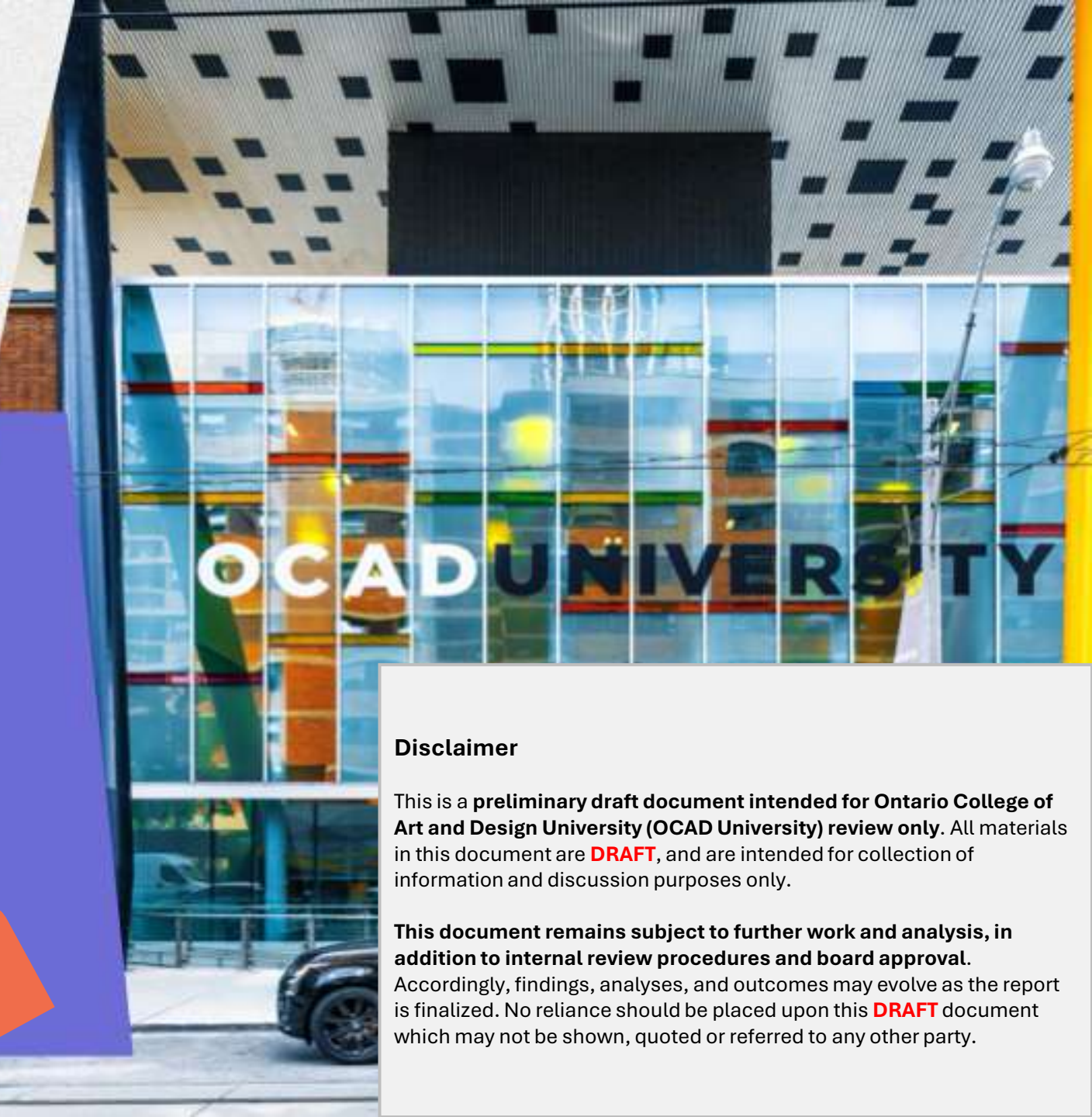
Efficiency and Accountability Review

Ontario College of Art and Design University

Efficiency and Accountability Fund 2024-25 Executive Summary, including Appendixes

FINAL DRAFT

December 4th, 2025



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Cost Saving | Revenue Generation | Efficiency | Indirect

Overview of key opportunities

Following extensive discussions with stakeholders at OCAD University, four key areas emerged as priorities for improving efficiency across the five areas outlines by MCURES, presenting clear opportunities to enhance operations and streamline service delivery. Within these areas, 15 opportunities were identified and prioritized by leadership and the executive team as both high-impact and feasible to implement, and the following slides will quantify their potential.

