

Executive summary

The 2012-13 to 2015-16 multi-year capital plan (MYCP) establishes the context for capital planning and identifies the major capital projects (>\$0.5M), capital programs and capital priorities that are emerging or underway in support of the third integrated plan. The MYCP aligns the university's academic priorities with capital planning and capital management, and encompasses all the dimensions of capital planning at the university, including physical assets such as buildings, space, land, infrastructure, information and communications technology, equipment, critical maintenance and renewal. The annual capital plan (ACP), an update to the MYCP, focuses on a one-year planning window and aligns capital priorities, projects and activities with available external and internal capital funding. The ACP identifies major capital projects (>\$0.5M), capital programs, capital priorities and activities that will be undertaken during 2014-15. The 2012-13 to 2015-16 MYCP identified four overarching capital priorities. These capital priorities and our corresponding actions for the next year are:

- 1. Implement a renewal and revitalization program – RenewUS:** The university will finalize an implementation strategy for RenewUS, a strategic renewal program that simultaneously addresses academic renewal and deferred maintenance within the core campus. Several RenewUS capital projects will be identified and brought forward for institutional review and approval. These projects will comprehensively blend strategic academic renewal priorities with priority capital deficiencies and institutional strategic and funding opportunities. A space needs analysis and assessment for the College of Arts and Science will be completed by the fall of 2014 and will complement recently completed analysis for the University Library and the Murray Building. The university is also developing an overall maintenance and renewal strategy involving a comprehensive review of all of our campus buildings to identify whether individual buildings will be renewed, renewed and adapted, decommissioned and replaced with new buildings, or restored in the case of historical buildings.
- 2. Develop new strategic capital projects based on university's academic priorities:** The university will re-assess the vision, scope, approach and strategies for developing capital projects based on the academic priorities of the university, and funding opportunities including projects such as childcare expansion and the Natural Resources Innovation Complex.
- 3. Explore new and innovative ways to use the university's land base to achieve our strategic goals:** At Preston Crossing, negotiations are underway for the fifth phase of the Preston Crossing development. Within the College Quarter North East Precinct, plans call for a developer to start construction in the fall of 2014 for a new hotel. A site and infrastructure plan have been prepared and a budget is being established which allows the university to proceed with a request for proposal seeking a developer for an ice arena. The university is also engaged with the City of Saskatoon as part of their Growing Forward strategy for future development lands within the city.
- 4. Ensure our growing distance education and distributive learning programs are appropriately supported:** The learning technologies governance committee (co-chaired by the associate vice-president, Information and Communications Technology and the vice-provost, teaching and learning) has been developed to support the distributed learning agenda by assessing current use of learning technologies in all settings, coordinate service provision and work with external partners to develop system-wide recommendations. The university continues to enhance its

facilities and technology at Île-à-la-Crosse, La Ronge and Prince Albert in support of distributed learning, thereby providing an option for students to learn in their home community.

2014-15 operations forecast

Our capital request to the provincial government as part of the 2014-15 operations forecast is noted below along with the corresponding funding received.

Funding for:	We requested:	We received:
Cash grant for Health Sciences project	\$6.5 million	\$6.5 million
Cash grant for preventative maintenance and renewal	\$14.7 million	\$11.942 million
RenewUS (rejuvenation of core campus)	\$25.0 million	\$0
Planning funds for the Natural Resources Innovation Complex	\$0.750 million	\$0

Preventative maintenance and renewal (PMR)

Note: In 2014-15, the provincial government allocated \$11.942 million for preventative maintenance and renewal previously called the sustaining capital grant (SCG). All previous reference to the SCG has therefore been changed to PMR.

The table below outlines the recommended allocation for the \$11.942 million provided by the provincial government.

