



The University of Regina's
Operations Forecast
2023-24

Approved by the Board of Governors,
July 26, 2022

Overview

The University signed a Memorandum of Understanding (MOU) with Advanced Education that will provide multi-year, stable grant funding for the University. This multi-year MOU lays out the University’s Operating Grant for the years 2021-22 through to 2024-25. In 2022-23, the province added base funding for an increase in Nursing seats. This base funding is anticipated to increase for the next three years at the same level as each additional cohort of new Nursing students begin. Although the MOU provides no increases to the Operating Grant over the four years, it provides one-time funds of \$5.5 million in 2021-22 and \$5.5 million in 2022-23 to help the University recover from the pandemic and fund initiatives that will generate base revenue streams or cost savings. The University has agreed to report on the initiatives semi-annually at the end of June and January and has also agreed that increases to domestic tuition will not exceed 4% per year over the term of the MOU.

With our Operating Grant already approved for the next two years, Advanced Education indicated that they do not require a separate budget request/operations forecast process this year. Instead, the reporting outlined in the budget letter is intended to capture all of the information that they require. The University was asked to provide projected revenues and expenditures using the government’s statement of operations categories to 2025-26. This reporting will fulfill the requirement in the U of R Act 68(3) that states, “The board shall submit to the minister, on or before November 15 in each year, an estimate of all expenditures the board intends to make during the next fiscal year, setting out the details of expenditures in any form that the minister may prescribe.”

The Operations Forecast outlines the current year’s budget along with projections for the subsequent three years in the format requested by Advanced Education. Table I provides the Board approved budgeted revenues and expenditures of all the funds for the University for 2022-23. Table II provides projected revenues and expenditures for 2023-24 while tables III and IV provides projected revenues and expenditures for 2024-25 and 2025-26 respectively.

2022-23 Approved Budget (Table I)

The Board approved budget for the current 2022-23 fiscal year shows an Operating Fund deficit of \$3.46 million. The budget proposes that we once again “bridge” the deficit as we anticipate enrolments to rebound. As in the previous year, carry forward balances from each Unit were recovered to apply to the shortfall anticipated in both the Operating Fund and the Ancillary Fund.

The budget has been developed based upon an expectation of a return to in-person teaching beginning in the Spring & Summer 2022 semester. International enrolments, which generate a significant portion of our total tuition revenue, have decreased through 2020-21 and 2021-22 but we expect this trend to reverse in 2022-23 as travel restrictions ease and international students are once again able to travel to Regina to attend university. The University has allocated \$650,000 of the Multi-Year Funding MOU funds on three initiatives that have been designed to increase international enrolments. International students continue to face challenges in getting their visas approved in order to travel to Canada.

The budget has also been developed with the anticipation that the decline in domestic undergraduate enrolments experienced in 2021-22 will be recovered in 2022-23. Looking back over the last 20 years, the University has had sustained, consistent enrolment growth each and every year. The only thing that has changed is the pandemic and the move to remote instruction. It is believed that the return to in-person teaching will translate to increased enrolments as many students want to experience university life as opposed to getting a university degree exclusively on line.

The pandemic continues to impact the Ancillary Fund negatively as it will take some time for occupancies to return to normal in the residences. The other ancillaries are anticipated to recover in 2022-23 and return to normal

operations in 2023-24. The University has introduced “The University of Regina’s Really Big Deal” which is a housing and tuition savings offer for students that choose to live in the residences for the duration of their studies at the University. The savings bundles include locked-in tuition and fees, locked-in and discounted housing rates, as well as a variety of other financial benefits for as long as the student is eligible to live in U of R housing. It is hoped that the roll out of this program will return the Ancillaries to normal operations more quickly.

The surplus in the Capital Asset Fund is simply caused by a difference in the timing of when capital projects are funded vs when expenditures happen. There are no unfunded capital projects currently underway.

