



**Interuniversity Services Inc.**

1550 Bedford Highway, #501  
Bedford, NS B4A 1E6  
Phone: 902-453-2470  
Fax: 902-453-2369

# ***ISI Annual Report 2002 - 2003***



*Serving the Atlantic Provinces' Universities and Colleges*



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**MEMBER INSTITUTIONS**

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Acadia University  
Wolfville, NS

Atlantic School of Theology  
Halifax, NS

Dalhousie University  
Halifax, NS

Holland College  
Charlottetown, PE

Memorial University of Newfoundland  
St. John's, NF

Mount Allison University  
Sackville, NB

Mount Saint Vincent University  
Halifax, NS

Nova Scotia College of Art & Design  
Halifax, NS

University of Prince Edward Island  
Charlottetown, PE

Saint Mary's University  
Halifax, NS

St. Francis Xavier University  
Antigonish, NS

St. Thomas University  
Fredericton, NB

Université de Moncton  
Moncton, NB

Université Sainte-Anne  
Church Point, NS

University College of Cape Breton  
Sydney, NS

University of King's College  
Halifax, NS

University of New Brunswick  
Fredericton, NB



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**EXECUTIVE SUMMARY**

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The supply market and the challenges to the ISI shareholders continued to be the focus of ISI's cooperative endeavors. Our vision and mission continued to be in the forefront while ensuring best practices are maintained in our activities.

This report is a very brief overview of this year's activities and those involved in making ISI and cooperation within the Atlantic University environment a success.

R.C. (Ron) MacDonald, CPP, FPMAC  
Chief Executive Officer



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## COMPANY PROFILE

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Interuniversity Services Inc. (ISI) is a not-for-profit company incorporated in 1984 by four independent Halifax universities. ISI provides selected central administrative services to seventeen member institutions in Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland, reducing their overall operating costs, improving services, and providing a framework for cooperation among the members while maintaining their independence.

Each member institution is entitled to appoint one representative to the Board of Directors. The representative must be the Senior Administrative Officer of the member institution.

The Board appoints an Executive committee (consisting of five Board members) annually. The Committee is charged with the overall management of the Company on behalf of the Board of Directors.

The Chief Executive Officer is responsible for the day to day management of the Company, and serves on both the Board of Directors and the Executive Committee (non-voting). The CEO is also the Secretary/Treasurer of the Company. ISI shares office resources with and provides administrative support to Novanet Inc.

*The Company's vision is "To be a model for University cooperation".*

*Its mission is "To identify & promote opportunities for members to acquire goods & services with enhanced value & reduced costs".*

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## HISTORY

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In 1981 the Presidents of Saint Mary's University, Mount Saint Vincent University, and Dalhousie University approved the formation of an office to consolidate and direct the procurement of goods and services, and to give direction to their individual purchasing departments. The office was known as Purchasing and Centralized Services. Significant cost reductions resulted from the contracts consolidated for the universities. In 1983 this office was asked to operate a scientific repair service for the metro universities and affiliated hospitals. The prime focus of this new service was to maintain electron microscopes, x-ray equipment, radiation measuring equipment, and other related scientific equipment, on a fee-for-service basis and contract basis to user departments.

The Purchasing and Centralized Services office further expanded in 1984 to include the Technical University of Nova Scotia. With the increasing complexity of operations and anticipated growth and growing desire to cooperate, the four universities decided to formally incorporate the operation in late 1984 as Interuniversity Services Incorporated, a non-profit company under the laws of the Province of Nova Scotia. In April 1994, the Company was



reorganized to include seventeen institutions in the four Atlantic Provinces as equal partners. University of Prince Edward Island joined ISI in June 1996.

Novanet was added as a division of the Company in 1987. Novanet was incorporated as a separate company in April 1994 with the reorganization of ISI. ISI continues to provide administrative services to Novanet. Office space is shared in partnership with Novanet.

ISI is unique in servicing the university environment in Canada. Please refer to the Chronology on page 16 and 17.

*The core business activity of ISI is supply and services management, including Contracting, Consulting, Technical Servicing, and Facilitating.*



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**ISI CONTRACT SERVICES DIVISION**

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ISI Contract Services coordinates over fifty contracts for materials and services on behalf of our member institutions. Annual expenditures against these agreements are \$12.8 million, with cost reductions estimated at \$1.9 million.

Agreements for materials and services are coordinated and administered by Contract Services Staff, with input from the Supply Management Committee (SMC).

The SMC is appointed by the Board of Directors. The Committee reports through the Chief Executive Officer of ISI.

Each member is entitled to appoint one representative to the SMC.

Normally, the representative shall be the Purchasing Manager, or employee usually responsible for the supply process within the institution.

The Committee elects one of the university representatives to Chair the Committee.

The Manager Contract Services (ISI) serves on the Committee as an ex-officio member and coordinator of the committee.

Meetings are held semi-annually, or more frequently as the need arises.

On behalf of the members, the Committee provides an organizational channel for:

- The development of the supply management plan for ISI.
- The communication of information to and from member institutions on supply and contract issues.

**Objectives:**

**To exploit opportunities to facilitate further cooperation between the members.**

**To Support the Members by Maximizing Value, and Managing the Supply Interface.**

**To promote the Supply Process as a Value Added Service.**

**We will Encourage Teamwork, Promote the Value of Cooperating at all Levels; Encourage, Develop, and Maintain effective Cross Functional Teams.**

**We will ensure that the Universities are at the Forefront of Evolving Purchasing Trends/Technology.**

Using appropriate procurement methods, and in compliance with applicable procurement regulations, we maximize value for our members. Leveraging our members collective volume, we reduce both the costs of goods and services, as well as administrative overhead in obtaining these goods and services.



In addition, ISI Contract Services Staff act as a resource for, and as consultant to members on procurement and materials management issues.