Program name	Allocation for 2013-14 (in millions)	Allocation for 2014-15 (in millions)
Major capital (completed)	\$0.250	\$0.000
Capital renewal	\$7.154	\$7.767
Strategic renewal – RenewUS	\$1.325	\$1.725
PCIP adaptation fund	\$0.600	\$0.800
Campus core revitalization-phases 1&2	\$0.000	\$0.000
University-wide ICT	\$0.710	\$0.900
University-wide multimedia	\$0.555	\$0.750
Total preventative maintenance and renewal	\$10.594	\$11.942

Classroom renewal program

As a means of addressing academic priorities blended with capital renewal, the university is developing a classroom renewal program to systematically and comprehensively coordinate the renewal and equipping of classrooms. The program will secure funding of approximately \$3.0 million from the existing preventative maintenance and renewal (PMR) fund and is scheduled for completion by September/2017.

Strategic planning activities

The university, in consultation with the Ministry of Advanced Education, will review the institution's capital planning reports to ensure that the documents address the needs of both the university and the provincial government. The university will re-visit the current major project planning process to ensure that it still addresses the original need for its creation in 2003, meets our changing and emerging requirements, and assists the institution in the assessment and prioritization of our capital projects.

1.0 Context

Within the hierarchy of key capital planning documents¹ and reports at the university, the ACP focuses on capital portfolio governance and provides the update on capital needs, capital funding, priorities and projects for the upcoming year. This plan aligns the university's academic priorities with capital planning, capital management and with external and internal capital funding. The ACP identifies major capital projects (>\$0.5M), programs and priorities that are emerging or underway in support of the third integrated plan as established through the university's major projects planning process. The ACP encompasses all the dimensions of capital planning at the University of Saskatchewan, including physical assets such as buildings, space, land, infrastructure, information and communications technology, equipment, critical maintenance and renewal.

2.0 Operations forecast

Each year we communicate our capital needs to the provincial government through the operations forecast. For 2014-15, our total request for cash grants amounted to \$46.95 million as follows:

- \$6.5 million to support the ongoing commitment to the Health Sciences Building project;
- RenewUS funding of \$25.0 million to undertake the rejuvenation of existing classrooms, teaching and research laboratories within the core campus;
- Preventative maintenance and renewal of \$14.7 million for capital replacement and deferred maintenance needs of buildings and information and communications systems and infrastructure; and
- \$750,000 contribution from the province, with matching funds to be provided by the university, for the planning of a new Natural Resources Innovation Complex.

The 2014-15 provincial budget provided the university with capital funding as follows:

- \$6.5 million as a cash grant for continued construction of the Health Sciences project. This will meet the anticipated construction costs for 2014-15;
- \$11.942 million in cash funding for the annual preventative maintenance and renewal fund. This is an increase of \$1.33 million (12.7%) from 2013-14; and
- Targeted funding was not provided for RenewUS nor the planning study for the Natural Resources Innovation Complex.

While the university did not receive the full amount of funding requested, it should be noted that the capital funding provided was provided as a cash grant. This relieved the growing concern about the university's total debt relative to our peers and the restrictions upon our ability to use debt financing to fund future critical projects and strategic opportunities. Although no targeted funds were directed to RenewUS, the university will continue to work with the government to identify developmental and funding strategies for our most urgent renewal needs. The university will continue discussions with the Ministry of Advanced Education and SaskBuilds to explore funding opportunities or partnerships. The university will also investigate the potential to secure capital funding from the Building Canada fund for capital projects that support innovation.

In support of RenewUS, the university allocated \$1 million from its 2012-13 operating budget to further develop this program through studies, planning, assessments and design, including the initiation of a space needs analysis and assessment for our academic core. An additional commitment of \$3.0 million from the

¹ Information on capital planning at the University of Saskatchewan is available at http://www.usask.ca/ipa/planning/capital_planning/

2013-14 operating budget and \$5.0 million from the 2014-15 operating budget will allow specific high priority actions to be undertaken.

3.0 Priorities for 2014-15

The ACP as an update to the MYCP identifies major capital projects (>\$0.5M), capital programs, capital priorities and activities that will be worked on during 2014-15.

