

Director of Ancillary Services to encourage a high grade of food service on campus. Nancy Walker and Bill Cade also toured the Walker Complex, which is the wellness centre at Brock. The President held a subsequent meeting with Lorelee Edwards, Kelley Andres, Jon Oxley and Nancy Walker to discuss with them a meeting with the former Students' Union President from Brock and to share ideas from Brock with Lorelee Edwards and her colleagues.

3.2 Meeting with Provincial Government

Terry Royer, Jim Horsman and Bill Cade recently had an extremely good meeting with Rod Love, new Chief of Staff in the Provincial Government. They also met with the Honourable David Hancock, the new Minister of Advanced Education. Post-secondary education is very high on the Government priority list for this year and a concerted effort will be made to ensure that the U of L receives appropriate consideration in issues that require Government support.

3.3 Medicine Hat Meeting

Grant Pisko and Blaine Kunz hosted a very enjoyable and informative evening at the Cypress Club in Medicine Hat. The purpose of the meeting, which included other alumni, was to rekindle the activity of the alumni in Medicine Hat. Maureen Schwartz of the Advancement office also attended and Grant Pisko subsequently met with her to follow up on strengthening ties with Medicine Hat.

3.4 Matthew McHugh

The President reported that former Students' Union President, Matthew McHugh, has written indicating that he is doing well in South Africa. Matthew McHugh is a Rotary Ambassadorial Scholar at the University of Port Elizabeth in South Africa. He is, no doubt, representing the U of L, the City and Canada very well.

4. ITEMS FOR ACTION

4.1 Report of Finance Committee on Fees

Karen Clearwater gave a presentation on the proposed fees, the text of which is filed with these minutes. The presentation included the timeline for preparation of the fee document, budget assumptions, fee comparisons and impact of limiting fee increases. The budget assumptions were based on an increased grant of 2%, which is what was confirmed. A balanced budget is possible for 2005-06 and 2006-07, but a shortfall is predicted for 2007-08, with tuition at the maximum allowable.

The average increased cost to an individual student, generated by the changes, is difficult to calculate since several of the fees are user pay and others apply to students in specific areas of study or using specific services. The instructional fee increase for 2005-06 is \$28/course, which amounts to \$282/year for a student

taking five courses per semester. Some institutions have not established their fees going forward; however, the average fee at the U of L at this time is approximately \$300-\$400 less than the Alberta average. Fees at the University of Lethbridge are within 5% of the national average. It was noted that past attempts to benchmark the budget with other institutions have proved fruitless due to the wide variance in the types of programs and issues. It was clarified that the U of L has not always imposed the maximum allowable instructional fee increase and, in fact, in some years there has been no increase. Karen Clearwater will provide a student cost comparison with other universities. The biggest source of revenue for the U of L is the Government grant. The view was expressed that it was important to make point to Government that the operating grant is less than what is needed and the Board is forced to make a decision with which no one is satisfied. There was some feeling that the necessity to impose the maximum allowable instructional fee increase is alarming and this might be something to discuss with Government.

The Board Chair stressed that increasing fees is a decision not taken lightly by the Board. The Board would prefer to not increase fees but also recognizes the responsibility to provide a quality education. It was stressed that services to students and the quality of the education provided by the U of L are always considerations in the preparation of the budget.

It was reported that the University of Calgary has pledged \$1.4 million into scholarships or student directed projects. This is .78% of total fee revenue at that institution. If a similar approach was taken at the University of Lethbridge, it would mean an additional \$200,000 for scholarships and student projects. The budget committee is considering increasing scholarships by \$200,000 on a continuing basis.

Loralee Edwards remarked that tuition increases are very important to students. Jason Rumer followed with a presentation, the text of which is filed with these minutes. The presentation included information on fee increases and opinions on affordability of post-secondary education and a recommendation that fees be increased by 4%.

There was sympathy expressed for the student position and discussion followed on the availability of student financing through loans, scholarships and bursaries. It was reported that there is increased access to student loans and the amount a student can borrow has increased somewhat. Grants and bursaries are, at best, stable due to lack of funds in the various programs. A higher GPA is required for some programs, due to the limited amount of funding available. It is recognized by the Student Finance Board that a greater amount of money is needed for individual awards. Historically, students have been allowed to borrow more

when tuition has increased. There is, however, no guarantee that loan amounts will increase and, in fact, there is some feeling there may not be an increase implemented. An increased number of students are getting bank loans in addition to accessing Government loan programs.