Table I

UNIVERSITY OF REGINA 2022-23 CONSOLIDATED PROJECTION REPORT (\$000's)											
	GENERAL FUND					RESTRICTED FUND				ENDOWMENT FUND	TOTAL ALL FUNDS
	OPERATING FUND	VACATION PAY ACCRUAL FUND	ANCILLARY FUND	SPECIAL PROJECTS FUND	TOTAL GENERAL FUND	CAPITAL ASSET FUND	RESEARCH FUND	TRUST FUND	TOTAL RESTRICTED FUND		
REVENUES:											
Provincial Grants	111,733	-	-	1,206	112,939	7,051	15,978	-	23,029	-	135,968
Federal Grants	2,621	-	-	243	2,864	-	2,834	-	2,834	-	5,698
GOVERNMENT GRANTS	114,354	-	-	1,449	115,803	7,051	18,812	-	25,863	-	141,666
Tuition Fees	102,166	-	-	-	102,166	-	-	-	-	-	102,166
Non-Credit Fees	3,304	-	-	-	3,304	-	-	-	-	-	3,304
Other Fees	3,379	-	-	274	3,653	-	-	-	-	-	3,653
STUDENT FEES	108,849	-	-	274	109,123	-	-	-	-	-	109,123
Other Income	713	-	13,611	4,463	18,787	625	5,090	10,998	16,713	3,196	38,696
Transfers	2,702	-	4,000	-	6,702	10,283	-	3,433	13,716	-	20,418
Recoveries	18,653	-	-	-	18,653	200	-	-	200	-	18,853
OTHER INCOME	22,068	-	17,611	4,463	44,142	11,108	5,090	14,431	30,629	3,196	77,967
TOTAL REVENUE	245,271	-	17,611	6,186	269,068	18,159	23,902	14,431	56,492	3,196	328,756
EXPENDITURES:											
Academic Salaries	70,826	-	-	-	70,826	-	-	-	-	-	70,826
Other Instructional, Research Salaries	16,869	-	-	-	16,869	-	13,152	-	13,152	-	30,021
Admin Support Salaries	70,439	-	2,802	-	73,241	-	-	-	-	-	73,241
Change in Vacation Accruals	-	-	-	-	-	-	-	-	-	-	-
Benefits	29,381	-	490	-	29,871	-	707	-	707	-	30,578
SALARY AND BENEFITS	187,515	-	3,292	-	190,807	-	13,859	-	13,859	-	204,666
Utilities	8,425	-	1,335	-	9,760	-	-	-	-	-	9,760
Non-Salary	50,636	-	15,223	6,186	72,045	17,323	10,043	5,352	32,718	-	104,763
Professional Expense Accounts	2,155	-	-	-	2,155	-	-	-	-	-	2,155
OTHER EXPENDITURES	61,216	-	16,558	6,186	83,960	17,323	10,043	5,352	32,718	-	116,678
TOTAL EXPENDITURES	248,731	-	19,850	6,186	274,767	17,323	23,902	5,352	46,577	-	321,344
NET REVENUE/(EXPENSES)	(3,460)	-	(2,239)	-	(5,699)	836	-	9,079	9,915	3,196	7,412

2023-24 Revenue and Expenditure Projection (Table II)

Table II below shows estimated revenues and expenditures for the 2023-24 year based on the following conditions and assumptions:

Operating Fund:

- Provincial funding is anticipated to remain unchanged according to the MOU. Additional provincial funding equal to the amount received in 2022-23 is expected for the second cohort of Nursing students in the Nursing seat expansion. No increase is anticipated in the directed provincial funding, which consists of Saskatchewan Innovation and Opportunity Scholarship funding and federal-provincial funding for French language. If any directed funding changes, there would be offsetting changes in the relevant expenditure lines.
- The federal government’s research support grant is anticipated to increase by 2%.
- Tuition fees for graduate and undergraduate students are projected to increase by 4% while domestic enrolments are projected to increase by 2%. International enrolments are projected to increase by 7.5% bringing international student numbers back to 2020-21 levels.

