

**Cape Breton University
Board of Governors
Public Meeting**

**Friday April, 25, 2014
Following Prologue
CE-339**

1 – 5 Opening Information/Discussion

1. Roll Call

Present:

Dr. David Wheeler (President), Dr. Robert Bailey (Secretary), Ms. Judy Bailey, Mr. Clayton Locke, Dr. Scott Moir, Dr. Scott Stewart, Mr. Matt Latimer, Ms. Patricia McCann, Mr. Brennan Boudreau, Mr. Andrew Skinner, Dr. Eddie Davis, Mr. Rany Ibrahim, Mr. Terry D. Kelly, Ms. Daphne Hutt-MacLeod, Ms. Carmelita Cechetto-Shea, Mr. Steve Wadden, Mr. Ben Cowan-Dewar, Dr. Rex Dunn (Vice-Chair), Mr. Rob Fowler, Mr. John Paul, Ms. Carol Ripley, Mr. Mark Shannon, Mr. Roland Thornhill, Mr. Ambrose White, Mr. Gordon MacInnis (Treasurer), Ms. Marlene Usher

Regrets:

Dr. Dianne Calvert-Simms, Mr. Kenneth Crawford, Mr. Brian LeBlanc, Mr. Leo MacIntosh, Mr. Tony Mozvik, Mr. Howard Windsor, Dr. Hayes MacNeil (Chair)

2 Minutes

2.1 - It was moved by Ms. Ripley, seconded by Mr. Paul, to approve the minutes of February 25, 2014. **Motion carried. Abstentions: 3**

3 Business Arising

3.1 Cape Breton University Strategy

President Wheeler referred to the Cape Breton University Strategy 2014-2019 and the CBU Marketing Framework documents as circulated with the meeting material. In a PowerPoint presentation President Wheeler highlighted the process in which the strategy document was developed, refined and now being recommended for endorsement. Attention was drawn to pages eleven and twelve of the strategy document which details the 2014/15 recommended actions over the coming months.

In reply to comments on the transition to a standard work load of 3:2 for research active colleagues, President Wheeler replied that he is in full support of this move and he believes this is a positive step for CBU and will attract quality professors. Addressing the concern of the word 'investment' President Wheeler replied this 'term' is used throughout the document because every decision made and every dollar spent, will be seen as an investment in the overall good for CBU.

On the question of increased class sizes with the move to the 3:2 workload, President Wheeler replied that in some cases class sizes could increase to a ratio that would still satisfy the needs and wants of students without jeopardizing a small class ratio.

Comments were offered that the presented goals are in keeping with a forward looking view to sustainability and the extensive and consultative process has produced an obtainable strategy if fully supported. An investment in marketing and retention were also voiced by members as necessary measures to ensure the student enrolment goals are met and to continue the vibrancy of CBU.

It was moved by Mr. Wadden seconded by Mr. Thornhill to support and endorse the Cape Breton University Strategy 2014-2019 and the Cape Breton University Marketing Framework as circulated and presented. **Motion carried. Abstentions: 1**

4 CEO/CAO

4.1 Report of the President

President Wheeler referred to the Report of the President circulated with the meeting package highlighting the following:

- Canada Research Chairs Marcia Ostashewski (Ethnomusicology) and Ashlee Cunsolo Willox (Communities and Cultures) received \$499,000 and \$65,000 respectively from the Nova Scotia Research and Innovation Trust.
- Dr. Arja Vainio-Mattila has been appointed as Dean of the School of Arts and Social Sciences and Dr. David Rae as Dean of the Shannon School of Business.
- Attention was drawn to the many student accolades detailed in the report.

4.2 Report of Senate

Dr. Scott Moir reported that a lengthy Senate meeting was held on March 21st with a very full agenda. Many of the items presented were in keeping with the alignment of splitting 6 credit courses to 3 credit courses. A much appreciated presentation from the Students' Union on the international student perspective was positively received. The mandate for the Acting VPA was also approved.

4.3 Special Announcements, Questions – N/A

5 Treasurer's Report

Mr. MacInnis referred to the Financial Statements to February 28, 2014 as circulated with the meeting package. The following key items were highlighted and discussed:

- Projections indicate a track toward a revenue surplus and tentative options under consideration for its allocation.
- Purdy Crawford Chair funding mechanisms have been identified to optimize available funding.
- The cash flow and receivables are reporting positively, especially due to the more timely collection from the Saudi Arabian Cultural Bureau program. An overall decline in other student receivables has also been realized and is due to fewer students registered for winter 2014 when compared to the winter 2013 period.

6 Committee Reports

6.1 Executive Committee

Vice-Chair, Dr. Dunn reported that the Executive Committee met on April 24th and all items discussed have been, or will be, covered on the Prologue or Public agendas.

6.2 Investment Committee

Chair, Mr. Wadden referred to the documentation circulated with the meeting package which contains the annual review of the performance funds conducted by MERCER. It was noted that the funds continue to perform well with a market value of just over \$27.6 million. In reply to previous discussions the following recommendations were presented:

Recommendation 1

The Cape Breton University SIP&G asset mix guideline be updated to reflect a 20% allocation to each of Canadian Equities, Short Term Bonds, and Long Term Bonds. The remaining 40% be allocated to Global Equities.

