



BOARD OF GOVERNORS

**Approved Minutes of the Meeting (Open Session)
held on April 16th, 2013 at 3:00 p.m.
MacDonald Building, University Hall**

MEMBERS PRESENT: William (Bill) Black (Acting Chair), Jay Abbass, Jamie Arron, Michelle Awad, John Baxter, Fred Fountain, Lloyd Fraser, Lori MacLean, George McLellan, Ibrahim Merdan, Aubrey Palmetter, Chris Smith, Larry Stordy, Tom Traves, Jim Wilson, Susan Brousseau (University Secretary)

NON-MEMBERS PRESENT: Ken Burt (VP Finance and Administration), Floyd Dykeman (VP External), Bonnie Neuman (VP-Student Services), Carolyn Watters (VP Academic and Provost), David Mensink (DFA Observer), Rana Shams (Minute Taker)

REGRETS: Barrie Black, Joyce Carter, Wadih Fares, Laurie Jennings, Curtis Johnston, Sherry Porter, Paula Simon, Jim Spatz (Chair), Candace Thomas, Gail Tomblin Murphy, Martha Crago (VP Research),

1. Approval of Agenda

A. Palmetter proposed that Item 8.2, HRM Land Swap-Agreement, be moved to the *In Camera* session.

Moved by M. Awad, seconded by A. Palmetter:

THAT the agenda be approved as amended.

The motion CARRIED.

2. Consent Agenda

2.1 Approval of Minutes of the Meeting of February 19, 2013

Motion: **THAT the minutes of the meeting held on February 19, 2013 be approved as presented.**

Approved by Consent.

2.2 Appointment of Student Board Member

Motion: **THAT the Board of Governors, on the recommendation of the Governance and Nominating Committee, approve the appointment of Sagar Jha as a Student Board Member from May 1, 2013 to April 30, 2014, and the appointment of John Hutton as a Student Board Member from May 1, 2013 to April 30, 2015.**

Approved by Consent.

2.3 Interim Spending Authority

Motion: **THAT in order to allow the continued operation of the University until such time as the 2013-14 operating budget is given final approval, the Board of Governors authorize**

expenditures of up to 25% of the 2012-13 operating budget amounts as presented in the BAC XLIX Report. The President or his designate, in consultation with the Executive Committee of the Board, is authorized to approve expenditures in excess of 25% in special cases to permit the orderly management of the University.

Approved by *Consent*.

2.4 Revised Real Property Policy

Motion: THAT the Board of Governors approve the revisions to the Purchase and Sale of Real Property Policy as presented.

Approved by *Consent*.

2.5 Revisions to Board By-Laws

Motion: THAT the Board of Governors approve the revisions to the General by-Laws of the Board of Governors of Dalhousie University as presented.

Approved by *Consent*.

3. Business Arising from the Minutes

3.1 Motions from DSU President

J. Arron briefly summarized his discussions with Dr. Traves since the February meeting of the Board and noted two points he wished to emphasize: 1) his feeling that the issues of student engagement and transparency have been underscored in the recent budget consultations; 2) while he is fine to have a number of the motions he presented referred to Board committees for consideration (as noted in the material circulated), it is with the understanding that people understand the significance of the issues raised and that they move forward. He noted that he and Dr. Traves were able to reach consensus on some items, several others will require further discussion. W. Black suggested that members review the circulated report and direct any comments or concerns to Mr. Arron prior to the next Board of Governors meeting.

4. Chair's Report

W. Black, Vice-Chair of the Board, reported on the recent presentation of the 2013 Governors Awards to students Ramz Aziz, Rebecca Haworth, Marissa Ley, Paul Manning, Chantelle McMullin and Aaron Wolf, in recognition of their exceptional leadership and community service. Mr. Black thanked student Board members Jamie Arron and Curtis Johnston, who will be finishing their term on April 30th, for their service on the Board and their contributions to Board deliberations and activities over the past year.

