



## 2017-18 Budget Letter

At its meeting of May 2nd, 2017, the Board of Governors approved a balanced 2017-18 operating budget with revenues and expenditures of \$216,450,000. The full budget plan, including capital, research, fundraising and ancillaries budgets, can be found at <http://www.uregina.ca/orp/budget/budget-plan.html>

As has been the case with budget letters in recent years, this 2017-18 budget letter provides detailed information on changes to the budgets of Faculties, administrative departments, and other major units. Further information will follow with the publication of the 2017-18 Budget Book, which will be available at <http://www.uregina.ca/orp/budget/budget-book.html> together with previous Budget Books.

For the 2017-18 fiscal year, we have budgeted for the Government of Saskatchewan to provide the University of Regina with operating funding that will decrease by \$4.626 million (4.1%) from that in the 2016-17 operating budget (ignoring the “mid-year” clawback). This change features a 5% base operating grant decrease (\$5.387 million), targeted decreases for the Executive Education program of the Johnson-Shoyama Graduate School of Public Policy (\$236,700) and the flow-through funding to the Norman MacKenzie Art Gallery (\$100,000 as the first of a four-year series of reductions to eliminate the entire transfer), a reduction in funding of the Saskatchewan Innovation and Opportunity Scholarship (SIOS) program (\$476,200), and a positive shift in funding through the application of the Saskatchewan Universities Funding Model (\$1.250 million), reflecting the University of Regina’s enrolment growth relative to the University of Saskatchewan.

Other 2017-18 operating revenues are expected to increase, with the following factors especially notable.

- Recognition that tuition and fee revenue from student enrolment growth experienced in 2016-17 was greater than anticipated by \$1.8 million.
- Modest enrolment growth predicted for 2017-18, with our effective recruitment and retention efforts continuing.
- Tuition and fee increases for 2017-18 of 2.5%.
- Cost recoveries in 2017-18 will match 2016-17 actuals.

As a result, the University’s operating spending for 2017-18 is budgeted to increase by only \$1.5 million compared to the 2016-17 budget and actually involves a \$1.3 million reduction in the annual rate of spending.

Table 1 from page 4 of the 2017-18 Comprehensive Budget Plan, reproduced towards the end of this document, provides a summary of the 2017-18 operating budget compared to the previous year’s budget and the annualized rate of spending at year-end, reflecting changes during the 2016-17 fiscal year.

Completion of the budget-making process has been made possible by the cooperation of those preparing budget submissions and those contributing thoughts on budget priorities through various

means, particularly the Council Committee on Budget. The budget process has also drawn on the expertise of staff in Financial Services, Human Resources, Facilities Management, and the Office of Resource Planning.

### ***Balancing the Budget and Addressing Needs***

While there is not an across-the-board budget reduction in the 2017-18 operating budget, most units will face budget reductions ranging as high as 5%.

In Table 2 below the amounts shown in the “Reductions” column provide information on the permanent reductions in unit operating budgets.

In Table 2 the column titled “Reinvestments” provides the details of operating budget allocations to units. The budget provides re-investments of only \$0.6 million for high priority areas of need and/or support for progress on the goals of the new strategic plan, much less than in recent years. Re-investments include additional teaching positions in the Faculty of Engineering and Applied Sciences (2) and the Faculty of Arts (Department of Economics), a small increase in the library acquisitions budget, a part-time staff position to manage UR Courses, a Life Safety Systems Manager position to look after the Alertus and other safety and personal security technology on campus, and funding to support the creation of a Regional Data Centre on campus in partnership with government and private partners.

The “Re-investments” column of Table 2 also includes details of adjustments made to the operating budget for University Operations. University Operations includes the portfolio of the Vice-President (Research), central expenses (e.g., the costs of employee tuition reimbursement plans, and the employee assistance program), UR International, the executive offices, a number of administrative offices, the Confucius Institute, and the Office of Indigenization. This budget total decreases by \$344,000.

The budget total for University Services and Other Expenses increases by \$40,000. Space rental expenditures increase by \$216,000 and insurance costs by \$14,000. The allocation for day care operations increases by \$20,000. The budget for administrative leaves and academic search expenses is reduced by \$154,000, the transfer to the Norman MacKenzie Art Gallery is reduced by \$100,000 reflecting the reduced allocation by the province, and the Contingency amount is reduced by \$121,000.

