

4.2 Medicine Hat College

Terry Royer spoke with the Chair of the Medicine Hat College Board of Governors and extended an invitation for their Board to meet on the U of L campus. Nothing has been finalized but it is hoped that at least the Presidents and Board Chairs from the two institutions will be able to meet to continue developing a positive relationship.

4.3 Provincial Budget

Terry Royer participated in a conference call with the Minister which provided preliminary information on the Alberta Learning Budget as it related to the adult learning system. The overall increases amount to \$76 million or a 6.3% increase. Base operating grants will increase by 3%. An additional \$12 million will be allocated for faculty attraction and retention. There will be no new Access money, however there will be a \$9 million increase to the system to maintain existing programs. Scholarships will increase by \$7 million, including those for apprenticeship programs and Jason Lang scholarships. The student loan portfolio will be increased by approximately \$15 million.

Bill Cade noted that the capital aspects of the overall budget are greatly reduced which will likely impact the field house and gallery projects. The increase in health care premiums will also affect the U of L budget.

4.4 Alumni Development

Terry Royer challenged Board members to plan to reach every alumni and invite them to immediately give at least \$10 to the University. The objective is to identify where the alumni are and to raise the percentage who contribute. The alumni support category is heavily weighted in the Maclean's rankings and any improvement in this category would subsequently impact the overall ranking.

4.5 Tuition Policy

Terry Royer reported that, in his meetings with the Minister, the Minister continues to be supportive of the U of L and has pledged that there will be some remedy from the tuition fee policy in time for fall 2003.

5. PRESIDENT'S REPORT

5.1 Congratulations

The President congratulated Mike Crowe on the recent birth of his son.

5.2 Indirect Cost Payment for Research

Bill Cade explained that universities have lobbied for many years for the indirect costs of research to be covered. Previously there was no support for indirect costs for research funded through tri-council grants. The Association of Universities and Colleges of Canada (AUCC) has long been lobbying for this funding. Bill Cade noted that the smaller universities, which have higher proportionate costs to support research, received a proportionately larger amount of the indirect research cost grant.

5.3 Natural Sciences and Engineering Research Council (NSERC)

Bill Cade reported that the NSERC results have been received. He announced that he and Ian Wishaw were among those approved for NSERC grants. New faculty members did quite well.

5.4 Dean of Management Search

The Dean of Management search is progressing quite well and the last candidate is now on campus for interviews. A recommendation for appointment will come to the Board at the May meeting.

5.5 Committee of Western Canadian University Presidents (COWCUP)

President Cade recently attended COWCUP meetings where he was elected Chair of that body. This means he will also have a seat on the AUCC Board. A workshop of the western presidents will be held in Lethbridge in the near future.

5.6 CASE

The University of Lethbridge was awarded the Grand Gold Award in the CASE District VIII competition for the LINC building opening materials.

5.7 Alberta Learning Strategic Framework Consultation

Bill Cade noted that he attended the recent meetings called by Alberta Learning.

5.8 Alberta Heritage Foundation for Medical Research (AHFMR)

AHFMR has announced a major research award to Gerlinde Metz, a recently hired faculty member in the Psychology and Neuroscience Department and will work in the Canadian Centre for Behavioural Neuroscience (CCBN). Dr. Metz investigates the environmental and physiological aspects of Parkinson's disease by studying the effects of stress, body temperature, exercise and drug treatments on motor performance.

5.9 Julie Payette Awards

Two U of L students have been chosen for the very prestigious Julie Payette-NSERC Research Scholarships. The scholarships will go to Robin Gibb, who was one of the first Ph.D. students, and Russell Goodman, who is also Rhodes Scholar. The scholarships are tenable for two years and have an annual value of \$25,000. Since only 12 are awarded, this is a major accomplishment by our students. Bill Cade added that Gord Rosko arranged for a letter of congratulations from the Premier to Russell Goodman.

6. CHANCELLOR'S REPORT

6.1 Honorary Degrees

Honorary degrees will be awarded to the following persons at the forthcoming spring and fall convocation ceremonies:

Howard Cable - May 24, 2002, 10:00 a.m. ceremony. Mr. Cable is a nationally known composer, conductor and the arranger of the "Hockey Night in Canada" theme.

Joan Waterfield - May 24, 2002, 10:00 a.m. ceremony. Ms. Waterfield is a lover of the arts and an accomplished actor. She is a dramatic arts supporter, former Lethbridge Herald and CFCN media personality.

Dr. Jonathan Schaeffer - May 25, 2002, 2:00 p.m. ceremony. Dr. Schaeffer is a computer scientist and high-tech computer network innovator. His research is primarily in artificial intelligence and parallel computing.

