

OPEN SESSION**Minutes of a Meeting of the Board of Governors held at 4:00 p.m. on May 17, 2005 in 160 Continuing Education Complex**

Present:

Mr. W. Anderson, Chair
 Ms. M. Albl
 Mr. D. Ames
 Ms. A. Aziz
 Mr. A. Black
 Dr. J. Cooper
 Ms. E. Gordon
 Dr. J. Hoskins
 Mr. G. Lane
 Ms. L. Meeches
 Mr. S. Narine
 Dr. W. Norrie

Mr. S. Reddy
 Mr. T. Sargeant
 Ms. J. Simons
 Dr. I. Smith
 Mr. T. Strutt
 Dr. E.J.E. Szathmáry
 Ms. C. Van De Kerckhove
 Ms. S. Van Schie

Also Present:

Dr. M. Gabbert, UMFA Assessor
 Ms. M. Gallant, UMSU Assessor
 Ms. E. Goldie, V.P. (External)
 Dr. R. Kerr, V.P. (Academic) & Provost
 Dr. J. Keselman, V.P. (Research)
 Ms. D. McCallum, V.P. (Administration)

Mr. T. Moyle, Support Staff Assessor
 Ms. C. Keachie, Governance Specialist
 Mr. J. Leclerc, University Secretary

Regrets:

Dr. H. Duckworth
 Ms. J. Simons
 Mr. D. Ward

ANNOUNCEMENTS

1. Mr. Anderson welcomed Mr. David Ames to his first meeting as the UMSU appointed member to the Board of Governors.
2. For the information of visitors, Mr. Anderson explained the guidelines of conduct for the meeting of the Board of Governors.

FOR ACTION

2. **MINUTES:** March 22, 2005

2.1 Approved as circulated

It was moved by Mr. Black, seconded by Dr. Cooper:

THAT the minutes of the March 22, 2005 Board of Governors Open Session meeting be approved as circulated.

CARRIED

2.2 Business Arising - none

3. **FROM EXECUTIVE COMMITTEE** - none

4. **FROM ACADEMIC AFFAIRS COMMITTEE** - none

5. **FROM FINANCE AND ADMINISTRATION COMMITTEE**

5.1 Operating Budget 2005-2006

Mr. Sargeant took the Chair during this item.

It was moved by Mr. Black, seconded by Dr. Hoskins:

THAT the Board of Governors approve the Operating Budget based on total revenues and expenditures of \$384,104,323 for the year ending March 31, 2006.

Mrs. McCallum explained and highlighted in detail pertinent information included in the 2005-2006 Operating Budget.

The recommended 2005 operating budget was developed on the basis of no budget reductions and sufficient baseline and budget-only allocations to maintain the quality of a medical/doctoral research-intensive university. To accomplish this, additional revenues would be generated through the implementation of new incidental fees.

Included in the agenda material was a table which illustrated the increases to the operating grant and the tuition fees since 1998-99. Also indicated was the requested increase made to the Province each year in the Operating Estimates. As per instructions from the Council on Post Secondary Education ("COPSE"), the increases requested in the operating grant Estimates are intended to maintain the status quo; i.e. to cover only inflationary and salary increases and no new programs or initiatives. The shortfall between what was requested and what was received has been managed since 2000-2001 without budget cuts by adopting a number of strategies including:

- Fiscal Stabilization funding of \$3 -4.5-million per year has been used to balance the budget;
- Turnover savings from the Strategic Initiatives Process (SIP) adopted in 2000-2001 have been used to balance the budget although these were

- intended to be used for new strategic initiatives;
- Units have not received any inflationary increases on their supplies budgets, which has reduced their spending power;
- Student numbers have been allowed to grow without adequate increases in staff. This has resulted in increased tuition revenues to help balance the budget but has also resulted in larger class sizes and more classes being taught by sessionals or graduate students;
- Utility savings from the energy conservation program has provided one time money to balance the budget;
- More staff positions have been funded on "soft" or budget-only money (term positions rather than continuing). This has made it more difficult to recruit properly qualified people;
- One time property tax savings resulting from a successful property tax appeal have been used to cover budget shortfalls; and
- Equipment has not been replaced; buildings and grounds have not been properly maintained. For example, windows are not cleaned, maintenance painting is not done. Caretakers have been assigned areas to clean that are twice the size of the industry norm.

