

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

**Friday, April 22, 2016
Following Prologue
CE-339**

1 – 5 Opening Information/Discussion

1. Roll Call

Present:

Mr. Ambrose White (Chair), Mr. Rolland Thornhill (Vice Chair), Dr. David Wheeler (President), Mr. Gordon MacInnis (Treasurer), Dr. Dale Keefe (Secretary), Ms. Judy Bailey, Mr. Pat Bates, Ms. Carol Beaton, Mr. Taylor Burton, Mr. Kenzie Cameron, Ms. Carmelita Chechetto-Shea, Ms. Millie Colbourne, Dr. Ed Davis, Dr. Ann Francis D'Intino, Mr. Brandon Ellis, Mr. Bob Fowler, Mr. Rany Ibrahim, Mr. Terry Kelly, Mr. Brian LeBlanc, Mr. Clayton Locke, Mr. Keith MacDonald, Mr. Darryl Poirier, Ms. Carol Ripley, Mr. Robert Sampson (via teleconference), Mr. Liam Shannon, Mr. Mark Shannon, Dr. Scott Stewart, Ms. Wendy Wadden, Mr. Howard Windsor

Regrets:

Ms. Eleanor Bernard, Ms. Daphne Hutt-MacLeod, Mr. Michael Sandalis, Mr. Steve Wadden

Absent:

Mr. Darren Desmond

The Chair declared quorum and called the meeting to order at 9:40 am.

2 Minutes

2.1 - It was moved by Mr. Kelly, seconded by Mr. Ibrahim, to approve the public minutes of March 11, 2016. **Motion carried.**

3 Business Arising

3.1. Update on the Public Sector Pension Plan Discussion

In follow-up to discussion during the March meeting, Mr. MacInnis noted that the University continues to explore the option of transitioning to the Public Sector Pension Plan. To date all of the groups have been presented with the information and most have voted in favour of moving to the new plan. The Executive Committee has discussed how the institution would address the incremental cost that would impact the budget and provided input of how to move forward. A more detailed report will be presented during the Prologue session of an upcoming meeting.

4 CEO/CAO

4.1 Report of the President

President Wheeler extended congratulations to the faculty members listed in his report that have been granted tenure and promotion and early congratulations to the students who will be graduating in May. He also reported that with the announcement of Dr. Keith Brown stepping down as Vice President International and Aboriginal Affairs, the reallocations of his duties continues. An official

announcement on the commissioning of the windfarm is being planned in conjunction with the spring convocation. He then welcomed any comments or questions.

In response to Dr. Stewart inquiry on the evaluation of the increased investment to marketing and recruitment and how this investment has increased enrolment figures, President Wheeler replied that positive evidence on this investment is being realized. He noted that during the June meeting, Dr. Brown will present a detailed analysis of this data.

On the question of why CBU is implementing a new logo while in a time of financial strain and declining enrolments, President Wheeler noted this was part of the investment made in Marketing and Recruitment and in keeping with that budget line. He agreed to include a detailed analysis of the total cost of the logo process in the June presentation.

The Chair acknowledged the group of students who joined the gallery, quietly protesting the four-year plan for tuition increases that was introduced and approved by the Board in April 2015. Mr. Ellis also welcomed the students and thanked them for their support as he urged members to reconsider the planned increases. He also requested that an audit of the increased fees be provided to the incoming Students' Union as he will no longer be in office after April 30th. In response, President Wheeler replied that these increases were not celebrated last year and certainly are not today. Regrettably, he noted, that they are necessary to maintain the integrity of CBU now and into the future. Mr. Sampson expressed that the board members have a strong commitment to CBU and are sensitive to the students concerns. During the process of approving this four-year plan they also did not welcome the increases, but their fiduciary responsibilities to the students, faculty and staff required tough decision making.

Dr. Stewart offered that a contributing factor to CBU's current financial situation is the unsuccessful fundraising efforts of the Verschuren Centre for Sustainability in Energy and the Environment (VCSEE). He offered that if the VCSEE is financially beneficial to CBU, that alternatives should be explored. President Wheeler acknowledged that the fundraising efforts were flawed but that the VCSEE has great value to CBU both to its reputation and research and development revenues which impact justification for CRC and CFI opportunities. For clarification, Mr. MacInnis reported that no operating costs for the VCSEE are built in to the core operating budget for CBU and the SOFI loan repayment plan is being financed by the windfarm revenues which would not have been realized without the VCSEE.

In response to a detailed analysis of the 2900 targeted planning number, Dr. Keefe noted that these numbers were part of the circulated documents to board members for the December meeting and are also part of the Integrated Academic Plan documentation located on the website.

4.2 Report of the Senate

Ms. Wadden noted that Senate met on March 18th where various new courses and programs and revised policies were approved. President Wheeler presented Senate with the Board of Governors Policies which were before the board on March 11th, drawing particular attention to the Embracing the L'nu (Indigenisation) policy. Dr. Keefe was pleased to announce the completion of the SST school review was complete and submitted to MPHEC. In turn, the moratorium for submissions from CBU has been lifted by MPHEC and the SPAL program has been approved. He also noted that the Enrolment Services Integration project is moving forward. This was the last meeting for the current Students' Union Executive and many thanks were extended to them for their participation on Senate. Mr. Ellis and Ms. Bailey reported that during the special meeting held on April 7th President Wheeler and Ms. Stacey Black presented the proposed new logo. The compelling background story was well received but the majority of comments and input received were not positive. A majority of Senators found the image not one that would be expected from a post-secondary institution and that further consultation with all relevant stakeholders might provide a broader perspective. Upon the conclusion

of the meeting, President Wheeler noted that after all groups were given the opportunity to provide input and feedback, a refined representation will be developed and brought back to Senate.