ISI Contract Services Staff provides project management for CAUBO National Procurement Committee initiatives on Moving Services. Contract Services Staff are the designated liaison for our members for other NPC agreements and initiatives.

### **2002 - 2003 Highlights**

**Fuel Supplies** – With the input and agreement of the key contacts at the participating member institutions, we extended the current fuel agreement with Imperial Oil for an additional three years. The users of this agreement met in October, 2002, with representatives from the industry, and from those discussions, determined that a renewal of the current agreement was the best course of action in securing fuel supplies. The Manager Contract Services organized and chaired this meeting, and the subsequent renewal with Imperial Oil.

The users of the Irving Oil agreement indicated a preference to go to market for Fuel Supplies. ISI Contract Services drafted and issued a RFP, collated and distributed the results, and negotiated and awarded a new agreement to Irving Oil.

Fuel supply prices were very volatile during 2002 – 2003. Favourable changes in the foreign exchange rate somewhat mitigated drastic increases in oil prices. A colder than normal winter and extended heating season increased volumes of fuel purchased, and the costs to the Universities.

This year, we began distributing fuel pricing notifications, and monthly quality reports via e-mail to designated recipients.

The Manager Contract Services prepared for SMC, as well as the designated fuel contacts, a cost comparison of various fuels, including Natural Gas, Bunker C and Bunker A Oil, and Furnace Oil. Using US Government data and sample pricing from the US and Canada, the analysis showed our current fuel mix is the most cost effective. We will continue to monitor developments in the emerging Natural Gas markets to ensure our fuel supply is cost effective.

**Bookbinding** – After several years with the incumbent supplier, ISI Contract Services Staff, with input from SMC, and end users at member institutions, issued a RFP for Bookbinding Services. After careful evaluation of the results of the RFP, a new agreement was awarded to the incumbent. This exercise allowed us to confirm that members are receiving the best value on Bookbinding Services.

**Supply Management Strategy** – Early in 2002, ISI Contract Services identified the requirement for a comprehensive Supply Management Strategy to elevate Supply Management as a strategic function, and promote sound Supply Management principles and practices within the University environment. At the October SMC meeting, and through subsequent communications, we discussed Strategy, and formed three sub-committees to review specific areas within the strategy. The sub-committees are as follows:



**Policies and Procedures** - C. Duggan, L Keizer, T. Murray

**Education** - D. Digout, G. Levangie, P. MacKinnon, N. MacNeil, L. Spencer, T. Murray

**Communications** – C. Bassett, R. Cook, D. Creelman, A. LeBlanc, D. MacDonald, T. Murray

While putting the subcommittees together, we asked sub-committee members to review the strategy document, the action items, and what specific content is required to achieve the targets. At the June SMC meeting, a draft Policy and Procedures manual was distributed for member input, along with samples of communications and educational materials.

**Supply Management Committee** - The SMC met in October 2002, at the University of New Brunswick, and in June 2003 at the Atlantic School of Theology, with full agendas at both meetings. The June meeting was scheduled to allow for members to stay in Halifax for the CAUBO Pre - conference Seminar, as well as the CAUBO Conference. Suppliers invited to present at SMC were: Purolator (Courier Services), RBC Securities(Financial Instruments as Bid Surety), Iron Mountain (Document and Information Off Site Storage), and Ikon Office Solutions (review of our current Photocopier Agreement). At the request of the Purchasing Managers, ISI agreed to expand our agenda to two days, and incorporate the activities of the Atlantic Association of University Purchasing Managers (AAUPM).

**Web Page** – The first year web page usage statistics shows consistent growth in the number of hits on the ISI Web Pages, and the amount of information available to both members, and the public. At the request of SMC we will re-index the agreements listing to make agreements easier to access.

ISI Web Page Hits: 268,756

High in May 2003 (31,503)

Low in December 2002 (16,699)

Tenders Posted to the ISI Web Pages: 99

Top ISI Web Destinations: Home Page (1), Tenders Page (2), Agreements Page (3), News and Events(4).

**Newsletter** – In March, we issued the first edition of the Supply Management Newsletter. The newsletter contains information on Purchasing and Supply Management issues, as well as our community. The plan is for the newsletter to be distributed 3 times a year. Members are welcome to include articles and suggest topics, and to use the newsletter within their own institutions.

**Staff Notes** – This past year, Contract Services Staff attended courses and educational sessions on Dynamic Presentation Skills, Adobe Acrobat, Construction Tendering, Tendering Law, and Customs Administrative Penalty Systems.

Diana MacDonald, ISI Contract Services Purchasing Coordinator, was awarded a Certificate in Purchasing from the Purchasing Management Association of Canada.



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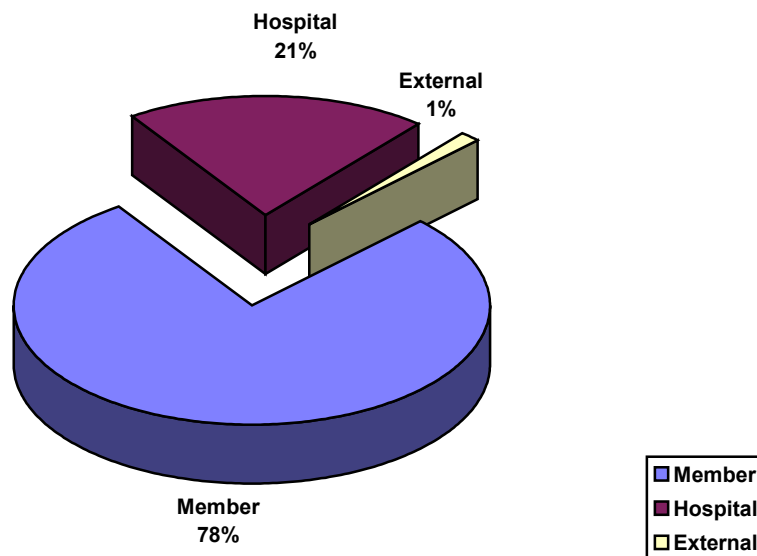
## TECHNICAL SERVICES

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ISI Technical Services Division provides full-time professional scientific equipment repair and maintenance service. Equipment service includes transmission electron microscopes, scanning electron microscopes, analytical electron microscopes, x-ray spectrometers, x-ray diffractometers, infrared spectrophotometers, liquid scintillation counters, vacuum coating systems, and cash card readers. These services have been offered since 1983 to clients in the four Atlantic Provinces, including member universities, teaching hospitals in Nova Scotia and New Brunswick, organizations such as the National Research Council, and several private and corporate clients.

