

**Report of the Senior Administration Responsibility Review Committee**  
Response from the President's Executive Team (formerly UMC)

**Title of the Vice-President Saint John**

**Recommendation One:**

We recommend that the Vice-President Saint John be re-designated the Principal of UNB Saint John reporting to the President of the University, and that the Principal normally act as President in the latter's absence.

We do not see a consensus in the feedback we have received with respect to the issue of the VP (Saint John) as second in command. The title of Principal was likewise not well endorsed by all. We will, therefore, retain the present title: VP (Saint John). We will continue the present practice of rotating the role of Acting President among the Vice-Presidents.

**Title and Duties of the Vice-President Fredericton**

**Recommendation Two:**

We recommend that the Vice-President Fredericton be re-designated simply Vice-President Academic, with responsibility for academic matters on the Fredericton campus. Non-academic responsibilities should be reviewed and reassigned to other administrative units, as appropriate, to ensure this Vice-President's focus and mandate are primarily academic.

There are a variety of non-academic duties that we will move from the VP Fredericton (Academic) portfolio to the portfolio of the Vice-President (Administration and Finance). Implementation of these changes will require a review of and changes to our policies and agreements. The following will shift from VP Fredericton (Academic) to VP (Administration and Finance):

1. Allocation of space.
2. Security and Traffic.
3. Ancillary services such as:
  - SUB Businesses and related contracts
  - Bookstore (shared with STU and NBCC)
  - Campus shared services agreements with STU and NBCC
  - Campus Daycare

4. Responsibility for campus closures (such as the declaration of snow days).

**Academic Duties remaining within the VP Fredericton (Academic) portfolio:**

1. The Faculties.
2. The Registrar.
3. The Centre for Enhanced Teaching & Learning.
4. The Libraries.
5. The College of Extended Learning.
6. Residential Life.
7. Student Services such as the Student Advocate, the Counselling Office, the International Office.

**Title of Vice-President Finance and Corporate Services**

**Recommendation Three:**

We recommend the title of the Vice-President Finance and Corporate Services be restored to that of Vice-President Finance and Administration as it was originally known until recently at UNB and is commonly used in Canadian universities.

The title has been changed to Vice-President (Administration and Finance).

**Reporting Relationship – Dean of Graduate Studies**

**Recommendation Four:**

It is recommended that the Dean of Graduate Studies report to the Vice-President Academic at UNB Fredericton and to the Principal of UNB Saint John. It is further recommended that the Dean have a dotted line reporting relationship to the Vice-President Research.

The Dean of Graduate Studies will continue to report to the Vice-President (Research) with a renewed commitment to excellent communication with the other two academic VPs.

**Financial Management**

**Recommendation Five:**

The President, with the support of the Board of Governors, should reorganize the University's financial management systems, processes and personnel to achieve effective University-wide budget preparation, monitoring and reporting outcomes under the responsibility of the Vice-President Finance and Administration. The Assistant Vice-President (Financial and Administrative Services) at the Saint John campus and the Assistant Vice-President (Resource Planning and Budgeting) at the Fredericton campus and their staffs should report directly to the Vice-President Finance and Administration. In the reorganization that follows upon this recommendation the academic leaders (Principal in Saint John, Vice-President Academic in Fredericton and Vice-President Research) must retain sufficient staff to sustain their capacity to manage their own budgets and ensure effective decision supports in their office.

This recommendation has been acted on under separate cover. See appendix A.

**Recommendation Six:**

We propose three changes to the existing university budget process which we believe will make it more transparent and enable the University community to engage with the development of the annual budget on an iterative basis. Academic priorities must, of course, drive the budget process. This is not to say that academic budget needs trump all others since there are a host of other needs--for example, student services, infrastructure, advancement and communication supports to name just a few--that also must be attended to for the University's success. For academic priorities to be considered, however, there must be clear academic strategic needs articulated across the university in academic plans clearly stated by the Vice-President Academic and the Principal after appropriate consultation with their academic colleagues.

