



**Minutes of the OPEN Session of the
Board of Governors
June 26, 2023, at 4:00 p.m.**

Present: L. Hyde, Chair
J. Leclerc, Secretary

J. Anderson	M. Benarroch	A. Bindra	I. Fakankun	D. Finkbeiner
T. Karuhogo	W. Lazarenko	K. Lee	L. Magnus	A. Mahon
K. Osiowy	J. Oyeyode	L. Pittman	S. Prentice	B. Shearer
C. Yendt				

Regrets:

D. Brothers	D. Brown	C. Cook	J. DeSouza-Huletey	S. Li
A. Raizman	D. Roussin			

Assessors: R. Thalhammer M. Shaw

Officials: N. Andrew D. Hiebert-Murphy V. Koldingnes M. Pinto
M. Watson

Presenters: C. Buchanan R. Dhaliwal C. Davidson M. Emslie
K. Evans G. Pasieka

ANNOUNCEMENTS

The Chair acknowledged that the University of Manitoba is located on the original lands of the Anishinaabeg, Cree, Oji-Cree, Dakota, and Dene peoples and on the homeland of the Métis Nation, recognizing the treaties made on these lands and committing to resolving harms and mistakes of the past.

While Mr. Leclerc handed each Board member a beaded orange shirt pin, the Chair spoke of her personal commitment to reconciliation and action, and her joy in offering this pin to each member. She asked that it serve as a reminder of the collective determination to do better, and to call on each Board member individually to action.

The Chair expressed her hope that the Board will continue to work together in a spirit of trust and collaboration to fulfill its fiduciary duties in the best interest of the University as a whole, always demonstrating the highest respect for each other, for students, faculty, and staff and the community the University serves.

The Chair welcomed the newest Board members, sharing that today is the first meeting for Dr. Brenna Shearer and Mr. Rainer Thalhammer, adding that Dr. Douglas Brown was not able to attend today's meeting. She reminded Board members that the next meeting will be on Tuesday, September 19th at 4:00 p.m., with further details provided closer to the meeting date.

FOR ACTION

1. APPROVAL OF THE AGENDA

Mr. Leclerc requested that the Board consider moving items 4.1, 4.2 and 4.2(a) prior to agenda item 3, the Strategic Planning Presentation/Discussion.

It was moved by Ms. Lee and seconded by Dr. Fakankun:

THAT the agenda for the June 26, 2023 meeting be approved as amended.

CARRIED

2. MINUTES (Open) Session

2.1 Approval of the Minutes of the May 30, 2023 Open Session as circulated or amended.

It was moved by Mr. Finkbeiner and seconded by Ms. Lee:

THAT the minutes of the May 30, 2023 Open session be approved as circulated.

CARRIED

2.2 Business Arising

There was no business arising from the minutes.

3. PRESENTATION / DISCUSSION

The Chair noted that Ms. Cassandra Davidson, Office of the Provost and Ms. Kelsey Evans, Office of the President, have joined today's consultation session to collect and compile Board member feedback. Dr. Benarroch explained that the first round of strategic planning consultations has been completed, and that the Strategic Planning Committee has reviewed feedback received. He shared that the "Where We Are Today" report has been developed, highlighting what has been learned so far and identifying key themes, priorities and challenges that emerged throughout the consultations.

Dr. Benarroch explained that today's consultation session is to offer an opportunity for Board members to provide input on the "Where We Are Today" report, which will lead to drafting the final Strategic Plan for the institution. He shared the revised timeline for completing this process, with the goal to have the final plan ready for review by the Senate and Board of Governors by end of year.

Dr. Benarroch reviewed each of the five key themes identified by feedback received through consultation, asking Board members to share their own thoughts on these themes, if anything may be missing and/or noting any further aspirational goals and priorities for the institution. Ms. Davidson and Ms. Evans gathered feedback received, to be incorporated within the final “What We are Today” report for review by the Committee. Dr. Benarroch thanked Board members for their input, sharing that if further thoughts arise, they are welcome to share by email or through the Strategic Planning website. He also thanked Ms. Davidson and Ms. Evans for their continued commitment and dedication throughout this entire process.

4. COMMITTEE REPORTS

4.1 Report of the Finance and Infrastructure Committee

Ms. Lee noted that the Committee met on June 13th to consider one item for approval by the Board within the Open session, the Expenditure Authorization for International Student Health Insurance, noting that this can be found within the consent agenda.

4.2 Report of the Audit and Risk Management Committee

Mr. Osiowy shared that the Committee met on June 13th to review and consider several items, including the Annual Financial Report, the Audit Results, and the Public Sector Compensation Disclosure Report.