ISI Technical Services Division continues to be challenged by revenue shortfalls primarily because of CFI funding. This funding enables users to upgrade to new equipment which seldom requires third party warranty service, since this is usually provided by the original equipment manufacturer. While several customers returned following warranty periods during the last year, other equipment was purchased by several universities. Many customers however remain loyal to ISI Technical Services and we are hopeful for success in expanding the operation in the upcoming year.

**Technical Services  
Revenue Base**





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**COOPERATIVE TRAINING & DEVELOPMENT**

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ISI presented the seminar/workshop for Newly Appointed and Soon to be Appointed Academic Department Heads in December 2002. Course leaders again, were John Cowan, Sheryl Bond and Don Carter. This is the fifth time this seminar has been presented. Feedback was excellent from the twenty-four participants.

The third annual Atlantic Universities Risk Management Workshop was held in Dartmouth on November 19, 2002. The agenda included presentations on:

- Interpersonal Conflict in the Workplace
- Ergonomics and the Risk Factors
- An Update from CURIE
- Fidelity / Boiler and Machinery Coverage
- Defamation
- Slip and Fall

There were seven presenters from various backgrounds, including the Nova Scotia Department of Justice, Department of Education, Dalhousie University, CURIE, and Marsh Canada. Once again, we acknowledge the assistance of CURIE in presenting this workshop, which had thirty-six registrants.

ISI also presented a seminar/workshop on a Labour Relations Series for Supervisors and Managers. Topics included:

- Managing in the Unionized Workplace
- Managing Employee Misconduct
- Managing Probationary Employees
- Grievance Handling

HRA Consultants of Charlottetown presented this seminar. Fifty-six individuals participated between the two sessions, held in October in Charlottetown and repeated in February in Halifax. We plan to expand our program with HRA in the upcoming fiscal year.



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**ISI EMPLOYEE BENEFITS COMMITTEE**

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The ISI Employee Benefits Committee provides an organizational channel for the development of Employee Benefits agreement plans for ISI members, communication of information to and from member institutions on Employee Benefits issues and reviews new areas of opportunities for members to pursue.

The ISI Employee Benefits Committee met in November. The Committee received presentations from Atlantic Blue Cross Care and Maritime Life.

Of particular concern is the continued increase in the cost of health claims of which drugs now represent 73%. While the 11% increase for the ISI member institutions is below the trend rate of 18%, this escalation is still a major concern to the ISI member institutions.

The ISI Employee Benefits Committee also reviewed the main categories for historical claims trends and received a presentation on wellness initiative services being offered by Atlantic Blue Cross Care.

The ISI Employee Benefits Committee reviewed the Pro-act Program from Maritime Life, which enhances disability management in partnership with FGI.

From a discussion on lump sum payments offered to long-term disability (LTD) claimants by Maritime Life, it was agreed to engage McInnes Cooper for a legal opinion on this matter. The employment status of individuals may vary between institutions and within institutions and the obligation of the employer and the best interest of the employee must be taken into account. This proved to be a very successful strategy and the cost for the legal opinion was shared by the ISI member institutions.

For the most part, LTD experience has improved at most institutions. There was improved pool life experience and the deficit was reduced by the current year's surplus. The number of claims over the period was reduced and while the ISI member institutions had experienced a substantial increase in health and dental costs over the last number of years, for most institutions paid claims for health and dental claims were within ranges anticipated in the previous year's renewal.

The ISI Employee Benefits Committee also reviewed a report prepared by ISI regarding employee benefits consulting expenditures and practices. The objective of the consulting review was to ensure that member universities are obtaining the best value for their expenditures. This was not about a dissatisfaction or lack of confidence in the expertise of the current consulting firm. There was no clear consensus within the ISI Employee Benefits Committee on further action on this report and its recommendations. Further discussion will take place.

It was also agreed that ISI and Morneau Sobeco would continue with discussions on Atlantic Blue Cross Care and their proposed increase retention charges and facilitate informal discussion with other major carriers to ensure that the institutions are in line with best practices available in the market place.



At the May meeting held at St. Francis Xavier University, the ISI Employee Benefits Committee reviewed a presentation from Maritime Life. The presentation focused on the review of the proposed retention agreement, which expires at the end of the current fiscal year. The ISI Employee Benefits Committee will continue to review the proposal through the ISI Employee Benefits Sub-Committee.

ISI members have been receiving regular updates on exclusion coverage by Citadel General for acts of war and terrorism for university travellers. After discussions initiated by Dalhousie University, Citadel General has agreed to drop two war zones, which would mean that these zones would now be covered by Citadel General at no extra cost. This coverage has been extended to all ISI institutions.

As health care costs continue to escalate, along with disability management, many institutions decided to review some of their programs. Dalhousie University and Saint Mary's University reported on the strategic reviews currently underway for their benefits programs.

Mount Allison University, University of Prince Edward Island and University College of Cape Breton reported on some progress with regard to wellness programs. Memorial University of Newfoundland gave a detailed report on their wellness strategy, which included the promotion of a more active lifestyle, education and information for faculty and staff, and benefits consultants.

