

**Minutes of a Meeting of the Board of Governors held at 4:00 p.m. on May 23, 2006 in 160
Extended Education Complex**

Present:

Mr. W. Anderson, Chair
Mr. D. Ames
Mr. A. Black
Ms. J. Charles
Dr. J. Cooper
Ms. E. Gordon
Ms. R. Gotthilf
Dr. J. Hoskins
Ms. H. Milan
Dr. W. Norrie

Mr. S. Reddy
Dr. D. Ruth
Mr. T. Sargeant
Mr. G. Sran
Mr. T. Strutt
Dr. E.J.E. Szathmáry
Mr. D. Vandal
Ms. S. Van Schie

Also Present:

Ms. M. Gallant, UMSU Assessor
Ms. E. Goldie, V.P. (External)
Dr. R. Kerr, V.P. (Academic) & Provost
Dr. J. Keselman, V.P. (Research)
Mr. T. Moyle, Support Staff Assessor

Ms. D. McCallum, V.P. (Administration)
Dr. M. Gabbert, UMFA Assessor
Ms. C. Keachie, Governance Specialist
Mr. J. Leclerc, University Secretary

Regrets:

Mr. D. Ward
Mr. S. Narine
Ms. J. Simons
Dr. I. Smith

Absent:

Mr. S. Hennessey

FOR ACTION

1. ANNOUNCEMENTS

- 1.1 Mr. Anderson informed the Board of Governors that today's meeting was Dr. Cooper's final meeting as a member of the Board of Governors. On behalf of the Board, Mr. Anderson thanked Dr. Cooper for her dedication and participation as a Board member.

Mr. Anderson welcomed Mr. Garry Sran, UMSU President, and Ms. Rachel



Gotthilf, UMSU Vice-President (External), as the newest members to the Board of Governors.

For the information of visitors, Mr. Anderson explained the guidelines of conduct for the meeting of the Board of Governors.

2. **MINUTES:** April 25, 2006

2.1 Approved as corrected

It was noted that page 4, last paragraph, second line should be revised to read, "...as Ms. Van De Kerckhove's due to their terms as UMSU **President**...."; the word "President" was missing from the sentence.

It was moved by Dr. Norrie, seconded by Dr. Ruth:

THAT the minutes of the April 25, 2006 Board of Governors Open Session meeting be approved as corrected.

CARRIED

2.2 Business Arising

Mr. Black noted that there is a business arising item referencing the fact that the Faculty of Arts student referendum was not held this year. Ms. Goldie responded that she spoke with the Registrar's Office to confirm that there had not been a referendum this year, and therefore the fees would not be charged.

3. **FROM EXECUTIVE COMMITTEE** - none

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

5. **FROM FINANCE AND ADMINISTRATION COMMITTEE**

5.1 Operating Budget - 2006/2007

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 \$409,262,004 for the year ending March 31, 2007 as set out in Attachment 11.

Mrs. McCallum explained and highlighted in detail pertinent information included in the 2006-2007 Operating Budget.

The recommended 2006-2007 operating budget was developed on the basis of the implementation of three incidental fees approved by the Board of Governors in May 2005, but at a reduced level not to exceed \$100 per student, an increase in the premium charged to undergraduate international students and laboratory charges. The revenue generated from these fee increases will not eliminate the



gap between finding required and finding received in the form of an increased base operating grant. Nevertheless, the proposed budget is balanced and includes both reductions and re-allocations to unit budgets.

Included in the agenda material was a table which illustrated the increases to the operating grant and the tuition fees since 1998-99. Also included 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. Although the operating grant has increased each year, there has been an annual shortfall between what was requested and what was received. The shortfall combined with increasing numbers of students has resulted in the operating grant per standard student (adjusted to 2004-05 constant dollars using CPI) declining from \$13,800 per standard student in 1979-80 to \$10,000 per standard student in 2004-2005.

The University has attempted to cover this shortfall by a variety of strategies as follows:

Across the board budget cuts were made throughout the 1990's resulting in many units with structural deficits.

- 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 powers.
- Student numbers have increased 37% since 1999-2000 while full-time academic staff numbers have only increased 15%. This has resulted in increased tuition revenues which have helped to 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 highly qualified people.
- One-time property tax savings resulting from a successful property tax appeal have been used to cover budget shortfalls.
- Equipment has not been replaced in student laboratories; buildings and grounds have not been properly maintained; 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.

Mrs. McCallum noted that the University needs more than the annual Consumer



Price Index (CPI) to operate because:

- Many of the salary and non-salary costs have been increasing at a higher rate than the annual CPI. For example, utilities costs have increased 70% since 1999/2000. In 2006- 2007 the projected increase in utilities is \$1.6-million or 11.5% over 2005-2006. Of this total, inflationary increases account for 7.2% of the increase and \$606,000 or 4.3% is related to the cost of utilities in the new buildings.
- Insurance premiums have increased 175% since 1999/2000. For 2006-2007, the projected increase is 18.6% with a further increase of 19% projected in 2007-2008. This reflects extensive 2005 property claims resulting in the loss of a 25% property premium credit in 2006/07 and a surcharge of 25% after 2006/07.
- The Library has experienced large increases in the cost of serials (journals) which make up 70% of the acquisitions budget. For 2006-2007, to simply maintain the current collection, the library requires \$737,000. The enhancement and revitalization of the collection requires an additional \$1.4-million. Furthermore, the library has been required to incur extraordinary costs related to technology. Three years ago only 10% of the serials collection was digital. Today 60% is digital.
- 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 salaries have not kept pace with salaries at other universities in Canada. This makes it difficult to attract and retain faculty. For example,
 - faculty average salaries are \$8,000 - \$16,000 lower in each rank than average salaries at other Medical/Doctoral universities.
 - faculty average salaries are lower in 3 of 4 ranks than average salaries at comprehensive universities.
 - average salaries are lower in 2 of 4 ranks than average salaries at undergraduate universities.
- The increased dependence on technology including the need to replace computer equipment on a regular basis, as well as develop, implement and maintain new financial, human resource and student information 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.
- Workers compensation costs are expected to increase 50% over 2005/06 as a result of the changes to the legislation which removes the cap on claims.
- There have been significant increased costs to accommodate students with disabilities such as sign language, handicapped transport,



invigilation, etc.

The University of Manitoba is expected to provide academic programming and a research milieu of comparable quality to other Medical/Doctoral universities, yet their revenues continue to exceed those of the University of Manitoba. With respect to operating revenues in 2006-2007, Memorial University, which is also under a tuition freeze, received an operating grant increase of 19.4%. The University of Alberta received an operating funding increase of 13.2%. Nevertheless, since 1999-2000, enrolment growth has occurred in all jurisdictions regardless of increases in tuition.

Mrs. McCallum outlined the process used in developing the Operating budget.

