

BOARD OF TRUSTEES

Minutes of meeting 07/5 of the Board of Trustees of the University of Western Sydney, held at 9.00 am on **Wednesday 5 December 2007**, in the Boardroom, Building AD, Werrington North.

Present:

- Mr John Phillips AO (Chancellor)
- Professor Janice Reid AM (Vice-Chancellor)
- Ms Saba Ambreen
- Ms Jennifer Brown
- Ms Jan Burnswoods
- Professor Anne Cusick
- Ms Mary Foley
- Ms Vivienne James
- Ms Genevieve Kelly AM
- Ms Gabrielle Kibble AO
- Mr Roy Medich OAM
- Ms Tanya Rubin
- Mr Glen Sanford
- Mr Ian Stone
- The Hon Kim Yeadon
- Mr Gang Zheng

In Attendance:

- Ms Jan Brown
- Mr Mark Croucher
- Ms Rhonda Hawkins
- Mr Greg Holland
- Professor John Ingleson
- Professor John Loxton
- Mr Paul Woloch
- Professor Neville Yeomans
- Ms Marian Alleyn
- Ms Rebecca Fantini
- Ms Jo Maguire (minutes secretary)

1 OPENING AND PROCEDURAL MATTERS

1.1 Welcome

The Chancellor:

- welcomed and congratulated Ms Saba Ambreen, recently elected Undergraduate Student member. In accordance with the Board's October resolution, Ms Ambreen fills this position as a casual vacancy until the end of the year and begins her elected term from 1 January 2008;

- welcomed and congratulated Ms Jan Brown, incoming General Staff member, to the open session of the meeting;
- congratulated Ms Genevieve Kelly on her re-election to the position of Academic Staff member;
- recorded his own and the Board's thanks to Ms Tanya Rubin, outgoing general staff member, for her considered contributions to Board discussions during her two year term. In reply, Ms Rubin thanked the Board for their work and contributions to UWS and advised that she had been overwhelmed by their contributions, willingness and readiness to champion the University.

Details of the recent Board elections were noted at agenda item 6.7

1.2 Apologies

There were no apologies.

1.3 Starring of Items

The following items were starred: 1.1, 1.2, 1.3, 1.4, 2.1, 2.3, 2.4, 3.1, 3.2, 3.4, 3.5, 3.7, 7 and all of section 4.

Resolution

It was resolved:

that all unstarred items be taken as considered and all recommendations in the attachments for them as adopted.

1.4 Arrangement of Business

Items 2.1 and 3.4 were listed for discussion in the Closed Session.

1.5 Confirmation of Minutes

Resolution

It was resolved:

that the Confidential Minutes and Minutes of the meeting of the Board of Trustees held on 10 October 2007 be confirmed.

2 BUSINESS ARISING

2.1 TVS Progress Report

This matter was discussed in the closed session.

2.2 Visual Arts Education

This report was noted without discussion.

2.3 Status Report – UWSSA

The Board noted the status report on developments relating to UWSSA.

Ms Kelly sought advice on what accommodation arrangements are being made for student associations. Ms Hawkins advised that the spaces previously used by the student association and their welfare officers are being reviewed. The welfare officers have asked to be relocated to more suitable locations. The student association was previously allocated spaces according to the previous services provided but this needs to be reviewed given the significant changes in recent times. The Pro Vice-Chancellor (Campus Development), Professor Sproats, is working to find a solution to provide spaces which assist in improving the welfare services and also cater to an increased student association profile if this eventuates. Interim solutions are being considered and in the longer term the student hubs, which are part of the Capital Plan, will include space for a student association in locations which are more accessible to students and other services.

2.4 UWSCollege Fee-Paying Students

The Board noted that the programs provided by UWSCollege had always operated on a fee-paying basis and that the resolution was aimed at satisfying a technical DEST requirement. The courses operated by the College and the students are technically part of UWS as the College is not a registered higher education provider. The University's policy of not charging fees to undergraduate students in core undergraduate programs remains – with the exception of those already approved for the School of Medicine.

