



MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

April 23, 2015

The meeting was held at 1:00 p.m. in Room 4155 Stevenson Hall.

PRESENT: Mr. C. Shah, Chair
Ms. I. Birrell, Secretary

Mr. J. Adams
Dr. S. Armstrong
Dr. C. Beynon
Mr. J. Bitove *
Ms. C. Burghardt-Jesson
Dr. J. Capone
Dr. A. Chakma
Ms. K. Cole
Dr. R. Darnell
Dr. J. Deakin
Mr. J. English
Ms. L. Gainey
Mr. H. Hassan

Mr. P. Jenkins
Mr. J. Knowles
Mr. R. Konrad
Ms. G. Kulczycki
Mr. C. Lassonde *
Mr. M. Lerner *
Mr. T. Sutherland
Dr. B. Timmey
Dr. J. Toswell
Mr. M. Wilson

* = participated via teleconference

By Invitation: M. Belanger, R. Campbell, R. Chelladurai, H. Connell, S. Fazilat, L. Logan,
J. O'Brien

BG.15-28 **REPORT OF THE PRESIDENT**

The President's Report, distributed with the agenda, included the following topics: government update, decanal review and selection update, 2015 Killam Prize winner, Professor David Bentley, and the President's activities since the January 29, 2015 Board meeting.

BG.15-29 **UNANIMOUS CONSENT AGENDA** [Appendix I]

It was moved by T. Sutherland, seconded by R. Konrad

That the 20 items listed in Appendix I, Unanimous Consent Agenda, be approved or received for information by the Board of Governors by unanimous consent.

CARRIED

BG.15-30 **Minutes from the Previous Meeting**

The open session minutes from the meeting of January 29, 2015, were approved as circulated.

REPORT OF THE PROPERTY & FINANCE COMMITTEE [Appendix II]

BG.15-31

2015-16 University Operating and Capital Budget

It was moved by P. Jenkins, seconded by L. Gainey,

That the Board of Governors approve the 2015-16 University Operating and Capital Budgets and the proposed Program Specific Fees and Other Supplemental Fees for 2015-16, detailed in Appendix II, Annex 1.

P. Jenkins noted that the budget as presented was a balanced budget. In its review, the Property & Finance Committee had discussed risks associated with revenues and contingencies for those risks and had reviewed the consonance of expenditures with priorities in the strategic plan. The Committee had also discussed the reserve for the budget which would stand at \$34 million for the coming fiscal year against a requirement of \$2.5 million per annum, although it would be spent down over the four-year budget cycle. The Committee is considering whether \$2.5 million continues to be the right number for a reserve; this issue will be reviewed over the course of the coming year.

Dr. J. Deakin provided a comprehensive overview of the budget documents, using slides attached hereto as [Appendix 1](#), highlighting the following:

- x There will be no year-end spending by the provincial government this year as they have missed their targets and have pulled back all residual dollars in ministry budgets.
- x The impact of known cuts in government funding is \$14.4 million, including changes to fee collection processes
- x The allocations to faculties are per “weighted teaching unit.” Funds have not been removed from the teaching mandate: \$320 million is being flowed to the faculties collectively, up from \$278 million last year.
- x Western’s student/faculty ratio is lower than that of Ontario peer, U15 institutions, although there is variability across faculties and departments.
- x The budget maps onto the four pillars of the strategic plan.
- x The operating reserve is high, but the intention is that it will be spent down over the four-year cycle. At the beginning of a four-year plan there is always more uncertainty than in later years and having this kind of reserve at the outset of the cycle is helpful.
- x Western does not have the physical infrastructure to increase enrolment growth by much more without having an impact on the quality of the student experience.

With respect to the tables outlining expenditures, she noted the following:

- x Table 4 shows allocations to faculties; within that table, column “d” shows allocations from the Academic Priorities Fund which will offset teaching pressures in some faculties. Overall, 64.3 percent of the operating budget goes to the faculties.
- x Table 4a outlines the revenue sharing allocations across faculties. These are enrolment

REPORT OF THE FUND RAISING AND DONOR RELATIONS COMMITTEE [Appendix V]

BG.15-38

Update on Fund Raising and Donor Relations Committee

L. Gainey noted that she had just taken on the role of chair for the committee. Members of the ken 5

BG.15-43

Report on Motions of Non-Confidence

The President noted that the report of the discussion of motions of non-confidence had been