Other initiatives, which were reviewed at the ISI Employee Benefits Committee meeting, included revised strategy on a cost sharing for the annual renewal process, and an initiative to look at other underwriting models. Our benefits consultants will present a proposal to the ISI Employee Benefits Sub-Committee in the summer of 2003 on some alternatives.

A health risk assessment pilot will be undertaken at Dalhousie University and St. Thomas University through Atlantic Blue Cross Care. Results of this assessment will be reported to the ISI Employee Benefits Committee at a later date.



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**CAUBO NATIONAL PROCUREMENT COMMITTEE**

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The Chair of NPC wrote the following report for CAUBO

**2002-2003 ANNUAL REPORT****Members**

*Larry English, Concordia University  
Ron MacDonald, Interuniversity Services Inc., Atlantic Region  
Abder Sbahi, University of Ottawa, Ontario Region  
Robert Scardera, Concordia University, Québec Region  
Gwen Toole (Chair), University of Saskatchewan, Western Region*

The mandate of the National Procurement Committee (NPC) is to promote and ensure the exchange of information on procurement activities at the national, regional and institutional levels in such areas as commodity research, pricing, government relations and best practices. Through its activities, the NPC facilitates regional, inter-regional and national cooperation, and communication in both languages.

Contract administrators were responsible for managing competitive bid processes, negotiating new agreements, handling contract or service related issues and providing reports to the NPC. Commodities that are formally contracted or handled through an annual bulk purchase are listed below (details are available on the CAUBO website at [www.caubo.ca](http://www.caubo.ca))

<b>Commodity</b>	<b>Administrator</b>
Car Rentals <ul style="list-style-type: none"><li>◆ Budget Rent-A-Car of Canada</li><li>◆ Enterprise Rent-A-Car</li></ul>	Danis Lee, University of Alberta
Courier Services <ul style="list-style-type: none"><li>◆ DHL Worldwide Express</li><li>◆ Purolator</li><li>◆ Spring (Formerly TNT)</li><li>◆ United Parcel Service Canada Ltd.</li></ul>	Linda Hiltz, University of British Columbia
Customs Clearance <ul style="list-style-type: none"><li>◆ Commerce Customs Brokers</li><li>◆ Livingston Internationals Inc.</li></ul>	Ray Williamson, University of Western Ontario
Hotel Accommodations (negotiated annually)	Connie Fabro, University of British Columbia
International Re-mail <ul style="list-style-type: none"><li>◆ International Access Inc.</li><li>◆ Spring (formerly TNT)</li></ul>	Jean Lefebvre, University of Ottawa



Moving Services <ul style="list-style-type: none"><li>◆ AMJ Campbell Van Lines</li><li>◆ Armstrong International Movers Ltd. / D. Armstrong Moving &amp; Storage</li></ul>	Tom Murray, Interuniversity Services Inc.
Tattle Tape Strips (annual volume purchase) <ul style="list-style-type: none"><li>◆ 3M</li></ul>	EAST: Ken White, Brock University WEST: Lucy Pana, The Alberta Library (TAL)

Performance reviews of commodity agreements occurred at both the October and February NPC meetings. Discussions included status of agreements, volume reports, service issues and concerns, changes and future opportunities.

The status of ongoing projects or initiatives started in 2002 is listed below:

- a) Investigation of national cell phone rates will proceed to supplier presentations.
- b) Investigated the feasibility of national agreements for relocation services, printing, corporate card programs, fine paper and remanufactured laser and inkjet cartridges. These commodities involved too many complex issues such as outsourcing, current institutional contracts, impact on local suppliers and high level of customized requirements by institution. NPC decided not to pursue these projects at a national level.
- c) Terminated further work towards standard rate structure agreements with IBM and Dell. Computer manufacturers have limited interest in providing standard rates for a large sector of their market.
- d) Developed CAUBO standard bid documents (RFP, contract, letter of intent, regret letter) for use by Contract Administrators and a standard letter of request for supplier statistics related to CAUBO agreements.
- e) Revised NPC policies and procedures.
- f) Initiated discussion on the development of a database for benchmarking information and commodity pricing.

Procurement practices in our institutions were supported and enhanced by the implementation of many of the recommendations provided to CFI. The revised Policy and Program guide and other information are posted on their website. CFI is very appreciative of the input from CAUBO procurement members. A NPC representative spoke on best practices in managing CFI portfolios, including the outcomes of the joint effort between CFI and NPC, at the CAURA conference.

Members expressed concerns about the impact of CCRA customs compliance programs on supply management operations and the potential financial implications. An educational session has been arranged for the Halifax conference and will be followed by a study to determine the feasibility of a joint lobbying effort with AUCC.

As part of the CAUBO strategic planning, NPC facilitated the process of obtaining input from procurement members. This information has been translated into action items and specific projects that will support the Association's goals.



In support of our mandate, NPC hosted another successful pre-conference seminar in Quebec City. The first session consisted of panel presentations by institutions who have implemented procurement card programs, followed by a facilitated discussion on the merits and concerns about the use of this type of program in our institutions. The second session was an update on contract law and how recent Supreme Court rulings have changed competitive bidding processes. For the pre-conference seminar in Halifax, the Committee has planned a presentation on purchasing performance assessment and benchmarking in the university environment and a panel discussion on managing large construction projects.

I would like to express my appreciation for the valuable contributions of all the Committee members and the contract administrators. Thank you to the CAUBO National Office staff: Lynne Séguin, Thérèse Chartrand, Tamara Nemchin and Jacques Samson, for their excellent assistance to our Committee. CAUBO members should also be recognized for their outstanding support of the national agreements and the work of the NPC.

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#### **CANADIAN NATIONAL SITE LICENSING PROJECT**

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The Canadian National Site Licensing Project (CNSLP) is now in its third year. This collaborative three-year pilot project dramatically increases the quantity, breadth and depth of published research available to academic researchers throughout the country. It speeds the take-up of electronic public publishing formats and leverages the buying power and influence of Canadian Universities in an International scholarly marketplace, which is dominated by powerful commercial organizations.