The Vice-Chancellor advised that, prior to the election, the Labor party had suggested a policy of eliminating undergraduate fee-paying places. A significant issue for the sector is whether those universities which had offered fee-paying places (generally the Group of Eight) would receive some form of compensation if the plans were to be abolished. The University will seek dialogue with the new Federal government on the issue.

Resolution

It was resolved:

That the Board approves enrolment of fee-paying domestic students in programs taught under license in UWSCollege.

3 NEW GENERAL BUSINESS AND MATTERS FOR DISCUSSION / DECISION

3.1 Vice-Chancellor's End of Year Review

3.2 Vice-Chancellor's Report

The Vice-Chancellor summarised the achievements of 2007, which included:

- The first intake of students into the Medical School supported by the appointment of several outstanding senior academics, the establishment of the Campbelltown Clinical School and securing support for and funding towards the establishment of the Blacktown/Mt Druitt Clinical School.
- A more stable structure accompanied by a well communicated prospect of no major structural change in the next five years (subject to any major adverse government policy initiatives which would force the University's hand).

- A well known and embedded integrated strategy for action – *Making the Difference* - which underpins the core activities of the Colleges and Divisions.
- A clearer position on the campus network including the decision to cease teaching at Blacktown campus.
- An outstanding AUQA report which has been a catalyst for growing institutional confidence and community, sector and government recognition of the improving position and reputation of UWS.
- A continuation of the strong financial position even allowing for additional investment expenditure in core areas.
- Success in obtaining Commonwealth funding grants totalling almost \$20m.
- The appointment of new Heads of School in 13 schools, two new Executive Deans, two new Deputy Vice-Chancellors, three new Pro-Vice-Chancellors and several leading professors. A significant message arising from these recruitment processes has been the University's growing reputation and capacity to attract highly experienced, well known and highly regarded new senior staff.
- Meeting the University's student load targets in the face of decreasing demand across the sector, as a result of which several universities have been forced to return student places to the DEST pool of available places.
- Significant success (118% increase) in the ARC research funding round for 2007/8
- Continuing and growing improvements in demand, retention and student satisfaction.
- The development of a strategic plan and related actions to build and maintain the University's relationship with the schools sector in Greater Western Sydney.
- Improved positioning of UWS externally including an increase in media mentions from 700 to 900 per month and an array of awards and external recognition of UWS staff.
- The establishment of a joint Chair with Sydney University in Traditional Chinese Medicine.

In addition to the matters contained in her reports, the Vice-Chancellor advised that Peter Brennan, Chief Executive Officer of Bradcorp, had pledged \$1.5m for a Chair in General Practice.

Resolution

It was resolved:

That the Board record its appreciation and officially thank Mr Brennan for his generous donation.

The Vice-Chancellor thanked Board members for their support, warmly acknowledging their blend of skill, expertise and enthusiasm. She also thanked the Chancellor and acknowledged his guidance, support and leadership. She advised that she felt privileged to be part of this University in such a rapidly developing part of Australia.

In terms of the performance indicators, Ms Kelly expressed concern about the student/staff ratio and asked what the strategy is for the next 12 months. The Vice-Chancellor acknowledged the problem and advised that the solution will

require a multi-faceted strategy which includes the 2015 staffing project; complexities of workload; graduate students doing teaching; reviewing the budget process early in 2008 including the student/staff ratio and reviewing the student enrolment process. Even though the decline in the student/staff ratio is sector-wide, it must be addressed recognising funding requirements of other areas.

The Chancellor advised that, in most respects 2007 has been a good year, although a much higher surplus needs to be generated to achieve the University's goals, including improving staff/student ratios and amenities. The University should strive to build an endowment for future generations. Nevertheless, good progress has been made. The University has enjoyed success in attracting new high quality staff and this is noticed by other universities. The Chancellor reiterated the Vice-Chancellor's thanks to the Board for their contributions, noting that Board members have always discussed issues in a positive, open and objective way.

