

BOARD OF GOVERNORS

DOCUMENT 2012-5-01

MARCH 13TH, 2013

MCGREER 100 AND BY TELECONFERENCE, 8 A.M. TO 8:30 A.M.

AGENDA

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|----|--|--|--------------|---------|
| 1. | Approval of Agenda | <i>Document 2012-5-01,
attached</i> | R. Gordon | 2 mins |
| 2. | Endorsement of agreement in principle to smooth the funding cuts | <i>Documents 2012-5-02i, 02ii,
02iii, attached,
For approval</i> | | |
| | i. Memo from Michael Goldbloom | | M. Goldbloom | 10 mins |
| | ii. Finance Report | | H. St-Amand | 5 mins |
| | iii. Preliminary Projections 2013-14 | | H. St-Amand | |



**BOARD OF GOVERNORS
DOCUMENT 2012-7-03**

MEETING OF MARCH 14TH, 2013
8:00 A.M.

MCGREER 100 AND BY TELECONFERENCE

MINUTES

Chair: Robert Gordon

Present: Claude Charpentier, Michael Goldbloom, Michele Murray, Kelly Murumets, Nadia Martel, Royal Orr, Adam Peabody, Luce Samoisette, James Sweeny

By telephone Paul Gallina, Scott Griffin, Deborah Langford

Regrets: Gesner Blenkhorn, Stephen Lloyd, Elaine Roper

Senior Administration: Nick Andrews, Benoit-Antoine Bacon, Jackie Bailey, Michael Childs, Scott Duguay, Bruno Gnassi

Secretary: Victoria Meikle

ITEM 1: CHAIR'S WELCOME

The Chair welcomed Governors and asked the Principal to lead the discussion of the latest Quebec government proposal to smooth the impact of cuts to University funding for 2012-13 and 2013-14.

ITEM 2: PROPOSED ENTENTE

The Principal outlined the latest proposal by universities to the government of Quebec to enable them to smooth the impact of a 5.2% cut to university funding in 2012-13 and 2013-14, acknowledging the role played by Luce Samoisette, *rectrice* of the *Université de Sherbrooke* and President of the CREPUQ, in finding a solution to the challenges created by government cuts to university funding.

As described in the Principal's memo, Document 2012-5-02i, different smoothing proposals are made for the cuts in each of the 2012-13 and 2013-14 fiscal years.

For the 2012-13 cut, the government has asked universities to absorb half the cut by the end of 2013-14, and agreed that the other half can be spread over the following five fiscal years, to 2018-19.

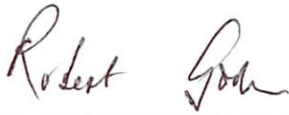
Updated forecasts and projections provided by the Vice-Principal Finance and Administration (Documents 2012-5-02ii and 02iii) show that we are likely to run a deficit for 2012-13 that is at about the level of the 2012-13 funding cut of \$1.2M. Meeting the government's expectation that we absorb half the 2012-13 cut by the end of 2013-14 would therefore entail running a \$600,000 surplus in 2013-14.

For the 2013-14 cut, the proposal is to make use of the fact that each new fiscal year for the government begins a month before the new fiscal year for universities. The mechanism consists of allowing universities to 'borrow' a gradually decreasing amount of the 2013-14 funding cut against our funding for the subsequent fiscal year, offsetting a gradually decreasing portion of the total funding cut. In addition, promised reinvestment by the government beginning in 2014-15 will help universities absorb the annual cut resulting from the smoothing.

The proposal allows the government to make the full cut to its 2013-14 funding envelope, while allowing universities to spread the impact of the 2013-14 cut over seven years, from 2014-15 to 2020-21.

The Principal explained that the challenge for Bishop's is that, though the proposal for smoothing the 2013-14 cut greatly improves our position, we may not be able to meet the government's expectation that we run a surplus of \$600,000 in 2013-14 in order to absorb 50% of the 2012-13 cut. He proposed to the Board that, if we determine that we cannot run the surplus of \$600,000 expected by the government for 2013-14, we will propose a revision to our existing *plan de redressement*. The Board endorsed the Principal's position.

There being no further business, the meeting came to a close at 8:20 a.m.



Robert Gordon, Chair



Victoria Meikle, Secretary