Strengthening Academic Design & Delivery

1. **Innovate academic offerings:** Revamp approaches to **curriculum, retention and recruitment** by exploring alternative course delivery models, reviewing the strategic enrolment model, scheduling strategies, and ensuring alignment with student needs and operations.

2. **Assess academic costing model:** Consider opportunities within the current academic costing model to **reduce program delivery costs.**

3. **Consider trimester model:** Explore the possibility of implementing a **trimester model for specific hands-on or studio-based courses** that align with student demand.

4. **Growth in continuing education offerings:** Enhance revenue by expanding **innovative education offerings in continuing studies** that do not require additional space investments to attract diverse student demographics.

5. **Strengthen academic structures:** Develop the structure of **academic portfolios** aligned with emerging industries, evolving career paths and Ministry priorities to keep offerings relevant.

Enhancing Ways of Working

6. **Explore a new operating model:** Leverage internal collaboration and culture of openness to efficiencies and **consider a new operating model**.

7. **Enhance work-integrated learning:** Consider replacing casual staff with co-op students to **boost work-integrated learning.**

8. **Process optimization:** Identify potential processes for **alternative service delivery.**

Optimizing Tech, Space & Procurement

9. **Engage in IT program review:** Perform an IT program review to **distinguish critical operations** and those that are supplementary.

10. **Initiate data consolidation:** Consolidate data sources into a resilient platform to **improve program evaluation and transparency**, supporting data-driven decision-making.

11. **Procurement optimization:** Evaluate and optimize procurement.

12. **Enhance space utilization:** Develop a **comprehensive vision for space utilization** to transition from problem-solving to strategic optimization.

Strategic Vision Forward

13. **Expand fundraising efforts:** Broaden fundraising efforts beyond student financial aid by establishing clear, high-level fundraising priorities to **improve donor engagement** for both operational needs and strategic projects.

14. **Strengthen brand positioning:** Enhance OCAD's brand positioning by developing strategic marketing and brand experience initiatives and plan that build a **compelling narrative around the student experience**, aiming to attract more prospective students and increase enrolment.

15. **Growth in community and local partnerships: Enhance community commercialization and local partnerships** to boost revenue by improving marketing and staffing at key venues such as the Waterfront campus, Great Hall, and auditorium.

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Financial forecast of cost savings opportunities

OCAD University has the potential to realize annual savings ranging from $4.3M to $29.0M by year five through the implementation of various efficiency initiatives. These benefits are driven by strengthening academic design and delivery, enhancing ways of working, optimizing tech, space and procurement, as well as implementing a strategic vision forward.