3.1 Renewal and revitalization - RenewUS

RenewUS is a comprehensive renewal and revitalization program established in 2011. This program is primarily focusing on addressing critical deferred maintenance issues by blending them with the academic renewal of teaching, learning and research buildings and spaces.

The RenewUS program is designed around the stewardship and coordination of three distinct components:

- major capital projects addressing critical infrastructure issues;
- the renewal and revitalization of core campus buildings; and
- ongoing cyclical renewal of non-core campus buildings through funding provided from the annual preventative maintenance and renewal fund.

3.1.1 RenewUS: Phase 1 - Critical infrastructure projects

The provision of capital funds through debt financing (\$9 million) and the university's own accumulated funds (\$5 million) in 2012-13 has allowed the university to proceed with three critical infrastructures projects that will be completed within the third planning cycle.

Project name	Status	Planned construction
1. Replacement of chillers #2 and #3	Board 2 – December 2013	Completion by 2015
2. Replacement of boiler #2	Board 2 – December 2012	Completion in 2014
3. Replacement of T1 and T2 transformers	Board 2 – December 2012	Completion by 2015

3.1.2 Core campus priorities

Renewal of the core campus will allow the university to undertake the rejuvenation of existing classrooms, teaching and research laboratories. The revitalization of academic program space, buildings, and information technology systems within the Arts, Physics, Biology, Murray, and Thorvaldson buildings will support the academic priorities of the College of Arts and Science and enhance the operation of the University Library.

During the next year, we will:

- finalize an implementation strategy for RenewUS, a strategic renewal program that simultaneously addresses academic renewal and deferred maintenance within the core campus;
- formally identify and develop a minimum of three specific RenewUS capital projects that will comprehensively blend strategic academic renewal priorities with priority capital deficiencies and institutional opportunities;
- complete a space needs analysis and assessment and functional program development for the College of Arts and Science by the fall of 2014. This information will complement analysis recently completed for the University Library and the Murray Building;
- formalize a preliminary functional fit of space to program analysis within each of the core buildings; and

- identify the information and communications technology and multi-media equipment needed to support changing teaching, learning and research pedagogies within those buildings.

3.1.3 Preventative maintenance and renewal (ongoing cyclical renewal)

Preventative maintenance and renewal review

The PMR fund provided annually by the provincial government is used to address ongoing renewal and replacement priorities for buildings, infrastructure, technology and equipment; support strategic priorities and reduce the capital debt associated with past major capital projects necessitated due to severe deferred maintenance issues. In 2013-14, the remaining capital debt repayments were completed for two of the programs: major capital and campus core revitalization and these programs are now closed.

The preventative maintenance and renewal fund review committee developed an interim report that was approved by PCIP in May of 2013. Recommendations made by the review committee, contained in the 2013-14 ACP, have subsequently been implemented.

Preventative maintenance and renewal allocation: 2014-15

For 2014-15, the provincial government provided the PMR as cash and not debt financing, and increased the funding level from \$10.594 million in 2013-14 to \$11.924 million in 2014-15 (an increase of \$1.33 million or 12.7 per cent). This amount, while increased from 2013-14, is still significantly less than the \$20 million allocated in 2009-10, and has limited the university's ability to address deferred maintenance.

Program name	Description	Allocation for 2013-14 (in millions)	Allocation for 2014-15 (in millions)
Major capital	Program completed in 2013-14; no further funding is required.	\$0.250	\$0.000
Capital renewal	Funding allocated to addresses code, regulatory, safety requirements, functional adaptation, capital replacement and deferred maintenance needs of building systems and infrastructure.	\$7.154	\$7.767
Strategic renewal – RenewUS	Comprehensive renewal and revitalization program.	\$1.325 *	\$1.725 **
PCIP adaptation fund	Fund supports academic renewal for new academic or research initiatives that require capital funds.	\$0.600	\$0.800
Campus core revitalization	Phase 1 and 2 completed in 2013-14; no further funding is required. Phase 3 is incorporated within RenewUS	\$0.000	\$0.000
University-wide ICT	Program supports the renewal of university-wide information and communications technology.	\$0.710	\$0.900
University-wide Multimedia	Program supports the installation, renewal, and replacement of multimedia equipment and technology.	\$0.555	\$0.750
Total – Preventative maintenance and renewal		\$10.594	\$11.942

* In 2013-14, an additional \$1.675 million was allocated from the operating budget to increase the total commitment to \$3.0 million.