Dr. Robert Hironaka - October 18, 2002. Dr. Hironaka is a retired agricultural research scientist and community volunteer. He was U of L Chancellor from 1995-1999 and a Senate member from 1983-1987.

6.2 Chancellor Selection

The nomination committee for the election of the Chancellor has been struck and includes the following members:

Representing General Faculties Council - René Barendregt, Leah Fowler, Craig Monk
Representing Alumni Association - Jill Kotkas, Jennifer Schmidt- Rempel, Jeanie Baczuk
Representing Senate - Christina Audet, Gerald Lidstone, Craig Rumer
Representing Students' Union - Anna Chu
Representing Graduate Students - Michael Crowe

6.3 Next Senate Meeting

The next Senate meeting will be in April with the theme of the technological elements on campus. Pat Chuchryk is developing the program.

6.4 Outreach Committee

The Senate Outreach Committee, under the chairmanship of Myles Bourke, recently met with people from the agricultural sector. The next project will be with the medical community. They also hope to meet in the smaller communities outside of Lethbridge. Jim Horsman remarked that the Outreach initiative is seeing positive results and is a meaningful way for the Senators to build bridges between the community and the University.

6.5 Chancellor's Circle

The second annual Chancellor's Circle reception was held March 20. Approximately 60 people were in attendance for the reception which was followed by an outstanding theatre performance of The Visit. A program of the evening was distributed and is filed with these minutes.

7. STUDENTS' UNION PRESIDENT REPORT

Matthew McHugh was attending meetings in Ottawa. Brad McKenzie noted that it is his last meeting as a Board member. The Students' Union elections have been held and the two female students have been elected to serve on the Board. Terry Royer thanked Brad McKenzie for his commitment and service to the Board.

8. ITEMS ARISING FROM THE MINUTES

8.1 By-Law Amendment Re: Confidentiality

MOTION: opn.2002.03.02

Gray/Engen That the by-law amendment re: confidentiality of Board records and information be removed from the table.

Motion: Carried

MOTION: opn.2002.03.03

Cade/Kotkas That the By-Law Amendment Re: Confidentiality of Board Records and Information be approved.

Motion: Carried

8.2 Confidentiality Agreement

MOTION: opn.2002.03.04

Cade/Stokes That the Board of Governors members are required to sign the "Confidentiality Agreement".

Motion: Carried

9. ITEMS FOR ACTION

9.1 2002-03 to 2004-05 Budget

Nancy Walker reported that a balanced budget is being presented for 2002-03 but an additional \$2.1 million will be needed in 2003-04 and \$2.3 million for 2004-05. She noted it is critical that the tuition fee policy be amended in order for the University to recover costs so that quality can be maintained. She thanked Karen Clearwater and the Budget Committee for the work in preparing the budget. Karen Clearwater explained that the budget document is the first of two reports the Budget Committee will provide to the Board this year. The June report will be a review of the current budget process with recommendations on budget policies and one-time and continuing allocations.

Karen Clearwater explained that the inability to provide a balanced budget for 2003-04 and 2004-05 is influenced by annual funding deficits over the last 10 years which have totaled \$15 million. In simple terms, this is due to expenses growing faster than projected revenue. The University has employed a number of mechanisms over the years to balance the budget, including reorganizations, abolishment of entire departments, early retirement programs, 5% wage roll back, revenue increases and the reduction in funds used to establish and maintain capital programs. To balance the budget over this period the University increased revenue

line items by \$4.5 million either through fee or enrolment increases. Salary line items were reduced by \$8.5 million and capital, computing, supplies and travel were reduced by \$2 million. The salary line item reductions were achieved through early retirements, position savings and abolishment of both filled and vacant positions. These adjustments have allowed the University to meet the required budget changes without too much damage to the service or quality of education. The fees received through enrolment increases have been insufficient to meet the increasing costs for these additional students. The limitations of Alberta Learning's Tuition Fee Policy significantly effects the Institutions ability to meet annual cost increases, since tuition has been capped for two years. The U of L tuition is currently \$300-\$400 per year less than the tuition at other Alberta universities per full load equivalent student. The lost revenue to this Institution from the inability to increase fees is over \$1 million each year. The Tuition Fee Policy is currently under review by Alberta Learning.

Workload increases in all areas of the Institution have taken their toll as unfunded students are added and faculty and staff cannot be added to meet this demand. Access funds have helped alleviate some of the pressure; however, the additional revenue brought in with these unfunded students is not enough to meet the additional costs and the budget reductions continue to be more severe. Without the necessary additional fee revenue the University will be forced, particularly in the last two years of the proposed budget, to begin reductions to resources required to teach and provide necessary services to students. Karen Clearwater explained that without more information from Alberta Learning concerning grants, the status of Access program funding, and appropriate changes to the Tuition Fee Policy, the budget cannot be balanced in 2003-04 and 2004-05.

