

The University of Regina's
Operations Forecast
for 2015-2016

July, 2014

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EXECUTIVE SUMMARY

- The University of Regina continues to enhance its financial sustainability. The successful completion of the academic program review with changes to over 200 programs, continuing reductions in senior administration positions, the application of Lean processes in 9 projects to date, and a plethora of other efficiency measures are testament to our commitment to controlling spending.
- The University of Regina estimates that its status quo operating funding requirement for 2015-16 is an operating grant increase of 3.6 per cent. This estimate assumes the same percentage tuition increases as 2014-15 (3.8 per cent), consistent with the ministry's Operations Forecast guidelines.
- A variety of undesirable outcomes for the University, its 14,000 students and its stakeholders would result from operating grant increases at 0 or 2 per cent.
- The University requires an additional \$750,000 in operating funding to complete the roll-out of its nursing program and \$150,000 for the second intake to the Master's program for Nurse Practitioners. Both programs are delivered in collaboration with SIAST.
- Adequate building rehabilitation and renovation in a planned, cost-effective manner has become impossible as PMR funding has dropped to a level where only emergency repairs are possible. PMR projects are now being deferred until the point of catastrophic failure. There is an inventory of building roofs at the breaking point. A substantial increase in this funding is urgently required if unsustainable long-term liabilities are to be avoided.
- The renewal of the College Avenue Campus (CAC) is the University's number one capital priority. The role of the CAC as a social and economic driver in Regina, as a source of important programming and revenue for the University, and as a proud piece of heritage, is threatened by the deteriorating and non-functional aspects of the buildings. For 2015-16, the University is proposing design approval and provincial government funding of \$1 million, to be matched by the University, for key design activities to confirm costing and project scoping details.
- \$13.3 million in additional capital funding will complete the financing package for the residence and childcare project and provide for an affordable housing operation for the Regina region in support of the housing goals of the Saskatchewan Plan for Growth (pp.34-35).
- Four new investment opportunities for the Province of Saskatchewan have been identified to help move the Saskatchewan Plan for Growth further forward in the areas of Aboriginal education, health care, public sector efficiency, and innovation.
- A graduate student scholarship program for Saskatchewan's universities would be a substantial support for our teaching and high-impact research efforts. Currently Saskatchewan is not competitive in this regard with other Canadian jurisdictions.

FINANCIAL REQUIREMENTS FOR 2015-2016

1. Budget Scenarios

The table on page 5 of this document contains a number of operating budget scenarios for 2015-16. The various columns show the approved 2014-15 operating budget (left-most column of figures), a balanced operating budget (right-most column), and the impacts of grant increases of 0% and 2%. These estimates all assume the same percentage tuition increases as 2014-15 (3.8 per cent), consistent with the ministry's Operations Forecast guidelines.

The table includes, in all scenarios, \$750,000 in additional operating funding for the undergraduate nursing program. This reflects the amount by which, over the roll-out period of the program from 2011 to the present, nursing funding provided by the province has fallen short of the amount required by the University. This amount is justified by a detailed analysis of the total costs to the University of the program compared to the funding received and a discussion of unanticipated and additional costs of mounting the program compared to the initial plan (see below).

The table also includes, in all scenarios, a \$150,000 additional operating grant for the Master of Nursing – Nurse Practitioner program. This amount will fund an additional, second entry cohort in the program, bringing the U of R's funding level for the program to within range of that of our partner, SIAST, and also with that of the University of Saskatchewan. The fall 2014 intake is well subscribed with the on-line delivery being very attractive.

2. Status Quo Requirements

The estimate of the University of Regina's funding requirements to maintain current operations for 2015-16 is based on the following assumptions:

- The approved 2014-15 operating budget accurately reflects current operations;
- No changes in Indirect Cost of Research revenue and other income;
- A 2% blended increase in utility costs, moderated by the University's long-term natural gas purchases;
- A 3% increase in cost recovery revenue, much of which is for utilities supplied to other organizations;
- 0% enrolment increases;
- Salary and benefit increases based on anticipated settlements;
- 2% increases in expenditures for scholarships, library acquisitions, and other expenditures, plus additional scholarship funding to students through the Saskatchewan Advantage Scholarship; and
- A tuition fee increase of 3.8 per cent, the increase applied in 2014-15 to all undergraduate programs and most graduate programs.

With these assumptions, status quo funding requires a **3.6** per cent increase in the University of Regina's operating grant for 2015-16.

University of Regina 2015-2016 Operations Forecast

UNIVERSITY OF REGINA OPERATIONS FORECAST FOR THE 2015-16 FISCAL YEAR

	2014-15 Base Operating Budget	2015-16 Operations Forecast			
Average Undergraduate Tuition Rate Increase		0.0%	3.8%	3.8%	3.8%
Average Graduate Tuition Rate Increase		0.0%	3.8%	3.8%	3.8%
Grant Increase		0.0%	0.0%	2.0%	3.6%
Revenues					
Provincial government grants:					
Base funding	100,209	100,209	100,209	102,213	103,833
Nursing funding	6,250	7,150	7,150	7,275	7,376
Directed funding	3,209	3,859	3,859	3,859	3,859
Provincial government grants	109,668	111,218	111,218	113,347	115,067
Federal government grants:					
Indirect cost of research	2,130	2,130	2,130	2,130	2,130
Institut francais	1,250	1,250	1,250	1,250	1,250
Federal government grants	3,380	3,380	3,380	3,380	3,380
Tuition and fees					
Undergrad tuition	55,115	55,363	57,209	57,209	57,209
Graduate tuition	7,808	7,859	8,018	8,018	8,018
Co-op/Non-credit/Other fees	8,231	8,432	8,464	8,464	8,464
Tuition, non-credit and other fees	71,154	71,654	73,691	73,691	73,691
Other Income:					
Other income	1,230	1,230	1,230	1,230	1,230
Infrastructure recoveries	1,292	1,292	1,292	1,318	1,339
Other income	2,522	2,522	2,522	2,548	2,569
Recoveries	13,508	13,913	13,913	13,913	13,913
Total Revenues	200,232	202,687	204,724	206,879	208,620
Expenditures					
Salaries and benefits	147,848	154,538	154,538	154,538	154,538
Scholarships	7,614	8,416	8,416	8,416	8,416
Library acquisitions	2,931	2,990	2,990	2,990	2,990
Utilities	7,607	7,759	7,759	7,759	7,759
Other expenditures	34,232	34,917	34,917	34,917	34,917
Total Expenditures	200,232	208,620	208,620	208,620	208,620
Cost Increases in Excess of Revenue Increases		\$ 5,934	\$ 3,897	\$ 1,741	\$ -
Additional Nursing Budget Required		750	750	750	750

Provincial Funding:

Base Funding: This is the base amount that the Government increases annually.