** In 2014-15 additional funding of \$3.275 million is being provided from the operating budget to increase the total commitment to \$5.0 million.

Beginning in the 2013-14 budget year, as per the recommendations of the preventative maintenance and renewal review committee and approved by PCIP, the general capital equipment fund and the faculty start-up support programs are to be funded from the operating budget as a funding transition from capital to

operating. The SCG allocation process determines the level of funding for these items from the operating budget.

The following programs are managed through the PMR fund but are funded from the university’s operating budget.

General capital equipment	Program assists colleges, schools and administrative units with the purchase of equipment and information technology.	\$0.600	\$1.000
Faculty startup and support	Program provides research start-up funding for new tenure-track faculty and supports the renewal of faculty desktop computers.	\$0.725	\$0.725

Classroom renewal program

As a means of addressing academic priorities blended with capital renewal, the university is developing a classroom renewal program to systematically and comprehensively coordinate the renewal and equipping of classrooms. The program will secure funding of approximately \$3.0 million from the existing PMR funds and is scheduled for completion by September 2017. The primary focus is to:

- complete installation of fixed multimedia in all classrooms (60-65) (highest priority project);
- renew computer and multimedia technology in existing classrooms;
- refurbish and renew existing classrooms (e.g. furnishings, fixtures, infrastructure, finishes);
- review classroom configurations; and
- establish a steering committee to prioritize, oversee, and govern the program and classroom renewal requirements.

The program will eliminate the need for:

- the provision of annual funding for new classroom multimedia installations as all classrooms will have been equipped (note: renewal funds will still be required);
- mobile multimedia carts; and
- operating costs associated with the placement of mobile multimedia carts across campus.

The steering committee with the vice-provost, teaching and learning, as executive sponsor, will review the continuation of the program on an ongoing basis with annual funding provided from the PMR fund.

Maintenance and renewal strategies

The university is also developing an overall maintenance and renewal strategy involving a comprehensive review of all of our campus buildings to assess whether individual buildings will be:

- Run to failure: Maintain the structure and operate the building to end of planned life cycle.
- Deferred maintenance focus: Maintain the building and continue to invest in the building to avoid building system failures.
- Renewal and adaptive: Similar to the RenewUS program, academic and capital renewal will be undertaken simultaneously
- New building and comprehensive restoration: It will be assessed whether selected buildings should be restored or replaced by new structures.
- Blended strategy: A blended master plan will be developed based on the above-noted strategies including an assessment of funding assumptions and models.

Appendix 1 – 2014-15 preventative maintenance and renewal fund allocations

3.2 Emerging and developing capital projects

The third integrated plan has identified a number of priorities critical to the ongoing success of the university, which will be reflected in the capital projects we undertake. In addition to the projects identified as critical, we continue to assess and review capital projects that are essential for the university to support academic and increasingly intense and complex research programs, or undergoing a change in the program delivery model. Moreover, the projects support the service needs of our student community. Projects are initiated in consultations with colleges or as a needed to address institutional infrastructure deficiencies. As these projects are stewarded through the planning process, we will collaborate with all levels of government, industry and donors to secure the required capital funding. During the next year, the university will be re-visiting and re-assessing the vision, scope, development and funding strategy for several of the projects currently in the development stage. The university may consider “pausing” some projects for a period of time.

