



MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

APRIL 23, 2020

The meeting was held at 1:00 p.m. via Zoom videoconference.

PRESENT: R. Konrad, Chair
K. Kwan, Secretary

S. Bennett	C. Rorabeck
W. Boye	B. Ross
C. Burghardt-Jesson	D. Simmonds
G. Dick	A. Shepard
K. Gibbons	S. Shortreed
M. Lerner	C. Stephenson
C. Karakatsanis	K. Sullivan
D. Keddy	P. Thomlinson
K. Mequanint	S. Trosow
G. Parraga	J. Toswell
K. Richter	H. Usher

By Invitation: A. Blackburn-Evans, A. Bryson, R. Chelladurai, K. Cole, P. Eluchok,
A. Hrymak, L. Logan, L.A. McKivor, J. O'Brien, T. Rice, M. Ruddock, S. Prichard

Regrets: E. Holder

Land Acknowledgement

D. Keddy read a Land Acknowledgement.

Chair's Remarks

The Chair expressed his sincere gratitude to faculty, staff, students, and the Board of Governors for supporting the University and the London community during the COVID-19 pandemic.

A moment of silence was observed in honour of the victims of the Nova Scotia mass shooting.

BG.20-27

REPORT OF THE PRESIDENT

The Report of the President, distributed with the agenda, consisted of the following topics: Schulich Leaders Scholarship Program, Budget 2020 presentation to House of Commons' Standing Committee on Finance, United Way campaign achievement, anti-racism working group update, accolades for campus community members who were recognized with special honours, and leadership review and selection updates.

The President expressed his appreciation to the Western community for their collaborative efforts in response to the COVID-19 pandemic. He reported that the University successfully pivoted to an emergency delivery of virtual course content, allowing thousands of students to complete their degrees. Encouragingly, enrollments for the virtual summer term are roughly on par with the

previous year. The President reported that approximately 450 students, many of whom are international, currently remain in residence halls. These students have been dispersed across all residence halls to allow for social distancing.

The President acknowledged the impressive commitment by the Federal government of \$9 billion for support programs to aid Canadian students. He also acknowledged the Federal government's additional \$1 billion commitment for vaccines and other health-related COVID matters. The President reported that the Acting Vice-President (Research) and her team are working to ensure that Western researchers are poised to take advantage of public funding for research, as it is made available.

The President said that the University is aware of the stresses in the community. He reported that a Student Relief Fund was created in the early days of the crisis to respond to the immediate needs of students. He also noted that Employee Assistance Programs are available for staff, and that the University is trying to provide flexibility for staff working at home.

The President reported that Western has had great engagement with the local community. Some of this work to date has included producing medical face shields, making residence halls available for health care workers, working closely with local hospitals, and launching the 'Master the Entrepreneur Skillset' 6-week virtual masterclass free of charge for Western alumni, students, faculty and staff. At the national and international level, the President reported that a number of faculty have won grants for vaccine research and for research on the social impact of the pandemic. He also announced that Western led in the creation of an online platform to bring Canadian researchers together.

Lastly, the President welcomed A. Blackburn-Evans, who began in her role as Western's new Chief Communications Officer on April 6. He thanked T. Rice for his extraordinary efforts in the interim role.

BG.20-28 **UNANIMOUS CONSENT AGENDA** [Appendix I]

It was moved by J. Toswell, seconded by H. Usher,

That the 14 items listed in Appendix I, Unanimous Consent Agenda, be approved or received for information.

CARRIED

BG.20-29 **Minutes of the Previous Meeting**

The open session minutes of the meeting of January 23, 2020 were approved as circulated.

BG.20-30 **Business Arising from the Minutes**

There were no items noted as business arising from the January 23, 2020 minutes.

REPORT OF THE PROPERTY & FINANCE COMMITTEE [Appendix II]

Prior to considering the Report of the Property & Finance Committee, C. Karakatsanis provided the Board with a high-level overview of the work of the Committee.

BG.20-31 **2020-21 University Operating and Capital Budgets**

It was moved by K. Mequanint, seconded by C. Rorabeck,

That the Board of Governors approve the 2020-21 University Operating and Capital Budgets as shown in Appendix II, Annex 1 and the proposed Program Specific Fees and Other Supplemental Fees for 2020-21 as shown in Appendix II, Annex 2.