Cost Savings Scenario Overview

Key Observations

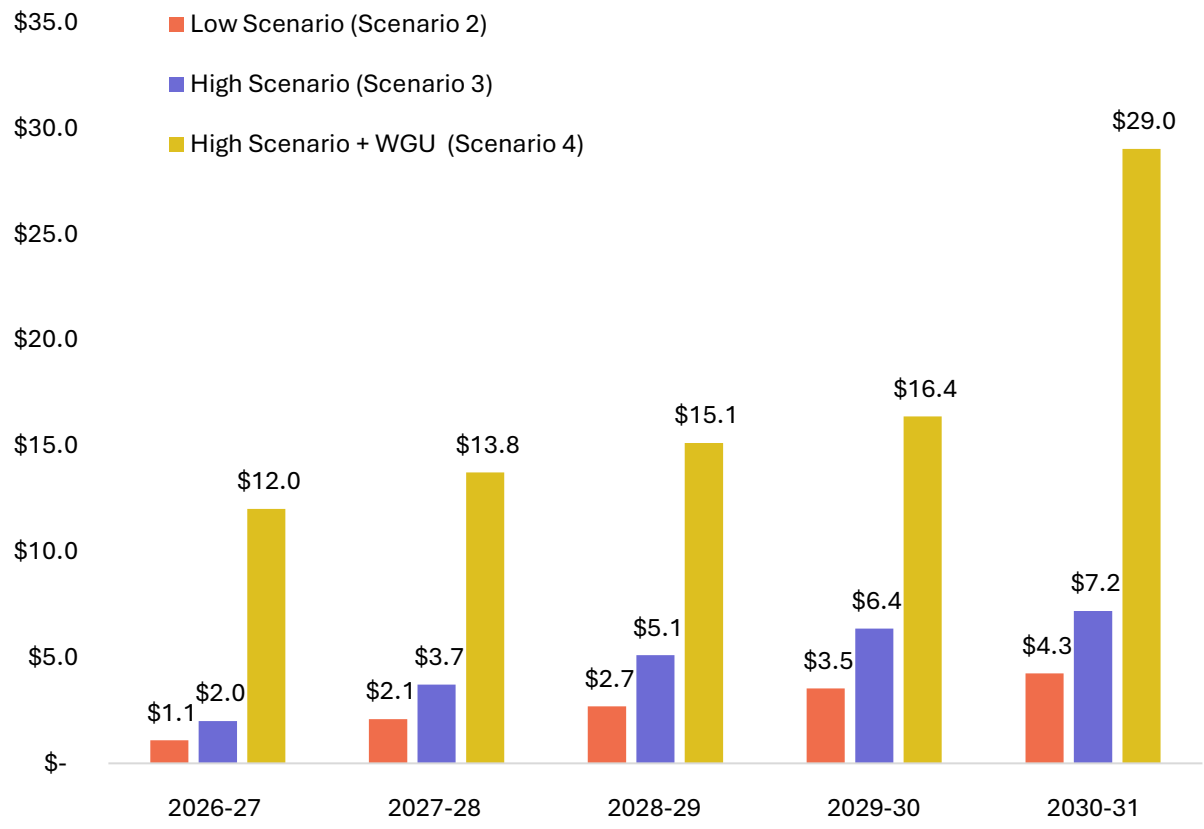
Within the aggregated initiatives benefit projections, OCAD University has the potential to achieve an **estimated net cost savings of approximately $4.3M to $29.0M in year five,** based on the degree of initiative implementation. This represents **cumulative net cost savings of approximately $13.7M to $86.4M over the five years**. The primary drivers contributing to cost savings include changes to ways of working, strengthening academic design and delivery, reweighting the WGU's, and the sale-leaseback of the Waterfront Campus in year five.

The **consolidated initiatives bar chart accounts for the estimated implementation costs** necessary to achieve the outlined benefits (ex. estimated severance, cost of alternate service deliveries, etc.). By year five, many of the core implementation costs are addressed, allowing for nearly full realization of the benefits.

Two scenarios are highlighted to provide a view of the estimated range of potential net cost savings:

- **Base Scenario –** status quo, not shown in chart
- **Low Case Scenario** – a low estimate of aggregated cost efficiency potential
- **High Case Scenario** – a high estimate of aggregated cost efficiency potential
- **High & WGU Scenario** – a high estimate of aggregated cost efficiency potential combined with an increase to WGUs

Net Aggregated Initiative Cost Savings – in Millions



Source: Financial Analysis to Cost Saving Opportunities (Page 102 – 118)

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Consolidated findings | Five-year view