Why does the University need more than the annual CPI to operate?

- Many of the salary and non-salary costs have been increasing at a higher rate than the annual CPI. For example, in 2005-2006, the projected increase in utilities is \$767,000 or 6.0%. Once this increased cost is covered, our base grant increase of 2.25% is reduced to 1.86%.
- Insurance premiums have been increasing dramatically since 9/11, as much as 57% in one year. For 2005-2006, the increase is 7.8%.
- The Library has experienced extraordinary increases in the cost of serials (journals) which make up 70% of the acquisitions budget. Some of the past annual increases have ranged between 60-70%. For 2005-2006, serials are again projected to increase in cost by 10% with inflationary increases on all categories of acquisitions increasing by 8%.
- Attempts have been made in past years to keep annual salary increases at or below the CPI or in line with other public sector settlements. This has meant that our salary increases have not kept pace with increases awarded at other medical/doctoral universities in Western Canada. This makes it difficult to attract and retain quality faculty. For example,
 - Increases in 2003-2004 to 2005-2006 at the University of Calgary were 3.5%, 4.0% and 3.0%.
 - Increases at the University of Alberta were 4.0% in 2002-2003, 4.25% in 2003-2004 and 5.25% in 2004-2005.
 - UBC settled for 3.75% in 2004-2005 and 5.25% in 2005-2006.
 - University of Saskatchewan increases in 2003-2004 to 2005-2006 were 3%, 3% and 3%.
- The increased dependence on technology including the need to replace computer equipment on a regular basis, develop and maintain web-sites

and new administrative systems has placed greater demands on the budgets of academic and administrative units.

- There have been significant additional costs to comply with regulatory requirements such as privacy legislation (FIPPA, PHIA), sustainability legislation, Workplace, Safety and Health legislation, the Canadian Council on Animal Care, the Tri Council Policy Statement on Research Involving Human Subjects and environmental assessments.

Mrs. McCallum noted that the ability to compete with the University's sister institutions in the west is becoming increasingly difficult as their operating grant increases and tuition fee revenues continue to exceed the University of Manitoba's. Mrs. McCallum outlined the process used in developing the Operating budget.

The University received confirmation on March 8, 2005 that its operating grant increase for 2005-2006 will be 1.48% or \$2,944,800. The Province has also provided a base grant increase of 0.77% or \$1,535,600 which is roughly equivalent to the CPI increase of the 1999-2000 tuition levels (except where the Province has agreed to specific tuition increases) for the 2005-2006 academic year. The amount represents approximately 2% of the projected tuition revenue for 2004-2005. The total base grant increase for 2005-2006 is 2.25%. The Province will also continue the 10% tuition rebate program for 2005-2006, whereby the University reduces the tuition fees paid by students by 10% from the 1999-2000 levels. The tuition fee rebate grant is paid based on 10% of tuition fees assessed for degree credit programs. Enrolment levels for fall 2005 are predicted to increase by an additional 1% over 2004-2005 levels.

A shortfall exists between funds available and funds needed to maintain operations at the same level as in the last fiscal year (2004-2005). Two factors are responsible: (1) The size of the operating grant increase, and (2) the disappearance of budget-only funds that supported continuing activities in 2004-2005.

An operating grant increase of 2.25% leaves the University with a projected 2005-2006 operating shortfall of approximately \$3.8-million. This shortfall assumes a 1% enrolment increase and no inflationary increases in most non-salary budgets, except utilities and insurance.

The second shortfall arises from the disappearance of \$4-million, the sum of budget-only allocations funded in 2005-2005 through a transfer from the Fiscal Stabilization Provision. The bulk of this \$4-million in budget-only allocations was used to support on-going commitments as opposed to funding actual one-time-only expenditures. This was done in order to avoid budget cuts. However, the University's ability to continue replenishing the Fiscal Stabilization Provision has diminished significantly. The University can no longer count on past sources of relief, for example, a one-time-only property tax rebate from a successful property tax appeal with the City of Winnipeg, greater than anticipated tuition revenues from increasing enrolments, and utilities savings from a successful energy conservation program.

