



OPERATIONS FORECAST

2014-15



Approved by the SIAST Board of Directors
July 30, 2013

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Institutional Context

Introduction

The Saskatchewan Institute of Applied Science and Technology (SIAST) is Saskatchewan's only polytechnic¹ for public post-secondary technical education and skills training, recognized nationally and internationally for its expertise and innovation. SIAST's programs touch every sector of the economy – bioscience, business, construction, health and human services, hospitality and tourism, information and communication technology, manufacturing, mining and energy, natural resources and environment, and transportation. Adult Basic Education (ABE) acts as a core foundation. SIAST fuels economic growth in Saskatchewan by providing qualified career-ready graduates to meet labour market demand. SIAST has a unique and essential role to play in supporting the province's long-term success outlined in the Government of Saskatchewan's Plan for Growth: Vision 2020 and Beyond. In many instances, however, SIAST has become a bottleneck. Without increased capacity at SIAST, growth will be curtailed as the province faces an escalating skills shortage.

Through program and course registrations, SIAST serves more than 26,000 distinct students. SIAST key performance indicators show impressive results: 93% employment rate for AY 2010 -11 graduates, with 94% staying in the province one year after graduation. Over 13,000 full load equivalent (FLE) students were enrolled in SIAST programming in the most recent academic year. SIAST operates campuses in Moose Jaw, Prince Albert, Regina and Saskatoon, and extends its reach province-wide by partnering with regional colleges and First Nations and Métis education institutions. SIAST provides numerous courses and programs through continuing education and distance education.

SIAST has a long history of responsiveness to technical and community education needs. Through partnerships with business and industry, SIAST ensures programs match opportunities in the real world. A consultative approach and commitment to practical learning enable SIAST graduates to hit the ground running in their respective fields. Contributing at a high level to Saskatchewan's economic and social development, SIAST provides the skills and technical training that the province needs to grow and prosper.

Mandate

Under the Saskatchewan Institute of Applied Science and Technology Act, SIAST may provide:

- (a) Courses and programs of study, instruction or training in academic, scientific, trade, technical, technological and vocational fields of education;
- (b) University programs by agreement and on the basis agreed to with any university within or outside Saskatchewan, at locations established by the Lieutenant Governor in Council and designated by the Minister;
- (c) Courses or programs of instruction or training that have been determined to be required with respect to a trade pursuant to The Apprenticeship and Trade Certification Act, 1999;
- (d) Courses, programs and seminars of a continuing education nature;

¹ The polytechnic model of education enables students to choose among degree-level programming, certificate, diploma, apprenticeship and post-graduate credentials. These career-ready graduates bring a high level of practical experience to the workforce. Polytechnics support industry innovation and are committed to student involvement in applied research.

- (e) Credit programs where those programs are provided through a regional college as defined in the Regional Colleges Act;
- (f) Career counselling and basic education upgrading;
- (g) Services to governments, corporations, persons or other bodies with respect to courses or programs SIAST provides or expertise or facilities it possesses, on any terms that SIAST considers appropriate;
- (h) Any other post-secondary education and training-related functions or activities that may be prescribed by the Lieutenant Governor in Council.

In October 2012, the Government of Saskatchewan proclaimed *The Degree Authorization Act* enabling the government to extend degree-granting authority to post-secondary education institutions other than the University of Saskatchewan and the University of Regina.

Vision

A global leader in innovative education, valued for student success and advancing social and economic prosperity.

Mission

SIAST is Saskatchewan's primary public institution for the development and delivery of post-secondary technical education and skills training. We share knowledge, provide skills training and engage in applied research, meeting the needs of students, employers and communities.

Values

Ethics – We adhere to high standards of ethical behaviours and personal accountability. We do the right thing based on sound principles, good character and caring for others.

Innovation – We encourage entrepreneurial thinking that cultivates creativity, agility and ongoing learning in the pursuit of excellence.

Diversity – We embrace diverse cultures, heritages and opinions in our efforts to enrich the learning and work environment and foster inclusive decision making.

Leadership – We achieve results by working effectively with others to engage, support and inspire action. We motivate others through our vision, our courage to take risks and our commitment to our goals.

Communication – We engage in honest, focused consultation and in the open exchange of ideas to inspire informed decision making, build relationships and foster authentic partnerships.

Strategic Themes

In 2009, SIAST embarked on a journey of renewal involving a 10-year strategic plan, *SIAST 2.0 defining tomorrow*. As Saskatchewan's primary provider of skills and technical training, SIAST contributes to economic development and social well-being within the province by focusing initiatives on four well-defined strategic themes:

- *Building successful careers*
- *Advancing economic and social prosperity*
- *Leveraging educational innovation*
- *Leading organizational effectiveness*

