July 28, 2016

To: Deans of Faculties, Director, School of Art, University Librarian

From: Janice Ristock, Provost & Vice-President (Academic)

Re: 2017/18 Strategic Resource Planning (SRP) process

Resource allocation is among our most important annual initiatives. It is a process that allows us to operationalize our strategic priorities and ensure that we are appropriately supporting student success, research and scholarly work, and our academic mandate overall.

You are aware that we have initiated a Budget Model Redesign project that is intended to ensure our resource allocation methods reflect the importance of this activity. We are now in week eleven of that effort, and I look forward to our work together on this in the coming months. In the meantime it is important that allocation within the existing budget model continues and takes full advantage of our available resources.

Recently you will have received an invitation to meet with me in early September as part of this year’s SRP process. I look forward to our discussions and would like to take this opportunity to provide some context for your consideration and to help you prepare for your own planning efforts.

Overview of 2016/17 Strategic Resource Planning

During the 2016/17 SRP process, all units were asked to plan with an assumption of a 4% base budget reduction and notified they would be able to retain all carryover funds from 2015/16 into 2016/17. In response to this request, each of you supplied information in two stages. In the first, you identified your unit’s priorities for 2016/17 and noted connections with the University’s strategic plan. In the second, you provided additional information about how implementation of those priorities might influence operations. This information was used to inform the strategic resource allocation process and a number of allocations were made in response.

The final approved 2016/17 baseline budget included a 3% base budget reduction across all faculties. Increased revenues from tuition and fees and a provincial base grant increase, in combination with reallocated baseline from Academic Position Management Process (APMP) and base budget reductions, resulted in a number of baseline allocations. $8.5 million in base budget was allocated to reserves for contingencies and fiscal stability. In addition $11,965,000 was allocated to cover increased salaries and benefits; $3,815,000 in support of strategic initiatives; and $1,550,000 for inflationary costs.
An additional $27,850,000 in fiscal funds were allocated to support strategic initiatives such as undergraduate research awards, an Indigenous Initiatives Fund, and Learning Space Renewal, as well as for the Centre for the Advancement of Teaching and Learning, and the National Centre for Truth and Reconciliation.

A full list of our 2016/17 baseline and fiscal-only funded strategic initiatives is included as an attachment to this letter. You will recognize this document from its previous distribution at Provost Council.

**Approach for 2017/18**

The Budget Model Redesign project may result in changes to our resource allocation process starting in 2018/19 so during this transition year we do not intend to make any fundamental changes to the overall budget approach. The primary focus for 2017/18 will be on strategic investments as it was in 2016/17.

In response to your feedback about the SRP process several productive adjustments have been made for 2017/18. These include a simplified submission tool and a more explicit invitation for requests for strategic investment, particularly where fiscal dollars would be appropriate. I will provide further information about these adjustments during our meeting in September.

For now, in preparation for our September meeting, I ask that each of you think through the following questions. Please note, no written response to these questions is required for our meeting:

1. How did last year’s resource allocation impact your unit?
2. What reprioritization of resources are you considering within your current budget?
3. Are you facing challenges where you might need bridge or one time funding?
4. Are there any strategic initiatives within your unit that may require time sensitive investment over the next 12 months?

Following our initial conversation, the key components of the SRP process will be as follows:

You will be asked to submit an update of your unit priorities and any related activities that require strategic investment through the 2017/18 resource allocation process **by the end of September.** A template for this submission will be provided in September that will facilitate your update of last year’s information. It will also allow you to identify those activities requiring investment, those that you plan to fund by reallocation, and those that would require new support through the budget.

This year all requests for support should be made through the SRP process. For example, if your unit has prioritized capital improvements, please identify them through the SRP process. Similarly, requests for service teaching support and international student supports should also be made through the SRP process. As in past years, requests for new funds will likely exceed available funds, but the intent is to assess these individual requests through the SRP process, rather than through separate assessment processes throughout the year.

**By the end of October,** you will be contacted and notified if additional information is required to contribute to allocation decisions. This information will be due by the end of November.
Decision-making regarding allocation decisions will be made from **December through March**. Resource allocation will be prioritized based on alignment with the University’s strategic priorities and your own unit plans.

Please note, funds that are not required to cover current year operating costs may be redirected by units to new or existing capital projects, or to an existing provision fund. Any remaining surplus (i.e. carryover) at March 31, 2017 will be available to you to spend in 2017/18. Detailed information about related procedures for this will be sent to your financial representative under separate cover in the coming days.

When we meet in September I will provide more detailed information about the planning assumptions for the coming budget cycle along with additional materials for the SRP process. I hope this overview provides you with context for your own unit planning in preparation for the upcoming submissions in the Fall.

I look forward to our upcoming discussions and our work together on this important activity.

cc: David Barnard, President and Vice-Chancellor  
    John Kearsey, Vice-President (External)  
    Digvir Jayas, Vice-President (Research & International)  
    David Collins, Vice-Provost (Integrated Planning & Academic Programs)  
    Valerie Shantz, Director, Integrated Planning  
    Kathleen Sobie, Executive Director, Financial Planning  
    Mark Walc, University Budget Officer