In addition to the \$4-million in one-time-only allocations, significant mid-year transfers totaling \$2-million from VP discretionary reserves and SIP budget-only surplus were

made to assist units experiencing financial difficulties or to meet unfunded or unanticipated needs. In total, units were supported in 2004-2005 by \$6-million in budget-only allocations. The total shortfall, without any adjustments, is \$3.8-million in baseline finds, and \$6-million in budget-only funds.

Considerations in Striking the 2005-2006 Operating Budget

- ***Budget Reductions***

Without any new revenue, units would be required to make budget reductions equivalent to 2% across the board. Furthermore, those units supported in 2004-2005 by \$6-million in budget-only allocations would have to make further reductions to programs and services offered. Because there are many units that do not have the ability to absorb a 2% budget cut, differential cuts were also considered.

However, even in a model of budget reductions, some baseline increases would be required for essential services and to provide some support to units in serious financial difficulty. For example, operating costs must be covered for the Engineering and Information Technology Building (EITC) and the Richardson Centre for Functional Foods and Nutraceuticals which are opening in September, 2005. This could be achieved by utilizing \$1.5-million in 2004-2005 academic baseline salary savings accumulated through the Strategic Initiatives Process (SIP).

With regard to the \$6-million in budget-only allocations funded in 2004-2005, some must continue to be funded. Unfortunately, only \$2,430,000 have been identified to fund essential services from the SIP budget-only surplus and from the Fiscal Stabilization Provision in 2005-2006.

With no new sources of revenue, the net effect of this reduction model would be to reduce the baseline by approximately \$2.3-million and to eliminate \$3.6-million in budget-only funding for a total reduction of \$5.9-million. The effect of this would be even more devastating than the numbers suggest because no funds would be available for any new initiatives.

Because the University operates a decentralized system of budgeting, the actual reductions in positions and services would be determined by the Deans and Directors of the various units.

Budget reductions were reviewed with the President's Budget Advisory Committee. The advice of the Budget Advisory Committee was that additional sources of revenue must be considered rather than budget reductions. The effects of budget reductions would be devastating to units, disastrous for students and would be inconsistent with the five institutional priorities for success identified in the University Strategic Plan: *Building for a Bright Future* which are:

- Provide Access to an Exceptional Education
- Attract and Retain the Best
- Be a Centre for Research and Graduate Education that Makes a Difference to



- our Province, our Nation, our World
- Provide the Human, Physical and Technological Infrastructure Necessary for Learning and Research
- Be at the Centre of Our Community: On Manitoba
- **Baseline and Budget - Only Allocations and Implementation of Incidental Fees**

Following the advice of the President's Budget Advisory Committee, a model was developed that would avoid budget cuts and would maintain the quality expected of a medical/doctoral research intensive University. The model is built on the following principles:

- The University will continue to make academic appointments in high priority areas through the continued replacement or reallocation of vacated positions through the Strategic Initiatives Process (SIP).
- Baseline funding will be provided to the extent possible to support commitments previously funded through budget-only allocations.
- The process of providing additional baseline funding to units experiencing serious financial difficulties will commence. These include the Faculty of Engineering, the Faculty of Music, the Clayton H. Riddell Faculty of Environment, Earth, and Resources and the I.H. Asper School of Business.
- Baseline funding will be provided to cover operating costs for buildings opening in 2005-2006.
- Rebuilding the funding base essential to maintain accreditation standards for professional programs will occur. Currently there are 90 programs that are subject to accreditation review (44 of which are in the Faculty of Medicine).
- Additional funding will be provided for needs-based bursaries to assist students with financial difficulties.

Baseline allocations of \$6,514,650 and budget-only allocations of \$2,430,000 were recommended by the Budget Advisory Committee as the minimum required to accomplish the above.

Of the \$6.5-million in baseline allocations, \$1.5-million will come from the 2004-2005 baseline academic salary savings accumulated through SIP. Approximately \$1.9-million for international student support, recruitment and development activities will be funded through the projected increased international differential student fee revenues for undergraduate and graduate students approved by the Board of Governors in January and June, 2004. The budget only allocation of \$2,430,000 will be funded from the SIP budget-only surplus and from the Fiscal Stabilization Provision.

