COMPREHENSIVE BUDGET PLAN
FOR 2011-2012

Approved by the Board of Governors
May 4, 2011
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EXECUTIVE SUMMARY

This comprehensive budget plan continues the sound financial management of the University of Regina. To achieve a balanced operating budget in the face of a provincial grant that is less than requested in the university’s operation forecast, only a few high priority expenditure increases are funded and a modest increase in tuition and course fee rates for most students is required.

The proposed operating budget for the University of Regina for 2011-12 has revenues and expenditures of $168,541,000. Spending on sustaining capital is only modestly increased from 4.6 million in 2010-11 to $5.4 million in 2011-12, requiring continued economies. Highlights include:

- The provincial grant for the University of Regina for 2011-12 increased by $5.7 million (6.45 per cent).
- The proposed operating budget fully provides for increases in the costs of salaries and benefits that will result from existing collective agreements as well as the estimated costs of those to be negotiated for 2011-12.
- Undergraduate tuition and course fees are increased by 3 per cent.
- New allocations to operating units total $5.8 million, including $4.15 million for the costs of the Nursing program, $290,000 to other faculties, $464,000 in support of research initiatives, $52,000 for additional graduate scholarships, $137,000 to UR International, and $385,000 to External Relations primarily to base-budget marketing activities.
- The operating budget provides no adjustments to unit budgets for inflationary impacts on non-salary expenditures and for the cost of negotiated increases in sessional stipends. This treatment is effectively a budget reduction for units with an estimated impact of about $600,000.

Budgets are also proposed for the University’s other funds:

- The $13.1 million capital expenditure budget includes $1.0 million for work on the Research and Innovation Centre, $0.84 million for work in College West, $3.0 million for facilities and information technology for nursing, $3.3 million for other plant renovations and adaptations, $0.8 million for equipment replacement, and $3.4 million for debt repayment related to recent capital projects.
- The ancillary services budget is in surplus with the exception of the residence operations. The budgeted residence deficit of $1.0 million shows an improvement over the budgeted $1.2 million deficit for 2010-11. The overall ancillaries deficit is $0.56 million.
- Research income and expenditures and trust and endowment income and expenditures will continue to contribute to the success of the University of Regina. Net revenue from trust and endowment funds will increase by about $640,000.

The University of Regina budget plan for 2011-12 contemplates total revenues of $222.9 million and total expenditures of $227.4 million, taking all funds into account. The excess of expenditures over revenues is attributable to the expenditure of capital funding received in previous years and the planned deficit on the residence operations which are offset in part by anticipated surpluses in the trust and endowment funds.
INTRODUCTION

THE 2011-12 BUDGET PROCESS

The development of the 2011-12 budget was overseen by a budget committee consisting of the four vice-presidents, the University Secretary, the Associate Vice-President (Resource Planning), the Associate Vice-President (Finance), the Associate Vice-President (Academic), and the Director, Executive Reporting Services. In the final stages of budget preparation, this group met with the President to present its recommendations.

The 2011-12 budget process was developed in the context of the strategic plan for the University of Regina, *mâmawohkamâtowin: Our Work, Our People, Our Communities*. As a result, the budget submission template sent to members of the University Leadership Team was focused on the implications of unit resource scenarios for the strategic plan. Each submission was expected to contain a completed form (the Strategic Plan Report Form) in which, for the relevant goals of the University plan, the individual budget unit’s plans and activities, both those underway and those yet to be started, were to be listed in summary form.

The budget submission template sent to members of the University Leadership Team contained the following instructions:

1. A unit should describe any implications (positive and negative) of receiving a status quo allocation for 2011-12 equal to the unit’s 2010-11 budget allocation (i.e., no adjustments for cost increases other than the usual treatments of such costs as salary increases for continuing faculty and staff).

2. Requests for “mission critical” additions to a unit’s budget or allocations of additional funds that will be used to advance significantly the goals of the university’s strategic plan or mitigate a high priority risk in the institutional risk register will be considered. List these additional exceptional requests (with a brief explanation or rationale and how the request links to the strategic plan and/or the risk register) describing:
   a. New or replacement staffing positions required (faculty, APT, CUPE, OOS)
   b. Other direct expenditures
   c. Plant and other infrastructure impacts
   d. Potential revenues for the university
   e. Strategic importance and risk impact

3. Provide a short proposal for the following, if applicable:
   a. Necessary teaching and/or research equipment (new or replacement)
   b. Capital expenditures for plant renewal, information technology infrastructure, or major projects that strongly relate to the strategic plan

The budget consultations process first adopted for the 2009-10 budget cycle was retained. As in previous years, the budget managers reporting to each vice-president met collectively with their individual vice-president to present and discuss their proposals and consider priorities, potential savings and needs within the vice-president’s portfolio. The vice-presidents and the University Secretary then met with the budget committee, each presenting a consolidated submission for their individual portfolios. The budget committee then considered the overall university budgets (operating and capital).
During this process and subsequently, the budget committee has benefited from strong support from staff in Financial Services, who maintained a record of its conclusions, reviewed a variety of issues for the committee, and provided financial data and estimates as well as valuable advice on a number of budgetary matters. Analysis was also provided to the process by staff of the Office of Resource Planning.

