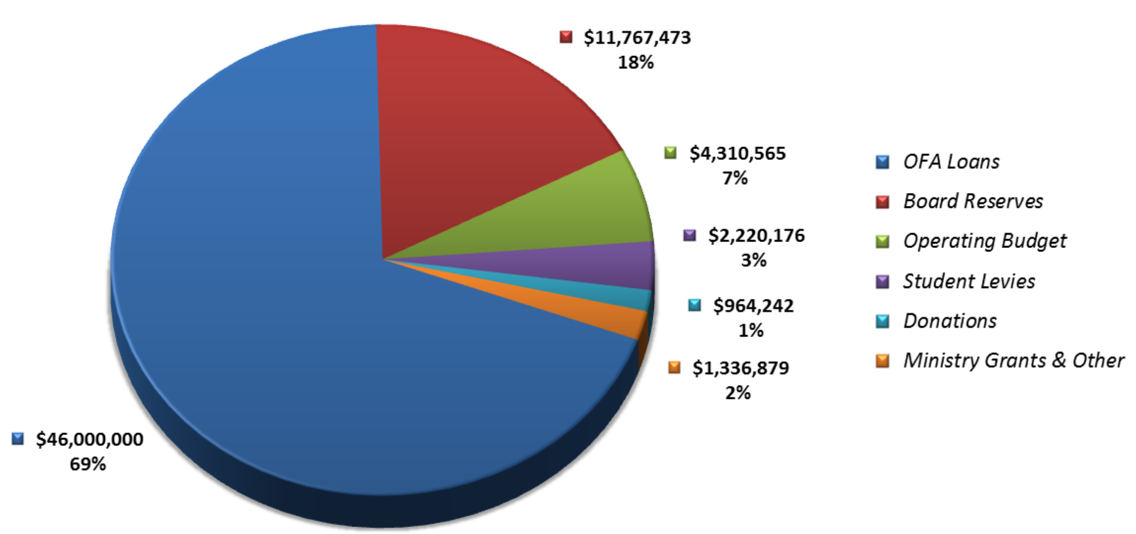
2013/14 Capital Additions & Funding Sources:

The 2013/14 Capital Plan additions totaling $66.6M are summarized in Table 2 followed by their funding sources in the following pie graph. The Athletic & Recreation Centre (including MSA interface) and the Brantford Repatriation infrastructure projects account for $51.6M or 78% of the total capital additions.

TABLE 2 – 2013/14 CAPITAL PLAN ADDITIONS BY MAJOR CATEGORY

	Gross Costs ($ Millions)	Percentages
Athletic Recreation Centre/MSA Interface	**35.6**	54%
Brantford Repatriation	**16.0**	24%
Facilities Renewal – College Wide	**4.3**	6%
Facilities Renewal – Academic	**1.0**	2%
Data Centre	**2.7**	4%
Information Technology – Academic	**2.1**	3%
Information Technology – College-Wide	**1.5**	2%
Academic Equipment	**1.4**	2%
MSA Plaza	**1.0**	2%
Fennell Campus Renewal – Phase I	**0.8**	1%
Corporate Services	**0.2**	-
Total	**66.6**	**100%**

The funding sources necessary to finance the 2013/14 projects are categorized below.



Debt Capacity:

The College's debt level is projected to peak at $61M in 2013/14. This is comprised of the Student Residence $9M, Energy Savings $6M, Athletic & Recreation Centre $35M and Brantford Repatriation $11M. The application of the MTCU's proposed financial health indicators for the next five year period provide the following projected results:

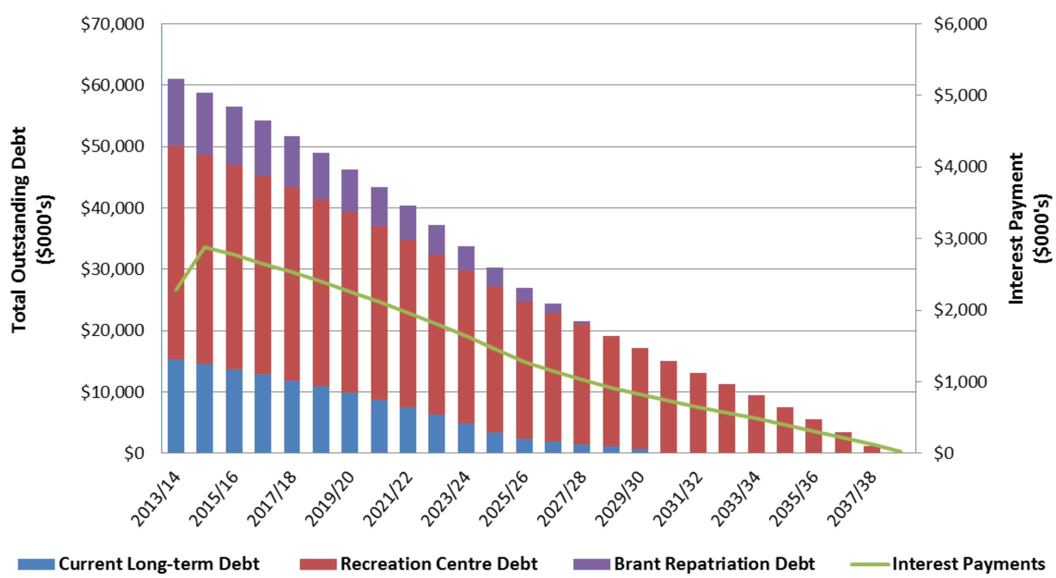
Debt to Assets ratio:	35% projection equals 35% benchmark
Debt Service ratio:	2.5% five year average is just above 2.4% benchmark

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

Given the debt level and the cost of servicing this debt, further financing beyond the current Brantford Repatriation loan application is not planned for any further building additions or major site improvements. Upfront revenue sources such as government funding or donations will be sought and non-traditional funding opportunities will be explored for major infrastructure projects.

The following Graph 2 reflects the projected debt level and interest expense for the next twenty-five years, including the Brantford Repatriation loan application.

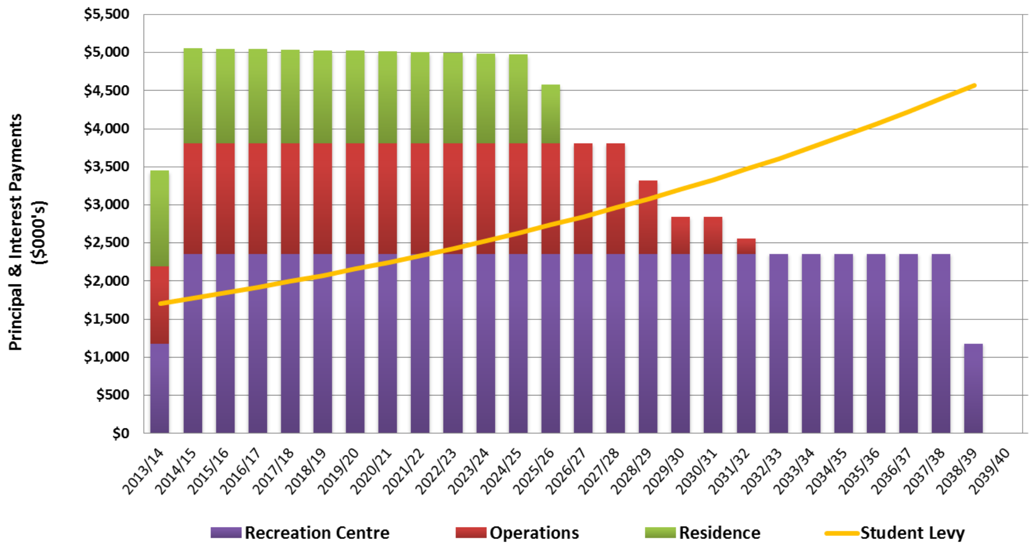
GRAPH 1 –INTEREST & DEBT



The current long-term debt comprising the student residence and energy savings loans are supported respectively by student residence rental income and lower physical plant operating costs. The Athletics & Recreation Centre loan for $35M will be supported by the new student capital levy fee. The Brantford Repatriation loan request for $11M will be supported by operational cost savings from the closure of Brant Elgin Street campus.

