

**DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
MINUTES OF THE 423rd REGULAR MEETING
(PUBLIC SESSION) OF
THE BOARD OF GOVERNORS**

DATE: May 13, 2009
TIME: 6:00 p.m.

PLACE: Community Room

IN ATTENDANCE

GOVERNORS: Aileen Fletcher, Chair
Gerry Warman, Vice Chair
Rhonda Christian
Garry Cubitt
Carlee Fraser
Pansy Goodman
Karen Hodgins
Doug McKay
Bill Robinson
Nicole Schoep
Darrell Sewell
Mary Simpson
Judy Spring
Fred Upshaw

PRESIDENT: Don Lovisa

SECRETARY: Leigh Doughty

SENIOR STAFF: Margaret Greenley
Donna McFarlane
David Chambers
Ken Robb
Judy Robinson
Ralph Aprile
Nevzat Gurmen

REGRETS: Michael Newell
Franklin Wu

CALL TO ORDER

The Chair called the meeting to order at 6:00 p.m.

INTRODUCTION OF GUESTS

Donna MacFarlane introduced guests Barbara MacCheyne, Director, Financial Operations; Marsha Laverdiere, Manager, Planning and Reporting; Kevin Dougherty, Faculty Elect and Katy Francis, Media and Communications, Durham College.

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ADDITIONS/DELETIONS TO THE AGENDA

The Chair advised a Nominating Committee report regarding the nominations process and election of Chair and Vice-Chair was added to the agenda.

CONFLICT OF INTEREST

None were noted.

PRESENTATIONS

There were no presentations.

APPROVAL OF PREVIOUS MINUTES

Moved by Fred Upshaw

Seconded by Nicole Schoep

“That the minutes of the 422nd regular meeting of the Durham College Board of Governors, held April 8, 2009, be approved.”

CARRIED

ACTION ARISING FROM PREVIOUS MINUTES

None were noted.

CHAIR’S REPORT

Nothing noted.

PRESIDENT’S REPORT

Nothing noted.

COMMITTEE REPORTS

Don Lovisa presented the report from the Chair of Nominating Committee advising of the results of the recent call for nominations for Chair and Vice-Chair of the Board of Governors for the year 2009-2010. Both the Chair and the Vice-Chair shall be acclaimed. This meets with Durham College By-law #1, Section 8 – Election of Officers and the applicable election policy. The Chair requested a motion regarding this item of business.

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Moved by Garry Cubitt

Seconded by Pansy Goodman

“That the Durham College Board of Governors ratify the outcome of the 2009-2010 nomination process by appointing Aileen Fletcher as Chair of the Board for the period of September 1, 2009 to August 31, 2010; and further, appointing Bill Robinson as Vice-Chair of the Board for the period of September 1, 2009 to August 31, 2010.”

CARRIED

NEW BUSINESS

Faculty and Support Staff Election Results

A formal report was provided to the Board to inform of the results of the recent Durham College Faculty and Support Staff Elections, in compliance with College By-Law #1, subsection 4.4, the “Election Policy”, appointing Kevin Dougherty as Faculty Representative and Rhonda Christian as Support Staff Representative for a three year term September 1, 2009 to August 31, 2012.

2009-2010 Budget Report

The Budget Report was introduced by Garry Cubitt, Chair of Audit and Finance and presented by Nevzat Gurmen, CFO, in compliance with Durham College By-Law #1, Section 40, Budget Approval, subsection 40.1 “The Board shall approve the College’s proposed annual budget”. Colleges are required to obtain approval for their operating and capital expenditure budget from their Board of Governors.

This report presents Durham College’s operating and capital budgets for the 2009-10 fiscal year. The approved budget will be reported to the Ministry of Training, Colleges and Universities by June 30, 2009 and will also be made available to the public by posting on the Durham College web site.

Durham College presents a balanced 2009-10 budget. This is a significant achievement considering that Durham College has reported deficit results over the last three fiscal years. Durham College historically tried to balance its budget at an operating balance level which excluded amortization, financing charges and surplus (deficit) from its subsidiary operations. Colleges are expected to report their budgets and actual financial statements at an accounting balance level which includes those items omitted in the operating balance. A significant budget gap of \$7 million at the beginning of the budget process was closed through persistent efforts and concessions of all staff. Nevzat thanked staff for their input to this balanced budget.