Mr. Osiowy noted that along with staff from the Comptroller's office, the Committee reviewed in detail the financial statements of the University, discussing specifics regarding assets, liabilities, and the University's overall financial health. He shared that the Committee also received a presentation and detailed report from the Office of the Auditor General on the results of the audit of the financial statements for the year ended March 31, 2023, adding that the Office of the Auditor General is prepared to issue an unqualified audit report, subject to the Board approving the statements.

He explained that the Committee also reviewed the Public Sector Compensation Disclosure Report, which is required by law on an annual basis, noting that the current threshold is \$75,000 and will increase to \$85,000 for 2024, adding that this report has also been audited by the Office of the Auditor General.

a) Annual Financial Report 2023

In providing an overview of the UM's annual financial statements for the ended March 31, 2023, Mr. Emslie began by sharing that Ms. Carla Buchanan, Director of Financial Reporting, and Mr. Gord Pasieka, Associate Comptroller, are available to answer questions.

Mr. Emslie explained that the University of Manitoba reported a surplus of \$46.4 million (before endowed donations), with \$29.2 million of surplus within the operating fund and \$17.1 million related to non-operating activity. In referring to the operating surplus, Mr. Emslie noted that faculties and operating units underspent their budgets by \$16.1 million, adding that the UM's investment income exceeded the budget by \$16.8 million due to interest rates that increased after the budget was set, offering larger earnings than initially anticipated. He noted that there were savings of \$6.5 million of reserve funds as not all contingencies were required, in addition \$4.3 million in other savings. Mr. Emslie shared that tuition was below budget by \$4.5 million, reminding Board members of the lower student enrolment than what was projected within last year's budget.

In providing a comparison to previous years, Mr. Emslie shared that operating funds vary from year to year, adding that savings at the faculty and unit level has declined over the last couple years due to salary settlements and return to post-pandemic activities. He noted that this is an expected decline in savings, in addition to the reduction in reserved savings over time, adding that the university has been more aggressive in budgeting and reducing the number of contingency funds. Mr. Emslie shared that the increase in other revenue for this past year was related to the increase in investment income due to higher interest rates, with tuition as negative due to lower enrolment.

In speaking on the cumulated surplus, Mr. Emslie shared that there is \$160 million in carryover and provisions for faculties and units, with \$160 million surplus in university wide provisions that have funding earmarked for future projects. He explained that when a faculty or unit underspends their budget, they retain those funds and set them aside for future use, for example faculty travel or expenses and/or strategic priorities.

Mr. Emslie provided an overview of allocations within the university wide provisions, including \$28.4 million for the UM's fiscal stabilization fund, adding that the university is reviewing what an appropriate level of reserve within that fund should be, considering that would be used if the university were to experience a difficult financial situation. Mr. Emslie shared that just over \$20 million has been allocated for the redevelopment of Machray Hall, with remaining provision funds allocated for ICIP projects to cover the UM's matching contribution to federal funds to cover energy efficiency projects such as replacing boilers and the ice plant within Max Bell Centre, as well as furnishing and equipping the Churchill Marine Observatory, projects relating to infrastructure and renewal, learning space and renewal, hydro re-servicing, and other operating and small projects.

Mr. Osiowy thanked Mr. Emslie for his presentation and asked how the funds within the \$160 million in operating surplus are managed and allocated. Mr. Emslie explained that some of that surplus money is set aside for specific purposes, for example costs associated with professional development for faculty members, as set out in the collective agreement, which if unspent can be carried forward to the next year. He explained that most of the surplus money has been

earmarked for many different purposes, one example being lab maintenance and upgrades, adding that some of these allocated funds are firmly committed with others less so.

In response to a question, Mr. Emslie explained that allocation of provision funds follows a different process from the annual budget process, however the results from prior years which led to the accumulation of surpluses does inform the annual budget process. Mr. Emslie explained that the last few years have brought unusual circumstances, making it difficult to determine regularly recurring expenditures. He noted that one of the conversations coming from the budget model review is to assess the university's carryover policy, noting that currently unspent funds remain with the faculty of unit, and although the unit will be able to keep a certain percentage or amount of that carryover, the university will be looking at a policy to stipulate if/when carryover funds would be transferred to a central pool used to advance broader priorities at the University of Manitoba.

Dr. Benarroch explained the challenges of budgeting capital, noting that to budget for capital projects the full amount of funds must be saved by the faculty or unit, and therefore may appear as carryover. He shared that funds for many of the projects have taken several years to save for, and that the university is working with faculties to ensure an understanding of the responsibility of the faculty/unit, and of administration.

