

**DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
MINUTES OF THE 391st REGULAR MEETING OF THE BOARD OF GOVERNORS**

DATE: April 13, 2005
TIME: 6:00 p.m.

PLACE: Community Room
Oshawa Campus

IN ATTENDANCE:

GOVERNORS: Lorraine Sunstrum-Mann, Chair
Joanne Burghardt
Karen Hodgins
JoAnne Horruzey
Denise Jones
Deborah Kinkaid
Gail MacKenzie
Mark Moorcroft
Inez Pinder
Phillip (Rocky) Simmons
Beth Wilson (via teleconference)

PRESIDENT: Gary Polonsky

SECRETARY: Cathy Pitcher

**RECORDING
SECRETARY:** Lynda Phillips

PARTICIPANTS: Peter Bagnall
Joanna Campbell
Garry Cubitt
Manon Lemonde
Doug Wilson
Terry Wu

SENIOR STAFF: Ralph Aprile
Bev Balenko
Margaret Greenley
Richard Levin
Sheldon Levy
Richard Marceau
Ann Mars
Donna McFarlane
Judy Moretton
Gerry Pinkney
Kasi Rao
Ken Robb
Terry Slobodian
John Woodward

REGRETS:

GOVERNORS: Aaron Keating
Paul McErlean
Patrick McNeil
Mike Shields
Gerry Warman

PARTICIPANTS: Pierre Hinse
Lyn McLeod

CALL TO ORDER

The Chair called the meeting to order at 6:02 p.m. and welcomed Kasi Rao, Executive Director, Beacon Project and Gary Polonsky provided a brief synopsis of Kasi's career. Kasi thanked everyone for their warm welcome and stated that he felt privileged to be associated with UOIT and this project. He suggested that there is a great amount of excitement surrounding the Beacon Project and noted that he feels it is a project that will be closely watched.

REGRETS

The Chair noted regrets from Governors Aaron Keating, Paul McErlean, Patrick McNeil, Mike Shields and Gerry Warman; and participants Pierre Hinse and Lyn McLeod. Regrets were also noted from Craig Loverock, Assistant V.P. of Finance, UOIT. The Chair also noted that Governors Inez Pinder and Mark Moorcroft and participant Garry Cubitt would arrive late.

INTRODUCTION OF GUESTS

Donna MacFarlane introduced Mike Ruta, education reporter with Metroland News; John Perz, Associate Dean, Faculty of Science, UOIT; and acknowledged Terry Caputo, Assistant V.P. of Finance, Durham College.

ADDITIONS/DELETIONS TO THE AGENDA

The Chair noted the addition of Item 9.1, Letters from Recent Retirees; Item 14.1 i) Joint Relations Committee Meeting and Item 14.1 j) Nominating Committee Meeting.

CONFLICT OF INTEREST DECLARATIONS

None was noted.

APPROVAL OF PREVIOUS MINUTES

The minutes of the 390th Regular Board Meeting of March 9, 2005, were accepted, as presented.

ACTION ARISING FROM PREVIOUS MINUTES

A congratulatory letter was sent on behalf of the Board to Ralph Aprile re the excellent maintenance of the campus grounds.

Congratulatory letters were sent on behalf of the Board to individuals who received recognition at the Trillium Awards.

A congratulatory letter was sent on behalf of the Board to ACAATO commending them on their 2005-2006 funding submission.

Beth Wilson joined the meeting via teleconference at 6:06 p.m.

DECISION ITEMS

Mark Moorcroft, Inez Pinder and Garry Cubitt joined the meeting at 6:27 p.m.

Administrative Representative Governor Acclamation

Moved by Rocky Simmons

Seconded by Karen Hodgins

MOTION "That the Board of Governors of Durham College of Applied Arts and Technology endorse

#DC4827 Deborah Kinkaid's appointment to the Board of Governors as the acclaimed Administrative internal representative for a three year term beginning September 1, 2005."

CARRIED

Student Governor Acclamation for 2005- 2006 Term

Moved by Karen Hodgins

Seconded by Joanne Horruzey

MOTION "That the Board of Governors of Durham College of Applied Arts and Technology endorse
#DC4828 Erin Boniface's appointment to the Board of Governors as the acclaimed Student internal representative for a one year term beginning September 1, 2005."