BUDGET PRINCIPLES

The following budget principles, approved by the Board of Governors, guide the development of the University of Regina’s annual budget:

1. The budget shall be developed annually by means of 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 strategic goals and objectives 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 overestimation 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.

As in recent years, there were opportunities for meaningful input by members of the University Leadership Team throughout the budget preparation process. The proposed operating budget is balanced. Financial estimates within the budget are conservative but not unnecessarily so. The budget makes further progress towards fulfilling the principle that all recurring expenses and revenues are reflected in the budget: a number of previously “soft-funded” items, particularly $300,000 of the cost of marketing activities, have been base budgeted.

MAJOR CHALLENGES

The task of creating operating and capital budgets for 2011-2012 involved a number of challenges.

The provincial operating grant: The provincial government has provided operating funding for the 2011-12 government fiscal year of $93.991 million which is 6.45 per cent greater than that provided in 2010-11. As well, the government grant continued to provide $540,000 for scholarship expenditures. With the government’s expectation of tuition rate increases being held on average to about 3 per cent, the funding provided fell about $1.1 million below the amount requested in the university’s 2011-12 operations forecast for sustaining operations and $2.3 million below the total
request which included funding for the Norman Mackenzie Art Gallery subvention and the enhancement of advancement activities.

The provincial sustaining capital grant: In 2010-11 the cash portion of the provincial sustaining capital grant was decreased by 52 per cent (just over $3 million). For 2011-12 only a portion of that decrease, $760,600, has been restored. The funds provided are still very constrained compared to previous years’ funding levels and current needs. The challenge for the budget committee was to protect, to the extent possible, the continued replacement of teaching and other essential equipment and furnishings and Facilities Management’s capital renovations program, for both of which more funding, not less, is very much needed.

STAKEHOLDERS’ INTERESTS

The budget aims to take into account the legitimate interests of a variety of stakeholders in the university’s programs and activities, striving for an optimal balance of response to them. Some effects of the budget plan on certain stakeholder groups are discussed below.

- **Faculty and staff:** The budget includes provision for increased salary and benefit-plan costs to reflect adjustments that have been or will be negotiated. Funding is provided for salaries and benefit costs of $1.4 million for new faculty appointments to teach courses in the nursing program, as well an additional increase in the faculty complement of 1.5 positions and $130,000 in additional expenditures on sessional instructors. The budget also contains increased spending of $464,000 in support of research activities.

- **Students:** The level of tuition and course fees for undergraduate students will be held to a three (3) per cent increase, maintaining student costs at the University of Regina for students from Saskatchewan among the lowest of English-language universities in Canada. Increases in tuition for graduate students vary by program from zero (0) per cent to eight (8). Student financial assistance funding is increased by $366,000. Student services will be improved with additional staffing in the Centre for Student Accessibility (formerly the Disability Resource Office), the office of the Faculty of Graduate Studies and Research, and UR International.

- **Board of Governors:** The proposed operating budget is balanced and the budget conforms to the budget principles, including further steps to ensure that all operating revenue and expenditure amounts are incorporated in the budget as accurately as possible. The budget further addresses the objective of ensuring that the internal allocation of resources is appropriate and supports the achievement of the university’s mission. A number of economies are incorporated in the budget and other expenditures are aimed at producing increased efficiency in administrative activities.

- **Provincial government and the general public:** The proposed balanced operating budget reflects the University’s continued commitment to responsible management and governance and the effective use of resources. The increases in tuition and course fees respond to the government’s stated expectations.

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**OPERATING BUDGET**

Table I displays the changes in operating revenues and expenditures from the 2010-11 operating budget to the 2011-12 budget in two steps.
2010-11 BUDGET TO 2010-11 ACTUAL

There are a number of changes in the 2011-12 budget that reflect actual 2010-11 experience that differed from the projected revenues and expenditures used in the 2010-11 budget (column B of Table 1). The noteworthy items are the following:

- **Provincial grants:** The additional $250,000 was grant funding for the continuing initiation of the Faculty of Nursing.
- **Tuition and fee revenue:** Tuition and fee income is now expected to be $4.2 million greater than initially budgeted as the result of higher than budgeted enrolments and course registrations in 2010-11, with much of the increase taught by the Centre for Continuing Education (CCE).
- **Cost recoveries:** Increases occurred in cost recoveries by Facilities Management and the Faculty of Kinesiology and Health Studies. An increase of $52,000 in recreation and athletics fee revenue has resulted from enrolment growth.
- **Expenditures:** The expenditures column reflects the distribution of funds from the provision for salary increases to the operating units where faculty and staff work. The total increase in expenditures is largely attributable to increased expenditures by CCE for teaching additional courses and, secondarily, nursing expenses funded from the $250,000 provincial funding.
- A variety of other adjustments made during 2010-11 have been reported to the Board as they occurred.

The net effect is a net surplus position going into 2011-12 of $1.43 million, largely the result of the enrolment experience.