Strategy Map and Strategic Goals

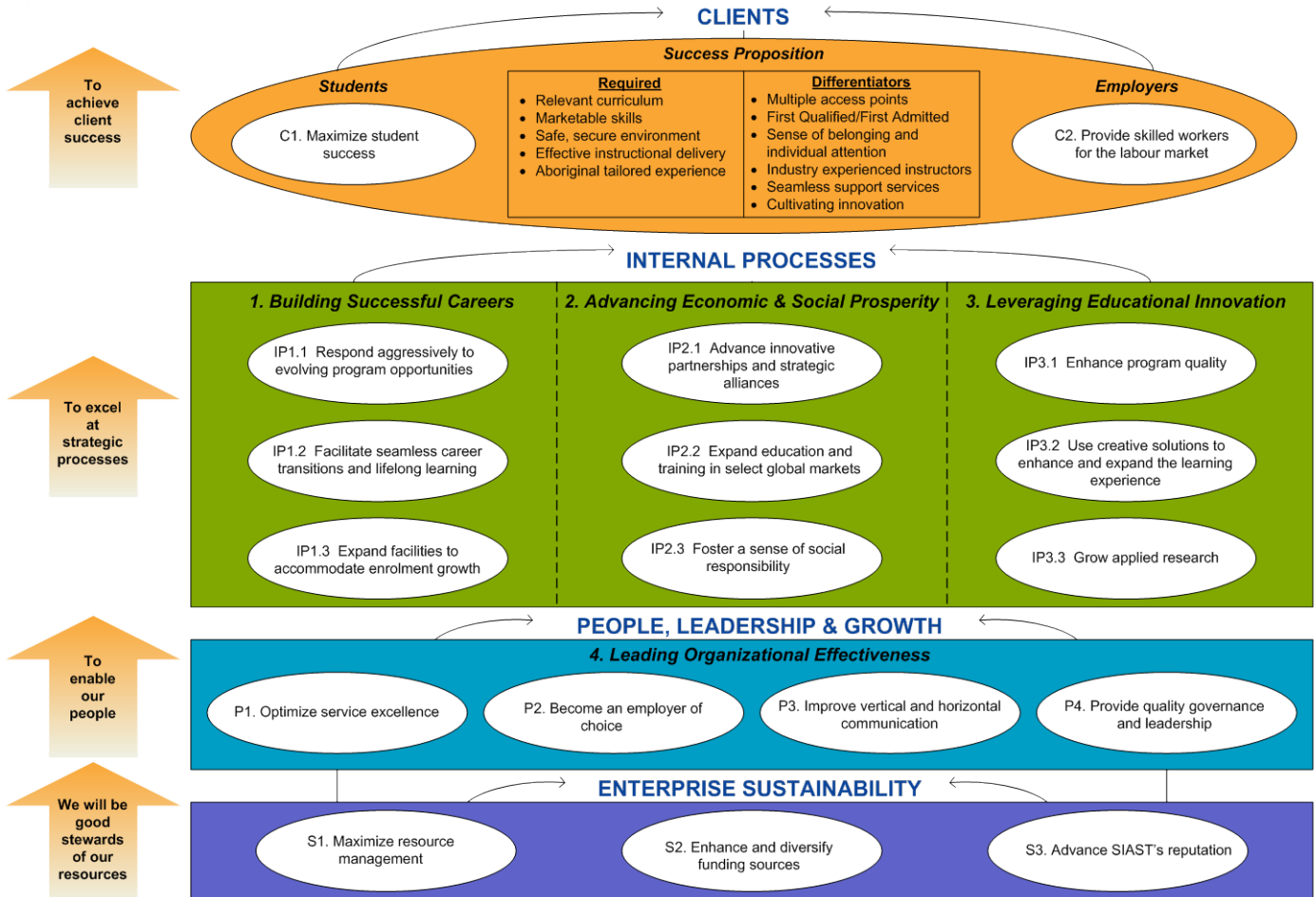
To ensure SIAST demonstrates accountability to its diverse stakeholders, a balanced scorecard management framework has been adopted. SIAST's strategy map identifies 18 strategic goals in support of SIAST's vision, mission and strategic destination. This framework aligns strategy deployment with organizational goals, initiatives, metrics and enterprise risk. A performance measurement scorecard has been implemented with corresponding annual targets and comparable benchmarks to ensure SIAST makes substantial progress towards achieving its goals. The third annual SIAST scorecard (2012-13) will be presented to the board of directors in November 2013.

For the first time, these annual performance targets have been clearly identified in the 2013-14 Operating and Capital Plan (OCP), thereby creating a direct link between each strategic initiative and the measure it is intended to impact.

As SIAST approaches the mid-point of its 10-year strategic plan (2009-2019), the institution will benefit from a "refresh" to consider various changes to its internal and external environment, and re-assess the fit of its strategic framework. In keeping with its governance role to advance SIAST's strategic direction, the SIAST board of directors has endorsed a review of the institution's current strategic plan. The "refreshed" strategic plan (2014-2019) will be finalized in AY 2013-14 with deployment in AY 2014-15.

SIAST Strategy Map

Vision 2009-2019: A global leader in innovative education, valued for student success and advancing social and economic prosperity.
Mission: SIAST is Saskatchewan's primary public institution for the development and delivery of post-secondary technical education and skills training. We share knowledge, provide skills training and engage in applied research, meeting the needs of students, employers and communities.
Our Strategic Destination 2010-2013: Within the next three years, SIAST will increase the number of career-ready graduates and training completions by 15%.



Financial Requirements AY 2014-15

SIAS’s Operations Forecast provides an opportunity to present the Ministry of Advanced Education (AE) with financial information to assist the Ministry in developing its budget for the Saskatchewan post-secondary system. Guidelines issued by the Deputy Minister for development of the Operations Forecast emphasize the 2014-15 budget is expected to focus on sustainable funding and fiscal restraint while meeting the challenges of growth. The *Saskatchewan Plan for Growth* outlines the government’s roadmap to the year 2020 and emphasizes that improved quality of life in Saskatchewan is the purpose of growth. SIAS factors predominantly in this plan. SIAS was asked to provide information, as follows:

1. Status quo – cost to maintain operations at 2013-14 levels
2. Expected impact – 0% growth target and 2% growth target
3. Initiatives – new operating and capital initiatives
4. Sustainability measures – changes made in 2012-13, as well as changes planned for 2013-14 and 2014-15

SIAS strategies align with government priorities, as do SIAS’s primary outcomes of enhancing student success and providing an educated workforce to meet the increasing skill requirements of the province. The institution continues to meet government expectations by demonstrating responsible fiscal management and by delivering effective, efficient and innovative programs and services to the public.

