

Cape Breton University
Board of Governors
Public Meeting

Friday, June 21, 2013
Following Prologue
CE-339

1 – 5 Opening Information/Discussion

1 Roll Call

Present:

Dr. David Wheeler (President), Mr. Chester Pyne, Ms. Wendy Wadden, Dr. Mary Keating, Ms. Norma Boyd, Dr. Eddie Davis, Mr. Kenneth Crawford, Mr. Rany Ibrahim, Mr. Steve Wadden, Ms. Anita DeLazzer, Dr. Rex Dunn (Vice-Chair), Dr. Hayes MacNeil (Chair), Mr. John Malcom, Mr. Brian LeBlanc, Mr. John Paul, Ms. Carol Ripley, Mr. Roland Thornhill, Mr. Gordon MacInnis (Treasurer), Mr. Merrill Buchanan

Regrets:

Dr. Robert Bailey (Secretary), Dr. Diane Janes, Mr. Matt Latimer, Ms. Patricia McCann, Mr. Brennan Boudreau, Mr. Andrew Skinner, Ms. Connie Boone, Mr. Leo MacIntosh, Mr. Tony Mozvik, Mr. Kirk Purdy, Mr. Ambrose White, Ms. Marlene Usher

Absent:

Ms. Daphne Hutt-MacLeod, Mr. Patrick Lahey

The Chair declared quorum and called the meeting to order.

Congratulations were extended to Mr. Ibrahim on receiving a 2013 RBC Top 25 Canadian Immigrant Award.

2 Minutes

2.1 - It was moved by Mr. Pyne, seconded by Mr. Buchanan, to approve the minutes of April 19, 2013. Motion carried.

3 Business Arising

3.1 CBU Wind Farm Update

Mr. MacInnis referred to the memorandum circulated with the meeting package for informational purposes. As outlined in the memo, Mr. MacInnis explained that the project has experienced a delay in relation to the completion of a System Impact Study (SIS) by NS Power. Once this is complete, NSP will issue the Power Purchase Agreement which will allow the process to proceed. Delivery is expected in early spring of 2014 with commissioning in the summer of 2014.

4 CEO/CAO

4.1 Report of the President

President Wheeler referred to the Report of the President circulated with the meeting package and highlighted the following in a PowerPoint presentation:

- An overview of major events which have taken place from the announcement of his selection as President to present day.
- The reorganization of the Executive Team, the formalization of the Leadership Team structure, revitalization of Academic programming, and the development of the strategic frameworks.
- Challenges and opportunities surrounding partnerships, innovations and excellence for students as presented in January.
- Current status and future direction of CBU with regard to building on unique strengths, confidence, the narrative, existing and potential academic partnerships, and financial sustainability.
- Resource allocation model with regard to the efficiency, effectiveness, quality and innovation of the current and potential course offerings.

With regard to draft performance indicators, a comment was offered that a key performance indicator measuring the number of grievances and arbitrations may not be a mechanism to fully quantify the target. It was further suggested that offering an alternative method of reporting or evaluation may provide more accurate data. President Wheeler replied that confidential surveys and other methods are certainly worth considering and could be discussed with HR to explore further.

Providing benchmarks for the presented KPIs was suggested to further inform members on how CBU is doing in relation to other Universities along with a KPI for major expenditures. President Wheeler responded these benchmarks and targets will follow the formalization of the presented KPI document. The draft documents are hoped to be completed by the end of the calendar year.

It was suggested that because of the relative newness and small size of CBU, we can be more aggressive with regard to Internationalization opportunities more so than some of the older and larger universities. President Wheeler replied that targeted approaches will be developed to build on current partnerships and any potential special relationships will be explored and nurtured.

In reply to the concerns and comments offered on 'internationalization' and its true definition, President Wheeler advised that every aspect was discussed and explored. The end result is that CBU will strive to be a global campus.

4.2 Report of Senate

Dr. Mary Keating highlighted the following in a verbal report to the Board on behalf of Senate from the last meeting of the term, which took place on June 14th:

- Presentation of the Research Proposals and Agreements Policies.
- CBU hosts the STLHE Conference with over 400 candidates in attendance.
- Classroom inventory and upgrades continue.
- Senate retreat is being planned as a five year review and evaluation.
- Various new course proposals were approved.

- Average entry requirements for nursing was raised to 70 and the Bachelor of Education was raised to 60 both to align with other programs.
- Bachelor of Education guidelines were updated with those from the Nova Scotia Department of Education for new teachers.
- Changes were introduced and approved for the BA\BACS degree regulations to ensure consistency with MPHEC guidelines.