2010-11 ACTUAL TO 2011-12 BUDGET

Column D of Table I summarizes the additional revenue projected to be available to the university for 2011-12 and how the budget proposes to employ revenue increases and expenditure reductions to balance the budget, better reflect the costs of operating the university, and fund necessary and highly desirable new expenditure requirements.

**New or additional revenue**

- **Provincial operating grants:** The university’s total provincial operating support is expected to increase by $8.965 million. In addition to the base operating grant increase of $5.696 million, this increase includes an additional $3.25 million for nursing and an estimate of the increase in April 2012 operating grant compared to the actual operating grant for April 2011 (reflecting the difference between the university and government fiscal years).
- **Federal grants:** Funding to be received for indirect costs of research will decrease by $43,000 while the federal grant for the Institut français is reduced by $250,000. The latter reduction has been planned for and funds set aside by the Institut in order to maintain activity levels.
- **Tuition and course fees:** This item incorporates the combined effects of rate increases for tuition, course fees and other fees, the addition of nursing students as that program begins instruction, and other anticipated enrolment changes, for a total net revenue increase of $2.929 million. Of this amount, the nursing program is projected to contribute $1.9 million.
## UNIVERSITY OF REGINA
### 2011-12 BASE OPERATING BUDGET
($’000’s)

<table>
<thead>
<tr>
<th>2010-11 BASE BUDGET</th>
<th>CHANGES TO REFLECT 10-11 ACTUALS</th>
<th>2011-12 PRELIMINARY BUDGET</th>
<th>CHANGES TO BALANCE 2011-12 BUDGET</th>
<th>PROPOSED 2011-12 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>B</td>
<td>C (A+B)</td>
<td>D</td>
<td>E (C+D)</td>
</tr>
</tbody>
</table>

### REVENUE

#### GOVERNMENT GRANTS
- Provincial Grants: 89,629 → 250 → 89,879 → 8,965 → 98,844
- Federal Grants: 3,573 → (5) → 3,568 → (293) → 3,275

#### TOTAL GOVERNMENT GRANTS: 93,202 → 245 → 93,447 → 8,672 → 102,119

#### TUITION AND FEES
- Tuition Fees, Course Fees and Program Fees: 39,333 → 269 → 39,602 → 3,957 → 43,559
- Tuition Fees Payable to SIAST and the Federated Colleges: (5,734) → (118) → (5,852) → (1,658) → (7,510)
- Centre for Continuing Education Fees and Recoveries: 8,975 → 3,936 → 12,911 → 525 → 13,436
- Other Fees: 2,276 → 157 → 2,433 → 105 → 2,538

#### TOTAL TUITION AND FEES: 44,850 → 4,244 → 49,094 → 2,929 → 52,023

#### OTHER INCOME: 387 → - → 387 → 280 → 667

#### TRANSFERS: 1,841 → 70 → 1,911 → 134 → 2,045

#### COST RECOVERIES: 10,075 → 746 → 10,821 → 866 → 11,687

#### TOTAL REVENUE: 150,355 → 5,305 → 155,660 → 12,881 → 168,541

### EXPENDITURES

#### FACULTIES: 67,863 → 5,779 → 73,642 → 4,363 → 78,005

#### LIBRARY OPERATIONS & ACQUISITIONS: 8,247 → 168 → 8,415 → - → 8,415

#### INFORMATION SERVICES: 6,161 → 239 → 6,400 → 152 → 6,552

#### STUDENT AFFAIRS: 10,490 → 674 → 11,164 → 28 → 11,192

#### UNIVERSITY OPERATIONS: 14,440 → 1,986 → 16,426 → 1,845 → 18,271

#### NMAG/CARE OF THE PRESIDENT'S ART COLLECTION: 400 → - → 400 → (100) → 300

#### UNIVERSITY SERVICES & OTHER EXPENSES: 4,310 → (729) → 3,581 → 992 → 4,573

#### BENEFITS & PROVISION FOR SALARY INCREASES: 19,320 → (5,675) → 13,645 → 6,707 → 20,352

#### FACILITIES MANAGEMENT: 19,124 → 1,433 → 20,557 → 324 → 20,881

#### TOTAL EXPENDITURES: 150,355 → 3,875 → 154,230 → 14,311 → 168,541

#### NET UNIVERSITY POSITION: - → 1,430 → 1,430 → (1,430) → -

### EXPENDITURES

#### Salaries and Benefits: 116,284 → 1,382 → 117,666 → 12,033 → 129,699

#### Scholarships: 3,759 → 26 → 3,785 → 366 → 4,151

#### Library Acquisitions: 3,052 → - → 3,052 → - → 3,052

#### Utilities: 6,480 → (50) → 6,430 → 228 → 6,658

#### Other Expenses: 20,780 → 2,517 → 23,297 → 1,685 → 24,982

#### TOTAL EXPENDITURES: 150,355 → 3,875 → 154,230 → 14,311 → 168,541
With respect to enrolments, the budgeted revenue is based on assumptions that undergraduate course registrations will not change from those in 2010-11 with the exception of the nursing enrolments, a projected 3 per cent growth in undergraduate international enrolments, and a 1 per cent increase in liberal arts course registrations. The latter is a conservative assumption that increases the fee share paid to Luther and Campion colleges. Graduate student enrolments are anticipated to increase by 5 per cent, with some exceptions.