The University received confirmation from COPSE on March 6, 2006 that its operating grant increase for 2006-2007 will be 5.8% or \$11,842,300. For the first time a commitment was made for a three-year funding level with provision for a 5% increase in each of the following two years. COPSE confirmed that the tuition freeze will continue for the seventh consecutive year and that the Province will also continue the 10% tuition rebate program for 2006-2007, whereby the University reduces the tuition fees paid by students by 10% from the 2000-2001 levels. The tuition fee rebate grant is paid based on 10% of tuition fees assessed for degree credit programs. Enrolment levels for fall 2006 are predicted to increase by an additional 1% over 2005-2006 levels.

In a normal year, a 5.8% increase or \$11,842,300 would be adequate to maintain existing programs. However, the grant announcement needs to be viewed in the context that the budget request was for \$18,200,000, an 8.9% increase in the base grant comprised of the following:

- \$11,300,000 (5.5%) - to maintain the 2005-06 level of operation
- \$ 6,900,000 (3.4%) - to replace the one time funding provided by the Province last year. The \$6.9-million is equal to the funds that would have been generated had the three ancillary fees approved by the Board of Governors in May, 2005 been implemented.
- \$18,200,000 (8.9%) - total requested increase in base grant

The budget approved by the Board in May, 2005 included continuing commitments against the \$6.9-million in revenue generated by three new ancillary fees. Subsequently, in July 2005, the Province provided \$6.9-million in one-time funding, negating the need for ancillary fees in that year. Consequently, \$6.9-million or 3.4% of the 2006-2007 grant is needed to meet those continuing commitments. That leaves only 2.4% in new funding available for 2006-2007 ($5.8\% - 3.4\% = 2.4\%$). The gap between the funds requested and the funds received is \$6.36-million.

The budget shortfall, however, at \$9.3-million is larger than the gap of \$6.36-million. This arises because there is a flaw in the estimates process. It assumes



that the previous year's level of funding is adequate. There has been a shortfall year after year between the funds requested to maintain the previous year's level of programming and the funds received. The cumulative shortfall has resulted in the following:

- Many faculties have structural deficits meaning their budget ^{is} ~~are~~ inadequate to offer their core program. Examples of this include Engineering with an accumulated deficit of \$1,350,000 and Music with an accumulated deficit of \$1,250,000. At least six other faculties already have or are close to being in a structural deficit and must receive additional funding.
- Faculties and schools have not received any funds to cover inflationary increases for more than a decade. Additional funds are required to cover the increasing costs of laboratory materials and to repair/replace obsolete equipment.
- Because the increase in the number of faculty members has not kept pace with the increase in enrolment, there is a significant increased reliance on sessional instructors in order to provide the necessary number of courses to meet the demand created by the record number of students. Budget increases are required to cover the costs of these sessionals.

In addition, there are new costs which are being incurred in 2006-2007 which must be funded. These include costs of:

- operating the new buildings that have come on stream in 2006-2007. (EITC, Richardson Centre for Functional Foods and Nutraceuticals; William Norrie Centre and Environmental Safety Building). The increased costs for utilities, maintenance and staffing total in excess of \$1.4-million;
- meeting regulatory requirements imposed by Canadian Council of Animal Care, the Workplace Safety and Health Division of the Manitoba Department of Labour, and the Federal Contractor Program;
- accommodating disabled students such as funding sign language programs and the accessibility office;
- supporting general research development in the form of start up funds;
- increasing awareness of the University of Manitoba to attract potential students, faculty and donors; and
- increasing undergraduate and graduate student support in the form of scholarships and bursaries as well as needs based bursaries for international students.

The recommended baseline allocations to faculties, schools and administrative units to address these and other priorities total \$6.65-million. When added to the \$6.36-million shortfall in base grant increase the total baseline needs are \$13.01-million. The University of Manitoba has identified \$3.7-million in internal reductions to partially meet this shortfall. However, the additional baseline funds required total \$9.3-million.

Considerations in Striking the 2006-2007 Operating Budget

Mrs. McCallum noted that a number of different budget models were reviewed by the President's Budget Advisory Committee to produce a balanced budget. Unit level allocations that were considered included baseline and budget-only components.

Budget Model #1

Without any new fees, units would be required to make budget reductions equivalent to 5%. A budget reduction of this magnitude would be crippling for the University. For example, in the Faculty of Arts, a 5% reduction is equivalent to \$1.45-million. After review, this model was rejected.

Budget Model #2

A model was also developed to maintain the quality expected of a research intensive University. The model was built on the following considerations:

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 units with structural deficits. These include the Faculty of Engineering, the Faculty of Music, the Clayton H. Riddell Faculty of Environment, Earth, and Resources, the I.H. Asper School of Business, the Faculty of Architecture, the Faculty of Human Ecology and the School of Art.

Baseline funding will be provided to cover operating costs for new buildings. 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 student support will be provided including needs-based bursaries to assist international students with financial difficulties, graduate student funding, bursaries and entrance scholarships.

Funding will be provided for ongoing support and maintenance of the significant investment the University has made in its Human Resource, Finance and Student Information Systems.

Relief in the way of additional funding will be provided to faculties with laboratory based courses to assist with the increasing cost of lab materials and replacement/maintenance of laboratory equipment.

Baseline allocations of \$6,650,000 and budget-only allocations of \$2,589,775, were recommended by the Budget Advisory Committee as the minimum required to accomplish the above. It is important to note that the recommended baseline allocations total approximately one-third of what the Deans and Directors identified as required in their budget submissions.



To undertake the actions consistent with the considerations above, baseline funds of \$9.3-million are required. This additional baseline revenue could be generated from the implementation of the following fee adjustments effective Regular Session 2006-2007:

- increase undergraduate international differential fee from 100% to 150%;
- registration fee - \$4.50 per credit hour;
- library fee - \$3.00 per credit hour; and
- student services fee - \$3.00 per credit hour.

It is worth noting that 80% of students at the University of Manitoba take 24 credit hours or less.

The total baseline revenue generated from this model is estimated at \$9.3-million and would, in combination with the internal reductions of \$3.7-million address the baseline gap between the operating grant and the estimates request of \$6.36-million and fund the \$6.65 million in baseline allocations. These baseline allocations would begin to restore funding to units affected by several years of insufficient operating budgets.

The budget-only requests made by the Deans and Directors total \$10,592,038. However, no more than \$2.6-million should be drawn down from the fiscal stabilization fund. Accordingly, only \$2,589,775 is recommended for funding one-time expenditures in 2006-2007.

The following should be noted:

Increase in International Undergraduate Differential Fee from 100% to 150%

- would still result in our fees for international students being the lowest of the Western Medical Doctoral Universities;
- is consistent with the level of surcharge assessed at other institutions i.e. U of Alberta - 120%; U of Calgary - 200%; U of Saskatchewan - 160%; UBC - 306%; and
- would provide needs-based bursaries in the amount of \$200,000 in 2006-2007 to supplement the \$60,000 in bursaries provided in 2005-2006. (Every international student who applied and qualified for financial support in 2005-2006 received a bursary.)