Net utility expenses are forecast to decrease by \$229,000 and the payments to the Wascana Centre Authority (WCA) by \$42,000. The operations of the WCA are expected to be assumed by the Provincial Capital Commission during 2017-18 with the cost of operations similar to that under the WCA.

The budget provides for all contractually-committed salary adjustments and benefits. As in the past, the operating budget provides no adjustments to unit budgets for inflationary impacts on non-salary expenditures in unit budgets.

There is no change in the treatment of carryforward.

### **Tuition, Fees and Student Financial Assistance**

The increase in undergraduate tuition rates for all students, domestic and international, is 2.5%. Tuition for master’s and PhD programs and certificate programs in CCE also will increase by 2.5%. The Co-op Fee and Recreation and Athletics fee are also increased by 2.5%.

The Seniors' Tuition Waiver policy has been amended to the following:

*Tuition, subject to certain restrictions, may be waived for persons 65 years of age and over (as of the end of the semester in which they enrol) up to a maximum of 15 credit units total during the Fall and Winter Terms (September to April) and a maximum of six credit units total in Spring and Summer Terms (May to August). The waiver applies to tuition only. Students are responsible for any materials fees, laboratory fees, student fees and other course-related costs. The waiver applies to registration as an audit or credit student in credit courses.*

*In order to qualify for the waiver, students must submit proof of age. The waiver does not apply to courses that are filled with students paying tuition, to internships or co-op work placements, exchange programs, courses which are held outside Canada, graduate courses, thesis or project supervision or maintenance of status for graduate students, non-credit courses, courses in fully on-line programs, or courses offered as part of a contract.*

Students registered at the University prior to May 1, 2017, and who previously benefited from a tuition waiver under the previous policy for courses in their current program, will continue to be eligible for seniors' tuition waivers for courses in the program in which they are registered until they complete the program or withdraw.

There is no change in the undergraduate international differential multiplier (3.0). The rate is unchanged since 2010-11. The dollar amount for undergraduate tuition for international students automatically increases as domestic undergraduate tuition increases.

The graduate international surcharge is increased by 2.5% to \$1,127.50 per term.

Revenue from international students contributes to the operations of UR International, the Faculty of Graduate Studies and Research, Student Affairs, and other offices. It makes possible services that are key to the retention and academic success of international students, both undergraduate and graduate. These services include orientation, peer advising, language coaching and support, study assistance and tutoring, and more.

The budget decreases the level of financial assistance provided from operating funds for University of Regina students by \$242,000 compared to 2016-17 expenditures. This reduction is primarily the result of the \$476,000 cut in funding to the University from the provincial government for Saskatchewan Innovation and Opportunities Scholarships. However, the use of one-time funds from the 2016-17 fiscal year contingency will "backfill" this loss in scholarship funding for 2017-18, recognizing that much of the expected funding has already been awarded to students. In addition, the proposed operating budget provides for increased expenditures for athletic scholarships and awards (\$140,000), graduate scholarships (\$3,000), and base-budget funding to match URSU's support for the World University Service of Canada assistance for refugee students (\$100,000).

According to the most recently available data from Statistics Canada, the University of Regina, at 32%, ranks very high among Canadian comprehensive universities in total scholarship funding (from all sources) provided to its students as a percentage of tuition and student fee revenue. Only Memorial University, which has significantly lower tuition levels, has a percentage above 32%. The U of R provision is well above the average for Canadian comprehensive universities (20%).

## **The Centre for Continuing Education (CCE)**

The contribution by CCE to the University's operating budget is projected to increase by \$1.695 million (compared to the 2016-17 budgeted amount) to \$10.9 million. CCE's tuition and fee revenue is budgeted to increase by \$822,000 over the estimated 2016-17 actual which was itself \$1.837 million higher than budgeted. CCE has dealt magnificently with the challenge of maintaining net revenues while housed in several temporary locations during the College Avenue Campus Renewal.

The CCE surplus is returned to the University's general operating revenues, where it is used to fund teaching, research, and other activities in all campus operating units. A portion of the teaching revenue is returned directly to Faculties, above and beyond their base-budgeted operating allocation.

There is no change in the formula for sharing of CCE teaching revenues.

## **Preventative Maintenance and Renewal (PMR, formerly Sustaining Capital)**

The PMR grant from government is unchanged for 2017-18 at \$5.068 million. The allocation within the University's capital budget is also unchanged. After providing for the required debt payment of \$980,000 with respect to previous external borrowing for utilities upgrades and other capital improvements, the amount available for priority facilities projects and equipment renewal is \$4.088 million. Funding for equipment is \$588,000. Of this amount, Information Services receives \$450,000 for IT infrastructure renewal and upgrades across the campus. Facilities Management will receive \$138,000 for classroom and common space furnishings.

