

**RED RIVER COMMUNITY COLLEGE
BOARD OF GOVERNORS**

**MINUTES
B:93/05**

2055 Notre Dame Avenue, Winnipeg, Manitoba
7th Floor Boardroom, Building C
7:00 p.m.

September 22, 1993

In Attendance:

Governors:	J. Harrison, Chair H. Middlestead, Vice-Chair J. Bear R. Bullock N. Dyck G. Fardoe D. Finkleman B. Lavallee G. Tsouras T. Whiteman
Regrets:	L. Foster B. Moorhouse
President:	T. Knowles
Secretary:	J. Tribula
Guests:	K. Webb, Vice-President Academic R. Dykes, Director, Financial Services G.B. Garbutt, Dean, Health, Community Services and Applied Sciences

Call to Order

With attendance constituting a quorum, the Chair called the meeting to order at 7:00 p.m.

1. ACCEPTANCE OF AGENDA

The Chair suggested that Item No. 10 of the agenda be moved to Item No. 6. It was then Moved by H. Middlestead/G. Fardoe that the agenda be accepted as amended.

Carried

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2. ADOPTION OF MINUTES

Moved by T. Whiteman/J. Bear that the Minutes of the 4th Regular Meeting of the Board of Governors held on June 23, 1993 (B:93/04) be adopted.

Carried

3. BUSINESS ARISING FROM MINUTES

None.

4. CHAIRPERSON'S REMARKS

The Chair welcomed the guests to the meeting and introduced Mr. Jim Daly, Director of Private Funding and Management of the University of Manitoba who will be addressing the Board on fundraising issues.

The Chair then welcomed the Board members back after the summer break. He updated the members on his meeting with the then Minister of Education and Training, Rosemary Vodrey, on July 28, 1993, the purpose of which was to establish a more direct relationship with the Minister. He indicated that it was a productive meeting, however certain issues were still outstanding including the selection of the College's external auditor, guidelines for the President's contract, and the hiring of outside legal counsel.

5. PRESIDENT'S REPORT

The President summarized items from his report which encompassed June, July and August, 1993. A question was raised whether roof repairs had taken place in the Library area and it was reported that over \$30,000 had been allocated for roof repairs throughout the College and work was to begin in the very near future. A Board member also inquired about the logistics of the joint integrated Industrial Engineering/Industrial Technologist program with the University of Manitoba. The President clarified that the student would receive both a diploma and a certificate and the combined programming would provide the graduate with more hands-on experience.

A discussion took place with respect to the cost implications of the relocation of the Market Driven Training Centre. R. Dykes, Director Financial Services summarized the arrangements and indicated the College expects to recover any increase in costs through contracts from expanded MDT business.

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6. GUEST: MR. JIM DALY RE: RRCC FUNDRAISING

Mr. Daly has been retained by the Student's Association to assist in establishing an overall fundraising strategy for the College. Mr. Daly summarized his experience within this area which includes, organizing the Pan American Games, chairing the Board of Deer Lodge Hospital, campaigning for the United Way, and consulting for the University of Saskatchewan and University of Brandon.

He then briefed the Board on his experience at the University of Manitoba as the Director of Private Funding and Management. He indicated that to run a successful fundraising campaign, a commitment must be demonstrated from within the institution, including staff, students and local business. At the University of Manitoba, Mr. Daly initiated a new endowment fund for each area or faculty and devised a pledge sheet for staff on which they could direct where their money would be distributed. The objectives were openly discussed and only 70% of the interest of the original donation is expended, the remaining 30% is filtered back into the fund which ensures that the gift continues to grow. This has proven to be extremely successful for the University and Mr. Daly feels the College has the same potential. He indicated that the College Alumni Association has made a good start in establishing contacts but must continue to expand and keep track of any persons affiliated with the institution including Continuing Education students.

A general discussion took place and Mr. Daly fielded various questions. The President noted that the College is fortunate in that it has a strong Student's Association. Mr. Daly advised he will be recommending that joint fundraising between the SA and College be an objective to emphasize coherence to potential donors. He also indicated that he will provide a brief report on the various means to implement a full scale fundraising campaign. Both the President and the Chairperson thanked Mr. Daly for attending and he then left the meeting.