CNSLP Negotiations Resource Team met three times in the first half of 2003 to begin the re-negotiation process for the site licenses, which are due to expire at the end of 2003.

The Chief Executive Officer of ISI serves as Business Advisor on the Negotiations Resource Team for CNSLP.

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#### **OTHER ACTIVITIES**

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- Initial discussions are underway with the Nova Scotia Agricultural College for possible membership in Interuniversity Services Inc.
- ISI continues to provide administrative services to Novanet on a fee for service basis.



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**MEMBERSHIPS & AFFILIATIONS**

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ISI continues memberships in:

- The Microscopical Society of Canada
- Senior Purchasing Executives Round Table
- Metropolitan Halifax Chamber of Commerce
- The Purchasing Management Association of Canada (PMAC), Nova Scotia Institute

ISI's CEO chairs PMAC's National Fellowship Awards' Committee; and serves on CAUBO's National Procurement Committee and CAUBO's Administrative & Support Services Committee.

The CEO serves as Business Advisor on the Negotiations Resource Team for CNSLP for 64 universities in Canada.

The Manager Contract Services is Vice-Chair Facilities for the 2004 National Conference for the Purchasing Management Association of Canada to be held in Halifax, Nova Scotia.

The CEO serves as an Advisor to the PMAC 2004 Host Conference Committee.

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**ACKNOWLEDGMENTS & CHANGES**

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Neil Henry, Vice-President, Finance & Facilities, retired from University of Prince Edward Island. He was a member of the ISI Board of Directors since 1996 and was a past Chair of the ISI Board of Directors and ISI Executive Committee.

Gary Bradshaw, Vice-President, Finance & Administration, University of Prince Edward Island, joined the ISI Board of Directors.

Tom Langley, Vice-President, Administration, retired from St. Francis Xavier University. He was a member of the ISI Board of Directors since 1994 and was a past Chair of the ISI Board of Directors and the ISI Executive Committee.

Ramsay Duff, Vice-President, Finance and Operations, St. Francis Xavier University joined the ISI Board of Directors.

Wayne Thistle, Vice-President, Finance & Administration & Legal Counsel, will retire from Memorial University of Newfoundland in May, 2003 to join the law firm of McInnes Cooper. He has been a member of the ISI Board of Directors since 1994 and was a past Chair of the ISI Board of Directors and the ISI Executive Committee.

Glenn Collins, Acting Vice-President, Administration and Finance, Memorial University of Newfoundland, will replace Wayne Thistle.



Lucille Collette, Vice-Rectrice à l'Administration aux Ressources Humaines, Université de Moncton, will retire from the University in June, 2003. She serves on both the ISI Board of Directors and the ISI Executive Committee.

Nassir El-Jabi, Vice-Recteur à l'Administration aux Ressources Humaines, Université de Moncton, will join the ISI Board of Directors on July 1, 2003.



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**CHRONOLOGY**

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- 1981** Office called Purchasing and Centralized Services opened by Saint Mary's University, Mount Saint Vincent University, and Dalhousie University to consolidate procurement of goods and services.
- 1983** Purchasing and Centralized Services started servicing scientific equipment for the three universities and the teaching hospitals in Halifax.
- 1984** Technical University of Nova Scotia joined the service. These four universities formalized this arrangement to form Interuniversity Services Inc. (ISI).
- 1987** Novanet became a Division of ISI.
- 1988** ISI receives national recognition (second prize) in CAUBO's Quality and Productivity Awards Program.  
  
Hosted PMAC's National Conference.
- 1989** Novanet receives funding of over \$725,000 from the Province of Nova Scotia and the Windsor Foundation.
- 1990** ISI establishes Associate Member category and the Nova Scotia College of Art and Design joins as an Associate Member.  
  
ISI coordinates Host Conference Committee for Saint Mary's University, Mount Saint Vincent University and Technical University of Nova Scotia for the 1990 CAUBO National Conference.  
  
University College of Cape Breton joins Novanet.
- 1991** Acadia University, Université Sainte-Anne and St. Francis Xavier University join as Associate Members.  
  
ISI coordinates activities for Mount Saint Vincent University and Dalhousie University hosting the annual meeting of the Corporate Higher Education Forum.  
  
University of King's College joins Novanet.



- 1992** Atlantic School of Theology, University College of Cape Breton and University of King's College join ISI as Associate Members.
- Mount Allison University joins ISI as an Associate Member, and the first out-of-province member.
- Atlantic School of Theology joins Novanet.
- 1993** New Brunswick and Prince Edward Island universities conduct an independent study on cooperation that results in St. Thomas University, Université de Moncton, and University of New Brunswick joining as Associate Members.
- Memorial University of Newfoundland joins as an Associate Member.
- Novanet receives \$1.5 million to upgrade its system following a proposal to the Province of Nova Scotia and the Windsor Foundation.
- 1994** St. Francis Xavier University joins Novanet.
- ISI reorganized to make all universities shareholders in the Company.
- Holland College joins ISI.
- Novanet incorporated as a separate company.
- 1996** University of Prince Edward Island joins ISI.
- ISI hosts the first seminar for Academic Department Chairs.
- 1997** ISI, representing ISINet member universities, receives a regional award under the CAUBO National Quality and Productivity Awards Program.
- 1999** ISI receives recognition as one of the "best in class" in a study commissioned by the Association of Commonwealth Universities.
- December 1999, ISI achieved another milestone; 15 years since its formal incorporation as a Company.
- 2000** ISI hosts first Training and Development Seminar Workshop.
- ISI hosts first Atlantic University Risk Management Workshop.
- 2001** September 14, 2001 marked the 20<sup>th</sup> Anniversary of the formation of Purchasing and Centralized Services by Saint Mary's University, Mount Saint Vincent University and Dalhousie University, the predecessor of ISI.



