



University of Guelph

OMAFRA Agreement 2015/2016 Preliminary Budget

For the Board of Governors
5/20/2015

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Contents

A: The OMAFRA Agreement.....	2
B. Summary of Budget Assumptions for 2015/2016	3
Key Revenue Assumptions.....	3
Key Expenditure Assumptions	3
Regional Campus Consolidations:.....	4
C. Major Program Groups	5
Major Program Changes	6
Appendices.....	6
Appendix D.1 OMAFRA Agreement – Major Program Funding	7
Appendix D.2; Table of Preliminary 2015/2016 Budget, By Unit and Major Expense Category:	8
Notes to Appendix D.2	9
Appendix D.3 – Table of 2014/2015 Pre Audit Results, Net Expenses by Unit.....	10
Appendix D.4 – Table of OMAFRA Funded Full Time Equivalentents (FTE’S)	11
Notes to Appendix D.4	12
Appendix D.5 – OMAFRA Supported Research Facilities.....	13

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

A: The OMAFRA Agreement

Since its formation in 1964, the University of Guelph has had a unique relationship in the province with OMAFRA (Ontario Ministry of Agriculture, Food and Rural Affairs) in which research and other services are provided to the agri-food sector in the province of Ontario. This relationship which supports major structural components of the University’s research enterprise is reflected in a contract (the Agreement) between the University and OMAFRA which commits OMAFRA funding levels and details the University’s operational responsibilities. On April 1, 2008 the Agreement was renewed for a ten year period (to March 31, 2018) subject to a (mid-term) five year review which was completed in 2013. This review was completed successfully with a strong commitment by OMAFRA to continue funding levels over the balance of the contract period.

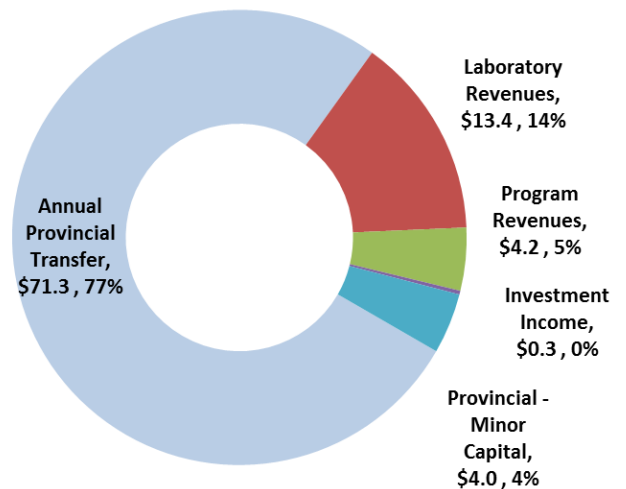
Activities covered in the Agreement include; the operation of two major animal health and food testing laboratories located in Guelph; managing extensive agri-food research facilities across Ontario; supporting veterinary clinical education; and providing a significant source of faculty-based research grants funding across a wide range of disciplines and commodities.

Under the terms of the OMAFRA Agreement all resources, including any income earned from the use of the OMAFRA supported facilities are managed as a segregated, self-supporting fund within the University’s consolidated operating fund. All program revenues received are restricted for purposes under the terms of the Agreement and are reported separately within the University’s OMAFRA Agreement Operating Budget.

While the OMAFRA Agreement is segregated for accounting and reporting purposes, the level of funding and the nature of expenses supported also mean the OMAFRA relationship is both complex and critical in the University’s overall multi-year planning. At the University level, the OMAFRA contract generates \$93.1 million in total revenue¹ (refer to the chart). Within the University this funding provides;

- 13% of total University revenues
- 35% (\$57 million annually) of total research funding.
- 12% of the total University faculty and veterinarian positions (89 FTE’s in total).
- 13% of the total University regular non-faculty appointments (685 support staff positions).
- \$10.5 million for Guelph campus indirect support costs (physical plant, library and administration)
- \$5.2 million in support of the OVC veterinary clinical education programs (VCEP).
- \$24 million for supporting major research stations and regional campuses across the province (refer to Appendix D.5)

**OMAFRA Agreement Revenue Sources
(2015/2016 Total of \$93.1M)**



¹ The “Annual Provincial Transfer” of \$71.3M provides the structural core funding for agreement programs. “Laboratory” and “Program Revenues” are earned from services provided under the Agreement to external clients e.g., lab testing and the sale of commodities from farm operations. “Provincial Minor Capital” are funds designated for maintaining provincially owned facilities managed within the Agreement.