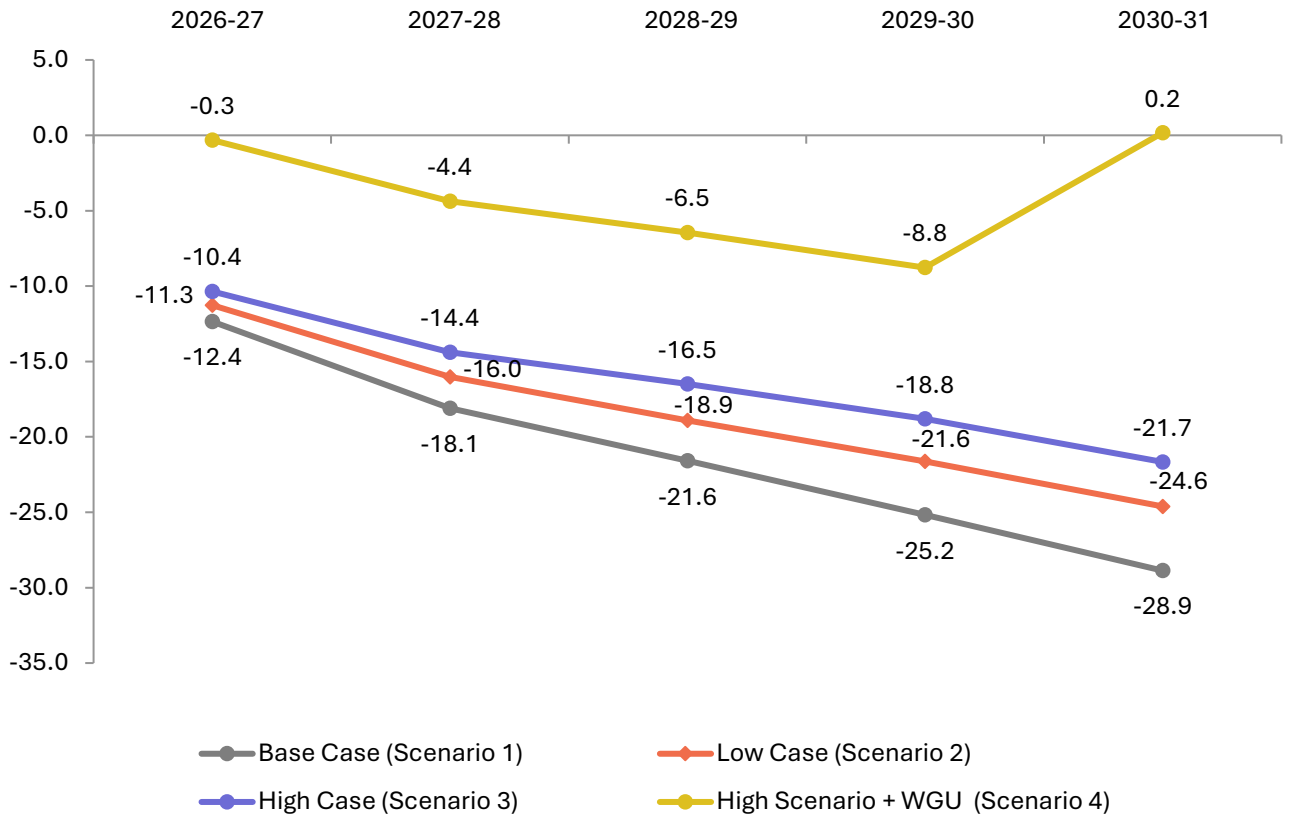
Based on the projected scenarios, the anticipated deficit / surplus by year 5 ranges from -$28.9M in Scenario 1 to $0.2M in Scenario 4. In the context of a challenging economic environment and ongoing legislative changes, OCAD University faces particular difficulties with challenging enrolment, inflation, and the continued reduction of provincial funding.

Financial Forecast of Revenues and Expenses

Key Observations

- Only Scenario 4 reaches a balanced position by year 5, while Scenarios 1, 2, and 3 continue to show a deficit. Among the options, combining Scenario 3 with a reweighting of the WGUs and the sale-leaseback of the Waterfront Campus presents the strongest financial outcome. Scenario 4 reaches a balanced budget in Year 5 through a combination of revised WGU weightings, conducting a sale-leaseback of the Waterfront Campus, and the implementation of additional cost-saving measures and revenue-generating opportunities, some of which are one-time initiatives.
- As OCAD plays a pivotal role in the art community and is recognized as a leader in art education, **it is essential that WGU weightings are right-sized to accurately reflected OCAD's significant contributions to the art community and education sector.**
- OCAD University holds a distinctive place in the higher education sector due to its specialized arts and design programs. This focus attracts a specific group of students, limiting the applicant pool both domestically and internationally.
- Recent legislative changes have contributed to challenges in international enrolment, which has affected student admissions and tuition revenues. With both domestic and international revenue streams under strain, the institution is increasingly focused on identifying efficiencies and reducing expenses to ensure financial stability.

