

Present: Board

Douglas Beaton
Samuel Baroi
Sandra Case / Chair
Farhad Dastur
Alan Davis / President & Vice Chancellor
Amos Kambere
Michael McAdam
Hanne Madsen
Marc Kampschuur
Mohammed Mahabub
Kim Rose

University Vice Presidents

Salvador Ferreras / Provost & VP Academic
Marlyn Graziano / VP, External Affairs
Jon Harding / VP, Finance & Administration

Presenters and University Resources

Jennifer Duprey / General Counsel
Laurie Clancy / Interim AVP, Human Resources
Ranminder Kaur / Confidential Assistant to the Board of Governors
Joe Sass / Executive Director, Financial Services
Keri van Gerven / University Secretary & Confidential Assistant to the President & Vice Chancellor

Regrets: Akash Bhullar
Shelly Hill
Amandeep Singh
George Melville / Chancellor

**1. Call to Order and
Introductory Remarks**

The Chair called the meeting to order at 4:05 pm.

The Chair made opening remarks to the audience present and it was noted that the public will be given a chance to speak regarding the draft 2019/20 budget presented to the Board for discussion and approval.

2. Approval of Agenda

Motion #16-18/19

MOVED, SECONDED AND CARRIED THAT the Board of Governors approve the Agenda for March 27, 2019.

3. Consent Agenda

Motion #17-18/19

MOVED, SECONDED AND CARRIED THAT the Board of Governors approve the following item on the Consent Agenda:

**3.1 Minutes of the January 30, 2019, Regular Board of Governors Meeting
AND**

receive the following item on the Consent Agenda for information:

3.2. Revised KSA Annual Fee Change Letter - 2019-2020 Academic Year.

**4. Finance Committee
Report**

4.1 Committee Chair Report

Committee Chair, Doug Beaton advised that the Finance Committee met on March 12th, 2019 and received the draft budget 2019/20 and commented that it was the most constructive budget he had seen and it is the first of a five-year fiscal plan focused on bringing long-term financial sustainability to the university.

He also thanked Jon Harding and all the staff in the Finance Department for their hard work in the development of the draft budget 2019/20.

It was noted that an update on Real Estate/property and the Investment Policy was also received during the meeting.

4.2 Senate Endorsement of the Draft 2019/20 University Budget

Dr. Davis highlighted the memo which outlined Senate's endorsement of the draft 2019/20 University Budget, its observations, recommendations and priorities. As in the past, a response from the Board will be drafted and presented by the Board Finance Committee Chair at an upcoming Senate meeting.

4.3 Draft 2019/20 University Budget and Revisions to Bylaw No. 4, Fees

Dr. Davis introduced the draft 2019/20 University Budget and Bylaw 4, Fees and noted that Bylaw 4, Fees is revised on an annual basis to reflect annual increases and changes to tuition and student fees.

Dr. Davis presented highlights from the draft 2019/20 University Budget which included:

- Current Status
- Setting Priorities
- FY19/20 Budget Highlights
- Key Elements to Achieve Financial Sustainability
- FY20/21 Budget

Dr. Davis presented that given the static government operating grant and limited opportunity to increase tuition fee (capped at 2% increase) meant recalibrating the size of KPU as costs are projected to grow faster than revenues. It was noted that if it continued, expenses will exceed revenues by fiscal year 2020. Therefore, the draft budget presented to the Board was a balanced budget for fiscal 2019/2020, and includes a contingency fund for issues/opportunities that may arise during the year and a modest surplus of approximately \$400,000.

Dr. Davis presented that a number of methodological improvements were made in the development of the draft 2019/20 University Budget, including:

- Enhanced revenue forecasting based on metrics and the integration of financial and non-financial data.
- The use of algorithms to allocate funding in a fair and transparent manner.
- The development of both Operating and Capital budgets.

Dr. Davis advised that the proposed budget included assumptions around the control of capital investments, growth to average number of students per class, increased revenue diversification through long-term asset leveraging, business development opportunities and investment policy revision.