Registration Fee - \$4.50 per credit hour

- was previously approved by the Board of Governors in May, 2005;
- is consistent with a registration fee currently in place at the University of Winnipeg; and
- will provide funds essential to support and maintain the new student information system and the financial information system related to fee assessment and fee payment.



Library Fee - \$3.00 per credit hour

- was previously approved by the Board of Governors in May, 2005; and
- would offset significant increased costs of acquisitions and electronic technologies and will support extended hours of operation.

Student Services Fee - \$3.00 per credit hour

- was previously approved by the Board of Governors in May, 2005;
- would provide support for increasing costs of services for disabled students such as sign language, invigilation, handicapped transport; and
- would provide level of service for the Learning Assistance Centre in support of conditional entry students.

With the implementation of three incidental fees and the increase to the international undergraduate differential fee, the recommended 2006-2007 operating budget would be developed with no baseline reductions. The recommended baseline and budget-only allocations would go a long way to maintaining the quality expected of a medical/doctoral research intensive university.

The majority of the Budget Advisory Committee favoured Budget Model #2. However, two additional models below were developed after discussions with the Province.

Budget Model #3

The letter from the Council on Post Secondary Education dated March 6, 2006 which provides the details related to the 2006-2007 grant increase states on page 2, **"COPSE expects that, in 2006-2007, universities and colleges will maintain 2000/01 tuition fee levels and that increases in other fees, which may be related to costs beyond the control of institutions, will be reasonable and justifiable."** At a series of subsequent meetings requested by COPSE and the Department of Advanced Education, the representatives confirmed that incidental fees of the magnitude detailed under Budget Model #2 and previously approved by the Board of Governors appeared excessive. The University was advised that the level of fee increase which was deemed to be tolerable was in the order of \$100 per student. In these meetings the University was reminded that differential fees for international students were not subject to the tuition freeze.

Based on this feedback from the Province, the following fee adjustments were considered effective September 1, 2006:

- **increase undergraduate international differential fee from 100% to 180%**
- **implement:**
 - **registration fee \$35 per student**



- **library fee \$35 per student**
- **student services fee \$30 per student**

The funding model will provide \$4,150,000 for baseline allocations, \$2.5-million less than recommended under Budget Model #2.

The budget-only allocations recommended under Budget Model #3 total \$2,589,775, the same as in Budget Model #2, and are drawn from the fiscal stabilization fund. However, the distribution is different than in Budget Model #2 in that more funds are allocated to units and less to the Vice President (Academic) for purposes such as bridge funding for future academic retirements, decanal positions and spousal appointments. Funding to the Vice-President (Research) for general research development will not be possible in Budget Model #3.

Budget Model #3 would require budget cuts in order to achieve a balanced budget. Furthermore, concerns were expressed that an increase in the undergraduate international differential fee to 180% was too steep in one year and might result in fewer international students. Therefore, a fourth budget model was developed as an alternate to Budget Model #3.

Budget Model #4

Budget Model #4 provides for baseline allocations of \$3,190,000, plus revenue to support faculties with the increasing costs of laboratory materials and equipment.

These revenues would be generated from the implementation of the following fee adjustments effective September 1, 2006:

- **increase undergraduate international differential fee from 100% to 160%**
- **implement:**
 - **registration fee \$35 per student**
 - **library fee \$35 per student**
 - **student services fee \$30 per student**

In addition, there will be a laboratory charge estimated in 2006-2007 at \$10-15 per credit hour. The budget-only allocations recommended under Budget Model #4 total \$2,589,775, the same as in Budget Models #2 and #3 and are drawn from the fiscal stabilization fund. As in Budget Model #3 the discretionary funds available to the Vice-President (Academic) have been reduced and funding to the Vice-President (Research) for general research development will not be possible.

As in Budget Models #2 and #3, needs based bursaries in the amount of \$200,000 for undergraduate international students will be allocated to supplement the \$60,000 in bursaries provided in 2005-2006.



Although Budget Model #4 produces a balanced budget, it results in \$2.06-million less revenue than in Budget Model #2 resulting in the following:

- There will be a reduction of course sections resulting in larger class sizes and fewer choices for students.
- The first year intake will be capped.
- The allocations to the Library will be less than required to maintain current acquisitions and operating needs.
- Baseline support for University Health Services will be reduced by \$304,000.
- Extended Education baseline budget will be reduced by \$200,000.
- Faculty of Nursing baseline budget will be reduced by \$200,000.
- Vacant positions will not be replaced in Information Services and Technology and baseline funds will be reallocated to critical areas in teaching support. There will be an impact on client support in other areas.

Mrs. McCallum felt that this budget model and associated budget cuts will negatively impact the ability of the University of Manitoba to achieve its five institutional priorities 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; and
- Be at the Centre of Our Community: On Manitoba.

SUMMARY OF BUDGET MODELS

Budget Model #1 would require budget cuts of such magnitude that it was deemed untenable and rejected.

Budget Model #2 implements the fees that were approved by the Board of Governors in May, 2005, and has the lowest increase in undergraduate international differential fees of the budget models considered. It was favoured by the majority of the Budget Advisory Committee and considered in the best interest of the University.

Budget Model #3 was developed in response to feedback from the Province and COPSE regarding the level of fee increases. However, it involves budget cuts and an increase in the undergraduate international differential fee to 180% which was considered too steep an increase.

Budget Model #4 was developed as an alternate to Budget Model #3. It generates slightly more revenue over Budget Model #3 and involves less of an



increase in the undergraduate international differential fee than does Budget Model #3.

Conclusion

Budget Model #4 is recommended for approval by the Board of Governors because:

- it produces a balanced budget;
- it provides a slight increase in revenues to faculties with laboratory requirements;
- it requires less of an increase in the international undergraduate differential fees than Budget Model #3; and
- it is consistent with the letter from COPSE dated March 6, 2006 which states that "COPSE expects that, in 2006-2007, universities and colleges will maintain 2000/2001 tuition fee levels and increases in other fees, which may be related to costs beyond the control of institutions, will be reasonable and justifiable."

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

THAT the Board of Governors approve the Operating Budget based on Total Revenues and Expenditures of \$409,262,004 for the year ending March 31, 2007 as set out in Budget Model #3.

A lengthy discussion took place regarding the Operating Budget. Many questions were raised and responses given regarding clarification of the budget material.

Ms. Gallant asked about the three ancillary fees that were approved last year and are cited as being implemented this year at a flat rate. She wanted to clarify because last year at this time the Board approved the three fees at a per credit hour rate. Ms. Gallant asked if this means that the University is switching the current fee models from a per credit hour to a flat fee? Mrs. McCallum responded that what is being proposed today is a flat fee of \$100 that would apply to all students regardless of course load. *Ms. Gallant asked if the flat fee would replace the per credit hour fee implemented last year. Mrs. McCallum responded that it would.*



Mr. Ames asked about page 16, Table #5 (under total baseline needs, item C) citing the Internal Reductions (Unallocated International Differential Tuition Revenues) of \$250,000. He asked if these fees are kept separate, or do they go to a central operating budget. Mrs. McCallum responded that the funds are part of the budget but they are identified separately.