7. ACADEMIC AFFAIRS

Mrs. Whiteman, Chair of the Academic Affairs Committee indicated that this committee had met later in the month than usual and therefore the minutes were not attached to the agenda. She summarized the items considered which included; accreditation of four technology programs; enrollment statistics; Early Leavers Telephone Survey; advisory committee reports; and the Office Technologist Program.

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8. ADMINISTRATIVE AFFAIRS COMMITTEE

R. Bullock summarized the highlights of the Administrative Affairs Committee minutes of September 13, 1993.

8.1 Canadian Charitable Status

This item had been reported to the Board at their meeting of June 23, 1993, during which time the Board asked that the College investigate any potential operating limitations in receiving charitable status. Mr. Dykes has since been advised that the College has been awarded this status and that he reviewed the material provided from Revenue Canada and found no negative impediments or restrictions in this regard. Mr. Dykes also briefed the Board on *The Manitoba Foundation Act* which would allow the College to receive funding through gifts which would give greater potential benefit to the donors.

8.2 Constitution of Planning Committee

Mr. Bullock raised whether it is it appropriate to immediately constitute the Planning Committee or whether this be postponed until after the budget process. It was discussed that this budget will be based on the current mission statement and strategies and therefore any changes the Planning Committee contemplates, would not affect the forthcoming fiscal year.

However it was noted that the College has been in governance for 5 months and the longer it takes to establish a new "image" the lesser impact it will have. It was decided that the constitution of this Committee could wait until next month and its Chairperson, R. Bullock will announce the final two members at the October 27, 1993 Board Meeting.

8.3 Small Animal Health Technology Lab

The President summarized the history of the Animal Health Technology program and the current financial dilemma that faces the completion of the lab facility to achieve national accreditation. Treasury Board was approached by the Department of Government Services to provide supplementary funding in the amount of \$90,000 in addition to the previously approved allocation of \$230,000. Unfortunately, Treasury Board denied the supplementary funding request and also indicated its intent to encumber the \$230,000 already approved.

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The Animal Health Technology Advisory Committee has been active in canvassing for this program to achieve national accreditation and is on record as stating that they will not support a non-accredited program in the future. They recently met and passed a motion to support the permanent establishment of this program and request that the Government continue to allocate the previously applied \$230,000 and that the Committee will undertake to assist the College in raising any additional funds to complete an acceptable facility.

Dr. Garbutt, Dean, Health Services, Community and Applied Sciences provided the Board with a brief description of the program and the proposed facility. He advised that the lab would allow students to receive hands-on experience in various areas including anesthesiology, first aid and assisting in minor surgery as well as learn the administrative aspects of running a clinic. He summarized the financial ramifications and operating costs associated with the facility advising the program's budget had been adjusted over the past few years to reflect the future operating costs of the lab. Dr. Garbutt also indicated that a minor charge would be applied to users of the facility assisting in revenue generation.

Mr. Bullock briefed the Board on the motion proposed by the Administrative Affairs Committee. After discussion, it was suggested that Mr. Bullock continue with his report on the financial statements and then return to this issue.

8.4 Monthly Financial Report as of August 31, 1993

Mr. Dykes reviewed the financial statement as of August 31, 1993 and once again, pointed out a potential shortfall of approximately \$275,000 due to the reduced work week legislation and the increase of COLA from 1.8% to 2.3%. He also noted that two other fiscal pressure points were identified at the Administrative Affairs Committee Meeting of September 13, 1993 but that there had been some additional developments in the interim.

Mr. Dykes advised of a shortfall from the Federal Government in direct purchases and that the Colleges Secretariat, Rick Dedi would be canvassing the Government to adjust this revenue in accordance with the initial agreement. Mr. Dedi has apparently analyzed the purchase situation for the past several years and found that the Federal Government has reallocated funds to other institutions previously promised to the College for the current fiscal year.