Nursing Funding: This amount is increased by \$750,000 to cover shortfall in Nursing funding plus \$150,000 for MN-NP second intake.

Directed Funding: This includes the Sask Advantage Scholarship Funding that flows through to student and the SIOS Funding from government.

Federal Government Grants:

Indirect Cost of Research: These figures have been kept the same. Tri-council research has not changed significantly.

Institut francais: This has been kept the same as the new funding amount is not known and any increase/decrease would be offset by a corresponding increase/decrease to expenditures at the Institut francais.

Tuition and fees:

Assumed enrolment increase of 0%.

S&S Tuition is increased at the 2014-15 rate as tuition increases only become effective for the Fall semester.

Tuition rates assumed to increase 0% in column 1 and as indicated at the top for the remaining columns.

Non-Credit/Other Fees:

Non-Credit Fees Assumed to increase by 3%. Late fines/Co-op Fees increased by undergrad tuition rate.

Other income:

Includes Interest Income and various transfers that are not expected to change.

Infrastructure recoveries assumed to increase by the provincial grant percentage increase.

Recoveries:

Projected to increase by 3%.

Salaries and Benefits:

Increased to fund estimated contract settlements, increments and benefits.

Additional salaries for Nursing have also been included.

Scholarships:

Increased by 2% plus another year of Sask Advantage Scholarship funding.

Library Acquisitions:

Increased by 2%.

Utilities:

Increased by 2% based upon expected rate increases.

Other Expenditures:

Increased by 2%.

Note: 1% Undergrad Tuition equals \$495,000.

1% Graduate Tuition equals \$43,000

1% Grant equals \$1,078,000

3. Expected Impact Assuming 0 and 2 per cent Grant Increase

Under these assumptions, a 2015-16 operating grant increase significantly less than 3.6 per cent will impair the University's ability to maintain the quality of programs and to promote growth and employment in Saskatchewan. A 2 per cent grant increase would require a \$1.7 million reduction in expenditures to produce a balanced budget. No grant increase (0 per cent) would require a \$3.9 million reduction in expenditures to produce a balanced budget. Following university budget reductions over the last three years of more than \$9 million, this would require very difficult choices. The ability of the University to reduce its budget without additional layoffs and/or activity reductions is largely exhausted.

Operational Impacts: These scenarios entail the elimination of jobs and reductions in programs, services, and enrolments, which would also diminish tuition and fee revenue. \$1 million in budget reductions is equivalent to the non-replacement or termination of about 10 full-time equivalent employees (fewer if faculty, more if other positions).

How the University would deal with such cutbacks has not been decided. The challenge is that, with commitments to students in mid-program and to tenured faculty, achieving further savings from program termination is, in the short run, virtually impossible. The University's academic program review, now concluded, resulted in the termination or suspension of a number of low-demand programs. More cuts to programs will affect large numbers of students.

Stakeholder and Client Outcomes: If faculty reductions occur, some courses will necessarily be dropped from the University's offerings while others may be offered less frequently, for example every second year. Sabbatical leave replacements may not be hired. As a result, students may find it increasingly difficult to enroll in the courses they require to complete their degree programs in a timely manner.

Funding at less than the status quo level will impair the University's ability to address provincial priorities: international student recruitment and retention, contributions to high-impact research and innovation, advancement of First Nations and Métis learners, applied learning opportunities, and distributed and collaborative course delivery. These are all areas where the University has made significant progress in recent years.

Much of our growth over the past four years has come from outside Regina, outside Saskatchewan, and outside Canada in direct support of the Saskatchewan Plan for Growth (p.26). Continuation of this growth – and indeed even maintaining our recent gains – will be challenged by insufficient government funding.

NURSING

The table at the end of this section provides a detailed analysis of expenditures for the University of Regina's portion of the undergraduate nursing program and provides the calculation for an additional \$750,000 in operating grant to complete the funding for this program.

For a number of reasons there have been significant costs pressures related to the roll-out of the nursing program, some unanticipated and some due to additional features introduced following discussions with government.

Given salaries of nursing faculty elsewhere, market supplements have been necessary to meet the challenge of recruiting and retaining qualified faculty in a very tight and competitive labour market. Additional features include distributive delivery, acceleration streams, the Aboriginal Nursing Student Achievement Program, and the LPN entry option.

The provincial government asked that the collaborative program enact distributive nursing education. To this end, the University established a site in Swift Current. More than 90 applications were received for the 8 seats at this site. While it is a very lean operation, there are real costs associated with this distant site.

The University is currently exploring the possibility of a second distant site in North Battleford where the region has experienced difficulty in recruiting and retaining RNs. The Ministry of Advanced Education has approved this site as part of the collaborative program's commitment to distributive nursing education.

In meeting government expectations regarding distributive nursing education, the University has had to hire "tech supports" in Saskatoon, Regina, and Swift Current. North Battleford, should this initiative move forward, will require on-site tech support.

With SIAST, the University has established an acceleration stream in the nursing program, creating a full term of course offerings in the summer. This option enables students to complete their studies two semesters (8 months) ahead of schedule. There are now approximately 75 students in this acceleration option. A "fast track" option has also been created whereby students at the end of Year 3 can attend classes during the summer. They then graduate in 3.5 instead of 4 years. The result is that the Collaborative program will graduate new RNs for the health care system three times a year. The University moved to the acceleration option to ensure adequate clinical experiences and "spread out" graduations over the academic year, producing a more even flow of labour market entrants.

The University has partnered with SIAST to offer ANSAP--the Aboriginal Nursing Student Achievement Program. This program supports the Aboriginal students, since early data suggest that, among all of the professional faculties, the nursing program has the lowest attrition rates for Aboriginal students.

