

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

**Friday, June 22, 2018
Following Prologue
CE-339**

1 – 5 Opening Information/Discussion

1. Roll Call

Present:

Mr. Robert Sampson (Chair), Mr. Mark Shannon (Vice Chair), Mr. David Dingwall (President), Mr. Gordon MacInnis (Treasurer/Secretary), Mr. Nagy Abdou, Mr. Pat Bates, Ms. Carol Beaton, Mr. Paratek Brar, Ms. Millie Colbourne, Dr. Ed Davis, Dr. Ann Frances D'Intino, Dr. Stephanie Inglis, Mr. Terry Kelly, Mr. Brian LeBlanc, Mr. Clayton Locke, Ms. Emily MacLennan, Mr. Kirk MacRae, Ms. Tara Milburn, Dr. Andrew Molloy, Mr. Steve Parsons, Mr. Darryl Poirier, Ms. Ann Sylliboy, Ms. Wendy Wadden

Regrets:

Ms. Breagh Gillis, Mr. Keith MacDonald, Mr. Michael Sandalis, Mr. Howard Windsor

The Chair called the meeting to order and declared quorum.

2 Minutes

2.1 - It was moved by Dr. Molloy, seconded by Mr. Poirier, to approve the public minutes of the April 28, 2017 meeting. **Motion carried.**

3 Business Arising – N/A

4 Reports

4.1 Report of the President

President Dingwall referred to his report as circulated electronically in advance of the meeting and he welcomed any comments or questions.

4.2 Report of Senate

Ms. Wadden reported that Senate met on June 8th with a full agenda of new course approvals, program modifications, policy revisions and updates; in particular to the policy of Admission Requirements for Mature Students.

4.3 Students' Union

Students' Union President, Mr. Brar, reported they have been busy in their first month of office. He expressed a great deal of excitement in having, for the first time, two international students elected to office. Members attended a round-table discussion with DLAE, they have begun planning for their annual Capers Helping Capes fundraising, and they continue to work with Cape Breton Transit to improve availability of public transit for students; an agreement has been reached to have the service increased from every hour to every half hour.

4.4 Special Announcements, Questions – N/A

5 Treasurer's Report

Mr. MacInnis referred to the Financial Statements circulated electronically in advance of the meeting and the following key items were highlighted and discussed:

- The cash position is strong and is in thanks, in large measure, to the pre-payment of tuition by international students attending CBU in spring/summer 2018 or planning to commence studies in fall 2018.
- Students from China and India represent the most significant international student demographics.
- The Other category of Accounts Receivable has increased due to the elimination of the receivable from the CB Health Recreation Complex.
- Market value of Investments stands at \$36.7 million.
- Measures will be taken in attempt to lower the vacation pay accrual and the service award liability will continue to decline as CBUF A members transitioned to the provincial pension plan (PSSP).
- Reported revenues from the CBU wind farm operations will be applied to SOFI loan balance.

In response to a question on the status of relations with Government, President Dingwall reported he continues to engage with Departments and Ministers at both the Provincial and Federal level. A process has begun to ensure future dialogues are meaningful and substantive.

6 Committee Reports

6.1 Executive Committee

Chair, Mr. Sampson, reported that the Executive Committee did not meet to allow time for other committee meetings in advance of the Strategic Planning session held on June 21st.

6.2 Audit Committee

6.2.1 Report of Meeting held June 21, 2018

Mr. MacInnis reported that the Audit Committee met on June 21st where they were joined by one of MGM's partners, Mr. Darren Chiasson. The Committee reviewed the draft Audited Financial Statements and the Audit Finding Report from MGM. They agreed to forward the statements with their recommendation of acceptance to the Board.

6.2.2 2017/18 Draft Audited Financial Statements

Referring to the draft Audited Financial Statements circulated with the meeting material, Mr. MacInnis noted that CBU closed the fiscal year with a surplus rather than the predicted deficit, the net deficit continues to decline as planned, and that a substantial infrastructure deficit exists.

It was moved by Dr. D'Intino, seconded by Mr. Poirier, to accept and approve the draft Audited Financial Statements for 2017/18 as presented. **Motion Carried.**

6.2.3 Appointment of Auditors

In keeping with the multi-year term, **it was moved** by Mr. Kelly, seconded by Dr. D'Intino, to reappoint MGM as CBU Auditors to June 30, 2019. After clarification the terms of contract for MGM, the **motion carried**.

6.3 Investment Committee

Chair of the Committee, Mr. Kelly, referred to the Committee's Annual Report to December 31st, circulated in advance of the meeting. He highlighted the reconciliation of the endowment funds, the continued review of the Statement of Investment Policies and Goals (SIP&G), the asset mix, weightings, and performances. He detailed the performance of the fund managers and noted that Eckler is not recommending any changes at this time. He also noted that Sunlife may seek to revisit the fee structure with the recent changes to the CBU Pension Fund. **It was moved** by Mr. Kelly, seconded by Ms. Wadden, to receive and endorse the report and the following recommendations as presented:

Recommendation 1

The Committee recommends the adoption of the revised SIP&G Included in appendix B to the 2017 Annual Report which in turn confirms the following two key policy statements:

- a) The targeted asset allocation mix for CBU endowment holdings as follows:
 - Canadian Equity 20%
 - Global Equity 40%
 - Canadian Bonds 30%
 - Absolute Return 5%
 - Real Estate 5%
- b) The Spending Policy for the Scholarship Endowment be set at 3.5% of the fair market value, measured as of December 31 preceding the commencement of the University's fiscal year.

Recommendation 2

No change in managers or investment strategy is recommended at this time.

Recommendation 3

An assessment of Sunlife fees be undertake in the last quarter of 2018 to determine whether pursuing a fee reduction strategy with Sunlife is merited.

Mr. Kelly noted that the Committee has not yet developed an ethical investment policy but that Eckler is able to provide an ESG report on the current portfolio if requested.

Motion carried.

7 Items Requiring Action \ Decision – N/A

Although not being presented today, Mr. Sampson noted that a decision on appointments to the CBU Development Inc. Board may be required prior to the next Board meeting. Members may be asked to vote on a recommendation from the Nominating Committee electronically.

8 New Business – N/A

9 Presentations

9.1 Retiring Board Members

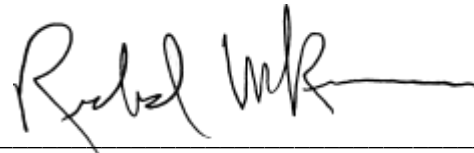
Ms. Millie Colbourne, Dr. Eddie Davis, Mr. Brian LeBlanc, Dr. Stephanie Inglis, Dr. Andrew Molloy and Ms. Wendy Wadden are completing their terms with the Board. President Dingwall extended many thanks for their considerable dedication, time, and commitment to the CBU Board of Governors and presented them with parting gifts.

10 Date of Next Meeting

The next meeting will be held on Friday, October 26, 2018.

11 Adjournment

It was moved by Dr. Molloy to adjourn the meeting at 11:35 pm.



Dr. Richard MacKinnon, Secretary to the Board