

University of Regina

Unit Budget Submissions for 2017-18

16 November 2016

Circulated to ULT for comment on 16 November; CCB agenda item on 28 November 2016

The provincial government is signaling a very tight 2017-18 budget, with potential reductions in the operating grants provided to third parties such as universities and colleges. As the grant makes up more than half of our operating expenditures, we anticipate a difficult budget year in 2017-18.

In the 2017-18 Operations Forecast prepared in July, we estimated that an operating grant increase of 3.3% and an average tuition increase of 3.8% would be needed to maintain current levels of operation into 2017-18. Given the province's worsening fiscal outlook, the likelihood of any increase to the grant is, realistically, nil. As noted above, a cut is more likely. Should a cut occur, each percent represents just over \$1 million in lost revenue for the University. A 4% cut to the grant would represent \$4.35 million in lost revenue.

Preliminary calculations suggest that, even with a 1% increase in enrolments, we face an operating shortfall of approximately \$3.78 million. This estimate does **not** include economic adjustments to existing salaries. We are also challenged to:

- Limit tuition and fee increases;
- Increase support for graduate students;
- Increase base funding to academic units where enrolments have continued to grow;
- Respond to emerging needs (such as improved mental health services for students).

It is therefore clear that we must be ready for hard decisions in the making of the 2017-18 budget.

Across-the-board cuts are not an option. The scenarios of -3% and -5% unit budget reductions (see next page) 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 -3% and -5% will be provided to each unit by Financial Services, and will be based on the unit's current revised operating budget as of 16 November 2016.

Budget submissions

- Submissions are to be sent in electronic format to the Office of Resource Planning (orp@uregina.ca) by **Monday 16 January 2017**.

Unit Budget Submissions for 2017-18

- 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 -3% and -5% 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 **critical 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 (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.

Unit Budget Submissions for 2017-18

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 2017-18:

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.

**UNIVERSITY OF REGINA
OPERATING FUND
STATEMENT OF EXPENDITURE**

	Baseline Budget 2016-17	Recoveries	Baseline Budget Net of Recoveries	3% Reduction	5% Reduction
<u>Vice-President (Academic)</u>					
Business Administration	8,434,706	62,938	8,371,768	(251,153)	(418,588)
Arts	16,978,524	0	16,978,524	(509,356)	(848,926)
La Cité universitaire francophone - French Dept	1,122,300	0	1,122,300	(33,669)	(56,115)
Media, Art, and Performance	6,720,591	143,600	6,576,991	(197,310)	(328,850)
Education	10,644,914	1,785,353	8,859,561	(265,787)	(442,978)
Engineering	9,322,168	0	9,322,168	(279,665)	(466,108)
Graduate Studies and Research	1,341,548	0	1,341,548	(40,246)	(67,077)
Science	16,628,760	278,115	16,350,645	(490,519)	(817,532)
Nursing	8,114,947	0	8,114,947	(243,448)	(405,747)
Social Work	3,384,943	800	3,384,143	(101,524)	(169,207)
Kinesiology and Health Studies	10,227,337	4,662,908	5,564,429	(166,933)	(278,221)
Student Affairs	7,894,645	350,000	7,544,645	(226,339)	(377,232)
Library	4,757,948	69,950	4,687,998	(140,640)	(234,400)
Archives	589,660	0	589,660	(17,690)	(29,483)
Acquisitions	2,930,598	0	2,930,598	(87,918)	(146,530)
Centre for Teaching and Learning	155,008	0	155,008	(4,650)	(7,750)
Copyright Activity Coordination	135,297	0	135,297	(4,059)	(6,765)
UR International	2,188,381	0	2,188,381	(65,651)	(109,419)
Johnson-Shoyama Graduate School	2,179,398	0	2,179,398	(65,382)	(108,970)
Indigenous Peoples Health Research Centre	130,146	0	130,146	(3,904)	(6,507)
Resource Planning	807,150	0	807,150	(24,215)	(40,358)
Total Vice-President (Academic)	114,688,969	7,363,664	107,325,305	(3,220,059)	(5,366,766)
<u>Vice-President (Administration)</u>					
Financial Services	3,360,250	150,000	3,210,250	(96,308)	(160,513)
Human Resources	3,907,646	240,000	3,667,646	(110,029)	(183,382)
Information Services	10,145,833	1,817,000	8,328,833	(249,865)	(416,442)
Facilities Management	16,893,860	3,973,500	12,920,360	(387,611)	(646,018)
Total Vice-President (Administration)	34,307,589	6,180,500	28,127,089	(843,813)	(1,406,354)
<u>Vice-President (Research)</u>					
Institute for Energy, Environment and Sustainable Communities	232,641	0	232,641	(6,979)	(11,632)
Prairie Adaptation Research Collaborative	50,000	0	50,000	(1,500)	(2,500)
Research Consultant to VP (Research)	108,744	0	108,744	(3,262)	(5,437)
Research Office	992,187	0	992,187	(29,766)	(49,609)
Special Research Initiatives	130,000	0	130,000	(3,900)	(6,500)
University-Industry Liaison	124,291	0	124,291	(3,729)	(6,215)
President's Fund	40,000	0	40,000	(1,200)	(2,000)
University Press	451,485	0	451,485	(13,545)	(22,574)
Fullbright Chairs	67,500	0	67,500	(2,025)	(3,375)
Humanities Research Institute	40,000	0	40,000	(1,200)	(2,000)
Centre for Aging	53,317	0	53,317	(1,600)	(2,666)
Total Vice-President (Research)	2,290,165	0	2,290,165	(68,705)	(114,508)
	3,670,467	193,700	3,476,767	(104,303)	(173,838)
<u>External Relations</u>					
<u>University Services and Other</u>					
Executive Offices	2,609,115	0	2,609,115	(78,273)	(130,456)
University Events	40,000	0	40,000	(1,200)	(2,000)
University Acknowledgement Fund	5,000	0	5,000	(150)	(250)
Campus Indigenization	230,672	0	230,672	(6,920)	(11,534)
Government Relations	116,550	0	116,550	(3,497)	(5,828)
Enterprise Risk Management Office	121,492	0	121,492	(3,645)	(6,075)
Internal Audit Office	132,298	0	132,298	(3,969)	(6,615)
University Secretary	387,951	0	387,951	(11,639)	(19,398)
Special Initiatives Fund	430,584	0	430,584	(12,918)	(21,529)
Board of Governors, Council & Senate	146,111	0	146,111	(4,383)	(7,306)
	4,219,773	0	4,219,773	(126,593)	(210,989)
Total Participating Accounts	159,176,963	13,727,864	145,449,099	(4,363,473)	(7,272,456)

