



## *The* UNIVERSITY of WESTERN ONTARIO

### MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

April 29, 2010

The meeting was held at 1:30 p.m. in Room 4210 Support Services Building.

PRESENT: Mr. F. Angeletti, Chair  
Ms. I. Birrell, Secretary

Mr. J. Adams  
Dr. D. Bentley  
Mr. J. Berge  
Mr. J. Bitove  
Dr. A. Chakma  
Mr. S. Coxford  
Mr. K. Goldthorp  
Mr. T. Gosnell  
Ms. L. Gribbon  
Ms. S. Grindrod  
Mr. H. Hassan  
Mr. J. Knowles

Ms. G. Kulczycki  
Dr. F. Longstaffe  
Dr. L. Miller  
Mr. C. Shah  
Mr. C. Sinal  
Dr. S. Singh  
Ms. J. Vanderheyden  
Mr. H. Vander Laan  
Dr. J. White  
Mr. R. Wong  
Mr. K. Zerebecki

By Invitation: R. Campbell, R. Chelladurai, H. Connell, L. Koza, L. Logan

BG.10-26 **REPORT OF THE PRESIDENT**

Dr. Chakma reported on the Provincial Budget, 2010, the Federal Budget and the Advanced Manufacturing Park. Complete details are found in the exhibit distributed with the agenda.

Bg.10-27 **UNANIMOUS CONSENT AGENDA** [Appendix I]

It was moved by H. Vander Laan, seconded by J. Berge,

That the 22 items listed in Appendix 1 be approved and/or received for information by the Board of Governors by unanimous consent.

CARRIED

BG.10-28 **Minutes of the Previous Meeting**

The minutes of the open session of the meeting of January 28, 2010, were approved as

circulated.

**REPORT OF THE PROPERTY & FINANCE COMMITTEE** [Appendix II]

BG.10-29 **Operating and Capital Budgets, Tuition and Fees**

It was moved by S. Coxford, seconded by J. Berge,

That the Board of Governors approve the 2010-11 University Operating and Capital Budgets, and the proposed Program Specific Fees and Other Supplemental Fees for 2010-11.

Ms. Kulczycki provided an overview of the 2010-11 University Operating and Capital Budgets. Overhead slides used to highlight her presentation are attached as **Appendix 1**.

In the discussion, the following points were raised:

- There is ongoing discussion with respect to the enrolment cap. Increasing the size of the entering class has implications at a number of levels given the first-year course and residence guarantees and given the current focus on growing the graduate programs. Discussions were begun with the deans last year and are continuing. There is interest in some quarters for controlled growth in undergraduate enrolment. The goal is to find the right balance that will maximize opportunities for funding from the province while continuing to remain a high quality, highly competitive institution.
- The funds allocated to international student recruitment this year are admittedly modest. They are intended as start-up funds for the Registrar's Office at this point. An international recruitment strategy is still being developed.
- The projected shortfall is planned and is for one-year. It is not a structural deficit. The Board reserve requirements continue to be respected in this budget.

The vote was taken on the motion and carried.

BG.10-30 **Student Fee-Funded Units, Ancillaries, and Academic Support Units**

It was moved by S. Coxford, seconded by J. Knowles.

That the Board of Governors approve the 2010-11 budgets for Student Fee Funded Units, Ancillaries, and Academic Support Units summarized in the report entitled "Student Fee Funded Units, Ancillaries, Academic Support Units, and Associated Companies".

CARRIED

BG.10-31 **Student Organization Fees 2010-11**

It was moved by S. Coxford, seconded by C. Sinal,

That the organization fees for the **University Students' Council** for 2010-11 shown in Table 2 (full-time undergraduates) and Table 4 (part-time undergraduates) be approved, as requested by the USC.

That the organization fees for the **Society of Graduate Students** shown in Table 3 (full-time graduate students - three terms) and Table 4 (part-time graduate students), be approved as requested by SOGS.

That the organization fees for the **Honors Business Administration Association** for 2010-11 shown in Table 2, note (b) be approved, as requested by the HBAA.

CARRIED

BG.10-32 **Annual Report and Recommendations of the Student Services Committee**

It was moved by S. Coxford, seconded by J. Berg,

That the ancillary fees collected by the University be those detailed in Annex 4, Table 1, as recommended by the Student Services Committee.

