

**OPEN SESSION****Minutes of a Meeting of the Board of Governors held at 4:00 p.m. on May 20, 2003 in  
160 Continuing Education Division**

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**Present:**

Mr. W. Anderson, Chair  
 Ms. M. Albl  
 Mr. R. Dhalla  
 Dr. V. Dhruvarajan  
 Mr. K. Frederickson  
 Ms. E. Gordon  
 Dr. J. Hoskins  
 Ms. E. Jones

Dr. W. Norrie  
 Dr. T. Secco  
 Dr. I. Smith  
 Dr. E.J.E. Szathmáry  
 Mr. T. Sargeant  
 Mr. D. Ward

**Also Present:**

Ms. L. Chartier  
 Dr. D. Jayas, A/V.P. (Research)  
 Mr. C. Kozier  
 Ms. E. Goldie, V.P. (External)  
 Dr. R. Kerr, V.P. (Academic) & Provost

Mr. M. McAdam, V.P. (Administration)  
 Ms. B. Sawicki, University Secretary  
 Ms. C. Keachie, Governance Specialist

**Regrets:**

Mr. A. Black  
 Dr. H. Duckworth  
 Mr. G. Dureault  
 Dr. J. Keselman  
 Mr. J. Kusie  
 Mr. N. Louizos  
 Ms. J. Plater  
 Ms. S. Van Schie  
 Ms. D. Young

**Absent:**

Mr. J. Ahorro  
 Ms. L. Meeches  
 Dr. R. Roy

**1. ANNOUNCEMENTS**

- 1.1 Mr. Anderson informed the Board of Governors that prior to the commencement of the meeting, there would be a presentation respecting Jurisdiction of the

- 1.2 Board of Governors. The presenter was Ms. Sawicki, University Secretary. Mr. Anderson informed the Board of Governors that there is a Council on Post Secondary Education (COPSE) website ([www.copse.mb.ca/en/index.htm](http://www.copse.mb.ca/en/index.htm)), which contains a copy of a five-year review of the Manitoba Council on Post-Secondary Education.
- 1.3 Mr. Anderson announced that the meeting was the final meeting for several members of the Board of Governors: Mr. Nicholas Louizos, Mr. James Kusie, Mr. ~~Rhona~~ Dhalla, Ms. Elylt Jones, and Ms. Linda Chartier. Mr. Anderson thanked the departing members for their support to the Board of Governors. Mr. Tom Moyle has been elected as the Support Staff Assessor. Mr. Moyle will be replacing Ms. Chartier as the Support Staff Assessor. The alternate Support Staff Assessor is Ms. Nancy Schneider.
- 1.4 Mr. Anderson noted that Mr. Christopher Kozier would be observing the May 20, 2003 meeting; Mr. Kozier will replace Mr. Dhalla as the appointed member representing UMSU.

*Jim Romel*

## FOR ACTION

**MINUTES:** April 29, 2003

2.1 Approved as amended

Dr. Norrie noted that his name was not listed as "present"; however, Dr. Norrie was present at the April 29, 2003 Board of Governors meeting.

It was moved by Mr. Dhalla, seconded by Dr. Norrie:

**THAT the minutes of the April 29, 2003 Board of Governors Open Session meeting be approved as amended.**

**CARRIED**

2.2 Business Arising - none

## 3. FROM FINANCE AND ADMINISTRATION COMMITTEE

3.1 Operating Budget - 2003-2004

- (1) (Note: "baseline" Operating Budgets refer to ongoing Operating Budget allocations, i.e. the base on which additional allocations are provided or reductions are taken; "budget-only" refers to one-time Operating Budget allocations for 2003-2004 only.)
- (2) In accordance with the budget planning assumptions provided to all Dean's, Directors, and other senior budget officers last Fall, no baseline reductions in Faculty and Departmental accounts are proposed for 2003-

*Jim Romel*

2004. The Operating Budget proposes incremental baseline allocations of \$1,490,000 (included in the agenda material on Attachment 1). In addition, the Operating Budget contains \$3,857,000 in one-time, budget-only allocations (included in the agenda material on Attachment 1) funded primarily from 2002-2003 savings on utilities expenses and savings on property taxes. Tuition fees remain frozen at the 1999-2000 levels as requested by the Province.

- (3) The process of preparation of the Operating Budget begins each spring. Subsequent to the approval of one budget, work begins on developing the next. The process includes consultation with the Senate Planning and Priorities Committee and its Finance sub-committee, the Budget Advisory Committee, the Finance and Administration Committee of the Board of Governors, and the Board of Governors. The President and each Vice-President met individually in January/February with direct reports to discuss each unit's three-year budget plans. The plans and needs of the individual units, and the overall strategic directions for the University (included in the agenda material on Attachment 7) are considered in the context of the current and expected fiscal environment. The proposed baseline and budget-only resource allocations reflect those considerations. Continuous improvements are made to the resource allocation process as recommendations made as a result of the current year's experience are incorporated into the next year's process.
- (4) A significant component of the process involves the development of the Operating Estimates Submission to the Province to support their own budgeting process, and to provide background for the University's annual Fall presentation to the Council on Post-Secondary Education (COPSE) on funding requirements. The Estimates Submission is approved by the Board of Governors in September. Financial information contained in the Estimates Submission is then reviewed and refined regularly throughout the University's resource allocation process, culminating in the final operating budget subsequent to the Provincial Grant announcement.
- (5) The University received confirmation on April 22, 2003 (included in the agenda material on Attachment 6) that its operating grant increase for 2003-2004 will be 1.9 % or \$3,538,900. The Province has also provided a base increase of 0.8% or \$1,485,800 which acknowledges that the University continues to maintain the 1999-2000 tuition levels for the 2003-2004 academic year. This represents approximately 2% of the projected tuition revenue for 2002-2003. The Province will also continue the 10% tuition rebate program for 2003-2004, whereby the University reduces the tuition fees paid by students by 10% from the 1999-2000 levels. The tuition fee rebate grant is paid based on 10% of tuition fees assessed for credit programs. Enrolment levels for Fall 2003 are predicted to increase by an additional 2% over 2002-2003 levels. Full details on all revenues and Provincial grants were included in the agenda material on



Attachment 3 and those Provincial grants allocated through COPSE were included in the agenda material on Attachment 4.