Project name	Board status	Notes
Enterprise asset management (EAM)	Board 2	Implementation of system is currently underway.
RenewUS: Phase 1 - Critical infrastructure projects – Replacement of chillers #2 and #3, Central Cooling Plant	Board 2	Construction to start in spring 2014. Project to be completed by May 2015 as refrigerant in chillers is banned as of January 2015.
Saskatchewan Centre for Innovation in Cyclotron Science	Board 2	Construction underway. Completion of construction expected in fall 2014.
University of Saskatchewan Research Management System (UnivRS)	Board 2	Implementation is currently underway.
Beef Cattle Research & Teaching Unit	Board 1	Currently in the planning and development stages. Funding sources being identified.
Childcare expansion project	Board 1	Options for providing childcare spaces being reviewed. Funding sources currently being identified.
College Quarter Student Amenities Building	Board 1	Original scope to be reinvestigated along with design.
University Library transformation – Phase 3	Board 1	Global review of library collections has been undertaken. Murray Building master plan completed.
Clarion project	Board FYI	Currently in the planning and development stages. Funding sources to be identified.
Natural Resources Innovation Complex	Board FYI	Key stakeholders (provincial and post-secondary) working on vision and scope for overall development of the initiative.
Stone Barn – Structure safety issues for long-term stability	Board FYI	Requirements are currently under review.
Distributed Health Sciences education project – Prince Albert site		Requirements and options for Prince Albert site under review.

3.3 Land and land development

The MYCP identified as a priority the continued exploration of innovative ways to use its land base to achieve the university’s strategic goals. University of Saskatchewan lands are designated either as core lands (874 acres) which directly support teaching and research, or as endowment lands (991 acres) which potentially serve as a source of revenue. Preston Crossing is the most prominent example of endowment lands where land lease payments provide revenue for university priorities – in this case undergraduate and graduate scholarships. Currently, negotiations with developers are underway for a fifth phase of Preston Crossing on approximately twelve acres. College Quarter, now has a hotel developer planning to begin construction in late

2014 on two acres of leased land. A site and infrastructure plan for the College Quarter North East Precinct have been prepared and a budget is being established, which allows the university to proceed with a request for proposal seeking a developer for an ice facility. The university is also engaged with the City of Saskatoon as part of their Growing Forward strategy for future development lands within the city.

3.4 Distributed learning

The university's distributed learning strategy report (December 2012) outlines three priority areas including: (1) providing students with the option of completing entire programs at a distance (from a small representative set); (2) developing professional post-graduate programs; and (3) fostering innovation in distributed learning. The strategy document makes clear that effective partnerships with other post-secondary institutions (e.g., regional colleges) and innovative use of learning technologies are critical to the success of our distributed learning efforts. Connected directly to our third integrated plan, the core of these priorities is the desire to "...increase the participation of Aboriginal and rural residents in our university."

An implementation plan or "road map" was developed and outlines a series of projects, six of which are currently underway. The implementation of these projects is under the oversight of a distributed learning governance committee (chaired by the vice-provost, teaching and learning). A second committee, the learning technologies governance committee (co-chaired by the associate vice-president, Information and Communications Technology and the vice-provost, teaching and learning) was developed to support the distributed learning agenda by assessing current use of learning technologies in all settings, coordinate service provision and work with external partners to develop system-wide recommendations.

Updates: November 7, 2012 saw the official opening of a new stand-alone campus in Regina for the University of Saskatchewan. The new Regina campus is the home for the College of Nursing. The Regina campus builds on the university's long-standing tradition of delivering educational programming to communities throughout Saskatchewan. "Learn where you live" supports a community approach to education and addresses the growing need for health-care professionals.

Also in Regina, the Department of Family Medicine, a primary care unit, relocated from Regina General Hospital into Regina Centre Crossing to free up space in the Regina General Hospital for the education of second and third year medical students.

The university continues to enhance its facilities and technology at Île-à-la-Crosse, La Ronge and Prince Albert in support of distributed learning, thereby providing an option for students to learn in their home community. Many students choose to remain in their home community after graduation, which benefits the community itself. Beginning in the fall of 2014, the College of Nursing will be distributing to Yorkton (in collaboration with Parkland College).