The surplus contributed by CCE to the university budget is projected to increase by $1.4 million to $1.9 million.

- **Other Income:** Interest income is projected to increase by $280,000 as a result of new approaches to cash management tested by Financial Services in 2010-11 and to be implemented in 2011-12 with the addition of one financial analyst position.

- **Transfers:** The major item in increased transfer revenues is the impact of a new Infrastructure Services Agreement with Luther and Campion colleges ($114,000). The remainder of the increase includes increased recoveries for administration of the ancillaries.

- **Cost recoveries:** This increase is made up of several items. The recovery under the Administrative Services Agreement with First Nations University (FNUniv) is budgeted at $690,000. An offsetting expenditure item is included in University Operations to reflect both out-of-pocket costs to the university (e.g., for services of Meyers Norris Penny in administering the cash payments) and the time of staff in various university administrative offices. The actual amount will depend on actual costs and time.

The second component is the annual $100,000 recovery for the new Confucius Centre. A third component is an increase in recreation and athletics fee revenue by $39,287 reflecting a rate increase of 3 per cent, effective September 2011. The recreation and athletic fee revenue accrues to the Faculty of Kinesiology and Health Studies.

The new and additional operating funds projected to be available for the university’s operating budget in 2011-12 total $12,881,000. The net uncommitted positive position from 2010-11 of $1,430,000 is also available. Thus, $14,311,000 is available, within a balanced budget, for cost increases and new expenditures in 2011-12.

**Expenditures**

- **Faculties:** The proposed budget provides a total of $4.15 million for the costs associated with the new nursing program, including out-of-scope and faculty salaries of $1.5 million and support staff salaries of $1.0 million. The budget also contains an increase in the faculty complement of 1.5 positions and $130,000 in additional expenditures on sessional instructors, affecting a total of four faculties.

The Faculty of Graduate Studies and Research receives an additional clerical position to address the workload resulting from increased graduate enrolments and programs.

- **Library:** There is no change in the allocation to Library operations or acquisitions.

- **Information Services:** The university does not employ Banner, its enterprise resource planning system, to its full potential because of a lack of understanding of Banner’s capabilities. This has been demonstrated by a series of on-campus consultations conducted by staff of SunGard Higher Education, the supplier of Banner, with Student Affairs, Human Resources and Alumni/Development. Because the University does not use Banner to a greater extent, the University is missing out on efficiency and effectiveness gains that would benefit faculty, staff and students. Funding is provided in the budget to create a small staff
(three persons) in Information Services dedicated to discovering, implementing, distributing and retaining functional knowledge concerning Banner. The cost of this new unit is funded in part through an allocation in the budget of $84,000. In addition, Information Services receives funding of $68,000 for the increased costs of software licenses and maintenance contracts.

- **Student Affairs:** The student affairs budget provides for increased staffing in the Centre for Student Accessibility.

- **University Operations:** UR International receives funding for a life skills advisor and an additional support staff position to deal with increased workloads. Additional funding for visiting scholars ($24,000) and non-salary expenses ($15,000) are also provided.

The budget contains increased spending of $464,000 in support of research activities, including a grant writer position in the Office of Research Services, a Research Communications Officer in External Relations, base-budgeting the salary of the Director of the Indigenous Peoples Health Research Centre, and support for the research activities of CRC chairs and CFI grant award holders. The increases are partly financed through the elimination of one vacant senior administrative position reporting to the Vice-President Research.

The External Relations budget is also increased for an APT position to participate in the development of university website content and $300,000 to base-budget marketing expenditures which have been soft-funded for the past two years and have demonstrated their value through increased donations and enhanced recruitment results.

The annual operating costs of the new Confucius Centre are $200,000, funded in part from the $100,000 external recovery (see above).

- **Care of the President’s Art Collection:** This provision, previously the subvention to the Norman MacKenzie Art Gallery, is reduced by $100,000.

- **University Services and Other Expenses:** The increase in this component of the budget, $1.126 million, is attributable to a variety of costs. The contingency budget is increased by $386,000 to just under $1.1 million. The new level represents 0.64 per cent of the operating budget. The longer term target is 1.5 per cent which reflects a more prudent position and acknowledges that year-end surpluses from operating (a portion of which accrue to the university) have been diminishing in recent years.

Other increases in this budget line address increases in space rental costs ($32,000), insurance ($50,000), administrative leaves at the end of appointments ($324,000), and a fund for academic initiatives ($80,000) to be administered by the provost.

- **Benefits and provision for salary and benefit increases:** The budget provides $6.707 million for the increased costs of salaries and benefits based on known and anticipated increases from the collective agreements already negotiated and to be negotiated and increases for non-unionized personnel, the annualization of faculty salaries for those hired during 2010-11, the salaries of new faculty known to be joining the university in 2011-12, and the net benefit costs of the changes in faculty and staff positions authorized in this budget. The provision also takes into account savings from the salary and benefit costs of faculty who are known to be retiring or leaving the university for other reasons.