Partnering with SIAST, the University is implementing an LPN entry option. By making use of the acceleration option, the University and SIAST will provide a program path whereby active practicing LPNs will complete the SCBScN program in 2 calendar years, not 3 as elsewhere.

All of these additional features benefit the provincial health care system and the people of Saskatchewan.

Initially, the Faculty of Nursing was accorded 15 tenure track positions; 3 of which are now occupied by academic administrators (Dean, two Associate Deans). This number of faculty was *inadequate* to support the University's teaching commitments for the SCBScN with enrolments that will reach 1,400 this fall. Early budget plans assumed that the Faculty of Nursing would hire sessionals to supplement the 15 tenure track faculty. This assumption was not valid as such a heavy reliance on sessional staff would undermine our ability to achieve accredited status (national accreditation for the program has now been received). As a result, the budget that was originally dedicated to sessional faculty (as well as funding from yet-to-be recruited professorial positions) has been committed to recruit 20 tenure track (instructor) positions. This is still a cost-effective means of meeting the University's teaching commitments in the program. But it leaves a funding gap that was unanticipated in the original planning for the program.

University of Regina Nursing Funding Additional Requirements

		Actuals for 2013-14	Increase for 2014-15	Total Nursing
Salaries	Nursing FOAPAL	3,998,309	2,773,149	6,771,458
Benefits	Paid centrally @17%	679,712	471,435	1,151,148
Direct Expenses	Nursing FOAPAL	786,209	15,724	801,933
Library	Librarian II	93,251	3,637	96,888
Information Services	Programmer Analyst	95,211	3,713	98,924
Information Services	AV Tech	54,909	2,141	57,050
Information Services	Computer Technician	70,980	2,768	73,748
Student Affairs	Student Recruiter	54,636	2,131	56,767
Student Affairs	Scholarships	318,270	6,365	324,635
Admin Support		615,149	328,106	943,255
Nursing Tuition		(2,482,469)	(807,572)	(3,290,041)
Recoveries		(85,442)		(85,442)
Nursing Funding Required		4,198,725	2,801,599	7,000,324
Nursing Funding Received		5,500,000	750,000	6,250,000
			Shortfall	750,324

CAPITAL

Sustaining Capital/Preventative Maintenance and Renewal (PMR) Funding

There is an urgent need to restore and increase the University's PMR funding from the Province. This grant is an essential resource for physical plant renewal and adaptation, for addressing a major backlog of plant deferred maintenance, and for equipment and furniture acquisitions and replacements, all of which are necessary to provide a modern, functional and appropriately equipped environment for student learning. Enrolments will reach an all-time high this fall, exceeding 14,000 students.

The following Figure 1 illustrates the trend of increasing campus growth and building inventory for the Main and College Avenue campuses. Not including the new residence building currently under construction, the University's building area has increased 43% since 2003, and 79% since 1993.

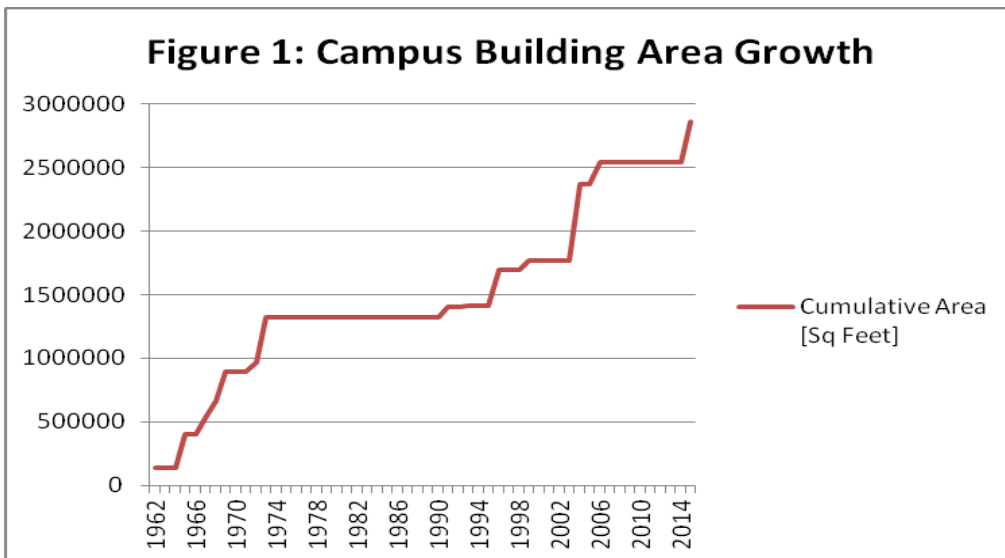
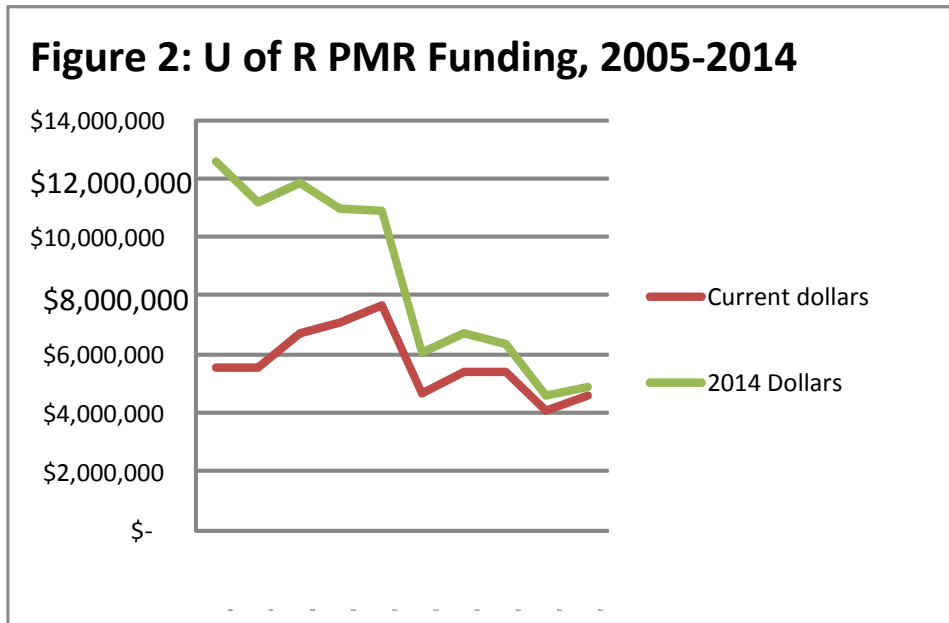


Figure 2 illustrates the downward trend in Sustaining Capital Funding since 2005. Sustaining capital/PMR funding has been reduced from \$7.672 million in 2009-10 to \$4.567 million in 2014-2015. Taking into account the hyper-inflation experienced in the Regina market, funding today is only 39% of that received in 2005-06.