Status Quo Budget Requirement Scenario

SIAS requires the following additional funding to notionally maintain programs and resources at the same levels as 2013-14. (See Appendix A for further details on status quo expenditures.)

Requested Increases to Base Funding AY 2013-14	Amount
ABE funding to eliminate waitlists	\$0
SCBScN - offset for tuition loss	(600,000)
2014-15 in-scope collective agreement settlement	1,859,000
2014-15 out-of scope cost of living compensation increases	177,000
Movement through salary bands	1,000,000
Tuition Increase at 4%	(570,000)
Inflationary increase	643,000
Total	\$2,509,000

For the second year in a row, SIAS faced a significant budgetary deficit for AY 2013-14, driven primarily by funding shortfalls related to the settlement of the 2009-12 collective agreement and to anticipated costs for the upcoming collective agreement, still outstanding. These funding shortfalls have largely been addressed, through extensive sustainability measures applied over the past two years affecting all SIAS academic and administrative divisions, and through the implementation of aggressive revenue targets and fee increases.

Despite these actions, a shortfall of \$2,305,000 remains in the AY 2013-14 budget which will be absorbed from SIAST’s accumulated net operating assets. Since much of this shortfall was the result of one-time costs, it was not carried over as part of the AY 2014-15 status quo requirements.

Assumptions

- The \$625,000 to help eliminate the current wait list for Adult Basic Education programs will continue in AY 2014-15.
- The \$600,000 offset for tuition loss fully removes the funding that SIAST received to offset SCBScN tuition loss in AY 2013-14. In 2014-15 it is expected that tuition will increase to a level where funding is no longer required.
- The \$1,859,000 in-scope settlement costs assume wage increases generally consistent with the prior agreement.
- The \$177,000 out-of-scope cost of living compensation increases assume an increase in salary consistent with in-scope increases.
- Movement through the salary bands represents the additional salary costs incurred as a result of employees’ regular annual increments due to seniority as per the collective agreements. \$1,000,000 is a reasonable estimate based on the experience of recent years.
- The \$643,000 is based on an inflationary increase of 2% using the following calculation:

Inflationary Increase	Amount
2013-14 total budgeted non-salary expense	\$74,201,000
Deferred capital contributions	(6,118,000)
Cost of goods sold	(5,456,000)
Accommodations grant	(30,473,000)
Total	\$32,154,000
Inflation @ 2%	\$643,000

Tuition Fee Increase

SIAST anticipates a tuition fee increase of 4%. Proposed SIAST tuition fees are competitive with other college tuition fees in neighbouring provinces and considerably more affordable than university tuition fees within the province. Saskatchewan students pay just 11% of the real cost of their SIAST program of study.

A 4% increase in tuition fees would net \$570,000 in additional revenue.

Expected Impact – 0% and 2% Growth Target Budget Scenarios

If SIAST is unsuccessful in receiving the additional funding requirements outlined in the status quo budget request, then SIAST would be short \$2.5 million for AY 2014-15. The institution would need to prioritize its operations resulting in suspensions of academic programs and reductions in educational services. As an illustration of the potential impact, \$2.5 million of funding is, on average, the equivalent of 450 students and 36 staff and faculty positions. As in the past, SIAST would make every effort to minimize the impact of any necessary budgetary reductions on staff and students. However, after several consecutive years where funding has fallen well short of status quo, SIAST is left with few remaining options. A 2% increase scenario would fall just short of meeting SIAST’s minimum status quo requirements and would leave SIAST with limited capacity to take on new strategic initiatives or to respond to new opportunities or unanticipated revenue shortfalls, without making difficult choices. (See Appendix A for further details on funding impact scenarios.)

Other Funding Requirements for AY 2014-15

SIAST’s capital funding has fallen dramatically in recent years, from a high of \$2,478,000 in AY 2009-10. Given the hands-on, capital intensive nature of much of SIAST’s programming, the current reduced levels of funding, particularly when combined with the shortfalls in operating funding, represent a significant impediment to SIAST’s ability to provide high quality training to SIAST students and to meet labour market expectations and growth forecasts. SIAST requires at a minimum that the \$584,000 provided for Supplemental Capital and Financial Pressures, in addition to the \$968,000 Sustaining Capital funding continue. SIAST’s capital pressures are addressed further on page 11.

A claim is outstanding against SIAST due to the alleged misinterpretation of PEPP pension contribution eligibility information provided in the past to part-time employees. The one-time liability has been estimated at \$6,000,000, although final amounts could vary significantly. Should settlement payouts be required during AY 2013-14 or AY 2014-15, SIAST has no ability to pay out this money without impacting operations.

New Operating and Capital Initiatives

Funding for New SIAST Initiatives	One-time Capital	Ongoing Operating
Medical Laboratory Technology	\$0	\$180,000
Perioperative Nursing	26,000	552,000
Capital		
- Apprenticeship, engineering, health and bioscience equipment	1,250,000	
- Health sciences simulation training equipment	830,000	
- Learning management platform modernization	270,000	
Total	\$2,376,000	\$732,000

Alignment of SIAST Initiatives with Strategic Priorities of the Government

SIAST's strategies must link to the strategic and operational planning efforts of the province. This portion of the Operations Forecast considers the Ministry of Advanced Education's strategic directions for 2013-14. These priorities form the headings below under which are detailed the opportunities and challenges facing SIAST. Proposed initiatives are featured which, in SIAST's view, advance government's priorities while ensuring the institution is fulfilling its mandate and vision. Evidence is provided to support alignment with the Saskatchewan Plan for Growth.

