

**THE UNIVERSITY OF NORTHERN BRITISH COLUMBIA
SPECIAL SENATE MEETING
PUBLIC SESSION RE: 2004/05 PROPOSED BUDGET
MINUTES**



March 23, 2004

3:00 – 4:00 PM

Room 7/172 Bentley Centre - Prince George Campus

Present: R. Berthiaume (teleconference), S. Beeler, T. Binnema, L. Coates, S. Cochran, D. Ditto, J. DeGrace, A. Fredeen, S. Gill, C. Jago (Chair), E. Jensen (teleconference), J. Kennedy-Pannett, E. Kinghorn (teleconference), D. Macknak, B. Malcolm, M. Mandy, R. Matheson (teleconference), W. McGill, B. Milakovic, B. Muir, K. Naziripour, A. Nussbaumer, D. Nyce (teleconference), D. Poff (Vice-Chair), F. Rahemtulla, J. Randall, B. Simard, H. Smith, J. Swainger, R. Tait, T. Whitcombe, S. Wilson, A. Truant (Recording Secretary)

Regrets: B. Anderson, M. Blouw, C. Brown, A. Espiritu, C. Hawkins, D. Hemingway, A. Hussein, P. Montgomery, W. Morrison, K. Otter, K. Penner, D. Procter, J. Sims, D. Snadden

Guest: C. Smith (Director of Finance)

The meeting commenced at 3:05pm.

1.0 S-200403.23.01

Approval of the Agenda

Mandy/Whitcombe

That the Public Session Agenda for the March 23, 2004 Special Senate meeting be approved as presented.

CARRIED

2.0 President's Report

2.1 2004/05 Budget Discussion and Review

2.1.1 Presentation of Budget by President

The President provided an overview of the proposed 2004/05 UNBC budget. Some of the highlights were as follows:

- . the University must present a balanced budget annually to the provincial government
- . in November 2003, the forecast was that the University faced a 2.2million deficit if costs were not reduced
- . without cost reductions an increase in tuition fees in the range of 20-30% was required
- . from the outset everything was done to moderate tuition fee increases. It was not the intent to transfer the full burden to students
- . cuts at every level were instituted
- . assistance was received during the budget setting process from the Ministry of Advanced Education. A cut in the provincial grant for 04/05 over the level received in 03/04 had been forecast, and the Ministry made a very strong effort to restore the cut. The budget letter from the Ministry had not yet been received, but we were assured the cut would be restored
- . some end of the year money had also been received from the Ministry that allowed us to anticipate some of our capital replacement expenditures, and to remove them from the budget for the upcoming fiscal year. As a result, contributing to the capital reserve fund had been deferred,

allowing the students to receive the benefit in the form of lower tuition increases, which might not have otherwise been possible

- . this budget was a combination of some addition funding from the Ministry, real cuts and deferments and additional charges to the students in the form of a 10% tuition fee increase (both undergraduate and graduate). We were always reluctant to pass additional charges on to our students, but a 10% increase, from what we know, will be the lowest tuition fee increase in the province this year
- . the multiplier for incoming international students was increased from a multiplier of 2.75 to a multiplier of 3.0 – still the lowest in the province of BC
- . it was also important to note where spending had been directed. The research role of the University was focused on, and as well, funds were directed to enhance our ability to attract capable graduate students, seeing them as contributors to the research role and mandate of the University. These included the waiver of tuition fees for students in PhD programs, which was conditional on performance, and half tuition fee waivers for Masters students, who were given graduate entrance scholarships
- . a number of other measures were taken, with respect to graduate students, from a number of budgetary sources, to provide an office, another work area and computers and to assist with graduate student admissions. The Vice-Presidents' Council focused on issues relating to graduate students as part of the overall focus on maintaining a healthy research environment for the University
- . with regard to recruitment and admissions, there was concern about the enrolment declines in some programs and the leveling off in enrolments in a number of areas. Additional staffing was added to critical areas i.e. student admissions and student counselling
- . with the one-time only Ministry money, significant investments would be made in information technology, infrastructure and telecommunications. This was done so that capital replacement expenditures could be reduced not just for the upcoming year, but for the next few years
- . a net additional faculty appointment was provided for the new degree program in Biochemistry and Molecular Biology, the only new faculty position in the budget
- . a decision was made close to the finalization of the budget not to replace an appointment in Women's Studies that had recently been vacated. Although funding was not included in this budget, it did not mean that it could not be applied for.

The text and details of the entire proposed 2004/05 UNBC budget was included in the meeting package.

2.1.2 Report from the Senate Committee on the University Budget (SCUB)

T. Whitcombe, Chair of the Senate Committee on the University Budget, reported that SCUB had two tasks:

1. to provide advise to the President in the formulations of the budget, and
2. to provide a report to Senate.

SCUB completed both these tasks. The report to Senate outlined the deliberations and decisions. SCUB became involved in the budget setting process back in September, 2003, which was earlier than in previous years. All the documents provided to SCUB were reviewed, and SCUB met with senior administration, on several occasions, to provide their input.