It was explained that enrolment will be stabilized at the current levels. The three residential universities, Grant MacEwen, SAIT and NAIT are at capacity. Mount Royal College has room to accept additional students, but does not have the funding. Seamus O'Shea remarked that without additional resources the U of L cannot continue to grow. The students who participated in the fee consultation process understood that the fee cap acts against students' interests. The U of L must be competitive with faculty salaries or risk losing young faculty. The drive to get fees at the same level as other Alberta universities is in response to the long-term challenge of hiring and retaining good people.

Bill Cade remarked that discussions are taking place with government on the tuition fee policy and he has a sense of guarded optimism that a suitable remedy will be found. The U of L and LCC are the only two post-secondary institutions at the cap; however, Athabasca University is close. It was noted that if the tuition cap is lifted and an allowable increase is tied to the CPI, the U of L would not be able to recover to the same levels as U of A and U of C. The Mayor sees this as an economic development issue. A letter has been sent to Economic Development Minister, Mark Norris, over the signatures of the Mayor, the U of L President and LCC President, inviting Mr. Norris to the City, the U of L and LCC to discuss

economic development in southern Alberta. Jim Horsman noted that a recent publication from the Economic Development Department mentions both the U of A and U of C but fails to acknowledge the existence of the U of L. Mr. Horsman will bring this to the attention of the Minister at the next opportunity.

Terry Royer identified two issues as being paramount to identify to government representatives at every opportunity: removing tuition fee cap and funding for unfunded students in Health Sciences. He reiterated that the shortfall will be \$4.4 million if there is not a means of increasing revenue. The only other alternative would be to reduce costs.

Karen Clearwater thanked the members of GFC as well as the presidential appointees to the Budget Committee. She recognized their input as invaluable.

MOTION: opn.2002.03.05

Gray/Keith

That the proposed 2002-03 University of Lethbridge Budget be approved and the 2003-04 and 2004-05 budgets be approved in principle.

Motion: Carried

10. COMMITTEE REPORTS

10.1 Finance Committee

John Gray reported that year-end and audit are underway. The financial statements were reviewed by the Finance Committee and a small surplus is anticipated at year end. The Jarislowky Fraser (JF) mandate was also reviewed and they did not meet the benchmark but the Committee was happy with their performance relative to market conditions. Board members were encouraged to respond to the questionnaire received from St. Mary's University.

10.2 Retreat Committee

Dawna Coslovi reported that the plans for the annual Board retreat are coming together well. Jim Dinning and Gord Rosko will be making a presentation as part of one of the sessions. Board members were urged to complete their self-assessment questionnaire and return it to Rita Zaugg as soon as possible.

11. VICE-PRESIDENT (ACADEMIC)

11.1 Confirmation of Access Funding

The letter from Alberta Learning confirming Access funding was received as information.

11.2 Enrolment

Credit hours are up by 7.8% over Spring 2001.

11.3 Summer and Fall Semester Registration

Registration for Summer and Fall semesters started yesterday.

11.4 Graduate Applications

The number of students applying for admission to the MA/MSc is up again this year and the prospective students are strong. For the M.Ed., the applications numbers are comparable with last year.

11.5 Research Matters

The projects approved by Canada Foundation for Innovation are now being considered at the provincial level for matching funds.

NSERC has announced its graduate scholarships, and all of the candidates recommended by the University received awards.

11.6 International Matters

A new Director of International Affairs, Mr. Dario Alvarez from the International Office of the University of Alberta, has been hired.

11.7 Career Fair

The Aboriginal Career Fair was held this week. Twenty-nine employers attended and the executive of the Native American Student Association were actively involved in planning the event.

11.8 Calgary Community Evening

The Calgary Community Evening was held on Tuesday and 120-150 people attended on a very cold evening. The team brought back more than 30 applications. As of this morning, admissions packages have gone out to 818 students.

11.9 Provincial Matters

We have attended a number of meetings at the provincial level dealing with various aspects of planning for the system. A key meeting was that dealing with the fee policy. We argued that the fee cap acts against students' interests, and the students agreed, but they are concerned about the risks if the cap is removed.

12. VICE-PRESIDENT (FINANCE & ADMINISTRATION)

12.1 Access Funding

Nancy Walker reported that a letter confirming the expected \$500,000 for Access programs was received.

13. OTHER ITEMS FOR DISCUSSION

There were no other items for discussion.

14. ADJOURNMENT

MOTION: opn.2002.03.06

Keith/Horsman

That the Open session of the March 21, 2002 meeting of the Board of Governors be adjourned.

Motion: Carried