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

B. Summary of Budget Assumptions for 2015/2016

The following is a summary of the major assumptions used for the preparation of the OMAFRA budget for 2015/2016.

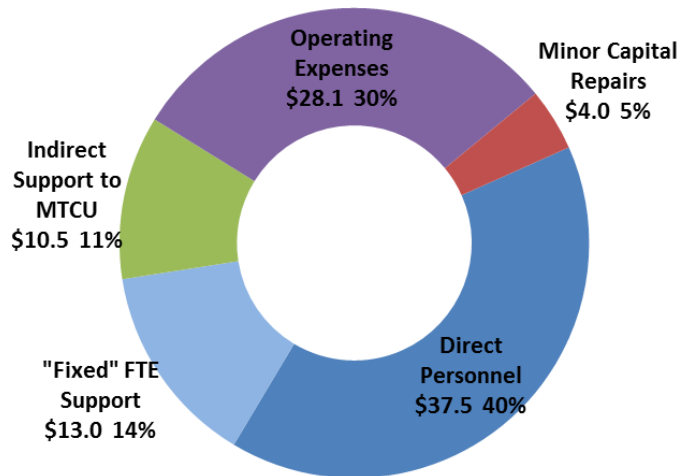
Key Revenue Assumptions

- No change in provincial funding for operations: the annual transfer for major programs will total \$71.3 million, the same level as last year.
- Provincial funding for minor capital programs will remain at \$4.0 million
- Reduction in program revenues (sales of commodities and services) of \$0.765 million at the Kemptville and Alfred regional campuses as a result of consolidating education and research programs to other locations in Ontario. (While the consolidation has not yet been fully completed, savings will more than offset this revenue decline).

Key Expenditure Assumptions

- Salary and benefit costs assumptions reflect those used within the University’s overall MTCU Operating Budget (approved in April 2015) and contain provisions for increases for University employee groups charged to the Agreement. It is estimated that total cost increases associated with compensation will be \$0.815 million in 2015/2016.
- For direct non-salary expenses, such as direct infrastructure costs (e.g., variable operating expenses on the research stations), increases will be covered through either efficiencies, increases in net program revenues or support from unallocated funds within the Agreement total funding envelope (refer to next bullet).
- In 2013 Agreement review, \$2.5 million was identified to help support future cost increases at research stations and facilities and research program personnel. A portion of these funds in combination with both cost savings across all colleges and divisions, and program revenue increases particularly in the Laboratory Services division will be sufficient to cover any cost increases in 2015/2016.
- There is no expected changes to the “fixed “ contributions of the Agreement that will be transferred to the MTCU Operating budget:
 - \$8.9 million toward 55 FTE’s of faculty research.
 - \$4.1 million of the VCEP \$5.2 million envelope towards 11 FTE’s faculty plus staff in the teaching hospital.
 - \$10.5 million for the indirect costs of research and services.

OMAFRA Expense by Type
(2015/2016 Total of \$93.1M)



University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Regional Campus Consolidations:

On March 12, 2014, the University announced a consolidation of the educational and research programs offered at regional campuses from the Kemptville and Alfred locations to both the Guelph main campus and Ridgeway college. The objective of this consolidation is to strengthen core programs through improved efficiency and reinvestment of savings at other facilities (Guelph and Ridgeway).

The implementation of this consolidation is not complete. To date notifications of job loss to approximate 155 employees at the locations have been issued however limited operations will continue over the course of the next year as special funding from MTCU has been provided to keep certain educational apprentice programs running another year. In addition, plans have not been finalized on the disposition of the properties (owned by the province).

The OMAFRA Agreement funding totalling \$7.08 million² for both Kemptville and Alfred consists of provincial funding of \$5.26 million and \$1.82 million in program revenues e.g., milk and other commodity sales. Because most of this funding is allocated toward the operating expenses of the properties, the immediate fiscal impact of the consolidation is therefore limited given the need to continue to operate basic services for another year. The OMAFRA funding released of approximately \$0.830 million currently remains within the OAC budget for reallocation within the current Agreement guidelines and priorities.

