

**UNIVERSITY COUNCIL
PLANNING AND PRIORITIES COMMITTEE
FOR INFORMATION ONLY**

PRESENTED BY: Bob Tyler, Chair, Planning and Priorities Committee

DATE OF MEETING: November 17, 2011

SUBJECT: **2012-13 Operations Forecast**

COUNCIL ACTION: For information only

CONTEXT AND BACKGROUND:

The Planning and Priorities Committee is responsible for providing advice to the President on the budgetary implications of the Operations Forecast and reporting to Council on the nature of its advice.

ATTACHMENTS:

1. Memorandum on the 2012-13 Operations Forecast.

The full text of the 2012-13 Operations Forecast document can be found at:
www.usask.ca/ip/inst_planning/major_planning/budget/op_forecast.php



MEMORANDUM

TO: Peter MacKinnon, President
Brett Fairbairn, Provost and Vice-President Academic

FROM: Bob Tyler, Chair, Planning and Priorities Committee of Council

DATE: October 5, 2011

RE: 2012-13 Operations Forecast

As Chair of the Planning and Priorities Committee of Council, I am pleased to have the opportunity to provide the Committee's perspective on the 2012-13 Operations Forecast. The Committee reviewed, and provided comments on, drafts of the Operations Forecast on September 14th and 28th, and on September 19th I represented the Committee at a meeting where the University's funding priorities were discussed with representatives of the Ministry of Advanced Education, Employment and Immigration and the Ministry of Finance. Earlier in the fall, the Committee's Finance Subcommittee had an initial discussion of the key messages intended for the 2012-13 Operations Forecast, and reviewed the preliminary 2012-13 operating budget.

Efficient and effective use of public resources and their allocation to strategic areas of priority exemplifies the principle of responsible stewardship. Accordingly, the theme of returning to "the basics," accompanied by a request that is prudent, realistic and based on the academic priorities of the University (as is our usual practice), is supported unreservedly by the Planning and Priorities Committee. Although a change in government on November 7th is not anticipated, the Committee recognizes that some period of transition may be at hand subsequent to the election. In and of itself, this element of change poses some degree of uncertainty regarding the future direction of the Province, hence ensuring that the University is well positioned to deliver upon its core mission and values is a sound approach. Emphasizing that the University and the Government of Saskatchewan are partners in ensuring the economic future of the Province is also helpful in this regard, as is providing concrete examples of recent collaborative success.

Other areas of foreseeable risk include issues related to the solvency of the University's defined benefit pension plan, uncertainty in economies and financial markets around the world, and the demographics of the Province and the associated need to attract more Aboriginal students and students from elsewhere in Canada and internationally. Inclusion in the Operations Forecast of

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discussion on diversifying the University's revenue base, tuition policy, enrolment management, improvements in efficiency in systems and processes, and past and future integrated planning efforts demonstrates clearly that the University is fully aware of these areas of risk and is developing strategies to minimize its exposure.

The Committee is pleased with the priority placed on capital planning in the Operations Forecast, and it wholeheartedly supports the emphasis on development of an aggressive strategy to address deferred maintenance, particularly as it relates to core campus renewal, and agrees that a contribution from the operating budget to the RenewUS strategy is justified. The Committee also agrees that cash funding of RenewUS, including the current sustaining capital grant, in lieu of the current borrowing room requirement is desirable. The Committee is particularly pleased to see that the Gordon Oakes – Red Bear Student Centre and the Student Amenities Building are top priorities for 2012-13. These two expenditures underscore the University's focus on the critically important and interrelated missions of improving the student experience and providing new opportunities for Aboriginal students to succeed at the University of Saskatchewan.

In closing, the Planning and Priorities Committee acknowledges and appreciates the thoughtful approach and foresight that members of senior administration have once again employed in describing the University's financial requirements. We are indeed fortunate to have senior administrators of such high calibre at this institution. The Committee also acknowledges and appreciates the hard work of those who have made the 2012-13 Operations Forecast the very fine document that it is. It bears repeating that the University's financial requirements are realistic, clearly stated and based on sound budgetary assumptions, and that the submission recognizes both the financial risks and the opportunities that lie ahead.

On behalf of the members of the Planning and Priorities Committee,

Sincerely,



Bob Tyler