To undertake the actions consistent with the principles above and to cover the baseline shortfall of \$3.8-million, additional baseline funds of \$6.9-million are required.

This additional baseline revenue will be generated from the implementation of the following incidental fees:

Registration Fee
Student Services Fee
Library Fee

Fee details and listings of the services supported by these fees were included in the agenda material. These fees are in addition to a technology fee implemented for Summer Session 2005 as part of the funding plan for the capital debt financing. The new fees are consistent with similar incidental fees already in place at the University of Winnipeg or recently approved at Brandon University. Specifically, the University of Winnipeg already has a registration fee in place of \$25.00 per course. Brandon University has recently approved a Student Services Fee (\$2.75 per credit hour), a Library Fee (\$1.00 per credit hour), a Wellness Fee (\$5.00 per credit hour) and a Technology Fee (\$5.00 per credit hour) effective for the 2005-2006 fiscal year.

The implementation of these incidental fees would generate revenue that would begin to restore funding to units affected by several years of insufficient operating budgets.

Recommended 2005-2006 Operating Budget

With the introduction of three new incidental fees, the recommended 2005-2006 operating budget has been developed with no budget reductions. The recommended baseline and budget-only allocations go a long way to maintaining the quality expected of a medical/doctoral research intensive university.

The full details on all projected revenues were included in the agenda material. The schedule entitled "University of Manitoba Operating Budget - April 1, 2005 - March 31, 2006" was included in the agenda material, and presented a balanced budget for 2005-2006.

It is recommended that the Board of Governors approve the operating budget based on total revenues and expenditures of \$384,104,323 for the year ending March 31, 2006.

A lengthy discussion took place regarding the Operating Budget. Numerous questions were raised and responses given.

Ms. Albl asked if the new ancillary fees would be taxed deductible in the same way as tuition?

Mrs. McCallum responded that yes, any compulsory fees are tax deductible.

Ms. Gallant noted that she understood that the University of Manitoba must have either a 6% baseline budget increase or 15% increase in tuition to maintain the status quo. She further indicated that she understood the University of Manitoba received a 3.25% equivalent increase in baseline funding, and the fees that are being proposed in this submission amount to approximately 15% increase in tuition fees for undergraduate students. Ms. Gallant asked why the amount proposed is what it is?

Mrs. McCallum responded that the University needed a 6.5% grant increase or a 15.2%

tuition fee increase or a combination of the two; just to maintain the status quo; that does not account for any additional monies that faculties might need that are in financial difficulty, for example. Mrs. McCallum also noted that it does not account for any additional monies that will be needed to operate new buildings that are coming on stream. Mrs. McCallum indicated that under the new budget, the University seeks to cover the shortfall, but also bring the University back to status quo, plus provide some additional funding to address the new costs in areas of financial concern.

Mr. Narine asked if an attempt had been made to get the Province to rebate on the payroll tax levy?

Dr. Szathmáry responded that yes in previous years, and that \$4-million leaves the operating budget to pay the Payroll Tax. She further noted that the University has consistently raised that issue in years past. She also mentioned that the University was the only jurisdiction in Canada that paid property taxes until recently. Dr. Szathmáry commented that over \$4-million of the University's operating budget goes to sustain the payroll levy.

Ms. Aziz noted that according to the material presented, it appeared that there is \$25-million in undistributed operating funds. Ms. Aziz asked why this amount is undistributed.

Mrs. McCallum responded that this is the Central Operating Reserve; every year the University sets this which includes all of the funds related to salary increases or any increase in expenses that will occur during the year. She further explained that those funds are allocated during the year, but are not allocated as part of the opening budget, as it is not known at the time of preparing the budget what the costs will be during the year, and that the funds are held centrally until needed to ensure proper control is in place.

Ms. Van De Kerckhove asked about the operating amount for the new buildings on campus, such as the new Engineering Building; she asked what the difference would be for the operating amounts for the old building as opposed to what the operating amounts would be for the new building?

Mrs. McCallum responded that it costs over \$5.00 per square foot to heat, light, clean and maintain a new facility; over the next few years the University will have close to 1-million square feet of new space coming on stream. She further indicated that the new engineering building is larger than the old one; therefore, there will be increased costs with this building over the old building.

