

3. BOARD CHAIR REMARKS

Terry Royer explained his absence at the board meeting was due to the current turmoil in the Middle East and the related travel uncertainty.

3.1 Melanee Thomas & Raina Jogia

Terry gave a special thanks to Melanee Thomas for her service as the President of Students' Union. Elections will take place shortly and a changeover in the Students' Union Executive will take effect May 1. Terry Royer noted that Melanee Thomas' contribution to the Board has been outstanding. He commented that there can be difficulty balancing the role of a student representative and a Board member and he felt Melanee Thomas handled this task very well. Terry Royer added that her vigor and commitment will ensure her future success. It was also noted that Raina Jogia's term on the Board will end shortly. Raina Jogia brought an understanding of her balanced role to the Board and Terry Royer thanked her for her commitment to the Board. Bill Cade also indicated what a pleasure it has been working with Melanee Thomas and Raina Jogia and wished them well in their studies and careers.

3.2 Shirley DeBow

Terry Royer and Bill Cade both welcomed Shirley DeBow to her first Board meeting as Chancellor. She took office March 16, 2003.

3.3 Doug Stokes

Doug Stokes was excused from the Board meeting. He found it necessary to be absent due to work related issues.

3.4 Robert Turner and Dan Laplante

Terry Royer also excused Robert Turner and Dan Laplante who were attending the Premier's Dinner that evening. He explained that an attempt had been made to reschedule the Board meeting to accommodate the Premier's dinner, but that created more conflicts.

3.5 Campaign Preparation

Draft business cards were distributed to the Board for editing.

The Governance committee recently met, and one of the items on the agenda was the Retreat. The focus of the Retreat will be how as a Board and as an individual Governor, value is added to the Institution and how the Board plans for success. This discussion is intended to help identify how the U of L is different and underscore that unique personality. Terry Royer expressed how very proud and pleased he is to have Bill Cade as President, and that he is confident Dr. Cade is the right man at this time to lead this University.

The next step in the Campaign is to create an Executive Council, Prospect Rating committee and Major Gifts committee. Terry Royer stressed that the Board will play an extremely important role in the strength of the campaign.

Terry Royer thanked and congratulated all the Board committees and acknowledged how hard Board members are working.

4. PRESIDENT'S REPORT

4.1 MACLEAN'S Guide to Canadian Universities 2003

This document was received as information.

4.2 Strategic Plan

The Strategic Plan has been completed and Bill expressed satisfaction with the outcome. He congratulated Séamus O'Shea and Nancy Walker who co-chaired the committee. A meeting with each faculty council has been planned to discuss their roles in the implementation of the Strategic Plan.

4.3 Canada Research Chairs

Bill Cade noted that one of the priorities identified in the Strategic Plan is to develop centres of research excellence across the faculties and schools. Dennis Fitzpatrick announced the two latest developments in this area. He explained that the water initiative was previously identified as the top priority for developing research excellence. The U of L was successful in having two nominations for Canada Research Chairs (CRC) awarded. Both will work in water-related research. Dr. Alice Hontella was recruited from the University of Quebec. She is an ecological toxicologist and one of the strongest emerging young scientists. Dr. Joseph Rasmussen of McGill University is one of the premier aquatic biologists in Canada. The U of L has submitted several other applications and nominations for CRCs and it is anticipated there will be two additional hires in the water area.

Bill Cade explained that the U of L has been allocated eight CRCs. One in Neuroscience is currently under review, but he anticipates success. He explained that the U of L has chosen to use CRCs as a way of attracting new faculty. It is common at other institutions to use CRCs to recognize outstanding scientists within existing faculty ranks.