CARRIED

BG.10-33 **Information Items Reported by the Property & Finance Committee**

The Report of the Property & Finance Committee, detailed in Appendix II, contained the following items that were received for information by unanimous consent:

- Investment Committee Membership
- Graham King Research Chair
- Quarterly Financial Report - Operating Budgets
- Report on Revenues, Expenditures & Tuition by Faculty
- Quarterly Ratio Report on Non-Endowed Funds
- Report of the Investment Committee
- Scholarships/Awards/Prizes

**REPORT OF THE BY-LAWS COMMITTEE** [Appendix III]

BG.10-34 **Information Items Reported by the By-Laws Committee**

The Report of the By-Laws Committee, detailed in Appendix III, contained the following item that was received for information by unanimous consent:

- Minor Amendments to Terms of Reference: Audit Committee and Investment Committee

**REPORT OF THE SENIOR OPERATIONS COMMITTEE** [Appendix IV]

BG.10-35 **Information Items Reported by the Senior Operations Committee**

The Report of the Senior Operations Committee, detailed in Appendix IV, contained the following item that was received for information by unanimous consent:

- Joint Venture Agreement - Advanced Manufacturing Park

**REPORT OF THE DEVELOPMENT & FUND RAISING COMMITTEE** [Appendix V]

BG.10-36 **Information Items Reported by the Development & Fund Raising Committee**

The Report of the Development & Fund Raising Committee, detailed in Appendix V, contained the following items that was received for information by unanimous consent:

- Fund Raising Results for the Period Ending March 31, 2010 and Projections to April 30, 2010

**REPORT OF THE AUDIT COMMITTEE** [Appendix VI]

BG.10-37 **Information Items Reported by the Audit Committee**

The Report of the Audit Committee, detailed in Appendix VI, contained the following items that were received for information by unanimous consent:

- H1N1 Pandemic Update
- Response to London Transportation Strike

**ITEMS REFERRED BY SENATE** [Appendix VII]

BG.10-38 **Information Items Reported by Senate**

Appendix VII, Items Referred by Senate, contained the following items that were received for information by unanimous consent:

- Appointment Procedures for Senior Academic and Administrative Officers of the University - Amendment to Section M: Deans of Faculties
- School of Graduate and Postdoctoral Studies: Doctor of Musical Arts in Performance (DMA)
- School of Graduate and Postdoctoral Studies: Master of Legal Studies (MLS)
- School of Graduate and Postdoctoral Studies: Master of Health Information Science (MHIS) and PhD in Health Information Science
- 2010-2011 University Operating and Capital Budgets
- Spring 2010 Honorary Degree Recipients
- Excellence in Teaching Award Winners for 2009-2010
- Report of the Academic Colleague
- Annual Report - 2009 - Working Group on Information Security

The meeting adjourned to the confidential session.

---

F. Angeletti  
Chair

---

I. Birrell  
Secretary

*The University of Western Ontario*

**2010-11 Operating and Capital Budgets**

Board of Governors  
 April 29, 2010

**Recommendation**

- That the Board of Governors approve the 2010-11 University Operating and Capital Budgets and the Proposed Specific Fees and Other Supplemental Fees for 2010-11.

**Context/Background**

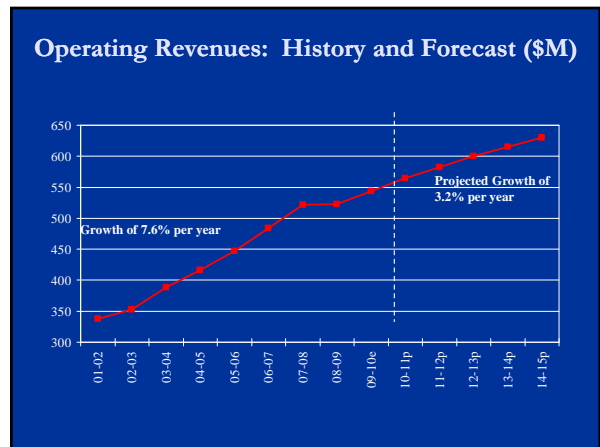
- Moving into Final Year of 4-Year Plan
- Four-Year Plan began with Anticipation of Flattening Revenues from *Reaching Higher*
  - Major portion of revenues reached steady-state
  - Graduate Expansion Funding continues
- Tuition Rates -- about 4% per year
- Market/Economy Downturn in the Fall of 2008 further increased our Constraints
  - \$46.25M in revenue had to be withdrawn over the final three years of 4-year planning period

