

Item: Board of Governors Minutes, June 1996  
Call Number: Board of Governors Fonds UA-1, 55.3

Additional Notes:

This document is a compilation of Board of Governors minutes, staff matters and miscellaneous documents for June 1996. The documents have been ordered chronologically and made OCR for ease of searching. The original documents and additional materials for this year which have not yet been digitized can be found in the Dalhousie University Board of Governors fonds (UA-1) at the Dalhousie University Archives and Special Collections.

This document is a digital facsimile of the materials described above. It was digitized on 25 June 2012.

The original materials and additional materials which have not been digitized can be found in the Dalhousie University Archives and Special Collections using the call number referenced above.

In most cases, copyright is held by Dalhousie University. Some materials may be in the public domain or have copyright held by another party. It is your responsibility to ensure that you use all library materials in accordance with the Copyright Act of Canada. Please contact the Copyright Office if you have questions about copyright, fair dealing, and the public domain.





Minutes of a meeting of the Board of Governors held on June 18, 1996 at 4:00 p.m. in University Hall.

**Present:**

Mr. Allan C. Shaw  
Chairperson

Mr. Peter Bryson

Mr. Curtis Cartmill

Mr. Gerald Clarke

Mr. James S. Cowan

Vice-Chairperson

Mr. J. Dickson Crawford

Mr. Fred S. Fountain

Dr. Elaine Gordon

Mrs. Patricia Harris

Ms. Margaret Langley

Dr. Frank Lovely

Ms. Bernadette Macdonald

Hon. Jacqueline Matheson

Mrs. Josie Richard

Mr. John C. Risley

Honorary Treasurer

Mrs. Patricia Roscoe

Dr. Colin Stuttard

Dr. Tom Traves

President

Regrets were received from Professor Joan Conrod, Sir Graham Day, Mr. George W. MacDonald, Mr. Brad MacKay, Mrs. Ann Petley-Jones, Mr. Kenneth C. Rowe and Mrs. Carol D. Young.

Also present were: Dr. George Piercey (immediate past Chairperson, Board of Governors); Dr. Deborah Hobson (Vice-President, Academic & Research); Mr. Bryan G. Mason (Vice-President, Finance & Administration); Dr. Jane Fee (President, Dalhousie Faculty Association); Mr. Peter A. Stuart (Senior Vice-President & Chief Investment Officer, The Maritime Life Assurance Company); Mr. Brian Burnell (Eckler Partners Atlantic); Mr. Alan Barkhouse (KPMG Peat Marwick Thorne); Mr. Ian Nason (Director, Financial Services); Mr. Stan Dalrymple (Manager, Budgets & Financial Analysis); Mr. Brian D. Christie (Executive Director, Office of Institutional Affairs); Mr. W. H. Lord (Director, Physical Plant & Planning); Ms. Heather Williamson (Coordinator, Staff Relations); Mr. Leland Crowell (Coordinator, Employee Benefits & Payroll); Ms. Wendy McGuinness (Public Relations Officer); and Ms. Joann Griffin (Secretary).

The Chairperson called the meeting to order at 4:10 p.m. He then introduced and welcomed Dr. Jane Fee, who, during her term as President of the Dalhousie Faculty Association will be attending Board meetings as an observer.

**Approval of Agenda**

Board members agreed to accept the agenda as distributed with one item, namely the proposed allocation of funds for Alterations and Renovations for 1996-97 being added to the agenda under

Board of Governors  
June 18, 1996  
Page Two

items for decision, and item 6 (c) the Nominating Committee's recommendation regarding the appointment of a University of King's College representative to the Board of Governors, being deferred. It was also agreed that any questions relating to a Report of the University Tenure Committee which had been submitted to Board Members would be responded to in an *In-Camera* session.

### **Approval of Minutes of Board Meeting of May 14, 1996**

Mr. Fountain moved and Ms. Langley seconded a motion THAT the Minutes of the Board of Governors meeting held on May 14, 1996 be approved as distributed. The motion carried.