It was pointed out that the fees and rates document approved by the Board of Governors last year showed a proposed instructional fee increase of 4% for 2005-2006. The students expressed concern that the current document is proposing a 7% increase for 2005-2006. Nancy Walker explained that a 4% increase was proposed in last year's document since, at that time, it was the predicted maximum. The allowable increase is now 7% since an additional 2% has been received in the government grant. The surplus in this year's budget relates to a one-time provincial government grant which has not been rolled into the budget. This one-time funding will be used for significant capital expenditures; it is important to not use one-time funding for continuing expenses. If tuition increases are not achieved it means a continuing decrease in funding every year. It was explained that the difference between the student recommendation for a 4% increase in tuition compared to a 7% increase would be a \$700,000 reduction in revenue. A student taking five courses/semester would see an increase of \$140.00/semester at the proposed 7% compared to \$80.00 per semester if the increase was 4%. The difference for a student taking 5 courses would be \$60.00 for the 2005-2006 academic year. A review of student debt has shown that it has remained fairly constant at about \$20,000 even though tuition has risen. 60% of students have debt. It was stressed that the proposed increase is necessary to balance the budget. As well, failure to increase tuition to the maximum level allowable carries the risk of signalling to Government the false message that the University has sufficient funding, the consequence of which could be a freeze in operating grants. Not increasing to the maximum allowable will mean the U of L will not have revenue comparable to other universities in the province who get higher operating grants and/or increase their fees to the maximum allowable. It was noted that tuition at the U of L is still lower than at the other two residential universities in the province. The Board was reminded that tuition was frozen at the U of L for three years, which created significant difficulty.

Costs to students, other than instructional fees were discussed. It was noted that many U of L students do not live at home and have approximately \$4,000-\$5,000 per semester in living costs. The University fees now compared to the early 1980's are the same in real terms but what has changes is the ability of a student to earn sufficient money. The minimum wage in Alberta was considered as a factor in causing financial difficulty for students. It was pointed out that student debt is paid of more quickly in Alberta due to higher starting salaries for graduates.

Seamus O'Shea remarked that he has been a proponent of access for students but felt not increasing instructional fees by 7% would not be in the best interest of students. The full 7% is necessary in order to maintain access, class size and choices.

Karen Clearwater expressed confidence in the budget assumptions. She explained that 90-95% of the expenditures are salaries, the majority of which is for faculty. A contract is in place with ULFA for the next three years, so those commitments are known. The University will be in negotiations with AUPE this year. A contract for utilities is in place so those expenses are reasonably predictable.

Loralee Edwards noted that the Board is looking for support from the Students' Union for an additional fee for the Wellness Centre and the student delegation is looking for some middle ground in the instructional fee.

An explanation of fees for graduate students will be provided for the next Board meeting.

MOTION: opn. 2004.12.02

Edwards/Williams

That the Board of Governors approve a reduction in the proposed increase in instructional fees for undergraduate fees from 7% to 4%

Motion: Lost

Loralee Edwards, David Green, Preston Williams asked that their votes in favour of the motion be recorded.

MOTION: opn.2004.12.03

Keith/McNab

That the Board of Governors approve the 2005-2006 Proposed Fees and Rates as distributed.

Motion: Carried

Opposed: Preston Williams, David Green,
Loralee Edwards

4.2 Diversity and Employment Equity Policy

MOTION: opn.2004.12.05

Cade/Green

That the Board of Governors approve the Diversity and Employment Equity Policy effective immediately.

Motion: Carried

It was explained that a policy on diversity and employment equity is required in order for the University to be part of the Federal contractors program, which provides research funding. This policy has previously been reviewed by Deans, Directors, Faculty and AUPE.

4.3 Selection of Architects and Construction Consultants Policy

MOTION: opn.2004.12.06

Cade/Keith

That the Board of Governors approve the Selection of Architects and Construction Consultants Policy effective immediately.

Motion: Carried

It was explained that this is a general review and update of the current policy to more accurately reflect the selection process.