The sources of funds for these loans are illustrated in Graph 3.

GRAPH 2 – SOURCES OF FUNDS FOR LOANS



Multi-Year Infrastructure Capital Projections

The multi-year capital planning strategy approved by the Board of Governors in April 2012 was the starting point for a re-evaluation of priority projects in support of the College's strategic plan, funding sources and the current debt capacity level.

The charts below present the updated multi-year infrastructure capital projections for the next six years. The tables provide the projected requirements for capital, the projected sources of capital and the resulting projected funding gap.

The funding gap reflected in the last table indicates that sources of funding for 2014/15 onward are unknown as there is no financing plan in place for the desired Engineering Building, potential land acquisition and essential deferred maintenance items

TABLE 3 – PROJECT REQUIREMENTS

	Projected Requirements for Capital						
Initiative	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**Total**
Fennell Campus Renewal	842,112	-	-	-	-	-	842,112
Athletics & Recreation Centre	13,118,239	-	-	-	-	-	13,118,239
MSA Interface	1,966,224	-	-	-	-	-	1,966,224
MSA Plaza	729,640	-	-	-	-	-	729,640
Brantford Repatriation	14,000,000	-	-	-	-	-	14,000,000
Engineering Building	250,000	2,750,000	32,500,000	25,000,000	-	-	60,500,000
The Hub	700,000	500,000	-	-	-	-	1,200,000
Deferred Maintenance (excl. Essential)	758,000	758,000	758,000	758,000	758,000	758,000	4,548,000
Essential Deferred Maintenance	3,108,894	3,790,000	2,770,000	1,250,000	-	-	10,918,894
Strategic Options - Opportunities	-	250,000	250,000	250,000	250,000	-	1,000,000
Strategic Options - Land Acquisition	250,000	6,250,000	-	-	-	-	6,500,000
Other campus renewal	-	-	350,000	-	350,000	-	700,000
Totals	**35,723,109**	**14,298,000**	**36,628,000**	**27,258,000**	**1,358,000**	**758,000**	**116,023,109**

TABLE 4 – FUNDING SOURCE

Initiative	Projected Sources of Capital						
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Provincial Funding	458,000	458,000	458,000	458,000	458,000	458,000	2,748,000
Fundraising	642,680	-	-	-	-	-	642,680
Operations	2,010,115	300,000	300,000	300,000	300,000	300,000	3,510,115
OFA Loan	25,534,463	-	-	-	-	-	25,534,463
Board Reserves - Permanent	5,745,900	1,250,000	600,000	250,000	600,000	-	8,445,900
Board Reserves - Bridge Financing	879,072	-	-	-	-	-	879,072
Proceeds from sale of Wentworth Property	452,879	-	-	-	-	-	452,879
Unknown	-	12,290,000	35,270,000	26,250,000	-	-	73,810,000
Totals	**35,723,109**	**14,298,000**	**36,628,000**	**27,258,000**	**1,358,000**	**758,000**	**116,023,109**

TABLE 5 – FUNDING GAP

Capital Gap - Funding Required	Projected Capital Funding Gap						
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Due to:							
Engineering Building	-	2,500,000	32,500,000	25,000,000	-	-	60,000,000
Land Acquisition	-	6,000,000	-	-	-	-	6,000,000
Essential Deferred Maintenance	-	3,790,000	2,770,000	1,250,000	-	-	7,810,000
Totals	**-**	**12,290,000**	**35,270,000**	**26,250,000**	**-**	**-**	**73,810,000**

The Outlook: 2014 – 2016 Financial Plan:

Staff, through development of a multi-year planning process, completed a multi-year, balanced financial plan. The years 2014 to 2016 have been modeled below based on enrolments planned for 2013/14 with a projected annual increase. This activity drives expense plans based on Mohawk's strategic directions, (e.g. the continuation of a contribution margin approach, continued implementation of three semesters of teaching and implementation of a differentiated staffing model). Costs vary directly with planned activity which has been captured in all out-years. The results of the planning process allowed staff to plan for out-year pressures, including capital building and increases in operating costs associated with major projects. Multi-year projections also allow for more informed and timely maintenance and renovation schedules.

