

MUFA

SINCE 1951



McMASTER UNIVERSITY
FACULTY ASSOCIATION

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GENERAL MEETING

THURSDAY, DECEMBER 10, 2009, 2:00 PM
COUNCIL CHAMBERS (IN GILMOUR HALL ROOM 111)

Revised Agenda

1. **MINUTES** of the Annual General Meeting held May 7, 2009 (attached)
2. **BUSINESS ARISING**
3. **OUR PENSION: PRESENT STATUS AND FUTURE PROSPECTS** — S. Cheung
4. **PRESIDENT'S REPORT** — J. BERLINSKY
5. **OTHER BUSINESS**
 - a. Certification Study (motion attached)

December 3, 2009

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MINUTES of the ANNUAL GENERAL MEETING
Thursday, May 7, 2009, 3:00 pm
Great Hall of the University Club

PRESENT: Approximately 47 members, R. Stubbs (Chair)

1. MINUTES

MOTION

THAT THE MINUTES OF THE GENERAL MEETING HELD ON DECEMBER 11, 2008 BE APPROVED AS CIRCULATED.

B. LEVY/D. HITCHCOCK
CARRIED

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2. BUSINESS ARISING

There was no business arising from the December 11, 2008 minutes.

3. COMMITTEE REPORTS

- a. **Association Standing Committees.** There were no questions from the floor regarding the reports from these committees.
- b. **University Committees and Boards.** There were no questions from the floor regarding the reports from these committees.
- c. **Ad Hoc Committees.** There were no questions from the floor regarding the reports from these committees.

MOTION

THAT THE COMMITTEE REPORTS BE ACCEPTED AS SUBMITTED.

K. CRUIKSHANK/B. LEVY
CARRIED

4. TREASURER'S REPORT — P. DeRosa-Koetting for M. MacDonald

- a. **Preliminary Budget for 2009/10 and Annual Statement of Income and Expenditure**

MOTION

THAT THE PRELIMINARY BUDGET FOR 2009/10 BE ADOPTED.

K. NAINAR/B. LEVY

In response to Dr. Cruikshank's question regarding Footnote 4 of the Preliminary Budget, Dr. Stubbs explained that the Joint Committee has agreed

to have a review of total compensation which may entail the hiring of a consultant. Money has been set aside in the 2009/10 budget for this purpose.

In answer to Dr. Schellhorn's question regarding 2008/09 legal fees, Ms. DeRosa-Koetting reported that a lawyer had been hired to provide an opinion regarding an LTD issue.

Even though there was no question, Dr. Stubbs drew members' attention to Employee Benefits and Salaries. In 2008/09 there is a significant increase from 2007/08 expenditures. The amount decreases for 2009/10. With the introduction of MacVIP, payments and accruals were distorted for 2008/09. It is expected that this will not be repeated in 2009/10.

CARRIED

b. Appointment of Auditor for 2009/10

MOTION

THAT HOECHT GALVIN CHARTERED ACCOUNTANTS BE APPOINTED AS THE AUDITOR FOR THE FACULTY ASSOCIATION FOR 2009/10.

K. NAINAR/J. BERLINSKY

CARRIED

5 . RETURNING OFFICER'S REPORT — M. Grasselli

As Returning Officer for the election of the Executive Committee for 2009/10, I hereby report that, as there were no further nominations by the April 16, 2009 deadline, the Nominating Committee's slate which was distributed to the membership on April 2, 2009 is declared elected.

The 2009/10 Executive is as follows:

PRESIDENT:	John Berlinsky	Professor	Science
VICE-PRESIDENT:	Virginia Aksan	Professor	Humanities
PAST-PRESIDENT:	Richard Stubbs	Professor	Social Sciences

MEMBERS-AT-LARGE:

Nancy Bouchier	Associate	Humanities
Martin Dooley	Professor	Social Sciences
Bonny Ibhawoh	Assistant	Humanities
Michelle MacDonald	Assistant	Health Sciences
Khalid Nainar	Professor	Busines
Marek Niewczas	Associate	Engineering
Gladys Peachey	Assistant	Health Sciences
Herb Schellhorn	Professor	Science
Alexandre Sévigny	Associate	Humanities
Rick Stapleton	Librarian	Mills Library
Peter Sutherland	Professor	Science

6. IMPACT OF THE CURRENT ECONOMIC CONDITION ON McMASTER — D. Lazzarato

Dr. Berlinsky introduce David Lazzarato, who was appointed to the Board of Governors a year ago and is currently the Chair of the President's Advisory Committee on the Impact of the Current Economic Situation. Mr. Lazzarato agreed to provide an update on the deliberations of the Committee and then answer questions.