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A potential overrun of employee benefits had also been identified and after further investigation, Mr. Dykes advised that the majority of the over-expenditure was a result of double billing. Apparently the Province was assessing a 1% levy on the College's gross payroll to cover employee benefit costs, while at the same time Blue Cross was billing the College directly for the identical service. After this error is corrected, Mr. Dykes noted that there could still be a potential shortfall of approximately \$100,000 in this area.

A question was raised about Continuing Education and the Market Driven Training Centre which according to the financial statements, are apparently not generating revenue but are being subsidized by other areas. Mr. Dykes explained that in the past there had been a realignment of funding to provide for certain programs and that the new budget will rectify this situation and more appropriately reflect the actual flow of funds.

Further consideration of the Financial Statements would be discussed during the Committee of the Whole. The following motion was then made:

MOTION: R. Bullock/T. Whiteman

That the Board of Governors receive and note this financial report with the following caveat: that with the potential shortfall in revenue versus expenditures during the course of the fiscal year, that management seek redress from the appropriate government and that management develop alternate plans that can be implemented immediately if the initial plan fails.

Carried

The discussion then turned back to the Animal Health Technology program. Mr. Bullock indicated that this is an excellent opportunity to initiate a fundraising campaign with a targeted program to set the tone for the future. It was also noted that the proposed motion could have a significant impact on the Government, confirming the College's commitment to the program. A discussion took place on the borrowing of the additional \$50,000 needed to complete the project and its potential ramifications with the government. It was noted that the College did not have the internal resources to cover the additional cost of the facility.

The Board also discussed alternate arrangements to ensure the program becomes accredited, including sharing a facility with another institution or on the job training. Dr. Garbutt advised that alternatives had been investigated and were not deemed feasible or were more costly. He also noted that the Canadian Veterinary Association recommended the on-site lab as delivering the best and most useful training to students.

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A revision to the original motion was discussed whereby the borrowing of the additional \$50,000 would not be included, however this idea was not supported. The following motion was made:

MOTION: N. Dyck/B. Lavallee

T hat the Board of Governors support the completion of the laboratory facilities for the Animal Health Technology program so that it can achieve national accreditation and that a formal request be made to Treasury Board to release the originally approved amount of \$230,000 for this purpose on the understanding that ⁽¹⁾ the College will borrow any additional amount required up to a maximum of \$50,000 which will be offset by funds received through a fundraising campaign jointly undertaken by the College and the AHT Advisory Committee; ⁽²⁾ appropriate safeguards will be implemented to ensure compliance with the College's public image and; ⁽³⁾ there will be compliance with regulatory standards.

Carried

8.4.1 Underfunding for the 1993/94 Fiscal Year

This item had been discussed while considering the monthly financial report and will also be deliberated at the Committee of the Whole Meeting.

8.5 Selection of External Auditor

The Chairperson reminded the Board that this was an item he had discussed with the then Minister of Education and Training and advised that he had not yet received a response. Mr. Dykes canvassed other Crown Corporations as to the procedure followed in their selection of an external auditor and received very conflicting reports. There did not appear to be the continuity as Treasury Board has suggested, and the Board felt that the guidelines provided by Treasury Board were misleading.

It was the consensus of the Board that the Chairperson send a letter to the new Minister of Education and Training to raise this concern and ask for clarification, and to indicate that the Board views this is an intrusion of their autonomy.

9. EXECUTIVE COMMITTEE

The Chairperson reviewed the Minutes of the Executive Committee Meeting of August 10, 1993.

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10. NEW BUSINESS

10.1 Report of the Task Force on Human Resource Development

This report had been tabled for the Board's information and will be formally considered at the Board meeting in November.

11. INFORMATION ITEMS

11.1 Letter dated August 11, 1993 from Rick Dedi

The Chairperson advised that this was received in response to his letter to the Minister regarding the estimates procedure inquiry.

12. NEXT MEETING

The next meeting will be held on Wednesday, October 27, 1993 - dinner will be served at 5:45 p.m. in the 7th Floor Boardroom, Building C. The meeting will commence at 7:00 p.m. following the Committee of the Whole.

13. ADJOURNMENT

The meeting adjourned at 10:15 p.m.

John Harrison, Chairperson

Dr. Tony Knowles, President

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