2015-16 Operating and Capital Budgets

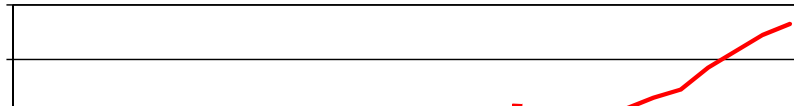
Board of Governors



Western's Planning Parameters

- Moving to New 4-Year Plan
- Enrolments
 - Undergraduate: First-Year Class of 5000 to 5100
 - With goal of 600 International
 - Graduate: as per Faculty Plans
- Revenue Sharing Continues (contingent on enrolments)
- Recommendations Guided by Strategic Plan
- Tuition Rates
 - Domestic Rates at Max of 3% Overall
 - Undergrad Int'l: still moving towards Ontario-U6 levels

Average Entering Grade of Full-Time First-Year Students from Ontario High Schools



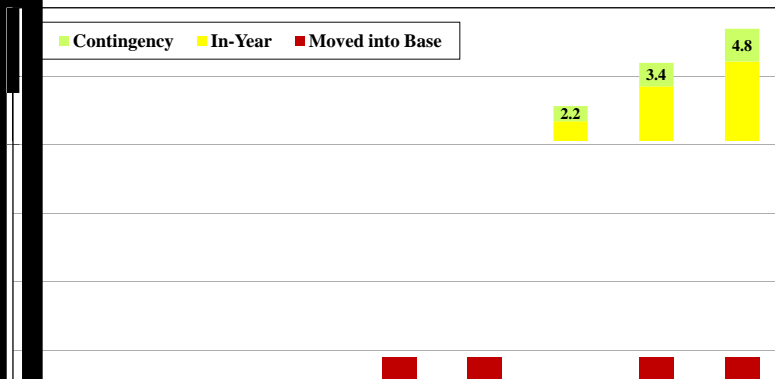
Western: Total Constituent FTE Enrolment
(Full-Time plus Part-time FTEs)

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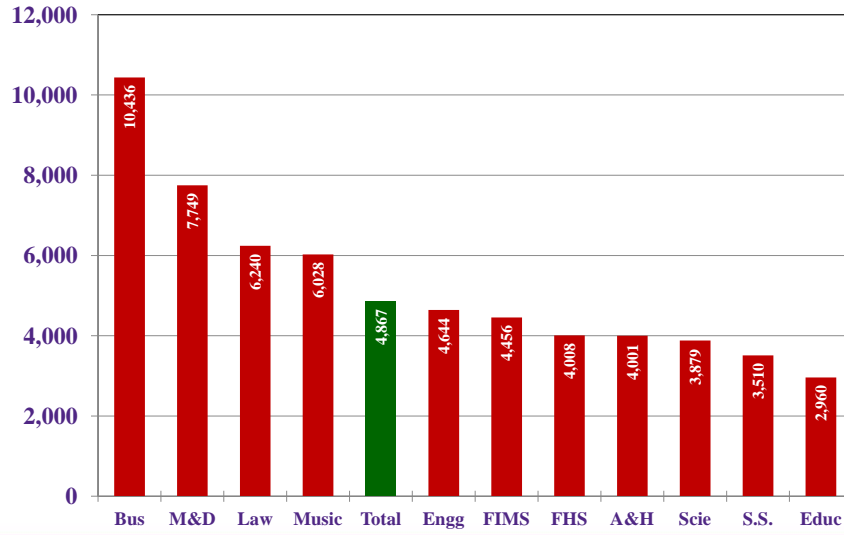
Context for Provost's Recommendations for the Faculties

- Recommendations based on Consideration of:
 - Overall Enrolments / Teaching
 - Graduate Expansion and New Graduate Programs
 - Revenue Sharing Allocations
 - Relative Position of Faculty Budgets
 - Cost Structure Variations
 - Faculty Complement
 - Other Revenue Streams
 - Research-related Initiatives

Projected Revenue Sharing Allocations (\$M)



Budget per WTU: 2014-15e



[Redacted content]

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Our Strategic Plan Priorities

Pillar	Priority
1	RAISING OUR EXPECTATIONS: CREATE A WORLD-CLASS RESEARCH AND SCHOLARSHIP CULTURE
2	LEADING IN LEARNING: PROVIDE CANADA'S BEST EDUCATION FOR TOMORROW'S GLOBAL LEADERS
3	REACHING BEYOND CAMPUS: ENGAGE ALUMNI, COMMUNITY, INSTITUTIONAL & INTERNATIONAL PARTNERS
4	TAKING CHARGE OF OUR DESTINY: GENERATE AND INVEST NEW RESOURCES IN SUPPORT OF EXCELLENCE