Mr. Lazzarato explained that the Committee has representation from the Board and from across campus. It received its Terms of Reference from the President: "The purpose of the advisory committee is to provide strategic advice to the President on mitigating strategies to ensure the long term sustainability of

the University.” The short term and long term strategies must preserve the academic and research mission; address the current economic realities; and ensure that the University will be poised for action on the other side of this economic downturn.

In response to a question, Mr. Lazzarato said that the President did not give an example of something that might look good in the short term, but proves not to be beneficial in the long run.

The President said any solution had to be true to the University's commitments. The University is committed to: the core mission of academics and research in a student-centred university; the goals of *Refining Directions*; accessibility for students; renewal of faculty; and the strategic growth and capital development where funding sources are secured.

The principles guiding the development of recommendations are: visionary — the aim is to build organizational capacity to preserve the academic and research mission of the University; transparency — all recommendations will be fully disclosed to the McMaster community; sustainability — all recommendations will be assessed for their short-term and long-term impact to the University; holistic view — all recommendations will be assessed for their financial and non-financial impact; fiscal accountability — the recommendations will employ best practice approaches and focus on efficiency and economy; and stability — recommendations will smooth the impact to avoid severe ups and downs.

The Committee began its work at the end of January 2009. To date, the Committee has spent time discussing and making sure that all members understand the major external and internal issues facing the University. Outside consultants have made presentations to the group regarding such external issues as: the current economic climate; interaction with the provincial and federal governments with regard to funding models, relations and advocacy, and recent stimulus initiatives; and the relative positions of other universities.

A sample of internal issues which have been discussed are financial results and projections, endowments, post-retirement benefits and pension benefits, investment performance, fundraising, and student enrolment. Endowments and pensions are where the University has the largest amount of assets that are being affected by the current economic downturn. The University's investment policy is relatively conservative which has served it well. The Committee studied *Refining Directions*, faculty renewal, the capital plan, deferred maintenance, and future budget models.

Given the overall economy, has there been discussion about scaling back on faculty renewal or capital spending until there is a better sense of the economic situation? The Administration would like to move carefully, but not stop hiring or cancelling capital projects. Affordability must be assessed and priorities evaluated.

In response to a question regarding the funding model, Mr. Lazzarato said that funding is complex. There are three or four major sources of funding, some of which are targeted. There is no perfect budget model, but a new model has been proposed which requires a better understanding of the full cost of operations.

There is some concern that the Federal government intends to become more involved with the governance of universities and colleges, a jurisdiction traditionally held by the Province. The challenge is always to separate political rhetoric from practice. All levels of government should be engaged in the life of a university, including local governments.

(a) Refining Directions was written six years ago. In the business world, what is the longevity of a strategic planning document? The Administration's implementation of the recommendations contained in Refining Directions has been abysmal. The document lacks credibility. (b) Post-retirement benefits at McMaster have been reported to have increased out of proportion to other universities. Why is that? (c) The increasing size of administration on this campus is disturbing and the pay increases that they receive — last year 12% — are out of line with the rest of the University community. (a) The Committee has studied Refining Directions in order to understand what the University thinks its priorities are. It is not the Committee's mandate to comment on how the Administration has dealt with the document's recommendations. (b) The

Committee did not look at the change over time regarding the cost of post-retirement benefits. The Committee was told that \$200 million would have to be set aside today to pay for future post-retirement benefits. Perhaps money could be set aside over a number of years. (c) The President and Vice-Presidents have frozen their salaries for next year. It's a first step.

In response to a question about the pension plan, Mr. Lazzarato responded that the Committee is trying to understand the magnitude of the various issues, both external and internal, in order to add some perspective on how to deal with the University's current economic situation. It is too early in the process to be making decisions and recommendations regarding specific issues, such as pension benefits. There are still too many unknowns and variables which have to be clarified.

