1.0 Call to Order
The meeting was called to order at 2:30 p.m.

2.0 Approval of Agenda

AGC-01-05-09-2013
Moved by L. Blyth, seconded by M. Sekulic THAT Academic Governance Council approve the agenda for the May 9, 2013 special session, as presented.

Carried

3.0 Report of the President

3.1 2013-2014 Budget Update
David Atkinson, Chair of Academic Governance Council (AGC), requested that AGC members consider the 2013-2014 Budget Update in a session of the Committee of the Whole, in order to facilitate open discussion. It was agreed that the discussion would conclude by 3:45 p.m.

AGC-02-05-09-2013
Moved by J. Nethercote, seconded by P. Roccia THAT Academic Governance Council resolve itself into a committee of the whole to consider and discuss the 2013-2014 MacEwan University Budget Update and that committee consideration and discussion take no longer than 70 minutes to complete.

Carried (1 opposed)

Chris Hancock, Vice-Chair of AGC, assumed the role of Chair of the Committee of the Whole.
At 3:45 pm, the Committee was required to rise and report. C. Hancock, Chair of the Committee, reported that the Committee of the Whole recommended that its comments, as recorded on May 9, 2013, be forwarded to the President and Board of Governors for consideration in the final drafting of the 2013-2014 budget.

**AGC-03-05-09-2013**

Moved by C. Hancock, seconded by R. Falconer THAT Academic Governance Council approve the committee's recommendations, as presented.

Carried

[Scribe's Note: Normally, proceedings of the Committee of the Whole do not form part of the minutes of AGC; however, the discussions are summarized in the meeting notes of the Committee of the Whole, which form the Council's recommendations on the President's 2013-2014 Budget Update (Attachment 1).]

### 4.0 Future Agenda Items/Next Meetings – May 21, 2013

The next regular meeting of AGC is May 21, 2013 at 5:45 p.m. to 8:45 pm in Room 103, South Campus. Elections for next year's AGC Vice-Chair, Executive Committee members, and Nominations Committee members will be held at that meeting.

### 5.0 Adjournment

The meeting adjourned at 3:55 p.m.

**Attachment**

1. Proceeding Notes of the Committee of the Whole – May 9, 2013

**Approved by Academic Governance Council**

May 21, 2013 (Motion AGC-01-05-21-2013)
PROCEEDING NOTES OF THE COMMITTEE OF THE WHOLE

Academic Governance Council Special Session, Thursday, May 9, 2013
Reference: Minute 3.1

The Committee of the Whole observed the presentation by David Atkinson, President of MacEwan University, on the 2013-2014 MacEwan University budget update. The Committee expressed the following concerns in their discussion:

- Of the positions eliminated, how many were academic versus non-academic?
  o The majority of positions eliminated were non-academic.

- Why would the University run a deficit budget, when there is a contingency fund?
  o The contingency fund will be decreased by 50 percent next year. Also, contingency funding is one-time funding and will not resolve the deficit.

- Is it realistic for smaller units, such as the English as a Second Language (ESL) program, to achieve a five percent cut to their 2013-2014 budgets?
  o The University will review the long-term structure of those units. In other universities, ESL and academic preparation programs generate revenue.

- What is the Out-of-Scope merit adjustment that is being eliminated?
  o Out-of-Scope employees were eligible to receive a special merit increase for extraordinary service, on top of the annual cost-of-living increase and merit increase for progression through the ranks. The special merit increase funding has been eliminated.

- Will AGC be reviewing, endorsing, or approving the MacEwan University Comprehensive Institutional Plan (CIP)? That is, when budgetary decisions impact academic programs, is not AGC the governing body that should be approving budget cuts?
  o Strategic and Resource Planning Advisory Committee will present the CIP at the June 11, 2013 AGC meeting. Under the bicameral governance system, AGC is subject to the authority of the Board of Governors; therefore, AGC would not approve the CIP. The budget is presented to AGC in order for members to identify concerns, which would then be communicated to the Board of Governors prior to approval of the budget.

- Who determines which programs will be cut?
  o The deans decide where to cut their budgets, based upon consultation with their Faculty/School, in order to make the best decisions for the University.

- What is the status of budget surpluses for the current year? Will the University be able to apply any surplus to the deficit in 2013-2014?
  o There is no expectation that there will be a surplus at year-end.

- Why would MacEwan University commit $2 million to the downtown community arena when it has a deficit budget?
  o The Board of Governors approved the one-time expenditure if the downtown arena project is approved by the City of Edmonton. One-time expenditures are often one-time opportunities that must be taken into consideration in long-term planning. Funding was allocated many years ago to the athletics program by the Board of Governors, who recognized that a quality educational experience was not limited to the classroom.

- Will research funding be cut?
  o No, the Provost decided not to reduce the research budget for 2013-2014.

- How does the 2013-2014 budget deficit impact the hiring freeze?
  o Even though the hiring freeze has been lifted, no permanent positions will be approved until there is an approved plan to remedy the budget deficit. However, it is recognized that some areas must hire permanent employees to avoid dysfunction within their operations. As in other universities, the
Provost and Vice President Academic has the authority to make those appointments, currently in relatively small numbers, as recommended by the deans, who recognize that they have to reduce their budgets by five percent.

- Is the Provost's decision based on impact to program quality, or is it influenced by fiscal restraint?
  - The Provost assumes the deans have based budget cuts on maintaining academic integrity.
  - This year, budget approval is late due to the announcement of government cuts. Priorities are usually approved at the beginning of the year. The Provost acts on behalf of the Board of Governors and senior administration to determine which programs best reflect the mission and goals of the University.

- What if the University does not achieve 2013-2014 targets?
  - MacEwan University is a business and has, therefore, set revenue targets while also reducing the budget. A list of priorities was determined last year that assisted the University in making budget decisions for 2013-2014. If the targets are not achieved, priorities will be reassessed.
    - If the University achieves its potential new revenue targets, will that address the deficit going forward?
    - Revenue this year will go into this year's budget and is not guaranteed for next year. The University must be more responsive on the revenue side, because it cannot solely rely on receiving the government operating grant every year.

- Should the University have been more vocal in the media about the provincial funding cuts in order to garner support from the public, rather than allowing the public think the cuts may have been necessary?
  - For the first time, all Alberta post-secondary institutions are working together to define a clear strategy for the post-secondary educational system. Minister Lucaszk has indicated a willingness to be involved in a collaborative exercise, and, therefore, MacEwan University chose to advocate directly with the Minister rather than negotiating through the media.

- For the September 2013 AGC meeting, would it be possible to ask departments/areas to provide a high-level summary of impacts due to the budget deficit, in order that there is an official record and to guide future planning?
  - Affected departments/areas will be asked to provide high-level summaries of the consequences of the 2013-2014 budget cuts, to be included for information in the September 2013 AGC meeting package.