- Non-credit fees include English as a Second Language, Conservatory, Business and Professional Development and Lifelong Learning. They are projected to return to pre-pandemic levels with fees increasing by 2%.
- Other Fees includes Co-op, Late Fees, Academic Technology Fee and Application Fees. They are anticipated to increase as tuition and enrolments increase.
- Other income includes interest and miscellaneous income which are projected to remain unchanged.
- Transfers are expected to increase marginally from increases to the administration fee assessed to the Ancillaries and increases to the infrastructure recoveries from Luther and Campion Colleges.
- Increases to cost recovery revenue comes from increasing recoveries for utilities supplied to other organizations as well as increases to the Recreation and Athletic Fee.
- Anticipated COLA increases have been included in 2023-24. In addition to this, benefits costs and an estimate of the costs of salary increments (progression through the ranks as well as annualized merit) have been included. Salary cost increases in the Centre for Continuing Education, Nursing expansion as well as CPP rate increases are also included.
- Utility cost increases are estimated based upon a multiyear projection prepared by Facilities Management and result in a 4.6% increase in 2023-24. This also includes the costs of the carbon tax.
- Non-salary cost increases include a 1% increases in expenditures for scholarships and library acquisitions as well as \$500K for unavoidable cost increases for items such as insurance, legal fees, space rental, computer maintenance contracts, etc., and \$500K reinvestment in growth areas on campus.

With the above assumptions in place, the Operating Fund shows a deficit of \$3.58 million. Base budget reductions for the projected Operating Fund deficit would likely take the form of positions being eliminated. If we were to allocate those reductions evenly across all employee groups at the average salary in each group, we would have to eliminate 10 CUPE, 8 APT, 12 Faculty and 5 Out of Scope positions.

Ancillary Fund:

- Occupancy rates are anticipated to grow in the 2023-24 fiscal year while the remaining ancillaries are assumed to recover to almost pre-pandemic levels and begin to be able to contribute to the bottom line of the Ancillaries. However, occupancy levels are anticipated to take some time to return to normal as new first year students make up the majority of new residents. A continued transfer to the Ancillaries is anticipated until the occupancy rates recover from the pandemic. Table II anticipates a transfer of \$3.5 million to offset the impact of the pandemic.

Table II

UNIVERSITY OF REGINA 2023-24 CONSOLIDATED PROJECTION REPORT (\$000's)											
	GENERAL FUND					RESTRICTED FUND				ENDOWMENT FUND	TOTAL ALL FUNDS
	OPERATING FUND	VACATION PAY ACCRUAL FUND	ANCILLARY FUND	SPECIAL PROJECTS FUND	TOTAL GENERAL FUND	CAPITAL ASSET FUND	RESEARCH FUND	TRUST FUND	TOTAL RESTRICTED FUND		
REVENUES:											
Provincial Grants	112,570	-	-	1,230	113,800	7,051	16,298	-	23,349	-	137,149
Federal Grants	2,673	-	-	248	2,921	-	2,891	-	2,891	-	5,812
GOVERNMENT GRANTS	115,243	-	-	1,478	116,721	7,051	19,188	-	26,239	-	142,960
Tuition Fees	109,211	-	-	-	109,211	-	-	-	-	-	109,211
Non-Credit Fees	5,845	-	-	-	5,845	-	-	-	-	-	5,845
Other Fees	3,436	-	-	279	3,715	-	-	-	-	-	3,715
STUDENT FEES	118,492	-	-	279	118,771	-	-	-	-	-	118,771
Other Income	713	-	14,909	4,552	20,174	638	5,192	11,218	17,047	3,260	40,481
Transfers	2,742	-	3,500	-	6,242	10,283	-	3,433	13,716	-	19,958
Recoveries	19,029	-	-	-	19,029	200	-	-	200	-	19,229
OTHER INCOME	22,484	-	18,409	4,552	45,445	11,121	5,192	14,651	30,963	3,260	79,668
TOTAL REVENUE	256,219	-	18,409	6,310	280,938	18,172	24,380	14,651	57,203	3,260	341,400
EXPENDITURES:											
Academic Salaries	74,181	-	-	-	74,181	-	-	-	-	-	74,181
Other Instructional, Research Salaries	17,668	-	-	-	17,668	-	13,415	-	13,415	-	31,083
Admin Support Salaries	73,776	-	2,997	-	76,773	-	-	-	-	-	76,773
Change in Vacation Accruals	-	-	-	-	-	-	-	-	-	-	-
Benefits	30,773	-	505	-	31,278	-	721	-	721	-	31,999
SALARY AND BENEFITS	196,398	-	3,502	-	199,900	-	14,136	-	14,136	-	214,036
Utilities	8,425	-	1,397	-	9,822	-	-	-	-	-	9,822
Non-Salary	52,819	-	14,965	6,310	74,094	18,172	10,244	5,459	33,874	-	107,968
Professional Expense Accounts	2,155	-	-	-	2,155	-	-	-	-	-	2,155
OTHER EXPENDITURES	63,399	-	16,362	6,310	86,071	18,172	10,244	5,459	33,874	-	119,945
TOTAL EXPENDITURES	259,797	-	19,864	6,310	285,971	18,172	24,380	5,459	48,011	-	333,981
NET REVENUE/(EXPENSES)	(3,578)	-	(1,455)	-	(5,033)	-	-	9,192	9,192	3,260	7,419