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**AGREEMENT LIST**

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Air Filters	Insurance-Dental, Supp. Health
Alumni Magazines	Insurance - Group Life, LTD, Optional
AV – Audio/Video Tapes	International Re-Mail
AV – Lamping	Labels – Barcode
AV – Photographic Film & Supplies	Lamping
Bags – Garbage	Linen
Benefits Consultants	Mattress & Box Springs
Boiler Chemicals	Merchant Card Rates
Bookbinding	Moving Services – National & Local
Building Supplies	Paint
C/J Supplies – Chemicals	Paper Products – Disposal
Car Rental	Paper Supplies – Fine
Courier – Local	Photocopiers
Courier – Out of Town	Pool Chemicals
Customs Clearances	Procurement Cards
Diskettes, Tapes, & Cartridges	Ribbons & Toner Cartridges
Electrical Supplies	Salt
Employee & Family Assistance Plans	Stationery
Envelopes	Stock Tab & W.P. Paper
Fax Equipment	Tattle Tape Strips
Fuel Oil	Transparencies
Garbage Collection	Travel Services
Hotel Rates	Typewriter Service
Insurance-AD&D, Basic & Voluntary	Vending Machines
	Welding Supplies



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**SUPPLIER LIST**

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A-1 Vacuum	Ikon Office Solutions
Advance Labs	Imperial Oil
Advocate Printing & Publishing	Instructor Aids
Air Liquide Canada	International Access
Aliant Telecom	International Porter Paint
AMJ Campbell	Irving Oil
American Express	J & M Murphy Ltd.
Armstrong International	Lanier Canada
Atlantic Blue Cross Care	Lehmann Bookbinding
Atlantic Chemicals and Supply Ltd.	Livingston International
Atlantic Custom Brokers	Maritime Life Assurance Co.
Basin Stationery	Maritime Travel
Betz Dearborn Canada Inc.	Morneau Sobeco
Brock University	National Car Rental
Brother International	NEDCO
Budget Rent-A-Car	Nova Specialty Building Supplies
Burnside Paint & Paper	Office Imaging
Canada Post	Piercy's Building Supplies
Canadian Salt Company	Pitney Bowes
Canadian Waste Management	PPG Paints-Pittsburgh Paint
Carsand-Mosher	Provincial Sanitary Products
Citadel General	Purolator Courier
Coastal Drywall	Red Carpet Food Services
Corporate Express	Shoreline Business Machines Service Ltd
Datarite	Single Source Sanitation
Discount Car & Truck Rentals	Sommex
Dynamex Express	Sparling Sales Limited
Eastlink	Spring
Enterprise Car Rentals	Springwall Sleep Products
Federal Express	Symcor
FGI	Toshiba Canada
Filtration Plus	Unisource
Grand & Toy Ltd.	US Bancorp
HRA	Wood Wyant
I.C.I. – Glidden Paints	Xerox



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**TECHNICAL SERVICES**

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**Customer Since (Year)**

**University Customers**

- Acadia University Biology ('85), Geology ('93), Physics ('97)
- Atlantic School of Theology ('93)
- Dalhousie University Microbiology, Pathology, Biology ('83), Chemistry ('84), Kellogg Library ('90), Killam Library ('90), Law Library ('90)
- Memorial University of Newfoundland Biology ('94), Faculty of Medicine ('89)
- Mount Allison University Biology ('88)
- Mount Saint Vincent University Biology ('85), Chemistry ('84), Library ('90)
- St. Francis Xavier University Biology ('91), Geology ('97)
- Saint Mary's University Biology ('83), Geology ('87), Chemistry ('89), Patrick Power Library ('90)
- Technical University of Nova Scotia Metallurgy ('83), Library ('91)
- University of New Brunswick Electron Microscopy Unit ('84), Geology ('84), Engineering ('98)
- University of Prince Edward Island Veterinary College Biology ('97)

**Hospital Customers**

- I.W.K. Children's Hospital Histology ('83)
- QEII Health Sciences Centre Virology, Pathology ('83)
- Atlantic Health Sciences Corp - Saint John Regional Hospital ('95)

**Other**

- Philip Services ('01)



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**BOARD OF DIRECTORS 2002 – 2003**

---

**Gary Draper (Chair)**

Vice-President, Finance  
Acadia University

**David Myatt**

Chief Administrative Officer  
Atlantic School of Theology

**Bryan Mason**

Vice-President, Finance & Admin.  
Dalhousie University

**Ken Heckbert**

Chief Financial Officer  
Holland College

**Wayne Thistle**

Vice-President, Finance & Admin.  
& Legal Counsel  
Memorial University of Newfoundland

**David Stewart**

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Mount Allison University

**Amanda Whitewood**

Vice-President, Administration  
Mount Saint Vincent University

**Peter Flemming**

Vice-President, Finance & Admin.  
Nova Scotia College of Art & Design

**Gabrielle Morrison**

Vice-President, Administration  
Saint Mary's University

**Ramsay Duff**

Vice-President, Finance & Operations  
St. Francis Xavier University

**Larry Durling**

Vice-President, Finance & Admin.  
St. Thomas University

**Lucille Collette**

Vice-Rectrice à l' Administration aux  
Ressources Humaines  
Université de Moncton

**Eric Tufts**

Vice-Recteur à l' Administration  
Université Sainte-Anne

**Gordon MacInnis**

Chief Financial Officer  
University College of Cape Breton

**Gerald Smith**

Bursar  
University of King's College

**Dan Murray (Vice-Chair)**

Vice-President, Finance & Admin.  
University of New Brunswick

**Gary Bradshaw**

Vice-President, Finance & Facilities  
University of Prince Edward Island

**Ron MacDonald**

**(Secretary/Treasurer)**  
Chief Executive Officer  
Interuniversity Services Inc.



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**BOARD OF DIRECTORS 2003 – 2004**