Mr. Ames asked about Budget Model #3, page 21, Table 7; he felt there was some information missing, because the total baseline need is listed as \$10,510,000 and that the offset would be brought about by budget-only money.



Mrs. McCallum responded that the total baseline needs are the same as detailed under Budget Model #2 (\$6.65-million); that is what the Vice-Presidents had recommended as a minimum of what was required. She further noted that under Budget Models #3 and #4, the fee increases that are being proposed do not generate enough revenue to fund all of the recommendation allocations. Under Budget Model #3, only \$4.15-million is generated. What was done under budget-only allocations is to move some budget-only money that under Budget Model #2 would have gone to the Vice-Presidents Research and Academic; this has been moved to some of the faculties to try and provide them with some additional funding for this year only.

Mr. Sran asked how the University of Manitoba's base grant compares with Universities in other provinces on a per student basis. Mrs. McCallum responded that the University of Manitoba is one of the lowest in terms of the dollars per student that Universities in Canada receive. She noted that the operating dollars per weighted full-time equivalent student are \$8,283; McMaster is \$8,800 per student, Memorial, \$9,084 per student, Calgary, \$9,400 per student, Ottawa \$9,500 per student, and Saskatchewan \$9,900 per student.

Mr. Reddy referenced page 16 (table 5 - Item C, Internal Reductions - Unallocated International Differential Tuition Revenues - \$250,000); he asked if the \$250,000 is based on the current 100% differential.

Mrs. McCallum responded that this figure was based on last year's projection; there was more revenue received than had been anticipated. This is money that is unallocated and therefore can be used to help reduce expenses this year.

Mr. Reddy referenced the needs based bursaries increase for International Students and asked if these bursaries would increase for regular students as well.

Mrs. McCallum responded that there is an amount of \$100,000 for needs based bursaries for regular students under Budget Model #2 and not under Model #3 or Model 4. However, there are entrance scholarships in the amount of \$200,000 in all three models. She noted that last year \$250,000 was allocated in the budget for needs based bursaries which is already included in the budget.

Ms. Gotthilf referenced page 22 Budget Model #4; one of the reductions proposed is that first year intake will be capped which is included in Budget Model #3 as well. Considering that some students have already received letters of acceptance, she asked what is meant by capping intake.

Dr. Kerr responded that the University of Manitoba will continue to admit and register students through to September; once it is clear which budget model is approved, and if the University has to follow through on cuts and cut sections of courses, then there will be some sense of what the reality is in terms of the number of new students that can be admitted into programs and provide courses for them. Dr. Kerr noted that once that information is obtained, this will create a



limit and beyond which the University could not admit students.

Ms. Gotthilf indicated that she understood several courses already have a maximum number of students that can enroll. She asked what would happen with these courses regarding the intake cap. Dr. Kerr responded that there would be longer waiting lists on more courses.

Mr. Vandal asked about the status of the Fiscal Stabilization Fund; he asked how much is in the fund, how is it formed, where the money comes from. Mrs. McCallum responded that the fund was developed over a number of years from surpluses that have developed for one reason or another (eg. utilities underspending). The amount of the fund is currently \$4.8-million. She noted that it is favoured to keep this fund at 2% of the operating budget (it should be at a level of about \$8-million; it is currently about half of what it should be).

Mr. Vandal asked if there is any fiscal stabilization used for any of the budget model options. Mrs. McCallum responded that this is where the budget-only money is coming from (no more than \$2.6-million).

Ms. Gallant referenced page 43 of the agenda; she noted that there is a list of revenue; under student fees the second line is "endowment fees" and under other income there is also a line for "endowment". Ms. Gallant asked what these lines are if endowment fees and interest from endowment funds are not reflected in the budget.

Mrs. McCallum responded that some of the funds are ear-marked for operating purposes which are transferred to the faculty for that purpose during the year. She noted that if they are specifically for operating purposes this transfer occurs, but most of the endowment funds are restricted for other purposes. The line "endowment" are transfers from trust and endowment to the Operating Budget to fund specific expenditures that were approved by the donor. The line "endowment fees" are the amounts that students pay into.

Regarding the amendment to the budget, Mr. Sargeant outlined his reasoning for doing so. He stated that he moved the amendment particularly because of the directions the University received from COPSE and due to some of the ensuing discussions that took place between the University and COPSE. He commented that he understood this model does increase the international student fees by a higher amount than of those included in the other models. Mr. Sargeant noted that even with the 180% increase in international student fees, they would still be by far the lowest international student fees in Western Canada, perhaps most of Canada. He indicated that the biggest reason he moved the amendment was because Budget Model #3 works better than Budget Model #4 because of the laboratory fees. Mr. Sargeant felt that the laboratory fees proposed in Budget Model #4 will be viewed by the Government as a fee increase that they indicated to the University they were opposed to beyond a reasonable amount (which they have determined to be \$100.00).



Even though the University has not received (in any year) all of the money that has been asked for from the Provincial Government, Mr. Sargeant felt that in recent years the Government is coming around to realizing they have to put more money into the University.

Mr. Anderson informed the Board of Governors that at this point in the meeting there would be a debate relating to the operating budget. He noted that he would recognize each member of the Board and assessors one time if they wanted to comment on the budget material.

Ms. Gotthilf noted she wanted to challenge the Chair about having only one chance to speak instead of twice.

It was moved by Ms. Gotthilf, seconded by Mr. Sran:

THAT each member of the Board be given the opportunity to speak twice on this motion.

Mr. Sargeant noted that the challenge to the Chair is a non-debatable motion to the Chair's ruling that the Board follow the standard past-practices, which is to allow people to speak to a motion one time. In reviewing Robert's Rules of Order, Mr. Sargeant noted that members are allowed to speak twice on a motion. He also commented that there is a long standard practice with the Board of Governors at the University of Manitoba only allowing people to speak once but it has never been codified. Mr. Sargeant indicated that taking this under consideration, Robert's Rules of Order will be abided by for speaking twice on this motion. He therefore asked the mover and the seconder challenging the Chair to withdraw their motion.

Mr. Gotthilf and Mr. Sran agreed to withdraw their motion.


Mr. Reddy commented that he was in support of the amendment to consider Budget Model #3. He noted that in looking at Budget Model #3, he felt most comfortable that it is in keeping with what the Board has been asked to do. In looking at Budget Model #3 with comparisons to Budget Model #4, he was concerned about the impact of the lab fees, and felt he could not support them. Mr. Reddy noted that the point that concerned him was the issue of the international student differential fees; he asked if this would impact new students only or students who are currently enrolled at the University of Manitoba.

