New College Council

Meeting of Thursday, October 9, 2014, 12:10 p.m. – 2:00 p.m., Room 2053, Wilson Hall

AGENDA:

1. Introductions and Welcome to New Members

2. Minutes of the Meeting of May 13, 2014 (attached)

3. Business Arising from the Minutes

4. Report of the Striking Committees
   i) Election of New Members
   ii) Formation of New Committees
   iii) Election of Chair

5. Report from Standing Committees

6. Report of the Principal – Y. Roberge


8. Report from the Writing Centre – D. Knott


10. Report from the Office of Residence and Student Life – S. Wilmot

11. Report from Student Councils
    i) NCSC
    ii) NCRC
    iii) Course Unions

12. Dates for Future Meetings

13. Other Business

14. Adjournment
NEW COLLEGE COUNCIL

Minutes of the meeting of Tuesday, May 13, 2014
12:10 p.m., Sally J. Walker Council Chamber, New College


Regrets: D. Eyoh, A. Jung

On a motion by J. Charnaw-Burger, seconded by A. Guerson, the agenda for the May 13, 2014 meeting of NCC was approved.

Minutes of the Meeting of March 17, 2014

The minutes of the meeting of March 17, 2014 were accepted as recorded.

Business Arising from the Minutes

There was no business arising from the minutes.

Election of Members to the Striking Committee

The role of the Striking Committee in the formation of next year’s Council and sub-committees was explained. The Principal and the President of NCSC are ex-officio members; four additional members are required. K. Huffman. H. Si, J. Larkin and J. Charnaw-Burger volunteered for the Committee.

On a motion by C. Richards, nominations were closed. CARRIED

Report from Standing Committees

- Academic Affairs
  J. Larkin reported the following:
  ♦ The summer session has begun and things seem to be running smoothly.
  ♦ There are two different international student internship programs running this summer – Belize and Namibia.
  ♦ The call for applications for the 2014-2015 Senior Doctoral Fellowships has been posted on the New College website and in the U of T Bulletin.
  ♦ Many initiatives have been funded by the NCIF’s academic bin, including guest speakers, symposia, student journals, a position in the library and conferences.
♦ The second meeting of “New Pedagogy” was very successful. The topic discussed was “The Role of the University Teacher”. There was a workshop conducted by John Bean that a number of the members attended and learned about creating alternative assignments.
♦ Anne McGuire has been hired as a lecturer in Equity Studies (Disability Studies stream).

• NEWSS
  J. Charnaw-Burger reported the following:
  ♦ The main topic of discussion at NEWSS is Orientation. Things are going very well.
  ♦ There will be an increase in the number of academic orientation events this year. The academic orientation sessions are program-specific, and students from all colleges are welcome at any of these sessions.
  ♦ The orientation chairs from all 7 colleges have met and are working together and taking an integrated approach to orientation.
  ♦ The goal is to keep frosh kits under $100.
  ♦ There will also be great social activities.

Report from the Principal

Y. Roberge reported the following:
• K. Huffman has been selected as the new Assistant Principal and Registrar.
• This is J. Larkin’s last NCC meeting as Vice Principal. June was thanked for her outstanding leadership over the years. In recognition of her work, the new award being developed for pedagogical development will be named “The June Larkin Award for Pedagogical Development.”
• D. Knott has been named the new Vice Principal for a three-year term beginning July 1, 2014.
• The 2013-2014 NCSC executives were thanked, and the 2014-2015 NCSC executives were welcomed.
• The Event Coordinator position will work under the supervision of the Principal’s Assistant (F. Zhang). A formal position description will be created and advertised. The position is currently a temp position being filled by E. Asllani.
• E. Asllani was thanked for her work both as the Principal’s Assistant during F. Zhang’s secondment and as the temporary Event Coordinator. Her last day at New College will be June 6, 2014.
• F. Zhang was welcomed back from her secondment at the Dean’s Office at the Faculty of Arts & Science.
• Convocation will be June 10. Faculty and staff are encouraged to join the academic procession in support of our students. A limited number of gowns are available to borrow should you need one. Please contact the Principal’s Office to make arrangements.
• Spring reunion is May 29, 2014.
• Next year, we will focus on expansion. We will see where there might be room for expansion in our programs; however, funds and space are needed to expand.
• Council was thanked for a busy, productive, successful year.
R. Vander Kraats reported the following:

**Facilities**
- The Wilson Hall basement bathroom project is complete. $250,000 has been budgeted to do the same thing in the Wetmore Hall basement (matching funds will be received from the Centre).
- New College Plaza project – can use the preferred architect and fast track rather than going through public tender.
- Infill project – need to see if the foundation is strong enough.
- Workstation upgrade – all staff and faculty will have their workstations upgraded and standardized with Dell computers and Windows Enterprise.
- All data stored on our servers has two copies at all time and is backed up nightly offsite.