Ms. Aziz questioned the ancillary fees (Registration Fee, Student Services Fee, and Library Fee) and asked what is the cost to operate each of these items?

Mrs. McCallum responded that the total Student Affairs budget net of income is \$8-million and they are responsible for providing most of the services and the cost of each service individually was not available.

After questions were asked and responses given, there was a lengthy debate regarding the 2005-2006 Operating Budget.

Dr. Gabbert commented that the UMFA Executive supports the new fees as a temporary measure to meet a crisis generated by chronic government under-funding of University operations. Dr. Gabbert indicated that when the tuition fee freeze is removed or if government support improves, then the fees should be looked at again. Dr. Gabbert noted that he and most of his colleagues support the students on the tuition freeze issue.

Mr. Lane made a presentation to the Board outlining his thoughts and concerns regarding the proposed operating budget and the process that led to its development. He itemized objections to the substance of the budget and his feeling that due process had not been followed. He felt that the budget proposal did not provide enough options or background information for him to make an informed view of the budget proposal. He suggested that options other than increasing fees on students and contravening government policy be considered. Mr. Lane provided a copy of his remarks to the Secretary.

It was then moved by Mr. Lane, seconded by Ms. Aziz:

THAT the Budget Proposal be tabled.

DEFEATED

Ms. Aziz indicated that she felt disheartened by the current crisis that the University is in, having to cut programs and other resources if there is not an ancillary fee approval. Ms. Aziz felt there was neglect of attention to this matter in the public domain. She also felt there was a lack on the part of administration to highlight the shortfalls of funding; rather, constantly highlighting the need to increase tuition fees, as opposed to looking at additional funding sources. Ms. Aziz wondered if there are other options to cut other items; if there are, she has not been made aware of them, and if they were discussed at other committees she does not know of this information.

Mr. Reddy noted that he was not comfortable with the solutions presented; he further stated that he was conscious of the funding relationship with Province of Manitoba. Mr. Reddy agreed that the University should make a strong case to the government as to the University's situation in order to explore alternatives to the ancillary student fees.

Mr. Ames felt that this motion should be referred back to the Finance and Administration Committee for further consideration. A discussion took place regarding this suggestion.

It was then moved by Mr. Ames, seconded by Ms. Van De Kerckhove:

THAT the motion be referred back to the Finance and Administration Committee for further consideration.

DEFEATED

Ms. Van De Kerckhove noted that she wished to have the details of the cost break-down

of what the increased fees will be used for specifically; in addition, she requested that the University wait to hear what the Minister of Advanced Education has to say about the budget. A discussion took place regarding this suggestion.

It was then moved by Ms. Van De Kerckhove, seconded by Mr. Ames:

THAT the motion be referred back to the Finance and Administration Committee with specific instructions providing information in respect of the cost related to the ancillary fees, as well as to wait for further input from the Minister of Advanced Education.

DEFEATED

Mr. Anderson spoke to the budget preparation and processes. Mr. Anderson indicated that he felt very strongly about the budget because of its impact on the quality of education at the University of Manitoba. Mr. Anderson reiterated what the role of the Board is and the role of Governors; the principle job is to hire the Chief Executive Officer and to delegate through bylaws. Mr. Anderson noted that *The University of Manitoba Act* gives the Board the powers to set all fees. Mr. Anderson further indicated that as Dr. Szathmáry noted earlier, the government requested the cooperation of universities in entering into a tuition freeze program; The University of Manitoba cooperated with this request.

Mr. Anderson commented that the budget process is built from the bottom up; it is not imposed from the top-down. He further stated that the Budget Advisory Committee's role is to recommend on the allocation of scarce funds and to review the budget; it has done this; it gets all kinds of financial information and analysis and information about course workloads. Mr. Anderson stated that the Deans and Directors are consulted in one on one meetings; they each provide a one-year detailed budget for their areas, in addition to providing a 3-year forward looking budget with their priorities. These priorities are measured against the University's Strategic Plan, and also compared to the progress that has been made in the past.