2024-25 Revenue and Expenditure Projection (Table III)

Table III below shows estimated revenues and expenditures for the 2024-25 year based on the following conditions and assumptions:

Operating Fund:

- Provincial funding is anticipated to remain unchanged according to the MOU. Additional provincial funding equal to the amount received in 2022-23 is expected for the third cohort of Nursing students in the Nursing seat expansion. No increase is anticipated in the directed provincial funding, which consists of Saskatchewan Innovation and Opportunity Scholarship funding and federal-provincial funding for French language. If any directed funding changes, there would be offsetting changes in the relevant expenditure lines.
- The federal government’s research support grant is anticipated to increase by 2%.
- Tuition fees for graduate and undergraduate students are projected to increase by 4% while domestic enrolments are projected to increase by 2%. International enrolments are projected to increase by 6%.
- Non-credit fees include English as a Second Language, Conservatory, Business and Professional Development and Lifelong Learning. Fees are projected to increase by 2%.
- Other Fees includes Co-op, Late Fees, Academic Technology Fee and Application Fees. They are anticipated to increase as tuition and enrolments increase.
- Other income includes interest and miscellaneous income which are projected to remain unchanged.
- Transfers are expected to increase marginally from increases to the administration fee assessed to the Ancillaries and increases to the infrastructure recoveries from Luther and Champion Colleges.
- Increases to cost recovery revenue comes from increasing recoveries for utilities supplied to other organizations as well as increases to the Recreation and Athletic Fee.

- Anticipated COLA increases have been included in 2024-25. In addition to this, benefits costs and an estimate of the costs of salary increments (progression through the ranks as well as annualized merit) have been included. Salary cost increases in the Centre for Continuing Education, Nursing expansion as well as CPP rate increases are also included.
- Utility costs are estimated based upon a multiyear projection prepared by Facilities Management and result in a 2.6% increase in 2024-25. This also includes the costs of the carbon tax.
- Non-salary cost increases include a 1% increases in expenditures for scholarships and library acquisitions as well as \$500K for unavoidable cost increases for items such as insurance, legal fees, space rental, computer maintenance contracts, etc., and \$500K reinvestment in growth areas on campus.

With the above assumptions in place, the Operating Fund shows a deficit of \$693K. Base budget reductions for the projected Operating Fund deficit would likely take the form of positions being eliminated. If we were to allocate those reductions evenly across all employee groups at the average salary in each group, we would have to eliminate 2 CUPE, 2 APT, 2 Faculty and 1 Out of Scope positions.

Ancillary Fund:

- Occupancy rates are anticipated to grow in the 2024-25 fiscal year while the remaining ancillaries are assumed to contribute to the bottom line of the Ancillaries at the level anticipated in the long term business plan. However, occupancy levels are anticipated to take some time to return to normal as new first year students make up the majority of new residents. A continued transfer to the Ancillaries is anticipated until the occupancy rates recover from the pandemic. Table III anticipates a transfer of \$2.5 million to offset the impact of the pandemic.

