APPENDIX B
TO Memorandum of Agreement

Terms of Reference for
A Joint Committee on University Planning and Budgets

Whereas the University administration and the Association of Academic Staff of the University of Alberta (AASUA) have a common interest in the long-term financial stability, reputation, and quality of the University of Alberta and its programs. Therefore, the administration and the AASUA agree to name a Joint Committee on University Planning and Budgets (“Joint Committee”).

The Joint Committee’s primary focus will be the University’s four-year institutional plans, with the opportunity to identify and review longer term issues. These issues will include its financial position, the preservation and enhancement of the reputation and quality of the University’s academic programs, and by implication its competitive status as an employer of academic (and other) staff, and as a destination of choice for students.

Mandate

The Joint Committee shall:

1. Review the University’s institutional planning and budgeting practices, including its financial and investment policies, with the aim of identifying impacts over the University's four-year planning cycle regarding financial stability, reputation, and quality of the University of Alberta and its academic programs;

2. Review the University's draft and finalized institutional planning documents for their impacts on the University’s financial situation, and the ability of the University to sustain these priorities through the four-year planning process;

3. Identify and review longer term issues that may have implications for the operating budget;

4. Identify realistic business, investment, and operating strategies and opportunities that would enhance the diversity and sustainability of the University’s revenue model.

Commitment

To facilitate the work of the Joint Committee, the documentation described above will be provided regularly and in a timely manner.

AASUA members of the Joint Committee will:

• Inform members of the AASUA Executive, AASUA Council, and its general members of their findings;
• Attend as visitors any open committee meetings of the Academic Planning Committee, Board Finance and Property Committee, and the Board when budgeting issues are addressed; and
• Identify one AASUA member of the Joint Committee to attend the University’s Expert Forum.
December, 2009

The AASUA is free and independent to comment publicly on any planning and budget information that is made available to the University community.

**Immediate goals for 2009–2010 academic year**

The Joint Committee will review:

- Public planning and budgeting documentation available on the website;
- Audited Financial Statements including rules on Generally Accepted Accounting Principles (GAAP);
- Investment policy including the type and structures of the University’s investments;
- Board approved integrated planning and budgeting process;
- Consolidated budget including primary revenue and expenditure drivers;
- Operating budget including primary revenue and expenditure drivers;
- Fund accounting system including an understanding of restricted versus unrestricted revenue;
- Document review and approval processes; and
- Planning and budgeting committee structures, roles, and responsibilities

in order to assess by 30 June, 2010, the implications for the University of:

- Any operating budget challenges;
- The University’s financial situation in its current and projected context for the 2010–2011 fiscal year;
- The Government of Alberta’s operating grant and operating budget envelope funding projections.

**Constitution**

1. **Membership:**
   a) The Joint Committee will be made up of ten members, five members appointed by each of the administration and AASUA. Every effort will be made by both parties to ensure that the appointees have the appropriate knowledge, expertise, and commitment to the mandate of the Joint Committee.

   b) Members will be appointed for a one-year term with the possibility of extension.

   c) Other individuals may serve as resource and content experts, as required.

2. The Co-Chairs of the Joint Committee will be the Vice-President (Finance and Administration) and one of the AASUA representatives as identified by AASUA.

3. The Joint Committee will be struck upon ratification of the Memorandum of Understanding. Initial appointments will be to June 30, 2011, with the full expectation that the Joint Committee will continue on an on-going basis. Following June 30, 2011, the terms of appointment of the members will be agreed to by the Co-Chairs.

4. The Joint Committee will meet six times per year, or more frequently at the call of the Co-Chairs.

5. Secretariat: The Office of the Vice-President (Finance and Administration) will provide administrative support to the Joint Committee.