4.4 SCUBA

Dennis Fitzpatrick explained that last year David Naylor received a gold medal for distinguished research. This year his most recent accomplishment is his part in the Canadian Consortium to build SCUBA II. This is a sophisticated instrument which helps focus radio telescopes. Once it is complete, it will be put on the world's largest radio telescope in Hawaii. David Naylor was also involved in SCUBA I, which was in place for about ten years and produced a thousand fold viewing improvement. When SCUBA II goes into place, in two days it will have the capability to do the same amount of work as SCUBA I did in 10 years. Because of David Naylor's involvement in SCUBA II and his involvement in the Canadian Space Agency project called SPIRE, the Canadian Space Agency is putting \$3.5 million into his University of Lethbridge lab to build equipment as part of a billion dollar space project. All the data will go through the University of Lethbridge computers and University of Lethbridge developed software. An astronaut is being scheduled to appear on campus to talk about Dr. Naylor's involvement in the space program.

Bill Cade thanked Dennis Fitzpatrick and congratulated him on his work leading to the success with the Canadian Research Chairs awards.

4.5 Second Annual Blood Women's Conference

Bill Cade reported that the second annual Blood Women's Conference was recently held on campus. Helen Manyfingers was presented with the Queen's Jubilee Medal on behalf of the Lieutenant Governors. This was a successful event that will continue next year.

4.6 First Nations Governance Degree

The University of Lethbridge will soon announce the First Nations Governance Degree. This is a brand new degree, which was developed with cooperation between the Faculty of Management and the Department of Native American Studies. Pat Elemans, Assistant Dean of Management and John Usher, Dean of Management, have worked a great deal on this program as well as Leroy Littlebear and Alfred Youngman from the Native American Studies Department. The announcement of the new program will coincide with Native Awareness Week. This week of events has been organized by a student, Kerry Scott, Linda Janz from the Faculty of Management, and Cathy Kanashiro from the Faculty of Arts and Science. A program of events was distributed.

4.7 Student Scholarship Thank-you Letters

Bill Cade explained that the lead priority of the Strategic Plan is to improve student financial support through scholarships, bursaries, work opportunities, and other initiatives. He read selected thank you cards from students who have recently received scholarships.

4.8 New Residence Building

Bill Cade reported that the construction on the new residences is well underway.

4.9 Presidential Award for Service

One of the priorities in the Strategic Plan is “The improved relationships and increased involvement with individuals and organizations for the good of the University”. A step toward the achievement of this priority is a new recognition award for support staff members. It is called the “Presidential Award for Service”, and will be given out at the long service awards. The recipient will also be introduced at Convocation. Two faculty awards have already been established and this new award is meant to recognize staff contributions. The call for nominations is out now.

4.10 Degree Granting for Colleges

Bill Cade commented that progress on degree granting for colleges seems to have slowed somewhat. It is anticipated that legislative changes to the Universities Act will be tabled in the Spring and enacted in the Fall. Bill Cade explained that strategies are being developed for responding once the Campus Alberta Accreditation and Coordination Council is in place. A meeting has been held with the Deans to discuss the financial implications of the change if the U of L does nothing, and what options there are. The new residence space is part of the strategy to respond to this initiative. Bill Cade explained that the U of L can serve students in Calgary and Edmonton by increasing enrolment on the two campuses and that point will continue to be made. A recommendation will come to the Board on what might be the proposal to the Accreditation and Coordination Council.

4.11 University Budget

Bill Cade drew the Board’s attention to the budget document and noted annual budget approval is one of the most important roles of the Board each year. He explained that this is very much a people budget since salaries are 80% of the expenses. He acknowledged the good work of Karen Clearwater and the Budget Committee in balancing the budget without any significant reductions. Bill Cade cautioned there are some concerns in years two and three of the budget. The decentralized budget process was explained and the risk of balkanizing under that model. Karen Clearwater has developed a new model that has some of the tuition revenue being recovered centrally as enrolment grows. The new model recognizes the increased workload for the Registrar’s Office and other administrative units, which increased enrolment creates. Previously the

additional revenue was flowing to the faculties and not to administrative units. Karen Clearwater was congratulated for keeping the positive aspects of the model in place while addressing the need to provide revenue to administrative units. Bill Cade pointed out that the main reason the Budget Committee was able to present a balanced budget was due to the additional revenue generated by the Board approved tuition increase. Without the increased tuition revenue, significant reductions would have been required.