Mrs. McCallum responded that it would apply to all students, as there would not be enough revenue generated from only new students to enable the University to balance the budget. She commented that there is a bursary line in the allocations to assist those who are in financial need.


~~Dr. Gabbert noted that on behalf of UMFA, they felt that neither Budget Model #3 nor Budget Model #4 are satisfactory and that only Budget Model #2 is remotely satisfactory. He commented that this conclusion was derived because it does~~



~~less damage to international students, partly because it does not have a lab fee. Dr. Gabbert indicated that UMFA feels that Budget Model #2 compared to the needs of the University is an option that does not involve cutbacks. Budget Model #2 is based on fees already approved by the Board. Dr. Gabbert noted that due to the current low level of tuition, fees have to rise to meet the needs of the University. Either of options #3 or #4 will mean reduced access because there will be fewer course sections, which will also mean declining tuition income. Dr. Gabbert also commented that it seems counter-productive to have a budget that means reduced access for students. He indicated that it will mean a declining capacity to recruit and retain faculty members. Dr. Gabbert suggested that members of the Board of Governors vote against Budget Model #3 and to put Budget Model #2 back on the table.~~



Speaking on behalf of UMFA, Dr. Gabbert indicated that the Faculty Association rejected budget options 3 and 4 and favoured option 2. UMFA was taking this position since option 2 did not penalize science students through the imposition of lab fees and it placed a lower surcharge on international students. Most of all, option 2 was preferable because it avoided cutbacks by relying on fees already approved by the Board last year. Given that the government grant was inadequate and tuition was relatively low, fees had to go up to avoid cutbacks. Either of options 3 or 4 would mean fewer course sections and correspondingly lower tuition income, which was counterproductive. It was also counterproductive to have a budget that meant reduced access for students. Such cutbacks would also mean a declining capacity to recruit and retain faculty members. Succumbing to government pressure and government attempts to micromanage the University would get the University nowhere and had the effect of undercutting the University's autonomy. If the government decided to claw back the higher fees stipulated in option 2, then so be it. That would be better than the Board's being guilty of complicity with a government policy that led to underfunding. Dr. Gabbert concluded that the Board had a responsibility to use its power to provide adequate funding. He urged the Board to defeat option 3 and put option 2 back on the floor.



Ms. Gallant commented that most students and faculty would agree that if \$2.06-million needs to be cut from current operations, there should be some discussion of the more than \$3.1-million spent on Development, Advancement Services, and Public Affairs, or whether it should cost \$130,000 to reorganize Student Affairs, or whether \$300,000 in budget-only funds for promotional activities could be better allocated. Ms. Gallant said a source of funds she believed had not been discussed was the \$224-million of endowments held by the University. She noted that of the 72 Universities for which statistics are available, the University of Manitoba ranks 9th in total endowments per institution. She also noted that at a reasonable estimated return of 4%, there should be over \$9.7-million in interest available. She commented that she realized many restrictions exist on the disbursement of these funds, but noted that many of them were established to fund items of concern at this time, such as lab equipment, and library acquisitions.



Ms. Gallant felt that decisions made without Board approval are now being used as part of the justification for fee increases. She noted that the introduction of Option #4 for University 1 students, and the reorganization of Student Affairs did not appear before the Board despite now being flagged as necessary new expenses. Ms. Gallant felt that the Board of Governors was in a position to state, by approving the budget, that the fees included in it are justified.

Ms. Gallant said that the process undertaken in drafting this budget has only allowed for a very limited discussion of our options and priorities. Participation in the Budget Advisory Committee is significantly hindered by the extremely confidential nature of the meetings. Documents are distributed at the beginning of the meeting and collected at the end and not being able to look over documents at a careful pace results in only a superficial understanding of what's being presented. Detailed analysis or proposing an alternative is as good as impossible. Both Brandon University and St. Boniface College hold open information sessions about their budgets, before a proposal is forwarded to their Boards.

Ms. Gallant said that she was disappointed to inform Board members that both student members of the committee were asked to leave the last meeting of the Budget Advisory Committee. In the end, the president of UMSU was not a part of this meeting. Neither student member realized that the composition of the committee was mandated by the Board of Governors. She added that the only student member of the Finance committee in the last year had been Amanda Aziz, the former president of UMSU. Although she was originally told that her term ended with those of other Board members - the end of May- she was more recently informed that she would not be considered a member of the Finance Committee at their May meeting as her term at UMSU had ended. The incoming president of UMSU was not allowed to assume this position, and so no students were present at the Board Finance committee meetings, where this budget was reviewed and amended.




Dr. Szathmáry noted that this past year the Department of Advancement raised \$24-million for the University which the University would not have been able to raise without a Public Affairs Department and without an Advancement Department.

Dr. Norrie noted that there is a very practical problem which the University has not created itself. He felt that the root of the matter is that the freeze on tuition was a very bad position taken by government. He further indicated that the problem is that with all the good intentions of the government in trying to assist students in terms of their level of costs to attend University, they have made a very serious mistake. Dr. Norrie mentioned that when the University tried to work the compromise in Budget Model #4, it was based on the assumption that the extra charges would make up for that. Dr. Norrie was very surprised when it was found that the government was not very pleased with the suggestion that there be extra charges (lab fees, for example). He felt that the students, the University, and the government should be partners in the whole issue. Dr. Norrie



reluctantly agreed with Budget Model #3; however, he still has concerns about the additional charges to international students.

Mr. Sran felt that more options could be created, other than simply fee increases. He noted that in reviewing the budget and seeing items such as promotional items (\$300,000) he felt this could be used for other purposes, such as computer labs. He felt that the priorities are not correct; since the tuition freeze the University has seen access increase by over 33%; that in turn has increased revenues; he asked where the revenues are located. Mr. Sran asked if costs have gone up so much that 33% enrollment cannot cover these increases. He asked where the international students are going to come up with the money to pay a ~~80%~~ fee increase. Mr. Sran stated that for a lot of students an increase of \$100 is a lot of money. He felt that it is hard to justify to UMSU members any increases without being involved in the process or seeing any real alternatives. Mr. Sran asked to Board to consider if there are any real options or is this all there is available. 

Ms. Gotthilf felt extremely uncomfortable voting on the amendment. She commented that in light of Mr. Sran and Ms. Gallant being asked to leave a recent Budget Advisory Committee meeting and in light of a recent Finance and Administration Committee meeting and that Ms. Aziz after being informed she could attend the Finance and Administration Committee meeting was told afterward that she could not attend the meeting on May 9th. She felt this was ridiculous and felt extremely uncomfortable voting on the amendment and therefore abstained from voting on this amendment.