Supporting growth by ensuring an educated and skilled workforce to meet existing and future labour market demand

Top Project Priority: SIAST Kelsey Campus Renewal

Addressing facility issues at the SIAST Kelsey Campus is SIAST's most pressing capital need. The main SIAST Kelsey Campus, located at Idylwyld and 33rd Street in Saskatoon, includes more than 53,000 square metres of instructional floor space. Despite concerted efforts to increase distance-learning opportunities and improve space utilization, SIAST Kelsey Campus faces serious space constraints. As a stopgap measure, SIAST Kelsey Campus has been expanded to eight buildings and centres, in addition to the main campus. This crisis management approach to space planning and building acquisition is not sustainable.

Over the past six years, SIAST has undertaken significant planning to substantiate the need for renewal of its Kelsey Campus. To this end, SIAST has undertaken various reports, studies and consultations. In the Operations Forecast for AY 2013-14, SIAST submitted a vision document entitled *SIAST Kelsey Campus Renewal: A Contemporary Urban Campus - Vision for the Future*. That proposal summarized key findings of these planning documents and presented a vision for a contemporary urban campus featuring a modern Trade and Technology Centre.

The SIAST Kelsey Campus renewal will revolve around an innovative and exciting **urban campus concept**. It will foster a sense of social and economic prosperity, environmental sustainability and community, and would make SIAST a more attractive destination for much sought after national and international students. This design will create a learning environment that fosters collaborative and multi-disciplinary learning, student and industry dialog, and a supportive atmosphere for applied research. This campus renewal will help attract and retain top-quality students and faculty to this world class facility. It will recruit more students to trades and technology careers through fun and innovative hands-on learning for middle and high school students.

First and foremost, this campus renewal will expand the skilled work-force training capacity of SIAST Kelsey Campus. The Saskatchewan Plan for Growth calls for 60,000 more people working in Saskatchewan by 2020. Much of this skilled workforce will come directly from SIAST Kelsey Campus. Next, this renewal will position SIAST as it transitions from a college into a Polytechnic. This investment will change the way that technical education is delivered in the Province of Saskatchewan and will raise the level of technical training to that of an equal partner alongside the province's outstanding

universities. This vision offers a long-term solution that will help SIAST remain relevant in the marketplace for the next fifty years or longer.

Components of the SIAST Kelsey Campus renewal project are outlined in Appendix B.

Medical Laboratory Technology

The Saskatchewan Ministry of Health 10-year Health Human Resource Plan (“Vision 2021”, released June 2011) has identified a significant shortage of Medical Laboratory Technologists (MLTs) in Saskatchewan. The current number of SIAST MLT graduates is clearly insufficient, with Ministry projections suggesting an additional 22 to 36 MLTs will be needed in the province each year, beginning immediately. Over 2012-13, the Ministries of Health and Advanced Education convened a working group charged with identifying both short and long term strategies to address the MLT shortage. The priority initiative coming out of that working group has been a request to SIAST to double the MLT program seats as quickly as possible.

Over 2013-14, SIAST will engage all relevant stakeholders in the development of a detailed operating and capital budget plan for a 40 seat MLT program to be offered at SIAST Kelsey Campus. The plan will identify and detail physical space requirements and renovations; a program delivery model, including the use of simulation learning as an adjunct to clinical practicum placements; faculty and preceptor requirements and supports; accreditation and Regional Health Authority impacts; and, any other factors related to the establishment and delivery of a 40 seat MLT program in the province. In AY 2014-15, SIAST will require 2.0 FTE at a cost of \$180,000 for project management and program expansion implementation logistics (provincial clinical placement arrangements, lab scheduling, etc.), with full expansion sustainable funding to be submitted in the AY 2015-16 operations forecast. If sustainable funding can be secured, SIAST will begin implementation of the plan over the 2015-16 academic year (i.e. hire faculty, renovations, etc.) The goal will be to accept the first intake of 40 students in the fall of 2016, with a graduating class likely available for employment by the end of the year 2018.

The proposed expansion aligns with the Saskatchewan Plan for Growth goal of increasing the population to 1.2 million by 2020 due to the corresponding increased demand for health care, and also supports the action to eliminate wait times in emergency rooms by 2017.

Perioperative Nursing

SIAST has worked closely with the Ministry of Health Saskatchewan Surgical Initiative (SSI) for the past three years to expand the Perioperative Nursing program capacity of 18 seats to meet the demand for more perioperative nurses in the province. With funding from the SSI, there was an 18 seat expansion in 2011-12, 28 seat expansion in 2012-13, and a planned 28 seat expansion in 2013-14. With the expansions, together with the brokering arrangements, there have been 137 graduates from the program in 2010 through 2013.

The Ministry of Health, Ministry of Advanced Education and the Regina Qu’Appelle Health Region Chief Executive Officer have asked SIAST to increase its program capacity by 18 seats for a total of 36 seats on an ongoing basis. Since the funding grant for the SSI expires in 2013-14, SIAST has been asked to fund the increase in program capacity. The cost of implementing the 18 seat expansion in AY 2014-15 has been identified as \$552,000 (operating) and \$26,000 (one-time capital). The proposed Perioperative Nursing program expansion supports the Saskatchewan Plan for Growth action to reduce surgical wait times to no more than three months by 2014.