In response to the question regarding the \$350 million in deferred maintenance, Mr. Emslie shared that while it may not be best practice, this amount is average or even below average for U15 institutions.

Dr. Shaw asked why ICM is no longer included under revenue within the financial statements overview. Mr. Emslie explained that while ICM continues to bring in revenue, the amount for 2022-23 was small enough that it was included within the other revenue category. In response to the question, Mr. Emslie shared that \$3.5 million was allocated within this year's operating budget for immediate work for ventilation upgrades, explaining that several of the projects noted earlier include HVAC and ventilation improvements.

Dr. Fakankun asked about any concerns regarding the decline in tuition revenue. Mr. Emslie explained that the university took a more aggressive approach this past year in estimating student enrolment, sharing that the University of Manitoba, in addition to many institutions across the country, have seen a decline in enrolment which falls more in line with the pre-pandemic norm, understanding that there was an uptake of enrolment during the pandemic. Mr. Emslie shared that the university is not concerned, however will continue to review to determine if this may be a trend, or the setting of enrolment numbers back into the pre-pandemic norm.

It was moved by Ms. Magnus and seconded by Ms. Lee:

THAT the Board of Governors approve the Financial Statements of The University of Manitoba for the year ended March 31, 2023.

CARRIED

5. NEW BUSINESS

5.1 Requests to Extend Suspension of Admissions to Programs:

- Bachelor of Human Ecology (Family Social Sciences) and Bachelor of Human Ecology (Family Social Sciences) After Degree, Max Rady Faculty of Health Sciences
- Master of Arts, Icelandic, Faculty of Arts

Dr. Benarroch shared that the request to extend suspension within the two Bachelor of Human Ecology programs is related to the transition into the Bachelor of Health Studies program, noting that while some students currently remain in both Bachelor of Human Ecology programs, the faculty would like to ensure that no further students are admitted.

Dr. Benarroch explained that the Master of Arts Icelandic program is very small, sharing that there has been difficulty in hiring faculty to deliver the program and that faculty has asked to suspend admissions until that can be resolved. Dr. Hiebert-Murphy shared that the Dean of the Faculty of Arts has been working to grow the program to make it more sustainable.

5.2 Request for change to Admission Targets, Bachelor of Social Work, Faculty of Social Work

Dr. Benarroch explained that the change in admission targets for the Bachelor of Social Work is to amalgamate each of their admission categories into one, rather than accepting students into different categories as they do currently. He explained that this will work much better in meeting the faculties enrolment targets, serving the province better with the need for social workers.

He shared that this would not entail adding students but changing the admission process to give them a better chance to fill all available spots in the faculty.

6. UNANIMOUS CONSENT AGENDA

The Chair noted that consent agenda item 6.3.1, Expenditure Authorization – International Student Health Insurance, has been removed for discussion.

It was moved by Mr. Yendt and seconded by Dr. Anderson:

THAT the Board of Governors approve and/or receive for information the following:

THAT the Board of Governors approve:

Report of the Senate Committee on Awards (dated May 9, 2023)

THAT the Board of Governors approves the Public Sector Compensation Disclosure Report of The University of Manitoba for the year ended December 31, 2022.

The Board received for information/consultation the following:

- Report from Senate (dated June 21, 2023)
- Requests to Extend Suspension of Admissions to Programs:
 - Bachelor of Human Ecology (Family Social Sciences) and Bachelor of Human Ecology (Family Social Sciences) After Degree, Max Rady Faculty of Health Sciences
 - Master of Arts in Icelandic, Faculty of Arts
- Request for Change to Admission Targets, Bachelor of Social Work, Faculty of Social Work
- Request for Increase to Admission Target, Master of Arts and Doctor in Psychology in Psychology (Clinical Psychology), Department of Psychology, Faculty of Arts
- Implementation of new programs:
 - Ph.D. in Pathology and Laboratory Medicine
 - M.Sc. and Ph.D. in Pediatrics and Child Health
 - Graduate Micro-Diploma in Science Communication

The Chair asked Ms. Andrew to introduce and speak about item 6.3.1, Expenditure Authorization for the International Student Insurance.

Ms. Andrew explained that medical costs for international students are not paid by Manitoba Health, so there is a need to provide health insurance for UM international students. She shared that since 2018, the University of Manitoba has partnered with Manitoba Blue Cross in providing health insurance to international students that is very similar to health coverage provided by Manitoba Health.