Moving forward, the Committee will complete its initial observations and recommendations and discuss them with the President. An interim report is expected by the end of June. Groups across campus will be consulted once the interim report is made public. Final recommendations will be made in the Fall of 2009.

7. PRESIDENT'S REPORT — R. Stubbs

First let me thank a number of people. We very much appreciate David Lazzarato, Chair of the Presidential Advisory Committee on the Impact of the Current Economic Situation, giving his informative presentation to the Annual Meeting. I think both the membership and, I hope, David learnt from the question and answer session.

I want to thank all the dedicated MUFA members who have worked so hard on the many committees that make the University run as smoothly and as well as it does. We have seen from the list of reports presented to the Annual General Meeting how many committees are involved.

I also want to thank Phyllis and Kelly for their massive contribution to the Association. Every year Presidents of MUFA thank these two. Now I know why. They are really invaluable. They are the heart of MUFA.

Second, this has been a very difficult few years not just for MUFA but for the whole of the University. Unfortunately, the Senior Administration has become more and more isolated from the rest of McMaster Community. They have systematically underfunded the Faculties — five of the six are in the red. This has led to the creation of larger classes and more difficult research environments. The treatment of members of The Management Group have alienated many of them. Similarly, faculty members in the School of Business have been totally ignored in the reappointment of their Dean and the University Librarian has lost the support of the MUFA librarians.

At the same time we have a bloated senior administration. The massive post-retirement bonuses for the President and the Vice-President (Health Sciences) have, I know, angered many across the University not to mention the very generous perks for many at the Vice-Presidential level. In addition, the number at the vice-presidential level has ballooned to 17. Most notable is the increase in associate vice-presidents from 2 in 2004 to 9 now!

For me perhaps the most important problem is that senior administrators have no real idea of the problems of teaching in large classes in the first, second and third years. Nor do they appreciate the problems of conducting research in this new environment. Since the advent of the double cohort, there have been some major changes in the student body. Students coming into the University are a year younger and less mature, they are wedded to the new technology and they are increasingly concerned about the overflow numbers on campus.

But senior administrators appear to have no idea of these problems. A significant number have never taught or conducted research at McMaster and for those that have, their experiences are receding into history! So we have decisions being made by senior administrators who know very little about the environment in which faculty members and librarians have to work.

So my third point is that the next two years are crucial for the University. We will be choosing a new president and his or her arrival will be a major event after 15 years of Peter George in office. So I urge all MUFA members to contact the Presidential Search Committee and to express their views on the kind of person we need to be our next president. Of course the choice of the Presidential Search Committee is extremely important, but the selection also has to be considered by the Senate and the Board of Governors. I suggest that MUFA members also contact their Senators and Board members in order to underline their wishes about what kind of person we need as the next president.

Fourth, I want to wish John Berlinsky the best as he takes over as the new President of MUFA. I have thoroughly enjoyed working with John over this last year as I have with Peter Sutherland as Past President. I also welcome Virginia Aksan as the next Vice-President. I am sure John and Virginia will do an excellent job of representing members of the Faculty Association.

Finally, I wish every one a productive and enjoyable Summer.

8. OTHER BUSINESS

a. Words of Appreciation. John Berlinsky thanked Richard Stubbs for his service to the Association in 2008/09. He praised Dr. Stubbs for being a fierce and passionate advocate for the interests of faculty and of the welfare of the University. Members concurred with a round of applause.

b. Certification. Dr. D. Hitchcock commented that he would like to see the new Executive look into the advantages and disadvantages of certification under the Labour Relations Act. Dr. Stubbs took note.

c. Selection Committees. Dr. Steiner asked that the new Executive look into the rules for populating selection committees to choose individuals to fill administrative positions. He thought the rules were too broad and encouraged "interpretation". He asked, what are the criteria which determine if a faculty member is eligible to serve on a selection committee.

There being no further business, the meeting was adjourned at 4:10 p.m.

A reception followed the meeting.

that the MUFA Executive investigate the advantages and disadvantages of certification of MUFA under the Ontario Labour Relations Act and that the Executive report the results of its investigation to the next general meeting of MUFA.

Moved by David Hitchcock