A. Hrymak, Provost & Vice-President (Academic) presented the 2020-21 University Operating and Capital Budgets detailed in Appendix II, Annex 1. The slides from his presentation are attached as **Appendix 1**. He reported that the \$841-million budget – the second in a two-year budget planning cycle – includes one-time spending for strategic priorities and new student supports in light of COVID-19. He said the budget would also provide flexibility in the coming months regarding how to use carryforward funds, if needed, in the short-term to address issues that may arise from the pandemic.

Among the priorities and new initiatives for this year are \$122 million in one-time allocations that include:

- A \$13.5-million student support fund to take the form of scholarships, bursaries, work-study, summer research opportunities and residence accommodation subsidies;
- Expanding interdisciplinary initiatives and activities that transcend academic disciplines and create new areas of scholarships, and restructuring the process so it becomes more helpful to champions of interdisciplinary work;
- Seed funding for the Western Academy for Advanced Research, set to launch in 2021, which will bring together research and scholarship with leaders from outside the university to help solve pressing issues;
- An additional \$10 million to support the continuation of the Western Research Chairs program in order to highlight and promote exceptional research.
- Adding an Office of Indigenous Initiatives with additional base funding and permanent staffing in community relations, admissions, enrolment planning, curriculum and pedagogy advising and elders-in-residence and in support of the principles of reconciliation;
- Supporting the university-wide data strategy initiative as a path to equip students, faculty and staff with greater data acumen, and to support data-funded research.

A. Hrymak noted that the University continues to prioritize projects from past budget years, including:

- Support for further development of Western Entrepreneurship as a cross-campus ecosystem;
- An efficiency and innovation fund aimed at generating revenue and reducing structural costs;
- Strategic expansion of Engineering in enrollment, faculty/staff complements and facility expansion and renewal;
- An Innovation and Collaboration Hub for Advanced X-Ray Imaging and Intervention in the Robarts Research Institute;
- Growth of Endowed Matching Chairs program; and,
- Key capital projects that will be underway as physical distancing measures allow.

A. Hrymak explained that the budget assumes that provincial grant funding and federal research support funding will remain unchanged. As mandated by the province, domestic tuition will remain

frozen at 2019-20 levels, after having been rolled back 10% at the start of the school year. International student tuition will increase by 8% for first-year students and by 4% for upper-year students in most undergraduate programs.

A member informed the Board that there has been a constant rumble of unhappiness at Senate regarding transfers from the operating budget to the capital budget. A. Hrymak noted that the capital budget informs how the University is able to support some of the University's longer-term aspirations in terms of academic planning. He said that operating budget transfers are only one component of capital budget expenditures. A. Hrymak directed Board members to the April Senate minutes for a record of the extensive responses provided on this topic.

The Board member also noted that there was considerable discussion at Senate regarding the way in which research is funded. The member informed the Board that some Senators think there is an underlying issue with how money flows to research. S. Prichard, Acting Vice-President (Research) said that the budget supports research in a number of ways. She reported that 26-30% of the budget is allocated to research, and that this figure would be higher if one examined in detail what flows through the faculties rather than through the central organization.

A Board member asked for clarification on the Board's role in setting the reserve level. R. Chelladurai, Associate Vice-President (Planning, Budgeting & Information Technology) explained that the Board is asked to consider what the appropriate reserve level should be at the end of every multi-year cycle.

A Board member expressed concern regarding the transfers from the operating budget to the capital budget. He noted that the operating budget is largely student-funded and suggested that there should be other sources of funding for capital expenditures. A. Hrymak clarified that capital projects are not funded solely by the operating transfers. He also reminded the Board that many buildings support the academic mission of the University. The Board member provided examples of specific capital projects in the budget that do not support the academic mission of the University (e.g., multi-level parking structure) and asked if these could be deferred. A. Hrymak clarified that some capital projects in the budget are only notionally sketched out and have not been authorized to go to next stages of construction. He said that these projects could be deferred if the University needed the resources for other funding (e.g., transfers to the faculties or library).

A Board member asked for clarification on funding for deferred maintenance. R. Chelladurai explained that the \$15.5 million annual maintenance transfer is a base amount in the budget used for Maintenance, Modernization, and Infrastructure (MMI). Additional one-time allocations are made for major projects.

A Board member noted that some Grade 12 students in the community are planning on repeating their final year of high school in light of the interruption caused by COVID-19. A. Hrymak indicated that the University recognizes this concern and is working to put supports in place for those students. Western will offer a free program that will allow Grade 12 students to complete a self-assessment on Grade 12 courses that have been identified as key to success. Western will also provide tutoring services to help students gain confidence and be successful in their first year at Western.