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Acadia University

**David Myatt**

Chief Administrative Officer  
Atlantic School of Theology

**\*Bryan Mason**

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Dalhousie University

**Dick MacDonald**

Vice-President, Finance, Student  
And Administrative Services  
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Acting Vice-President, Finance & Admin.  
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**David Stewart**

Vice-President, Administration  
Mount Allison University

**Amanda Whitewood**

Vice-President, Administration  
Mount Saint Vincent University

**Peter Flemming**

Vice-President, Finance & Admin.  
Nova Scotia College of Art & Design

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Saint Mary's University

**Ramsay Duff**

Vice-President, Finance & Operations  
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**Nassir El-Jabi**

Vice-Recteur à l' Administration aux  
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**Eric Tufts**

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Chief Financial Officer  
University College of Cape Breton

**\*Gerald Smith**

Bursar  
University of King's College

**\*Dan Murray (Chair)**

Vice-President, Finance & Admin.  
University of New Brunswick

**\*Gary Bradshaw**

Vice-President, Finance & Facilities  
University of Prince Edward Island

**\*Ron MacDonald**

**(Secretary/Treasurer)**  
Chief Executive Officer  
Interuniversity Services Inc.

**\*Executive Committee Member 2003 – 2004**



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**SUPPLY MANAGEMENT COMMITTEE 2002-2003**

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**Heather Parrish**  
Senior Buyer  
Acadia University

**David Myatt**  
Chief Administrative Officer  
Atlantic School of Theology

**Chris Duggan, CPP**  
Manager of Purchasing  
Dalhousie University

**Priscilla MacKinnon**  
Purchasing Officer  
Holland College

**Shirley Moulton**  
Assistant Director of  
Finance and Administrative Services  
Memorial University of Newfoundland

**Dale Creelman, CPP**  
Purchasing Manager  
Mount Allison University

**Dennis Digout**  
Purchasing Manager  
Mount Saint Vincent University

**Peter Flemming**  
Vice-President, Finance & Admin  
Nova Scotia College of Art & Design

**Gail Levangie, CPP**  
Manager, Procurement  
Saint Mary's University

**Lorris Keizer, CPP**  
Manager, Procurement Services  
St. Francis Xavier University

**Fred Wallace**  
Facilities & Purchasing Manager  
University Services  
St. Thomas University

**Armand LeBlanc**  
Chef, Service des Achats  
Université de Moncton

**Corinne Bassett**  
Directrice des Achats  
Université Sainte-Anne

**Nancy MacNeil**  
Manager of Procurement  
University College of Cape Breton

**Gerald Smith**  
Bursar  
University of King's College

**Lloyd Spencer**  
Purchasing Manager  
University of New Brunswick

**Roger Cook**  
Purchasing Manager  
University of Prince Edward Island

**Ron MacDonald, CPP**  
Chief Executive Officer  
Interuniversity Services Inc.

**Tom Murray, CPP**  
Manager, Contract Services  
Interuniversity Services Inc.

**Diana MacDonald**  
Purchasing Coordinator  
Interuniversity Services Inc.



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**EMPLOYEE BENEFITS COMMITTEE 2002-2003**

---

**Glenn Hirschfeld**

Senior Manager, Human Resources  
Acadia University

**David Myatt**

Chief Administrative Officer  
Atlantic School of Theology

**Michael Roughneen**

Assistant Vice-President  
Personnel Services  
Dalhousie University

**Beverley vanDiepan**

Human Resources Officer  
Holland College

**Gerald McDonald**

Director, Human Resources  
Memorial University of Newfoundland

**Ron Sutherland**

Director, Human Resources  
Mount Allison University

**John Landry**

Director, Human Resources  
Mount Saint Vincent University

**Valery Hill**

Director, Human Resources  
Nova Scotia College of Art & Design

**Kim Squires**

Director, Human Resources  
Saint Mary's University

**Bev Frizzle**

Director, Human Resources  
St. Francis Xavier University

**Colleen Comeau**

Director, Human Resources  
St. Thomas University

**Terrance LeBlanc**

Director, Human Resources & Faculty  
Université de Moncton

**Donna Maillet-Mullen**

Director, Human Resources  
Université Sainte-Anne

**Brian Siegner**

Director, Human Resources  
University College of Cape Breton

**Gerald Smith**

Bursar  
University of King's College

**Peter MacDougall**

Associate V.P., Human Resources  
University of New Brunswick

**Peggy Leahey**

Director, Human Resources  
University of Prince Edward Island

**Ron MacDonald**

Chief Executive Officer  
Interuniversity Services Inc.

**Greg Forbes**

Managing Partner - Atlantic Region  
Morneau Sobeco

**Ian Sullivan**

Principal  
Morneau Sobeco



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**EMPLOYEE BENEFITS SUB-COMMITTEE 2002-2003**

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**Leland Crowell**

Coordinator, Employee Benefits & Payroll  
Dalhousie University

**Karen Reedman**

Benefits Officer, Human Resources  
Saint Mary's University

**Glenda Willis**

Manager, Benefits & Pension  
Memorial University of Newfoundland

**Terrance LeBlanc**

Director, Human Resources & Faculty  
Université de Moncton

**Peter MacDougall**

Associate Vice-President, Human Resources  
University of New Brunswick

**Peggy Leahey**

Director, Human Resources  
University of Prince Edward Island

**Ron MacDonald**

Chief Executive Officer  
Interuniversity Services Inc.