Ms. Van Schie is satisfied that there is a need for the increases that the Administration has put forward and satisfied that the process in terms of the budget is adequate. She noted that last year, the Board approved the ancillary fees because at that point the Board was convinced that they were needed. She commented that what happened afterwards was that it became a one-time funding proposition after the Board approved it. Ms. Van Schie indicated that the University is starting out in a troubled position based on what happened last year, in addition to what has been put forward this year, in terms of the amount of funding that has been proposed by the government. She felt that the issue the University is facing is chronic under-funding added to last year's issue of an amount that was going to be put into the operating budget which was not; it was only put in for one year.

Ms. Van Schie noted that her issue with the budget is the government's under-funding; because there is a tuition freeze in place, the University continually must scramble and is left to come up with the most creative way to let the government get away with a tuition freeze whilst the University attempts to run its business. She commented that if the government is not going to support their tuition freeze by increasing the University's base grants, nor do they want student fees to increase, then the Board is in a position where it is not doing its duty to the University as it cannot improve or even sustain what it has if there will not be increased funding. Ms. Van Schie noted that she spoke against the budget that

was proposed at the Finance and Administration Committee (Budget Model #4) because she did not think it was sufficient for the University's needs. She spoke in favour of Budget Model #2 because that is what she felt the University needed at a minimum.

Ms. Van Schie indicated that she could not support Budget Model #3 because she felt that she would not be upholding her duty to the University as a Board member. She asked if the University would suffer if the Board picks a different option or returns to the drawing board; she felt the University has suffered already. She raised the point of the endowment and that routinely as a Board member she has voted to approve increases to the fees that students pay which go into an endowment fund. She asked is this not a realization by the students that there is not enough in their faculties to cover what is needed? Ms. Van Schie felt that Budget Model #3 and Budget Model #4 are not enough; she felt a message should be sent to the government that the University requires more financial support in light of the policy that they implemented many years ago; increase in grants possibly combined with some increases in fees where it is absolutely necessary. Ms. Van Schie therefore noted that she cannot support the amendment to the budget.

Mr. Strutt noted that as a member of the Finance and Administration Committee, he did vote for Budget Model #4 at that meeting; however, on the one hand, from a purely fiscal point of view, Budget Model #2 is the only model that satisfies the fiduciary duties as members of the Board of Governors of the University of Manitoba. On the other hand, as members of the Board, as a part of the discharge of fiduciary duties, Board members have to act in the best interests of the University. Mr. Strutt felt the real question is whether it is in the best interests of the University over the long-term to provoke the government. Mr. Strutt felt that the amendment proposed boils down to whether the University is prepared to do something which will provoke the government and possibly bring repercussions to the University. Mr. Strutt noted that on reflection and having heard the debate at this meeting, he felt that in all conscience he concluded that ~~is it~~ ^{was it} worth taking the risk of provoking the government with all that it would entail for the sake of a \$400,000 difference in the budgetary items available; that is the true difference between Budget Model #3 and Budget Model #4. Accordingly, he felt he would vote for the amendment.



Dr. Szathmáry noted that there had been Budget Advisory Committee prior to 1996 (which is when she joined the University) but it had been done away with and there were at least two budgets that were constructed by her predecessor and his Vice-Presidents without any comment at all from faculty, staff, or students. She noted that it was subsequent to the first strategic planning task force she had established that involved Board and Senate representation; that the Budget Advisory Committee was reconstituted but in a very restricted form relative to what had existed before. This was to advise the administration on the adequacy of the budget that was being proposed; in particular, with reference to the re-allocations that were done to meet particular strategic objectives.

Dr. Szathmáry commented that the only student member of this past year's Budget Advisory Committee who came to almost all of the meetings was Ms. Amanda Aziz. Ms. Gallant did not come to most of the presentations by the Deans and Directors, for example, although she was there for the more condensed representations made by the Vice-Presidents. Dr. Szathmáry indicated that the reason Mr. Sran was asked to leave the Budget Advisory Committee meeting was because confidential information had been released; committee members are expected to keep the discussions confidential because the Budget Advisory Committee does not decide on the budget, and the Board does not like to see surprises in the press when it is not even aware of what the discussions have been or what various models have been proposed.

Dr. Szathmáry commented on whether the University is allocating the monies that it receives through tuition and the government grants appropriately; 80% of the University's operating budget is tied up in salaries and benefits. Dr. Szathmáry indicated that because the University has so little revenue, a lot of the things that should be done properly at the University are not being done, such as the maintenance of the Physical Plant. The University has managed to operate in a very restricted financial environment, simply because of the increased growth in the number of students attending; however, this will come to an end because the demographic projections are that the domestic supply of students ~~was going to be~~ decreasing. Dr. Szathmáry commented that it was decided to increase the number of international students admitted so there could be adequate revenues to balance the budget, given there are tenured professors, and an existing infrastructure that requires support staff. She noted that all of these considerations were part of a very careful planning process over the last eight years to actually ensure the University can manage to not only stay afloat, but also to meet the strategic objectives that were approved by this Board.



Dr. Szathmáry referenced Mr. Sran's comment that for some students \$100.00 per year is too much. She noted that this works out to be \$1.923 per week; she would noted that she would challenge what student could not afford this amount per week. She also indicated that she felt Budget Model #2 is the best model for the University under the current circumstances, as it minimizes the increase to international students. Regarding Budget Model #3, Dr. Szathmáry noted that the burden of keeping the University of Manitoba solvent is put on international students because the domestic students do not want to increase their own fees. Nonetheless, Dr. Szathmáry indicated that she would support Budget Model #3.

Ms. Charles noted that as a student in the Faculty of Law, she has been hit with a 100% tuition fee increase; however, considering the present circumstance, she does not feel that Budget Model #2 is in the best interests of the University in the long-term. She felt that it is not in the best-interest of the University to gain a few dollars in the short-term and by doing so indicate to the government that the University understands there is a tuition freeze in place but the University is still going to institute these increases. Ms. Charles agreed that it was not fair that the burden rests with international students for increased revenues; however, because the University does not have a lot of options, she



does not really see what else can be done. In this light, Ms. Charles indicated that she would support Budget Model #3.

Dr. Ruth commented that he wished tuition was free for all students. However, he suggested to students that every week they should go to the legislature steps demanding more money from the government. Dr. Ruth felt that students should demand that if the tuition freeze stays, the government must increase the funding to the University. Dr. Ruth noted that the government is very responsive to loud voices; he felt that the loud voices have been directed to the wrong place; the University is not the enemy. He further commented that the problem does not begin with the University, it is with the government and their approach to post-secondary education in this province.

Ms. Gotthilf noted that students have been on the steps of the legislature every week for the past year talking with MLA's, the Premier, and the Minister of Advanced Education. She indicated that because the students have been on the steps of the legislature every week and have expressed student's concerns about funding to the University, she felt that students have been part of the reason why the government increased funding by 5.8% for next year, plus 1.2% property tax reduction (which equates to \$12-million). Ms. Gotthilf acknowledged that the University definitely needs more funding and that students will keep fighting for increased funding. She felt that it was unfair to pit Canadian students against international students.