Noting that the budget assumes a 7.5% reduction in revenue from international tuition, a Board member asked if the University had considered a potential loss in revenue in domestic student tuition. A. Hrymak said that the University is taking into account the many factors that will affect students' confidence and decision-making on continuing their university studies. He reported that the University will monitor enrollments and will move more resources to students, if needed.

A Board member asked if there would be any adjustment in tuition if the University's course offerings are virtual for the fall semester. A. Hrymak clarified that tuition will not vary depending

on the modality of delivery. The Board member also asked if students would have the opportunity to opt out of residence depending on the availability of in-person classes. A. Hrymak said that the University is looking at a number of different scenarios. One scenario includes a rolling start, with students moving into residences as they are able to join on campus over the course of the fall semester.

A Board member raised the issue of traffic concerns around campus, notably at the intersection of Western Road and Sarnia Road, and asked if consideration had been given to improving the safety of this location. L. Logan, Vice-President (Operations & Finance) reported that discussions are underway between the University and the City regarding short-term strategies. A full redevelopment of the intersection is likely years away.

A Board member applauded administration on their prudent and well thought out response to the COVID-19 pandemic.

A member urged the Board to keep in mind from a governance perspective the importance of allowing administration the flexibility to react in real time and to take advantage of any opportunities that present themselves during the COVID-19 pandemic.

The question was called and CARRIED.

BG. 20-32 **Student Fee-Funded Units, Ancillaries and Academic Supports**

It was moved by K. Gibbons, seconded by H. Usher,

That the Board of Governors approve the 2020-21 budgets for Student Fee-Funded Units, Ancillaries, and Academic Units summarized in the report entitled "Student Fee-Funded Units, Ancillary Units, Academic Support Units, and Associated Companies".

CARRIED

BG. 20-33 **Student Organization Fee Proposals for 2020-21**

It was moved by K. Mequanint, seconded by G. Dick,

That the organization fees for the University Students' Council for 2020-21 shown in Appendix II, Annex 3, 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 for 2020-21 as shown in Appendix II, Annex 3 Table 2 (full-time graduate Students – three terms) and Appendix II, Annex 3, Table 3 (part-time graduate students) be approved as requested by SOGS.

That the organization fees for the Honours Business Administration Association for 2020-21 shown in Appendix II, Annex 3, Table 2, note b, be approved as requested by HBAA.

That the organization fees for the Master of Business Administration Association for 2020-21 shown in Appendix II, Annex 3, Table 2 be approved as requested by the MBAA.

CARRIED

BG.20-34 **Annual Report and Recommendations of the Student Services Committee**

It was moved by G. Dick, seconded by C. Stephenson,

That the ancillary fees collected by the University be those detailed in Appendix II, Annex 4, Table 1, as recommended by the Student Services Committee.

CARRIED

A Board member applauded the Student Services Committee for the care and clarity with which they presented the material. She noted that she was pleased to see that the Committee had been Co-Chaired by the President of the University Student Council (USC) and the President of the Society for Graduate Students (SOGS).

BG.20-35 **Information Items Reported by the Property & Finance Committee**

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

- Investment Committee Membership:
 - D. Porter reappointed for a two-year term, ending February 28, 2022
 - J. Knowles reappointed to a three-year term ending May 30, 2023
- Scholarships, Awards, and Prizes
- Western University Standard and Poor's University Credit Rating
- Experiential Learning Innovation Scholars

REPORT OF THE SENIOR POLICY AND OPERATIONS COMMITTEE [Appendix III]

BG.20-36 **Information Items reported by the Senior Policy and Operations Committee**

Appendix III, Report of the Senior Policy and Operations Committee, contained the following item that was received for information by unanimous consent:

- Committee Appointments:
 - Henri Boyi, Gerald Wright, Catherine Elliot Shaw and Thy Phu to the McIntosh Gallery Committee as members-at-large, effective February 1, 2020 until January 31, 2023.

