MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

April 21, 2016

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

PRESENT: Mr. H. Hassan, Chair
Ms. I. Birrell, Secretary

Mr. J. Adams
Dr. S. Armstrong
Dr. C. Beynon
Ms. W. Boye
Ms. C. Burghardt-Jesson
Dr. J. Capone
Dr. A. Chakma
Ms. S. Chrominska
Ms. K. Cole
Dr. J. Deakin
Ms. L. Gainey
Mr. K. Gibbons

Dr. R. Giffin
Mr. J. Green
Mr. P. Jenkins
Mr. J. Knowles
Mr. R. Konrad
Ms. G. Kulczycki
Mr. M. Lerner
Mr. B. Ross
Mr. T. Sutherland
Dr. B. Timney
Dr. J. Toswell
Mr. M. Wilson

By Invitation: K. Campbell, R. Campbell, R. Chelladurai, H. Connell, S. Fazilat, L. Logan, A. Weedon

BG.16-33

REPORT OF THE PRESIDENT

The President’s report, distributed with the agenda, consisted of the following topics: provincial government update, Advanced Manufacturing Consortium, federal government update, London Rapid Transit update and leadership update. He also reported on Western’s budget, the work of the Provost’s Task Force on University Budget Models and the work of the University Research Board Steering Committee on Social Sciences, Arts and Humanities Research.

BG.16-34

UNANIMOUS CONSENT AGENDA [Appendix I]

It was moved by P. Jenkins, seconded by B. Timney,

That with the exception of item 14, Campus Community Police Service – 2015 Annual Report, the items listed in Appendix I, Unanimous Consent Agenda, be approved or received for information by the Board of Governors by unanimous consent.

CARRIED

BG.16-35

Minutes of the Previous Meeting

The open session minutes of the meeting of January 28, 2016 were approved as circulated.
REPORT OF THE PROPERTY & FINANCE COMMITTEE [Appendix II]

2016-17 University Operating and Capital Budgets

It was moved by R. Konrad, seconded by M. Lerner,

That the Board of Governors approve the 2016-17 University Operating and Capital Budgets and the Proposed Program Specific Fees and Other Supplemental Fees for 2016-17.

R. Konrad stated that the budget is representative of Western’s values and mission and thanked those who were involved in its preparation over many months of work.

Dr. J. Deakin presented a detailed overview of the budget, using slides attached to these minutes as Appendix 1. She highlighted the following:

- The internal and external budgetary context, including the provincial deficit, the continued funding formula review and the uncertain tuition framework beyond 2016-17.
- The alignment of the budget with Western’s strategic priorities and the slight increase in operating revenues from the forecasted 2.5% to 3.7% in 2015-16, largely due to an unexpectedly high acceptance rate in Engineering.
- The general trend of flattening enrollment in most universities and keeping Western’s enrollment numbers at steady-state between 5,100 – 5,500 first-year students.
- Revenue in 2016-17 is forecasted at $728.5M and expenditure at $732.4M, which will create an in-year deficit of $3.9M by year’s end.
- In 2016-17, 65.9% of the operating revenues will be channeled to academic units, which is the highest rate among the U15 universities.
- The operating reserve will be drawn down to $9.5M by the end of the four-year cycle in 2018-19, from the current $48M in 2015-16.
- The capital budget will support long-range space plans and a total of $134.4M will be spent on new construction, repairs and modifications.

A member asked if there are plans to close down Ivey’s EMBA program in Asia. Dr. Deakin responded that Ivey suspended admissions into the program this year and next, but it is looking for partnerships for the program for the future.

Answering a question regarding potentially increasing enrollments further, Dr. Deakin explained that Western is now at capacity for undergraduate student space and has physical constraints in classroom and study space, recreational facilities, and dining space, especially at UCC; however, there is still room to grow on the graduate side.

A member expressed concerns about the rapidly dwindling operating reserves forecasted in two years. Dr. Deakin explained that this can be curtailed if necessary by adjusting discretionary spending over the years.