## **One-time Allocations**

Table 4 contains the details of one-time budget allocations.

\$0.83 million of one-time expenditures will be funded from the accumulated surplus in operating funds from the previous year that was carried forward into 2017-18. (The comparable figure in the 2016-17 budget plan was \$1.52 million.) In addition, \$476,000 has been provided at year-end to back-fill the reduction in Saskatchewan Innovation and Opportunity Scholarship (SIOS) funding.

Items supported include: for Human Resources, term positions to provide for the legislated conversion by January 1 2018 to bi-weekly payroll (\$112,000) and funding to configure the newly-acquired Academic Performance Review Database solution (Converis) (\$62,000); for External Relations, \$400,000 for advertising for student recruitment and \$198,000 to continue term positions in development (fund-raising); and for Facilities Management, \$27,000 to continue for a limited time the appointment of a Personal Safety Coordinator. A research item to be funded on limited term basis (second year of five years) is support for the Fedoruk Chair in Nuclear Imaging Technologies (\$30,000).

## **Looking Ahead**

The 2017-18 operating budget involves substantial cuts to unit budgets. Sadly, it appears, with the province's budget far from balanced, that the next few years will continue to present some very difficult fiscal challenges for the University. In future years, for us to balance the operating budget and continue to re-invest to meet pressing needs and take advantage of our opportunities, we will need to look carefully at our costs, find ways to manage expenditures and generate additional revenues. We must, in other words, aggressively rethink the way we deliver our services, generate income and spend money. We will need to be open to all suggestions that will contribute to achieving progress on this goal and to creating a bright and sustainable future for the University of Regina.

**UNIVERSITY OF REGINA  
2017-18 BASE OPERATING BUDGET  
(\$'000's)**

2016-17 BASE BUDGET	CHANGES TO REFLECT 16-17 ACTUALS	2017-18 PRELIMINARY BUDGET	CHANGES TO BALANCE BUDGET	PROPOSED 2017-18 BUDGET
A	B	C (A+B)	D	E (C+D)

**REVENUE**

**GOVERNMENT GRANTS**

PROVINCIAL GRANTS	114,127	-	114,127	(4,626)	109,501
FEDERAL GRANTS	2,359	-	2,359	-	2,359
<b>TOTAL GOVERNMENT GRANTS</b>	<b>116,486</b>	<b>-</b>	<b>116,486</b>	<b>(4,626)</b>	<b>111,860</b>

**TUITION AND FEES**

TUITION FEES AND PROGRAM FEES	65,118	(269)	64,849	2,180	67,029
TUITION FEES PAYABLE TO SASK POLYTECHNIC AND FEDERATED COLLEGES	(12,107)	68	(12,039)	(584)	(12,623)
CENTRE FOR CONTINUING EDUCATION TUITION AND FEES	26,257	1,837	28,094	822	28,916
OTHER FEES	1,352	198	1,550	-	1,550
<b>TOTAL TUITION AND FEES</b>	<b>80,620</b>	<b>1,834</b>	<b>82,454</b>	<b>2,418</b>	<b>84,872</b>

<b>OTHER INCOME</b>	<b>682</b>	<b>(34)</b>	<b>648</b>	<b>-</b>	<b>648</b>
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<b>TRANSFERS</b>	<b>1,824</b>	<b>10</b>	<b>1,834</b>	<b>(141)</b>	<b>1,693</b>
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<b>COST RECOVERIES</b>	<b>15,292</b>	<b>2,070</b>	<b>17,362</b>	<b>15</b>	<b>17,377</b>
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<b>TOTAL REVENUE</b>	<b>214,904</b>	<b>3,880</b>	<b>218,784</b>	<b>(2,334)</b>	<b>216,450</b>
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**EXPENDITURES**

FACULTIES	114,116	4,114	118,230	(1,558)	116,672
LIBRARY OPERATIONS & ACQUISITIONS	9,834	(23)	9,811	(163)	9,648
INFORMATION SERVICES	11,353	713	12,066	(141)	11,925
STUDENT AFFAIRS	13,182	593	13,775	(472)	13,303
UNIVERSITY OPERATIONS	21,561	718	22,279	(344)	21,935
UNIVERSITY SERVICES & OTHER EXPENSES	9,023	(215)	8,808	40	8,848
BENEFITS & PROVISION FOR SALARY INCREASES	8,855	(3,530)	5,325	1,962	7,287
FACILITIES MANAGEMENT	26,980	476	27,456	(624)	26,832