Academic plans are being developed for both campuses to appropriately inform and drive the budget process.

Secondly, while the Saint John campus has a well-developed campus budget process that feeds Saint John priorities into the University-wide budget process, there is no equivalent process in Fredericton. It is our understanding that the Vice-President Academic is currently developing a plan for such a process and we strongly urge that this initiative come to fruition shortly.

The Fredericton campus budget advisory committee has been set up and has already met to develop appropriate terms of reference. This committee will be in place and fully functional this fall in time for the initiation of the development of the 2016/2017

budget. This committee will consider the academic plans in the context of the overall campus academic plan and fiscal context including preliminary budget assumptions.

Finally, we take it as given that effective budget planning in a university environment requires adequate consultation with the University community through an iterative process. We understand that currently there are three stages to the University-wide budget process: Phase 1, which involves assessing the budget context, establishing broad priorities, assessing risks, modeling major assumptions and budget parameters, assessing available options and choices and developing a budget strategy for the coming year. Phase 2 involves assignment of targets, detailed preliminary budget preparation, Budget Committee review of unit budgets, incorporation of Provincial Budget decisions that affect the university, reassessing budget parameters in light of emerging information and reviewing the budget to assess objectives and targets. Phase 3 sees the consolidation of this process in the completion of the budget, a final assessment in relation to objectives and risks, presentation of the package to the Board of Governors, communication of the outcomes to the University community and the creation of spending accounts for units to proceed with their annual business.

This is fine so far as it goes, but we believe that the communication process should start occurring earlier – at the end of Phase 1 with a request to the University community for feedback on assumptions and evolving plans, at the end of Phase 2 as the next year’s budget begins to take shape before it goes to the Board of Governors, and finally, as is the case currently, at the end of Phase 3, to inform the University community of the Board’s decisions and the state of unit budgets. Better communication will educate the entire University community about the University’s financial status and prospects, invite campus comment and suggestions about emerging priorities and tentative decisions, and provide greater confidence across the University with the final budget decisions that emerge from this process.

We will start the budget process earlier to allow for more consultation. The Board normally approves the audited financial statements of the university for the previous fiscal year in late October. We will share these with the university community. The exact format for this sharing, such as campus Town Halls, is still under discussion.

At that time, it also makes sense to update the university community on our performance against the current fiscal year’s budget, and to have a look ahead at the context for the development of the budget for the next fiscal year, such as budget direction and assumptions, to allow for feedback that will inform the work of the Campus Budget Committees.

Increased involvement of the University-Wide Budget Management Committee and Campus Budget Committees earlier in the process will help with communication and understanding of the financial situation and future plans within the greater UNB community.

In February, as the budget is starting to take shape and more is known about the planned direction, we will provide an opportunity for the community to ask questions and provide feedback.

Finally, when the Board approves the budget, we will ensure the university community is informed.

## **Communication Issues**

### **Recommendation Seven:**

We endorse the current initiative to hire a senior communications professional specifically to support the Office of the President in its communication needs both on the campuses and beyond the University.

This recommendation has been acted on with the appointment of David Stonehouse. As well, Sonya Gilks has been appointed to the vacant position of Associate Director of Communications in our Department of Communications and Marketing. The resulting team allows UNB to better respond to the call for improved communication and transparency, and to handle increasing requests for information.

### **Recommendation Eight:**

To support deeper understanding of pressing issues and priorities, encourage informed input to vital decisions and build University-wide networks of committed officials, the President should annually organize a two-day retreat, and perhaps a subsequent day-long meeting as well, for senior academic and administrative leaders from both campuses.

We did not see support in the feedback for this recommendation. We do have a number of vehicles for communicating with the Deans and Department Chairs and will pursue ways to make better use of these vehicles. Further, we will find ways to use these vehicles to better support a 'one University, two campus' atmosphere.