### **President's Report**

Dr. Traves commented briefly on his President's Report that had been distributed at the meeting, a copy of which is attached to these Minutes. He drew attention to and praised all of the individuals who had worked so hard to achieve the Pension Surplus Agreement particularly the Board's negotiators - Mr. Bryan Mason, Mr. Ian Nason, Mr. Michael Roughneen and Mr. Brian Christie. He also thanked the negotiators for the employee groups. He then noted the provincial government's approval of a capital project for a new building at Dalhousie for the Faculty of Arts and Social Sciences which he indicated was a very important development.

### **Tribute to retiring Board Members**

Mr. Shaw suggested that it was appropriate now to take a few moments for everyone to recognize and express our gratitude to those Board Members who would be retiring from the Board at the end of June. He noted that the group of five retirees from the Board were Mr. Almon, Mr. Bryson, Mr. Crawford, Mrs. Richard and Dr. Sobey and that together this distinguished group represents thirty-five years of service to the Board of Governors and to Dalhousie University. He commented that their collective contribution encompasses a diverse involvement in the life of the University, and a very generous commitment of time and effort always freely given with the best interests of Dalhousie in mind.

He concluded by noting that all of these individuals had contributed most thoughtfully to the work of the Board, and that we would be counting on their ongoing support as fine ambassadors with a keen interest in the well being of Dalhousie. The President and the Chairperson then presented each of the retiring Board Members who were present at the meeting with a copy of Volume One of Dr. Peter Waite's book "The Lives of Dalhousie University".

Mr. Crawford responded by expressing thanks for the kind remarks and noted that while not all of his experiences as a Board Member had been enjoyable it had always been stimulating, and that this last year had been a particular pleasure thanks to a changed attitude and effective

Board of Governors

June 18, 1996

Page Three

communication by Dr. Traves. He remarked that, while there are still serious problems, the goodwill that now exists speaks well for the future and he will be pleased to be an ambassador for Dalhousie. He then acknowledged and thanked Mr. Bryan Mason, Mr. Ian Nason and Ms. Anne Hicks, Investment Manager, for their support with the complex and detailed work of the endowment and pension plan funds.

### **Items for decision**

#### **Financial Matters**

##### **(a) Financial Report**

The Chairperson called upon Mr. Risley, Chair, Finance & Budget Committee, to comment on the Annual Financial Report which had been pre-circulated. He began by commending Mr. Mason and Mr. Nason for the fine quality of the report that had been prepared. He then explained that the operating surplus of \$1 million that had been realized for the year ended March 31, 1996 was mainly attributable to an increase in tuition fee revenues. He urged Board Members to closely review the total revenues shown on page two of the Financial Report which he noted provide a good overview of the University's operation. He observed that for eight consecutive years the University has had a balanced budget or a surplus, and that ancillaries are coming closer and closer to operating on an independent basis. He concluded by offering to respond to any questions. No questions were raised.

##### **(b) Audited Financial Statements for year ended March 31, 1996**

In Mrs. Petley-Jones' absence, Mr. Mason relayed comments on her behalf during which he emphasized that we have an absolutely clean Audited Financial Statement for the year ended March 31, 1996. He noted that since January 1, 1996 there has been a new accounting system in place which was a tremendous undertaking done superbly well by Financial Services. He explained that in separate meetings with Management and with the Auditors no management and no audit concerns were raised. He offered to respond to questions but none were raised.

Mr. Bryson moved and Mr. Crawford seconded a motion THAT, on the recommendation of the Audit Committee, the Board of Governors approve the audited financial statements of the University for the year ended March 31, 1996. The motion carried.

##### **(c) Appointment of Auditors for 1996-97 Fiscal Year**

Mr. Crawford moved and Mrs. Harris seconded a motion THAT KPMG Peat Marwick Thorne be reappointed as auditors of the University for the 1996-97 year with no increase in fee. The motion carried.