4.4 Employee Ethical Conduct Policy

MOTION: opn.2004.12.07

Cade/Pisko

That the Board of Governors approve the Employee Ethical Conduct policy effective immediately.

Motion: Carried

4.5 Board of Governors and Meliorist Society Accord

MOTION: opn.2004.12.08

Cade/Green

That the Board of Governors approve the Board of Governors and Meliorist Society Accord effective immediately.

Motion: Carried

4.6 Fraud Policy

MOTION: opn.2004.12.09

Cade/Bourke

That the Board of Governors approve the Fraud policy effective immediately.

Motion: Carried

It was reported that the Auditor General recommended that the Board have a fraud policy. The motion was developed following an extensive review of fraud policies of other entities. The Governance committee reviewed the policy and recommended it to the Board.

4.7 Safe Disclosure Policy

MOTION: opn.2004.12.10

Cade/Stokes

That the Board of Governors approve the Safe Disclosure policy effective immediately.

Motion: Carried

It was noted that point 6 of the policy does not protect someone who discloses wrongdoing if it is found the person reporting is involved in the wrongdoing. In this circumstance, there would be a new investigation.

4.8 Mandate Statement

MOTION: opn.2004.12.11

Cade/DeBow

That the Board of Governors approve the revised Mandate Statement for submission to the Minister of Alberta Advanced Education for approval.

Motion: Carried

It was noted that the revised mandate statement was reviewed by the Deans, GFC and the Governance committee.

4.9 Annual Report to Alberta Advanced Education

MOTION: opn.2004.12.12

Cade/McNab

That the Board of Governors approve the 2003-2004 Annual Report to Alberta Advanced Education.

Motion: Carried

The MACLEANS reference on page 3, point 5 will be updated to the 2003 information.

4.10 Academic Quality Assurance Policy & Process

MOTION: opn.2004.12.13

Cade/Keith

That the Board of Governors approve the Academic Quality Assurance Policy and Process.

Motion: Carried

5. VICE-PRESIDENT (ACADEMIC) REPORT

The Vice-President (Academic) distributed a report which is filed with these minutes. He noted that a computer assisted audit of programs will be available shortly. This is very time intensive since it has to be generated for each year's Calendar.

6. VICE-PRESIDENT (FINANCE & ADMINISTRATION) REPORT

6.1 Audit Committee Terms of Reference Compliance

6.2 Finance Committee Terms of Reference Compliance

The Vice-President (Finance and Administration) was called away from the meeting. These items were included in her report to the Closed session.

7. CHANCELLOR'S REPORT

The Chancellor added that Dr. Eva Brewster, who received a U of L honorary degree in 1976, has passed away.

Attention was drawn to the summary of student debt report in the agenda materials, which was previously reported to the Senate.

8. STUDENTS' UNION REPORT

Loralee Edwards reported that the recent food bank drive went extremely well and the food collected is being distributed.

A day care committee has been established and the Students' Union has approved, in principle, the creation of a day care on campus.

The "Ender Bender" cabaret went well with no incidents. The sold-out event featured three or four bands.

The General Assembly structure is being reviewed in order to create diversity. Voting for the Students' Union election in March will be done on line.

The Students' Union hosted Maude Barlow and an election forum for provincial candidates which was broadcast live over the campus FM radio station.

Loralee Edwards reported that the Students' Union is assisting a graduate student in her efforts to raise money to build a well in Ethiopia by supporting a dinner December 17 in the Students' Union building. Board members were invited to attend or to make a donation to the project through the Students' Union office.

The Students' Union is reviewing the accountability mechanism for funds collected for the operation of the radio station and through a recent referendum on behalf of the Women's Centre.

9. GRADUATE STUDENTS ASSOCIATION REPORT

Preston Williams reported that graduate students have volunteered for Operation Red Nose on Friday evening. This is a fundraiser for the Athletic program.

10. ALUMNI REPORT

Doug McArthur reported that the Alumni Council will be volunteering for Operation Red Nose.

11. ADJOURNMENT

MOTION: opn.2004.12.13

Pisko/Stokes

That the Open Session of the December 16, 2004 meeting of the Board of Governors be adjourned.

Motion: Carried