The Tables below summarize the estimated (before and after) impact of the consolidations in the fiscal year 2015/2016. Over the longer term decisions will need to be made regarding the final disposition of the properties and all remaining residual program commitments and funding.

	<i>Before</i>		
	Alfred	Kemptville	Total
Provincial Funding	\$1.12	\$4.14	\$5.26
Program Revenue	\$ 0.34	\$1.48	\$1.82
Total Funding	\$1.46	\$5.62	\$7.08

	<i>After</i>			
	Alfred	Kemptville	Transfers	Total
Provincial Funding	\$0.92	\$2.27	\$1.24	\$4.43
Program Revenue	\$ 0.10	\$0.79	\$0.17	\$1.06
Total Funding	\$1.02	\$3.06	\$1.41	\$5.49

	<i>Changes In Funding Sources</i>		
	Alfred	Kemptville	Total
Provincial Funding Released	\$0.10	\$0.73	\$0.83
Program Revenue Decrease	\$0.24	\$0.52	\$0.76
Total Funding Decrease	\$0.34	\$1.25	\$1.59

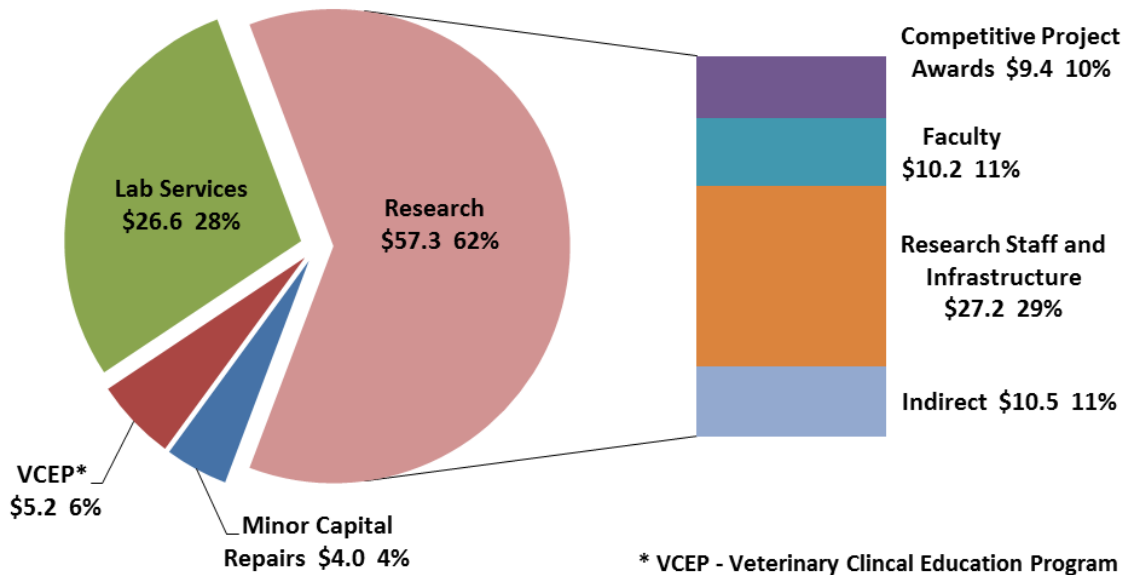
² There is an additional \$8.2 million in revenues from other (non-OMAFRA Agreement) funds earned at those locations from diploma and continuing education programs. While most of these revenues will no longer be earned, it is currently estimated that about \$1.7 million in funds will be released for other purposes as a result of this consolidation.