Table III

UNIVERSITY OF REGINA 2024-25 CONSOLIDATED PROJECTION REPORT (\$000's)											
	GENERAL FUND					RESTRICTED FUND				ENDOWMENT FUND	TOTAL ALL FUNDS
	OPERATING FUND	VACATION PAY ACCRUAL FUND	ANCILLARY FUND	SPECIAL PROJECTS FUND	TOTAL GENERAL FUND	CAPITAL ASSET FUND	RESEARCH FUND	TRUST FUND	TOTAL RESTRICTED FUND		
REVENUES:											
Provincial Grants	113,408	-	-	1,255	114,663	7,051	16,624	-	23,675	-	138,337
Federal Grants	2,726	-	-	253	2,979	-	2,948	-	2,948	-	5,927
GOVERNMENT GRANTS	116,134	-	-	1,508	117,642	7,051	19,572	-	26,623	-	144,265
Tuition Fees	117,610	-	-	-	117,610	-	-	-	-	-	117,610
Non-Credit Fees	5,962	-	-	-	5,962	-	-	-	-	-	5,962
Other Fees	3,738	-	-	285	4,023	-	-	-	-	-	4,023
STUDENT FEES	127,310	-	-	285	127,595	-	-	-	-	-	127,595
Other Income	713	-	16,293	4,643	21,649	650	5,296	11,442	17,388	3,325	42,363
Transfers	2,788	-	2,500	-	5,288	10,283	-	3,433	13,716	-	19,004
Recoveries	19,338	-	-	-	19,338	200	-	-	200	-	19,538
OTHER INCOME	22,839	-	18,793	4,643	46,275	11,133	5,296	14,875	31,304	3,325	80,905
TOTAL REVENUE	266,283	-	18,793	6,436	291,512	18,184	24,868	14,875	57,927	3,325	352,764
EXPENDITURES:											
Academic Salaries	76,111	-	-	-	76,111	-	-	-	-	-	76,111
Other Instructional, Research Salaries	18,128	-	-	-	18,128	-	13,683	-	13,683	-	31,811
Admin Support Salaries	75,695	-	3,100	-	78,795	-	-	-	-	-	78,795
Change in Vacation Accruals	-	-	-	-	-	-	-	-	-	-	-
Benefits	31,573	-	523	-	32,096	-	736	-	736	-	32,832
SALARY AND BENEFITS	201,506	-	3,623	-	205,129	-	14,419	-	14,419	-	219,548
Utilities	8,648	-	1,485	-	10,133	-	-	-	-	-	10,133
Non-Salary	54,667	-	15,097	6,436	76,200	18,184	10,449	5,568	34,201	-	110,401
Professional Expense Accounts	2,155	-	-	-	2,155	-	-	-	-	-	2,155
OTHER EXPENDITURES	65,470	-	16,582	6,436	88,488	18,184	10,449	5,568	34,201	-	122,689
TOTAL EXPENDITURES	266,976	-	20,205	6,436	293,617	18,184	24,868	5,568	48,620	-	342,237
NET REVENUE/(EXPENSES)	(693)	-	(1,412)	-	(2,105)	-	-	9,307	9,307	3,325	10,527

2025-26 Revenue and Expenditure Projection (Table IV)

Table IV below shows estimated revenues and expenditures for the 2025-26 year based on the following conditions and assumptions:

Operating Fund:

- Provincial funding is projected to increase by 4% as we anticipate increased government support after four years of no base funding increases during a period of high inflation. Additional provincial funding equal to the amount received in 2022-23 is expected for the fourth cohort of Nursing students in the Nursing seat expansion. No increase is anticipated in the directed provincial funding, which consists of Saskatchewan Innovation and Opportunity Scholarship funding and federal-provincial funding for French language. If any directed funding changes, there would be offsetting changes in the relevant expenditure lines.
- The federal government’s research support grant is anticipated to increase by 2%.
- Tuition fees for graduate and undergraduate students are projected to increase by 3% while domestic enrolments are projected to increase by 2%. International enrolments are projected to increase by 4%.
- Non-credit fees include English as a Second Language, Conservatory, Business and Professional Development and Lifelong Learning. Fees are projected to increase by 2%.
- Other Fees includes Co-op, Late Fees, Academic Technology Fee and Application Fees. They are anticipated to increase as tuition and enrolments increase.
- Other income includes interest and miscellaneous income which are projected to remain unchanged.
- Transfers are expected to increase marginally from increases to the administration fee assessed to the Ancillaries and increases to the infrastructure recoveries from Luther and Champion Colleges.
- Increases to cost recovery revenue comes from increasing recoveries for utilities supplied to other organizations as well as increases to the Recreation and Athletic Fee.
- Anticipated COLA increases have been included in 2025-26. In addition to this, benefits costs and an estimate of the costs of salary increments (progression through the ranks as well as annualized merit) have been included. Salary cost increases in the Centre for Continuing Education, Nursing expansion as well as CPP rate increases are also included.
- Utility costs are estimated based upon a multiyear projection prepared by Facilities Management and result in a 2.3% increase in 2025-26. This also includes the costs of the carbon tax.
- Non-salary cost increases include a 1% increases in expenditures for scholarships and library acquisitions as well as \$500K for unavoidable cost increases for items such as insurance, legal fees, space rental, computer maintenance contracts, etc., and additional funds to reinvest in growth areas on campus after four years of budget freezes/cuts where costs have increased significantly due to high inflation.