5. President's Report

T. Traves highlighted several areas in his report, including early student enrolment numbers for 2013-14 which provide some optimism that Dalhousie will reach its targets for next year, and an update on the University's current budget development process for 2013-14. He spoke to the continuing impact of successive cuts to the operating grants from the province; the government's confirmation in the April 4th provincial budget announcement of a further 3% cut for 2013-14 brings the total cut to universities since 2010 to 10%. The University will bring in a balanced budget, but this will necessitate a 3.5% cut across units, some use of surplus funds accumulated from previous years and a proposed 3% increase in tuition fees. It is anticipated that these budget cuts may result in some program adjustments in some Faculties, but this remains to be seen.

6. Dalhousie Student Union President's Report

J. Arron noted that this is his last report as DSU President and thanked members for the experience of serving on the Board. He introduced new Board members for 2013-14 - Sagar Jha, incoming DSU President (effective May 1, 2013), and John Hutton. Mr. Arron spoke to the impact of the 3% tuition increase for students and the prospect that increases will continue over the next several years. He noted the increasing financial stress that many students are experiencing in terms of debt load and the ability to continue university studies. Mr. Arron also suggested that further improvements could be made to the student consultation process that occurs around the budget development process, particularly in terms of including students from the beginning of the process and ensuring that full information is provided. He felt that there was some disconnect this year between what students were hearing through the Budget Advisory Committee process and information from other sources, including the recent report prepared by the Dalhousie Faculty Association. He encouraged Board members to become informed on the impact for students of continuing tuition increases. Mr. Arron then invited students present in the gallery to present the letters they had prepared to Board members.

7. Items For Information

7.1 Budget Advisory Committee Report L/ Report on Student Fee Consultations.

C. Watters began by reporting on the work of the Budget Advisory Committee and its Report L, which presents the Operating Budget Plan for 2013-14. During this time Dr. Watters outlined where budget cuts occurred and where they have been redistributed. There was a total of \$ 8.5 million of budget cuts and part of the initiative is to redistribute these cuts in a strategic way. C. Watters noted that 40% of onetime funds as well as \$ 6 million of surplus were used towards developing a strategic initiative, but they are \$ 4 million away from the needed amount. She also mentioned that the provincial government has requested the university come up with \$ 700,000 for natural gas costs. C. Watters commented on enrolment projections that appear to be steady. She explained that in order for enrolment to increase, emphasis should be put on programs that will recruit the most amount of student. She mentioned that this was received very well, and 60% of increased enrolment is due to strategic initiative.

Dr. Watters also reported on the recent student consultation sessions carried out under the Tuition and Fee Consultation Procedures adopted by the Board and reviewed the recommendations on tuition and fee changes, as well as proposals for improving the consultation process for next year. Ms. Watters shared some of the concerns mentioned during the consultation.

1. The issue of transparency. C. Watter commented that their main concern was how these financial changed will affect them as students. Dr. Watters noted that a report has been made available were students can view how they will be affected based on faculty. Overall budget transparency is hard, stated Ms. Watters, due to the fact that the focus is to balance the operating budget.
2. Multi-year planning. Ms. Watters stated that this is difficult due to the accumulation of budget cuts over the years. She had made efforts to make students aware of any potential budget cuts and tuition increases will now be included in admission packages.
3. Ms. Watters noted that student perception of the financial crisis is not accurate. She stated that part of the crisis is the presence of a gap in the BAC process. She mentioned that this gap can be closed by adjustments or an increase in enrolment.
4. Dr. Watters noted that students expressed their need for a summary of cuts based on faculty. She noted that part of the process of transparency is to understand how budgets work based on faculty. She recommended there be a decentralized way of stating which programs are in and which are out.
5. Dr. Watters spoke about student inquiry about how surplus funds are used in terms of the operating budget. She explained that 60% of these funds are returned to faculty members and remaining amount goes towards improvements.