4.12 Federal Budget

Bill Cade reported that the recently announced Federal budget is very positive for universities. Among the most important items in the budget, were increased scholarships for graduate students and assistance with the indirect cost for research. These were top priorities in lobbying efforts.

Séamus O'Shea reported that \$105 million annually will be allocated to create the new Canada Graduate Scholarships program to provide financial support for 2,000 master's and 2,000 Ph.D. students when fully phased in. \$125 million annually, beginning in 2003-04, was identified to increase the budgets of Canada's three research granting councils. \$225 million annually, beginning in 2003-04 was allocated to help offset the indirect costs of research at universities, colleges and research hospitals.

Bill Cade mentioned that AUCC has committed the universities to a framework of research enhancement which will see the research output of the universities increase over ten years. Technology transfer is an AUCC focus and the U of L is currently developing a technology transfer office within Research Services.

4.13 Building Bridges

There have been two Building Bridges sessions recently. The one held in Calgary at the Petroleum Club was put on by the Advisory Committee of the Faculty of Management. The second Building Bridges session was hosted by Robert Turner at his law firm in Edmonton. Bill Cade spent the day in Edmonton with Bob Turner and attended a meeting of capital area MLA's and talked about the University of Lethbridge priorities. A number of the MLA's present had previously been at the U of L presentation to the Standing Policy Committee. They also made a courtesy call to Premier Klein at his office, where Bill Cade was able to present a photograph to Mrs. Klein of Elizabeth Ferguson receiving the Colleen Klein Scholarship.

4.14 Institutional Advancement

An ad will run shortly to hire an Associate Vice-President, Institutional Advancement, which will be a Board of Governors appointment. It is hoped that a position at this level will attract a more senior individual. There are a number of positions open in the field and this is a difficult area to hire in but Bill Cade reassured the Board that he is confident an appropriate candidate will be attracted. Ads are also being run for an Alumni relations officer.

4.15 Council of Western Canadian University Presidents (COWCUP) Meeting

Bill Cade expressed the importance of the Board Retreat in terms of the campaign. At the recent COWCUP meetings Dr. Peter Mercer from the University of Western Ontario ran a workshop on Board and Administration Relations. The workshop identified interesting noticeable differences and similarities between Canada and the United States University Boards. Board members at U.S. universities are also expected to help in fund raising efforts of the university. This is becoming more common now in Canada. The focus of the Retreat in June will be the role of the Board in the fund raising campaign.

4.16 Strathcona Tuidsmuir School

Bill read a thank you note from the Strathcona Tuidsmuir school thanking the Board for the letter of condolence sent following the death of five of their students in an avalanche.

5. ITEMS FOR ACTION

5.1 University Budget, 2003-04 to 2005-06

MOTION: opn.2003.03.03

Cade/Thomas

That the Board of Governors approve the University Budget for 2003-2004 as presented in the March 20, 2003 Open Session agenda materials and further that the 2004-2005 and 2005-2006 budgets be approved in principle.

Motion: Carried

Nancy Walker recommended the approval of the budget, noting that it is balanced, and drew attention to the following points:

- The University Budget Committee (UBC), which has representatives from faculty members, students and administration, recommends the budget for approval to the President, who brings it forward to the Board of Governors for approval.
- The budget has been reviewed and approved by General Faculties Council (GFC)
- Budget decisions are made in consultation with the Deans and Directors and within the context of the University's Strategic Plan.
- Not all Alberta Universities are presenting a balanced budget. The U of L has been able to achieve a balanced budget due to cost cutting measures over the past 10 years and a fiscal policy of "living within our means."