Investments and New Initiatives in this Budget

Investment / New Initiative	Investment	Strategic Plan Pillars
Support for the Long-Range Space Plan	\$10 M One-Time	1, 2

Summary of the Operating Budget

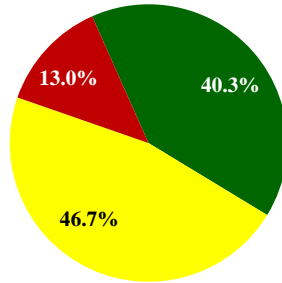
Summary of the 2015-16 Operating Budget (Table 2)

- **Revenue Forecast** = \$ 693.2M
– Increase of 1.6%
- **Expenditure Plan** = \$ 692.9M
– Increase of 0.4%
- **Projected In-Year Position** = \$ +0.3M
- **Projected Operating Reserve** = \$ 34.0M
– Forecast to be at \$6M at end of 4-year period

2015-16 Operating Revenues (Table 3)

- Government Grants are Lower by \$1.7M
 - Net of Reductions and Targeted Increases
- Tuition Revenues Increase by \$10.8M
 - Due to Rate Increases and additional Int'l Students
- All Other Revenues Increase by \$1.6M – over a number of Revenue Lines
- Overall Revenue Increase of \$10.6M (or 1.6%)

Projected 2015-16 Operating Revenues (Total = \$693.2M)



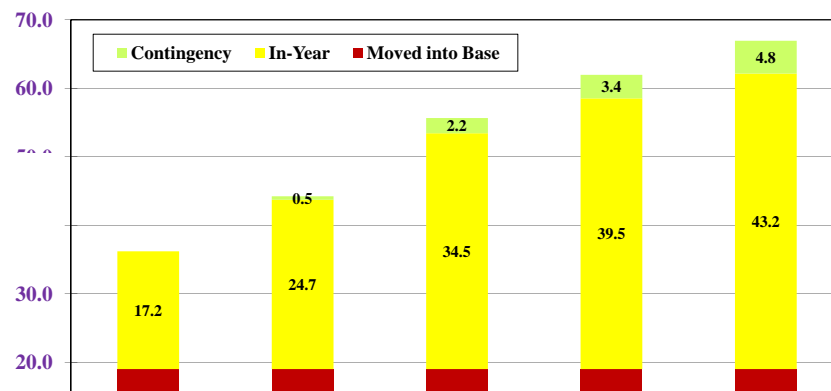
■ Govt Grants ■ Tuition ■ All Other

Operating Expenditures

Recommendations for the Faculties (Table 4)

- Initial Budget Adjustment (IBA)
- Faculty Turnover Recovery – if applicable
- Academic Priorities Fund (APF) Allocations
- Ivey School’s Funding Model
- CRC Allocations
- Revenue Sharing Mechanism for the Faculties
- **Total Base Allocation of \$449.7M**
- Faculties also receive \$6.4M in One-Time Funding – as shown in Table 8

Projected Revenue Sharing Allocations (\$M)