Adult Basic Education

Making a commitment to the elimination of the current ABE waitlist in its Plan for Growth, the Government of Saskatchewan has highlighted the significance of education as an animator of the new provincial labour force strategy. SIAST appreciates the \$625,000 investment from the Ministry of Advanced Education to pilot several initiatives in AY 2013-14, including preparatory and summer programming for certain ABE learners at SIAST campuses. These initiatives would continue for AY 2014-15 with an ongoing funding commitment from the province. SIAST will partner and collaborate with others over the coming academic year, the intent to increase both capacity and completion rates.

Capital

The Saskatchewan Plan for Growth recognizes the tremendous growth of apprenticeship training since 2006-07, projects 60,000 more people working and 1.2 million people living in Saskatchewan by 2020, and decreasing health care wait times. Growth and targets on this scale require an investment in capital equipment and innovative technologies that will educate, train and develop a workforce skilled to ensure growth and competitiveness. To support this growth, SIAST will require \$2.35 million in one-time capital as identified below:

- Significant current and anticipated growth in apprenticeship training along with evolving and progressively more sophisticated engineering, health and bioscience technologies combine to challenge programs to deliver relevant training on industry-standard equipment and practises. \$1.25 million is requisite to acquire new and update capital equipment in these areas.
- An increase in the use of simulation learning in health sciences, which takes some of the pressure off already over-crowded clinical training placements and provides a more efficient mode of learning, requires an investment of \$830,000.
- Modernizing SIAST's learning platforms through streaming distribution, lecture capture, multi-mode support and online experience transformation, requires an investment of \$270,000 to ensure its reach to as many Saskatchewan residents as possible, wherever in the province they may be.

Supporting growth by funding research and innovation

The Office of Applied Research and Innovation works with external clients to facilitate the introduction and commercialization of new technologies by capitalizing on the expertise of SIAST's highly qualified and skilled personnel and students. SIAST focuses on practical solutions for real-world problems. SIAST is eligible to apply for research funding through the National Science and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council of Canada (SSHRC). SIAST is positioning itself to capture sustainable applied research opportunities that leverage its core capabilities.

In recent years, significant progress has been made towards growing applied research. It is recognized that growth and sustainability in applied research can only occur if SIAST focuses on the research requirements of Saskatchewan's core businesses and industry. During the past year, SIAST has assessed its core capabilities in applied research. This study, which will serve as the baseline for the Applied Research Strategic Plan, identified "warm market" targets congruent with Saskatchewan industrial growth priorities.

In AY 2012-13, SIAST invested one faculty position to undertake bioscience research. This investment leveraged more than \$900,000 in external grant funding to be conducted in partnership with industry and to enhance SIAST bioscience applied research capacity. Building on this success, SIAST will create a second position to be allocated to another academic division (Technology Division) with a mandate to define and create a divisional research agenda linked to industry needs, funding and program strengths.

Supporting students to attend and complete advanced education

Building on the strategic enrolment management (SEM) plan developed in May 2013, SIAST will begin to operationalize this multi-year plan in 2013-14. In keeping with its institutional priorities, SIAST will shape enrolment with a more focused approach that enhances the student experience. Post-secondary institutions across North America have embraced SEM as a way of addressing the challenges faced in today's complex educational environment. The SEM approach will enhance collaboration by promoting cross-functional solutions that maximize student success. Proposed SEM goals include development of a SEM structure, creation and delivery of a comprehensive recruitment and marketing strategy, promotion of a culture of service excellence, getting “the right students in the right seats” and focussing on student persistence with the goal of increased retention and graduation. An investment of \$100,000 has been allocated in 2013-14 to roll-out the first phase of the SEM plan and further investment will be required in subsequent years.

Supporting First Nations and Métis students' participation and success in advanced education

Implementation of the institution-wide Aboriginal Student Achievement Plan (ASAP) will continue with the realignment of services, creating new support programming and addressing institutional barriers to student completion. While some Aboriginal student success measures have improved in recent years, Aboriginal student completions are not keeping pace with SIAST overall completions, with a 17% percentage point equity gap in 2011-12. SIAST recognizes that increased attention is needed to improve the success of SIAST's Aboriginal students who constitute nearly 18% of the SIAST student population. To support these and other Aboriginal priorities in 2013-14, SIAST will invest \$120,000 to create a director of Aboriginal strategy. In addition to ASAP implementation, the director will work to address recommendations from the Joint Task Force on Improving Education and Employment Outcomes for First Nations and Métis People that address adult basic education, Aboriginal student supports and seamless credit transfer. This leadership position will work to establish stronger partnerships with Saskatchewan's post-secondary institutions that serve First Nations and Métis students, including First Nations University of Canada, the Gabriel Dumont Institute (including Dumont Technical Institute), and the Saskatchewan Indian Institute of Technologies.

Sustainability Measures

SIAST must have a sustainable financial strategy to ensure it is adequately resourced. To simply maintain the status quo with respect to academic programs, delivery techniques and services would be short sighted. In a competitive post-secondary global environment, SIAST must constantly adopt and adapt to new information and educational technologies. SIAST must exhibit contemporary space for its students to learn and interact, and be endowed with up-to-date equipment housed in facilities that support both teaching and applied research.

SIAST has managed its financial resources avoiding deficits and often generating small operating surpluses. It has been innovative in accommodating increasing numbers of students, maximizing use of its physical assets, implementing new programs to match labour market needs of industry and employers, and demonstrating high program quality and customer service. Maintaining this level of excellence requires entrepreneurial approaches that involve the pursuit of public and private funding, conducting revenue-generating activities and engaging in new business opportunities to sustain and grow our post-secondary education undertakings.