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

BG.20-37 **Information Items reported by the Fund Raising and Donor Relations Committee**

Appendix IV, Report of the Fund Raising and Donor Relations Committee, contained the following item that was received for information by unanimous consent:

- Fund Raising Activity Quarterly Report to January 31, 2020

ITEMS REFERRED BY SENATE [Appendix V]

BG.20-38 **Renewal of the Articulation Agreement between Western University, Brescia University College, Huron University College, King's University College, and Fanshawe College regarding the transfer of credit for students in the General Arts and Science Program**

It was moved by A. Shepard, seconded by K. Sullivan,

That Board of Governors approve the renewal of the Articulation Agreement between Western University, Brescia University College, Huron University College, King's University College, and Fanshawe College regarding the transfer of credit for students in the General Arts and Science program, effective March 1, 2020, as shown in Appendix V, Annex 1.

CARRIED

BG.20-39 **Information Items Referred by Senate**

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

- 2020-21 University Operating and Capital Budgets
- 2020 Entrance Standards for Undergraduate First-Year Admissions
- Five-Year Enrolment Projections
- Report on Year One Class and Entering Averages
- Vice-Provost's Annual Report on Faculty Recruitment and Retention February 2020
- Report of the Academic Colleague
- Western Libraries Annual Report 2018/19

ADJOURNMENT

The meeting adjourned to the confidential session at 2:30 p.m.

R. Konrad
Chair

L.A. McKivor
Associate University Secretary

Budget 2020-21

Board of Governors
April 23, 2020

Context / Background

Internal Planning Parameters

- Moving to Second Year of 2-Year Planning Period
- A Year Ago (i.e. Year 1)
 - Domestic Tuition Rolled Back 10% -- estimated \$43M base revenue loss over two years
 - Internal Budget Planning Included:
 - 3% Inflationary Budget Adjustment (IBA)
 - Selective Investments through APF/SUPF
 - Funding for Strategic Priorities
 - Tuition Revenue Sharing with Faculties
 - Additional 2.5% reduction in each of 2 years

Internal Planning Parameters

- For Year 2 – as of Mid-February 2020
 - Year 1 Assumptions and Parameters in place
 - Completed Planning Process for Year 2
 - Unit and University Budget Plans Developed
 - Faculty and Support Unit Recommendations provided February 6th and 20th respectively
 - University Budget Developed – end of February
- March 2020 – COVID-19
 - Enrolment and Revenue Uncertainties

External Context

- Mid-February 2020 – Revenue Parameters
 - Domestic Tuition Rolled-back 10% in 2019-20 and held flat in 2020-21
 - No formal word on Government Grants
 - Corridor System in place
 - Our assumption – no change in grant levels
- March 2020 – COVID-19
 - Pressures on the Province; Economic Downturn
 - Concerns about Future Grant Funding Levels

