



This document provides information to budget managers (Deans, AVPs, Directors) and to the campus community about work on the 2019-20 budget. It is set out thus:

- (1) dates
- (2) major revenue and expenditure parameters
- (3) budget submissions and presentations
- (4) budget principles and decision criteria.

As in previous years, a complete range of budget development information, including documents, data, and video, will be available to the campus community at <https://www.uregina.ca/orp/budget/2019-20-budget.html>.

Budget Development Dates 2019-20 revised 27 November 2018

Date	Stage	Notes
15 January	Budget submissions due	Submitted electronically to orp@uregina.ca with a copy to VP
25 January	Deans' Council budget discussion	Review of budget submissions
28 January	Council Committee on Budget	Initial discussion of budget submissions by CCB
29 January	Budget Forum I 3:00 – 4:00 pm	Review of budget submissions and major budget parameters
31 January	Budget presentations 8 am – 12 pm	Deans, AVPs, and directors present to budget advisors and CCB
6 - 15 February	Budget advisors' meetings	Discussion of budget submissions, enrolment projections, adjustments to tuition, etc.
25 February	Council Committee on Budget	Continuing discussion of budget submissions by CCB
4 March	Budget Forum II 1:30 – 2:30 pm	Review of budget development to date, including advice from CCB
11-12 March	Board of Governors	Executive reports to Board on operating and capital budgets to date
15 March	ORP	2019 budget graphs released
20 March	Provincial budget announcement	Budget letter received from Minister specifying 2019-20 operating grant and other adjustments to provincial funding
25 March	Council Committee on Budget	Review of implications of provincial funding announcement
April-May	ORP, FS, budget advisors	Continuing budget development
29 April	Council Committee on Budget	Final advice from CCB
6-7 May	Board of Governors	Board review and discussion of 2019-20 budget
10 May	Executive Offices, ORP	2019-20 budget letter released
13 May	Budget Forum III 1:30 – 2:30 pm	2019-20 budget letter reviewed in detail
June	Financial Services	2019-20 detailed budget book released

Major operating budget parameters as of November 2018

These are working assumptions, estimates, or goals current as of November 2018. They will be adjusted as updated data are received, application and registration trends for 2019-20 become clearer, government indicates 2019-20 funding levels, and the Board makes decisions on tuition and fees.

ESTIMATED REVENUE ADJUSTMENTS		
Estimated \$	Budget element	Notes
\$0	0% operating grant increase	The current provincial fiscal picture suggests it is prudent to plan for no increase to the operating grant.
+ \$1,000,000	Funding formula shift	In recent years, our enrolments have grown more quickly than those of the University of Saskatchewan, leading to a shift in operating monies allocated to us by the Saskatchewan University Funding Mechanism. The \$1M estimate for 2019-20 reflects the average over the last three fiscal years.
+ \$2,200,000	Tuition adjustment to actual	This increase reflects the fact that enrolments (and credit hours) grew last year by more than the budgeted 1%. The increase in tuition/fee revenue this generated is now applied to the base for 2019-20.
+ \$875,000	1% enrolment increase	1% increase in headcount enrolment is anticipated. Actual tuition/fee revenue increase depends on several factors, including domestic/visa student ratio, undergraduate/graduate student ratio, full/part-time student ratio, and actual number of credit hours in which students register.
+ \$1,000,000 to + \$3,000,000	1%-3% tuition increase	The 2018-19 <i>Comprehensive Budget Plan</i> shows budgeted tuition and fee revenue of \$89.6M for the <i>present</i> year. Depending on the factors noted immediately above, each 1% increase in tuition and fees would yield approximately an additional \$1M in operating revenue for 2019-20. Setting tuition and fee levels is the responsibility of the Board of Governors.
ESTIMATED EXPENDITURE ADJUSTMENTS		
Estimated \$	Budget element	Notes
- \$4,300,000	Salary and benefit increases	This estimate is based on known and anticipated increases in the cost of salaries and benefits for the <u>existing</u> faculty and staff complement. It includes no new positions. The estimate includes career growth increments (CGIs) and progression through the ranks, merit increases, and increases in the cost of employee benefits such as health coverage, employee assistance plans, and more.
- \$500,000	Inflationary operating costs	This includes estimates of cost increases for utilities, licenses, and other basic operating expenditures.
- \$2,000,000	Potential new investments in people, initiatives, and services	Revenues permitting, these investments could include new academic and staff positions, base and one-time allocations for things like library acquisitions, additional scholarship and graduate student support, etc. Proposals for such investments will be contained in unit budget submissions.

On the expenditure side, we continue to face challenges like those outlined last year:

- Covering annual increases in the costs of salaries and benefits for faculty and staff;
- Limiting tuition and fee increases in an increasingly competitive Western Canadian market;
- Providing increased support for graduate students;
- Providing increased base funding to academic units in which enrolments are growing;
- Responding to emerging student service and research support needs;
- Providing increased base funding to support units experiencing increased activity and regulatory requirements;
- Dealing with externally-imposed cost increases such as Canada Pension Plan contributions.

Budget submissions: format and content

Submissions are to be sent by **Tuesday 15 January 2019** in electronic format to the Office of Resource Planning (orp@uregina.ca).

Submissions will be a maximum of 2 pages in length and can be in point form or in a spreadsheet. All submissions will be made available to CCB and all ULT members.

Growth in the tenure-track faculty complement was a budget priority last year. Seven new fulltime academic positions were created, and funding was provided for two Canada Research Chairs whose CRC terms ended.¹ For 2019-20, should resources permit, up to 5 additional new tenure-track faculty positions may be allocated (target start date 1 July 2020). As part of their budget submissions, Deans and equivalents are invited to make brief proposals for new positions, speaking to the principles and criteria outlined below, particularly criteria 4-7.

Budget managers may include a very short list of **high-priority initiatives or needs**. The discussion of each initiative should describe concisely its strategic impact (with specific reference to 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. Proposals involving the **enhancement of teaching and learning** are especially welcome.

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

Submissions should also describe:

- Opportunities within your unit for further **economies** for 2019-20 and beyond.
- Opportunities within your unit (or in cooperation with other units) for additional **revenue generation** - identifying any supports that would be required to realize these revenues (plus details of timing, risks, etc.).

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 attend all presentations.

¹ Details may be found at <https://www.uregina.ca/orp/assets/budget/2018-19-budget-docs/budget-forum-may-11-2018.pdf>.

Budget principles

The following budget principles, approved by the Board of Governors, guide the development of the University of Regina's annual budget ([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 ([GOV 090-045](#)) 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

As in recent years, the following criteria will be employed in the development of the 2019-20 budget:

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, should 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. Recruitment of qualified Indigenous 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.