SIAST is known for its entrepreneurial flair and “get-it-done” approach. SIAST trusts it will be encouraged to develop sustainable sources of revenue to fund growth and innovation and hopes that its enterprising qualities will be met in future with incentives not disincentives. Discussion is required around retention of SIAST surpluses with a focus on investments that leverage revenue generation and sustainability.

2012-13

SIAST supports the government’s efforts to ensure the sustainability of programs and services. To this end, SIAST implemented a number of sustainability measures in **AY 2012-13**, as follows:

- Significant increase to divisional vacancy management targets.
- Program reductions, suspensions or deletions (e.g. Welding reduction [Kelsey], Electronics Engineering Technology suspension, Nursing Education Program of Saskatchewan deletion).
- Creation of the SIAST Lean Promotion Office (LPO) and implementation of five Lean pilot projects: grievance process, admission process for international students, reporting apprenticeship marks, IT account creation and management, and payroll process efficiencies.
- Administrative efficiencies, including investigation of an alternate budget framework.

2013-14

In addition, SIAST is implementing a number of sustainability measures in **AY 2013-14**, as follows:

General Efficiencies

- Increased administrative fees revenue targets.
- One-time capital budget reductions, including a \$1.0 million reduction in the evergreen refresh program (which allows primary assigned computers to be refreshed every four years). This involves a one-year freeze on the replacement of computers for staff and the majority of

student labs. Risk associated with this initiative will be mitigated by protecting high-end computer labs where deemed critically important.

- Revenue generation, including an analysis of the various SIAST business lines.
- Implementation of parking fee increases for staff and students.
- Program reductions, suspensions or deletions (e.g. Business certificate reduction [Woodland], Forest Ecosystems Technology suspension, Resource and Environmental Law reduction, Psychiatric Nursing Re-entry suspension).

Lean Management

Creation of the SIAST Lean Promotion Office (LPO) will continue through the refinement of a five-year implementation strategy. To support the adoption of Lean across SIAST, efforts will focus on Lean training for SIAST employees and completion of selected Value Stream Mapping events with emphasis on monitoring and measuring progress to “hold the gains.” Ultimately, this implies a shift in corporate culture with greater focus on effectiveness, customer service and employee engagement. Student registration, a major value stream, has been selected for focused work in 2013-14. Implementation of the Lean strategy is aimed at creating a culture of continuous improvement at every level of the organization.

Program Vitality Index

SIAST has developed criteria to rank its academic programs using a vitality index to validate its program offerings and develop program performance measures. Programs are ranked using critical criteria such as number of qualified applicants, enrolment, retention, graduate and employment statistics. Secondary criteria include cost/FLE, alternative modes of training, student satisfaction with their program and employer satisfaction with program graduates.

Program review is governed by policy with each SIAST program receiving annual reviews of enrolment, graduation and employment data plus six-year major reviews specific to relevancy of curriculum content. Suspensions, deletions or downsizing of existing programs and implementation of new programs have been a continuous process at SIAST. Refreshment of programs is built into the SIAST culture of ensuring its academic programs meet the needs of employers and students. It is not expected, therefore, that this exercise will find any “low hanging fruit” in the quest to free up resources to reallocate to new and emerging priorities. A review of SIAST programs using the Program Vitality Index in AY 2012-13 led to the suspension of one program and the reduction of several others. Some of the resultant savings were repurposed to fund year two delivery of the Mining Engineering Technology program and to increase capacity in the Advanced Care Paramedic program. SIAST ensured the Ministry was part of the decision-making process and that industry and other stakeholders were consulted.

Revenue Generation

Given that traditional sources of financing cannot sustain SIAST’s operations, new opportunities for revenue generation are being explored that will promote ongoing financial sustainability. In AY 2012-13, new continuing education procedures were developed to better track revenue and expenses. Further development in AY 2013-14 of policies, procedures, tools, training and incentives will help establish a revenue-generation culture across SIAST. In response, significant increases to divisional continuing education revenue targets were set.

A major capital fundraising campaign also forms part of the overall financial strategy to generate funds for infrastructure improvement and expansion. Approval from the Ministry of Advanced Education is pending.

With the intent to transform its revenue generating capacity, SIAST will undertake a review of its revenue generating potential in AY 2013-14. This study will develop a business model for SIAST's for-profit training business, commonly referred to as earned-revenue training. The aim is to increase earned revenue by using a more disciplined and businesslike approach by aligning SIAST's revenue-generating opportunities with specific industry sectors.

Space Utilization

In order to justify requests for additional space, SIAST must demonstrate optimal use of its existing space allocations. To improve its utilization of space, SIAST initiated a case study in 2012-13 involving the creation of a scheduling office at SIAST Palliser Campus. The pilot has improved overall space availability including the use of extended class days. The pilot will require changes to the way rooms are booked in SIAST's enterprise resource planning system (ERP) so that meaningful room utilization reports can be generated. The pilot will continue with the start of classes in September 2013 and will conclude in December 2013.

Zero-based Budgeting

The goal of this initiative is to improve SIAST's budgeting process for the July 1, 2014 to June 30, 2015 academic year through the incorporation of zero-based budgeting techniques. SIAST wishes to ensure academic budgets are developed according to need rather than historical precedents, with the intent of identifying areas for potential cost savings or increased revenue generation, as well as eliminating potential inequities between divisions. To avoid any perceptions of bias in the process, SIAST believes this would be best accomplished through the use of an external consultant and facilitator. It is important to note that SIAST is presently restructuring its academic structure from a divisional framework to that of a school-based model. This is to be implemented in the following academic year.