### **Recommendation Nine:**

The Deans Council in Fredericton, chaired by the Vice-President Academic, should from time to time invite Vice-Presidents and other senior administrative staff to discuss issues related to their portfolios and hear about academic leaders' concerns.

The Direct Reports Council in Saint John, chaired by the Principal, should also from time to time invite Vice-Presidents and other senior administrative staff to discuss issues related to their portfolios and hear about academic leaders' concerns.

Such visits take place now on an as-needed basis.

## **Academic Strategy and Innovation**

### **Recommendation Ten:**

The President should establish a University-wide Strategic Academic Innovation Committee to examine and assess UNB's academic initiatives and practices regularly and to consider and promote, as appropriate, evolving new approaches within higher education that could enhance learning and research outcomes at the University. The three senior academic leaders at the university - the Vice-President Academic at UNB Fredericton, the Principal of UNB Saint John and the Vice-President Research - should be members of the Committee, but the majority of the appointees to the Committee should come from the faculty ranks on both campuses and the Chair of the Committee should be a faculty member respected for his/her knowledge and innovative spirit. Initiatives from this Committee should feed into the University's annual budget discussions. Members of the Committee should be appointed by the President upon the recommendation of senior University academic leaders and should serve for three-year terms.

We see this recommendation as promoting the vision of one university with two campuses, but there is a question of timing. It makes more sense to us to form this committee after we have developed unit academic plans feeding into overall campus academic plans. Please also see our response to Recommendation Sixteen.

## **Academic Labour Relations**

### **Recommendation Eleven:**

Academic labour relations support is a specialty requiring unique knowledge and skills and this capacity must be developed within the Office of Human Resources to provide appropriate advice to deans and vice-presidents on both campuses, as required. When new academic collective agreements require negotiation, this capacity should be available to facilitate or lead the process on behalf of the University. While the administrative home for this capacity resides within the portfolio of the Vice-President Finance and Administration, along with other labour relations and HR specialists dealing with other employee groups, its clear mandate is to serve the needs of campus

academic leaders as required. Collective bargaining strategy should be determined by the Vice-President Academic and the Principal under the oversight of the President and the Board of Governors Human Resources Committee which establish their mandate. Ongoing supervision of the bargaining process should fall to the Vice-President Academic and the Principal. Advice to achieve positive outcomes should be sought regularly from among deans and other senior academic leaders who operate under the terms of the Collective Agreement.

This recommendation has been implemented. That is, collective bargaining strategy will be determined by the campus Vice-Presidents under the oversight of the President and the Human Resources Committee of the Board, and the campus Vice-Presidents will provide ongoing supervision of the bargaining process.

## **Senior Administration**

### **Recommendation Twelve:**

It is recommended that the University Management Committee (UMC) be renamed the President's Executive.

We will refer to this group as the "President's Executive Team (PET)."

## **Senates Structure**

### **Recommendation Thirteen:**

It is recommended that the Senates in Fredericton and Saint John be chaired by respected senior faculty members nominated by committees of the Senates constituted for this purpose, and affirmed by the Senates' memberships. The President will continue to attend all meetings, provide a regular report, answer questions, address issues and participate in the deliberations of the Senates.

We prefer to have the President, as chief academic officer of the university, chair the university's academic governing bodies, the Senates.

### **Recommendation Fourteen:**

To assist effective communication and understanding of academic developments across both campuses and aid efficient decision-making on University-wide academic concerns, UNB should establish a Joint Senate Executive Committee with representatives from both campus Senates to provide campus updates on planning, new initiatives and forthcoming proposals. From time to time, when University-wide standards or regulations are under review, this Committee can act as a clearinghouse for essential information and coordinate required joint actions.

The Joint Senate Executive Committee can also ensure that required communication between related committees on both campuses occurs in a timely manner. Initiatives being developed within one campus Senate should not come as a surprise to Senators at the other campus.