**Context/Background**

- In the Spring of 2009, our Board of Governors approved Modifications to our 4-Year Plan
  - Additional average 1.5% reductions to Unit Budgets
  - Withdrawal or Reduction of many other One-time Expenditures
  - Central Funding for Faculty/Staff Exit Costs
  - One-time Funding to Faculties to Maintain Teaching Capacity

**Context/Background**

- Provincial Budget confirmed the *Reaching Higher* Commitments
  - Undergraduate Enrolment Growth Funding
  - Graduate Expansion Funding
- Government has also extended Current Tuition Framework for another Two Years
  - With 10% Set-Aside for Needs-based Student Aid
- We are hopeful for a Successor Plan to *Reaching Higher* in next year's Provincial Budget
  - but the Province is facing a very difficult fiscal situation



### New Initiatives and Priorities for 2010-11

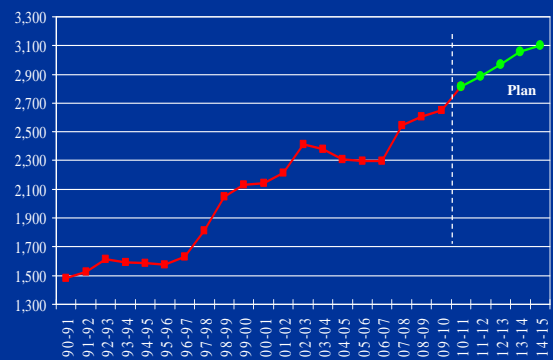
#### ■ Graduate Expansion

- We expect to meet Masters Allocation
- Current plans from Faculties will leave us 50 short of the PhD Allocation in 2011-12
  - Need to increase recruitment efforts

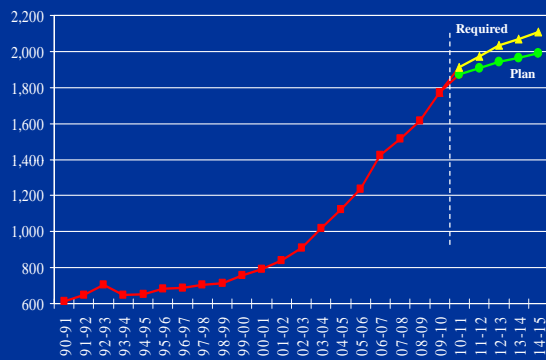
#### ■ DSIG -- continue as one-time for another year

- In the current year, 374 new domestic PhD students were admitted -- with \$0.9M from DSIG
- Estimated \$1.2M for 2010-11

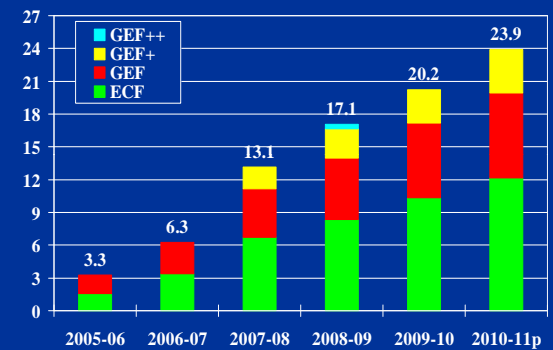
### Full-Time Master's Enrolment at Western



### Full-Time PhD Enrolment at Western



### Resources in Support of Graduate Expansion -- \$M



### New Initiatives and Priorities for 2010-11

#### ■ Interdisciplinary Initiatives (IDIs)

- \$2M one-time initially allocated in current 4-year plan
- Withdrew \$160K last year -- leaving \$1.84M
- Additional \$2.5M One-Time recommended in this Budget -- to be distributed over next 5 years