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

C. Major Program Groups

All funding allocations in the OMFRA contract are managed within major “program” groups. These programs are created around major provincial funding priorities and are the major focus of all reporting to the ministry. The chart below shows the current projected distribution of funding by major program group for 2015/2016. It is not expected that there will be major changes to this distribution in this fiscal year

OMAFRA Program Allocation
(2015/2016 Total of \$93.1M)



“Research” includes:

- “Competitive Project Awards” - \$9.4 million allocated as research operating grants to high priority research projects in 8 themes
- “Faculty” - \$10.2 million to support approximately 63 FTE’s (full-time equivalents) for researchers at the University (Includes a fixed contribution toward 55 FTE’s of \$8.9 million plus \$1.3 million 8 FTE’s funded directly.)
- “Research Staff and Infrastructure” - \$27.3 million in costs for operating major research facilities across Ontario.
- “Indirect” - \$10.5 million for indirect support costs to the Guelph main campus for all programs.
- “VCEP” is designated for funding the operation of the veterinary teaching hospital, advanced clinical training and an externship for DVM students through the Ontario Veterinary College (OVC).
- “Laboratory Services” include two major units; Agri Food and Animal Health, which generate about 50% of their total funding through sales of testing services.
- “Minor Capital Repairs” are high priority maintenance costs at provincially owned facilities.

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Major Program Changes

2015/2016 OMAFRA budget is based on the on-going objective of maintaining a balanced structural budget. As indicated earlier, with a self-funded model based on essentially fixed provincial transfers, the most significant operational challenge is to cover annual cost increases for both compensation and operating costs within essentially fixed funding envelopes. The Table below summarizes the changes among the major program groupings.

Overall the reallocations reflect the increase in research project operating including \$0.300 million for the Commercialization research theme and the net reductions of about \$0.700 million in program revenues and expenses at the Alfred and Kemptville locations.

Major Program Group Allocations (\$ millions)	2014/2015 Budget	2015/2016 Preliminary	Expected Changes
Research Projects¹	9.1	9.4	0.3
Research Faculty²	10.2	10.2	-
Research Staff and Infrastructure	28.2	27.2	(1.0)
Research Support- Indirect³	10.5	10.5	-
VCEP⁴	5.2	5.2	-
Laboratories	26.6	26.6	-
Minor Capital⁵	4.0	4.0	-
Total Funding	93.8	93.1	(0.7)
<ol style="list-style-type: none"> 1. Project-based funding under seven research themes as well as support for graduate student support (HQP) and research mobilization (KTT). 2. Includes \$8.9 million in a fixed annual transfer into the MTCU Operating budget as a contribution toward 55 faculty FTE's. 3. This is a fixed annual transfer into the MTCU Operating budget toward funding the indirect costs of OMAFRA research. 4. Veterinary Clinical Education Program includes \$1.9 million in a fixed annual transfer into the MTCU Operating budget for 11 faculty FTE's and \$2.2 million for teaching hospital staff. 5. Minor Capital funding is adjusted each year based on facility repair needs and program priorities determined by ARIO in consultation with University management. 			

Appendices

The following appendices provide further context and detail on the OMAFRA Agreement for 2015/2016.

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget
 In Thousands of Dollars

Appendix D.1 OMAFRA Agreement – Major Program Funding

Table D.1 shows a summary of the major grant allocations, other revenues earned from program activity (i.e., lab testing revenue, produce and milk sales), the purpose and any restrictions on the funds, FTE's (473 full time, 159 temporary appointments) associated with the program (Faculty, Staff and Temporary Appointments including students) and a discussion of risk factors and limitations related to the program.

Program	Provincial Funding	Prog. Rev.	Purpose/Restriction	Positions				Risks/Limitations
				Fac/Vets	Staff	Temp.	Total FTE's	
OMAFRA – Core (Fund 110)								All program envelopes in the OMAFRA core agreement are fixed shares of the \$71.3 million
Research Programs	\$9.4		Research project operating awarded to Faculty (7 themes, HQP and KTT)			56	56	Incremental costs require internal reallocations or fall primarily to the MTCU core budget
Research Faculty	\$10.2		Funding for 55 faculty at the Guelph campus based on a fixed dollar pool and balance at Ridgeway	63			63	Incremental costs fall to the MTCU core budget
Research Infrastructure	\$22.8	\$4.4	Facilities and operations for 14 Research stations and the 3 regional campuses including staff salaries, benefits, program operating and space (maintenance, utilities)		170	46	216	Incremental costs can be partially offset by sales of produce and user fees or require internal reallocations.
Indirect Support	\$10.5		Funds provided to the MTCU budget for indirect costs of research (space, library etc) and central admin. support to all programs and locations					Amount is increased or decreased according to changes in OMAFRA core grant. Represents less than 20% of direct costs of research which is below the typical indirect support rates of up to 40%
Labs – AHL, AFL	\$13.2	\$13.4	Regulatory, diagnostic and analytical testing services provided by the Agri Food Lab (AFL) and Animal Health Lab (AHL)	14	188	54	256	Incremental costs are covered by increased testing revenue from non-OMAFRA clients.
VCEP	\$5.2		Restricted to OVC for veterinary clinical education. Funding for all positions is based on fixed dollar "pools".	12	26	3	41	Incremental costs fall to the MTCU - program budget is totally allocated to the OVC.
TOTAL Core Funding	\$ 71.3	\$ 17.8		89	384	159	632	
OMAFRA – Minor Capital Investment	\$4.0		For jointly approved facility repairs and upgrades Focussed on animal care standards and research health and safety.					Awarded annually. One-time funds received on a claim basis for approved project. Large inventory of facilities and land base to be maintained.
TOTAL OMAFRA Agreement	\$ 75.3	\$ 17.8		89	384	159	632	