The Operating Fund is anticipated to return to a balanced position without the need for further base budget reductions.

Ancillary Fund:

- Occupancy rates are anticipated to grow in the 2025-26 fiscal year while the remaining ancillaries are assumed to contribute to the bottom line of the Ancillaries at the level anticipated in the long term business plan. However, occupancy levels are anticipated to take some time to return to normal as new first year students make up the majority of new residents. 2025-26 is the final year that a continued transfer to the Ancillaries is anticipated as we expect occupancy to return to normal from this point forward. Table IV anticipates a transfer of \$1.5 million to offset the impact of the pandemic.

Table IV

UNIVERSITY OF REGINA 2025-26 CONSOLIDATED PROJECTION REPORT (\$000's)											
	GENERAL FUND					RESTRICTED FUND				ENDOWMENT FUND	TOTAL ALL FUNDS
	OPERATING FUND	VACATION PAY ACCRUAL FUND	ANCILLARY FUND	SPECIAL PROJECTS FUND	TOTAL GENERAL FUND	CAPITAL ASSET FUND	RESEARCH FUND	TRUST FUND	TOTAL RESTRICTED FUND		
REVENUES:											
Provincial Grants	118,587	-	-	1,280	119,867	7,051	16,956	-	24,007	-	143,874
Federal Grants	2,781	-	-	258	3,039	-	3,007	-	3,007	-	6,046
GOVERNMENT GRANTS	121,368	-	-	1,538	122,906	7,051	19,963	-	27,014	-	149,920
Tuition Fees	124,744	-	-	-	124,744	-	-	-	-	-	124,744
Non-Credit Fees	6,081	-	-	-	6,081	-	-	-	-	-	6,081
Other Fees	4,021	-	-	291	4,312	-	-	-	-	-	4,312
STUDENT FEES	134,846	-	-	291	135,137	-	-	-	-	-	135,137
Other Income	713	-	17,738	4,736	23,187	663	5,402	11,671	17,736	3,392	44,315
Transfers	2,860	-	1,500	-	4,360	10,283	-	3,433	13,716	-	18,076
Recoveries	19,609	-	-	-	19,609	200	-	-	200	-	19,809
OTHER INCOME	23,182	-	19,238	4,736	47,156	11,146	5,402	15,104	31,652	3,392	82,200
TOTAL REVENUE	279,396	-	19,238	6,565	305,199	18,197	25,365	15,104	58,666	3,392	367,257
EXPENDITURES:											
Academic Salaries	79,096	-	-	-	79,096	-	-	-	-	-	79,096
Other Instructional, Research Salaries	18,839	-	-	-	18,839	-	13,957	-	13,957	-	32,796
Admin Support Salaries	78,664	-	3,207	-	81,871	-	-	-	-	-	81,871
Change in Vacation Accruals	-	-	-	-	-	-	-	-	-	-	-
Benefits	32,812	-	540	-	33,352	-	750	-	750	-	34,102
SALARY AND BENEFITS	209,410	-	3,747	-	213,157	-	14,707	-	14,707	-	227,864
Utilities	8,844	-	1,579	-	10,423	-	-	-	-	-	10,423
Non-Salary	58,987	-	15,081	6,565	80,633	18,197	10,658	5,680	34,535	-	115,167
Professional Expense Accounts	2,155	-	-	-	2,155	-	-	-	-	-	2,155
OTHER EXPENDITURES	69,986	-	16,660	6,565	93,211	18,197	10,658	5,680	34,535	-	127,745
TOTAL EXPENDITURES	279,396	-	20,407	6,565	306,368	18,197	25,365	5,680	49,242	-	355,609
NET REVENUE/(EXPENSES)	-	-	(1,169)	-	(1,169)	-	-	9,425	9,425	3,392	11,647