**(d) 1996-97 Operating Budget**

Mr. Risley reviewed the key assumptions and highlights of the 1996-97 Operating Budget as outlined in the material that had been pre-distributed to all Board Members. He explained that the most important variable with respect to the budget is the assumption we make regarding enrolment expectations, and that a change of even 100 more or less students can have a dramatic impact on the budget. He noted we are assuming the same number of students as last year and that, at the moment, applications are consistent with that forecast, but it will be September or October before firm numbers are known. He commented that we have not experienced the decrease in enrolment that other universities have across the country. He then offered to respond to any questions, but none were raised.

Mr. Risley moved and Mr. Crawford seconded a motion THAT, on the recommendation of the Finance & Budget Committee, the Board of Governors approve a 1996-97 Operating Budget with revenues of \$116,999,000 and expenditures of \$116,979,000 resulting in a budget surplus of \$20,000. The motion carried.

**Nominating Committee Recommendations**

Dr. Piercey noted that three motions were to be presented on behalf of the Nominating Committee to formalize the appointment of three new Board Members, to ratify the reappointments of five Board Members, and to approve the reappointment of two Associate Board Members. With respect to Associate Board Member appointments, it was noted that it is customary for them to be for a five year term.

Mr. Cowan moved and Dr. Lovely seconded the following motions:

THAT, on the recommendation of the Nominating Committee, the Order in Council appointments of Mr. Peter A. Stuart and Mr. Murray Coolican effective from July 1, 1996 to June 30, 1999, and of Ms. Daurene E. Lewis effective from September 1, 1996 to June 30, 1999 be approved.

THAT, on the recommendation of the Nominating Committee, the Order in Council reappointments of Mr. Fred S. Fountain, Mr. George W. MacDonald, Mrs. Patricia Roscoe, Mr. Allan C. Shaw and Mrs. Carol D. Young each effective July 1, 1996 for a three year period be approved.

THAT, on the recommendation of the Nominating Committee, Mrs. Brenda McCarthy and The Hon. Madam Justice Bertha Wilson be reappointed Associate Members of the Board of Governors effective July 1, 1996 for a five year period. The motions carried.

Board of Governors  
June 18, 1996  
Page Five

The Chairperson briefly introduced one the new Board Members, Mr. Stuart, who was in attendance as an observer.

The Chairperson then observed that most, if not all Board Members, knew that Dr. Piercey had served as Chair of the Board of Governors from 1990 to 1993. He noted that while Dr. Piercey has not been an official member of the Board since then, he has attended many, many meetings to report to the Board as Chair of the Nominating Committee. Dr. Piercey was thanked for his generosity and loyalty which has gone well beyond the call of duty. He was then presented with a copy of Volume One of Dr. Waite's book "The Lives of Dalhousie University".

### **Pension Surplus Agreement**

The Chairperson then added his thanks to those already expressed by the President to all who had worked so diligently through the prolonged negotiations leading up to the successful outcome of the Pension Surplus negotiations. Mr. Mason was then called upon to comment. He noted that the long series of negotiations began 23 months ago and, while at times progress that had been made became unravelled, now all who had been involved were delighted that finally the log jam had been broken and agreement reached which has been ratified by all the employee groups. He commented that if the Agreement was approved today by the Board, it would come into effect immediately. He described the Agreement as a good and positive step forward for the University and its employees and observed that, in three years, we would also see the end of the Dalhousie debt problem which will be an important relief and excellent for our public image.

He noted that a number of safeguards are in place to ensure the financial integrity of the agreement with two full actuarial valuations and two actuarial reviews scheduled as part of the agreement. He also noted that the Board can have further reviews/valuations performed at the end of any quarter-year period to confirm that surplus still exists and is sufficient to move to the next phase of the Agreement. If not, the Agreement would come to an end. He explained that a contingency reserve equal to 1.4% of the plan's liabilities will be retained in addition to all the usual actuarial reserves. He concluded by observing that the size of the surplus is extremely, evenly illegally large, and we have to act in a responsible way to use it up to meet Federal Government regulations.