**Budgets**

Materials distributed (attached).
- There are 4 budgets at the College: 2 ancillaries (residence and food services), which are run like small businesses; the operating budget; and restricted (trust) funds.
- The residence budget has a large deficit due to large operating losses in previous years. The current plan to deal with this deficit is a slow reduction over the next decade and beyond. Assuming a solution to the $400,000 operating budget use of 45 Willcocks Street, the residence will post moderate operating surpluses.
- The food services ancillary budget will have its deficit eliminated in fiscal year 2016. At that point, surpluses could be transferred to the residence budget to accelerate its deficit reduction. This is something PP&B would need to discuss and approve.
- The restricted (trust) funds are where the University manages its donations. Endowment funds cannot be spent; they are invested in perpetuity. University of Toronto Asset Management invests donations with the goal of protecting the funds and providing an annual payout in the range of 3-5% (expendable funds). New College manages its donations in two fund categories: (1) student awards and (2) other funds (academic programs/PIF/capital projects).
- The operating budget is where the university manages its academic and administrative activities. For the fiscal year 2015, the total operating budget expenditures are approximately $5.08 million, with $3.61 million of that being used for academic programs and student services. 62% of the operating budget comes from Arts & Science base budget funding and 37% comes from soft funding. The $1.88 million in soft funding comes primarily from New College sources (72%) and the rest comes from FAS and other sources. The College’s intrapreneurial ventures, such as the International Foundation Program and Summer Programs, is where the College’s share of the operating budget expenditures comes from. $1.4 from these ventures is required to balance the College’s operating budget each year - $740,000 structural deficit and $660,000 contractually-limited initiatives. These ventures also fund the New College Initiatives Fund. While there is inherent risk in these revenue streams, in good years, the revenue more than covers the operating budget’s subsidy needs. For fiscal year 2014 year-end, the College is in a very good position, with $1.0 million in reserve for the Plaza project and $2.8 million in general reserves.
Advancement

C. Richards reported the following:
- A luncheon was held for Cressy Award winners.
- re:NEW is out and the reception has been very positive.
- The New College campaign cabinet met in March. $755,000 has been received from 254 donors. This is the 3rd best year for New College.
- Spring Reunion will be held on May 29th. The speaker will be Sally Walker, and the theme is “An Appointment with the Registrar”.
- Gowns are available for those wishing to participate in the academic procession at convocation.
- The Bronowski Lecture will be held in October. There is a speaker in mind, although the name cannot be announced yet.
- Honorary degree nominations are due in early September.

Report from the Registrar’s Office

K. Huffman reported the following:
- Approximately 750 New College students will graduate in June.
- Currently working on admissions. So far, 1250 offers have been made in the GTA and 1000 offers outside of the GTA. It is expected that approximately 1100-1150 will accept.
- There are plans to award approximately 200 admission scholarships (total value of $150,000).
- Welcome events are planned for May 25 and June 5, with an expected attendance of ~250 at each event.
- Summer classes are underway. There are roughly 2,100 New College students registered for summer courses.

Report from the Office of Residence and Student Life

J. Charnaw-Burger reported the following:
- Residence applications are up for incoming students. Roommate pairings should be easier this year.
- Applications for financial support of up to $2,000 have been opened.
- Dons for 2014-2015 have been hired; all 3 lead dons from 2013-2014 are returning. The don for the social justice floor will be starting early.
- Program evaluations have shown a very positive response, with over 900 students responding to the survey. A report summarizing the findings is being worked on. The preliminary results are being used to work on programming.
- Registration for WOOP launches on May 25. There are 32 spaces.
- There will be 4 work-study positions in the office over the summer.
- Student Centre space applications closed in April. There are two offices available for 2014-2015 as two tenants will be vacating them.
Report from Student Councils

- **NCSC**
  - B. Parry reported the following:
    - The new council is in place. There are plans for major changes to the constitution in the upcoming year.
  - A. Lazaro reported the following
    - Tickets for the formal sold out in 4 days, and tickets for the semi-formal sold out in only 2 days. As such, there are plans to potentially have 2 semi-formals next year.
    - The SkyZone event (trampoline venue) sold out very quickly.
    - Grants will be offered again next year in two rounds: 8 grants in the fall and 28 in the winter.

Y. Roberge asked about the Student Society Summit. B. Parry responded that there was lots of controversy over the summit. NCSC was in favour of the summit. J. Charnaw-Burger said that UTSU was in the news. B. Parry responded that the UTSU Board of Directors, 3 of whom are from New College, wants to eliminate College/departmental representation and replace it with minority reps (Women’s rep, LGBTQ rep, etc.) Most groups are against this. Personal attacks were made against the UTSU president.

