March 22, 2017

Mr. Lee Ahenakew, Chair
Board of Governors
University of Saskatchewan
Room 212 Peter MacKinnon Building
107 Administration Place
SASKATOON SK S7N 5A2

Dear Mr. Ahenakew:

The 2017-18 Budget will meet the challenge Saskatchewan is facing. Our Government will continue to invest in what is important and valued by Saskatchewan people, while controlling costs in order to work toward a balanced budget.

For the 2017-18 Budget year, I am pleased to advise that funding for the University of Saskatchewan is $323,769,900 for the period April 1, 2017 to March 31, 2018. This includes base preventative maintenance and renewal funding maintained at last year’s level. The attached appendices provide additional detail regarding the funding to be provided in 2017-18 and its intended uses.

The Ministry of Advanced Education is guided by the five expectations we have set for ourselves and for our partners in the post-secondary education sector. Our student-focused system must be accessible, responsive, sustainable, accountable and high quality.

To achieve these expectations, the 2017-18 Plan for the Ministry of Advanced Education outlines three major goals for Saskatchewan post-secondary education:

- Support student success in post-secondary education;
- Meet the advanced education needs of the province; and,
- Ensure Saskatchewan’s post-secondary sector is sustainable.
Given the challenging fiscal environment, this year there will be an increased focus on effective financial management to ensure post-secondary institutions can continue to provide quality and affordable post-secondary programming for students while maintaining infrastructure and long-term financial sustainability. Because public post-secondary institutions receive significant funding from government, they must demonstrate to Saskatchewan taxpayers the effective and efficient use of those dollars.

There are a number of specific actions within this plan that we would like you to pursue and report on by March 31, 2018:

- Take actions to increase efficiency and reduce costs within your institution while making every effort to mitigate impact on students;

- Provide information that demonstrates the financial sustainability of your institution:
  - Quarterly financial forecasts reflecting your institution’s consolidated operations, by no later than 30 days after each quarter end;
  - Advance notification of any program changes or expenditure reductions to be undertaken in 2017-18 that may have negative impacts on students; and,
  - Reporting on the state of infrastructure and investments made in preventative maintenance and renewal;

- Improve collaboration with other Saskatchewan post-secondary institutions to find efficiencies and minimize duplication of programs and services;

- Increase the participation and success of First Nations and Métis students;

- Better align programs with labour market demand, especially in health and professional programming; and,

- Increase experiential learning opportunities for students, including study abroad.

Over the coming weeks, we will be in contact with you regarding the format of the requested reporting.
I look forward to continuing to work toward achieving our shared objectives. I want to thank the Board, management and all your faculty and staff for the effort and dedication that has been demonstrated throughout the sector.

Sincerely,

[Signature]

Bronwyn Eyre
Minister of Advanced Education

Attachments

cc: Dr. Peter Stoicheff, President, University of Saskatchewan
    Greg Fowler, Vice-President, Finances and Resources, University of Saskatchewan
    Louise Greenberg, Ph.D., Deputy Minister of Advanced Education
## APPENDIX 1
Schedule of Funding
UNIVERSITY OF SASKATCHEWAN

<table>
<thead>
<tr>
<th>Operating Grant Funding</th>
<th>2017-18</th>
<th>2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Year Operating Grant Funding Base</td>
<td>$312,866,000</td>
<td></td>
</tr>
<tr>
<td>Funding Formula Shift</td>
<td></td>
<td>$1,249,800</td>
</tr>
<tr>
<td>(-5%) Operating Grant Reduction</td>
<td>$15,700,400</td>
<td></td>
</tr>
<tr>
<td><strong>Targeted funding:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>College of Medicine General Operating Fund Realignment</td>
<td>$20,000,000</td>
<td></td>
</tr>
<tr>
<td>Operating offset (see Appendix 2)</td>
<td>$(20,000,000)</td>
<td></td>
</tr>
<tr>
<td>Int’l Centre for Northern Governance and Dev’t (see Appendix 2)</td>
<td>$(1,072,900)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Grant Funding</strong></td>
<td>$294,842,900</td>
<td>$312,866,000</td>
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</table>

| Other/Supplementary Facilities Funding                      |            |            |
| Supplementary Funding - Facilities                          | $14,400,000| $14,600,000|
| **Total Other/Supplementary Facilities Funding**           | $14,400,000| $14,600,000|

TOTAL OPERATING AND OTHER FUNDING

<table>
<thead>
<tr>
<th>Saskatchewan Innovation and Opportunity Scholarship (SIOS) (see Appendix 2)</th>
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<tbody>
<tr>
<td>Innovation Scholarships</td>
<td>$692,800</td>
<td>$1,121,800</td>
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<tr>
<td>International Education Scholarships</td>
<td>$77,100</td>
<td>$125,000</td>
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<tr>
<td>Opportunity Scholarships</td>
<td>$531,100</td>
<td>$860,000</td>
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<tr>
<td><strong>Total SIOS Funding</strong></td>
<td>$1,301,000</td>
<td>$2,106,800</td>
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TOTAL OPERATING, OTHER AND SIOS FUNDING