The question was called and CARRIED.
**Student Fee-Funded Units, Ancillaries and Academic Supports**

It was moved by R. Konrad, seconded by S. Chrominska,

That the Board of Governors approve the 2016-17 budgets for Student Fee Funded Units, Ancillaries, and Academic Units summarized in the report entitled “Student Fee Funded Units, Ancillaries, Academic Support Units and Associated Companies.”

CARRIED

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**Student Organization Fee Proposals for 2016-17**

It was moved by R. Konrad, seconded by L. Gainey,

That the organization fees for the University Students’ Council for 2016-17 shown in Table 2 (full-time undergraduates) and Table 3 (part-time undergraduates) be approved, as requested by the USC.

That the organization fees for the Society of Graduate Students shown in Table 2 (full-time graduate students – three terms) and Table 3 (part-time graduate students) be approved as requested by SOGS.

That the organization fees for the Honors Business Administration Association for 2016-17 shown in Table 2, note (b) be approved, as requested by the HBAA.

That the organization fees for the Master of Business Administration Association for 2016-17 shown in Table 2, note (c) be approved, as requested by the MBAA.

CARRIED

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**Annual Report and Recommendations of the Student Services Committee**

It was moved by R. Konrad, seconded by P. Jenkins,

That the ancillary fees collected by the University be those detailed in Annex 4, as recommended by the Student Services Committee.

In response to a concern regarding the composition of the Student Services Committee, Dr. Deakin responded that the membership is currently under review and once discussions conclude with all student organizations, any proposed changes to the fees protocol and the structure of the committee will be brought forward to the Board.

The question was called and CARRIED.

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**Information Items Reported by the Property & Finance Committee**

The Report of the Property & Finance Committee, detailed in Appendix II, contained the following items that were received for information by unanimous consent:

- Beryl Ivey Chair in One Health – Renaming and Revised Terms of Reference
- Neil McKenzie Chair in Cardiac Care – Establishment
- Vickie Blair Fellowship in Vascular Surgery – Name Change
- Sheldon H. Weinstein Chair in Diabetes Research – Amendments to Terms of Reference
- Quarterly Financial Report (Operating Budgets)
- Investment Committee Report
- Investment Committee Membership
- New Scholarships and Awards
REPORT OF THE BY-LAWS COMMITTEE [Appendix III]

BG.16-41  Amendment to By-Law No. 1 – Paragraph F.1 – Attendance

It was moved by M. Wilson, seconded by B. Timney,

That By-Law No. 1, paragraph F.1 be amended to read as follows (amendment in italics):

A quorum of the Board consists of ten members, of whom at least five shall be members appointed or elected under clauses (b), (c), (d), and (h) of Section 9.(1) of the Act. Attendance at special meetings and at up to two regular meetings per calendar year by teleconferencing or other electronic means is permitted.

CARRIED

BG.16-42  Special Resolution No. 3 – Banking – Revisions to Officer Titles

It was moved by P. Jenkins, seconded by B. Timney,

That Special Resolution No. 3 – Banking be revised to recognize changes in signatories’ titles as follows:

Manager, Treasury & Investments is now Director, Treasury Services
Research Accounting Manager is now Director, Research Finance
Supervisor of General Accounting/General Accounting System Manager is now Director, Financial Information Systems

CARRIED (By Unanimous Consent)

BG.16-43  Governance and By-Laws Committee – Draft Terms of Reference

The draft terms of reference of the Governance and By-Laws Committee, detailed in Appendix III, Annex 3, were provided for information. G. Kulczycki voiced concern about item 4(k) regarding the development of a process for the review of administrative policies. She noted that many of the policies are complicated and this initiative could become very time consuming. M. Wilson took the concern under advisement noting that it is not the intent of the Governance and By-Laws Committee to take ownership of this process but that the other standing committees will be involved in determining the timing of reviews of policies over which they have oversight.