<b>TOTAL EXPENDITURES</b>	<b>214,904</b>	<b>2,846</b>	<b>217,750</b>	<b>(1,300)</b>	<b>216,450</b>
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<b>NET UNIVERSITY POSITION</b>	<b>-</b>	<b>1,034</b>	<b>1,034</b>	<b>(1,034)</b>	<b>-</b>
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**EXPENDITURES**

Salaries and Benefits	160,368	433	160,801	(133)	160,668
Scholarships	9,108	118	9,226	(242)	8,984
Library Acquisitions	2,931	-	2,931	29	2,960
Utilities	8,012	-	8,012	(280)	7,732
Other Expenses	34,485	2,295	36,780	(675)	36,105

<b>TOTAL EXPENDITURES</b>	<b>214,904</b>	<b>2,846</b>	<b>217,750</b>	<b>(1,300)</b>	<b>216,450</b>
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**Table 2  
2017-18 Budget Adjustments**

Unit (Total Expenditure Budget Before Adjustments)	Description	Reductions	Reinvestments and Cost Increases	2017-18 Estimated Net Salary & Benefit Increases	2017-18 Net Budget Increase (Decrease)
Arts (\$17,032,296)	Lecturer in Economics		85,000		85,000
	5% Budget Reduction	848,927		313,048	-535,879
Business Administration (\$8,446,999)	Adjustment for tuition on Levene 2017-18 Projected Enrollments (Faculty Share)		47,374		47,374
	4% Budget Reduction	334,871		131,130	-203,741
Campus Indigenization (\$257,066)	No change			755	755
Centre For Continuing Education (\$17,455,521)				126,270	126,270
Education (\$10,674,115)	4% Budget Reduction	354,383		140,751	-213,632
Engineering & Applied Science (\$9,342,245)	Adjustment for tuition on MEng 2017-18 Projected Enrollments		13,812		13,812
	2 Assistant Professors in ISE		180,000		180,000
	No change			163,653	163,653
Graduate Studies (\$5,232,172)	Adjustment for tuition on Levene 2017-18 Projected Enrollments (FGSR Share)		3,032		3,032
	No change			11,880	11,880
Johnson Shoyama Graduate School (\$2,320,106)	JSGS Share of MHA Tuition 2017-18		12,603		12,603
	Deletion of Government Grant for Executive Education	112,000		26,518	-85,482
Kinesiology and Health Studies (\$10,227,519)	Adjustment for Projected 2017-18 Rec & Athletic Fees		84,980		84,980
	1% Budget Reduction	55,644		85,958	30,314
La Cité Universitaire Francophone (\$2,143,251)	Adjustment to match projected Federal Funding		323,960		323,960
	4% Budget Reduction	44,932		29,114	-15,818
Library (\$8,668,482)	1% Acquisitions budget increase		29,306		29,306
	CTL 1/2 CUPE Phase 4 position		23,000		23,000
	4.5% Budget Reduction to Operations	210,960		80,104	-130,856
	3% CTL budget reduction	4,650			-4,650
Media, Art, and Performance (\$6,741,207)	4% Budget Reduction	263,080		105,881	-157,199
Nursing (\$8,316,742)	5% Budget Reduction	405,747		94,965	-310,782
Office of Resource Planning (\$807,150)	3% Budget Reduction	24,216		-	-24,216
Research Units (\$2,842,075)	Regional Data Centre		40,000		40,000
	CRC Salaries		301,439		301,439
	4% Budget Reduction	96,812		42,666	-54,146
Science (\$16,584,669)	2% Budget Reduction	327,013		275,842	-51,171
Social Work (\$3,412,293)	3% Budget Reduction	101,524		57,451	-44,073
Student Services (\$13,738,381)	3% Budget Reduction	226,339		90,365	-135,974
Student Awards and Financial Aid	Prov Sport Governing Body Award		25,000		25,000
	Athletic Scholarships		115,000		115,000
	WUSC Matching		100,000		100,000
	SIOS scholarships	476,200			-476,200
	University Family Scholarship	9,000			-9,000
UR International (\$2,542,628)	No change			20,005	20,005
	6 Visiting Scholar-Catholic University of Korea		10,000		10,000
	4% Budget Reduction Confucius Institute	4,000			-4,000
	<b>TOTAL ACADEMIC, STUDENT SERVICES &amp; RESEARCH</b>	<b>3,900,298</b>	<b>1,394,506</b>	<b>1,796,356</b>	<b>-709,436</b>