3.3 Uses of the University Seal

Resolution

It was resolved:

That the uses of the University Seal since 26 September 2007 be approved.

3.4 Cases Under Management

This matter was discussed in the closed session.

3.5 Presentation by Professor Neville Yeomans, Foundation Dean of Medicine

Professor Yeomans reviewed the Medical School's progress during 2007 and its plans for 2008 and beyond. He also advised that:

- Budget predictions are in line with those estimated at the School of Medicine's inception - it will take approximately five years to achieve a positive financial position.
- Emphasis has been placed on recruiting only the best people.
- Only a very small number of students have left the course or deferred.
- Building K at Liverpool was used successfully for the first co-hort of students. The University has ongoing tenure of that building for up to eight years and it might be suitable accommodation for academics and possibly the Nursing research group.
- It will be critical to have the Blacktown Clinical School in place.
- He will ensure that local Federal members are kept informed about the School of Medicine and its progress.
- Stage 1 of the School of Medicine building will be completed in 2008 and Stage 2 will commence. Design changes amount to \$1.2m. The reasons are: Conversion of PC2 laboratories to needs of Professors of Anatomy and Cell Biology and Physiology and staff (Neuroscience centre); redesign proteomics facility for Professor of Molecular Biology; revised design of Anatomy teaching for NSW Health anatomy licence and O&HS needs.

3.6 Teaching and Learning '*Bringing Knowledge to Life*'

This report was noted without discussion.

3.7 The New Rudd Government – Positioning UWS in the new higher education landscape

The Board noted the University's Government Relations plans following the recent election of the Rudd Government.

In response to an enquiry by Ms Kelly, the Board noted that enterprise agreement negotiations due to begin in 2008 are expected to be quite different in light of the new government. However, many changes foreshadowed in the election campaign will require changes to the Higher Education Support Act (HESA).

The University has complied with HEWRRs and expects to receive the associated funding. HESA placed many unnecessary compliance requirements on the University and it is likely that the 'micro-management' of higher education will be raised in negotiations with the new Minister in due course.

4 REPORTS AND RECOMMENDATIONS FROM BOARD STANDING COMMITTEES

4.1 Strategy and Resources Committee

4.1.1 2008 Budget

4.1.2 Capital Works Plan

4.1.3 UWS Investment Initiatives – Endowment Fund

Budget and Capital Works Plan

The matters contained within the Strategy and Resources Committee report were considered by the SRC at its meeting on 22 November and submitted to the Board for consideration and approval.

Mr Greg Holland, Chief Financial Officer, presented the 2008 Budget. He highlighted:

- The components of the projected \$19.5m operating surplus at the end of 2007 (which excludes land development, capital grants and entities).
- That the 2008 budget continues to support the University's identified strategic goals.
- That the aim is for a \$10m operating surplus for 2008.
- That the DEST benchmark for sound financial health is an operating surplus of 5% - the University should be near to achieving this by 2010.

Mr Holland advised that the budget development had been a complex and challenging process and that robust discussion about the operating results had occurred at the SRC meeting. Ms Foley commended the budget process and the University's financial performance in 2007, advising that the favourable result of \$19.5m is principally a result of improved revenue. Investments might not perform as strongly in future years but the University is starting to see some good returns from its initiatives and is creating a platform for growth. Following debate, the SRC had supported a \$10m surplus for 2008, rather than pushing towards DEST's recommended 5%, which would be approximately \$20m. In early 2008 the SRC and Executive will review the budget assumptions.

The Vice-Chancellor advised that budgets identified in the Capital Works Budget are subject to change and that the relevant budget variations will be brought back to the Board via the SRC. These variations are necessary as planning for the new buildings is not yet finalised. Some projects are likely to cost more and some less than itemised in the budget. The Chancellor suggested that, if the figures in

the budget are subject to change, the Board could only give conditional approval of the budget and that it would need to come back to the Board for final approval. Ms Foley advised that the Capital Works Program proposes a sizable investment over the next three years and is significant, particularly as the University's capital development has been limited over recent years. She argued that the capital works quantum in the 2008 budget is the matter for consideration, and the detail of the Capital Works Plan should be considered separately.