Ms. Macdonald inquired about any benefits for those already on pensions from Dalhousie, and Mr. Mason commented that they are paid out of a separate fund which is the Retirees' Trust Fund and its performance dictates their pensions. He noted that in most years since the plan has been in place we have been able to provide full or partial inflation protection for this group and we do make ex gratia payments which are built into the Operating Budget for those who retired prior to the present Pension Plan coming into force.

In response to an inquiry from Mr. Clarke about the problem debt and the pension surplus Mr. Mason clarified that the surplus in the Pension Plan is not related to the size of the problem debt. He explained that the surplus in the Pension Plan comes from superior investment performance and also, in part, from the assumed salary increases that did not occur due to wage restraint, and the lower than forecast rate of inflation. With respect to the debt he expressed the hope that once it was paid off that it would not reoccur and any building up of a reserve out of the operating budget to, for example, use for deteriorating plant and maintenance requirements, would be an issue for the Board to decide upon. He commented as well that maintaining the high quality programs that we offer will always be front and centre and we have to delicately balance between building up surpluses for specific needs and meeting our day to day obligations and priorities. Mr. Clarke then asked if there would be any possibility of decreasing or eliminating tuition fee increases once the debt was paid off, and Mr. Mason observed that with government funding continuing to decline and many of our costs continuing to rise along with the severe pressure that will impact on the Operating Budget when wage restraint ends could well make that impractical to do.

Mr. Risley moved and Dr. Gordon seconded a motion THAT the Board of Governors approve the 1996-97 Pension Surplus Agreement dated 4 June 1996 which has been ratified by all the employee groups; and THAT, in order to implement the Pension Surplus Use Agreement, the Board of Governors approve the amendments to the Dalhousie University Staff Pension Plan as stated in Attachment #3 of the June 10, 1996 memorandum to the Board of Governors from the Vice-President (Finance and Administration) regarding ratification of the 1996 Pension Surplus Agreement. The motion carried.

#### **Recommendation for appointment of Ombudsperson and Assistant Ombudsperson**

Dr. Traves moved and Mr. Cowan seconded a motion THAT, subject to approval by Senate, the Board of Governors approve the appointment of Ms. Kelly Shea as Ombudsperson and Ms. Mary Hamblin as Assistant Ombudsperson for 1996-97. The motion carried.

#### **Building and Grounds Committee : 1996-97 Alterations and Renovations Recommendations**

Judge Matheson noted that information on the 1996-97 Alterations and Renovations recommendations had been circulated at the meeting, and she explained that a proportionally larger amount was to be directed this year towards Environmental Health and Safety projects which reflects the greater emphasis which the University now finds it necessary to place on improving ventilation and air quality in its buildings. She also noted that a significant portion of this year's funding is for projects previously approved by the Board that are being financed over two years.



Board of Governors

June 18, 1996

Page Seven

Dr. Stuttard observed that some alteration and renovation items could fit in more than one of the categories listed in the material that had been circulated which is confusing, and he noted it is difficult to ascertain from the information that has been made available just what is to be accomplished in the various categories. He then inquired if some buildings are being maintained only to safety standards or are they to be restored to a good state. He expressed concern that the Board was being asked to approve the proposed recommendation having just received the information at the meeting.

Mr. Mason explained that a number of the houses around campus that currently accommodate various departments in the Faculty of Arts and Social Sciences have a very limited future use and we do not want to put additional resources in them beyond what is required for safety purposes. As well, he noted that the building which houses the Faculty of Management probably does not have a much longer useful life. He acknowledged that the categorization of expenditures can be difficult. For example wiring might be done for safety purposes or for building fabric. He noted that he would be pleased to report back to the Board, if they so wished, with respect to the use of the contingency fund in the various expenditure groups. He explained that details behind all the numbers are shared with members of the Senate Physical Planning Committee each year and discussed along with the reasons for giving some projects higher priority than others. He noted that such information is also available to the Board's Buildings & Grounds Committee.

Judge Matheson moved and Ms. Macdonald seconded a motion THAT on the recommendation of the Buildings and Grounds Committee, the Board of Governors confirm the proposed allocation of funds for Alterations and Renovations for 1996-97. The motion carried.