These diverging trends make it increasingly difficult to address critical needs on the University’s campuses. The University’s facilities are showing increasing levels of deterioration as inflation outpaces the increases in funding required to address these needs. As demonstrated in the 2012 facility condition assessment that focused on roofing, 23% of University roofs are failing, with over 60 roof leaks occurring in locations that cannot be repaired without full replacement. A single building roof can consume 30- 50 per cent of PMR funding in a year. In the next 10 years, over \$20,000,000 will be required just for roof replacement.

Similar situations occur with building envelopes (windows, wall systems), HVAC systems, life safety systems, wiring, and plumbing.

To develop an accurate picture of the University’s recapitalization requirements, Facilities Management used CostLab software. Data for each University building was entered into the software and a preliminary Current Replacement value (CRV) was generated. The CostLab CRV was further refined based on known local construction costs. The CostLab software also calculated the recapitalization that would have been required for each building between its construction date and July 2013. The calculated recapitalization was tempered by known investments in each of the buildings. The calculated recapitalization for each building minus the known reinvestment to date yields the balance of recapitalization work required.

Table 1 (appended) presents on a per building basis, the gap as of 2013, between the historical sustaining capital investment and actual recapitalization required for maintenance and life cycle renewal. As noted in the summary figures, past funding has only served 25% of the needs of the aging facilities. If PMR funding stays at or below current levels, this, coupled with increasing inflation in one of the most active construction markets in Canada, will result in an increasing risk of interruption of research and teaching and jeopardize the safe use of the University’s facilities by students, faculty, staff and the community.

In the year since the 2013 building analysis was done, Current Replacement Value and the cost of recapitalization has escalated by 4% (average value in Saskatchewan based on BTY Group Cost Consulting). Current Replacement Value has therefore escalated to a total value of \$1.06B.

Planning for upgrades has become a near impossible task as PMR funding remains at levels where only emergency repairs are possible. University PMR prioritization now must be based on damage control and is strictly reactive. As Facilities Management assembles projects to address failed systems throughout the campus, the magnitude of the resulting projects very quickly exhausts the small capital funding that is available. Projects that were planned are then deferred until they reach the top of the list due to some catastrophic failure. This was demonstrated in College West, the Lab Building, and now with the inventory of roofs that are literally at the breaking point. This reactive repair and replacement approach is expensive and disruptive to the teaching and research environment. These risks will continue to increase in facilities such as the Lab Building, the old CK Building, College West, and the College Avenue Campus buildings that are at the end of their lives and on borrowed time (the CAC represents 22% of the University's total deferred maintenance and recapitalization backlog).

Current funding levels of 0.39% of Current Replacement Value continue to exacerbate this problem. The long-term funding goal for sustaining capital/PMR grants, established by the province over ten years ago, was 1.3% of CRV. This level was described as the lowest level of prudence and, as a minimal objective, remains valid to this day. Many jurisdictions use 2 or 3% as the target funding level.

In March 2014, the Ministry of Advanced Education formalized a capital planning cycle to begin in 2014-15. The intent of this process is to provide a number of benefits including better information on the capital requirements of the sector, improved long-term capital planning, streamlined approvals, better information/data, and improved accountability.

In addition to the regular budget allocation of Sustaining Capital (now PMR) funding, the Ministry of Advanced Education has created a Strategic Maintenance and Renewal Fund to address critical project needs, with \$2M allocated to the overall fund for the 2014-2015 year. This Strategic PMR fund is intended to address projects valued between \$250k and \$1M, and will be distributed based on the following criteria:

- Health and safety risks;
- Strategic alignment with government priorities;
- Improved learning environments or expanded capacity for students;
- Code compliance;
- Business plans (including local contributions);
- Due diligence completed (for example, engineering studies, good cost estimates, planning); and,
- 50% matching funds must be provided from the institution.

For the 2014-2015 Fiscal year, the U of R has applied for Strategic PMR Funding from Advanced Education for projects with a total value of \$1,980,000, and a shared value for the Strategic PMR Funding of \$990,000.

While this step is helpful in beginning to address deferred capital needs, the University proposes a restoration of the 2009-2010 funding level adjusted for five years of inflation, which is an amount of \$11.3 million for 2015-2016 or 1.07% of CRV. This level will help to stabilize the deterioration of the current infrastructure. Programs for reducing the unfunded capital renewal will be coordinated through prioritization of the sustaining capital/PMR budget, and through major capital initiatives such as the College Avenue Campus Renewal Project described below.

Major Capital

College Avenue Campus

The University continues to advocate the renewal of the College Avenue Campus as its number one capital priority. The *Building Knowledge- the College Avenue Campus Renewal Project* will transform the College Avenue Campus into a vibrant, accessible and efficient place of teaching and learning for Regina and surrounding communities. It will create a hub for outreach programming through the Centre for Continuing Education (CCE), including the Conservatory of Performing Arts and the Lifelong Learning Centre, and for leadership training with expanded programming from the Johnson-Shoyama Graduate School of Public Policy (JSGSPP). The College Avenue Campus already serves an average of 7,000 students per week throughout the province and is a growing \$12 million operation. After renewal, the College Avenue Campus will have capacity for 50 per cent growth in classroom usage for CCE's Business and Professional Development training and for the JSGSPP.

The College Avenue Campus is the best location for JSGSPP given its programming and its affiliation with public and private sector clients. A large portion of the JSGSPP is now located in leased space in the University's research park, a location which staff, students and clients find highly unsatisfactory. This has been necessary due to the condition of the College Avenue Campus facilities.