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget
In Thousands of Dollars

Appendix D.2; Table of Preliminary 2015/2016 Budget, By Unit and Major Expense Category:

	Agreement Base Budget						One Time Allocations		Total
	(A) Revenues	(B) Total Personnel	(C) Faculty Pool Costs	(D) Operating	(E) Dept Cost Recovery	(F) Total Base Budget	(G) 2015/2016 Minor Capital Projects	(H) 2014/2015 Pre Audit Results	(I) Total Preliminary Budget
Agreement Revenues									
Provincial Funding - Current Year	71,300					71,300			71,300
Minor Capital Funding							4,000		4,000
Program Revenue	17,793					17,793			17,793
Revenue Deferred from Prior Years								32,904	32,904
Total Agreement Revenues	89,093					89,093	4,000	32,904	125,997
Teaching Units									
College of Biological Science		62	883			945		257	1,202
College of Social & Appl. Human Science		16	42			58		117	175
College of Business & Economics		27	354			381		64	445
OAC Guelph		3,583	5,008	1,135	(245)	9,481		2,919	12,400
Alfred Campus		399		659	(39)	1,018	250	30	1,298
Kemptville Campus		1,239		2,041	(216)	3,064	250	670	3,984
Ridgetown Campus		4,132		1,633	(1,071)	4,694	1,750	987	7,431
Northern/Eastern Stations		980		215		1,195	250	241	1,686
Total: Ontario Agricultural College		10,332	5,008	5,683	(1,570)	19,453	2,500	4,847	26,800
Ontario Veterinary College - Research		472	1,940			2,412		893	3,305
Ontario Veterinary College - VCEP			1,900	3,300		5,200		303	5,503
Coll of Physical & Engineering		134	673			807		468	1,275
Total Teaching Units		11,042	10,800	8,983	(1,570)	29,255	2,500	6,949	38,704
Support Units and Services									
Guelph Stations/Animal Facilities		6,745		4,738	(176)	11,308	1,500	1,598	14,406
AVP Agrifood / Facilities O&M		222		246		468		1,859	2,327
Lab Services Division (AHL and AFL)		19,449		8,879	(1,743)	26,586		5,591	32,177
Central Support Costs				10,500		10,500		-	10,500
Research Project Multi Year Awards				9,450		9,450		11,323	20,773
Central Contingency & Inflation Reserve				1,527		1,527		5,584	7,111
Total Support Units and Services		26,417		35,340	(1,918)	59,838	1,500	25,955	87,293
Total Agreement Expenses		37,459	10,800	44,323	(3,488)	89,093	4,000	32,904	125,997
Net Agreement Budget	89,093	37,459	10,800	44,323	(3,488)	0	0	0	0

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget
In Thousands of Dollars

Notes to Appendix D.2

Column A: Total Base or Core revenues of \$89.093 million include both agreement advances from OMAFRA and revenues within units. Program revenues are external cash charges for services provided by agreement locations primarily through the sale of goods and services.

Column B: Total Personnel includes the salary and benefit costs for all faculty and staff charged directly to OMAFRA projects including approximately 380 FTE's of regular full-time positions (see table D.4).

Column C: Faculty Pool Costs are fixed transfers to the MTCU budget in support of faculty effort on research projects (55 FTE's) and VCEP (10.9 FTE's).