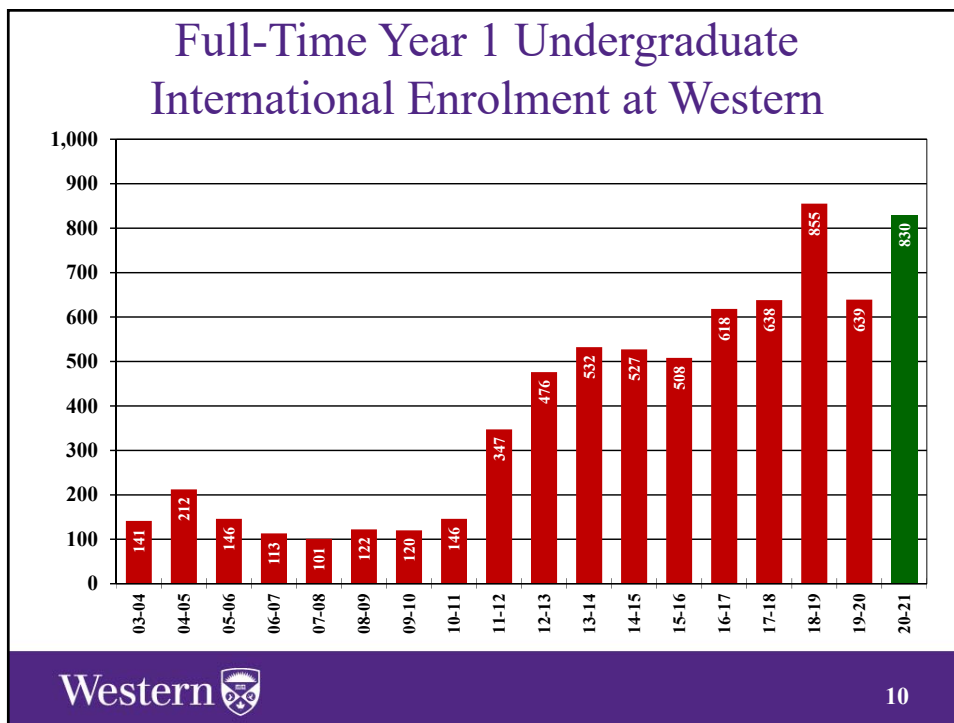
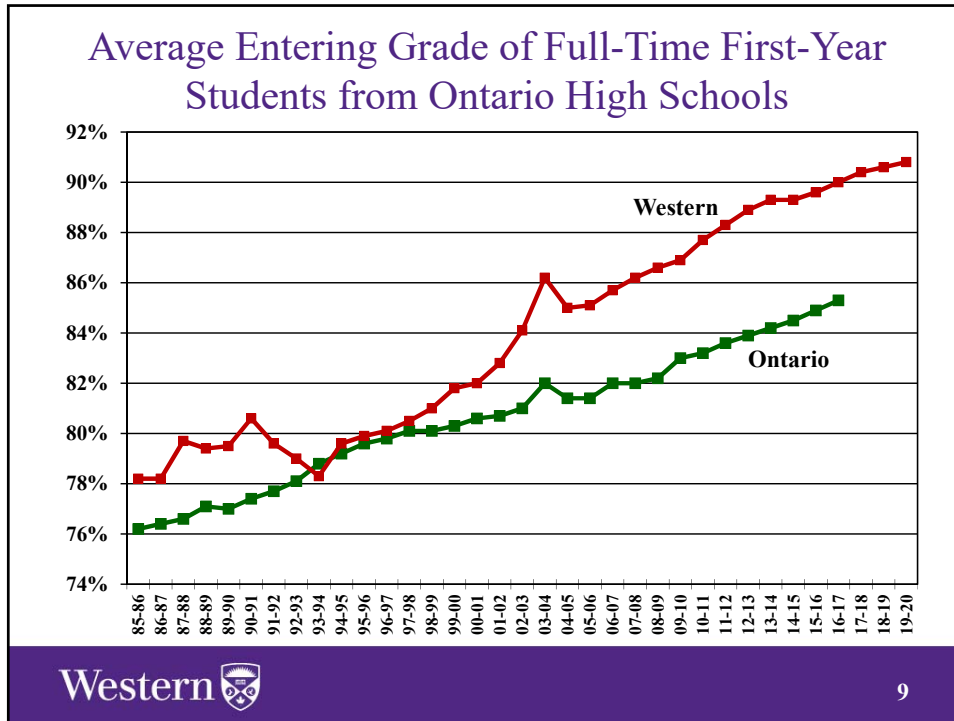
Our Recommendations

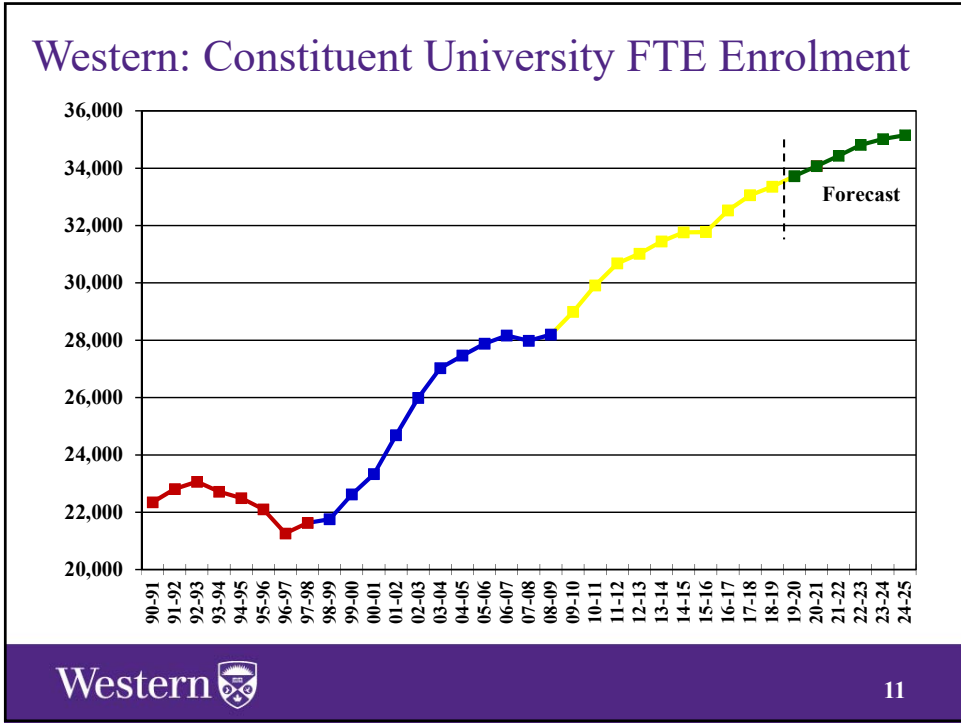
- With Revenue Risks as background
- Continue with Budget Plan for 2020-21 – which has the ability respond to possible lower revenues, by deferring one-time expenditures as needed
- Assume 7.5% reduction in int'l undergrad tuition revenue
- The Operating Reserve will also allow us to manage through any revenue downturn (for next year)
- If the Revenue Issues continue past next year, then we will have to make adjustments in future years
- This approach will allow our units to move forward with planning for 2020-21