6. Dr. Watters pointed out to students that cost of administration at Dalhousie about 12.5% of the budget.
7. Lastly Dr. Watters clarified to students that the capital budget comes from different funds. She stated that 1.2% of the operating budget services debt, but 0% of the operating budget funds reconstruction and buildings. She explained that most of the operating budget goes towards teaching space, laboratory space, dealing with student increase and off campus teaching space.

Following the report C. Watter, W. Black, K. Burt and T. Traves responded to several questions on Report L. W. Black expressed the need for surplus and onetime funds in order for the university to make it through this year. He also expressed the uncertainty they are facing with future government cuts. K. Burt also responded to pension stabilization funds being a part of the surplus category. He stated that this was done last year due to the uncertainty faced in terms of pension funds. T. Traves also commented on the \$ 85 million moved from the operating to the capital budget. Dr. Traves stated that this amount is meaningless; it is simply an accounting formulation. He explained that it is perfectly reasonable for the university to spend money on upgrades, some are short term consumptions and some are assets. It is a matter of categorization for accounting purposes. He also added that these were a series of transactions made over a 10 year period for the purpose of improving university assets. He then commented on the long term debt presented on page 7 of the report, and outlined where this debt is coming from. He then stated that the university debt is modest and the \$ 85 million is misrepresented due to not understanding budget representation.

Following the discussion on Report L, T. Traves and C. Watters responded to several questions from J. Arron about the issue of transparency. T. Traves commented that budget published and anyone who wished to view it may do so. He clarified that discussion during this process are often geared towards what was spent annually as oppose to what we will spend the money on. Budget consultations are about looking at the budget as a whole. J. Arron raised the issue of considering student priorities when allocating money. It was stated that it is difficult for people not directly involved in the process to understand the budget without context. Therefore students are expressing legitimate concerns. C. Watters commented that having consultations around the whole budget would be an unreasonable amount of work for the BAC committee. She elaborated that the BAC committee does not deal with questions such as why we are paying here more than we did last year. T. Traves commented that a simple answer would be because there is an increase in costs. He outlined some of these costs, but stated that going through each cost increase would be difficult as some are not trivial.

J. Arron urged committee members to read the DFA report stating it is very informative and provides insight how the budget is being used in terms of academic support. Dr. Traves stated that Dalhousie has actually over committed in this area. He stated that due to students wanting more money to be spent on student services they cut the academic support funds from 67% to 62%, which is still higher than the national average. The additional 5% were used on facilities, student services, and scholarships. T. Traves mentioned that the full range of expenditure was made clear. He stated that there was a difference in distribution, not the amount of money spent.

Student guests asked if they could have a moment to present some information in regards to the affects of tuition increase on international students. Due to a tight agenda, W. Black allowed them 3 minutes. The incoming VP external asked Board members to read the pamphlets passed out by students earlier. She began by giving an over view of what it is like for an international student pay almost double of what residential students have to pay. She explained that this would be fine if international students received services in return. However she expressed that international students pay for ESL courses, are required to leave residency for the duration of Christmas, acquire debt due to loans, have to work while maintaining excellence, and many international students are considering leaving Dalhousie to attend SMU. She noted that there is simply not enough hours in the say. She concludes by asking if the university as a whole is acquiring deficits, why are international students paying for it.

W. Black clarified that the committee will not be voting on the BAC report today, however in June they will be voting on the budget report. It was expressed by committee members that Board members do appreciate internal student's concerns however all students are experiencing this increase in tuition due to recent cuts made to government funding.

8. Items for Decision

8.1 2013-2014 Student Fee Proposal

The motions were presented by A. Palmeter, on behalf of M. Awad, Chair of the Operations Committee.