The budget also includes $406,000 to fully fund the costs of retirement and parental leave allowances for faculty and staff.

- **Facilities Management and Utilities:** The budget of Facilities Management is increased by $95,000 for payments to the Wascana Centre Authority for services provided and $228,000 for the increased costs of utility expenses.
USE OF ONE-TIME AND UNRESTRICTED ENDOWMENT FUNDS

$177,700 of one-time expenditures is being funded by drawing down accumulated surpluses in operating funds from previous years, including 2011-12. The major items are an awards officer to promote the success of university faculty and students in achieving national and international awards (a trial project) and $50,000 for the start-up of the Confucius Centre.

The budget is unable to accommodate a major increment of expenditures necessary to augment fund raising activities at the university. Rather than delay this essential development, the President has agree to commit up to $500,000 of unrestricted endowment funds per year for the next three years to achieve this outcome. However, the intention is that these funds would be provided in 2011-12, if possible, from the 2010-11 operating surplus and would be a very high priority for inclusion in the 2012-13 operating budget.

CAPITAL FUND

Sustaining Capital

In 2010-11 the cash portion of the provincial sustaining capital grant was decreased by 52 per cent (just over $3 million).

For 2011-12 a portion of that decrease, $760,600, has been restored. However, the funds provided are still very constrained compared to previous years’ funding levels and current needs.

In addition, the province has continued to provide borrowing approval for $1.8 million portion for sustaining capital purposes. (The province will in future years service the resulting debt, providing funds for both interest costs and principal repayment, as it does with sustaining capital fund borrowings authorized in previous years.)

Thus total sustaining capital funds available for 2011-12 are just under $5.4 million.

To the extent possible, the proposed sustaining capital budget aims to protect spending levels for Facilities Management’s projects for plant restoration and renovations. Many debt repayment items, those for which the expenditures were internally financed, have been deferred, as they were for 2010-11. Of this group, the one exception relates to tenant improvements at 2 Research Drive that will be paid off with a $132,500 payment in 2011-12.

The Evergreen program for annual workstation renewal was allocated a significant $200,000 reduction in 2010-11. Two-thirds of the decrease is restored in the proposed 2011-12 capital budget.

As a result of the limited funds, the allocation for teaching and other equipment has been further reduced to $660,000, from $850,000 in 2010-11 and $1.483 million in 2009-10. Funding will be provided for the faculties of Fine Arts, Engineering and Applied Science, and Science, for Information Services for IT infrastructure renewal and upgrades, and Facilities Management for common area furnishings.
Capital Budget

The sustaining capital grant funds only a part of the total capital expenditures. Table III presents the entire capital fund budget for 2011-12.

In addition to the Sustaining Capital funding, the province has provided $1,000,000 targeted funding for two capital projects: $600,000 for addressing deferred maintenance in the College West building and $400,000 for fibre optics installation for the College Avenue Campus.

As well, $3.0 million of capital funding provided in 2010-11 for the new nursing program will fund Facilities Management and Information Services capital expenditures during 2011-12.

Money is transferred from the ancillary fund to the capital fund in order to make payments on mortgages or loans with respect to the Dr. William Riddell Centre, the residences, and other ancillary operations. Funds provided by the provincial government for principle and interest payments on past sustaining capital borrowings also appear in the capital budget.

Funding is in hand to cover the $9.2 million by which planned capital expenditures in 2011-12 will exceed expected 2011-12 revenues or, as noted, it will be borrowed for sustaining capital purposes. The provincial government-sourced revenue (sustaining capital cash, targeted $1 million, and nursing capital), in total $7.6 million, was received in 2010-11.

<table>
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<tr>
<th>UNIVERSITY OF REGINA</th>
<th>2011-12 CAPITAL GRANT ALLOCATION (000's)</th>
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</thead>
<tbody>
<tr>
<td>FUNDS AVAILABLE:</td>
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<td>CAPITAL GRANT</td>
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<td>TOTAL FUNDS AVAILABLE</td>
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<td>ALLOCATION:</td>
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<td>FACILITIES MANAGEMENT - PRIORITY PROJECTS</td>
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<td>EQUIPMENT RENEWAL:</td>
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<td>ANNUAL COMPUTER RENEWAL (EVERGREEN PROGRAM)</td>
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<td>TEACHING EQUIPMENT</td>
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<td>CAPITAL CONTINGENCY</td>
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<td>DEBT REPAYMENT:</td>
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<td>2005 UTILITIES UPGRADE, AD-HUM RENOVATIONS, ETC.</td>
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<tr>
<td>2 RESEARCH DRIVE- TENANT IMPROVEMENTS</td>
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<td>Subtotal</td>
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<td>TOTAL ALLOCATION</td>
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### UNIVERSITY OF REGINA
#### 2011-12 CAPITAL FUND BUDGET
##### (000's)