The revitalized College Avenue Campus will also engage with the community, providing increased capacity for community use through the development of:

- A 550-seat performance centre at Darke Hall – with a new entrance and reception area that preserves the existing entrances in their current form and respects the heritage aspects of that facility;
- A 150-seat Conservatory recital hall; and
- State-of-the-art meeting rooms in an Executive Education Centre that can be used by private and public sector organizations for retreats and conferences.

The role of the College Avenue Campus as a social and economic driver in Regina, as a source of important programming and revenue for the University, and as a proud piece of heritage, is threatened by the deteriorating and non-functional aspects of the buildings.

The *Saskatchewan Plan for Growth* recognizes that “The purpose of growth is to secure a better quality of life for Saskatchewan people.” This includes “the opportunity to enjoy and participate in a broad range of cultural (and) recreation activities” (p.58). These can include those offered through the College Avenue Campus’ Conservatory for Performing Arts, the Centre for Continuing Education, the Lifelong Learning Centre, and, potentially, a restored Darke Hall.

The Plan for Growth also envisages a more efficient public service and more effective government, capable of productivity improvements and the exploration of alternative service delivery options (p.57). The Johnson-Shoyama Graduate School of Public Policy, to be fully located in the renewed College Avenue Campus, will be capable of further enhancing its role in education, training and research that support these objectives.

For 2015-16, the University is proposing design approval and provincial government funding of \$1 million, to be matched by the University, for key design activities to confirm costing and project scoping details. Current future estimate (2016-17 and beyond): \$5 million for each of 5 years, to be more than matched by the University.

Residence and Daycare

Affordable housing and daycare shortages at the University of Regina and in the city of Regina are an impediment to student enrolment and success. The current project addresses these shortages and also assists the Government of Saskatchewan with its housing strategy (see *The Saskatchewan Plan for Growth*, pp.34-35) by taking pressure off the rental housing shortage in the city of Regina.

In 2012-13 the University received funding of \$1 million from the Government for planning of a Residence and Daycare project to construct a 608 bed residence and 180 additional daycare spaces on the main campus at an estimated cost of \$69.85 million.

The 2013 Provincial Budget announced that through Sask Housing the University would receive \$10,000,000 in support of the Residence Project. This Agreement is in place and the University has received the first half of this funding with the remainder expected in August 2014 as the University’s expenditures on this project exceeded 50% of the budget at the end of June 2014.

On April 24, 2013, the University received notification from the Ministry of Education that it will provide \$1,379,890 to support the development of 90 new child care spaces at the University of Regina. This contribution consists of \$1,000,000 toward the capital project (\$500,000 in 2013-14, and \$500,000 in 2014-15), and a further \$379,890 toward tenant renovation, furniture and resources.

The Provincial Government has recognized the importance of maintaining affordability of the housing through even greater government support and committed to consider an additional contribution beyond the initial \$11,000,000. A formal request to government for the support to the original total request of \$24,300,000 was forwarded to the Minister on August 12, 2013. Ministry and University staff have worked closely and have shared all tender and estimating details during the project as requested. The University will continue to work diligently with the Province to ensure that accommodation and daycare spaces can remain affordable for students. The request within the 2015-2016 Operations Forecast is for \$13.3 million toward the construction of the Residence which is consistent with the balance of funding requested in the original business case and request to the Province.

NEW INITIATIVES

“Our government recognizes the value of investing in Saskatchewan's post secondary education to support Saskatchewan's strong and steady economy.” (Premier Brad Wall at the unveiling of a plaque to recognize the \$300 million provincial contribution to the University of Saskatchewan's Health Sciences project, September 2, 2011)

Four new investment opportunities for the Province of Saskatchewan have been identified to help move the *Saskatchewan Plan for Growth* further forward in the areas of Aboriginal education, health care, public sector efficiency, and innovation. They leverage the University of Regina's strengths and are consistent with the University's strategic plan. These projects together will provide new opportunities for undergraduate and graduate students at a time of record enrolments and will bring world-class faculty researchers to the province.

Dedicated Program to Support Aboriginal Students & Centre for Indigenization

“The disparity in education and employment outcomes between Aboriginal and non-Aboriginal people in Saskatchewan remains one of the province's largest challenges.” (*Saskatchewan Plan for Growth*, p.17)

The purposes of this initiative are numerous, focusing on cultural supports and life-skills development, access to emergency funding and subsistence supplies, and a targeted, intensive orientation program that occurs over a period of 2-3 weeks. Additionally, the program leverages existing strengths in summer science camps (EYES), as well as the physical space, staff expertise, and access to Elders and mentors located in the Aboriginal Students' Centre. As part of academic program development, the Executive Lead, Indigenization, will establish a Centre for Indigenization, drawing in research and grant writing expertise from across campus to continue to develop and enhance indigenization of the campus.

Estimated annual budget: \$300,000 (Program) + \$150,000 (Centre)

Midwifery Program

“Moving forward, the Government of Saskatchewan will undertake new actions to ensure Saskatchewan people enjoy better health care.” (Saskatchewan Plan for Growth, p.59)

A new academic program built on the strong foundation and success of the SCBScN program, the Midwifery Program would make use of existing SCBScN courses in addition to new and innovative program-specific courses. The program is intended to leverage and collaborate closely with existing programs at UBC and Mount Royal University while expanding into specific coursework related to Aboriginal midwifery. Making use of the existing provincial technology platform for delivery of the program in Regina-Saskatoon-Swift Current and providing opportunities to expand into Fort Qu’Appelle and Prince Albert, this program will be provincial in its impact. It will connect to the initiative in the Saskatchewan Plan for Growth to employ a “team-based approach to increase access to primary care and emergency care in rural and remote settings.” (p.59)

Estimated annual budget: \$400,000

Partnership for a Next Generation Library System & Records Information Management Program

“Post-secondary institutions (will) demonstrate financial efficiencies such as joint supply purchasing, shared back office services....” (Saskatchewan Plan for Growth, p.57)

This initiative includes partnerships with SIAST (Saskatchewan Polytechnic) and the RegLIN consortium of regional and professional libraries to the benefit of inter-institutional cooperation and supports students’ transitions from academia to workplace through seamless resource interfaces and accessibility. (Regina Library Information Network (RegLIN) is a consortium that includes the University of Regina Library, the Saskatchewan Legislative Library, the Regina Qu’Appelle Health Region Health Sciences Library, the Gabriel Dumont Institute Library, and the RCMP Learning Resource Centre. RegLIN is hosted by the University of Regina with member libraries sharing the Voyager integrated library system to catalogue, locate and circulate materials.)