This recommendation will be referred to the Fredericton and Saint John Senate Nominating Committees with a request that they form a joint sub-committee to consider composition and terms of reference for a Joint Senate Executive Committee. Section 43 (2) of the UNB Act provides for a Senate to constitute or appoint and Executive Committee as follows:



*A Senate, subject to the provisions of this Act, is empowered to constitute or appoint an Executive Committee and such other committees as it may consider advisable and to confer upon the Executive Committee or any such committee authority to act for the Senate with respect to any matter or class or classes of matters vested in the Senate, provided that the Executive Committee and any other committee constituted under this subsection shall include the President, and that the Executive Committee shall in addition comprise at least five other members of the Senate, and that a quorum thereof shall be at least three such members.*

## **Shared Administrative Services**

### **Recommendation Fifteen:**

Following the publication of the Shared Services Report, the University should adopt a strategy of reviewing key administrative services with a view to implementing changes that will cut costs and improve the quality and range of administrative support on both campuses. Such reviews should proceed in a discrete fashion with an initial focus on those services most likely to yield positive results.

To repeat for emphasis, the purpose of such initiatives is not centralized control, it is better services for all at a cheaper price. If these changes involve some degree of integration and centralization of services under the leadership of the Vice-President Finance and Administration, such initiatives must also be mindful of the need for dotted reporting lines between administrators on both campuses to other campus officials substantially impacted by their activities.

Where it makes sense, each service review that does lead to increased integration and perhaps a measure of centralization, should also pursue the question of where such services should be housed. Some services need to be proximate to each other, but this is not always the case, and where it is feasible, consideration should be given to some balance of housed services in Saint John as well as Fredericton.

At the same time, the Vice-President Finance and Administration needs to arrange his office and his schedule to ensure that both University communities feel that he is a visible presence on their campus and that he is well informed and sensitive to their administrative needs. This is an essential component of any strategy for future integrated service delivery models.

*See our response to Recommendation Sixteen below.*

## **Academic Synergies**

**Recommendation Sixteen:**

UNB should actively explore the substantial opportunities to leverage its academic resources currently available on both campuses. In the larger university world, UNB is a mid-sized institution competing with much larger institutions. To subdivide its resources unnecessarily weakens its competitive capacity. The Strategic Academic Innovation Committee (see Recommendation Ten) should analyze the opportunities identified above as well as other ideas that emerge from across the University community in this connection.

Separate initiatives should be launched to explore the benefits of integrating the operations of the Library, Information Technology Services and student recruitment on both campuses within single organizational structures. As previously noted with respect to shared administrative services, integration will require dotted line reporting relationships outside the unified organizational structure to ensure that both campuses feel these essential operations truly are responsive to their developmental needs.

We see Recommendations Ten, Fifteen and Sixteen as closely related. Some of the activities suggested in these recommendations are under way now or have been completed. Ongoing activities will continue and new activities will be encouraged under the auspices of the University-wide Academic Innovation Committee, when it is created.

There is a need to establish a formal body to review our administrative services to ensure we are delivering them in the most efficient and effective manner possible – as Recommendation Fifteen states, better services at decreased cost. We agree with the proposition that, when reviews of shared services lead to more integration and centralization, the question of location should be pursued. We observe that we are in the process of hiring a new Vice-President (Administration & Finance). It is our expectation that the formal body discussed here will be led by her or him.

Finally, the shared services report referred to in Recommendation Fifteen is available at <http://www.unb.ca/vpfinance/resources/pdf/reports-presentations/shardserv.pdf>. We have not acted on this report because we believe that to do so at this time would do irreparable damage to UNBSJ. The report may help guide future decisions on resource allocation, however.