Mr. Anderson spoke about the consequences of not passing this budget. He noted that if the budget were cut, lower accessibility will occur because there will be fewer spaces. He further indicated that the quality of the spaces and IT functions, be will lower, which is not in the best interests of the University of Manitoba. He stated that the impact of cuts will be extremely severe on the quality of education and nearly impossible to meet the goals of the University of Manitoba's Strategic Plan, and nearly impossible to meet the provincial government's goals that have been set out. Mr. Anderson commented that the University of Manitoba as a whole must be looked at; he rhetorically asked about the students of tomorrow and what kind of inter-generational transfer is going to take place if the tuition freeze is lifted causing the fees to go up significantly; he felt this is inequitable and unfair to future students.

Dr. Szathmáry spoke to the budget. She stated that when the Finance and Administration Committee recommended the budget, they also asked that the President make an attempt to meet with the Premier, along with Mr. Anderson and Mr. Sargeant. Dr. Szathmáry noted that the purpose of this meeting was be to discuss what the

Committee was recommending to the Board, in order for the Premier to hear from the University of Manitoba the reasons why the budget was being recommended. Dr. Szathmáry advised the Board that she has tried to secure a meeting with the Premier. The Premier was unable to meet with Dr. Szathmáry on short notice; however, Dr. Szathmáry did meet with the Minister of Advanced Education. The Minister is aware what the Finance and Administration Committee has recommended to the Board.

On the advice of the Minister, Dr. Szathmáry indicated that she wrote a detailed email to the Premier with copies sent to the Minister and the Clerk of the Executive Council. Dr. Szathmáry told the Premier that she regretted not being able to meet with him directly. She told the Premier that the existing financial situation at the University of Manitoba has forced her to choose between two very difficult options in the budget that was recommended to the Finance and Administration Committee. Dr. Szathmáry further explained that the University will provide a sound education to all students and financial assistance to those who most need it. Dr. Szathmáry noted that she provided the Premier with facts regarding the University of Manitoba's financial situation for fiscal 2005. She also provided him with refutation of the notion that the University has been overspending on salaries and administrative costs. She provided the Premier with a comparison of the University of Manitoba's core grant increase with those of Western Canadian medical/doctoral universities. Dr. Szathmáry indicated to the Premier that there are funds in the budget proposal that will be made available for student assistance.

Mr. Lane felt that the budget should be amended by removing the student ancillary fees and substituting the internally restricted funds as a short-term measure. A discussion took place regarding this suggestion.

It was then moved by Mr. Lane, seconded by Ms. Aziz:

THAT the motion be amended by deleting the new student fees and covering the projected deficit by use of internally restricted funds.

DEFEATED

Mr. Black's motion was then **CARRIED**.

Mr. Anderson resumed the Chair.

5.2 Endowment Fund - Faculty of Education

A referendum was held on Thursday, February 10 and Friday, February 11, 2005 concerning a \$75 per year contribution by Faculty of Education students in support of the Faculty of Education Endowment Fund. This is an increase of \$25.00 per year over the previous contribution. The result was a 60% vote in favour of the contribution for three years beginning September 2005. There were 696 students eligible to vote; of these 260 voted and 155 were in favour. There were 3 spoiled ballots. The amount was pro-rated for part-time students. Note: As the Education program is now a two year program, students will vote biennially for the endowment fee so students will have the opportunity to vote on the referendum once during their program.



It was moved by Mr. Black, seconded by Dr. Hoskins:

THAT the Board of Governors approve a \$75 per year student contribution be assessed against students in the Faculty of Education for a three year period effective September 2005 as outlined in the letter from Dr. John Wiens, Dean, Faculty of Education dated March 17, 2005.

CARRIED

5.3 Endowment Fund: School of Medical Rehabilitation

A referendum was held on Thursday, December 9, 2004 and Friday, December 10, 2004 concerning the continuation of a \$50 per year contribution by Physical Therapy and Respiratory Therapy students in the School of Medical Rehabilitation in support of the School of Medical Rehabilitation Endowment Fund. The result was a 93% vote in favour of the contribution for three years beginning September 2005. There were 117 students eligible to vote; of these 105 voted and 98 were in favour. There were 3 spoiled ballots.