- **NCRC**
  - Elections will be held in the fall instead of the spring.
  - ORSL will help with training the incoming Council.
  - House councils will also be elected in the spring.

**Other Business**

B. Russell mentioned that there are many pieces of New College art throughout the buildings and in storage, but little is known about the collection. He suggested that this art be catalogued, and that the Art Committee come up with a proposal for such a catalogue.

*B. Russell proposed, seconded by J. Charnaw-Burger, that the Art Committee consider the idea of cataloging the New College art collection. CARRIED*

**Adjournment**

The meeting adjourned at 2:00 p.m. on a motion by A. Guerson, seconded by L. Manicom.
The Four Budgets at New College

- The Priorities, Planning & Budget committee provides oversight of the budget process
  - Residence ancillary budget
  - Food Services ancillary budget
  - Restricted (Trust) funds
  - Operating budget

- Each budget has a specific purpose and a set of rules governing its use
- Transfers between these budgets are only done on an extraordinary basis with the approval of a Vice President
Ancillary Budget Operating Principles

- All costs in providing an ancillary service must be identified
  - Users of the service must cover all costs and may contribute a surplus to the operating budget if possible
  - The service must not receive any subsidies
  - Capital renewal costs and reserves must be included
  - University overhead charges are levied
  - An ancillary has the ability to borrow at favourable interest rates
  - A profit and loss statement is prepared at the end of each fiscal year
  - A surplus position is required to transfer funds to the operating budget
### Ancillary Budget – NC Residence

The New College residence budget for FY 2014-2015

<table>
<thead>
<tr>
<th>Revenue</th>
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<tbody>
<tr>
<td>Residence Fees - Fall/Winter Session</td>
<td>6,850,000</td>
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<tr>
<td>Residence Fees - Summer</td>
<td>1,750,000</td>
</tr>
<tr>
<td>Academic/Admin Use of 45 Willcocks</td>
<td>400,000</td>
</tr>
<tr>
<td>Other Income</td>
<td>77,140</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>9,077,140</strong></td>
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<table>
<thead>
<tr>
<th>Direct Expenditures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Wages &amp; Benefits</td>
<td>2,368,000</td>
</tr>
<tr>
<td>Mortgage</td>
<td>2,338,678</td>
</tr>
<tr>
<td>Major Maintenance</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,084,940</td>
</tr>
<tr>
<td>Annual Maintenance Expenses</td>
<td>700,000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>442,343</td>
</tr>
<tr>
<td>Overhead Charges</td>
<td>126,662</td>
</tr>
<tr>
<td>Finance Charges</td>
<td>110,027</td>
</tr>
<tr>
<td>Other Expenditures</td>
<td>592,828</td>
</tr>
<tr>
<td><strong>Total Direct Expenditures</strong></td>
<td><strong>8,863,478</strong></td>
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<thead>
<tr>
<th>Operating Results</th>
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<tbody>
<tr>
<td></td>
<td>213,662</td>
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Ancillary Budget – NC Residence

- The New College residence will post moderate operating surpluses.
- This will require a solution to the $400K operating budget use of 45 Willcocks – currently not funded – discussions with ACE and the Centre underway.
- Large operating losses of previous years has resulted in a deficit.
- How are we doing now?

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<tbody>
<tr>
<td>Forecast Operating Results</td>
<td>213,662</td>
<td>285,411</td>
<td>363,222</td>
<td>447,174</td>
<td>562,045</td>
<td></td>
</tr>
<tr>
<td>Capital Renewal Reserve</td>
<td>600,000</td>
<td>600,000</td>
<td>600,000</td>
<td>600,000</td>
<td>600,000</td>
<td>600,000</td>
</tr>
<tr>
<td>Unrestricted (Deficit)</td>
<td>-9,767,654</td>
<td>-9,401,649</td>
<td>-8,872,702</td>
<td>-8,621,954</td>
<td>-7,898,060</td>
<td>-7,045,295</td>
</tr>
</tbody>
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- Slow but steady reduction in the deficit over the next decade and beyond.
Ancillary Budget – NC Food Services

- New College “out-sources” to Aramark under a 10-year contract
- New College bears all of the capital and operating costs of the kitchen and dining halls
- New College receives a commission based on sales volume
- How are we doing?