	ACTUAL		BUDGET	OUTLOOK	
	2011/12	2012/13	2013/14	2014/15	2015/16
	$	$	$	$	$
Revenue					
Grants	88,849,695	89,002,340	**85,971,024**	83,849,024	85,449,024
Tuition Fees	49,081,626	52,239,343	**55,155,872**	56,810,548	58,514,865
Compulsory Student Fees	6,281,033	6,670,245	**9,044,247**	9,315,574	9,595,042
Ancillary Operations	13,099,543	13,270,431	**14,593,789**	14,739,727	14,887,124
Contracts	3,483,705	3,857,359	**3,831,955**	3,870,275	3,908,977
Amortization of Deferred Contributions - Capital	5,157,053	4,994,778	**5,957,707**	6,540,504	6,229,006
Amortization of Deferred Contributions	4,301,663	3,916,448	**4,000,000**	4,000,000	4,000,000
Miscellaneous	6,538,705	8,009,023	**7,024,200**	6,694,442	6,761,386
Total Revenue	**176,793,023**	**181,959,967**	**185,578,794**	**185,820,094**	**189,345,424**
Salaries & Benefits					
Salary-Academic	54,321,908	54,205,942	**53,492,131**	50,768,495	51,241,050
Salary-Admin	13,410,118	14,747,631	**15,215,972**	14,655,997	15,011,287
Salary-Support	25,809,695	26,512,182	**25,971,158**	25,015,373	25,621,794
Fringe Benefits	18,431,921	20,125,996	**21,120,917**	21,875,680	22,113,305
Total Salaries & Benefits	111,973,642	115,591,751	**115,800,178**	112,315,545	113,987,436
Non-Salary Expenditures					
Supplies	8,049,383	9,508,354	**5,351,502**	5,512,047	5,677,408
Travel & Conference	1,731,943	1,905,826	**1,684,987**	1,735,537	1,787,603
Promotion and Public Relations	2,076,434	2,119,943	**2,233,536**	2,300,542	2,369,558
Telecomm. & Equipment Maintenance/Rentals	5,645,775	6,386,725	**5,102,617**	5,255,696	5,413,366
Professional & Contracted Services	13,033,449	14,943,087	**15,618,712**	16,087,273	16,569,892
Utilities & Building Maintenance	8,210,849	8,115,943	**7,293,770**	7,512,583	7,737,961
Insurance & Financing Charges	2,298,127	2,514,659	**3,886,792**	4,200,333	4,128,176
Amortization Expense	8,987,619	9,646,008	**12,003,651**	13,972,911	13,596,644
Scholarship, Bursary & Award Payments	4,301,663	3,916,448	**4,052,000**	4,000,000	4,000,000
COGS, Miscellaneous & Contingencies	4,557,325	4,675,694	**12,551,049**	12,927,628	14,077,379
Total Non-Salary Expenditures	58,892,567	63,732,687	**69,778,616**	73,504,550	75,357,988
Total Expenditures	**170,866,209**	**179,324,438**	**185,578,794**	**185,820,094**	**189,345,424**
Net Surplus	**5,926,814**	**2,635,529**	**-**	**-**	**-**

Revenue is projected to rise only 0.1% in 2014/15 and 1.9% the year thereafter. Tuition and compulsory fees are assumed to increase by 3% on average over the next two years. As noted previously, the government announced that the operating grants to Colleges and Universities will be reduced by $40M in 2013/14. This amount will double in 2014/15 of which Mohawk's share of this decrease is estimated to be $1.1M. In addition, the growth component of the general purpose operating grant is further estimated to decline by an additional $1M. By 2015/16, the growth component is expected to recover back to 2012/13 levels.

Increases in interest on long-term debt and amortization expense negatively impact the expense plan in 2014/15 (+$2.6M). Other expenses are projected to increase by 3% on average. Staffing costs typically measure around 64% of total operating revenue. With a projected decline in grants and an increase in the expenditure base, the staffing complement will be under close review in 2013/14. Mohawk's overall staffing level percentage is higher than comparative Colleges.