The Board agreed that, if approval of any capital works funding was required prior to the February 2008 Board meeting (for example the Multi-Purpose Building at Parramatta campus), the Vice-Chancellor could consider approval of those matters and amounts within her delegation, but it may also be necessary to seek the Board's approval via rotary resolution.

Ms Kibble and other Board members expressed concern that the University had committed \$5m to the \$9m Penrith Campus Sport Centre. The Board noted that this contribution was a requirement of the Government's post-VSU contribution to the University and that the facility will be run as a commercial venture for the community.

Ms Kibble, as Chair of the Campus Development Committee, noted that the Capital Works Plan had not come before that committee for consideration. The Board noted the Vice-Chancellor's advice that, because approval to changes to the Campus Development Governance Structure (at agenda item 4.5.1) were so current, the Capital Works Plan had been submitted to the SRC only, in keeping with the management structure of the time.

Borrowings Strategy

The Board also discussed the proposal to fund the Capital Plan through borrowings. This proposal had the SRC's conditional support, subject to a fully briefed proposal being presented to the SRC early in 2008 and expert advice being sought on the nature of the borrowings and the treatment of the debt. The Board was assured that the proposal to borrow \$50m in 2008 and 2009, totalling \$100m, involved the University retaining sufficient reserves to cover its borrowings. Mr Sanford expressed concern about the risk associated with this proposal, suggesting that it could be seen as 'speculation' and not in keeping with the University's key objectives. Ms Foley assured the Board that the detail of this proposal will be brought back to the Board for final approval.

Research

Mr Sanford asked whether the University is seeing sufficient results for research, considering the amount being invested. Professor Ingleson advised that there is a limited 'pot' from which researchers can apply; that there is a three year delay in funds being granted but that the University has set an ambitious target of 15% cumulative growth per annum to 2015.

Investment Initiative – Endowment

The Board discussed the proposal for an investment initiative to build an endowment fund within the UWS Foundation to support undergraduate scholarships, postgraduate research fellowships and professorial chairs. There is an initial proposal to fund specific initiatives in the College of Arts and the College of Health and Science from those Colleges' 2007 carry-over funds (Mr Holland highlighted that this will reduce the reported result by \$8.7m). In future years the Foundation's 50-in-5 initiative will fund the program.

School of Medicine Capital Position

While acknowledging that the Board's approval cannot be withheld, Professor Cusick expressed concern about the significant over-run of \$6.452m for the School of Medicine's stage 1 and 2 capital program and suggested that this matter could have been referred to the Board of Trustees much earlier. The Vice-Chancellor explained that the true over-run is of the order of 5.4% or \$1.2m for Stage 1; resulting mainly from the technical requirements and design changes of incoming Professors as articulated by Professor Yeomans (agenda item 3.5). The decision to amend Stage 2 was taken as it will be more cost effective to provide lecture theatres for use by the whole campus, including Nursing students moving from Bankstown campus, rather than building another separate building.

Following extensive discussion, the Board agreed to the following resolutions.

Resolutions

It was resolved:

- 1. That the Board of Trustees approves the UWS 2008 Budget.**
- 2. That the Board of Trustees approves the direction of the Capital Works Plan 2008-2012 subject to changes to funding for specific projects, as foreshadowed by the Vice-Chancellor, prior to giving final approval.**
- 3. That the Board of Trustees notes the proposal to finance the capital expenditure program for 2008-2010 using a combination of investment funds, operating cashflow and borrowings. A borrowing strategy will be developed for consideration by the Strategy and Resources Committee and then possible approval by the Board of Trustees.**
- 4. That the Board of Trustees approves the revised budget of \$56.552m for Stages 1 and 2 of the School of Medicine capital program.**
- 5. That the Board of Trustees approves the University building a separately identified endowment under the aegis of the UWS Foundation to support endowment-funded undergraduate scholarships, postgraduate research fellowships and professorial positions (Chair).**

That the Board approves an amount of \$8.7m being transferred before the end of the financial year to support this endowment.

