

MINUTES OF THE MEETING OF SENATE

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J. Deakin said that this budget builds on the multi-year plan developed two years ago in the

Addressing concerns raised on behalf of the Faculty of Arts and Humanities, J. Deakin said that no additional budget cuts are being imposed on the Faculty of Arts and Humanities, but in fact, the University's allocation is being increased by \$1 million. She said that over time, a structurally stable budget must be achieved. The partnership approach, which involves expenditure reductions and additional funding from the University, is the best way forward and the University is investing in the Faculty.

Addressing the concerns regarding the operating reserve, J. Deakin said it will play a key role in the University's ability to manage its resources and balance budgets in the coming years because government grant funding will be frozen. The impact of this is that revenues will grow at a rate of two per cent per year which is a very different trajectory than that of the past 10 to 15 years. The reserve will be required to help balance the budget in the coming years.

A member noted that during the past five years, the University has transferred over \$190 million dollars from its operating budget to its capital budget. Another \$40 million transfer is planned this year. New buildings require additional investment in staff, maintenance, utilities and other operating budget costs. We have been told that enrolments of domestic students will not be permitted to continue to increase and that in some areas enrolments are falling. How does this choice to use operating funds for capital projects affect our ability to continue to offer a diverse and comprehensive student experience across campus? J. Deakin replied that Western has invested substantially, from its operating budget, to support its physical infrastructure, which is central to Western's educational and scholarship aspirations/priorities. Outstanding and adequate facilities are central to providing the "best student experience" and to support the work of our faculty and staff. Western's ageing facilities need to be modernized and new facilities have been constructed to support/accommodate the general enrolment expansion on campus. Since 2000, enrolments have increased by nearly 40%. This includes substantial graduate growth, which is space-intensive. Even with the recent space expansion, there continues to be a shortage of student-centered spaces (study space, collaborative work space etc). Western does not receive regular/annual funding for capital from the government, therefore, Western will need to continue to use operating budget funds to support its facilities' needs.

Addressing UWOFAs' concerns about the direction Western is taking regarding parking and garages, J. Deakin said that in reality there is a limited amount of buildable land on the main campus and parking lots are being used for buildings. In addition, the safety of students, staff, and faculty is high priority. The vehicular traffic, both the Western community and cut through traffic, continues to increase. Therefore, there is a need to move to a vehicle-free pedestrian-friendly campus, and building parking garages should be investigated. Locations to be considered are on flood fringe lands at the campus periphery. She commented that the idea of using the \$10 million to buy bus passes is interesting but would be a one-time allocation. In order to make this an on-going budget item, it would need to be set up like an endowment which would support about 625 weekday passes a year.

Regarding the suggestion that Western encourage people to get out of their cars to move to a car-free campus, she said that car-pooling programs have been introduced which provide reserved spots and other benefits/incentives. However, there is very limited take up. Enclosed bike lockers, at a low cost have also been introduced. She noted that the reality is that individuals prefer the convenience of driving and are willing to pay for this.

Responding to UWOFAs' questions regarding the operating reserve, J. Deakin said that the main reasons for the operating reserve being higher now than initially projected is "higher-than-planned" enrolments and continued full funding of domestic enrolments by the government. Western had planned for a first year class of between 5000 and 5100 in each of the last two years, but came in with 110 and 250 more first year students respectively. This is largely due to an unexpected jump in confirmation rates, first in Engineering and then in Science. As noted earlier, the operating reserve will help in managing the budget moving into the upcoming "more constrained" revenue environment.

With respect to Table 7, lines 23, 24 and 25, the University charges a benefit recovery rate to faculties and other units that recovers a large (\$7 million dollar in 2016) surplus which is then utilized to reduce university-wide expenditures. In other words, this overcharging is used to pay to keep the lights on, pay property taxes, insurance and other general operating costs. A member asked, that in order to help areas of the university that are struggling financially, will there be consideration given to either a) reducing the recovery rate to be closer to actual costs, or b) improving benefits to reflect the cost being charged to units? J. Deakin said the approach to employee benefits budgeting is cost neutral to the Faculties and Support Units. A standard rate of 27.5% for full-time employees is used and what has been provided to the units in their budgets to cover employee benefits is recovered. For example, in the case of the faculty positions being funded in this budget (1 in Arts and Humanities, 2 in the Faculty of Health Sciences, 3 in Science, 2 in Social Science), Western provides the 27.5% benefits cost to the Faculty budgets, and then it is recovered. It is cost neutral to the Faculties. Similarly, when central funding is provided to cover annual salary increases, the 27.5% is provided, and then recovered back – which is again, cost neutral. If a slightly lower rate was used, then a lower rate would have been provided to the Faculty budgets, and then recover the corresponding amount. This issue has been discussed/reviewed many times over the years – and, from an operational perspective, both for the central HR unit and for the Faculties, this approach is simpler and more efficient. This approach does not impact the University's overall budget nor the Faculty budgets.