Major expenses of the budget are salary and benefits. The major source of revenue is operating grants from the Ministry (MTCU), making up approximately 50% of the budget revenue; however, the flow of grants from the Ministry is not consistent and we should not expect any subsidy gains or losses in 2009/10.

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The 2009-10 Budget meets the college's minimum requirements of:

- Maintaining the quality of academic programs
- Maintaining services to students, faculty and staff
- Supporting curriculum renewal and new program development

In addition, the budget supports the College's 2009-10 Business Plan which is built around the following four strategic priorities:

1. Strategic enrolment management
2. Realignment of the organization
3. Building and strengthening Durham College's internal identity and external image
4. Financial stability

The budget reduces contract faculty fees from \$80 per hour to \$70 per hour, still substantially higher than the college system average of \$45 per hour. Funding is provided for strategic initiatives including strategic enrolment management, new program development, Durham College – UOIT re-alignment initiative, administrative system re-engineering and leadership initiatives.

Major budget risks include the achievement of domestic and international enrolment targets and contract training revenues and negotiation of an academic faculty collective agreement in 2009. There is no contingency allowance in the budget. However, some potential revenue items were not included in the budget. If we cannot meet the budget targets then we would need to move to such practices as a hiring freeze or cutting discretionary expenses.

In summary, after three years of consecutive financial deficits, Durham College presents a balanced budget for 2009-10. The budget targets are tight but achievable. The projected cash flow indicates that the College will be able to sustain its operations without requiring significant additional external financing and reduce its long-term borrowing.

Nevzat thanked staff members Barb MacCheyene and Marsha Laverdiere for their work on the budget.

Board members asked if they would receive monthly budget reports. Nevzat indicated the first report received will be a three month update, monthly reports will be available after that. There were questions regarding the health and community services program allocation to the budget. Staff advised that the actuals of this program exhibited better results than anticipated.

Board members asked about the debenture payment and how it was to be handled. Nevzat advised allocations have not been made for this. It is understood that the Ministry will consider this as a balanced budget excluding the debenture.

The Chair called for a motion to accept the budget.

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Moved by Garry Cubitt

Seconded by Mary Simpson

“That the Durham College Board of Governors approve the 2009-2010 Operating and Capital Budget as presented.”

CARRIED

Fall Retreat – Request for Volunteers

The Chair asked for volunteers to coordinate the agenda for the Annual Fall Retreat of the Board during October 2009. Rhonda Christian, Judy Spring, and Darrell Sewell along with the Chair and Vice-Chair will work on the agenda for the retreat.

OTHER BUSINESS

Program Advisory Committee Minutes

Moved by Bill Robinson

Seconded by Gerry Warman

“That the Durham College Board of Governors receive the program advisory committee minutes for April 2009 for information.”

CARRIED

UPCOMING EVENTS

The Chair reported that the Association of Canadian Community Colleges (ACCC) Conference will be held in Charlottetown, Prince Edward Island, May 31 to June 2, 2009 and five members of the Board will attend. The Chair along with Karen Spearing and Leigh Doughty will make a presentation regarding the web portal at the conference. Convocation ceremony for UOIT will be held on June 5, 2009 at the General Motors Centre. The convocation ceremonies for Durham College will be held on June 18 and 19, 2009 at the General Motors Centre, formal invitations will be forthcoming. The Hail and Farewell Event is scheduled for Wednesday, June 24th at 6:00 p.m., with a location to be advised in the near future [*Updated May 20th – location is Pimento’s Restaurant in Whitby*].

The board recessed the public session of the meeting at 6:38 p.m. and went into an in-camera session to discuss business respecting human resources and items of confidentiality under sections 18 (1)(f); 18(1)(g) and 18.1(1)(a) of the Freedom of Information and Protection of Privacy Act (FIPPA).

The Board returned to the public portion of the meeting at 9:39 p.m. and adjourned at 9:40 p.m.

Leigh Doughty
Board Secretary

Aileen Fletcher
Chair, Board of Governors