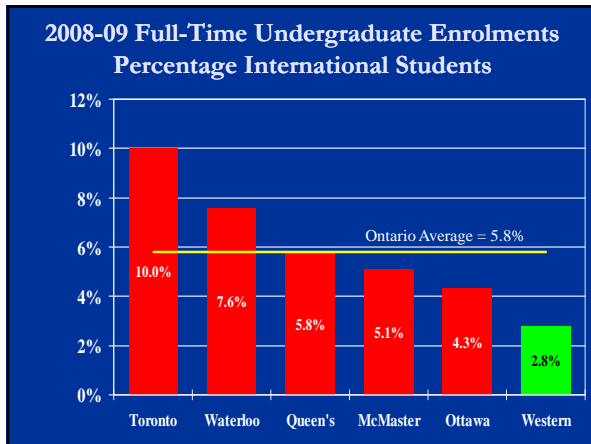
#### ■ Support for CFI Initiatives

- \$4.9M in One-Time funding recommended for CFI matching requirements

### New Initiatives and Priorities for 2010-11

#### ■ Internationalization -- Expansion of Undergraduate Enrolment

- Planning for 100 additional First-Year Students
- International Students eligible (for the first time) for Scholarships in 2010-11
- Recommending \$50K One-Time for International Recruitment Initiatives
- Recommending \$50K Base for ESL Initiatives



- ### New Initiatives and Priorities for 2010-11
- **Support for our Fundraising Campaign and Related Initiatives**
    - Campaign currently in public phase
    - Recommending \$12.5M in One-Time Funds
      - Supplementary University Resources to secure private donations in areas such as Endowed Chairs, Student Financial Aid, and Research Initiatives
  - **University-wide Energy Efficiency Initiatives**
    - \$1.5M in One-Time Funds recommended in support of projects that will allow us to reduce energy consumption

- ### Long-Range Space Planning
- Reaching the End of Long-Range Space Plan 1
- Major Space Allocation Recommendations**
- Relocation of FIMS from NCB to Current Ivey Building
    - Allocation of FIMS-NCB Space to Science
  - Relocation of Nursing from HSA to Current Ivey Building
    - Allocation of Nursing-HSA Space to Schulich

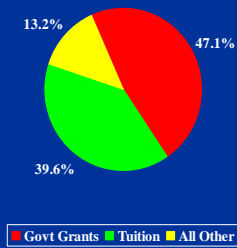
- ### Long-Range Space Planning
- The Space Allocation Recommendations will allow us to close/remove the Staging Building and the Services Building
  - We can now plan for **Long-Range Space Plan 2**
  - Major Projects Grouped in 5 Categories
    - Over time, Projects could move up the list -- depending on availability of funding

## Operating Revenues

### Table 8

- ### Operating Revenues
- Government Grants
    - Additional funding for Undergraduate Enrolment Growth, Graduate Expansion, and Targetted Expansion of Medical Enrolments
  - Tuition Fees
    - Domestic -- based on Government Framework
    - International
      - Undergraduate -- 6% Increase for Incoming Students and 4% Increase for Continuing Students
      - HBA -- 3% for Incoming; 0% for Continuing
      - Graduate -- 6% Increase

### Projected 2010-11 Operating Revenues (Total = \$564.3M)



### Operating Expenditures

Tables 9 to 12

### Recommendations for the Faculties

- **2010-11 Base Budgets (Table 9)**
  - Continuation of Recommendations from Last Year
  - 3% IBA plus the Additional Average 1.5% Reduction
  - Turnover Recovery
  - UPIF Commitments from Rounds 1 & 2 (\$535K)
  - Program-Expansion Funding and Tuition-based Investments (\$2.2M)
  - ECF to Base Conversions (\$800K)
  - CRCs (\$260K)
  - Incremental ECF – on top of Base Conversions (\$488K)
  - Incremental GEF (\$1.9M)
  - Ivey School's Funding Model Continues

### Scholarships and Bursaries (Table 10)

- Overall Base Increase of \$1.37M
- Decline in Undergraduate Scholarship Funds due to re-alignment of Scholarship Program
  - Minimum requirement moved up from 85% to 87%
- Undergraduate International Students now Eligible for Undergraduate Scholarships
- Graduate Student Support Funding Increases by \$2M
  - 77% of Graduate Tuition Flows back to Student Aid