**Table 2 (cont.)  
2017-18 Budget Adjustments**

Unit (Total Expenditure Budget Before Adjustments)	Description	Reductions	Reinvestments and Cost Increases	2017-18 Estimated Net Salary & Benefit Increases	2017-18 Net Budget Increase (Decrease)
<b>Administration Adjustments</b>					
<b>Executive Offices (\$3,668,765)</b>	5% Budget Reduction	160,065		-	-160,065
	4% Budget Reduction University Secretary (ex. Convocation)	31,516			-31,516
<b>External Relations (\$3,703,063)</b>	2.5% Budget Reduction	86,920		38,896	-48,024
<b>Facilities Management (\$15,937,525)</b>	Life Safety Systems manager		85,450		85,450
	3% Budget Reduction	387,612		191,947	-195,665
	Decreased costs to WCA	41,700			-41,700
<b>Utilities (\$4,277,669)</b>	Decreased costs for Utilities	279,750			-279,750
<b>Financial Services (\$3,457,256)</b>	1.5% Budget Reduction	48,154		36,925	-11,229
<b>Human Resources (\$4,505,893)</b>	Employee Assistance Program		8,000		8,000
	Academic/Non-Academic Benefits Plan		2,000		2,000
	Academic & Admin Special Retirement Benefits		20,000		20,000
	2% Budget Reduction	73,352		-	-73,352
	APT Tuition	29,000			-29,000
	Tuition Fee Reimbursement CUPE	30,000			-30,000
<b>Information Services (\$12,083,228)</b>	Maintenance contracts		25,501		25,501
	2% Budget Reduction	166,577		103,557	-63,020
<b>Other (\$1,789,584)</b>	Daycare grants		20,000		20,000
	Insurance Admin		14,000		14,000
	Space Rental Budget Increase		215,751		215,751
	Transfer to MAGI	100,000			-100,000
	United Way Expenses	500			-500
	Academic Search Committees	30,000			-30,000
	Administrative Leaves	123,825			-123,825
<b>University Contingency And Recurring Items (\$7,018,571)</b>	Bank Charges/Legal/Bad Debts Increase		23,000		23,000
	Contingency Decrease	120,549			-120,549
	<b>TOTAL ADMINISTRATION ADJUSTMENTS</b>	<b>1,709,520</b>	<b>413,702</b>	<b>371,325</b>	<b>-924,493</b>
	<b>TOTAL ADJUSTMENTS</b>	<b>5,609,818</b>	<b>1,808,208</b>	<b>2,167,681</b>	<b>-1,633,929</b>

**Table 3  
University of Regina  
2017-18 Capital Budget Allocations**

<b>Unit</b>	<b>Description</b>	<b>Amount</b>
<b>Facilities Management</b>	Classroom/Common Area Furniture	138,000
	Priority Maintenance Projects	3,500,000
<b>Information Services</b>	Central Computing Infrastructure	450,000
	<b>Total</b>	<b>4,088,000</b>

**Table 4  
University of Regina  
2017-18 One-Time Budget Adjustments**

<b>Unit</b>	<b>Description</b>	<b>Amount</b>
<b>Student Services Adjustments</b>		
<b>Student Awards and Financial Aid</b>	SIOS Funding to backfill cut from Govt as scholarships are committed *	476,200
	<b>TOTAL STUDENT SERVICES ADJUSTMENTS</b>	<b>476,200</b>
<b>Research Adjustments</b>		
<b>VP Research</b>	Fedoruk Chair Support	30,000
	<b>TOTAL RESEARCH ADJUSTMENTS</b>	<b>30,000</b>
<b>Administration Adjustments</b>		
<b>External Relations</b>	Advertising	400,000
	2 Term development officers and a prospect researcher	197,555
<b>Facilities Management</b>	Personal Safety Coordinator	26,667
<b>Human Resources</b>	Payroll Conversion to Biweekly	112,000
	Academic Performance Review Database Solution	62,000
	<b>TOTAL ADMINISTRATION ADJUSTMENTS</b>	<b>798,222</b>
	<b>Total</b>	<b>1,304,422</b>

\* Funding transferred in 2016-17