2014-15

SIAST is considering a number of sustainability measures in **AY 2014-15**, as follows:

General Efficiencies

Program rationalization with savings directed to new program development.

Revenue Generation

Begin to implement recommendations from revenue generation study completed in AY 2013-14.

Space Utilization

Based on lessons learned at Palliser Campus, the space utilization initiative will move to other SIAST campuses starting in fall 2014.

Zero-based Budgeting

Based upon the success of the first phase, a second phase (administrative services) may be undertaken in 2014-15.

Appendix A

Status Quo Expenditures - 0% Grant Increase

Status Quo Expenditures	2013-14	2014-15	% Change
Salaries and Benefits			
Out-of-Scope	\$10,184,000	\$10,277,000	
Academic	88,657,000	89,108,000	
Professional Services	29,552,000	29,739,000	
¹ Other	12,937,000	12,937,000	
² Benefits	17,923,000	17,923,000	
Total Salaries and Benefits	\$159,253,000	\$159,984,000	0.5%
³ Other Expenditures	76,740,000	77,383,000	0.8%
Total Expenditures	\$235,993,000	\$237,367,000	0.6%

Funding Impact	2013-14	2014-15	% Change
Total Expenditures	\$235,993,000	\$237,367,000	0.6%
Operating Funding			
³ Base	155,794,000	155,794,000	0.0%
Multi-year Commitments	600,000	600,000	
Tuition and Fees			
⁴ Tuition Increases	24,640,000	25,210,000	2.3%
⁵ Enrolment Increases		600,000	
Other Revenue	52,654,000	52,654,000	
Total Revenue	\$233,688,000	\$234,858,000	0.5%
⁶ Funding Impact	\$2,305,000	\$2,509,000	

¹ Largely made up of continuing education and contract employees. To the extent these salaries increase, it is assumed that contractual revenue will increase to offset.

² Benefit increases are included within the related employee group salary increases.

³ Other expenditures and base funding both include capital spending, as outlined in the 2013-14 OCP.

⁴ Assumes 4% tuition increase on core tuition. Tuition on continuing education and cost recovery programming has not been included as it is based on factors such as cost of delivery and is not directly tied to the core tuition increase.

⁵ Tuition increase related to SCBScN program. Impact of overall enrolment changes is difficult to forecast given the additional costs associated with increased student intake. Currently no net contribution from enrolment increases is anticipated.

⁶ Since the AY 2013-14 shortfall resulted from one-time costs, primarily one-time retroactive salary expense related to 2012-13, it was not carried over as part of the AY 2014-15 status quo funding requirements.

Expected Impact - 2% Grant Increase

Status Quo Expenditures	2013-14	2014-15	% Change
Salaries and Benefits			
Out-of-Scope	\$10,184,000	\$10,277,000	
Academic	88,657,000	89,108,000	
Professional Services	29,552,000	29,739,000	
¹ Other	12,937,000	12,937,000	
² Benefits	17,923,000	17,923,000	
Total Salaries and Benefits	\$159,253,000	\$159,984,000	0.5%
³ Other Expenditures	76,740,000	77,383,000	0.8%
Total Expenditures	\$235,993,000	\$237,367,000	0.6%

Funding Impact	2013-14	2014-15	% Change
Total Expenditures	\$235,993,000	\$237,367,000	0.6%
Operating Funding			
³ Base	155,794,000	158,101,000	1.5%
Multi-year Commitments	600,000	600,000	
Tuition and Fees			
⁴ Tuition Increases	24,640,000	25,210,000	2.3%
⁵ Enrolment Increases		600,000	
Other Revenue	52,654,000	52,654,000	
Total Revenue	\$233,688,000	\$237,165,000	1.5%
⁶ Funding Impact	\$2,305,000	\$202,000	

¹ Largely made up of continuing education and contract employees. To the extent these salaries increase, it is assumed that contractual revenue will increase to offset.

² Benefit increases are included within the related employee group salary increases.

³ Other expenditures and base funding both include capital spending, as outlined in the 2013-14 OCP. 2% funding increase is only applied to the \$115 million operating grant portion of the base grant.

⁴ Assumes 4% tuition increase on core tuition. Tuition on continuing education and cost recovery programming has not been included as it is based on factors such as cost of delivery and is not directly tied to the core tuition increase.

⁵ Tuition increase related to SCBScN program. Impact of overall enrolment changes is difficult to forecast given the additional costs associated with increased student intake. Currently no net contribution from enrolment increases is anticipated.

⁶ Since the AY 2013-14 shortfall resulted from one-time costs, primarily one-time retroactive salary expense related to 2012-13, it was not carried over as part of the AY 2014-15 status quo funding requirements.

