

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

**Friday, March 10, 2023
Following Prologue
Board of Governors Conference Room
CE339 / MS Teams**

1 – 5 Opening Information/Discussion

1. Roll Call

Present:

Mr. Robert Sampson (Chair), Ms. Denise Allen (Vice Chair), Mr. David Dingwall (President), Mr. Gordon MacInnis (Treasurer), Dr. Richard MacKinnon (Secretary), Ms. Carol Beaton, Ms. Valerie Bobyk, Ms. Kate Brooks, Mr. Michael Claener, Ms. Melissa Deane, Dr. Anne Frances D'Intino, Mr. Michael Henick, Dr. Donnie Holland, Mr. Rany Ibrahim, Ms. Himali Kadam, Mr. Terry Kelly, Mr. Keith Maher, Mr. Kirk MacRae, Ms. Tara Milburn, Mr. Peter Oyedijo, Mr. Darryl Poirier, Mr. Damanpreet Singh, Ms. Chloe Stewart, Ms. Ann Sylliboy

Regrets:

Dr. Janet Khunke, Mr. Keith MacDonald, Dr. Adando Miadonye, Ms. Dena Richardson, Ms. Harman Singh, Mr. Steve Wadden

The Chair declared quorum and called the meeting to order.

Mr. Sampson began with the acknowledgement that Cape Breton University is located in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People. This territory is covered by the "Treaties of Peace and Friendship" which Mi'kmaq and Wolastoqiyik (Maliseet) people first signed with the British Crown in 1726. The treaties did not deal with the surrender of lands and resources but, in fact, recognized Mi'kmaq and Wolastoqiyik (Maliseet) titles and established the rules for what was to be an ongoing relationship between nations.

2 Minutes

2.1 - It was moved by Mr. Claener, seconded by Mr. Kelly, to approve the Public Minutes of December 2, 2022. **Motion carried.**

3 Business Arising – N/A

4 Reports

4.1 President's Report

President Dingwall referred to his circulated report and welcomed comments or questions.

4.2 Report of the Senate

Mr. Henick referred to the circulated report and highlighted the following:

- A Take Note Debate was held on the SEM plan.
- Dr. Janet Khunke was elected a replacement Senator of the Board of Governors.
- The final date to withdraw from a winter term course without academic penalty will be extended to March 24th.
- Senate activities were on pause during the labour disruption.
- A motion was passed that Senate supports a commitment of academic units and instructors to remain flexible in making alternate arrangements this term, which could include rescheduling deadlines, flexibility in resubmitting work and adopting other required forms of leniency for students.

He also congratulated all those involved in planning the USports Women's National Basketball Championship. He said the game the previous evening was sold out, and the energy in Fieldhouse was truly amazing.

He also congratulated Chairman Sampson on being presented with the Queen Elizabeth II's Platinum Jubilee Medal in recognition of his long-standing service to the Province.

4.3 Report of the Students' Union

Mr. Singh referred to the circulated report and highlighted the following:

- Events such as the Indigenous trivia, Pre-game social, and a live performance at the Boardmore theatre were held during the Week of Welcome. VP Promotions Chloe Stewart and the promotions were thanked for organizing all of the events.
- The CBUSU food bank has continued to see increased usage over the last months, and an online model has been introduced. Funding from the Department of Community Service and the Nova Scotia Health Authority was received to support food bank operations.
- SU executive members met with MP Mike Kelloway and MLA Derek Mombourquette on various student issues.
- A well-attended vigil was held in January in remembrance of Rajesh Kumar, the CBU student who was tragically lost in a house fire before the holidays.
- The various neutral actions the SU took during the recent labour disruption and the resulting motion passed at Senate as noted during the Senate report.
- The Student Union general election was held, and the new President will be Shail Chata, and Gideon Othobio was elected as the new Executive-VP.
- A \$1 million donation was made to the Forever CBU Campaign.
- Various events are being planned, including a town hall.
- As onboarding with the incoming executive begins, all policies are being reviewed to ensure they are up-to-date.

On behalf of the Board, the Union was thanked for supporting the Forever CBU Campaign.

4.4 Special Announcements, Questions – N/A

5 Treasurer's Report

The Treasurer's Report was circulated with the meeting package. Responding to comments and questions as they arose, Mr. MacInnis noted the following:

- CBU's cash position is very healthy thanks to capital financing received from the Province of Nova Scotia in March of 2022 and the continued high volume of deposits from international students seeking to study at CBU. The cash management strategy consists of a series of laddered GICs and favourable treasury agreements with banks with the goal of optimizing interest earnings while maintaining the fluidity of cash flow.
- The student accounts receivable balance has increased due to the extension of the due date for winter term payment of fees as part of CBU's strike-related outreach to students and the continued presence of older outstanding accounts and elevated 2023 winter term registration activity. Collection efforts, as per policy, have increased, and a significant upward adjustment in the allowance for doubtful accounts is likely as of year-end.
- The receivable from the Province for the BSc Nursing program has not yet been received.
- Book value of investments held by CBU for residence replacement, endowment, and special purposes totals \$55,959,000. The January 31, 2023, market value of investments totals \$52.6 million.
- The 2022/23 winter term enrolment is now nearing finalization, and it is expected that CBU will record a significant positive tuition variance.
- Non-tuition revenues, driven by interest earnings and application fees, are very strong.
- CBU continues to implement its multi-year mandatory vacation utilization program, first adopted in 2020. The adjustment to the vacation liability will be processed as part of the 2023 year-end closing procedures.
- Reported revenue is based upon enrolment for 2022/23 fall and/or winter term(s) of 6,780 as of November 17, 2022. The fall 2022 term enrolment has settled at 5,881 students, with 5,261 students presently registered for the winter 2023 term (as of November 15/22). As of yesterday, the post-baccalaureate programs now account for 51.83% of CBU's total enrolment and 99.9% of the enrolment in these programs is comprised of international students.
- Expenditures are tracking as expected for the reporting period.
- Bookstore operations reflect the fact that the bookstore business model remains challenged for Follett Canada. In an effort to assist with the current subsidization of the bookstore operation, CBU has not charged Follett a commission fee since the COVID pandemic began. Discussions with Follett are ongoing regarding changes to their operational model.

For clarification on the investments, Mr. MacInnis explained that the market value lags behind the book value.

6 Committee Reports

6.1 Executive Committee

Mr. Sampson reported that the Executive Committee met on March 9th when the Committee approved the agenda items for the meetings today. All items discussed at that meeting have

been covered by agenda items. He also noted the Committee resurfaced the idea of having an off-site meeting in conjunction with a community engagement event.

6.2 Audit Committee

Mr. Kelly reported that the Committee met on March 9th, where they were joined by Mr. Chiasson from MNP and Mr. Glenn MacDonald and Ms. Mary Beth MacDonald from CBU's Finance Office. The 2023 Audit Service Plan was presented with a testing materiality of approximately \$4 million, about 3.5% of revenue. Revenues, receivables and agent fees were identified as areas of risk, and a revised reporting standard will impact the University with a one-time fee and substantial reporting time on behalf of the University's Manager of Financial Compliance & Special Projects. The draft financial statements will be presented to the Board during the June meetings cycle.

For information, President Dingwall added that he will be calling a meeting of the Audit committee's sub-committee on climate change to have a fulsome discussion on that aspect. He also noted that the committee may also discuss sustainability. In addition to the named members of the committee, Amy Campbell, Tara Milburn, Melissa Deane, and Laurianne Sylvester, he suggested that Janice Tulk, Senior Research & Policy Advisor, Strategic Initiatives at CBU and Adam Smith, Energy Manager at CBU, be asked to join the committee and that the committee will outreach to Mr. Adam Brown of the Discovery Centre in Halifax.

He also noted that the committee discussed the need for a Risk Manager at Cape Breton University. It was explained that with the many capital projects in the planning stages, CBU must give serious consideration to having an individual who will monitor these activities from all aspects but especially in the event of emergencies.

7 Items Requiring Action/Decision

7.1 Strategic Enrolment Plan

Following a fulsome discussion on the Strategic Enrolment Management (SEM) Plan presented during the prologue session, **it was moved** by Mr. Kelly, seconded by Dr. D'Intino, that the CBU Board of Governors expresses strong support for the implementation of the Strategic Enrollment Management Plan and that future operating and capital budgets align with the strategies. **Motion carried unanimously.**

7.2 2023 Capital Financing Strategy

After a detailed presentation and fulsome discussion during the prologue session, **it was moved** by Mr. Poirier, seconded by Mr. Claener, to approve the CBU Capital Campaign financing strategy encompassing: targeted capital allocation of \$20 million from 2022/23 operations, allocation of capital program reserve (\$14.9 million) to the 2023 Capital Program, acceptance of financial risk exposure related to Forever CBU Campaign, and acceptance of financial risk mitigation framework as presented, as well as that CBU continues to pursue additional PNS funding of \$38.0 million for Marconi building code compliance bringing the 2023 Capital Program scope to \$243.2 million. **Motion carried unanimously.**

7.3 2023/24 Budget Proposal

Mr. MacInnis referred to a copy of the proposed 2023/24 budget circulated with the meeting package. Responding to comments and questions as they arose, in a PowerPoint presentation, he provided a detailed account of considerations for the budget proposal, including the University business model, current national and provincial models and how they pertain to CBU, enrolment trends and compositions, risk mitigation strategies, CBU's revenue projections, tuition and the fee policies, proposed expenditures, and the alignment for each of these with the SEM Plan. After providing a history of program enrolments, he detailed how the SEM will provide geographic and programmatic diversification. He also provided potential disruptive forces with respect to international and domestic markets. In conclusion, **it was moved** r. Kelly, seconded by Ms. Milburn, to approve the proposed 2023/24 Operating Budget Proposal, reflecting \$112,968,023 in gross expenditures and a balanced budget as presented. **Motion carried. Nays: 4**

8 New Business – N/A

9 Presentations – N/A

10 Open Session – N/A

11 Date of Next Meeting

The next meeting will be on June 23, 2023.

12 Adjournment

It was moved by Mr. Henick to adjourn the meeting at 12:50 pm. **Motion carried.**

Dr. Richard MacKinnon
Secretary to the Board