Enrolments: The Main Driver of Operating Revenues


SUEPP-approved Enrolment Forecasts For 2020-21 Budget Planning Purposes

- Undergraduate
 - First-year class of 5,430
 - Which includes International intake of 830
 - Based on input from Deans and academic/educational quality considerations
- Graduate
 - As per the Plans submitted by the Faculties
- **COVID-19 could impact these plans**

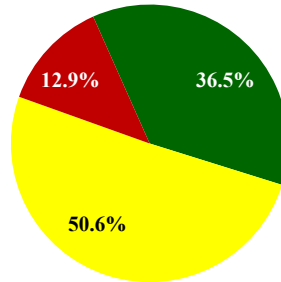




The 2020-21 Operating Budget

Western  12

Projected 2020-21 Operating Revenues (Total = \$807.5M)



■ Govt Grants
 ■ Tuition
 ■ All Other

Our Strategic 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
NEW Office of Indigenous Initiatives	\$760K Base	2, 3
Long-Range Space/Plan: University Community Hub, Science/Medicine ID Facilities, Medical School Facilities, Pedestrian-friendly Campus, Energy Conservation, Sports Dome	\$65.5M One-Time	1, 2
COVID-19 Related Student Financial Support Programs	\$13.5M One-Time	2
Continuation of Western Research Chair Program	\$10M One-Time	1, 2
Interdisciplinary Initiatives (IDIs)	\$2.9M One-Time	1, 2
The Western Academy for Advanced Research	\$1M One-Time	1, 2, 3
University-wide Data Strategy Initiatives	\$1M One-Time	1, 2, 3
Strategic Expansion of Engineering: Multi-Year Self-Funding Plan	\$11M One-Time; \$912K Base	1, 2, 4

Summary of the 2020-21 Operating Budget (Table 2)

- **Revenue Forecast** = \$ 807.5M
 – Increase of 1.4%
- **Expenditure Plan** = \$ 841.9M
 – Increase of 5.2%
- **Projected In-Year Position** = \$ -34.4M
- **Projected Operating Reserve** = \$ 56.7M

The 2020-21 Capital Budget

Overview of the 2020-21 Capital Budget

- Supports Long-Range Space Plan (Page 33, Table 13)
- Major Projects – underway or upcoming (Category 1)
 - Modernization of Thames Hall
 - Weldon Library Modernization
 - Biomedical Research Facility: Phase 1 of Medical Project
 - Public Health & Family Medicine Building 3rd Floor Completion
 - Indigenous Learning Spaces
 - Ivey Spencer Leadership Centre Renewal / Expansion
 - Entrepreneurship and Innovation Centre
 - Pedestrian-friendly Campus Initiatives
- Preliminary Planning underway for Category 2 Projects
 - University Community Hub, Science/Medicine ID Facilities
 - Future Medical School Phases, Sports Facilities

Overview of the 2020-21 Capital Budget

- **Total Spending of \$130.7M** (Table 14, line 10)
 - \$44.5M for New Construction (Table 17, line 10)
 - \$33.7M for Major Renovations (Table 17, line 18)
 - \$52.5M for All Other Expenditures
 - Utilities and Infrastructure
 - Modernization of Academic Facilities
 - General Maintenance and Modernization
 - Housing and Ancillary Projects

END