UNIVERSITY OF REGINA
OPERATING FUND
STATEMENT OF EXPENDITURE

	Baseline Budget 2016-17	Recoveries	Baseline Budget Net of Recoveries	3% Reduction	5% Reduction
Accounts Not Participating in Reduction Scenario					
Vice-President (Academic)					
Centre for Continuing Education	17,425,751	727,301	16,698,450	(500,954)	(834,923)
CTL Teaching Awards	31,000	0	31,000	(930)	(1,550)
La Cité universitaire francophone	1,017,040	0	1,017,040	(30,511)	(50,852)
Special Academic Initiatives	310,000	0	310,000	(9,300)	(15,500)
Confucius Institute	210,921	100,000	110,921	(3,328)	(5,546)
Graduate Teaching Assistantships	645,080	0	645,080	(19,352)	(32,254)
Sask Innovation Graduate Scholarships	616,100	0	616,100	(18,483)	(30,805)
Graduate Scholarships	2,645,807	0	2,645,807	(79,374)	(132,290)
Differential Fee Student Support	17,637	0	17,637	(529)	(882)
U Of R/NSERC Undergrad Student Award Scholarships	20,000	0	20,000	(600)	(1,000)
Publications	2,829,850	118,000	2,711,850	(81,356)	(135,593)
Refugee Student Assistance	45,000	0	45,000	(1,350)	(2,250)
Family Scholarship	9,893	0	9,893	(297)	(495)
Sask Advantage Scholarship	44,000	0	44,000	(1,320)	(2,200)
SIOS International	2,982,500	0	2,982,500	(89,475)	(149,125)
Convocation	70,000	0	70,000	(2,100)	(3,500)
Unit Review	140,000	0	140,000	(4,200)	(7,000)
	30,000	0	30,000	(900)	(1,500)
	29,090,579	945,301	28,145,278	(844,358)	(1,407,264)
Vice-President (Administration)					
Space Rental	1,583,638	0	1,583,638	(47,509)	(79,182)
Info Services Maintenance Contracts	1,564,444	0	1,564,444	(46,933)	(78,222)
Telephone Exchange	350,000	193,800	156,200	(4,686)	(7,810)
Wascana Centre Authority	841,700	3,000	838,700	(25,161)	(41,935)
	4,339,782	196,800	4,142,982	(124,289)	(207,149)
Vice-President (Research)					
MITACS	82,000	0	82,000	(2,460)	(4,100)
President's Chairs for Academic Excellence	40,000	0	40,000	(1,200)	(2,000)
CRC Operating Expenses	422,321	0	422,321	(12,670)	(21,116)
	544,321	0	544,321	(16,330)	(27,216)
University Services and Other					
Faculty & O/S Professional Development	70,000	0	70,000	(2,100)	(3,500)
Employee Assistance Program	67,000	0	67,000	(2,010)	(3,350)
Academic Benefit Plans	25,000	0	25,000	(750)	(1,250)
Special Retirement Benefits	45,000	0	45,000	(1,350)	(2,250)
APT Tuition Fee Reimbursement	105,000	0	105,000	(3,150)	(5,250)
CUPE Tuition Fee Reimbursement	229,000	0	229,000	(6,870)	(11,450)
APEA - Administrative (all APT and out-of-scope)	496,500	0	496,500	(14,895)	(24,825)
APEA - Academic	1,158,500	0	1,158,500	(34,755)	(57,925)
Administration General - Benefits	3,384,057	0	3,384,057	(101,522)	(169,203)
Provision for Salary Increases	2,653,470	0	2,653,470	(79,604)	(132,674)
Utilities	7,662,453	3,384,784	4,277,669	(128,330)	(213,883)
Insurance	731,000	0	731,000	(21,930)	(36,550)
Administration General - One-Time Items	4,299,571	0	4,299,571	(128,987)	(214,979)
Administration General - Recurring Items	2,879,000	0	2,879,000	(86,370)	(143,950)
First Nations University Administrator	240,000	240,000	0	-	-
MacKenzie Art Gallery Inc.	400,000	0	400,000	(12,000)	(20,000)
	24,445,551	3,624,784	20,820,767	(624,623)	(1,041,038)
Total Non-Participating Accounts	58,420,233	4,766,885	53,653,348	(1,609,600)	(2,682,667)
Totals	217,597,196	18,494,749	199,102,447	(5,973,073)	(9,955,122)