## APPENDIX A

### Senior Administrative Review Committee: Recommendation 5

#### Recommendation 5:

The President, with the support of the Board of Governors, should reorganize the University's financial management systems, processes and personnel to achieve effective University-wide budget preparation, monitoring and reporting outcomes under the responsibility of the Vice-President Finance and Administration. The Assistant Vice-President (Financial and Administrative Services) at the Saint John campus and the Assistant Vice-President (Resource Planning and Budgeting) at the Fredericton campus and their staffs should report directly to the Vice-President (Finance and Administration). In the reorganization that follows upon this recommendation the academic leaders (Principal in Saint John, Vice President Academic in Fredericton and Vice-President Research) must retain sufficient staff to sustain their capacity to manage their own budgets and ensure effective decision supports in their office.

In our response to this recommendation, it is important to recognize the "academic imperative" – all of us are here to serve and support the academic mission of the university.

The recommendation addresses the manner in which we organize ourselves to do this in the most efficient and effective manner appropriate to our academic setting. The operation of the university requires us to plan, develop, monitor and report on our budgets (BDMR) and also requires us to manage and obtain advice from individual portfolios – portfolio advising and budget management – (PABM) reporting to other senior executives.

Budget development, monitoring and reporting tasks include:

- Develop and monitor the overall budget development process, including:
  - Coordination of the University Wide Budget Management Committee (UWBMC);
  - Recommend appropriate budget assumptions to PET;
  - Complement modelling based on information provided from portfolio managers and Human Resources, and run scenario analyses associated to various options;
  - Base and final modelling of projected revenues and expenditures across Academic and UW portfolios;
  - Model the major sources of revenue, grant and tuition;
  - Prepare the base and approved budgets for the University overall

- o based on submissions from the VPs and President for their respective portfolios;
  - o Prepare budget reports and documents for presentation and approval at the Board of Governors;
  - o Budget memo creation specific to non-Academic portfolios on the Fredericton campus detailing complement changes;
  - o Develop the capital budget in conjunction with the AVP Capital Planning & Property Development.
- Prepare multi-year pro-forma budget reports for use in budget strategy development;
- Variance analysis and reporting for the operating Budget Summary report to the Board based on standardized information and explanations provided by those with responsibility for the budgets (including the VP Academic, Fredericton and VP Saint John);
- Analyze and report on university-wide provision and reserve accounts as well as university-wide budget carry forwards;
- Prepare external reports and statistics, for example to MPHEC and CAUBO; and
- Monitor and report on non-space initiatives and alteration and renovation (A&R) budgets.

Portfolio advising and budget management tasks within the portfolio of the VP Fredericton (Academic) and the VP (Saint John) include:

- Preparation and analysis of business cases from portfolio units, (for example, with respect to offering a program in collaboration with a remote partner) for use by VPs in decision making;
- Decision analysis and supporting documentation regarding in-year changes to resource allocations and any other budget impacts made by the budget holder affecting the bottom-line position of the University. Such analysis should include recommended sources of funding to address shortfalls.
- Perform financial analysis specific to VP Fredericton (Academic) and VP (Saint John) portfolios and requirements to ensure decisions respect established budget targets. For example, analysis on the financial/business impact of reducing the number of seats in Nursing or in Education;
- Complement planning, hiring, and decision-making regarding Academic portfolios. Completion of all required complement analysis and financial projection inputs as required by the university budget development processes for Academic portfolios and per pre-defined deadlines. Salary variance projections for Academic portfolios;

- Budget memo creation specific to Academic portfolios detailing complement changes; assistance to faculties and departments in the preparation of their budget submissions based on decisions made in the VP Academic (Fredericton) and VP (Saint John) offices;
- Analysis of Academic budget submissions to ensure alignment with the academic plan and provision of supporting documentation for changes to base budget amounts within the established total portfolio;
- Regular monitoring and performance (variance) reporting on Academic portfolio operating accounts in standardized format to include the provision of explanations to the Director of University Budgets;
- Analyze and report on budget carry forward accounts in Faculties;
- Preparation and analysis of internal statistics such as course registrations, enrolments, faculty and staff complements, and the utilization of academic space;
- Liaison and support between the Faculties and the VP Fredericton (Academic) and the VP (Saint John); and
- Coordination and reporting on non-space and AR projects for Faculties and academic departments

We conclude that the VP (Administration and Finance) should have the responsibility and authority for budget development<sup>1</sup>, coordinate all monitoring and reporting (BDMR) tasks and that the VP Fredericton (Academic) and VP (Saint John) should have the responsibility and authority for portfolio advising and budget management (PABM) tasks within their respective campus portfolios as well as the accountability for budget variances and performance reporting within those portfolios.