**Greg Forbes**

Managing Partner - Atlantic Region  
Morneau Sobeco

**Ian Sullivan**

Principal  
Morneau Sobeco



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**STAFF**

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Ron MacDonald, B.A., B. Comm, CPP, FPMAC  
Chief Executive Officer

Cynthia Martin-Magdy  
Manager, Office Services

Gale Esbaugh  
Administrative Secretary

**Contract Services**

Thomas Murray, B.A., B.B.A., CPP  
Manager, Contract Services

Diana MacDonald  
Purchasing Coordinator

**Technical Services**

Gordon Bruce  
Manager, Technical Services



# APPENDIX I

FINANCIAL STATEMENTS

2002 – 2003

**Statement of Loss**  
**Year Ended March 31**

	2003	2002
Revenue		
Cost Recoveries	\$ 287,500	\$ 280,867
Technical Services	152,046	161,113
Training	44,330	12,824
	<hr/>	<hr/>
	<b>483,876</b>	<b>454,804</b>
Expenses		
Administration and Materials Management	361,137	340,950
Technical Services	145,677	128,689
Training	42,067	12,699
	<hr/>	<hr/>
	<b>548,881</b>	<b>482,338</b>
Less: Management fee recoveries	<hr/>	<hr/>
	<b>37,546</b>	<b>36,448</b>
	<hr/>	<hr/>
	<b>511,335</b>	<b>445,890</b>
Net (loss) earnings	<hr/>	<hr/>
	<b>\$ (27,459)</b>	<b>\$ 8,914</b>

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**Balance Sheet**  
**Year Ended March 31**

	2003	2002
<b>Assets</b>		
Current		
Cash (Note 3)	\$ 414,429	\$ 62,314
Marketable securities (Note 3)	408,351	342,958
Receivables (Note 4)	38,169	33,050
Prepays	3,136	3,193
	<u>864,085</u>	<u>441,515</u>
Capital assets (Note 5)	<u>14,575</u>	<u>17,809</u>
	<u>\$ 878,660</u>	<u>\$ 459,324</u>
<hr/>		
<b>Liabilities</b>		
Current		
Payables and accruals	\$ 67,558	\$ 27,747
Due to Novanet (Note 3)	522,990	89,020
Customer deposits	95,683	125,980
Due to members	29,345	29,345
	<u>715,576</u>	<u>272,092</u>
Deferred revenue	<u>35,612</u>	<u>32,301</u>
	<u>751,188</u>	<u>304,393</u>
<b>Members' Net Assets</b>		
Net assets invested in capital assets	14,575	17,809
Net assets subject to restrictions (Note 6)	66,136	63,873
Unrestricted net assets	46,761	73,249
	<u>127,472</u>	<u>154,931</u>
	<u>878,660</u>	<u>\$ 459,324</u>

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**Commitments (Note 7)**



## Notes to the Financial Statements

### March 31, 2003

#### 1. Nature of operations

Interuniversity Services Inc. is a not-for-profit company incorporated without share capital, in 1984. The Company currently provides selected central administrative services to 17 member institutions located throughout the Atlantic Provinces. The Company is exempt from income taxes as a not-for-profit organization.

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#### 2. Accounting policies

##### Contributions

The Company follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount received can be reasonably estimated and collection is reasonably assured.

##### Capital assets

The cost of all capital assets is being amortized using a straight line basis over their estimated useful lives of five years, except in the year of acquisition, when amortization is taken at one-half the normal amount.

##### Cost recoveries

Operating costs for the Administration and Materials Management division are recovered from the members and are allocated among the members based upon a predetermined formula. Over time, it is expected that costs incurred will equal cost recoveries.

##### Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

##### Financial instruments

The estimated fair value of the Company's financial instruments is set out below. No fair values have been determined for prepaid expense, inventory, capital assets or deferred contributions or any other asset/liability that is not a financial instrument.

The Company's financial instruments consist of cash, receivables, payables and accruals. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value, unless otherwise noted.



## Notes to the Financial Statements

### March 31, 2003

#### 3. Cash and marketable securities

Marketable securities are carried at the lower of cost and market value.

Included in cash and marketable securities is an unsegregated amount of \$522,990 held on behalf of Novanet Inc.(2002 - \$89,020). This amount is shown under current liabilities as due to Novanet. The Company provides administrative services to Novanet on a fee for service basis.

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#### 4. Receivables

	2003	2002
Due from participating universities	\$ 21,803	\$ 23,390
Other	<u>16,366</u>	<u>9,660</u>
	<u>\$ 38,169</u>	<u>\$ 33,050</u>

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#### 5. Capital assets

	2003		2002
	Cost	Accumulated Depreciation	Net Book Value
Equipment	<u>31,850</u>	<u>17,275</u>	<u>\$ 14,575</u>
			<u>\$ 17,809</u>

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#### 6. Net assets subject to restrictions

In the 1986-87 fiscal year, the Management Committee appropriated a reserve of \$55,655. This reserve is intended to cover any liabilities incurred for major part failures of electron microscope equipment under service contracts

	2003	2002
Appropriated for equipment repairs	\$ 48,255	\$ 48,255
Appropriated for training	<u>17,881</u>	<u>15,618</u>
	<u>\$ 66,136</u>	<u>\$ 63,873</u>



## Notes to the Financial Statements

March 31, 2003

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### 7. Commitments

The Company has entered into a lease commitment for office premises expiring in 2007. The minimum annual lease payments are as follows:

2004	\$ 28,014
2005	28,359
2006	28,359
2007	2,950

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### 8. Supplemental cash flow information

	2003	2002
Change in non cash operating working capital		
Receivables	\$ (5,119)	\$ 8,452
Prepays	57	8,851
Marketable securities	(65,393)	(117,212)
Payables and accruals	443,484	52,889
	<u>\$ 373,029</u>	<u>\$ (47,020)</u>
Cash and cash equivalents consist of:		
Cash on hand and balances with banks	<u>\$ 414,429</u>	<u>\$ 62,314</u>
Marketable securities	<u>\$ 408,351</u>	<u>\$ 342,958</u>

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**CONTENTS**