<table>
<thead>
<tr>
<th>Preventative Maintenance and Renewal Funding (see Appendix 2)</th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Project Funding</td>
<td>$13,226,000</td>
<td>$13,226,000</td>
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<tr>
<td><strong>OVERALL TOTAL (as shown on page one of letter)</strong></td>
<td>$323,769,900</td>
<td>$342,798,800</td>
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</tbody>
</table>
APPENDIX 2
Targeted Funding
UNIVERSITY OF SASKATCHEWAN

College of Medicine
The 2017-18 Budget includes $69,435,000 for the College of Medicine to support 100 undergraduate medical seats, 120 post-graduate residences, and accreditation efforts. This total represents $20,000,000 reinstated to the College’s targeted funding.

It is expected that the College of Medicine will submit the following information to the Ministry of Advanced Education to report on the activities and outcomes:

- A detailed five year financial plan for the College demonstrating why the requested funding level is necessary to retain accreditation. Include information such as the number of staff/student and cost/student, with comparisons to other medical schools throughout Canada;
- Quarterly financial reports including year-to-date results, detailed forecast for the year and relevant variance explanations;
- Monthly reporting on accreditation status including progress in achieving the desired state on the 95 elements that will be reviewed during the Fall 2017 full accreditation visit (e.g., accreditation heat map); and,
- Annual report for the College of Medicine including financials, staffing and student compliment and demographics, strategic initiatives, capital planning, investment, revenues, outcomes, etc.

The Ministry of Advanced Education will work with the College of Medicine to further define these reporting requirements.

Nursing
In 2013, the commitment to increase nursing education capacity to 690 seats was fulfilled. The support by Government has ensured that there are 345 seats in the Bachelor Science in Nursing program at the University of Saskatchewan. The Ministries of Advanced Education and Health will lead a review of degree nursing education in 2017-18. The review will assess the program’s effectiveness in achieving the five expectations for post-secondary institutions (accessible, responsive, sustainable, accountable, quality). It is expected that the University of Saskatchewan will be actively engaged throughout the review process.

Nurse Practitioner
The 2017-18 Budget includes $211,000 in targeted funding for nurse practitioner seats. Government has fulfilled its commitment to increase Nurse Practitioner seats from 20 to 40 in the province. The University’s portion of this commitment was realized in 2013-14 with the addition of 10 seats at the College of Nursing.
Western College of Veterinary Medicine
Government funding to the Western College of Veterinary Medicine totals $11,447,700, including: $7,969,300 for operating related to student training, which includes an increase $156,300 (or 2%) per the Inter-Provincial Agreement; $2,122,200 for indirect costs; and, $1,356,200 for additional space brought on-line since 2007-08.

Health Sciences Building Operating Costs
The 2017-18 Budget includes $4,975,700 in targeted funding to support the University’s additional costs associated with operating the Health Sciences Building.

Computer Science
The 2017-18 Budget includes $817,900 in targeted funding to increase capacity in upper-year classes in Computer Science programs.

Academic Renal Transplant
The 2017-18 Budget includes $443,200 in targeted funding for the Academic Renal Transplant program.

Library Outreach
The 2017-18 Budget includes $100,000 in targeted funding for Library Outreach, as it has been since 2011-12.

Meewasin Valley Authority
The 2017-18 Budget includes $647,200 in targeted funding as flow through for the Meewasin Valley Authority. This reflects a 5% reduction of $34,100 from the amount provided in 2016-17.

Canada Excellence Research Chair in Water Security
2017-18 funding for the Canada Excellence Research Chair in Water Security has been deferred.

International Centre for Northern Governance and Development
Targeted funding for this initiative has been discontinued.

Supplementary Funding – Facilities
The 2017-18 Budget includes $14,400,000 based on estimated annual costs.

Preventative Maintenance and Renewal
The 2017-18 Budget includes $13,226,000 in funding for base Preventative Maintenance and Renewal.

Saskatchewan Innovation and Opportunity Scholarship Funding
The 2017-18 Budget includes $1,301,000 for the Saskatchewan Innovation and Opportunity Scholarship. Of this total, $692,800 is targeted for the Innovation and Excellence component; $77,100 for the International Education component; and, $531,100 for the Opportunity component.
The Ministry of Advanced Education will disburse two equal Saskatchewan Innovation and Opportunity Scholarship payments to your institution, one payment in October 2017 and the second payment in March 2018.

Post-secondary institutions are required to report annual Saskatchewan Innovation and Opportunity Scholarship activity from July 1st to June 30th of each year and will have until July 31st to submit their reporting to the Ministry. Institutions are to advise the Ministry in writing, by June 30th each year, of their priorities of scholarships over the upcoming year and include the areas of student and student categories on which the institution will focus.

Annual allocations are subject to budget appropriation and will be based on each institution’s ability to match funds in the previous year. The Ministry will revisit the Saskatchewan Innovation and Opportunity Scholarship reporting and fundraising progress with all institutions prior to the 2018-19 Budget.