### Recommendations for Support Units

- **Base Budgets for 2010-11 (Table 11)**
  - Continuation of Recommendations from Last Year
  - 3% IBA plus the Additional Average 1.5% Reduction
  - Turnover Recovery
  - UPIF Commitments from Rounds 1 & 2 (\$380K)
  - New Base Investments
    - Additional Staffing in ITS (\$170K)
    - ESL Initiatives (\$50K)
    - Operating Costs of New Facilities -- PPD & Police (\$124K)
    - Development Office Multi-Year Plan (\$130K)
- **\$2.4M in One-Time Allocations (Table 7)**

### University-wide Expenditures (Table 12)

- Major Items in 2010-11
 

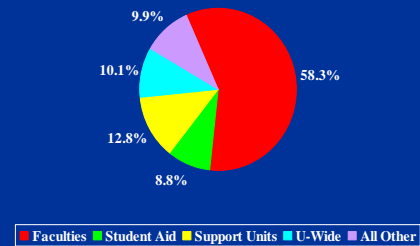
|                        |         |
|------------------------|---------|
| ■ Utilities            | \$20.0M |
| ■ Library Acquisitions | \$13.4M |
| ■ MMI                  | \$10.9M |
| ■ IT Infrastructure    | \$ 6.4M |
| ■ Insurance            | \$ 2.1M |
- Total of \$59.3M



### One-Time Expenditures (Table 13)

- Major Items in 2010-11
  - Campaign Support \$12.5M
  - CFI Matching \$ 4.9M
  - IDI Program \$ 2.8M
  - Faculty Retirement Program \$ 1.9M
  - Energy Efficiency Initiatives \$ 1.5M
  - DSIG \$ 1.2M
  - Robarts Revenues \$ 6.5M
  - Targetted Medical Pgm Expansion \$ 4.2M
- Total of \$43.7M

### 2010-11 Operating Expenditures (Total = \$586.1M)



### Summary of Operating Budget

Tables 14 & 15

### Summary of Operating Budget

- 2010-11 Revenues = \$564.2M
- 2010-11 Expenditures = \$586.1M
- In-Year Position = (\$21.9M)
  - Planned Deficit due to One-Time Expenditures
- Operating Reserve Forecast to be at the Board-mandated Minimum of \$2.5M

### The Next Four-Year Plan

### The Next 4-Year Plan

- Planning Process will begin the Fall of 2010
- In Preparation:
  1. Strategic Plan Update in Spring/Summer 2010
  2. Followed by Faculty Academic Plan Updates
- Collectively, these Updates will form the basis of Next 4-Year Plan
- Review/Explore New Revenue-Generation and Revenue-Sharing Options -- for implementation in next 4-year plan

## The Capital Budget

### Overview of 2010-11 Capital Budget (Tables 22 to 32)

- Supports Long-Range Space Planning
  - Total Spending of \$111.5M (Table 22)
- \$54.5M for New Construction (Table 25)
  - New Ivey Building (\$39.6M), WindEEE (\$9.4M), AMP (\$2.5M), Museum of Archaeology (\$2.1M)
- \$20.3M for Major Renovations (Table 25)
  - Physics & Astronomy (\$8.2M), Stevenson & Lawson (\$7.1M)

### Overview of 2010-11 Capital Budget

- \$36.6M for All Other Expenditures
  - Utilities and Infrastructure (\$6.3M)
  - Modernization of Instructional/Research Facilities (\$4.7M)
  - General Maintenance and Modernization (\$10.7M)
  - Housing Projects (\$5.9M)
  - Carrying Costs and Debt Repayment (\$3.6M)
  - Other (\$5.3M)

### Long-Term Financial Trends

- Capital Reserves and Debt
  - Operating within Board debt policy; modest “debt room” available
- Employee Future Benefits
  - Obligation as of April 30, 2009: \$229.9M
- Deferred Maintenance
  - Residences excellent; campus buildings comparable to other older universities in Ontario

## Recommendation

- That the Board of Governors approve the 2010-11 University Operating and Capital Budgets and the Proposed Specific Fees and Other Supplemental Fees for 2010-11.