8.1.1 Tuition and Facilities Renewal Fee

J. Arron requested that clauses (a) and (b) of the first motion be voted on separately.

Moved by A. Palmeter, seconded by M. Awad:

THAT the Board of Governors, on the recommendation of the Operations Committee, approve the 2013-14 tuition fees as presented in the attached tuition fee schedule for 2013-14 and incorporating the following adjustments:

- a) A 3% general tuition fee increase has been applied to tuition fees for all programs and the international differential fee effective April 2013.**

**The motion CARRIED.
(I. Merdan and J. Arron opposed)**

- b) Tuition fees for students in MSc Occupational Therapy and Physiotherapy will be frozen at 2006-07 levels.**

The motion CARRIED.

Moved by A. Palmeter, seconded by M. Awad:

THAT the Board of Governors, on the recommendation of the Operations Committee, approve a 3% increase in the auxiliary fee for facilities renewal to \$79.50 per term for full time students effective April 2013.

The motion CARRIED.

8.1.2 Auxiliary Fees

Moved by A. Palmeter, seconded by M. Awad:

THAT the Board of Governors on the recommendation of the Operations Committee approve the circulated Auxiliary fee changes for 2013-14.

The motion CARRIED.

8.1.3 Student Service Fee

Moved by A. Palmeter, seconded by M. Awad:

THAT the Board of Governors, on the recommendation of the Operations Committee, approves the 2013-14 Student Services Fees as follows:

The Student Services fees for all Halifax campus students to be increased by:

- **\$3.70 per term for a full-time student,**
- **\$0.75 for a part-time student in fall and winter, and**
- **\$2.32 for a full-time summer student.**

The Student Services fees for professional faculties on the Halifax campus to be increased by \$7.40 per 8-month period for full-time students in Medicine and Dentistry.

The Student Services fee for all students on the Agricultural campus to be aligned with the Student Service fee schedule provided and includes:

- **\$126.70 per term for full-time students,**
- **\$25.50 per term for part-time students, and**
- **\$79.25 for full-time summer students.**

The motion CARRIED.

8.1.4 Residence and Food Service Fees

Moved by A. Palmetter, seconded by M. Awad:

That the Board of Governors, on the recommendation of the Operations Committee, approve the 2013-14 residence room and meal plan rate schedule as presented.

The motion CARRIED.

8.1.5 Student Referendum Fee Proposals

It was agreed to vote on all three motions together.

Moved by A. Palmetter, seconded by M. Awad:

THAT the Board of Governors, on the recommendation of the Operations Committee, approve the 2013-14 increase to the Dalhousie Student Union membership fee of \$4.00 per full and part-time student per semester.

The motion CARRIED.

THAT the Board of Governors, on the recommendation of the Operations Committee, approve the 2013-14 increase to the NSPIRG-Dal levy of \$1.00 per semester for full-time students and \$0.50 per semester for part-time students.

The motion CARRIED.

THAT the Board of Governors, on the recommendation of the Operations Committee, approve the 2013-14 increase to The Loaded Ladle levy of \$2.00 per semester for full and part-time students.

The motion CARRIED.

L. Fraser noted that full-time and part-time students are paying the same fee in some cases under the student referendum proposals and he expressed some concern that fees for part-time students are increasing disproportionately and that this perhaps create some inequities. He noted that part-time students are often in the minority and therefore they would not be likely to defeat a

proposal presented through a referendum vote. He suggested that this is something that perhaps should be considered in the future.

8.1.6 Metro Transit U-Pass Fee Increase

Moved by A. Palmetter, seconded by M. Awad:

THAT the Board of Governors, on the recommendation of the Operations Committee, approves the 2013-14 U-Pass fee of \$145.00 for full-time (fall/winter) students (pro-rated to \$72.50 for the winter term).

The motion CARRIED.

9. Items for Information

9.1 Board Standing Committee Reports

W. Black noted that the reports of the standing committees distributed in the agenda package. C. Smith noted that the Audit Committee met the previous day and had discussed the OEC audit and response; there are three items identified for follow-up, but the Committee is satisfied with the status to date. There were no questions on the reports.

10. In Camera Session

The Board moved to an *In Camera* session.

11. Adjournment

The meeting adjourned at 6:15 pm.