Supplementary Salary Detail

Out-of-Scope Employees	
Budgeted FTEs	101
Period covered by collective agreement	N/A
Annual increase provisions	Assumed to be consistent with in-scope increases
Details:	
Salary 2013-14	\$10,184,000
Merit increases	120,000
Ongoing economic increases	163,000
¹ One-time 2013-14 retroactive increases	(190,000)
² New positions	--
Salary 2014-15	\$10,277,000

In-Scope Academic Employees	
Budgeted FTEs	1,067
Period covered by collective agreement	July 1, 2012 – June 30, 2015; currently outstanding
Annual increase provisions	Assumed to be generally consistent with the prior agreement
Details:	
Salary 2013-14	\$88,657,000
Merit increases	590,000
Ongoing economic increases	1,405,000
¹ One-time 2013-14 retroactive increases	(1,544,000)
² New positions	--
Salary 2014-15	\$89,108,000

In-Scope Professional Services Employees	
Budgeted FTEs	541
Period covered by collective agreement	July 1, 2012 – June 30, 2015; currently outstanding
Annual increase provisions	Assumed to be generally consistent with the prior agreement
Details:	
Salary 2013-14	\$29,552,000
Merit increases	290,000
Ongoing economic increases	468,000
¹ One-time 2013-14 retroactive increases	(571,000)
² New positions	--
Salary 2014-15	\$29,739,000

¹ AY 2013-14 budget included one-time retroactive salary increases for 2012-13. The one-time amounts have been removed leaving the ongoing salary expense for 2014-15.

² Other than as part of new initiatives separately identified in the Operations Forecast, no new positions have currently been identified for 2014-15, and no related funding has been requested.

Appendix B

SIAST Kelsey Campus Renewal

SIAST Kelsey Trades and Technology Centre

The new Trades and Technology Centre will house essentially all Kelsey Technology programs except for the Power Engineering Technology program. The Mining Engineering Technology program would relocate to this new centre. Areas within the existing Kelsey Campus buildings that become vacated by their move to the centre will be rehabilitated so that the Practical Nursing and Library and Information Technology programs can relocate from 4th Avenue South to the main campus. This centre will include a Trades Centre which will be a flexible combination of workshops, laboratories, classrooms and offices along with student support areas. The building will also house two large lecture theatres to meet the current needs of classes larger than 140 students. It will be connected with other SIAST Kelsey buildings by a bridge to create an integrated campus complex. During the renovations of the vacated space within the existing Kelsey Campus buildings, the Aboriginal student centre will be expanded and improved to allow increased participation and use. Appropriate air handling systems will be incorporated into the design to facilitate ceremonial utilization. There is also an allowance for campus exterior areas in this overall project. Additional details are as follows:

- Five-storey building, 9,300 square meters (100,000 square feet) footprint with four levels above at 4,650 square meters each (50,000 square feet).
- Fifth floor – SIAST Administrative Offices relocated from downtown Saskatoon.
- Fourth floor – General use classrooms and offices.
- Third and fourth floor - Two amphitheatres holding 250 people each.
- Third floor – Technology programs, computer labs, classrooms.
- Second floor – Technology programs, computer labs, classrooms.
- First floor – Trades and Technology programs with several classrooms in shop areas.
- Rehabilitate shop space in the existing buildings that become vacated.
- Construct four new medical technology labs and adjust other spaces for displaced programs.
- Create student gathering spaces in existing buildings.

SIAST Kelsey New Motive Power Centre

The Motive Power Centre will become home to the Heavy Equipment and Truck and Transport Technician (HETT), Agricultural Machinery Technician, Automotive Service Technician and possibly Auto Body Technician programs. The facility will include classrooms and staff offices. The centre will be located in an industrial area due to the nature of the large equipment associated with these programs. The building will have a sufficiently large yard area so that program equipment can be stored on the property. This project will also rehabilitate the current Agricultural Machinery Technician and Automotive Service Technician program area at SIAST Kelsey for additional trades training space. Additional details are as follows:

- Located on 30 - 40 acres of industrial land with utilities, onsite well and septic.
- 9,300 – 13,950 square meters (100,000 – 150,000 square feet) building will house Auto Body Technician, Automotive Service Technician, Agricultural Machinery Technician and Heavy Equipment and Truck and Transport Technician programs.
- Area will be fenced-in with large lay down areas and vehicle/equipment testing areas.
- Building to be a tall warehouse type structure with large bay doors.

- Building to have heating, ventilation and air conditioning (HVAC) system.
- Classrooms and offices on partial 2,325 square meters (25,000 square feet) mezzanine will be heated and cooled.

SIAST Kelsey Reconfigure 55 - 33rd Street for Final Tenants

The Mining Engineering Technology program will be relocated to the new Trades and Technology Centre and the 55 - 33rd Street property reconfigured to accommodate other program areas. Additional information as follows:

- Building was recently renovated/refurbished.
- Minor alterations to bottom two floors only.
- Lowest floor is currently a lab and will be converted to classroom space.
- First floor is currently combination of computer lab and may not require renovation.

SIAST Kelsey Warehouse Removal

Removal of the old warehouse will require demolition of the superstructure and removal of the approximately 9,300 square meter slab (100,000 square feet). The thickness of the slab is unknown but is believed to be more than one foot. This project will also provide for storage of several required items currently stored in the warehouse. Additional information as follows:

- Demolish warehouse and remove material from site.
- Slab is assumed 0.3 meters thick (one foot); piles will not be removed.
- Infill with compacted granular base for lay down area during construction.
- Build a 1,860 square meters (20,000 square feet) pre-engineered building to house storage currently in the warehouse; this building will be located at Ontario Avenue on an existing parking lot.

SIAST Kelsey Affordable Student Housing and Day Care Centre

The SIAST Kelsey Student Housing Project would create a dormitory type facility to accommodate students in both trades and long-term SIAST programs. It would be integrated into the campus layout to allow resident students to access learning facilities without leaving covered access walkways. This would place the campus into 24/7 operation. It would also house a day care centre thus reducing barriers for parents to attend SIAST. Additional details are as follows:

- Located on existing campus or donated land.
- Five to six-storey building accommodating 300 beds.
- Dormitory-like construction.
- First floor to house administrative office, daycare and games room.