### **Item for discussion**

#### **Grievance Review Report for 1995**

Mrs. Roscoe observed that the Grievance Review Report for 1995 had been pre-circulated and that it contained fairly detailed information. She drew attention to the fact that the information presented in the Report was compiled separately for the academic and staff bargaining units since responsibility for grievance administration is divided between the President's Office for the academic and the Staff Relations Unit of Personnel Services for staff grievances. She noted that there are six bargaining units on campus, one of which CUPE (3912) is currently negotiating a first collective agreement which will provide for a formal grievance and arbitration procedure. She commented that data contained in the Report represents information on all formal academic grievances and because the President's Office is not always advised of a grievance which has been resolved or otherwise concluded at the informal level therefore information regarding informal grievances is not included in the Report as it would be incomplete.

Board of Governors  
June 18, 1996  
Page Eight

### **Annual Reports of Standing and other committees**

It was noted that Board Members had received the Annual Reports of all Standing Committees in advance of the meeting. During a review of the reports it was noted that the renovations in the Studley Gym to provide a Disaster Recovery site had been completed to provide a back-up site for all the central computing systems in the University. Thus the required wiring has been done so, if ever there was a disaster in the present computing centre, we could quickly be up and running in the Studley Gym. It was next noted that there is an agreed plan - to be funded by a part of the students generous contribution to the Capital Campaign - between the Dalhousie Student Union and the University for a blue light security system on campus which will be installed on a partial basis this summer.

Mrs. Roscoe noted that Dr. Carmen Moir, a former member of the Board of Governors, remains an active member of the Staff Relations Committee and she commented that his knowledge and participation in the work of the Staff Relations Committee has been of tremendous benefit and is greatly appreciated.

The Chairperson thanked all Committee Chairs and Committee Members for their efforts over the past year. With respect to Standing Committees he then informed the Board that recently the Nominating Committee and the Officers of the Board had observed that the current Standing Committee structure had been developed at a time when the Board was much larger, and there is some thought that there may be some redundancy and overlap. With that in mind, Mr. Cowan has been asked, and has agreed, to review the current structure with a view to developing recommendations for the Board to consider about possible changes regarding the number of existing committees, their terms of reference, and composition.

### **Capital Campaign**

Mr. Risley commented that the current focus, apart from the staff component of the Capital Campaign which is moving along successfully, is on larger gifts which do take time to realize. He expressed his confidence that in September results of many overtures will show a favourable impact on the campaign goal. In response to an inquiry from Ms. Macdonald he explained that the \$35 million campaign goal is exclusive of any public sector support.

Board of Governors  
June 18, 1996  
Page Nine

**Adjournment**

Immediately prior to the adjournment, Dr. Gordon informed Board Members of the recent death of Mr. George Thompson, a former Member of the Board of Governors and of the Board of Directors of the Dalhousie Alumni Association who she noted had been a great benefactor to Dalhousie University.

The meeting adjourned at 5:20 p.m. with Board Members only being asked to remain for an *In Camera* session.

---

Mrs. Carol D. Young  
Honorary Secretary

---

Mr. Allan C. Shaw  
Chairperson

Attachment : President's Report



Dalhousie University

Office of the President  
Halifax, Nova Scotia  
Canada B3H 4H6  
(902) 494-2511  
Fax: (902) 494-1658

**President's Report to the Board of Governors**

This meeting marks the end of my first year as President. It has been an exciting period - settling into office, meeting the Dalhousie community, dealing with rationalization and the pension surplus issues, fundraising, and focusing our efforts on economic and social outreach programs. Over the year I have been greatly impressed and tremendously appreciative of the support and good counsel offered to me personally and to the university by our Board of Governors. I want to thank all Board members for this generous support.