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

Within Mohawk, our commitment to continuous improvement in terms of quality and efficiency has enabled the College to invest resources in best practices including future ready processes and program review. It is anticipated these investments will reduce the overall cost base of operations reducing the impact on anticipated declining government revenue and deferred maintenance.

Glossary of Terms

Accrual Basis Accounting A method of accounting that recognizes revenue when it is earned and expenditures when they are incurred, as opposed to waiting until cash is actually received or spent.

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

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

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

Benchmarking Determining the quality of one's products, services and practices by measuring critical factors (e.g., how fast, how reliable a product/service is) and comparing the results to highly regarded competitors.

Benefits Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits and benefits due on termination of employment.

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

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

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

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

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

The College Mohawk College

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

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

Org # An organizational unit with a specific strategic focus and the authority to expend corporate resources in order to deliver an internal or external service.

Current Budget/Operating Budget A budget for daily revenues & expenditures such as salaries, utilities, and supplies.

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

Decision Units Tools used to identify budget changes that are linked to the achievement of the Board's fiscal and strategic targets. Decision Units consist of budget reductions or increases with related budget, service, and staffing impacts. Decision Units therefore allow members of senior management to assess difficult budget decisions (e.g. cut services, increase fees vs. raise taxes) based on the value of services provided.

Deficit The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

Encumbrances The commitment of appropriated funds to an unperformed contract for goods or services. It is an estimate of the expenditures that will result when the contracts are completed.

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

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

Forecast The projection of revenues and expenditures for future years.

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

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

Goal A statement of broad purpose, intent, or direction toward achievement of desired social or organizational outcomes, usually general and timeless (not concerned with a specific achievement in a specific time period).

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

Inflation A rise in price levels caused by general economic activity and growth.

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

Interest Income Revenue associated with the College's cash management activities of investing cash balances.

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

Liability A financial obligation of the College to others.

Long-Term Debt Debt that matures more than one year after it is issued.

Non-Departmental Refers to activities, revenues and expenditures that are not assigned to a specific department.

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

Operating Budget / Current Budget A budget that provides funding to departments for their recurring operating costs; namely, general revenues and expenditures such as salaries, utilities, and supplies.

Harmonized Sales Tax (HST) A harmonization of both the Provincial Government retail sales tax valued at 8% on purchased goods and services and a Federal Government levy valued at 5% on purchased goods and services.

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

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

Surplus The excess that exists when expenditures at fiscal year-end are lower than had been budgeted for, or revenues are higher.

Abbreviations and Acronyms

AF&I	Admin, Finance & Infrastructure Committee
BRTF	Budget Review Task Force
CAAT	College of Applied Arts & Technology
CICA	Canadian Institute of Chartered Accountants
CPI	Consumer Price Index
CPP	Canada Pension Plan
DU	Decision Unit
EI	Employment Insurance
FOAPAL	Fund, Organization, Account, Program, Activity, Location
FTE	Full-Time Equivalent
F/T	Full-time
GST	Goods and Services Tax
HR	Human Resources
HST	Harmonized Sales Tax
IT	Information Technology
MEG	Mohawk Executive Group
MTCU	Ontario Ministry of Training, Colleges and Universities
NA	Not Applicable
P/T	Part-time
RFT	Regular Full-Time
SMT	Senior Management team

Contact Information

For further information on the 2013/14 Approved Financial Plan, please contact Financial Planning & Analysis at 905-575-1212.

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2013 | 2014 Mohawk

Enrolment Targets

Enrolment Summary: Full-time, Domestic and International

	Spring	Fall	Winter	Total	% Increase over 2012/13
2012/13 Total actual enrolment	1,961	12,567	12,264	**26,792**	
2013/14 Financial Plan Target	1,919	12,742	12,713	**27,374**	2.2%
YoY Semester Growth	-2.14%	1.39%	3.66%	2.17%	
2013/14 Stretch Target	2,006	13,303	13,274	**28,583**	6.7%
YoY Semester Growth	2.29%	5.86%	8.24%	6.68%	

CREATING NEW REALITIES BY OPENING ENDLESS POSSIBILITIES

MOHAWK COLLEGE

BUSINESS PLAN 2013 | 2014

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