Investment in the transition from the current library system to the Next Generation Library System is partially completed, but requires one additional \$400,000 investment to complete the project. Because this Next Generation Library System transition includes new records management and software systems, it has been combined with the University Records Information Management Program which will provide the long-term functionality of digital University records in an increasingly complex and voluminous environment of records creation and management needs.

Estimated annual budget: \$90,000

Estimated one-time budget: \$400,000

Nuclear Power Technology (graduate & undergraduate streams)

“The Government of Saskatchewan will increase innovation in energy and minerals.” (Saskatchewan Plan for Growth, p.51)

Building on growing interest, support, and collaboration with the Fedoruk Centre and colleagues from Engineering and Applied Science, the Johnson-Shoyama Graduate School of Public Policy, and Department of Physics, there is a critical mass of faculty and researchers working in or tangential to the advancement of and academic training related to nuclear power technology, including activities related to clean energy technology and environmental management and pollution controls. Through this initiative, the University of Regina will be home to the first nuclear engineering program in Western Canada, can actively recruit Aboriginal students interested in skilled careers across the province, and particularly in northern communities, and will enhance industry and other partnerships in both teaching and research activities of the University. This initiative is aligned with the Saskatchewan Economic Plan for Growth, Government Directions 2014-15, and Ministry of Education Plan.

Estimated annual budget: \$500,000 for each of 5 years

2014-15 Proposals

The University of Regina would also welcome further discussion of initiatives put forward in its 2014-15 Operations Forecast:

- The Collaborative Centre for Justice and Safety
- Chronic pain treatment
- Clean energy technologies
- Transitions initiatives for student success

Graduate Student Financial Assistance

The Saskatchewan Innovation Scholarships have provided the University with a welcome new source of financial assistance for its research graduate students. However, a recent external review of the University’s research activities (Martha Crago and Martin Kirk, *Consultation Report on Research Administration at the University of Regina*, September 12-14, 2013) observed that, “The baseline research support available to researchers is not competitive.” In particular, the reviewers recommended increased funding for research graduate students as one step “to enable a strong, competitive research enterprise at U of R.”

A University committee has estimated the financial requirement to meet the minimum level of funding recommended by the reviewers at \$2.25 million annually.

In a number of other Canadian provinces, provincial governments operate financial assistance programs for research graduate students. The Ontario Graduate Scholarship program, for instance, provides 2- or 3-semester awards valued at up to \$5,000 per term with the following eligibility criteria:

- Registered full-time in a research Master's or Doctoral program
- A maximum of 2 years of awards for Master's students and 4 years for doctoral students

The similar Ontario Graduate Fellowship program provides \$3,000 per term.

Such a program for Saskatchewan's universities would be a substantial support for our research and educational efforts. As the *Saskatchewan Plan for Growth* enunciates, "Research and development is a critical component of a robust innovation agenda" and "The Government of Saskatchewan will support science and research activities through the province's post-secondary institutions." (p.45)

The University of Regina's research activity has been demonstrated to be of high impact; additional supports will allow us to expand our capacity by recruiting top-notch graduate students from across Canada and around the world.

SUSTAINABILITY MEASURES

Pursuant to its strategic plan, the University continues to engage in activities with the aim of increasing its efficiency, effectiveness, and financial sustainability. Recent steps include the following:

- New academic programming has been introduced, including: undergraduate nursing, Creative Technologies, Master of Health Administration, and Master of Nursing – Nurse Practitioner. Other programs have been re-designed, such as the graduate programs in business administration and the Faculty of Engineering's Master of Applied Science.
- Total enrolments have grown by 13% from the fall of 2009 to fall 2013 and are expected to exceed 14,000 in fall 2014. The number of self-declared Aboriginal students has grown by 41% and now makes up 11% of the student population. International student enrolments grew by 76% to 12% of all students. Enrolments from neighbouring provinces and areas of Saskatchewan beyond Regina are also growing as a result of enhanced recruiting efforts. The number of new students from Ontario, Manitoba, Alberta, and BC increased by 31% in 2013-14 from the previous year.
- A new institutional strategic plan is in the final stages of development.
- An internal audit function has been established and a three-year program of initial audits approved.
- The Provincial Auditor was invited to review the University of Regina's research administration. In a complementary process, the University commissioned an external review to provide recommendations on improving research support for faculty. Substantial progress has since been made in the implementation of recommendations from both reviews. See <http://www.uregina.ca/president/executive-team/vp-research/projects-initiatives.html>
- A review of procurement processes has been completed by the Provincial Auditor; recommendations are being implemented.

- Student financial assistance has been significantly increased, with help from new provincial government programs. The operating budget allocation for scholarships has more than doubled from 2009-10 to 2014-15 from \$3.7 million to \$7.6 million. Among 14 comprehensive Canadian universities, the University of Regina is second-highest in total financial aid to students (all university sources) as a percentage of tuition revenue (35% in 2011-12). This is twice the average.
- The UR Early program, with classes beginning before the traditional start time, has been successfully introduced. UR Early provides another option for students and makes more efficient use of classroom space which is in short supply.
- Service areas for the Registrar, Financial Services, and Enrolment Services and Student Aid and Financial Assistance have been renovated to increase staff efficiency and student access.
- The registration of first-year students has been revised to simplify and speed up the process, with the goal of increasing the percentage of admitted students who enrol at the University.
- On-line teaching and blended learning continues to grow, benefiting students and reducing costs.
- Prior Learning Assessment and Recognition (PLAR) is a program that awards credit for learning acquired through an applicant's professional and personal life, skills training, and volunteer experiences.
- The automated timetabling and class scheduling application is being implemented; its introduction will optimize students' scheduling of their classes and create further efficiencies in space usage.
- A process and organizational review in the Centre for Continuing Education (CCE) has resulted in cost-effective re-organization and process changes.
- CCE's surplus is projected to increase for 2014-15 to \$6.73 million (\$677,000 over the 2013-14 budget target).
- A full process review in Facilities Management continues. A new software system has been selected and is being implemented.
- The Academic Recovery Program is a new two-semester program that gives students who have experienced difficulties in university an opportunity to strengthen their study skills, evaluate their education and career direction, and build strategies to aid with future academic and personal goals. Students take credit courses and participate in other activities designed to help them succeed academically. These include participating in support workshops, creating a personal and professional development portfolio, and participating in guided study sessions. Students have access to additional tutoring and support as well as academic success advice from experts.
- University of Regina faculty, staff, and students have had remarkable success in local, provincial, national, and international competitions for scholarships and awards in the past five years. More than 20 awards have been received by faculty, staff, students, and the University over the last three years, as a result of the facilitation of awards through the President's Office. Students have won a number of prestigious national awards such as Vanier Awards for the first time in the University's history.