- (6) The projected baseline shortfall for 2003-2004 is \$6,56,817 (included in the agenda material on Attachment 2). The use of one-time monies will assist in developing a balancing budget for 2003-2004; however, this baseline shortfall must be addressed as part of the 2004-2005 resource allocation process.
- (7) Last Fall, all faculties, schools and administrative units were asked to model a steady-state budget and provide information on the impact of that steady-state on their operations as part of their three-year planning submission, including the assumption that the 2002-2003 one-time only budget allocations would not continue.

As part of the review process with the Deans and other senior budget officers, priorities for incremental funding, if available, were determined based on institutional priorities. Priorities as identified by the various faculties and departments were short-listed by the Vice-Presidents and the President. The short-listed priorities are included in the Optimal column which was included in the agenda material on Attachment 1; the recommended allocations are shown in the 2003-2004 column on Attachment 1 (which was included in the agenda material).

- (8) Proposed incremental baseline allocations in the 2003-2004 column on Attachment 1 (included in the agenda material) total \$840,000. These incremental baseline allocations will be funded primarily from increased tuition fee revenues and government grants, and by a reduction in the allocations needed for the property tax budget and the utilities budget, and from the use of a \$616,904 allocation from the Strategic Initiatives Process. (The Strategic Initiatives Process accumulates academic baseline salary savings centrally for re-allocation of academic positions by the Vice-President (Academic). Any savings over and above that needed to fund a complete return of all these academic positions is available to balance the budget on an annual basis).
- (9) One-time budget-only allocations totaling \$4.507 million shown in the 2003-2004 column on Attachment 1 (included in the agenda material) will be funded through available one-time sources of funding arising from 2002- 2003 savings on utilities expenses and property tax assessments.
- (10) The Operating budget does not include any revenues from the Building on Strengths Capital Campaign. Although donations towards this highly successful campaign have topped \$180 million and will probably surpass the established target of \$200 million before the campaign concludes, donations are for non-operating budget items such as capital construction, the Library and other endowment funds, student scholarships and bursaries. All of these are essential in the operation of a

modern university; however, as a result of most donors targeting their donations to a specific purpose outside the operating budget, no direct additional operating budgetary relief is afforded by the Campaign's success.

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

**THAT the Board of Governors approve the Operating Budget based on Total Revenues and Expenditures of \$358,647,768 for the year ending March 31, 2004.**

**CARRIED**

- 4. FROM EXECUTIVE COMMITTEE - none
- 5. FROM ACADEMIC AFFAIRS COMMITTEE - none
- 6. FROM OTHER COMMITTEES - none
- 7. NEW BUSINESS - none

**FOR INFORMATION**

- 8. FROM EXECUTIVE COMMITTEE - none
- 9. FROM ACADEMIC AFFAIRS COMMITTEE - none
- 10. FROM FINANCE AND ADMINISTRATION COMMITTEE - none
- 11. FROM OTHER COMMITTEES - none
- 12. REPORTS

12.1 Report of the President

Dr. Szathmáry will provide the Board of Governors with a written report at the June 24, 2003 meeting. Dr. Szathmáry informed the Board of Governors that the Strategic Planning Committee will soon complete the final report of the Committee's recommendations. Dr. Szathmáry indicated that the report should be available to the Board of Governors at the June 24, 2003 Board of Governors meeting.

Ms. Goldie informed the Board of Governors that the Capital Campaign has reached pledges totalling \$185.8 million dollars; Ms. Goldie further noted that the Department of Private Funding is working with several major donors which may result in pledge commitments totalling \$190 million dollars by the end of June, 2003.

Mr. McAdam informed the Board of Governors that Thursday, May 22, 2003 is Campus Beautification Day; all members of the Board of Governors are invited to attend this event. Mr. McAdam announced that over the next five years, The University of Manitoba will partake in over \$250 million dollars in construction on campus.

Dr. Kerr announced that in the year 2004 there will ongoing searches to fill eleven new Senior Academic Administrator appointments. Dr. Kerr indicated that this year, 2003, various committees have been formed in order to prepare for the forthcoming Senior Academic Administrator hires.

As Acting Vice-President (Research), Dr. Jayas reported that four new nominations have been submitted for Canada Research Chairs. The University of Manitoba currently has twenty-one Canada Research Chairs.

12.2 Report of the UMSU President

The UMSU President will provide the Board of Governors with a written report at the June 24, 2003 meeting.

13. **OTHER INFORMATION** - none

**MOTION TO MOVE TO CLOSED AND CONFIDENTIAL SESSION**

It was moved by Dr. Dhruvarajan, seconded by Mr. Frederickson:

**THAT the meeting move to Closed and Confidential Session.**

**CARRIED**

**MOTION TO ADJOURN**

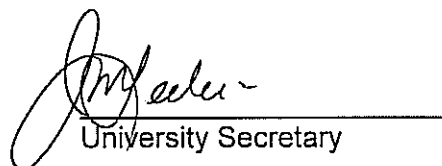
It was moved by Dr. Norrie, seconded by Mr. Sargeant:

**THAT the meeting adjourn.**

**CARRIED**



Chair



University Secretary