Column D: Operating expenses include all non-personnel expenses including travel, utilities, supplies and facility maintenance.

Column E: Dept Cost Recovery are non-cash transfers based on inter-departmental services provided such as laboratory test to other University departments and administration services recovered from MTCU at regional campus locations.

Column F: Total Base Budget is the total revenues and total departmental expenses less cost recoveries for each major unit for the base portion of the Renewed Agreement. This amount is before the one-time minor capital allocations and the pre-audit estimates of 2014/2015 net operating results (See Col G, H,).

Column G: The proposed allocation for Minor Capital projects represents additional funds from OMAFRA in support of jointly approved renovations and repairs to facilities and equipment at provincially owned properties managed by the University under the Agreement. The 2015/2016 allocations include contingency funds at the Alfred and Kemptville locations for emergency repairs and securing facilities and equipment.

Column H: The total \$32.900 million in funds projected (pre audit results) at the end of 2014/2015 from agreement revenues deferred for committed projects and laboratory capital equipment planning in subsequent years. (see appendix D.3 on the next page for more information).

Column I: The Total Preliminary Budget is the total preliminary 2015/2016 OMAFRA allocation committed for approved agreement projects and programs.

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget
 In Thousands of Dollars

Appendix D.3 – Table of 2014/2015 Pre Audit Results, Net Expenses by Unit

	Pre-Audit Actuals						
	Net Annual Budget	Revenue/ Recoveries	Expenses	Net Actuals	Variance + (-)	Plus Deferred Revenue from 2013/2014	Total 2014/2015 Deferred Revenue
<u>Institutional Revenues and Recoveries</u>							
Total Provincial Revenues	71,300	71,300		71,300			
<u>Teaching Units</u>							
College of Arts (COA)	9		12	12	(3)	3	(0)
College of Biological Science	1,165		1,243	1,243	(78)	335	257
College of Social & Applied Human Sciences	146		189	189	(43)	160	117
College of Business & Economics	312		475	475	(163)	227	64
OAC - Guelph	13,648	63	13,453	13,390	258	2,661	2,919
Alfred Campus	1,220	495	1,736	1,241	(21)	52	30
Kemptville Campus	3,936	2,191	6,099	3,909	28	884	911
Ridgetown Campus	4,282	2,276	6,329	4,052	230	757	987
Total Ontario Agricultural College	23,086	5,025	27,617	22,592	494	4,354	4,848
Ontario Veterinary College - Research	3,452		3,141	3,141	311	582	893
Ontario Veterinary College - VCEP	5,200	18	5,208	5,190	10	293	303
Total Ontario Veterinary College (OVC)	8,652	18	8,349	8,331	321	875	1,196
College of Physical & Eng Science	1,061	5	1,506	1,501	(440)	908	468
Total Teaching Units	34,432	5,048	39,391	34,343	89	6,861	6,949
Research Programs - Committed Multi Year Project Awards	1,423		0	0	1,423	9,900	11,323
Guelph Research Stations and Animal Facilities	8,710	5,661	14,356	8,695	16	1,582	1,598
AVP Agrifood / O&M Reserves	574	346	562	215	359	1,501	1,859
Laboratory Services Division	13,218	13,612	27,308	13,696	(478)	6,069	5,591
OMAFRA Indirect Costs	10,500		10,500	10,500			
Total Revenue & Expenses from Operations	68,857	24,668	92,117	67,449	1,408	25,912	27,320
Central Contingency and Inflation Reserves	2,443		0	0	2,442	3,142	5,584
Net Income (Expense)	0	95,968	(92,118)	3,850	3,850	29,054	32,904

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Appendix D.4 – Table of OMAFRA Funded Full Time Equivalents (FTE'S)