- Nine (9) Lean projects have been undertaken or are in planning stages: Facilities Management (3) - maintenance work-order process, parking and transportation, and security incident reporting; Human Resources (2) - payroll processes, academic performance review; Library (2) - user services amalgamation and technical services; Audio-Visual Services (1); and Graduate Studies (1) – admissions.
- The residence operations are outperforming the business plan and the food services annual deficit has been turned into a quarter million dollar surplus.
- The University has implemented vacancy management for academic and non-academic positions and stricter control on sessional appointments.
- The Print Optimization Project has resulted in substantial cost savings (\$2.3 million over 5 years) and reduced carbon impact (60%).
- A Document Management Project is in process, moving the University in the direction of paperless student records.
- The Aboriginal Students Centre has been expanded to provide a culturally appropriate study and gathering place for students. The Aboriginal Student Centre's main focus is on assisting Aboriginal students with:
 - Successful transition into University;
 - Retention at the post-secondary level;
 - Participation at University events;
 - Successful completion of programs; and
 - Transition into the workforce
- CPRC Press has been re-organized as University of Regina Press with a self-sustaining business plan.
- The Co-op education program at the University of Regina continues to set new records for placements and student earnings. During 2013, the co-op program saw 835 career-related student placements, with students earning \$9.7 million to help pay for their education. Overall, the program has grown by 45% in the last seven years.
- Enrolment in the new online Master's Degree in Health Administration exceeded planning estimates.
- Under the Advisory Services Agreement the University of Regina continues to contribute to the sustainability of First Nations University of Canada.
- Additional support for international students in areas such as life skills and language is being delivered via the Global Learning Centre.
- The new residence and childcare facilities will enhance the recruitment and retention of students.
- Enrolment Services and UR International have introduced EZ Recruit, a web-based system that streamlines their processes and allows them to better track recruitment prospects and enhance service to them.

2013-2014 Budget

- Budget cuts of 3 per cent to budget units. Resulting reductions in the operating budget totalled \$3.5 million.
- Approximately 20 faculty and staff positions were eliminated, most through attrition and re-organization.
- There were reductions of about \$1.7 million in discretionary budgets through cuts in sessional teaching and non-salary expenditures.
- The operating budget provided no allowance to most unit budgets for inflationary increases for material and supplies.
- Growing academic units received in total 5 faculty positions and funding for 4 support staff positions out of the total 10.5 full-time equivalent positions funded.

2014-2015 Budget

- The voluntary retirement incentive program will reduce salary and benefit costs by \$1.5 million. A total of 51 employees elected to take early retirement. Of their base compensation costs, 50 per cent will be reinvested in replacement positions, often at lower cost; the remaining positions will be vacated without replacements.
- Budget reductions totaling \$466,000 from administrative units.
- The salaries and benefits for three vacant senior administrative positions were eliminated.
- The operating budget again provided no allowance to most unit budgets for inflationary increases for material and supplies.
- As proposed and approved by the Engineering students, the Engineering student equipment fee was increased from \$50 to \$100 per semester except for Petroleum Systems Engineering students, for whom the fee was increased to \$200 per semester.

CONCLUSION

The University of Regina has been successfully pursuing its vision and implementing its strategic plan with significant new levels of achievement.

The University of Regina's direction and activities are strongly aligned with the vision of the Government of Saskatchewan and the *Saskatchewan Plan for Growth*. An appropriately resourced University of Regina is necessary for success in this regard.

Additional funding would allow the University to embark on exciting new initiatives that leverage the University's strengths and expand its impacts on the province. Four new investment opportunities for the Province of Saskatchewan have been identified

to help move the Saskatchewan Plan for Growth further forward in the areas of Aboriginal education, health care, public sector efficiency, and innovation.

A restoration of the purchasing power of PMR funding is urgently required to protect the infrastructure of the University and the quality of its teaching and research activities.

The role of the College Avenue Campus as a social and economic driver in Regina, as a source of important programming and revenue for the University, and as a proud piece of heritage, is threatened by the deteriorating and non-functional aspects of the buildings. Funding is requested to assist with planning and design work for the renewal of the historic campus.

