University of Regina  
Unit Budget Submissions for 2016-17

30 October 2015

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With the provincial election scheduled for early April 2016, the provincial budget itself will be delayed. As a result, University budget-making may in turn be delayed. Nevertheless, we will proceed with the initial budget-making phase of budget submissions. We will update the schedule as we receive new information from the government.

In the 2016-17 Operations Forecast, we estimate that an operating grant increase of 4.4% will be needed to maintain current levels of operation. Given the fiscal pressures currently being experienced by the province, however, we anticipate that our operating grant for 2016-17 will see little, if any, increase. Quite possibly, we will see less than the approximately 1% increase we received for 2015-16, some of which has now been “clawed back.” What we face in terms of the provincial grant is consistent with what’s occurring in the postsecondary sector across Canada, where only marginal increases, or actual reductions in grants, have become the norm. In this reality, we are also challenged to:

- Continue to limit increases in tuition fees;
- Continue to Increase support for graduate students (scholarships);
- Increase base funding to academic units where enrolments have continued to grow;
- Address difficulties that units are facing in providing for consumable and equipment expenses; and
- Respond to emerging needs (such as improved mental health services for students).

While savings from the Voluntary Incentive Program for Retirement (VIPR) assisted us to balance the last two budgets, this program has run its course.

It is therefore clear that we must be ready for substantial hard decisions in the making of the 2016-17 budget.

Across-the-board cuts are not an option. The scenarios of -1% and -3% unit budget reductions (see below) will allow all of us to understand how units would respond on a selective basis to a budget reduction, and what the resultant impact would be, not just on the units concerned, but on the University as a whole. The calculated reductions of -1% and -3% will be provided to each unit by Financial Services, and will be based on the unit’s current revised operating budget as of 16 October 2015.

**Budget submissions**

- Submissions are to be sent in electronic format to the Office of Resource Planning (orp@uregina.ca) by **Friday 15 January 2016**.
Unit Budget Submissions for 2016-17

- Submissions should be a maximum of 2 pages in length and can be in point form or in a spreadsheet. In all cases, identify the FOAPAL for the reduction or investment. *All submissions will be made available to CCB and all ULT members.*

- Submissions should describe **two scenarios** – permanent reductions of -1% and -3% to each unit’s net budget -- in terms of how they could be accomplished and their impact.

A permanent reduction means a permanent reduction to the “POOL” discretionary amount or the sessional budget of a Faculty, or the elimination of a permanent budgeted position or group of positions.

- As in previous years, if a cut involves the elimination of a position, the unit will be credited for the full current salary and benefits of that position (with benefits at 17% of salary).

- Budget managers may include a very short list of **high-priority initiatives**. The discussion of each item should describe concisely its strategic impact (with specific reference to the “supporting actions” listed in the University’s strategic plan), enrolment and revenue impacts, and a risk assessment. These can involve either permanent budget increases or one-time (seed or start-up) funding for an initiative.

- If budget managers choose, short proposals may be included for the funding of critical new and/or replacement **equipment** for teaching and research purposes. Funds for these purposes are expected to be very limited.

**Budget presentations**

- Presentations will occur at the request of the budget manager or where the need is evident. Fellow budget managers and members of the Council Committee on Budget will be invited to observe the presentations.

**Budget Principles**

The following budget principles, approved by the Board of Governors, guide the development of the University of Regina’s annual budget (reference policy GOV-090-005):

1. The annual budget process will be committed to transparency and openness. It will be a consultative process, including consultation with the Board of Governors and its Finance and Facilities Committee.
2. Deans, associate vice-presidents, and directors will have meaningful opportunities to make their budgetary needs known early in the budget process and shall be given opportunities for input during the budget development process.
3. The University’s goals and objectives as outlined in the strategic plan and embodied in its academic mission of teaching, research and public service will underpin the budget process.
4. The operating budget shall be balanced.
5. Any change in the level of tuition fees shall conform to the tuition policy of the university.
6. Total operating expenditures should be comparable to those at other universities of a similar size and with a similar range of programs and services, all things being equal.
7. Annualized, base-budget operating funding shall be allocated in respect of all permanent faculty and staff positions.
8. Actual operating revenue and expenditure amounts will be used to prepare the budget insofar as they are known. Where it is necessary to estimate, the practice will be to underestimate revenues and overestimate expenditures, with the degree of under- or over-estimation to depend on the amount of uncertainty inherent in a given estimate.
9. The operating budget shall comprise, insofar as possible, all of the operating revenues and expenses of the University. Any restructuring required to achieve and maintain this state will occur as quickly as incremental funding will allow.
10. The operating budget will recognize incremental revenues and expenditures as they arise and not defer such recognition to future budgets.
11. The budget process shall promote long-term institutional sustainability, curricular and program innovation, and the teaching and research reputation of the University.
12. Budget decisions shall rely on a careful balance of evidence and informed judgment.

**Budget Decision Criteria**

The following decision criteria will be employed in the development of the budget for 2016-17:

1. The budget decision-making process will be grounded in the goals and objectives of the University’s strategic plan.
2. The process will promote long-term institutional sustainability in terms of an appropriate program array to meet current and projected student demand, strategic enrolment management, and reputational improvement based on fine teaching and research.
3. The process will be premised on the fact that all campus units support, and indeed make possible, the University’s mission of teaching, research, and public service.
4. Budget allocations will therefore speak to the future of all units, including aspects such as recruitment and enrolment of students in current or planned new programs, retention and student success strategies, research productivity, appropriateness of unit administrative structures and employee complement, and efficient use of resources across all units in support of the University’s core mission of teaching, research, and public service.
5. Budget allocations for academic units will be based *in part* on enrolments and credit hours taught, on relative program costs, and on other financial resources available to the unit currently and in recent years. Estimated revenues to be earned by faculties from partnering with CCE, for example, will be included in each faculty’s budget submission, and such revenues shall be used in a manner that meets the budget principles outlined here.
6. In authorizing faculty recruitment, first priority will be given to areas in which productivity in research, scholarship and artistic work is high, and where this productivity is engaging and retaining students.
7. Targeted recruitment of qualified Aboriginal faculty and staff will be a high priority across all units.
8. The decision-making process will look carefully for efficiencies and economies of scale in all campus units.