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<tbody>
<tr>
<td>Forecast Operating Results</td>
<td>247,363</td>
<td>253,176</td>
<td>263,862</td>
<td>280,893</td>
<td>302,403</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Renewal Reserve</td>
<td>38,000</td>
<td>38,000</td>
<td>38,000</td>
<td>38,000</td>
<td>38,000</td>
<td>38,000</td>
<td></td>
</tr>
<tr>
<td>Unrestricted (Deficit)/Surplus</td>
<td>-663,407</td>
<td>-294,669</td>
<td>-180,046</td>
<td>55,391</td>
<td>311,513</td>
<td>661,166</td>
<td>1,035,329</td>
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</tbody>
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- Deficit to be eliminated in FY 2016
- Surpluses can be transferred to the Residence budget to accelerate its deficit reduction – a strategy for PP&B to consider
New College Restricted Funds

- The University manages its donations in these accounts
- Endowment funds – these funds cannot be spent – they are invested in perpetuity
- Expendable funds – investment income from the endowment funds and donations designated for immediate expenditures
- University of Toronto Asset Management invests donations with the goal of protecting the real value of the fund and providing an annual payout in the range of 3% to 5%
- Endowment payout was cancelled in FY 2009-2010 due to poor investment results
- How are we doing?
New College Restricted Funds

- New College manages its donations in two fund categories
  - Student awards
  - Other funds (academic programs/PIF/capital projects)

<table>
<thead>
<tr>
<th></th>
<th>Market Value of the Endowment</th>
<th>FY 2014</th>
<th>FY 2014</th>
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<tbody>
<tr>
<td></td>
<td>2014-04-30 Investment Income Donations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Awards</td>
<td>$2,600,158</td>
<td>$123,199</td>
<td>$29,748</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$2,234,945</td>
<td>$94,096</td>
<td>$140,704</td>
</tr>
<tr>
<td><strong>New College Total</strong></td>
<td><strong>$4,835,103</strong></td>
<td><strong>$217,295</strong></td>
<td><strong>$170,452</strong></td>
</tr>
<tr>
<td>Per NC Student</td>
<td>$987</td>
<td>$44</td>
<td>$35</td>
</tr>
</tbody>
</table>
The University manages its academic and administrative activities though the operating budget.

Since 2006 the University has used “The New Budget Model”

Faculties receive all revenue but are charged for University-wide costs and the University fund netting faculties ~55% of total revenue.

The Faculty of Arts & Science has not implemented the New Budget Model at the College/Departmental level.

For New College this means that we do not have the budget for most space costs; unlike the residence these are paid for centrally.

New College receives an operating base budget from the Faculty totaling $3.2 million; any salary increases are covered by the Faculty.

However, often the Faculty imposes a “OTO” budget cut.

The OTO budget cut for FY 2015 is 1.5% ($48,000).

How much does it cost to provide New College’s programs and student services?
Total Operating Budget Expenditures - FY 2015
Student Services vs. Infrastructure Support
$5.08 Million per Year

- Academic Programs & Student Services, 71%
- Business Services, 12%
- General College Administration, 8%
- Advancement, 5%
- Facilities Maintenance & Renewal, 4%
New College Operating Budget - FY 2015
How Is Our Budget Funded?
$5.08 Million per Year

- Arts & Science "Base Budget" Funding: 62%
- "Soft" Funding: 37%
- Arts & Science OTO Budget Cut: 1%
New College Operating Budget - FY 2015
Where Does the "Soft" Funding Come From?
$1.88 million

- New College Sources: 72%
- FAS & Other Sources: 28%
How does the College fund its share of the Operating Budget expenditures?

- Intrapreneurial ventures
  - International Foundation Program
  - Summer Programs
- $1.4 million subsidy is required each year from these ventures to balance the New College Operating Budget
  - $740,000 general Operating Budget subsidy ("structural deficit")
  - $660,000 of contractually-limited initiatives
- These ventures also fund the New College Initiatives Fund (NCIF)
  - Academic
  - Advancement
  - Ancillary
  - Infrastructure
  - Contingency ("Rainy Day")
  - Student aid
  - Student experience
What are the risks inherent in our intrapreneurial revenue streams?

- Unforeseen events affecting travel – e.g. SARS
- Global politics
- Central University priorities and decisions
- Competition
- Foreign exchange rates
In good years our intrapreneurial revenue more than covers the Operating Budget subsidy needs.

- New College’s financial position is very sound (year-end FY 2014)
  - $1.0 million reserve for the New College Plaza project
  - $2.8 million in general reserves (“carryforward”)

- How best to secure New College’s financial future?
  - New categories for reporting divisional reserves
    - Infrastructure Reserve
      - New College Plaza
      - Infill Project
    - Endowment Matching
      - e.g., New One donation matched
    - Operating Contingency
      - Enhance the NCIF “Rainy Day” fund
  - Student Aid