This division of labour and reporting structures is common in universities, and it follows the report we have received: "In the reorganization that follows upon this recommendation the academic leaders (Principal in Saint John, Vice President Academic in Fredericton and Vice-President Research) must **retain sufficient staff to sustain their capacity to manage their own budgets and ensure effective decision supports in their office.**"

In more detail, in this model, the Comptroller and the Director of University Budgets report to the VP (A&F), while, in SJ, the Assistant VP reports to the VP (A&F) on financial matters and the financial staff in the Assistant VPs office have direct lines of communication to the the Comptroller and the Director of University Budgets. The position of Assistant VP (Resource Planning and

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<sup>1</sup> Development of the narratives that accompany the budgets, however, will remain the responsibility of the campus VPs.

Budgeting) now has reduced responsibilities resulting a title change to that of Director of Budget Management and Academic Resource Planning reporting to the VP Fredericton (Academic). In FR, current resource planning and budgeting positions will be split between the portfolios. During the transition period, these offices must be co-located to facilitate necessary communication. Budget management and academic resource planning support for the VP (SJ) through dotted lines to two financial staff will remain in place.

The transition to this model will require time, that new job descriptions be developed (perhaps resulting in classification changes), and the exact number and division of positions between the units be determined. In determining the division of positions and staff between the two divisions, present staff should be consulted with respect to their professional opinions and desired outcomes for themselves based on the new job descriptions and organizational structure. Consideration should also be given to providing a balanced level of experience to both units in order to best serve the University. The need for ongoing communication between the units – especially acute during the period of transition and knowledge transfer between staff taking on unfamiliar duties, requires co-location. Given the timeline for University budget development, the staff vacancies and the shift in duties, priority will be given to the development of the University Budget and managing the budget development process until the budget is ready to be taken to the Board for approval at its meeting in May.

Specific transition plans must be developed and agreed to by the VP Fredericton (Academic), the VP (Saint John) and the VP (Administration and Finance). This exercise must address details not provided for above.

In future, in SJ, we will consider a position of Director of Finance reporting to the Comptroller. In Fredericton this evolution would see the Director of University Budgets reporting to the Comptroller rather than the VP (Administration and Finance).

Initial structural changes will have happened by 1 May 2015.

There are longer-term considerations at hand:

- The Building a Better UNB process will produce academic plans under the supervision of the Senates. Keeping those plans up to date will feed the development of our budgets, ensuring an academic focus.
- Coupling that exercise to the “vision” injects energy and enthusiasm into that process.

- The Building a Better UNB process may lead to some new ways of conducting university-wide activities, including those around resource analysis and planning.
- Moving to a three-budget model: University-wide, Fredericton, Saint John provides greater transparency.
- The resource-centred management (or activities-based) budget model will provide greater transparency and additional incentives to Faculties.
- Updating our financial software and educating all members of the University community in the importance of providing information in a timely fashion should help to provide greater understanding and transparency at the unit level.

In passing, we suggest revamping the mandate of the University Wide Budget Management Committee led by the Director of University Budgets to make recommendations to PET on, among other things, the assumptions under-lying the development of our budget. This group would also be charged with the development of three funding scenarios, informally known as the good, the bad and the ugly. These changes will allow the UWPMC to be more effective and to have increased input into the budget process, allowing for increased transparency and more consultation. Consideration will be given to beginning these meetings earlier and more frequently during the budget process.

These assumptions and scenarios then pass through PET which would advise me as President on the directions to be provided to both campus budget development processes and into the university-wide budget development process.