4.3 Special Announcements, Questions – N/A

5 Treasurer's Report

Mr. MacInnis referred to the Financial Statements circulated with the meeting package and noted that with it being only a few weeks from the last reporting period, much of the information provided is very similar. The following items were highlighted and discussed:

- The CBU Wind Farm Project has been commissioned and an official opening ceremony in conjunction with convocation is being planned.
- The decreased student receivable is due, in part, to reduced enrolments.
- The market value of CBU investments total \$32.3 million.
- There is no change in the statement of revenue and expenditures.

On the question of why expected scholarship spending exceeds its budgeted target, Mr. MacInnis replied this is because offers are issued upfront, and often more are extended than accepted. During the budget preparation, variables such as conversion rates and renewables are typically unknown which leads to this variance. This is one area that being over budget is positive and has been trending in the last number of years. In reply to a suggestion of increasing this area, Mr. MacInnis replied this is plan as laid out in the multi-year plan approved by the Board in 2015.

6 Committee Reports

6.1 Executive Committee

Chair, Mr. Ambrose White reported that the Executive Committee met on April 21st. He noted that all items discussed have been, or will be, covered on the Prologue or Public agendas with the exception of an update on the residences operations. This process is ongoing and will likely be reported to the Board during the June meeting.

7 Items Requiring Action \ Decision

7.1 Overview of Proposed CBU 2016/17 Statement of Authorized Net Operating Expenses Proposal

Mr. MacInnis explained to members that a budget is a fiscal plan that creates financial clarity which enables an organization to achieve its balanced financial goals/revenues over a reasonable period of time. The document as presented is one that provides authority to spend money in the absence of a budget to enable the organization to function. He further explained that until such time that clarity has been achieved with the efforts of the CBU/CBUFA working group a complete budget is not obtainable. A copy of the Proposed 2016/17 Authorized Statement of Net Expenditures was circulated in advance of the meeting. In a PowerPoint presentation, he provided a detailed overview of the proposed document and highlighted significant areas throughout. Mr. MacInnis addressed questions and comments posed by Board members regarding the potential impacts of human resources, the end of the Saudi Arabian Scholarship Program cohort, the four-year tuition plan, and the proposed plan for the SSOB Dean and MBA director, and tuition rates.

It was moved by Mr. Ellis, seconded by Mr. Burton, that a committee consisting of two Board Members, the incoming Students' Union President, the incoming Students' Union Vice President of Finance and Operations, one CBUFA member and one NSGEU member, be struck to review the current tuition policy and to explore possible cost saving efforts for students. **Motion defeated.**

It was moved by Mr. MacInnis, seconded by Mr. Fowler, for the approval of the proposed 2016/17 Statement of Authorized Net Expenditures as presented in the amount of \$48,939,558. **Motion carried. 23 - Yeas / 4 - Nays / 2 - Abstentions**

Following the defeat of his motion, **it was moved** by Mr. Ellis, seconded by Dr. Stewart, that upon the conclusion of the current four-year plan that the same committee be struck to ensure meaningful consultation occurs for any future multi-year tuition plan. **Motion defeated. 6 - Yeas / 23 - Nays**

8 New Business

8.1 Federal PSE Strategic Investment Fund (SIF)

In response to the recent Federal Government budget which included the Post-Secondary Institutions Strategic Investment Fund (SIF), President Wheeler circulated a possible proposal CBU is prepared to submit under this fund should members agree. The deadline for these applications is Monday, May 9th and to a timely submission, **it was moved** by Dr. Davis, seconded by Ms. Chechetto-Shea to empower the Board of Governors Executive Committee to approve on their behalf proposal(s) under the Federal PSE SIF with the assumption that any submissions will be financially sound for CBU.

On the question of the impact to the capital expenditures just approved in the 2016/17 Authorized Statement of Net Expenditures, President Wheeler assured members that if there were any capital investment outside those just approved, this would only occur if there was a guarantee of revenue generation. Mr. MacInnis noted the intention of incurring long-term debt would only be considered if the business case were overwhelmingly positive. It was agreed that if members approve the motion, that anything outside the capital line will be brought to the full board for consideration before official commitments are made.

Motion carried. 25 - Yeas / 4 - Nays

9 Presentations

The Chair recognized retiring Students' Union representatives, Mr. Brandon Ellis, Mr. Taylor Burton, Mr. Kenzie Cameron, and Mr. Liam Shannon. They were offered a parting gift and thanked for their work on behalf of the Students' Union and their contributions as members of the Board of Governors.

10 Date of Next Meeting

The next meeting is currently scheduled for June 24th however, with the conclusion of the working group set for June 30th it was suggested that the June meeting be moved by one or two weeks. A confirmation notice will be sent at the earliest possible date.

11 Adjournment

It was moved by Mr. Shannon to adjourn the meeting at 1:14 pm.



Dr. Dale Keefe, Secretary to the Board