At today's meeting, Board members will be asked to endorse the recently completed agreement with our employee groups on the distribution of the accumulated pension surplus. I would like to express my appreciation to the Board's negotiators - Bryan Mason, Ian Nason, Michael Roughneen and Brian Christie - for their perseverance and flexibility in reaching a positive outcome. Similarly, I want to thank the numerous representatives of the employee groups for their constructive efforts to reach agreement. If the assumptions upon which the agreement is based prove valid, as we hope and expect they will, Dalhousie will benefit greatly. Employees will enjoy higher take home pay, better retirement benefits and an attractive early retirement scheme. The University will be in a strong position to eliminate its accumulated deficit around the time the agreement expires. It is hard to overstate the significance of these developments.

Our Capital Campaign continues to make excellent progress. I am very pleased to inform the Board that Premier Savage and Education Minister MacEachern recently met with Mr. Risley and me and confirmed provincial support for our campaign in the form of a six million dollar contribution to a new academic building for the Faculty of Arts and Social Sciences. We will have to match this sum through our fundraising efforts. Planning for the new building, which will contain new lecture halls equipped with state-of-the-art multimedia and computer assisted learning facilities, as well as offices for a number of their departments now located inadequately in several houses around the campus, will commence shortly. The faculty and students who will use the building will be consulted fully to ensure a building that meets the evolving needs of our university.

I look forward to my second year at Dalhousie.

Tom Traves  
June 18, 1996

Board of Governors  
Dalhousie University  
Tuesday, June 18, 1996  
**MOTION TO BE PROPOSED**

---

**Item No.      BE IT RESOLVED:**

5 (b)      **Audited Financial Statement for year ended March 31, 1996**  
THAT, on the recommendation of the Audit Committee, the Board of Governors approve the Audited Financial Statement of the University for the year ended March 31, 1996.

5 (c)      **Appointment of Auditors for 1996-97 Fiscal Year**  
THAT KPMG Peat Marwick Thorne be reappointed as auditors of the University for the 1996-97 year with no increase in fee.

5 (d)      **1996-97 Operating Budget**  
THAT, on the recommendation of the Finance & Budget Committee, the Board of Governors approve a 1996-97 Operating Budget with revenues of \$116,999,000 and expenditures of \$116,979,000 resulting in a budget surplus of \$20,000.

6.      **Nominating Committee Recommendations:**

6 (a)      **Appointment of Order in Council Board Members**

THAT, on the recommendation of the Nominating Committee, the Order in Council appointments of Mr. Peter A. Stuart and Mr. Murray Coolican effective from July 1, 1996 to June 30, 1999, and of Ms. Daurene E. Lewis effective from September 1, 1996 to June 30, 1999 be approved.

THAT, on the recommendation of the Nominating Committee, the Order in Council reappointments of Mr. Fred S. Fountain, Mr. George W. MacDonald, Mrs. Patricia Roscoe, Mr. Allan C. Shaw and Mrs. Carol D. Young each effective July 1, 1996 for a three year period be approved.

6 (b)      **Reappointment of Associate Board Members**

THAT, on the recommendation of the Nominating Committee, Mrs. Brenda McCarthy and The Hon. Madam Justice Bertha Wilson be reappointed Associate Members of the Board of Governors effective July 1, 1996 for a five year period.

7. **Pension Surplus Agreement**

THAT, the Board of Governors approve the 1996-97 Pension Surplus Agreement dated 4 June 1996 which has been ratified by all the employee groups.

THAT, in order to implement the Pension Surplus Use Agreement, the Board of Governors approve the amendments to the Dalhousie University Staff Pension Plan as stated in Attachment #3 of the June 10, 1996 memorandum to the Board of Governors from the Vice-President (Finance and Administration) regarding ratification of the 1996 Pension Surplus Agreement.

8. **Recommendation for appointment of Ombudsperson and Assistant Ombudsperson**

THAT the Board of Governors approve the appointment of Ms. Kelly Shea as Ombudsperson, and Ms. Mary Hamblin as Assistant Ombudsperson for 1996-97.

9. **Buildings and Grounds Committee : 1996-97 Alterations and Renovations Recommendation**

THAT, on the recommendation of the Buildings and Grounds Committee, the Board of Governors confirm the proposed allocation of funds for Alterations and Renovations in 1996-97 as presented.