		11/12	12/13	13/14	14/15	15/16 Preliminary
Teaching Units						
OAC Guelph	Faculty	-	-	-	0.3	0.8
	Staff	42.8	41.7	33.4	33.3	33.3
		42.8	41.7	33.4	33.5	34.0
Alfred Campus	Faculty	1.9	1.8	1.9	1.9	0.3
	CARG/Staff	11.1	10.9	10.2	10.1	3.4
		13.0	12.8	12.2	12.0	3.7
Kemptville Campus	Faculty	1.4	1.1	1.2	0.9	0.3
	CARG/Staff	33.5	35.4	35.4	32.5	9.2
		34.8	36.5	36.5	33.4	9.5
Ridgetown Campus	Faculty	5.9	7.0	7.1	7.1	7.1
	CARG/Staff	33.9	32.2	32.0	32.0	33.0
		39.8	39.2	39.0	39.0	40.0
Northern / Eastern Stations	Staff	-	-	-	-	12.7
		-	-	-	-	12.7
Ontario Veterinary College - Research	Staff	9.5	8.5	7.8	7.5	7.5
		9.5	8.5	7.8	7.5	7.5
College of Physical & Eng. Services	Staff	1.3	1.3	1.3	1.3	1.3
		1.3	1.3	1.3	1.3	1.3
Teaching Units Total	Faculty	9.1	10.0	10.1	10.1	8.4
	CARG/Staff	132.1	130.0	120.0	116.6	100.3
	Total	141.2	140.0	130.2	126.7	108.7
Other Programs And Services						
Guelph Research Station Operations	Staff	67.1	66.1	65.8	69.7	70.0
		67.1	66.1	65.8	69.7	70.0
Lab Services Division (AHL and AFL)	Faculty	16.0	15.6	14.2	13.6	13.6
	Staff	169.5	178.8	183.5	187.2	187.7
		185.5	194.4	197.7	200.8	201.3
Other Programs And Services Total	Faculty	16.0	15.6	14.2	13.6	13.6
	Staff	236.7	244.9	249.3	257.0	257.7
	Total	252.7	260.5	263.5	270.6	271.3
TOTAL	Faculty	25.1	25.6	24.3	23.7	22.0
	CARG/Staff	368.8	374.9	369.3	373.6	358.0
Grand Total		393.9	400.5	393.6	397.3	380.0

Excludes Research and VCEP Faculty and Staff supported by cost transfer to the MTCU Budget (See Note #2)

University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Notes to Appendix D.4:

FTE: Full Time Equivalents measuring budgeted positions for full time faculty, CARG and staff charged directly to the OMAFRA Agreement.

Table D.4 contains the FTE's counts by organizational unit detailing Faculty, Veterinarian, CARG and Staff positions for the fiscal years 2011/2012 to 2015/2016 (Preliminary). FTE's are the budgeted positions for full time faculty and staff directly charged to the OMAFRA agreement. In addition the agreement supports Faculty positions in the MTCU budget by a fixed cost transfer

Notes:

1. The total direct funded positions in the preliminary budget for the renewed OMAFRA agreement totals 380 budgeted full-time positions for 2015/2016. In addition there is support for positions by fixed transfer to the MTCU budget where the base costs for the positions are covered by the OMAFRA agreement but all salary and benefit inflation falls to the MTCU budget. This includes support for 26 FTE of Staff positions in the OVC Health Sciences Centre. There are also a total of 67 Faculty and Veterinarian positions. With the indirect positions, the total 2015/2016 effort for full time positions in the OMAFRA agreement totals 473 full time equivalents (490 in 2014/2015).
2. In total there is support of 89 FTE's of Faculty and Veterinarian full-time positions in the OMAFRA budget. (Refer to the table below).

Of these 89 FTE's, 14 are Veterinarian positions in Lab Services and 8 are Faculty positions at the three regional campuses of OAC. The actual salaries and benefits for these positions are charged directly to OMAFRA funds. In addition there are 12 VCEP faculty and veterinarians and 55 research faculty supported by fixed transfer (pooled) to the MTCU Budget.