Aggregated Scenario Forecasts (against operating budget) – In Millions



Source: Financial Analysis to Cost Saving Opportunities (Page 102 – 118)

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Current state key themes summary | Administration

Organizational Structure and Alignment

1. Teams conveyed a willingness to collaborate and find efficiencies, demonstrating openness to restructuring and reallocating resources to support th overall institution.
2. There is an opportunity to redesign the organizational model to enhance cross-departmental support and address current silos and misalignment with functional expectations.
3. There is a prevalent culture of escalating issues to grievances, requiring a large number of resources for investigation and mediation.
4. There is an opportunity to bridge gaps between faculty and administration by fostering stronger communication, collaboration, and shared understanding of institutional goals.
5. The implementation of strategic initiatives across the institution have been historically siloed and may benefit from a more holistic and structured approach.
6. Ideas for initiatives are sourced, evaluated for financial feasibility, but face challenges in implementation due to change fatigue and capacity limitations.
7. There is a need for a structured framework to guide initiative implementation.

Policy, Process and Compliance

8. There is an opportunity to enhance consistency and develop comprehensive policies across the institution.
9. Performance reviews are often performative, leading to inaccurate records and an ineffective review process.
10. Standardizing onboarding, training, and succession planning, along with process documentation, can mitigate risks of turnover.
11. Stronger compliance and follow-up processes could help ensure more consistent adoption of institutional initiatives, such as the implementation of FLOW and university-wide budget reductions, across all areas of the institution.
12. There is an opportunity to synchronize key reporting dates and standardize reporting processes, which would help minimize duplication and improve overall efficiency.

Resource Management and Capability Building

13. To mitigate the risks of resource constraints, the institution can enhance the capabilities of the current team through targeted upskilling initiatives.
14. Increased employee leave following VDIP and VRIP, combined with limited tracking and succession planning, can disrupt business continuity.
15. Alternative service delivery methods can increase cost savings and allow units to focus more on strategic initiatives.
16. A recalibration of program budgets is necessary to reflect changes in enrolment and ensure financial accountability.

Data Integration and Technology

17. Consolidating data sources into a robust platform is necessary to enhance program evaluation and transparency, especially for budgeting and costing processes such as those involving the MYFF budgeting tool.
18. Consider IT system or partitioning that supports safety while facilitating AI applications to enhance research in AI (e.g. research done by the IDRC team within OCAD University)

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Current state key themes summary | Student services

Technology Integration

1. The institution can enhance efficiency, reduce costs, and automate processes by streamlining and integrating systems within the technology stack, specifically HRIS and other modules/software.
2. There is potential to improve operational effectiveness and resource utilization by maximizing the use of existing, paid-for technologies for students and staff.
3. The institution can invest in student-focused AI tools to improve efficiency, reduce costs, and automate key processes by streamlining and integrating its technology systems.

Student Talent

4. There may be an opportunity to leverage co-op students across the institution, specifically to carry out project-based work.

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Current state key themes summary | Academic programming

Institutional Alignment and Academic Strategy

1. OCAD University has an opportunity to strengthen institutional alignment by establishing clearer priorities, measurable goals, and consistent follow-up processes to enhance academic programming, decision-making, and accountability.
2. There is an opportunity to review the structure of the academic portfolio, and design new academic programs that align with emerging industries and evolving career pathways.
3. There is a perception that OCAD University could strengthen alignment with its university status by providing clearer communication around academic expectations, particularly in areas such as programming and research.