4.0 Strategic activities in support of capital planning for 2012-2013 to 2015-2016

4.1 Completion of major capital projects

Major capital projects with construction completed during 2013-14:

Project name	Completion Date
Agriculture Building Phytotron infrastructure renewal phase 3 chillers	December 2013
Canadian Feed Research Centre	Summer 2014
College Quarter Graduate Student Residence	November 2013
College Quarter GreenWay	Spring 2014
Dairy Research Facility	July 2013
Health Sciences – E wing	May 2013
RenewUS: Phase 1 - Critical infrastructure – replace boiler #2, Central Heating Plant	November 2013
WestGrid	December 2013

Major capital projects to be completed in 2014-15:

Enterprise asset management project (phase 1 – 2014-15)
Gordon Oakes-Red Bear Student Centre
RenewUS – Phase 1 critical infrastructure – replace T1 and T2 transformers
Saskatchewan Centre for Innovation in Cyclotron Science
Telephone system upgrade
WCVM – Renovation to develop 2 - 100 student classrooms
WCVM – Teaching dog kennels

Major capital projects expected to be completed between 2015-16 and 2016-17:

Campus-wide lighting retrofit
Canada Foundation for Innovation Projects (as developed)
Health Sciences – Final components (including A and B wing renovations) (full completion – 2019)
RenewUS: Phase 1 - critical infrastructure projects– Replacement of chillers #2 and #3, Central Cooling Plant
Research management system (UnivRS) (complete implementation of all modules – 2019)

4.2 Capital planning/vision/governance

The 2012-13 to 2015-16 MYCP outlined the structure for a capital framework/long range development plan to identify our diverse capital components and capital planning processes. The framework will undertake an internal environmental scan of: (1) core campus; (2) endowment lands; and (3) distributed learning. The composition of the capital framework/long range development plan will outline the distinct principles, guiding documents, structure and governance, priority determination processes, development strategies, funding strategies and renewal strategies.

Concurrently the university will re-visit the current major project planning process to ensure that it still addresses the original need for its creation in 2003, meets new or emerging requirements, and assists the institution in assessing and prioritizing capital projects.

Conversations will also occur with the Ministry of Advanced Education to align the university’s capital planning documentation with the needs of the provincial government.

4.3 Capital needs assessments

A capital needs assessment will deliver capital profiles to assist colleges and units in assessing and prioritizing their capital needs, and will facilitate strategy development at the institutional level. The resulting capital profiles will allow the institution to identify synergies across planning units to inform the capital planning process, priority determination and the allocation of resources. The university's development of a shared services model will complement this initiative.

4.4 Information and communications technology planning and governance

The chief information officer and associate vice-president, Information and Communications Technology (CIO and AVP ICT) is introducing several new processes to improve the management of all information systems assets. A new project management process will introduce portfolio prioritization, rigorous business case methodology, standardized project plans, formal and regular progression reports, and archived closure data. New attention to client-facing processes will improve quality of customer service from ICT. An information systems stewardship model will introduce university-wide decision making about technology investments. The development of an enterprise systems architecture will define how all approved and planned information systems will inter-operate and integrate. Finally, a new and formal strategic planning process will create a vision of the future for information systems at the university.

The CIO and AVP ICT develops an annual list of ICT priorities for funding through the SCG university-wide ICT program and these are reviewed by both the ICT planning and priorities committee and University Council's planning and priorities committee before being submitted to PCIP for approval.

5.0 Conclusion

The third integrated plan and the MYCP has identified renewal and revitalization as our highest priority during this planning cycle. Over the last two planning cycles, we have experienced in excess of \$1 billion dollars of construction. This unprecedented capital growth was needed to renew critical buildings, improve student experience, support the development of new models for delivering programs and support new and changing research requirements. At the same time, the continued deterioration of buildings and a growth of our deferred maintenance needs now present a liability that must be addressed to preserve our facilities for future generations. The university has identified RenewUS as our vehicle to systematically address our most critical deferred maintenance issues, blended with academic renewal of our campus core. We will work with the provincial and federal governments, industry and donors to create developmental and financial strategies to manage this capital priority.