S.17-85

REPORT OF THE SENATE COMMITTEE ON ACADEMIC POLICY AND AWARDS [Exhibit VI]

S.17-88 **Notices of Motion: Examination Policy and Political Accommodation** [S.17-77]

Senator Orbach-Miller presented Notices of Motion on behalf of the student senators at the March Senate meeting pertaining to the policies relating to Examination and to Political Accommodation. S. Macfie, Chair of SCAPA reported that SCAPA discussed the Notices of Motion at its April meeting. She said that while the motions are clearly in order, the committee decided to defer substantive discussion at Senate until it is able to gather more information. Senator Orbach-Miller has agreed to the deferral.

S.17-89 **Faculty of Arts and Humanities, Department of Modern Languages and Literatures: Withdrawal of the Major, Specialization and Honors Specialization Modules in Comparative Literature and Culture**

It was moved by M. Strong, seconded by B. Rubin,

That effective September 1, 2017, admissions in the Major, Specialization and Honors Specialization modules in Comparative Literature and Culture be discontinued, and

That students currently enrolled in these three modules be allowed to graduate until August 31, 2021 upon fulfillment of the requirements, and

That effective September 1, 2021 these modules be discontinued.

CARRIED (By Unanimous Consent)

S.17-90 **Faculty of Education: Revisions to the Progression and Graduation Requirements of the B.Ed. Program**

It was moved by M. Strong, seconded by B. Rubin,

That, effective September 1, 2017, the Progression and Graduation Requirements for the B.Ed. program be revised as shown in Exhibit VI, Appendix 1.

CARRIED (By Unanimous Consent)

S.17-91 **Faculty of Health Sciences, School of Kinesiology: Introduction of an Honors Specialization in Professional Kinesiology**

It was moved by S. Macfie, seconded by J. Garland,

That an Honors Specialization in Professional Kinesiology be introduced effective September 1, 2017, as shown in Exhibit VI, Appendix 2.

CARRIED

S.17-92 **School of Graduate and Postdoctoral Studies: Introduction of a Specialization in Educational Leadership**

S.17-98 **Faculty of Social Science, Department of History and Richard Ivey School of Business: Introduction of the Honors Specialization in International Relations/HBA Combined Degree Program**

It was moved by M. Strong, seconded by B. Rubin,

That the Honors Specialization in International Relations/HBA Combined Degree program be introduced effective September 1, 2017, as shown in Exhibit VI, Appendix 5.

CARRIED (By Unanimous Consent)

S.17-99 **Huron University College: Revisions to the Scholar's Electives Program**

It was moved by M. Strong, seconded by B. Rubin,

That, effective September 1, 2017, the Scholar's Electives Program at Huron University College be revised as outlined in Exhibit VI, Appendix 6.

CARRIED (By Unanimous Consent)

S.17-100 **Huron University College: Renaming of English Language and Literature Modules**

It was moved by M. Strong, seconded by B. Rubin,

That effective September 1, 2017 the Honors Specialization in English Language and

S.17-103

REPORT OF THE ACADEMIC COLLEAGUE [Exhibit VII]

The Report of the Academic Colleague, detailed in Exhibit VII, was received for information.

DISCUSSION AND QUESTION PERIOD

2017-18 Operating and Capital Budgets

Senate
April 21, 2017

External Context

Western's Planning Parameters

- Moving to Third Year of 4-Year Plan
- Recommendations Guided by Strategic Plan
- Enrolments
 - Undergraduate: First-Year Class of about 5,100
 - With 600 International
 - Graduate: as per Faculty Plans
- Revenue Sharing Continues in the 4-Year Cycle
 - Up to 2017-18 Enrolments/Teaching
- Tuition Rates for 2017-18 (and 2018-19)
 - Domestic Rates at Maximum 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)



*University level Investments & New Initiatives in this Budget:
Alignment with our Strategic Plan*

Our Strategic Plan Priorities

Pillar	Priority
1	RAISING OUR EXPECTATIONS:

Investments and New Initiatives in this Budget

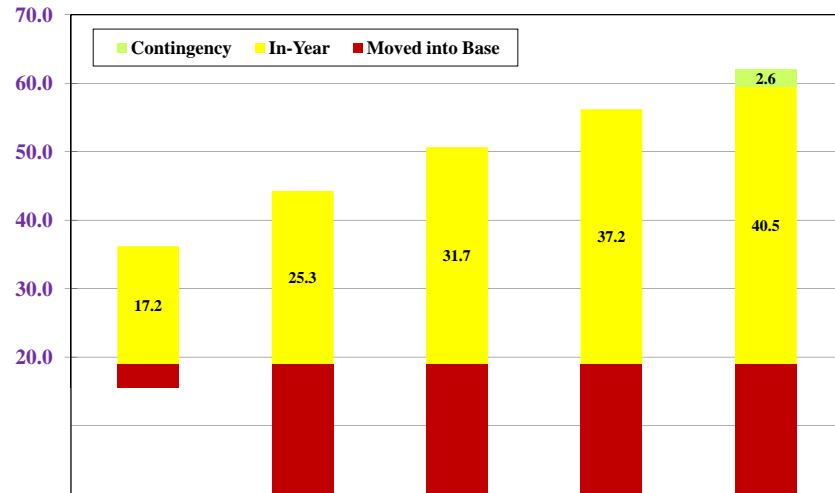
Investment / New Initiative	Investment	Strategic Plan Pillars
Indigenous Initiatives	\$1M Base	2, 3
Growing Our Endowments: The Endowed Chairs Matching Program	\$25 M One-Time	1, 3, 4
Strategic Expansion of Engineering: Multi-Year Self-Funding Plan	\$6.5 M One-Time & \$847K Base	1, 2, 4
Scholarship Initiatives in SSHRC Disciplines Endowment	\$2.5 M One-Time	1, 4
CERC Matching Funds	\$2.5 M One-Time	1
Facilities Enhancements in the Faculties		

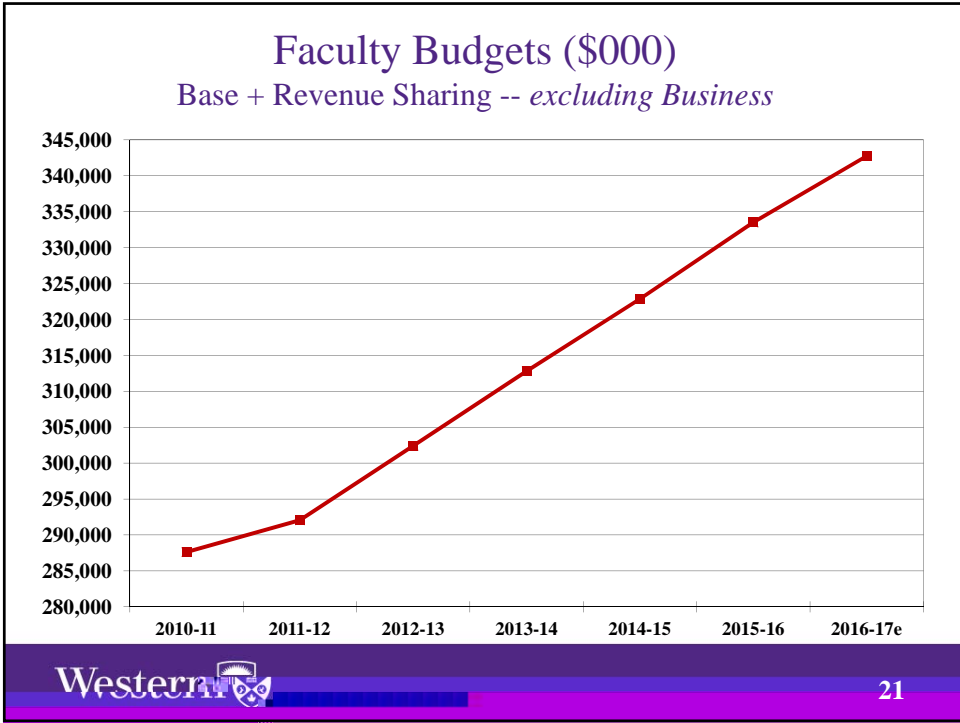
Western's Total Endowment Value -- \$M

Endowed Chairs Matching Program

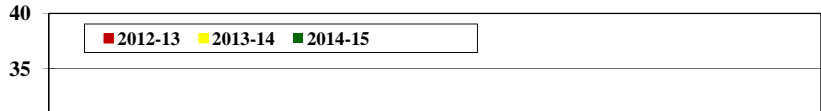
- Program launched in 2010-11
 - To-date \$43.5M allocated – for 29 Chairs
 - 18 Chairs Confirmed
 - 8 Additional Chairs under discussion with Donors
- Additional \$25M being recommended in this Budget
 - A minimum of 1 Chair per Faculty will be

Projected Revenue Sharing Allocations (\$M)