4.3 Special Announcements, Questions – N/A

5 Treasurer's Report

Mr. MacInnis referred to the Financial Statements circulated with the meeting package. The following key items were highlighted and discussed:

Items for informational decision:

- 2013/14 Audited Financial Statement as referred from the Audit Committee
- Appointment of Auditors as referred by the Audit Committee

Key Points Discussed:

- Cash flow position remains healthy as reserve balances grow.
- Student receivable balance reflects an increase over the May 31, 2012 reporting period.
- The interim statements now include a Fundraising Capital Campaign receivable balance for outstanding, but scheduled pledges, consistent with the recent KPI discussions.
- Investments held for endowment and special purposes as of May 31, 2013 totals \$22,699,000 and continues to exceed the reported book value.
- The balance 'due' to the CBU Foundation of \$942,000 (2012-\$287,000) reflects the inter-company account balance with LearnCorp International, the only active subsidiary company of the CBU Foundation.
- Deferred service awards and vacation entitlement balances have been adjusted to March 31st obligations and this number will be a constant thru the interim reports.
- The SOFI loan obligation may be extended five years past March 2015.
- Student tuition and fee revenue to date is substantially higher than budgeted, primarily due to the continued enrolment in substantial numbers of international students in the spring/summer semester.
- A positive variance reported under other revenue is due primarily to revenue billed to LCI for administration support services.

6 Committee Reports

6.1 Executive Committee

Chair, Dr. Hayes MacNeil reported that the Executive Committee met on June 20th and that all items discussed have been, or will be, covered on the Prologue or Public agendas.

6.2 Audit Committee

6.2.1 Report of Meeting held June 20, 2013

Chair, Dr. Hayes MacNeil, reported the Audit Committee met on June 19th where they were joined by MGM representative Mr. Gerry MacKenzie. Dr. MacNeil reported MGM's comments and praise for Mr. MacInnis and the CBU staff for the level of professionalism and cooperation they received during the audit process. He further reported that MGM issued a clean report with small housekeeping issues which have been addressed by management.

6.2.2 2012/13 Draft Audited Financial Statements

A copy of the draft audited financial statements was circulated electronically in advance of the meeting. In a PowerPoint presentation, Mr. MacInnis reviewed and highlighted the following key points:

- Positive revenue variances due largely to the continued enrolment in substantial numbers of international students and international partnerships.
- A detailed analysis of major expenditures in excess of \$100,000.
- Key balance sheet points with regard to student receivables, long term debt, endowment funds, reserve funds, and special project funds.
- Compliance issues with respect to HST filings are up to date.
- Financial outlooks of grant levels, tuition policy, CBU's cost structure and bi-lateral discussions.
- Main concerns or potential issues for CBU were identified as 1) how much reliance CBU can put on international enrolment, 2) residence occupancy rates, 3) fundraising, 4) the nursing program funding after 2016, and 5) the status of the CIC Commission payments.

It was moved by Mr. MacInnis, seconded by Ms. Ripley, to accept the draft Audited Financial Statements for 2012/13 as presented. **Motion Carried.**

6.2.3 Appointment of Auditors

Mr. MacInnis advised that MGM has completed the fifth year of a combined six-year contract with the University and are being recommended for the sixth year by the Audit Committee. **It was moved** by Mr. MacInnis, seconded by Ms. Ripley, that MGM be reappointed as CBU Auditors to June 30, 2014 at which time an RFP will be issued. **Motion Carried.**

6.3 Investment Committee

6.3.1 Annual Report

Chair, Mr. Steve Wadden, referred to the Annual Report tabled at the April meeting of the Board. This report, to December 31, 2012 indicates a market value of \$23,025. Mr. Wadden reported the market value to May 31, 2013 reflects approximately \$24.5 million. The following recommendations were presented as the 2013 workplan for the committee:

- A review of the Statement of Investment Policies & Goals (SIP&G)
- Explore alternatives for the fixed income portions of the CBU Endowment holdings
- Explore "green" fund alternatives as part of the CBU investment mix strategy
- Continue to monitor the capitalized value approach

It was moved by Ms. Wadden, seconded by Mr. Ibrahim, to accept the recommendations for the 2013 workplan of the Investment Committee. **Motion Carried.**

7 Items Requiring Action \ Decision – N/A

With regard to the Governance Structure documents tabled during the last meeting, it was suggested that the Bylaws Committee be tasked with exploring the documents and present findings and/or recommendations during the October meeting.

8 New Business

Mr. MacInnis reported that the Negotiations Advisory Committee met earlier in the day to review the tentative agreement that was ratified by the membership on June 17th with the Nova Scotia Government Employee Union (NSGEU) Maintenance Group. The committee hopes this agreement will set the tone for negotiations with the other three groups over the summer. Prior to the vote, faculty members excused themselves, **it was moved**, by Mr. Paul, seconded by Ms. Boyd, to accept the recommendation of the Negotiations Advisory Committee. **Motion carried.**

9 Presentations

9.1 Recognition of Retiring Board Members


The Chair recognized retiring Board members: Mr. Merrill Buchanan, Ms. Anita DeLazzer and Mr. John Malcom who have completed two 3-year terms and are not eligible for immediate re-appointment. Also, leaving the Board are Mr. Chester Pyne as he, effective July 1, will no longer be the President of the Cape Breton University Faculty Association (CBUFA) and Ms. Wendy Wadden, retiring as the NSGEU representative.. On behalf of the University and Board of Governors, all were thanked for their many hours of work and dedication as Board members and they were presented with parting gifts.

10 Date of Next Meeting

The next meeting will be Friday, October 25th, 2013.

11 Adjournment

It was moved by Ms. Wadden to adjourn the meeting at 12:06 pm.



Dr. Robert Bailey, Secretary to the Board