<table>
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<tr>
<th>REVENUES</th>
<th>2010-11</th>
<th>2011-12</th>
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<td><strong>Government Grants</strong></td>
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<tr>
<td>Provincial Capital Grant</td>
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<td>Capital Grant Loan Payments</td>
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<td>Total Government Grants</td>
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<td><strong>Interfund Transfers</strong></td>
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<tr>
<td>Transfers to pay for Debt Payments on Utilities/Artificial Grass</td>
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<td>130</td>
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<tr>
<td>Ancillaries for College West Mortgage</td>
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<tr>
<td>Ancillaries for Riddell Centre Mortgage</td>
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<td>112</td>
</tr>
<tr>
<td>Ancillaries for New Residence</td>
<td>3,081</td>
<td>3,081</td>
</tr>
<tr>
<td>Ancillaries for CKH&amp;S Parkade</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>Ancillaries for FNUC Parking Lot Mortgage</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total Interfund Transfers</strong></td>
<td>3,720</td>
<td>3,674</td>
</tr>
<tr>
<td><strong>Rental Revenue</strong></td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td>Daycare Centre</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Rental Revenue</strong></td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td><strong>Interest Revenue</strong></td>
<td>61</td>
<td>56</td>
</tr>
<tr>
<td>MYDR Health Management Group Building Loan</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td>Luther College CMHC Note Loan</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total Interest Revenue</strong></td>
<td>61</td>
<td>56</td>
</tr>
<tr>
<td><strong>Miscellaneous Recoveries</strong></td>
<td>200</td>
<td>200</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$8,102</td>
<td>$3,984</td>
</tr>
</tbody>
</table>

Table III continued on page 14
### EXPENDITURES

#### Major Construction Projects
- Research and Innovation Centre: 1,477, 1,029
- Various Nursing Projects: - 3,000
- Knowledge Infrastructure Projects: 15,493, 100
- College West HVAC Project - Phase 1: 624, 118
- College West Deferred Maintenance: - 600
- College West Basement Duct Work Replacement: - 120

**Total Major Construction Projects** 17,594, 4,967

#### Facilities Management Priority Projects
- 2,216, 3,300

#### Capital Equipment Replacement
- 850, 660

#### Interfund Transfers
- Computing Services for Evergreen Program: 480, 615
- Capital Equipment Replacement: 200, 200

**Total Interfund Transfers** 680, 815

#### Interest on Debt
- Riddell Centre: 9, 3
- Day Care Centre: 11, 9
- Luther College CMHC Note Loan: 20, 15
- FNUC Parking Lot Financing: 22, 21
- Residence Financing: 2,153, 2,049
- CKH&S Parkade Financing: 171, 166
- Utility/Artificial Grass Field Loan Financing: 642, 611
- Capital Grant Loans: 520, 569

**Total Interest on Long-Term Debt** 3,548, 3,443

**TOTAL EXPENDITURES** $24,888, $13,185

**NET CAPITAL POSITION** $(16,786), $(9,201)

### ANCILLARY SERVICES BUDGETS

The 2011-12 budget for the university’s ancillary services is presented in Table IV. Other than the residences, the ancillary services are collectively budgeted to produce a surplus of $470,000. This surplus is necessary to enable the ancillaries to meet the long term targets that were approved by the Board in the residence business case.

The budget for the operation of parking services incorporates increases in rates that average 4 per cent. The reduced net position reflects experience adjustments for increased expenditures (particularly snow removal) and decreased revenue (increased use by students in residence, reducing turnover in parking spots).

The budget for the operation of the residences incorporates an increase in rates for residents. These increases average 5 percent.
TABLE IV

<table>
<thead>
<tr>
<th></th>
<th>2011-12</th>
<th></th>
<th>2010-11</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>REVENUES</td>
<td>EXPENDITURES</td>
<td>NET POSITION</td>
<td>NET POSITION</td>
</tr>
<tr>
<td>PARKING</td>
<td>$2,591</td>
<td>$2,455</td>
<td>$136</td>
<td>$419</td>
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<tr>
<td>BOOKSTORE</td>
<td>5,985</td>
<td>5,621</td>
<td>364</td>
<td>304</td>
</tr>
<tr>
<td>PRINTING SERVICES</td>
<td>2,068</td>
<td>2,068</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FOOD SERVICES</td>
<td>155</td>
<td>222</td>
<td>(67)</td>
<td>(72)</td>
</tr>
<tr>
<td>LEASED SPACE</td>
<td>44</td>
<td>7</td>
<td>37</td>
<td>34</td>
</tr>
<tr>
<td>TOTALS BEFORE RESIDENCES</td>
<td>10,843</td>
<td>10,373</td>
<td>470</td>
<td>685</td>
</tr>
<tr>
<td>TOTAL RESIDENCES</td>
<td>6,493</td>
<td>7,521</td>
<td>(1,028)</td>
<td>(1,189)</td>
</tr>
<tr>
<td>TOTAL ANCILLARIES</td>
<td>$17,336</td>
<td>$17,894</td>
<td>(558)</td>
<td>(504)</td>
</tr>
</tbody>
</table>

RESEARCH FUND

A variety of factors make it difficult to develop and present a meaningful budget for the Research Fund. With respect to revenue, there can be significant variations from year to year in the total amount of grant and contract money received. Some grants or contracts will expire during the year with no opportunity for renewal and some new opportunities for grants will arise. Total research revenues will depend on how much funding is made available by federal and provincial governments to the various research-granting agencies and on how many University of Regina researchers apply, how much they request, and how successful they are. Moreover, the bulk of federal grants are made as of 1 April, i.e., in the final month of the university’s fiscal year, making it all the more problematic to calculate a reasonable estimate for research revenues, a year in advance.