Recommendation 2

The Cape Breton University SIP&G asset mix guideline be amended to reflect up to a 30% allocation to fixed income funds (currently long term bonds and short term bonds in equal allocations) and up to 70% to equity holdings with a targeted mix of 23.3% for Canadian Equities and 46.7% Global Equities.

It was moved by Mr. Wadden, seconded by Dr. Bailey to approve recommendation two as presented in the report. A friendly amendment was accepted to add "...up to..." to give any flexibility the Investment committee may need. **Motion carried.**

Recommendation 3

The Cape Breton University Endowment pursue adding a highly rated Environmental, Social, and Governance (ESG) investment fund to its investment managers as an investment option for future donors and explore fund alternatives in conjunction with Mercers and Sun Life.

Recommendation 4

The Committee recommends that fixed income investment alternatives be explored with a view to determining whether the value added by such alternatives may warrant more active management of such funds.

With the acceptance of recommendation two, recommendation number one was removed from the table and **it was moved** by Mr. Wadden, seconded by Mr. MacInnis to accept recommendations three and four as presented in the report. **Motion carried.**

7 Items Requiring Action \ Decision

7.1 2014-2015 Proposed Budget

Mr. MacInnis referred to a copy of the proposed 2014/15 budget circulated with the meeting package. In a PowerPoint presentation, Mr. MacInnis provided a detailed account of the budget proposal including sector background information and its current status, CBUs reactions to the sector and planned future directions.

It was moved by Mr. MacInnis, seconded by Mr. Kelly for the approval of the proposed 2014/15 operating budget for CBU as presented, in the amount of \$47,009,421.

On the question of an increase to facilities fees for students and what it includes, Mr. MacInnis replied that the details of the broader package will be communicated more clearly to students so that they will better understand the proposed increase.

Mr. Latimer, Students Union President, commented that due to a decrease in the Nova Scotia Graduate Retention Rebate Program, he feels it would not be beneficial for any student to vote in favor of a tuition increase.

On the questions of the enrolment decline with respect to the Cape Breton Island demographic, Mr. MacInnis replied that this often varies from year to year but CBU is typically the university of choice for CBI high school graduates.

On the question of projected enrolment numbers and their composition, Mr. MacInnis replied that due to a conservative approach to enrolments, these projections have for the most part been met or exceeded.

Dr. Stewart offered comments that from a faculty perspective this proposed budget will, by and large, impact faculty. He also noted that with the recent appointments of two new Deans to the administrative structure, he feels that CBU is becoming over administered. Dr. Stewart drew attention to the changes from the 2013 comparative in proposed expenses for international recruitment noting that he felt this type of recruitment will result largely in business students.

In follow up to the concern raised about the already stressed business, hospitality and engineering programs and the recruitment to these programs, Dr. Brown replied that the assumption of international recruitment resulting in students for these programs only is incorrect. President Wheeler added that CBU has an absolute commitment to maintain a broad range of diverse program offerings and recruitment efforts across the four schools and Unama'ki College.

Mr. Boudreau, Students' Union Vice-President offered that a useful recruitment strategy could be the ability to offer prospective future students that CBU was the only university in Nova Scotia not to impose a tuition increase. Mr. Boudreau offered that a \$2.3 million increase from the revenue surplus be added to the budget to allow for this non-increase. Mr. MacInnis replied that due to the structural deficit that exists, this is not an option he would be in favour of recommending. **It was moved** by Mr. Boudreau seconded by Mr. Latimer to amend the motion by removing \$1.6 million from the budget to replace the proposed tuition increase. Mr. Latimer suggested that rather than a tuition freeze a more marketable strategy might be to impose a lesser increase. With agreement from Mr. Boudreau the amended motion was retracted. **It was then moved** by Mr. Latimer, seconded by Mr. Boudreau to amend the original motion to change the tuition increase from 3% to 2%. In reply, Dr. Bailey stated these types of debates are normally held during the budgetary process and although he understands the intended efforts, he does not support the amended motion. It was further added by members that this may not be reflected positively when in future funding formula discussions with government, nor is the cheaper option a positive marketing strategy.

Amended motion defeated. Yea: 4 Nays: 20 Abstentions: 2

Original motion carried. Nays: 5 Abstentions: 2

8 New Business

8.1 Federal Announcement – ECBC/ACOA

President Wheeler referred to the letter sent to Minister Rob Moore circulated with the meeting package. The letter was explained as a measure to ensure that attention was generated for CBU and its needs along with the needs of Cape Breton Island. Ms. Usher gave some clarification on the announcement for the benefit of the members.

9 Presentations

9.1 Recognition of Retiring Board Members

The Vice-Chair, on behalf of the Board, recognized retiring Students' Union representatives, Mr. Matt Latimer, Mr. Brennan Boudreau, Ms. Patricia McCann and Mr. Andrew Skinner and presented them with a parting gift. He thanked them for their work on behalf of the Students' Union and contributions as members of the Board of Governors.

Dr. Robert Bailey was also thanked for his dedication as Secretary to the Board and in his role as Vice-President Academic and was presented with a parting gift.

10 Date of Next Meeting

The next meeting will be Friday, June 20, 2014.

11 Adjournment

It was moved by to adjourn the meeting at 12:27 pm.



Dr. Robert Bailey, Secretary to the Board