CARRIED

Recognition of Student Organizations Policy

Margaret Greenley remarked that the introduction of UOIT has brought about phenomenal changes to our shared campus. She noted that previously there were approximately seventeen clubs, while this year there are currently forty. Margaret explained that there are two types of clubs: those where the goal is inclusive, and faculty organizations which are tied into the students' programs. Margaret noted that fraternities and sororities are not recognized as institutional organizations, but are recognized as "off campus" groups.

Doug Wilson remarked that age or sexual orientation are not noted in the policy and asked if these two subjects had been debated? Margaret stated that they had not been debated and will be included in the policy. She thanked Doug for identifying them.

Moved by Karen Hodgins

Seconded by Joanne Burghardt

MOTION "That the Board of Governors of Durham College of Applied Arts and Technology approve
#DC4829 the Recognition of Student Organizations Policy, as amended."

CARRIED

Report of the Audit & Finance Committee Meeting held March 22, 2005.

Denise Jones noted that Sheldon Levy, Terry Caputo, and Craig Loverock, as well as representatives from PIC and the Foundation, had provided very informative presentations at the Audit & Finance Meeting on March 22, 2005.

Approval of the DC 2005-2006 Budget

Terry Caputo noted that the budget is based on a number of assumptions. Salary increments were projected based on the expected Rae Review funds. The tuition freeze is assumed to be \$1,820 per student. He stated that the budget was first prepared excluding PIC funds, resulting in a potential \$3.3M deficit, but that a balanced budget includes the PIC contribution. Terry suggested that our issues are the same as any other college and would have a deficit budget were it not for our entrepreneurial activities. He noted that we need to demonstrate this to the Government. The ACCATO survey showed a system-wide deficit of \$100M and Terry suggested that Durham College represents approximately 4% of the system.

Terry explained expense allocations, noting that Finance has put together a plan which makes Shared Service units more efficient and assumes that the Rae funds are not forthcoming. He suggested that without the deficit, the \$2M PIC contribution could be focused elsewhere.

Garry Cubitt asked if the \$736,905 belonged to PIC and was told "yes", this figure represents a normal business expense for rent. Garry noted that he wanted to completely understand all of the expenses and

Sheldon commented that he had hoped that the PIC presentation at the Audit & Finance Committee meeting had clarified this and provided a level of comfort. Sheldon further explained that within the confines of the community and our Board, our budget is balanced.

Terry Caputo stated that the two main issues with the budget are the ability to meet the enrolment target and the amount of funding that we can expect from the Rae Review recommendations.

Inez thanked Terry for an excellent presentation. She then asked if the \$750,000 for the contingency has already been set aside and Terry explained that it is in the budget figures. Inez then inquired about the Rae funding estimate and Terry suggested that up to about 50% funding on the Rae recommendations is a good guess. Gary Polonsky commented that predictions of 50% to 75% may prove too high, and predictions of 30% to 40% may prove closer to reality. In either case, our projection was conservative.

Gail MacKenzie asked if the budget would be re-aligned if we have been incorrect in our estimations. Gary Polonsky replied “yes”.

Joanne Burghardt asked if, on the pie chart, shared service areas have been included under one heading and Terry responded “yes”. Joanne suggested that the headings on the charts should be consistent to provide ease of understanding.

Moved by Inez Pinder

Seconded by Denise Jones

MOTION #DC4830 “Whereas the budget includes \$2M cash from PIC to balance as well as initial funding from the Province in response to the Rae Review;

Therefore, the Board of Governors approve the 2005-2006 Durham College Budget as prepared by Administration and indicating revenues of \$87,072,312, expenditures of \$90,331,750, and additional, anticipated funding from PIC and the Province of \$3,259,438 and \$0 surplus. If these assumptions are not realized, an alternative budget strategy will be brought to the Board.”

CARRIED

ACKNOWLEDGEMENTS AND REPORTS

Letters from Current Retirees

The Chair circulated two thank you letters from recently retired staff.

CONSENT CALENDAR

The item on the Consent Calendar was accepted, as presented.

INTERIM FINANCIAL REPORT

Terry Caputo reported that on March 31 there was a total of \$88M in revenue and stated that they had under-budgeted approximately \$3M, expecting that the first debenture payment would be made in the 2004-05 fiscal year.

Lorraine commended Terry on a job well done.