With respect to expenditures, the university has no control over the use of research accounts or the rate at which they are expended, except that the use of such funds must conform to both the university’s policies and those of the granting agency.

Nevertheless, it is useful to provide in the budget plan a sense of the anticipated amount of research funding. Table V presents a rudimentary research budget based on best estimates from the Office of Research Services.
Developing a budget for the Trust and Endowment Fund is arguably even more challenging than preparing a Research Fund budget. The Trust and Endowment Fund has only two sources of revenues: investment returns and new funds from fund-raising activity. Estimating returns on equities and bonds is notoriously fraught with difficulty; there can be dramatic changes in investment returns and, as a result, in the value of the Trust and Endowment Fund from one year to the next. With respect to fund-raising, the timing of individual large gifts is uncertain. Finally, most of the assets of the Trust and Endowment Fund have been provided to the university with restrictions on their use; the university has little latitude in determining the spending rate on these funds.

With these limitations, a Trust and Endowment Fund budget for 2011-12 is presented in Table VI. This budget assumes a 6 per cent rate of return on investment. It also assumes that $3,100,000 will be raised during 2011-12; this figure reflects anticipated cash receipts only, not the full value of multi-year campaign pledges or planned gifts.
UNIVERSITY OF REGINA
2011-12 TRUST AND ENDOWMENT FUND BUDGET
(000’s)

<table>
<thead>
<tr>
<th></th>
<th>2010-11</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Restricted</td>
<td>Expendable</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$864</td>
<td>$1,723</td>
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<tr>
<td>Fundraising Income</td>
<td>$351</td>
<td>$2,349</td>
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<tr>
<td>Operating Scholarship Income</td>
<td>-</td>
<td>$1,637</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$1,215</td>
<td>$5,709</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXPENDITURES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Support/Campaign</td>
<td>$-</td>
<td>$671</td>
</tr>
<tr>
<td>Operating Scholarships</td>
<td>$-</td>
<td>$1,637</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>-</td>
<td>$2,308</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td>$1,215</td>
<td>$3,401</td>
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</table>

THE OVERALL FUNDING PICTURE

Table VII aggregates the budgets presented above into a summary of the university’s anticipated revenues and expenditures. Its main purpose is to give an indication of the magnitude of the annual financial operations of the University of Regina. None of the fund budgets will be realized precisely as presented. The Board of Governors has approved a fund-monitoring policy and will receive and review interim reports on the various funds during the fiscal year.

The following should be noted. The 2011-12 comprehensive budget plan has been prepared using generally accepted accounting principles consistent with those used in the university's audited financial statements with the following exceptions:

- No provision has been made for amortization of capital assets. Capital asset purchases are included in budgeted expenditures at their full acquisition cost.
- No provision has been made for the disposal of any capital assets and the gain or loss to be incurred on any such disposal.
- No provision has been made for any possible change in the accrual for vacation pay and pension accrual.
- The operating budget includes one amount for all recoveries, internal and external. The financial statements show external cost recoveries as revenues, but nets internal cost recoveries against expenditures, based on an estimate of which cost categories they were recovered from.
• Certain expenditure amounts in the operating budget are treated as interfund transfers in the financial statements if they are ‘spent’ by moving them to a different fund.

• Certain revenue amounts in the operating budget are treated as interfund transfers in the financial statements if they are ‘received’ by moving them from a different fund.
### UNIVERSITY OF REGINA
2011-12 ALL UNIVERSITY FUNDS
($000's)

| TABLE VII |

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
<th>General Fund</th>
<th>Restricted Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Fund</td>
<td>Pay Accrual Fund</td>
<td>Ancillary Fund</td>
<td>Special Projects Fund</td>
<td>Total General Fund</td>
<td>Capital Asset Fund</td>
<td>Research Fund</td>
<td>Trust Fund</td>
<td>Total Restricted Fund</td>
<td>Endowment Fund</td>
<td>Total All Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grants</td>
<td>$102,119</td>
<td>-</td>
<td>-</td>
<td>1,600</td>
<td>$103,719</td>
<td>-</td>
<td>16,170</td>
<td>-</td>
<td>$16,170</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>119,889</td>
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<tr>
<td>Student Fees</td>
<td>52,023</td>
<td>-</td>
<td>-</td>
<td>300</td>
<td>52,323</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>52,323</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>14,399</td>
<td>-</td>
<td>17,336</td>
<td>2,600</td>
<td>34,335</td>
<td>3,984</td>
<td>4,830</td>
<td>1,370</td>
<td>10,184</td>
<td>6,142</td>
<td>50,661</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>168,541</td>
<td>-</td>
<td>17,336</td>
<td>4,500</td>
<td>190,377</td>
<td>3,984</td>
<td>21,000</td>
<td>1,370</td>
<td>26,354</td>
<td>6,142</td>
<td>222,873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures:</td>
<td>168,541</td>
<td>-</td>
<td>17,894</td>
<td>4,500</td>
<td>190,935</td>
<td>13,185</td>
<td>21,000</td>
<td>-</td>
<td>34,185</td>
<td>2,254</td>
<td>227,374</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>168,541</td>
<td>-</td>
<td>17,894</td>
<td>4,500</td>
<td>190,935</td>
<td>13,185</td>
<td>21,000</td>
<td>-</td>
<td>34,185</td>
<td>2,254</td>
<td>227,374</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Revenue/(Expenses)</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>(558)</td>
<td>$</td>
<td>(558)</td>
<td>(9,201)</td>
<td>-</td>
<td>1,370</td>
<td>$</td>
<td>(7,831)</td>
<td>$</td>
<td>3,888</td>
<td>$</td>
</tr>
</tbody>
</table>
THE BUDGET PLAN AND mâmawohkamâtowin: OUR WORK, OUR PEOPLE, OUR COMMUNITIES