The following significant changes from previous years were identified:

- The budget process assumptions in place since 1994-95 were reviewed by the Budget Committee. Instructional fees were previously budgeted based on the average of the prior three years. The instructional fee assumption is now based on 98% of the projected enrolment in the budgeted year. This will contribute to more realistic spending and identification of hiring requirements. The change in the instructional fee revenue assumption and the increase in the tuition fees have allowed academic units to balance their budgets without significant reductions. If enrolments fall below the projected revenues, academic units will be required to make expenditure reductions in the current fiscal year in order to make up for the revenue shortfall.
- Some instructional fees were reallocated to a central pool to fund institutional priorities and shared responsibilities.
- Life-cycle costing is used for equipment in academic units. Funds are allocated to an equipment reserve for the replacement of classroom and support equipment. The capital needs of administrative units were established last year. Library and Athletics capital replacement funding is yet to be finalized.
- A template for the operating budget has been established for presentation and comparison purposes. This ensures that recurring expenditures are provided for in the operating budget rather than through carryover funds.
- The Student Administrative fee of \$10.50 per course (for student services) has stabilized support units and provided additional funds to these units as enrollment increases.

REVENUE

- Overall general fund revenue budget will increase by \$3.09 million
- Grant increase assumption limited to the 2% indicated by the Provincial government. Grant increases in previous years have included performance envelope funding, faculty & staff attraction and retention monies, utility rebates, and funding for unfunded enrollments.
- The U of L had fallen below the 30% tuition fee cap and the Board approved a tuition fee increase. The U of L has been over the cap for the last three years but was at 28.4% for 1002-2002.

EXPENDITURES

- Salaries and benefits consists of 81% of the total cash operating budget.
- Attracting and retaining good faculty and staff is a strategic priority.
- The budget methodology involves predicting salaries and benefit increases and allows for increases in fixed costs. The budget is then balanced by reductions to the other line items. This budget reflects fixed cost increases, particularly in utility and insurance costs. Insurance costs increased by 34%.

STRATEGIC PLAN PRIORITIES

Nancy Walker noted that the following priorities, as identified in the Strategic Plan, have been addressed in this budget:

- Improve student financial support through scholarships, bursaries, work opportunities, and other initiatives.
- Foster a sense of healthy culture and community for students.
- Improve support and participation of First Nations in the University community.
- Ensure gender inclusivity by promoting and implementing equity within the University community.
- Pursue additional funding to support scholarly activity across a wide range of disciplines.

Karen Clearwater spoke about continuing and one-time allocations and stressed how this is one of the most important parts in balancing the budget. These allocations provide a framework to ensure resources are available to maintain academic quality and services to students. It also lays the groundwork for future academic planning. In the past, allocations have led to curriculum changes and development in Health Sciences, Fine Arts, International Centre, and a Native Student Advisor position, as well as a number of administrative functions. Karen Clearwater went on to explain that all units are asked for their requests for additional funds on a one-time and continuing basis and these requirements are compiled and presented to the Budget Committee. The intent is to make allocations in accordance with institutional priorities and the allocations are finalized through extensive consultation. These allocations have totalled over \$1.5 million over a seven-year period. The recommendations for continuing and one-time allocations are contained in Appendix C and D of the Budget Report.

Terry Royer congratulated Nancy Walker and Karen Clearwater on their work in preparing the budget, as well as their ability to simplify and clarify the information for the Board.

5.2 University Business Plan

MOTION: opn.2003.03.04

Cade/DeBow

That the Board of Governors approve The University of Lethbridge Business Plan 2003-2007 as amended and that it be forwarded to the Minister of Learning.

Motion: Carried

Nancy Walker explained that the 2003-2007 Business Plan is similar in format to what has been prepared in the past. Paul Sparrow-Clarke was credited with doing an excellent job in writing the Business Plan. Alberta Learning was happy with last year's submission and it has been improved again this year. There were no new assumptions for the Business Plan received from Alberta Learning, so the same assumptions used last year were used again this year. On March 6 a letter was received from Alberta Learning asking for the Business Plan to be prepared to match Alberta Learning goals and for it to be more strategic in nature. The March 15 deadline was extended by Alberta Learning to March 31. The Business Plan was already complete and the Board agendas prepared when the request for the changes was received. The Business Plan will be submitted to Alberta Learning as prepared and any required changes will be made in next year's submission.