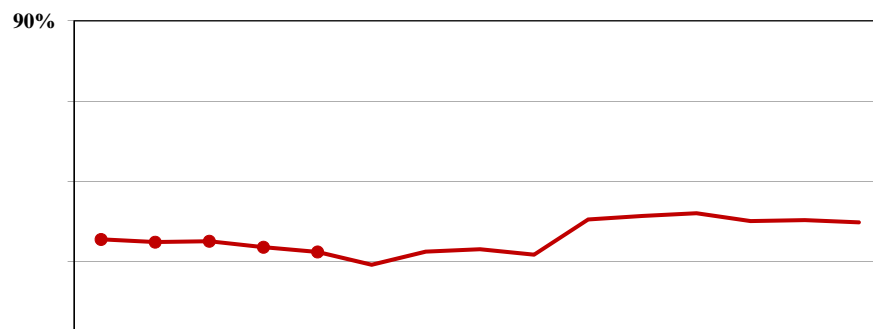


FACULTIES: Base + Revenue Sharing Allocations

		2014-15a			2015-16e			Change
		Base	Revenue Sharing	Total	Base	Revenue Sharing	Total	Total
1	Arts & Humanities	31,334,655	-74,390	31,260,265	30,455,032	-51,245	30,403,787	-856,478
2	Education	10,055,137	2,951,298	13,006,435	9,630,142	5,421,713	15,051,855	2,045,420
3	Engineering	26,528,740	2,458,170	28,986,910	25,768,334	3,890,149	29,658,483	671,573
4	Health Sciences	29,119,956	1,543,158	30,663,114	28,106,902	2,152,820	30,259,722	-403,392
5	Information & Media Studies	10,183,806	364,564	10,548,370	9,906,652	132,337	10,038,989	-509,381
6	Law	7,953,386	641,164	8,594,550	7,772,159	874,026	8,646,185	51,635
7	Medicine & Dentistry	65,411,263	4,119,986	69,531,249	62,686,739	4,372,733	67,059,472	-2,471,777
8	Music	10,226,793	205,051	10,431,844	10,019,989	82,864	10,102,853	-328,991
9	Science	56,298,151	2,899,369	59,197,520	55,354,417	4,067,816	59,422,233	224,713
10	Social Science	56,732,845	2,081,881	58,814,726	55,285,747	3,786,950	59,072,697	257,971
11	Sub-Total	303,844,732	17,190,251	321,034,983	294,986,113	24,730,163	319,716,276	-1,318,707
12	Contingency Hold-back					504,695	504,695	
13	Total	303,844,732	17,190,251	321,034,983	294,986,113	25,234,858	320,220,971	-814,012



Faculties Base Budget (Table 4 in Budget) as % of Total Operating Expenditures Budget



Scholarships and Bursaries (Table 5)

- Major Changes
 - Undergraduate Scholarships increase by \$300K
 - Tuition Re-Investment increases by \$200K
 - Privately-Funded Awards Increase by 200K
 - Govt’s “Aim for the Top” Declines by \$530K
- **Overall increase of \$180K – bringing total to \$30.1M from Central Budget**
- Faculties now responsible for Graduate Support
 - \$56M Projected for 2015-16

Recommendations for Support Units (Table 6)

- Initial Budget Adjustment (IBA)
- Support Unit Priorities Fund (SUPF) Allocations
- Base Allocations to “Maintain Core Services”
- Operating Costs of New Facilities
 - To Facilities Management and Police
- **Total Base Allocation of \$91.2M**
- Support Units also receive \$3.4M in One-Time Funding (shown in Table 8)

University-wide Expenditures (Table 7)

- **Total of \$71.6M**
- Major items:
 - Utilities (\$22.1M)
 - Library Acquisitions (\$14.1M)
 - MMI Transfer (\$14.0M)
 - IT Infrastructure (\$8.8M)

One-Time Allocations (Table 8)

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The Capital Budget

Overview of the 2015-16 Capital Budget

- Supports Long-Range Space Plan (Table 14)
- Major Projects: Underway or Soon-to-Start
 - Music Building
 - Academic Building to House FIMS and Nursing
 - IT Data Centre at the AMP
 - Delaware Hall Residence Renovations
 - Modernization of University College
 - Interdisciplinary Research Building
 - University-wide Infrastructure Projects
 - Parking-related Projects

Overview of the 2015-16 Capital Budget

- **Total Spending of \$91.5M** (Table 15)
 - \$34.6M for New Construction (Table 18)
 - \$10.4M for Major Renovations (Table 18)
 - \$46.5M for All Other Expenditures
 - Utilities and Infrastructure
 - Modernization of Academic Facilities
 - General Maintenance and Modernization
 - Housing Renovations

Supplementary/Program-Specific Fees and Ancillary Budgets

Supplementary / Program-Specific Fees and Ancillary Budgets

- **Supplementary and Program-Specific Fees (Annex 2)**
 - Recommended by the Units – based on program/activity costs
 - Must adhere to Ministry Policies
- **Ancillary Budgets (Annex 3)**
 - Must be Self-Funding
 - Deficits in some Units – most are planned
 - We will continue to review, plan, and manage

Future Issues / Considerations

Future Issues / Considerations

- Grant and Tuition Uncertainties
 - We will need to be prepared – first, through adjustments to one-time spending
- Level of the Operating Reserve
 - Board-mandated level currently at \$2.5M
 - 4-Year Forecast (Table 1) shows \$6M in final year
- Revenue Diversification
 - International Enrolment and Tuition

Western's Total Endowment Value (\$M)