The 2011-12 budget plan advances the aims of the university’s strategic plan, mâmawohkamâtowin: Our Work, Our People, Our Communities, in a number of ways. These include the following:

A. Our work: teaching, research, and public service

A1 – Promote and reward the pursuit of excellence in teaching, research, public service, and administration. Make the University widely known for excellence.

- Base-budget funding of $300,000 for marketing and promotion
- One-time funding for an awards officer to promote the success of university faculty and students in achieving national and international awards
- Increased spending of $464,000 in support of research activities, including a grant writer position in the Office of Research Services, a Research Communications Officer in External Relations, and support for the research activities of CRC chairs and CFI grant award holders

A2 – Reaffirm our historic commitment to the liberal arts and sciences.

- Funding from the nursing program budget for new faculty positions in Arts and Science
- An additional faculty position in Science and an increase in the sessional budget for Fine Arts
- Capital equipment funding for Fine Arts and Science

A3 – Align our array of program offerings to respond to the needs and interests of current and prospective students.

- Operating and capital funding for the new nursing program
- Funds to re-fill 14 vacant faculty and instructor positions across 5 faculties
- An additional clerical position in the Faculty of Graduate Studies and Research to address the workload resulting from increased graduate enrolments and programs.

A4 – Enhance the University’s distinctive programming and research profile. Capitalize on research successes to benefit the institution, researchers, and our students.

- A new fund for academic initiatives ($80,000) to be administered by the provost.
- Increased spending of $464,000 in support of research activities

A5 – Make the University a leader in environmental responsibility. Put sustainability at the core of our teaching, research, and campus life.

- Continued participation in the Wascana Centre Authority

A6 – Take a programmatic approach to distributed teaching and learning.

- Expansion of CCE activities on and off campus
B. Our people: engagement, diversity, success, and esteem

B1 – Build long-term relationships with First Nations and Métis communities.

- Base-budgeting the salary of the Director of the Indigenous Peoples Health Research Centre

B2 – Make the transition into university seamless; enhance accessibility and flexibility; expand early-awareness and transitional programming; and ensure that appropriate supports are in place for students with special needs.

- Increased staffing in the Centre for Student Accessibility
- UR International funding for a life skills advisor and an additional support staff position to deal with increased international student numbers
- An APT position to participate in the development of university website content

B3 – Improve the university experience for students, and foster a stronger campus community and spirit. Provide more scholarship and bursary support. Increase the amount of funding available to both undergraduate and graduate students.

- An increase in scholarship and bursary funding of $366,000

B4 – Increase our administrative efficiency and enhance productivity.

- Funding of a financial analyst in Financial Services to generate $280,000 in increased annual interest earnings
- Establishment of the Banner Knowledge Management unit

B5 – On a foundation of positive and open employee relations, provide freedom and opportunity for faculty and staff to grow, excel, and be esteemed and recognized.

- Full funding of collective agreement costs and all currently filled permanent positions

B6 – Continue to build a friendly, diverse, safe, and tolerant campus. Respect work-life balance and pay particular attention to the marginalized, the vulnerable, and the disadvantaged.

- $406,000 to fully fund the costs of retirement and parental leave allowances for faculty and staff.

C. Our communities: presence and partnerships

C1 – Raise the profile and increase the presence of the University regionally, nationally, and internationally. Promote community involvement of University personnel by redoubling our efforts to showcase the pursuit of excellence in teaching, research, and administration.

- Base-budget funding of $300,000 for marketing and promotion
- Funding of the Research Communications Officer
- Establishment of the Confucius Centre
C2 – Enhance collaboration with and between First Nations University of Canada, Campion and Luther Colleges, the Institut français, and the Gabriel Dumont Institute

- Commitment of resources to the administrative services agreement with First Nations University of Canada

C3 – Engage in educational, research, and human resource development partnerships with other educational entities, businesses, professions, and community groups

- The collaborative nursing program with SIAST
- The new Confucius Centre

In addition, the President’s Initiative Fund of $500,000 could be available to provide resources for projects and activities that support the strategic plan.