University of Regina 2015-2016 Operations Forecast

Table 1

Building Name	Size (Sq.Ft.)	Age	Current Replacement Cost	Unit Replacement Cost (\$/sf)	Deferred Maintenance	Total Recapitalization Required to date	Percent Invested in Recapitalization	Invested Recapitalization	Deferred Recapitalization	Total Deferred Maintenance + Recapitalization
Administration Humanities	109,966	40	\$ 40,467,488.00	\$ 368	\$ 511,007	\$ 19,064,611	30.0%	\$ 5,719,383	\$ 13,345,228	\$ 13,856,235
Campion	4,472	46	\$ 1,422,096.00	\$ 318	\$ 32,586	\$ 740,172	4.0%	\$ 29,607	\$ 710,565	\$ 743,152
CKHS - New	264,672	9	\$ 68,814,720.00	\$ 260	\$ 83,270	\$ 520,325	10.0%	\$ 52,033	\$ 468,293	\$ 551,563
CKHS - Old	95,569	46	\$ 24,847,940.00	\$ 260	\$ 286,628	\$ 14,837,255	20.0%	\$ 2,967,451	\$ 11,869,804	\$ 12,156,432
Classroom	119,482	48	\$ 43,969,376.00	\$ 368	\$ 306,989	\$ 25,245,738	40.0%	\$ 10,098,295	\$ 15,147,443	\$ 15,454,432
College Avenue Campus	140,652	99	\$ 98,456,400.00	\$ 700	\$ 3,247,837	\$ 67,000,000	5.0%	\$ 3,350,000	\$ 63,650,000	\$ 66,897,837
College West	242,320	40	\$ 56,460,560.00	\$ 233	\$ 866,742	\$ 28,877,448	20.0%	\$ 5,775,490	\$ 23,101,958	\$ 23,968,701
Cypress	1,616	40	\$ 150,000.00	\$ 260	\$ 500	\$ 25,000	10.0%	\$ 2,500	\$ 22,500	\$ 23,000
Day Care	6,459	20	\$ 1,679,340.00	\$ 260	\$ 10,495	\$ 490,134	10.0%	\$ 49,013	\$ 441,121	\$ 451,616
Dr. John Archer Library	138,829	45	\$ 61,640,076.00	\$ 444	\$ 744,393	\$ 31,863,273	15.0%	\$ 4,779,491	\$ 27,083,782	\$ 27,828,176
Education	285,609	44	\$ 105,104,112.00	\$ 368	\$ 939,059	\$ 56,974,353	50.0%	\$ 28,487,177	\$ 28,487,177	\$ 29,426,236
Education Auditorium	15,473	44	\$ 4,920,414.00	\$ 318	\$ 124,901	\$ 2,856,352	60.0%	\$ 1,713,811	\$ 1,142,541	\$ 1,267,442
EEC	4,141	9	\$ 10,000,000.00	n/a	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -
Heating Plant & Tunnels	28,777	46	\$ 64,700,000.00	n/a	\$ 211,000	\$ 32,000,000	30.0%	\$ 9,600,000	\$ 22,400,000	\$ 22,611,000
Laboratory	138,285	48	\$ 96,799,500.00	\$ 700	\$ 1,614,645	\$ 55,579,020	20.0%	\$ 11,115,804	\$ 44,463,216	\$ 46,077,861
Language Institute	74,587	22	\$ 17,378,771.00	\$ 233	\$ 139,439	\$ 5,561,896	10.0%	\$ 556,190	\$ 5,005,706	\$ 5,145,145
Lift Station	454	14	\$ 1,000,000.00	n/a	\$ -	\$ 250,000	20.0%	\$ 50,000	\$ 200,000	\$ 200,000
Maintenance	73,003	41	\$ 29,201,200.00	\$ 400	\$ 335,431	\$ 17,059,406	60.0%	\$ 10,235,644	\$ 6,823,763	\$ 7,159,194
North Residence	168,030	9	\$ 39,150,990.00	\$ 233	\$ 61,100	\$ 438,469	5.0%	\$ 21,923	\$ 416,546	\$ 477,646
President's House	5,566	21	\$ 1,146,596.00	\$ 206	\$ 11,603	\$ 450,948	20.0%	\$ 90,190	\$ 360,759	\$ 372,362
Research & Innovation Centre	168,538	7	\$ 101,122,800.00	\$ 600	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -
Riddell Centre	281,408	17	\$ 89,487,744.00	\$ 318	\$ 302,710	\$ 12,382,855	5.0%	\$ 619,143	\$ 11,763,712	\$ 12,066,422
Roadways - Pavement, Curb & Gutter	-	-	\$ 8,256,120.00	n/a	\$ 12,965	\$ 8,256,120	20.0%	\$ 1,651,224	\$ 6,604,896	\$ 6,617,861
Parking Lots - Pavement & curbs	-	-	\$ 14,446,990.00	n/a	\$ 63,976	\$ 14,446,990	20.0%	\$ 2,889,398	\$ 11,557,592	\$ 11,621,568
South Residence	160,947	9	\$ 37,500,651.00	\$ 233	\$ 61,100	\$ 437,072	5.0%	\$ 21,854	\$ 415,219	\$ 476,319
Technology Development Centre	6,516	39	\$ 1,687,644.00	\$ 259	\$ 48,785	\$ 907,477	5.0%	\$ 45,374	\$ 862,103	\$ 910,888
W2 - Campion to Luther	2,354	22	\$ 652,058.00	\$ 277	\$ 4,849	\$ 189,326	5.0%	\$ 9,466	\$ 179,860	\$ 184,708
Substation	600	15	\$ 8,000,000.00	n/a	\$ 5,000	\$ 1,000,000	5.0%	\$ 50,000	\$ 950,000	\$ 955,000
					\$ -					
Total	2,538,325	32.31	\$ 1,020,463,586		\$ 10,027,011	\$ 397,454,242		\$ 99,980,460	\$ 297,473,782	\$ 307,500,793

<p>Definitions:</p> <p>Deferred Maintenance: Major maintenance funded by Operations Funding that has gone unfunded in previous budget cycles. The U of R Facilities Management has a successful history of diligent maintenance, therefore it is estimated that approximately 10% of the required maintenance has been deferred, resulting in the above total value for each building. There has been a trend of reduced funding in this area, therefore deferred maintenance will increase in the future.</p> <p>Recapitalization: Capital renewal or major repairs and replacements required to address equipment and facilities that have reached the end of service life. This work is typically funded by Sustaining Capital, and is sometimes funded by Major capital requests or targeted infrastructure funding such as the Federal/Provincial <i>Knowledge Infrastructure Program</i>. Funding levels for sustaining capital have experienced a steady decline over the past 10 years.</p> <p>Total Recapitalization: Represents the total investment in capital renewal required from the date of completion up to the present date.</p>	<p>Invested Recap / Total Recap Req'd: 25%</p>
	<p>Average Annual Recapitalization \$ 12,302,155</p>
	<p>Average Invested Recapitalization \$ 3,094,633</p>
	<p>Average Annual Recap Shortfall: \$ 9,207,522</p>
	<p>Definitions:</p> <p>Invested Recapitalization: Total funding to date that has been invested in Capital Renewal.</p> <p>Deferred Recapitalization: Balance of funding required to satisfy the requirements of the estimated Total Recapitalization.</p> <p>Invested Recap / Total Recap Req'd: Ratio of recapitalization funding received over total funding required.</p> <p>Average Recapitalization: Total Recapitalization value divided by average age of buildings</p>