DISCUSSION ITEMS

Performance Indicator – DC Key Performance Indicators (KPIs)

Bev Balenko reported on a comparison of last year and this year. Bev noted that ratings had increased over last year in graduate employment, graduate satisfaction, employer satisfaction and graduation rate. She commented on a very slight decrease (-0.1%) in student satisfaction. She suggested that possible factors such as construction on campus somewhat affected the results as well as the current Athletics facility, which was originally built to service 3,000 students. Overall, Bev reported that Durham did well.

Gail noted that the employer satisfaction result was good and congratulated everyone. Lorraine Sunstrum-Mann also congratulated the teams on the favourable KPI results.

DC Enrolment Overview

Richard Levin noted that since 1968 growth has been linear and suggested that DC registration has been supported by growth in population. We will have buffering until 2013, after which time we will need to do better. In preparation, Richard suggested that we will focus on specific marketing strategies for the next couple of years. He stated that immigration will have a profound effect in the next few years in some regions more so than ours. Richard commented that George Brown College has been successful with their branding campaign as “The City College”, and noted that DC will work with a consultant to establish our own branding.

Richard stated that we are not losing large numbers of students from our catchment area. He reported that DC placed a liaison officer in a high school, but found it was not as successful as had been hoped. He then outlined the next steps to be taken, noting that we will need to identify the short and medium term strategies. We will review programs, strengthen the winners, and implement a branding strategy.

Karen Hodgins asked what impact, if any, the increased credentialization will have on community colleges and Richard suggested that there is an assumption that those credentials will be available, noting that this may not happen.

Joanne Burghardt asked if Richard has compiled comparable data on universities and what was UOIT’s market share for Oshawa? Richard explained that, unlike college data, university data must be purchased and noted that universities do not have catchment areas, making the data difficult to compile.

Action: Richard Levin will investigate and report to the Board re UOIT’s market share.

Gail MacKenzie suggested that some of our branding should include the college-to-university connection.

Lorraine thanked Richard for his report.

REPORT OF THE PRESIDENT

Athletics Award Winning Year

Gary Polonsky reported that the Ministry has provided section 28 approval and stated that we were now just awaiting O.E.A. approval to proceed with the Athletic Expansion.

Margaret Greenley stated that an outstanding Athletic Banquet was held last Friday night and noted that our athletes do well every year. Margaret reported that ten of our players were chosen as provincial players of the year.

Action: Cathy Pitcher will send congratulatory letters on behalf of the Board to all athletic award winners.

OSAP Default Rates

Margaret Greenley reported on the OSAP default rates, noting that low enrolment programs can elevate the default percentage. She stated that the college will be putting initiatives in place to help prevent default on loans.

Karen Hodgins asked if we could be held responsible in any way and Margaret replied that any default amount over 25% creates a penalty for the institution.

Doug asked if the 25% is based on total funds or a per student percentage and Sheldon explained that a student who has repaid 80% and only has 20% remaining to be paid could be considered in “default”. A student who was in default and is now repaying, remains in “default”. Gary Polonsky noted that it is better to be the “middle of the pack”. Doug noted that retention could be a problem. Margaret responded that students are assisted with budgeting.

Downey Report Follow-up

Gary Polonsky noted that at this time there is nothing further to report.

REPORT OF THE CHAIR

Upcoming Events

The Chair noted the following upcoming events: Executive Committee Meeting on Thursday, April 14; DC Foundation Board of Directors’ Meeting on Tuesday, April 19; Musical Fundraiser on Tuesday, May 10; DC/VOIT Community Open House on Saturday, May 14; ACCC Conference on June 5-7 in Moncton, New Brunswick; DC Convocation on Friday, June 17; DC/VOIT 2005 Legacy Gala on Saturday, September 24; Joint Relations Committee Meeting on May 17; Nominating Committee Meeting on May 30; and a Building Committee Meeting, details tbd.

COMMUNITY INFORMATION – COMMENTS AND QUESTIONS

Manon Lemonde reported that DC/VOIT will be holding a Nursing information open house on May 12 for students from Grade 7 to 11. This date was chosen because it is International Nurses Day.

TERMINATION OF MEETING

There being no further business, the Chair declared the meeting terminated at 8:03 p.m.

Lorraine Sunstrum-Mann, Chair

Gary Polonsky, President