Ms Kelly reiterated Ms Foley's comments on the need for extensive capital works to commence but questioned whether those staff, who are affected by building works and teaching space changes in the near future, have been consulted. The Board noted that over Christmas only teaching spaces will be refurbished and not staff offices. It was agreed that Professor Sproats, PVC Campus Development, should circulate a message to inform staff of the refurbishment program.

4.1.4 'Vital Signs' Key Performance Indicators

The Board noted this document without discussion.

4.2 Audit and Risk Management Committee

The Board noted the report of the Audit and Risk Management Committee meeting held on 7 November 2007 and that, in particular, UWS had recently been noted by ICAC as an exemplar of risk management.

4.3 Academic Senate

The Board noted the matters considered by the Academic Senate at its meeting held on 23 November 2007. The Chancellor commended Professor Cusick on the progress and improvement of Academic Senate reports coming before the Board.

4.4 Board Standing Committee and Remuneration and Nominations Committee

The Board noted the report of the 16 November 2007 meeting. Part of this item is recorded in the minutes of the closed session.

Resolution

It was resolved:

That Ms Janet Sayer be appointed to the Campus Development Committee for a period of two years from 5 December 2007.

The Board also noted rotary resolutions relating to UWS College members which were approved by the Remuneration and Nominations Committee.

4.5 Campus Development Committee

The Board noted the report of the Campus Development Committee's meeting held on 9 November 2007.

4.5.1 Campus Development Governance Structure

Ms Kibble commended to the Board a modified governance structure for the campus development portfolio and the Board noted the exceptional work being done by Professor Sproats and the Campus Development team.

Resolution

It was resolved:

That the Board of Trustees endorses the campus development governance structure.

5 REPORTS AND RECOMMENDATIONS FROM THE COUNCILS AND OTHER UNIVERSITY COMMITTEES

5.1 Regional Council

The Regional Council met on 8 November 2007. Its report was contained within item 6.5.

6 OTHER REPORTS

6.1 Occupational Health and Safety

This report was noted without discussion.

6.2 Staffing Matters

This report was noted without discussion.

6.3 Research Developments

This report was noted without discussion.

6.4 International Activities

This report was noted without discussion.

6.5 University Engagement

The Board noted this report.

6.6 Development – Major Programs and Strategies

This report was noted without discussion.

6.7 Board Elections

The Board noted the outcome of the recent elections for the Board of Trustees.

6.8 Building Better Relationships with Schools

This report was noted without discussion.

7 MATTERS TO BE RAISED BY BOARD MEMBERS

7.1 UWS Greening Taskforce

Ms Brown advised that the first meeting of the UWS Greening Taskforce had been held, its terms of reference were endorsed and a Chair approved. The taskforce will convene a month prior to each Board of Trustees meeting and its membership is:

Jenny Brown (Board of Trustees), Chair
Geoff Scott, Pro Vice-Chancellor Quality
Kim Yeadon (Board of Trustees)
Genevieve Kelly (Board of Trustees)
Professor Jann Conroy, Centre for Plant and Food Sciences
Brian Uy, Head of School, School of Engineering
Roger Attwater, Environmental Manager, Capital Works and Facilities
Michelle Seamons, Executive Officer, Campus Development

8 OTHER BUSINESS

The Chancellor reinforced his thanks to all Board members, and members of the Executive, for the manner in which they've conducted the business of the University over the past year. He wished all present a Happy Christmas and all the best for 2008.

9 NEXT MEETING AND CLOSURE

The next meeting of the Board is scheduled to be held at 9.00 am on **Wednesday 27 February 2008**.

There being no further business, the meeting closed at 12.30pm

Confirmed by:

Chair

Date