There were concerns when the budget guidelines were received that a call for an overall 3% cut was requested, but SCUB was pleased to see that that did not transpire. Instead, the Vice-Presidents' Council thought strategically about how the cuts should be made.

SCUB examined all the information that came out of the Vice-Presidents' Council and met with President's Executive Council.

The one recommendation, as was made last year, was that there should be a more standardized template for reporting the budget. A much more distributed model was adopted this year, and there was a commitment to move forward, which was heartening to see.

On the whole, SCUB feels that this proposed budget, as presented, represented a clear picture of the University's financial position and its commitment to Senate.

Motion

S-200403.23.02

Proposed 2004/05 UNBC Budget

Whitcombe/Mandy

That Senate having reviewed the proposed 2004/05 UNBC budget concur with SCUB and recommend that the President present the proposed budget to the Board of Governors for their consideration.

CARRIED

19 APPROVED (5 on the phone)

7 OPPOSED

2.1.3 Senate Discussion

- . Senator Berthiaume referred to the Access and Affordability Survey, in which it showed that 26% of UNBC students would likely have to quit their studies if there was an increase in tuition fees, and asked if this 10% tuition fee increase would affect the threshold. C. Jago responded that the effect could not be determined at this time. The Access and Accountability survey was added to the budget presentation as it was a very influential study and was given utmost consideration during the budget process, as the various issues were dealt with. It confirmed what was already known i.e. that UNBC was a “destination” University, with more students living away from home and having to deal with both academic costs as well as living expenses. It also confirmed that UNBC students had higher debt loads than students attending some of the other BC universities, but it also provided new information. Even before the survey results were received, UNBC students were assured that every effort would be made to keep tuition fee increases to a minimum, without jeopardizing the University.
- . In response to Senator Berthiaume's question regarding how our commitments to students over the past two years had been kept with regard to providing better access and services, C. Jago confirmed they had, although more modestly than he would have liked. Course sections and course offerings had been increased every year and services improved i.e. Peer Program, Counselling and student services. In this budget, money was set aside in the Vice-President (Academic) & Provost's budget to ensure the demands for course sections were met, and that there were no cutbacks to student services. This included the implementation of Banner Student, which should have some beneficial affect to students. Hopefully, the 10% increase in tuition fees would be less detrimental to students than if the increase was higher, as it might have been if the additional funding from the Ministry was not received.
- . Senator Smith disagreed with the cut of the Women's Study/First Nations Study position noting that it affected two programs. Both Colleges had made an effort to re-build the Women's Study program and the position was being removed at a time when the program was vulnerable. In response, Dr. Poff stated that the program was in a far more vulnerable position last year with two unfilled positions, and the position cut had been a non teaching position for 50% of the time it existed. In a year when a substantial cut was being taken from the base operating budget, maintaining the position could not be justified.
- . In response to Senator Smith's questions regarding the “contingency” fund, the Vice-Chair stated that there was a level of discomfort around the cuts, so the intent was to have an operating budget contingency in place to ensure that programs were not put in a position where they were not viable. That was not to say that the programs would not try to operate within the proposed budget. The process for the redistribution of funds would be handled by the Vice-Presidents' Council, where the Deans participate.

- . Senator Milakovic stated that the budget demonstrated the commitment to graduate research and addressed issues raised by the graduate students. Although the 10% increase was moderate, it did not fully address the financial burdens brought on by the first two tuition increases. The value of Teaching Assistants needed to be addressed. Teaching Assistantships continue to be the major source of funding for many graduate students and these were below the national average.
- . Senator Muir also voiced concerns from the graduate students. In particular, the concerns were regarding the value of the Teaching Assistantships at UNBC, and its use as a recruitment and retention tool.
- . The Chair confirmed that the cuts represented 2.2% of the non salary budget.
- . Senator Mandy spoke about the effects the cuts would have on students. Some students for example were unable to apply for research awards due to financial burdens. C. Jago replied that there was an ambitious and expensive program in place for tuition waivers to assist in that regard.
- . The implementation of differential tuition fees was raised by Senator Wilson. C. Jago advised that differential fees had been discussed over the last two years, but surveys showed some concerns. Senator Wilson also stated that more funds should be spent on Library holdings. The Chair responded that we already spent more on Library holdings than most universities of the same size. Funding for Library acquisitions was always a high priority, but had to stay within the budget. Senator Nussbaumer added that there would have to be some cancellations of journal subscriptions.
- . Senator Gill advised that the Northern Undergraduate Student Society had seen a notable increase in the number of undergraduate students requiring student aid and food packages.
- . The increase in salary expenditures was noted. C. Jago added that over the past three years this had continued to increase. Labour costs consumed the largest part of the budget, but was necessary in order to remain competitive in the market place.
- . Other cost increases noted were licensing fees, journal costs, and energy fees.

3.00 S-200403.23.03

Adjournment

Mandy

That the Senate meeting be adjourned.

The meeting ended at 4:00pm.