OMAFRA Funding for Faculty/Veterinarian FTE's	Lab Services	Regional Campuses	OAC Guelph	OVC Research	OVC VCEP	Other Colleges	Total
Veterinarian – Direct	14						14
Faculty - Direct		8					8
Veterinarian –“Pool”					1		1
Faculty – “Pool”			36	9	11	10	66
Total FTE's	14	8	36	9	12	10	89

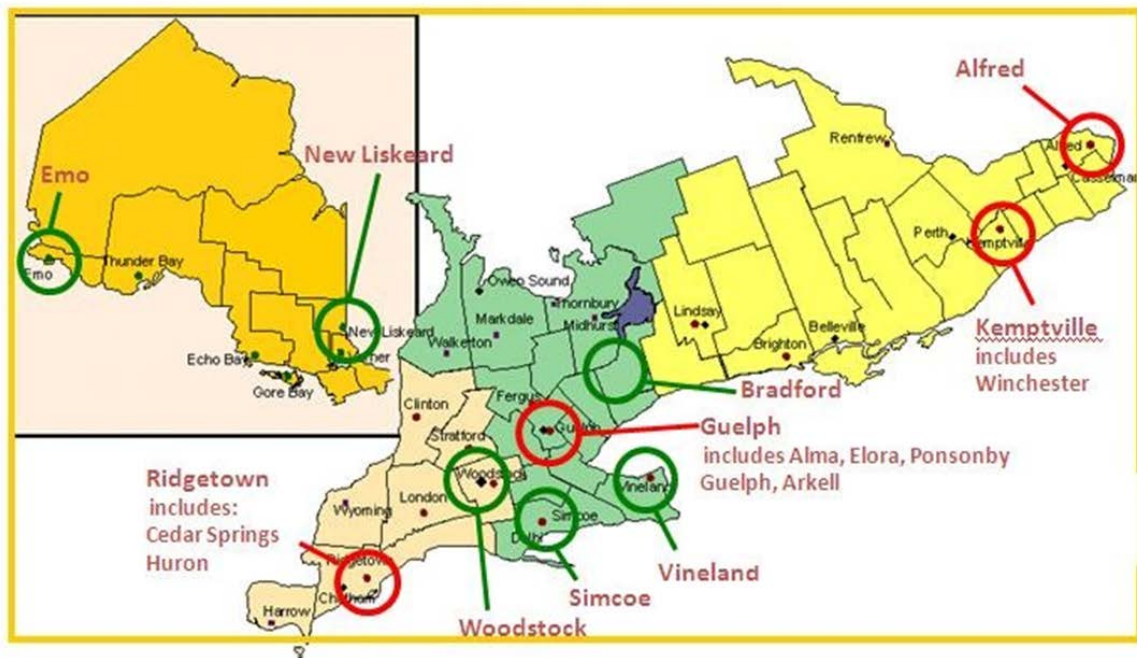
University of Guelph
OMAFRA Agreement – 2015/2016 Preliminary Budget

Appendix D.5 – OMAFRA Supported Research Facilities

The OMAFRA Agreement supports the operations of a number of real properties across the province. Under the Agreement the University is responsible for the day to day operation of these facilities (the University does not own the properties.). These include a wide variety of buildings used as residences, research labs, barns and administrative offices located on 6,600 acres of land. More specifically these facilities consist of:

1. Those owned by the Agricultural Research Institute of Ontario³ across Ontario including:
 - 3 regional campuses of the OAC (Ontario Agricultural College) at Alfred and Kemptville, both located near Ottawa, and Ridgetown in south-western Ontario,
 - 14 agricultural research stations located across Ontario.
2. A Laboratory Services building in Guelph owned by the Province; the responsibility for operations and maintenance of the Laboratory Service building remains with the province.

OMAFRA Research Stations



\$24 million or 25% of total Agreement revenue is allocated for the day-to day operations of these facilities. This funding consisted of program revenues of \$4.3 million derived mainly from farm operations with the balance of \$19.8 million from provincial transfers. Costs range from basic utilities to farming operations costs such as staff, supplies and minor renovations. In addition, for ARIO-owned properties, the costs of minor capital projects are funded by a \$4.0 million annual transfer from ARIO. Priorities for capital project spending under this fund are determined as part of a joint (OMAFRA, ARIO and University) planning process where priorities are health and safety, animal care, energy efficiencies and program effectiveness.

³ ARIO is a services agency reporting to the Minister of OMAFRA. It is provincially incorporated under the ARIO Act (1962). In 2007/2008, the province transferred ownership of most of the facilities (excluding the Laboratory Services building in Guelph) to ARIO. At the same time, OMAFRA amended the Agreement transferring the responsibility for buildings operations and maintenance to the University. Responsibility for the Laboratory Services building in Guelph remains with the province, through Infrastructure Ontario.