Ontario U6 Universities Full-Time Student to Full-Time Faculty Ratio

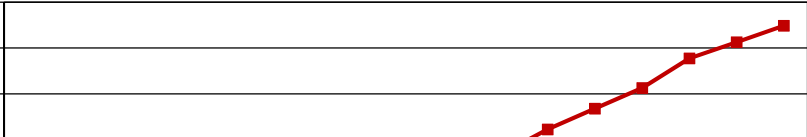


Arts & Humanities and Music

- Budgets for these two Faculties in Deficit Situation
 - A&H: Projected 2016-17 accumulated debt = \$13.1M
 - \$4M Structural Deficit
 - Music: Projected 2016-17 accumulated debt = \$1.3M
 - \$1M Structural Deficit
- Partnership Approach to Controlling Deficit – and then eliminating Debt
 - Provost will **KEEP BUDGET WHOLE** at 2016-17 LEVEL in each of 2017-18 and 2018-19
 - Dean to reduce expenditures – with **NO REDUCTION IN BUDGET ALLOCATED BY PROVOST**

Summary of the Operating Budget

Operating Revenues (\$M)4



Summary of 2017-18 Allocation Recommendations for the Faculties

		Base Allocations	One-Time Allocations	Targetted Student Awards	Capital Allocations
1	Arts & Humanities	102,000	1,893,536	200,000	72,000

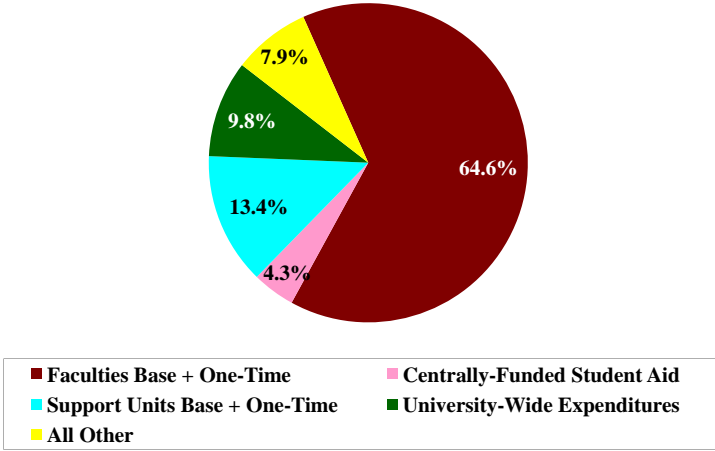
University-wide Expenditures (Table 7)

- **Total of \$74.5M**
- Major items:
 - Utilities (\$23.9M)
 - Library Acquisitions (\$15.1M)
 - Includes incremental base allocation
 - MMI Transfer (\$15.5M)
 - IT Infrastructure (\$9.7M)

One-Time Allocations (Table 8)

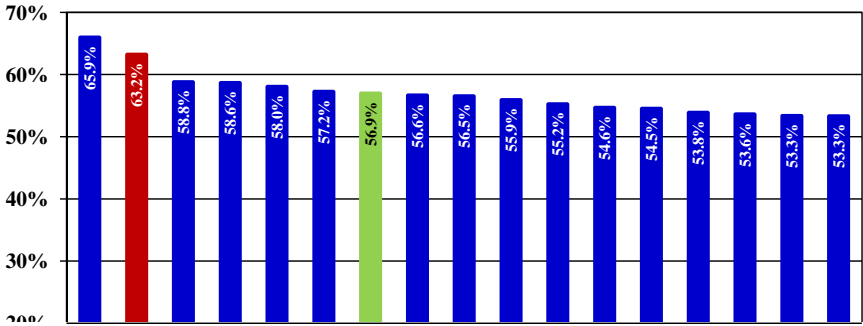
- **Total of \$56.9M**
- Major Priority Items
 -

2017-18 Operating Expenditures (Total = \$759.1M)



Instructional & Research Expenditures as a % of Total Operating Expenditures

Ontario Universities -- 2015-16 (Source: COFO Reports)



The Capital Budget

Overview of the 2017-18 Capital Budget

- Supports Long-Range Space Plan (Page 38, Table 14)
- Major Projects: Underway or Soon-to-Start
 - Music Building Phase 2
 - Medical Research Facilities (M & I)
 - Modernization of University College
 - Western Interdisciplinary Research Building
 - ThreeC+ -- the New Engineering Building
 - Science Space Realignment (NCB, MC, WSC)
 - Integrated Learning and Innovation Centre
 - Modernization of Thames Hall
 - Renewal/Replacement/Expansion of Schulich Facilities
 - Multi-Level Parking Structures
 - Will require re-alignment of parking lot categories and increases to parking rates
 - University-wide Infrastructure Projects

Overview of the 2017-18 Capital Budget

- **Total Spending of \$136.2M** (Table 15, line 10)
 - \$57.8M for New Construction (Table 18, line 8)
 - \$29.3M for Major Renovations (Table 18, line 17)
 - \$49.1M for All Other Expenditures
 - Utilities and Infrastructure
 - Modernization of Academic Facilities
 - General Maintenance and Modernization
 - Housing and Ancillary Projects

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