Ms. Andrew noted that the cost for this insurance is paid by students, adding that direct billing is offered by Blue Cross so that in most cases students will not have to pay upfront for their health services. She explained that the cost for international student insurance has remained unchanged from last year, and with reasonable pricing and comprehensive coverage the University of Manitoba is recommending the insurance contract renewal with Manitoba Blue Cross.

Ms. Andrew explained that the University of Manitoba continues to lobby government to reinstate health care coverage for international students, which is why the university is recommending the one-year extension in contract in continuing to work with the government and partnerships within other institutions.

Dr. Prentice shared her concerns that this cost burden continues to be imposed on international students, noting her appreciation for the university's efforts in working to offer affordable health insurance to international students. Dr. Prentice asked that the University of Manitoba make it clearly known that the institution is working diligently with government and partnering with other institutions in offering healthcare coverage, as a basic human right for international students.

Ms. Andrew noted that when this submission was presented by Ms. Brandy Usick, Executive Director of Student Engagement and Success, this information was provided as supplemental background to the submission. Dr. Shearer noted that this has also been captured by the Finance and Infrastructure Committee.

Dr. Shaw noted that this is a stain on the province in their treatment of international students when health care coverage was taken away from international students, and therefore any movement forward with government would be beneficial for our students. Dr. Benarroch shared that this has been discussed on multiple occasions with all levels of government, adding that students have also been lobbying with government. He explained that the university will continue to work with the government in changing direction, understanding the need for international students to have protection through health insurance.

In response to a question, Ms. Andrew explained that the rationale behind the government not offering health care coverage for international students is cost related. Dr. Benarroch explained that the International Student Healthcare Insurance is a requirement for all international students. He noted that as soon as they are registered, they are added, however once they are no longer a student at the UM their coverage is discontinued.

It was moved by Dr. Shearer and seconded by Ms. Lee:

THAT the Board of Governors approves a 12-month renewal contract for International Student Healthcare Insurance with Manitoba Blue Cross and StudentCare for a total value of approximately \$7.26 million.

CARRIED

Ms. Magnus acknowledged and thanked Ms. Hyde for the wonderful job she has done in her role as Chair of the Board of Governors over the past two years. She shared that Ms. Hyde has been a member of the University of Manitoba Board of Governors since 2017, becoming Vice-Chair in 2019 and Chair in 2021. Ms. Magnus explained that during her two years as Chair, Ms. Hyde served on each of the Board Committees, in addition to the Distinguished Service Award Committee, the Vice-President (External Search Committee) and the Presidential Search Committee.

Ms. Magnus spoke on the numerous accomplishments of the Board of Governors under the leadership of Ms. Hyde, including an increased focus on strategic matters and Board priorities while encouraging Board members to think about their responsibility as Board members in relation to oversight, insight, and foresight. She shared that Ms. Hyde has encouraged an environment of culture and trust at the University of Manitoba, understanding the importance and continuation of this work. Ms. Magnus shared several positive improvements including the Board Committee reorganization and revised Board meeting structure, new policy development such as the President's Annual Review Process, in addition to important discussions on values of the institution.

Ms. Magnus shared that in addition to Ms. Hyde being an intelligent and focused Board Chair, she is also kind, compassionate and extremely supportive of fellow board members giving so much of her own time to support others and the University of Manitoba community. She noted that Ms. Hyde has encouraged engagement around the Board table, ensuring that Board members are encouraged to share their views and provide feedback on the work of the Board overall and showing interest in the growth of her fellow board members.

She added that Ms. Hyde cares about the students, staff, and faculty at the University of Manitoba, and has demonstrated this in many ways during her time on the Board, and as Chair, for example by connecting with students from Ukraine and delivering in-person holiday wishes to the staff at the National Centre for Truth and Reconciliation.

Ms. Magnus shared that as Chair, Ms. Hyde has kept the Board engaged, raising the Board to a higher level, elevating discussions, and providing unwavering leadership throughout the pandemic, albeit virtually. She shared that Ms. Hyde maintained a consistent focus on goal setting, strategic visioning, and continuous improvement of the Board overall, providing support individually and collectively. On behalf of the Board of Governors, Ms. Magnus thanked Ms. Hyde for her dedication to the University of Manitoba Board of Governors, adding that she looks forward to working with Ms. Hyde in her final year on the Board of Governors.

The Chair thanked Ms. Magnus, and Board members, for their kind words.

MOTION TO MOVE TO CLOSED AND CONFIDENTIAL SESSION

It was moved by Mr. Pittman and seconded by Dr. Fakankun:

THAT the meeting move into Closed and Confidential Session.

CARRIED

Chair

University Secretary