

Chapter 26

University of Regina

1.0 MAIN POINTS

In this chapter, we report the results of the annual audits of the University of Regina (University), its Pension Plans, and its Master Trust. The University's accountability to the public is strengthened through our Office's reporting of its annual audit results.

The financial statements of the University, its Pension Plans, and its Master Trust for the years ended on or before April 30, 2012 are reliable. The University, its Pension Plans and Master Trust complied with the authorities governing their activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing. The University had effective rules and procedures to safeguard public resources.

2.0 INTRODUCTION

In this chapter, we set out our findings from our audits of:

- › The University of Regina (University) for the year ended April 30, 2012
- › The Pension Plan for the Academic and Administrative Employees of the University of Regina and the University of Regina Non-Academic Pension Plan (Pension Plans) for the year ended December 31, 2011
- › The University of Regina Master Trust (Master Trust) for the year ended December 31, 2011

The University provides post-secondary education and conducts research. It is established pursuant to *The University of Regina Act* (Act) as a non-profit educational organization. The purpose of the University is the preservation, transmission, interpretation and enhancement of the cultural, scientific and artistic heritage of the human race, and the acquisition and expansion of new knowledge and understanding.¹

The University enrolled 12,877 students for the year ended April 30, 2012² and employed 2,838 faculty and staff. The University is organized into 35 different faculties and departments.³

In its annual report for the year ended April 30, 2012, the University reported revenues of \$228 million and expenses of \$292 million. The University's main sources of revenue are grants and contracts from the Government of Saskatchewan and student fees, comprising 47% and 23% of all revenues respectively. Salaries and benefits represent 70% of the University's expenses. At April 30, 2012, the University had \$221 million invested in capital assets.

¹ *University of Regina Annual Report 2011-12*, p. 25. www.uregina.ca/orp/AnnualReport/Annual_Report_2011-12.pdf.

² *Ibid.*, p. 6.

³ *Campus Facts 2011-12*. www.uregina.ca/orp/FactBrochure/Facts_Brochure_2012.pdf.



The University has established two pension plans for its employees. The Pension Plans and the Master Trust are administered by management of the University.

The University of Regina Non-Academic Pension Plan is a defined benefit plan. For the year ended December 31, 2011, this plan had net assets available for benefits of \$64 million, pension obligations of \$67 million, and a deficit of \$3 million.

The Pension Plan for the Academic and Administrative Employees of the University of Regina has both defined benefit and defined contribution components. For the year ended December 31, 2011, the defined benefit component had net assets available for benefits of \$203 million, pension obligations of \$192 million, and a surplus of \$11 million. The defined contribution component had net assets available for benefits of \$67 million.

The Master Trust is a fund established by the University to hold some of its pension plans' investments. For the year ended December 31, 2011, the trust held assets of \$270 million.

3.0 AUDIT CONCLUSIONS, SCOPE AND FINDINGS

In our opinion, for the years ended on or before April 30, 2012:

- › **The University of Regina, the Pension Plans, and the Master Trust had effective rules and procedures to safeguard public resources**
- › **The University of Regina, the Pension Plans, and the Master Trust complied with the following authorities governing their activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The University of Regina Act
The Post-Secondary Education and Skills Training Act (section 18)
The Tabling of Documents Act, 1991
The Financial Administration Act, 1993 (section 38)
The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
Income Tax Act (Canada) (sections 147.1, 147.2 and 147.3)
Income Tax Regulations (Canada) (sections 8501-8520)
Pension Benefits Standards Regulations, 1985 (Canada)
Orders in Council issued pursuant to the above legislation

- › **The University of Regina, the Pension Plans, and the Master Trust had reliable financial statements**

We used the control framework developed by the Canadian Institute of Chartered Accountants (CICA) to make our judgments about the effectiveness of the University's controls. The CICA defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

Assessing the University's rules and procedures to safeguard public resources included evaluating the University's processes for recording revenues, tendering and awarding contracts, and purchasing goods and services.