TOGETHER
WE ARE STRONGER
Please Note

This presentation and the discussion that follows are being recorded and will be available for viewing at:

www.uregina.ca/orp/budget/2017-18-budget.html

Your presence indicates your consent to have your speech and image recorded and made available publicly on the University’s website.
• Operating grant cuts
• Scholarship cuts
• Plant maintenance and renewal (PMR)
• PST increases
• Budget challenge – update
• CCB recommendations
• Compensation restraint
• Next steps in 2017-2018 budget preparation
2017-18 OPERATING GRANT CUTS

- 5% reduction on base operating grant: -$5.4M
- Targeted reductions
  - Johnson-Shoyama Graduate School: -$237K
  - MacKenzie Art Gallery flowthrough: -$100K this year (further -$100K annually for the next 3 years until gone)
- Total reduction in 2017-18: -$5,724M
SCHOLARSHIP FUNDING CUTS

A cut of 38%: -$476,200

- Innovation & Excellence (graduate students)
  $393,100 (was $636,200)

- Opportunity Scholarships (undergraduate students)
  $333,600 (was $540,000)

- International Education Scholarships (study abroad)
  $43,300 (was $70,000)

Previous levels of funding mostly committed: we have an obligation to backfill.
Preventative Maintenance & Renewal Funding for facilities and equipment maintenance and renewal

Unchanged at $5,068,000
PST INCREASES: IMPACT

- There are two PST impacts

1. PST has increased from 5% to 6% on all products
   - Impacts general purchases (pens, paper, etc.)
2. PST has increased from 0% to 6% in the following:
   - Restaurant meals
   - Insurance
   - Construction & renovation contracts (3.5 %)
### BUDGET CHALLENGE: UPDATE

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector operating grant decrease, 5%</td>
<td>-$5,387,000</td>
</tr>
<tr>
<td>Funding formula shift</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>Undergraduate tuition increase, assumes 2.5%</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>Graduate tuition increase, assumes 2.5%</td>
<td>$250,000</td>
</tr>
<tr>
<td>Enrolment/tuition adjustment to actual 2016-17</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Enrolment increase, 2017-18 (assumes 1%)</td>
<td>$727,000</td>
</tr>
<tr>
<td>Reduction in JSGS funding</td>
<td>-$237,000</td>
</tr>
<tr>
<td>Reduced SIOS funding</td>
<td>-$476,000</td>
</tr>
<tr>
<td><strong>Net estimated revenue increase</strong></td>
<td>-$1,173,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary &amp; Benefit increases (increments only)</td>
<td>$2,400,000</td>
</tr>
<tr>
<td>Utilities and space rental expenditures</td>
<td>-$25,000</td>
</tr>
<tr>
<td>Investment in critical new initiatives</td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>Net estimated expense increase</strong></td>
<td>$2,575,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net estimated operating shortfall</td>
<td>$3,748,000</td>
</tr>
</tbody>
</table>

**One per cent of the cuttable budget = ~ $1,450,000**

2.6%
CCB ADVICE: ACADEMIC

- Academic Subcommittee “special considerations”:
  - Units that increase enrolment, reputation, and outreach (e.g., CCE re distance offerings, Student Affairs re domestic recruitment, UR International language support, recruitment)
  - Faculties and programs with strong enrolments or particular needs (Arts, Engineering, JSGS, Social Work “in no particular order”)
  - Library reinvestment – acquisitions and operating budget
  - Other considerations:
    - Examine tuition models re course- or program-based premiums
    - Redirect additional revenues from international students back to respective Faculties (Internationalization Strategy)
CCB ADVICE: NON-ACADEMIC

- **Priority recommendations after baseline cuts** ("in no particular order")
  - ER: Fund two permanent fundraising positions
  - HR: Fund two temporary payroll positions
  - ORP: Fund one permanent data analyst position
  - IS: Fund one permanent network analyst position
  - FS: Do not cut more than 1%
  - UR Indigenization: do not cut; request 3-5 year plan

- **Secondary recommendations after baseline cuts** ("in no particular order")
  - ER: Do not cut
  - HR: Do not cut more than 3%
  - FM: Fund term positions for personal safety and life safety
  - IS: Use targeted Congress funding for AV upgrades; pursue external funding arrangements for IS hardware and software
COMPENSATION RESTRAINT

• Letter from Minister of Advanced Education (Jan 30/17) requests holding 2017-18 total salary and benefit expenditures to 2016-17 total

• The University is committed to the collective bargaining process and to provide contractual increases to unionized employees.

• Staffing is being reviewed on a case-by-case basis until operating funding is known and budget is approved by Board
NEXT STEPS

• Throughout April: detailed work on 2017-18 budget and on 2018-19 Operations Forecast continues

• May 1-2: **Board of Governors** meets to approve 2017-18 budgets, tuition and fees, and 2018-19 Operations Forecast

• May 8: **Detailed budget letter** distributed to operating units and posted to Budget Update page

• May 9: **Fourth Budget Forum**: Review of 2017-18 unit budgets with details of investments and cuts
FURTHER INPUT OR QUESTIONS?

THANK YOU FOR COMING

Feedback welcome at
budget@uregina.ca
More Grads Earning More Money