Melanee Thomas voiced a concern related to the strategy to increase tuition to the Alberta average. She indicated her interest in seeing the post secondary system public and accessible and felt that continuing rising tuition will threaten accessibility. She added that student debt is a concern. Bill Cade clarified that the goal is to have the University of Lethbridge able to have tuition similar to the University of Alberta and the University of Calgary. The U of L is not pursuing differential fees at this time. He explained the importance of being able to recover tuition revenue at the same rate as the other two residential universities. Bill Cade added that the data does not show that participation in post-secondary education declines with increased tuition.

The February 13 Board approval of the Strategic Plan will be added to page 2 of the Business Plan.

6. VICE-PRESIDENT (ACADEMIC) REPORT

6.1 Web Based Registration

Séamus O'Shea reported that starting at the beginning of the week, testing was done on the web based registration using Master of Education students. The results were successful and it is now planned to run this procedure during the add/drop period over the summer. A full implementation will be up and running for the Fall. Telephone registration will continue to run in parallel since it is accessible in a greater range of circumstances, but it is expected that the demand will drop and over time telephone registration will be discontinued.

7. VICE-PRESIDENT (FINANCE & ADMINISTRATION) REPORT

7.1 China Exchange

Nancy Walker expressed her disappointment but relief that the China exchange trip she was scheduled to depart for at the end of March has been postponed until Fall due to the war in Iraq and concerns over an outbreak of Severe Acute Respiratory Syndrome (SARS) in China. There are nine Canadian Vice-Presidents involved in this Association

of Universities and Colleges of Canada (AUCC) exchange with Chinese counterparts who are to visit here in April.

7.2 CHR Presentation

Nancy Walker informed the Board on the presentation made by Bill Cade, Brian Sullivan and Nancy Walker to the Chinook Health Region. It was not the intent of the meeting to ask for money, but rather to explore opportunities for a partnership and joint usage. The CHR was very receptive but also cautious due to the amount of money involved.

8. CHANCELLOR'S REPORT

Shirley DeBow thanked the Board for making her feel so welcome. A written report of the activities in which she has participated was distributed and is filed with these minutes. The art work for the new Chancellor's Circle logo was also distributed.

9. STUDENTS' UNION REPORT

Melanee Thomas reported that condolences were extended to the George Lermer family on behalf of the Students' Union. She notified the Board that a member of the Students' Union executive, Ryan Titley, recently lost his father.

An MLA lobby tour will be conducted in Edmonton on April 7-11.

CASA is pleased with the Federal budget, particularly the part relating to debt reduction and repayment. The changes mirror lobby efforts of the last two years. CASSA would like to see student loans treated the same way as other loan debt in bankruptcy proceedings. Currently students are unable to declare bankruptcy for a 10 year period on a student loan but the term is generally 5 years for other types of loans.

The Students' Union is working on amending its constitution. Anyone interested in hearing about the proposed changes is welcome to attend the Town Hall meeting on Wednesday at noon.

The Students' Union written report was distributed and is filed with these minutes.

10. ALUMNI REPORT

Jill Kotkas notified the board that they had donated flowers to Shirley DeBow to honour her as the new Chancellor at the recent SACPA meeting. The Alumni Association is hosting a reception on March 27 for Shirley DeBow and six Distinguished Alumni.

A letter was sent to Lieutenant Governor, Lois Hole, wishing her a speedy recovery from her recent illness.

The Alumni Association currently has about \$4,000 in the bank and the proposed initiative is to make a donation to the George Lermer scholarship. Board Members were invited to support the scholarship fund.

The next Alumni meeting will be in April.

Aaron Engen added that the Alumni Association in Calgary, of which he continues to be past president, is having a great time. He indicated that at the last meeting an Alumnus who works with Theatre Calgary donated 100 tickets to a theatre production of a new play called 'Philadelphia Story'. All the tickets sold quickly, raising \$2,500 for the Calgary Chapter.

The Alumni Report was distributed and is filed with these minutes.

11. OTHER ITEMS FOR INFORMATION

There were no other items for information.

12. ADJOURNMENT

MOTION: opn.2003.03.05

Coslovi/Anderson

That the Open Session of the March 20, 2003 meeting of
the Board of Governors be adjourned.

Motion: Carried