Curriculum and Student Support

4. Balancing a student-centric curriculum with institutional resources presents an opportunity to align course offerings with both student needs and operational realities, while also addressing faculty and student expectations.
5. The complexity of the curriculum presents an opportunity to enhance student support and advising while fostering continued innovation in program design.
6. While implementing a trimester model may present operational challenges and increase costs if not aligned with student demand, there is an opportunity to explore trimestering specific hands-on or studio-based courses.
7. Educational continuity from undergraduate through to graduate levels is limited.

Operational Effectiveness and Collaboration

8. The implementation of Flow has enabled programs to adopt tailored approaches, resulting in budget allocations that reflect the distinct resource needs of each program.
9. The management and oversight of teaching assistant assignments in academic programming require standardization and centralized oversight to ensure consistency and compliance.
10. There is an opportunity to create a dedicated digital studio and strengthen the University's online presence by leveraging existing spaces.
11. There is an opportunity to enhance support for new employees, particularly at the Dean and executive levels, through improved training, clearer communication of responsibilities and financial expectations, and strengthened financial and strategic skills within the staff team.
12. Enhancing collaboration and knowledge sharing by fostering a more open approach to data and information can improve the institution's overall organizational effectiveness.
13. There is an opportunity to explore the current academic costing model as a means to identify efficiencies and reduce the overall cost of delivering academic programs, supporting both financial sustainability and strategic resource allocation.

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Current state key themes summary | Physical assets & facilities

Space Utilization

1. As a smaller institution, OCAD University may face challenges in space planning, and the absence of a comprehensive vision can lead to responsive approaches and missed opportunities for strategic optimization.
2. The Waterfront Building is underutilized and presents opportunities for revenue generation.

User-Experience and Space Management

3. Facility maintenance encounters inefficiencies due to remote work challenges, particularly in maintaining HVAC systems, lighting, and cleaning services. These issues are more pronounced in buildings like 100 McCaul and 113 McCaul, which are not fully utilized.
4. Many students use spaces primarily in the late afternoon and evening, but current room booking systems, while central to scheduling, do not always accurately reflect actual usage due to double-bookings and lack of detailed data collection.
5. OCAD University has an opportunity to explore options for in-person service delivery approach, specifically enhancing its lobby area into a centralized hub with a dedicated receptionist to improve visitor experience and provide comprehensive information and guidance.

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Current state key themes summary | Collaborative procurement

Contract Management and Oversight

1. The current contract administration process is decentralized.
2. The absence of a centralized contract repository and comprehensive knowledge-sharing practices highlights vulnerabilities in contract management and oversight.

Centralized Spending

3. The decentralized nature of P-card spending has led to increased one-off purchases, necessitating enhanced oversight and control measures.
4. Initial discussions have highlighted the potential for increased rebates through collective P-card spend.

Collaborative Procurement

5. There is a strategic opportunity to manage system costs more effectively through increased collaborative procurement with other higher education institutions.

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Current state key themes summary | Revenue generation

Real Estate Resources

1. OCAD University's event revenue generation potential can be further enhanced through marketing and staffing, particularly at the Waterfront campus, Great Hall, and auditorium.

Community and Fundraising Commercialization

2. There is an opportunity to expand community commercialization and deepen community engagement efforts.
3. There is a growing interest in commercializing research and design outputs, but challenges remain in creating effective faculty incentives and aligning commercialization efforts with institutional goals.
4. Collaborations between OCAD University, OCAD U CO, and the Inclusive Design Research Center could generate revenue by leveraging capabilities and resources present in each group.
5. Fundraising efforts have been effective in supporting student financial aid but lack diversification, highlighting an opportunity to broaden the scope and increase overall impact.
6. OCAD University would benefit from more clearly defined, high-level fundraising priorities to strengthen donor engagement and enhance revenue generation for both operations and strategic initiatives.

Programs, Marketing, and Online Expansion

7. Continuing studies and efficient use of facilities may enhance revenue without additional space costs.
8. Brand experiences and strategic marketing may enhance revenue generation by attracting prospective students.
9. Leveraging AI offerings and micro-credentials may open new revenue streams and attract diverse student demographics.

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