Mr. Sran responded to the remark he made about some students unable to afford an extra \$100.00 per year. He noted that there are many individuals that wish to attend University but consistently the greatest barrier they have is tuition fees. Mr. Sran noted that students have fought hard for the tuition fee freeze to provide access to University, and at the same time students have fought hard to find more funding for students to attend University. He indicated that students have been meeting with MLA's and MP's demanding more money. Mr. Sran commented that students want the University's Administration to work with them to get more federal funding for current students and students who want to attend university. He also noted that he did not support any of the budget models.

Dr. Szathmáry commented that she did not feel students should be claiming victory for obtaining the increased government revenue to COPSE; the University has also been told that the \$60-million over three years is not necessarily going to the University of Manitoba. It will be divided among the Universities and Colleges as COPSE sees fit. She noted that she did not like tuition fee increases for domestic or international students but the fact is the University is required to obtain a balanced budget. Dr. Szathmáry indicated that Deans need a budget so they know how much revenue they are going to have, make whatever arrangements they need to have, and know how many people they can hire. Dr. Szathmáry mentioned that the amendment should be supported, and that administration will work with international students to try and assist those that require assistance, and work with the domestic students to be more persuasive for the next year with government.



Mr. Vandal remarked that he will support the amendment to the budget. He felt that in upcoming years the University will have to work in partnership with the government and the students and staff and the President, to set a framework where everyone can grow together, as all concerned know the value of advanced education.

At this point in the meeting, Mr. Anderson called for a vote on the amendment to the budget motion. It was then **CARRIED**.

Mr. Anderson asked if anyone had comments on the original motion which had just been amended to reflect Budget Model #3.

Ms. Gallant felt that this is a huge increase for international students, equivalent to about \$3,000 that students will need to come up with in the next few months. She further noted that international students have limited ability to work off campus; they have to be full-time students for their Visas and do not have the option of taking fewer courses to save costs. Ms. Gallant also noted that they have limited ability to access student loans. She felt that this will result in lower enrollment by international students next year. Ms. Gallant felt that everyone shares concern for what that means for student's ability to access education. Ms. Gallant felt that in terms of fiduciary responsibilities to the University, this is something she felt was not reflected in the budget document; she felt that there will be a decrease in enrollment that she feels will happen and expressed her concern over this situation.

Ms. Gotthilf commented that the Chair had mentioned at the beginning of the meeting that observers are not allowed to speak at Board meetings. She asked where in the Board by-laws this is stated, as she wanted to transfer her right to speak to someone in the audience.

Mr. Anderson responded that Ms. Gotthilf was elected to represent students just as he was elected to represent the Alumni of the University of Manitoba. Therefore, only Board members are entitled to speak and vote, and only assessors are entitled to speak.

Ms. Gotthilf challenged the Chair as she noted that it does not seem to be in the Board by-laws that observers may not be granted the right to speak if a Board member allows them their speaking rights. At this point Mr. Sargeant took the Chair. Mr. Sargeant noted that this has never been the practice of this Board; he noted that this is a non-debatable motion that requires a simple majority to challenge the Chair.

It was moved by Ms. Gotthilf, seconded by Mr. Sran:

To challenge the chair to allow non-members of the Board of Governors or non-assessors to speak to the Board.

DEFEATED



Ms. Gotthilf noted that USMU was aware what Brandon University was proposing in their budget in April, 2006. She stated that as soon as this information was obtained, and realized that last year the University of Manitoba followed very similarly to what Brandon University proposed (in 2005), UMSU warned international students that perhaps the University of Manitoba would propose the same as Brandon University this year. She commented that she has had the opportunity to discuss international student differential fees with a few hundred international students over the past month. Ms. Gotthilf commented that some international students came to the University of Manitoba when tuition fees used to be equivalent to those of domestic students. She indicated that when the students come here thinking they will pay 100% differential fees, they have budgeted for that. She felt to expect international students to come up with an 80% tuition fee increase in 3 months is ridiculous. Ms. Gotthilf noted that international students have expressed concern that if their fees increase up to 180%, they will not return to the University of Manitoba next year. She further stated that these students will inform individuals in their home countries not to attend the University of Manitoba.

Mr. Sargeant indicated that international students will still note to their friends and family in their home countries that Manitoba's fees are still the among the lowest in Canada for international students, and significantly lower than any medical/doctoral university in western Canada.

Dr. Szathmáry commented that for those international students who do have a concern in meeting the new fee requirements, she noted there is a \$200,000 increase in the bursary program available to assist those students who are truly in need.



The Chair announced that at this point in the meeting a vote would take place on the original motion as amended.

It was moved by Mr. Sran, seconded by Ms. Gotthilf:

THAT the Board get rid of the international differential fee increase from the budget altogether.

Mr. Sran commented that the basis for the amendment is that ~~180%~~ 80% international differential fee increase is too hard for the students to bear with only 3 months to make up for these increases. He noted he felt that this will result in a steep decline in enrollment from international students.



Ms. Gallant felt that in terms of options for where to go from here, there can be some reallocating of funds and looking to other sources; she commented that barring this, if the University wants to send a strong message to the provincial government that we cannot operate on the funds that they are giving us, the University should pass a deficit budget which will send that message.

Mr. Sran's motion was then **DEFEATED**.



It was moved by Ms. Gotthilf, seconded by Mr. Ames:

THAT the budget be referred back to the Finance and Administration Committee for review.

Ms. Gotthilf noted that there is a Board policy which states that there is a student on the Finance and Administration Committee, and contrary to a letter Ms. Amanda Aziz received from the University Secretary last year, she was not allowed to attend the meeting on May 9th, 2006. Ms. Gotthilf therefore wanted the Finance and Administration Committee to reconvene with a student present.

Mr. Leclerc clarified the matter raised by Ms. Gotthilf, noting that Ms. Aziz was appointed by the Board to the Finance and Administration Committee as "a student member of the Board". Her term as a member of the Board ended on May 1, 2006 when she left the office of President of UMSU. Therefore, as Ms. Aziz was no longer a member of the Board, she was no longer a member of the Committee. This is consistent with many years of Board practice. Mr. Leclerc also noted that the Board Nominating Committee would be meeting and making recommendations for Board Committee members at the June meeting.

Ms. Gotthilf's motion was then **DEFEATED**.

Mr. Anderson indicated that the vote on the original motion as amended would now take place: **THAT the Board of Governors approve the operating budget for the year ending March 31, 2007 based on the total revenues and expenditures as set out in Budget Model #3**; the motion was then **CARRIED**.

5.2 Student Fee: UMSU Health and Dental Plan

Section 6 (3) of *The University of Manitoba Students' Union Act* states "The University shall, at the request of, and on behalf of the corporation, collect and remit to the corporation all fees and assessments fixed pursuant to clause 8(f)".