Details regarding the implementation of recommendations contained in the report of the Governance Review Task Force, detailed in Appendix III, Annex 4, were received for information. M. Wilson noted that volunteers are sought to assist with the development of a Board performance assessment protocol, orientation, and on-going Board education programs.

REPORT OF THE SENIOR OPERATIONS COMMITTEE [Appendix IV]

BG.16-45  Affiliation Agreement with Museum of Ontario Archaeology

It was moved by L. Gainey, seconded by B. Timney,

That the Board of Governors approve the proposed Affiliation Agreement with the Museum of Ontario Archaeology, attached as Appendix IV, Annex 1.

J. Deakin noted that the changes will make the Museum more independent and allow flexibility in its operations. The new relationship will allow the Museum to take responsibility for its own
financial future without impacting the University, while maintaining the academic and research relationship between the two institutions.

The question was called and CARRIED

BG.16-46

**Code of Student Conduct Review Committee**

It was moved by P. Jenkins, seconded by B. Timney,

That the Board of Governors strike a review committee for the Code of Student Conduct with membership as follows:

- A Dean or Associate Dean appointed by the President (Chair)
- Associate Vice-President, Student Experience
- Associate Vice-President, Housing and Ancillary Services (or designate)
- Vice-Provost (Graduate & Postdoctoral Studies) (or designate)
- Chair, University Disciplinary Appeals Committee
- President of USC (or designate)
- President of SOGS (or designate)
- University Legal Counsel
- Associate University Secretary

CARRIED (By Unanimous Consent)

BG.16-47

**Information Items Reported by the Senior Operations Committee**

The report of the Senior Operations Committee, detailed in Appendix IV, contained the following items that were received for information by unanimous consent:

- Appointments to University Discipline Appeals Committee
- Appointment to the Audit Committee

Note: M. Jadd and J. Scarfone were found to be ineligible for membership on UDAC because they are students at an Affiliate University College. Two undergraduate students will be appointed in May to UDAC.

**REPORT OF THE AUDIT COMMITTEE** [Appendix V]

BG.16-48

**Campus Community Police Service – 2015 Annual Report**

The Campus Community Police Service – 2015 Annual Report, detailed in Appendix V, Annexes 1a and 1b, was received for information. A member voiced concern about the few number of women on the Campus Community Police Service (CCPS). G. Kulczycki provided an overview of staffing: 27 personnel with 12 special constables plus four sergeants for day-to-day operations; four communications staff; one sergeant who does accreditation and one sergeant who oversees Crime Prevention Through Environmental Design (CPTED). There are 20 male employees and seven female employees. All five communications officers are female; one administrative officer is female and the CPTED sergeant is female. Ten female employees since 2007 have been hired away by city police agencies. There is an ongoing effort to attract and retain female police officers.

Responding to a comment that the number of mental health cases dealt with by Campus Police is increasing, G. Kulczycki said that police must be involved in cases where students are in sufficient distress to be taken to the hospital. The development of a mobile crisis team in London has assisted Campus Police on several occasions. However, she noted that Western has a significant number of supports in place for students and currently has no wait lists for other mental health supports such as psychologists, counsellors, social workers, or peer support. The Wellness Education Centre is now open in the UCC and will help students identify what support is available to them.
Information Item Reported by the Audit Committee

The report of the Audit Committee, detailed in Appendix V, contained the following item that was received for information by unanimous consent:

Western Office of the Ombudsperson Annual Report 2014-15

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

Information Item Reported by the Fund Raising and Donor Relations Committee

The report of the Fund Raising and Donor Relations Committee, detailed in Appendix VI, contained the following item that was received for information by unanimous consent:

Fundraising Activity Quarterly Report to January 31, 2016

ITEMS REFERRED BY SENATE [Appendix VII]

Performance Indicators Report

The Board received for information the Performance Indicators Report detailed in Appendix VII, Annex 4. J. Deakin provided an overview of the report using slides contained in Appendix 2.