It was moved by Mr. Black, seconded by Dr. Hoskins:

THAT the Board of Governors approve a \$50 student contribution be assessed on students in the School of Medical Rehabilitation Physical Therapy and Respiratory Therapy programs for a three year period effective September, 2005 as outlined in the letter from Dr. Emily Etcheverry, Director, School of Medical Rehabilitation dated March 1, 2005.

CARRIED

5.4 UMSU Insurance Fee Increase

The University of Manitoba Students' Union (UMSU) is requesting an increase in student organization fees to offset the increasing costs of insurance. In information provided by UMSU, they note the following:

UMSU's Insurance cost History is as follows:

2000	\$14,900
2001	\$16,300
2002	\$24,200
2003	\$31,200
2004	\$50,600
2005	\$52,000* estimate

It was moved by Mr. Black, seconded by Mr. Ames:

THAT the Board of Governors approve an UMSU fee increase of \$5.00 per student per annum to offset the increase costs for UMSU insurance premiums [as recommended by UMSU Council on March 23, 2005].

CARRIED**5.5 Science Students' Association Fee Increase**

The University of Manitoba Students' Union (UMSU) is requesting an increase in the Science Students' Association fees to address the fact that the current levy is insufficient to meet the needs of its members.

It was moved by Mr. Black, seconded by Dr. Szathmáry:

THAT the Board of Governors approve an increase in the Science Students' Association fee from \$8.75 to \$22.00 [as recommended by UMSU Council on March 31, 2005].

CARRIED

6. FROM OTHER COMMITTEES - none

7. NEW BUSINESS - none

FOR INFORMATION

8. FROM EXECUTIVE COMMITTEE - none

9. FROM ACADEMIC AFFAIRS COMMITTEE - none

10. FROM FINANCE AND ADMINISTRATION COMMITTEE - none

11. FROM OTHER COMMITTEES - none

12. REPORTS**12.1 Report of the President**

Dr. Szathmáry augmented her written report, highlighting several issues. She noted that the goal of the Vice-President (External) is to ensure that Private Funding meets its target of \$30-million per annum; it did so during this past year. Mr. Anderson asked if those funds are part of operating in any way? Dr. Szathmáry responded that the funds would be used for operating purposes only if the donor indicates that they are unrestricted, the University may use them for any purpose. Dr. Szathmáry further noted that there is a fund entitled, "The President's Fund"; if donors give to this fund, the President may determine how that money is used.

12.2 Report of the UMSU President

Ms. Aziz noted that there is a new UMSU Executive in office; there are 3 returning members and 2 new members. Ms. Aziz also indicated that the UMSU Executive will be attending national conferences in the upcoming weeks; in addition, the Executive is working on priority planning for the next year.

13. OTHER INFORMATION

Mr. Lane expressed his dissatisfaction with the way the Operating Budget came together. Mr. Lane felt that there are other options regarding how the Operating Budget should be dealt with, as opposed to including student ancillary fees to balance the budget. Mr. Lane indicated that he wished to make a motion of non-confidence in the President. A discussion took place regarding this proposed motion.

It was then moved by Mr. Lane, seconded by Ms. Van De Kerckhove:

THAT there be a motion of non-confidence in the President of the University of Manitoba.

DEFEATED

Dr. Norrie noted that he felt the above noted motion should not stand alone in the minutes if there is nothing there to be contradict this motion. A discussion took place regarding this proposed motion.

It was then moved by Dr. Norrie, seconded by Ms. Van Schie:

THAT the Board of Governors express its full confidence in the President of the University of Manitoba and her administration.

CARRIED

MOTION TO MOVE TO CLOSED AND CONFIDENTIAL SESSION

It was moved by Ms. Van Schie, seconded by Mr. Black:

THAT the meeting move to Closed and Confidential Session.

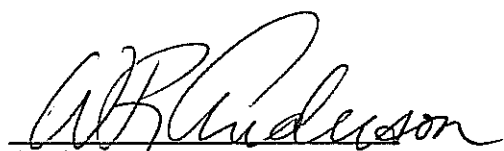
CARRIED

MOTION TO ADJOURN

It was moved by Mr. Sargeant:

THAT the meeting adjourn.

CARRIED


Chair


University Secretary