In January 2001, students voted overwhelmingly in a referendum to support the introduction of an extended health and dental care plan. The UMSU Health and Dental Plan was designed by students for students to provide many important services, and cover expenses not considered by the Provincial basic health care plan such as additional prescription drugs, ambulance coverage, paramedical treatment, dental care, travel insurance and more.

Included within the referendum question was the Union's ability to adjust fees to a maximum of 15% without requiring another referendum.

All full-time undergraduate and graduate students are automatically members of the plan and are currently assessed the \$197.00 fee on their tuition statements. Though plan use has increased over the last number of years, the premium has not increased since 2001. This year, based on recommendation from our broker, the plan requires an increase in the premium of 15% to continue at the



same level.

Though all full-time students are automatically members of the plan, students with an existing health and/or dental plan through a private plan (i.e. parents, spouse or employer) can opt-out of the plan and not be assessed any fees. Coordination of benefits of an existing plan and the UMSU Plan; and enrolling spouses or dependants for an additional fee is also available.

Mr. Sargeant asked why an additional 15% premium cost is required.

Ms. Gotthilf responded that the use of this service has increased dramatically in recent years; the provider has indicated to UMSU that to renew the plan they require a 15% increase in the fees.

It was moved by Mr. Black, seconded by Ms. Gotthilf:

THAT the Board of Governors increase the UMSU Health and Dental Plan premium by 15% (\$29.55 for single, or \$44.85 for the family opt-in plan) as required for renewal by UMSU's broker in order to continue the plan for the coming year.

CARRIED

5.3 Student Referendum: School of Art

A referendum was held on March 28, 2006 concerning a \$100 per year contribution to the School of Art to be directed as follows: 27% to the School of Art Endowment Fund, 33% to the Visiting Artists Fund, and 40% to Equipment/Student Initiatives Fund. There were 297 students eligible to vote and of these 20 voted; 17 voted yes and 3 voted no. There were no spoiled ballots. The previous contribution was \$75 per year.

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

THAT the Board of Governors approve a \$100 per year per student contribution be assessed on students in the School of Art for a three-year period effective September, 2006, as outlined in a letter from Dr. Mary Ann Steggle, Associate Director, School of Art.

CARRIED

5.4 Student Referendum: School of Dental Hygiene

A referendum was held on February 8, 2006 concerning an increase from \$50 per year per student to \$60 per year per student contribution by School of Dental Hygiene students in support of the School of Dental Hygiene Endowment Fund. The result was a 100% vote in favour of contributing \$60.00 for three years beginning September 2006. There were 22 students eligible to vote; of these 22 voted and all were in favour.

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



THAT the Board of Governors approve a \$60 per year per student contribution be assessed against students in the School of Dental Hygiene for a three year period effective September, 2006 as outlined in the letter from Prof. Salme Lavigne dated April 24, 2006.

CARRIED

5.5 Student Referendum: Faculty of Dentistry

A referendum was held on March 24, 2006 concerning a \$175 per year contribution by Faculty of Dentistry students in support of the Faculty of Dentistry Endowment Fund. The result was a 64% vote in favour of contributing \$175.00 for three years beginning September 2006. There were 126 students eligible to vote; of these 96 voted and 61 were in favour and 35 students noted "no". There were no spoiled ballots. The previous contribution was \$100 per year per student.

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

That a \$175 per year per student contribution be assessed against students in the Faculty of Dentistry for a three year period effective September 2006 as outlined in the letter from Dr. Johann de Vries, Dean, Dentistry dated April 21, 2006.

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**

10.1 Procedure: Immunization Standard

The University has not had a Procedure dealing with the health and safety concerns related to exposure to vaccine-preventable potentially infectious diseases while working with or near animal or human blood/body fluids or other human pathogens.

This Procedure is designed to ensure that current students and employees are aware of the potential risks and the benefits to using vaccines to protect themselves. New employees and students will be required, as a condition of employment or acceptance into an educational program, to provide documentation that they meet health and immunization requirements of the position or course of study.



The Executive Director of Human Resources consulted with all eight (8) bargaining units and the EMAPS support staff group regarding the content of the Procedure. The new Procedure has been approved by the President under the authority of the Policy 512 Health and Safety.

11. **FROM OTHER COMMITTEES** - none

12. **REPORTS**

12.1 Report of the President

Dr. Szathmáry had each of the Vice-Presidents bring several issues to the Board's attention. Dr. Keselman noted that the University of Manitoba submitted seven nominations for new Canada Research Chairs; all seven nominations were approved. This brings the total number of Canada Research Chairs at the University of Manitoba to 43. She also mentioned that in the Conservative Government's first budget in many years, an investment of an additional \$100-million was committed for University research.

Dr. Kerr noted that there was a successful completion of the review of the Director of Libraries resulting in the re-appointment of Ms. Carolynne Presser; in addition, a director has been appointed for the University Teaching Services (UTS). He also mentioned that included in the Board agenda were recommendations to re-appoint the Deans for the Faculties of Architecture and Education. Dr. Kerr noted there is a search being launched for 4 more deans in the Faculties of Nursing, Dentistry, Music, and Physical Education and Recreation Studies. He also indicated that one of the major projects he has been involved in this past year is called, "Aurora Student"; this is the new student information system which will go live July 1st, 2006.

Ms. Goldie noted that last year the University raised \$23.4-million. That amount of money came from 15,127 donors. Ms. Goldie indicated that with respect to student support last year, \$7.3-million was raised for students. Last week, the Richardson Centre for Functional Foods and Nutraceuticals held its grand opening and the week prior to that, there was a donor event for Mr. Robert Schultz who was making a major gift to St. John's College Lecture Theatre which will now be called the "Robert Schultz Lecture Theatre".

Mrs. McCallum indicated that the new parking structure at Bannatyne Campus will be opening on June 7th, 2006. She also noted that her office is working on finalizing year-end; she will bring the audited financial statements to the Board at its June meeting. Mrs. McCallum informed the Board that the 9th Annual Campus Beautification Day will be held on Thursday, May 25th, 2006; she invited all Board members to participate in this event.

12.2 Report of the UMSU President

Mr. Sran informed the Board that the new UMSU Executive took office May 1st,



2006. He noted there is a new UMSU website which he encouraged Board members to visit. Mr. Sran indicated he had been working on various student initiated projects. He also noted that he is looking forward to working with the Board over the next year to secure more government funding for the University.

13. **OTHER INFORMATION** - none

MOTION TO MOVE TO CLOSED AND CONFIDENTIAL SESSION

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

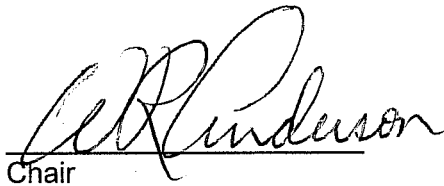
THAT the meeting move to Closed and Confidential Session.

CARRIED

MOTION TO ADJOURN

The Chair moved THAT the meeting adjourn.

CARRIED


Chair


University Secretary