A member asked if students’ well-roundedness was measured anywhere, as the charts only provide information about entering grades. Dr. Deakin responded that it is not explicitly measured, but a lot of programs use other tools during their admission process, such as portfolios, personal statements or performance tests.

In response to the question whether increased entering grades created an increased level of mental health issues because of pressure on students, Dr. Deakin explained that schools across the province are dealing with the same mental health issues. Given the variability of entrance standards across the system, there would not seem to be a correlation.

A member raised concern about local students not being able to get into Western due to high entering grade requirements, thus creating a potential financial burden for local families whose children might not be able to stay in London. Dr. Deakin responded that the three affiliated university colleges have lower entrance grades, which might alleviate the problem somewhat. She also mentioned that a small number of places will be created in the Faculty of Arts and Humanities this year for students with lower entering averages on a trial basis, as one measure to help that Faculty boost its enrollment.

Information Items Reported by Senate

Appendix VII, Items Referred by Senate, contained the following items that were received for information by unanimous consent:

- 2016-17 University Operating and Capital Budgets
- 2016 Entrance Standards for Undergraduate First-Year Admissions
- Five Year Enrolment Projections
- Report on Year One Class and Entering Averages
- Report from the Provost’s Task Force on University Budget Models
- Report of the Graduate Funding Subcommittee on the Provost’s Task Force on Budget Models
- Report of the Academic Colleague
- Teaching Award Recipients 2015
QUESTIONS FROM MEMBERS

BG.16-53  

University Maintenance

Responding to a question about maintenance on campus and the recent closure of the University bridge, G. Kulczycki said that regular inspections occur and that a preventative maintenance program is in place. An infrastructure study is underway to review safety as well as adequacy. This report will come to the Board in due course.

The meeting adjourned to the confidential session.

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H. Hassan I. Birrell
Chair Secretary
2016-17 Operating and Capital Budgets

Board of Governors
April 21, 2016

External Context

- Provincial Deficit and Debt continue at very high levels
- Funding Formula Review
  - Future of enrolment growth funding?
- Current Tuition Framework ends with 2016-17
Western’s Planning Parameters

• Moving to Second Year of 4-Year Plan
• Recommendations Guided by Strategic Plan
• Enrolments reaching Steady-State
  – Undergraduate: First-Year Class of about 5,100
    • With 550 International – growing to 600
  – Graduate: as per Faculty Plans
• Revenue Sharing Continues (contingent on enrolments)
• Tuition Rates for 2016-17
  – Domestic Rates at Maximum of 3% Overall
  – Undergrad Int’l: still moving towards Ontario-U6 levels

Western: Total Constituent FTE Enrolment
(Full-Time plus Part-time FTEs)
Average Entering Grade of Full-Time First-Year Students from Ontario High Schools

- Western
- Ontario

Operating Revenues ($M)

- 2.5% per year
- 4.2% per year
- 8.3% per year
The 2016-17 Operating Budget

Summary of the 2016-17 Operating Budget
(Table 2)

• Revenue Forecast = $ 728.5M
  – Increase of 3.4%

• Expenditure Plan = $ 732.4M
  – Increase of 5.3%

• Projected In-Year Position = $ -3.9M

• Projected Operating Reserve = $ 44.1M
  – Forecast to be at $9.5M at end of 4-year period
Projected 2016-17 Operating Revenues
(Total = $728.5M)

- Govt Grants: 38.8%
- Tuition: 48.8%
- All Other: 12.4%

2016-17 Operating Expenditures
(Total = $732.4M)

- Faculties Base + One-Time: 6.5%
- Support Units Base + One-Time: 13.2%
- Centrally-Funded Student Aid: 10.0%
- University-Wide Expenditures: 4.4%
- U-Wide One-Time & Provision: 65.9%
### Our Strategic Plan Priorities

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

### Investments and New Initiatives in this Budget

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Investment</th>
<th>Strategic Plan Pillars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support for the Long-Range Space Plan&lt;br&gt;The Integrated Learning &amp; Innovation Centre</td>
<td>$15 M One-Time</td>
<td>1, 2</td>
</tr>
<tr>
<td>Strategic Expansion of Engineering</td>
<td>$5.5 M One-Time &amp; $800K Base (self-funding plan)</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Scholarship Initiatives in SSHRC Disciplines Endowment</td>
<td>$5 M One-Time &amp; One-Time $200K</td>
<td>1, 4</td>
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<tr>
<td>Pedestrian-Friendly Initiatives &amp; Campus Safety</td>
<td>$2 M One-Time</td>
<td>2</td>
</tr>
<tr>
<td>Strengthen Library Acquisitions Budget</td>
<td>$1.1 M One-Time &amp; $250 K Base (in each of next 3 years)</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Energy Conservation Initiatives</td>
<td>$1.5 M One-Time</td>
<td>4</td>
</tr>
<tr>
<td>Entrepreneurship Initiatives</td>
<td>$1 M One-Time</td>
<td>1, 2</td>
</tr>
</tbody>
</table>
Investments and New Initiatives in this Budget

<table>
<thead>
<tr>
<th>Investment / New Initiative</th>
<th>Investment</th>
<th>Strategic Plan Pillars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alice Munro Endowed Chair in Creativity</td>
<td>$500 K One-Time</td>
<td>1, 3, 4</td>
</tr>
<tr>
<td>University Advertising Initiatives</td>
<td>$500K One-Time</td>
<td>3</td>
</tr>
<tr>
<td>Major Facilities/Infrastructure Needs in Faculties</td>
<td>$6.6 M One-Time</td>
<td>2</td>
</tr>
</tbody>
</table>

The 2016-17 Capital Budget
Overview of the 2016-17 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
  – Medical Research Facilities (M & I)
  – Modernization of University College
  – Interdisciplinary Research Building
  – New Engineering Building
  – Follow-on Projects in HSA and NCB
  – Integrated Learning and Innovation Centre
  – University-wide Infrastructure Projects
  – Parking-related Projects

Overview of the 2016-17 Capital Budget

• **Major Projects in Various Planning Stages**
  – Modernization of Thames Hall
  – Follow-on Projects in Natural Sciences Centre
  – New Initiatives/Partnerships at the Research Parks
  – Renewal/Replacement/Expansion of Medical Facilities
  – Multi-level Parking Structures
    • Will require re-alignment of parking lot categories and increases to parking rates
  – Renewal of Spencer Engineering Building
Overview of the 2016-17 Capital Budget

• Total Spending of $134.4M  (Table 15, line 21)
  – $55.7M for New Construction  (Table 18)
  – $25.9M for Major Renovations  (Table 18)
  – $52.8M for All Other Expenditures
    • Utilities and Infrastructure
    • Modernization of Academic Facilities
    • General Maintenance and Modernization
    • Housing Renovations

END
Metric K

Increase share of operating budget from non-Provincial sources by 1% per year.
Western: Share of Operating Budget from Non-Provincial Sources

Figure 33, Page 41

Source: Western University -- Operating Budget Document, i.e. excluding Core/On-Going Provincial Government Grants

Metric L

Surpass our $750-million “Be Extraordinary” fundraising campaign goal and grow the university’s endowment to at least $500 million by 2018.
Western: Total Endowment Value ($M)

Source: Western University Audited financial statements as of April 30th

U15: Total Market Value of Endowments in 2013 ($M)

Source: U15 Data Exchange
Source: Council of Ontario Universities
**Metric M**

Build institutional capacity to sustain fundraising beyond the current campaign, with an eventual goal of increasing annual fundraising achievements to $100 million.
Total Gifts to Western ($M)

- Expendable
- Endowed

Source: Western University

Western: Fundraising Campaign -- Funds Raised To-Date ($M)

Campaign Goal = $750M

Source: Western University