The Chair opened the floor to the audience for comments on the proposed budget. Four members from the audience addressed the Board and asked the Board to reconsider the proposed budget and send it back to the administration team to make amendments to the proposed budget by cancelling the following:

- Cancellation of first year intake for Music Diploma/Degree due to low enrolment.
- Cancellation of one intake of Foundations of Design
- Cancellation of one intake of Fashion Design

Management reiterated that the faculties had been asked to look into redesigning the program with a sustainable approach of delivery.

The Chair thanked the audience for their engagement and reiterated the Board's commitment to ensuring the university is financially sustainable while continuing to serve its students and communities.

Motion #18-18/19

MOVED, SECONDED AND CARRIED THAT the Board of Governors approve the 2019/20 University Budget and revisions to Bylaw No. 4, Fees as recommended by the Board Finance Committee.

4.4 Financial Forecast 2018/19

Joe Sass presented the Financial Forecast for the year ending March 31, 2019 based on Public Sector Accounting Standards. He noted that the forecast is subject to change as new information becomes available on two significant areas but also noted that is projected to be a healthy surplus.

5. Audit Committee Report

5.1 Committee Chair Report

Committee Chair, Doug Beaton advised that the Audit Committee met on March 12, 2019 and received updates from the Internal Auditor.

6. Governance Committee Report

6.1 Committee Chair Report

Committee Chair, Hanne Madsen advised that the Governance Committee scheduled for March 6 was cancelled as there was no substantial agenda items to be considered at the meeting.

7. Human Resources Committee Report

7.1 Committee Chair Report

Committee Chair, Sandra Case, advised that the Human Resources Committee scheduled for February 28 was cancelled as there was no significant agenda items to be considered at the meeting.

8. President's Report

8.1 Report to the Board

Dr. Davis stated that the President's Report was included in the Report to the Board of Governors.

Dr. Davis highlighted a number of events and activities including Faculty of Trades and Technology Scholarships and Awards dinner at KPU Tech, and Dr. Gillian Siddall's installation as new president of Emily Carr University of Art and Design.

Dr. Davis advised the he attended an event at Coast Capital Savings head office and he was presented with a major gift of \$500,000 to KPU. He also attended an event to celebrate our partnership with the Surrey Firefighters Charitable Society which has now provided \$100, 000 to KPU for student scholarships.

Dr. Davis reported that there was a semi-surprise visit from The Honourable Kristy Duncan, Minister of Science and Sport which took place earlier in the day on March 27, 2019 for a meeting with the executives at the university and also a visit to the lifespan cognition lab.

9. Provost's Report

9.1 Report to the Board

Dr. Salvador Ferreras advised that the Provost and VP, Academic Report was included in the Report to the Board of Governors. It was noted that 7 members from various faculties were granted education leave to pursue academic achievements, publications, creative projects and curriculum innovations.

Dr. Ferreras also expressed thank you to:

- Former Dean of the School of Business, Wayne Tebb for his successful tenure as Special Advisor assisting with the opening of KPU Civic Plaza.
- Former AVP Business Development and Innovation Olen Vanderleeden for his input into the success of Cannabis programs at KPU and development of the Strategic infrastructure Grant proposal for the new Spruce Building.

10. Vice President, Finance & Administration's Report

10.1 Report to the Board

Jon Harding advised that the Vice President, Finance and Administration Report was included in the Report to the Board of Governors.

11. Senate Report: February 25, 2019

Dr. Davis advised that the Senate Report for February 25, 2019 was prepared by David Burns, Senate Vice-Chair and was included in the meeting package. Further, the Senate also met on March 25, 2019 and members noted that discussions were around the budget for 2019/20 and detailed analysis of the next 5 year fiscal budget.

12. Next Meeting Agenda Contribution

Board members were asked to send contributions for the next meeting agenda to Keri van Gerven at least two weeks in advance of the meeting.

13. For the Good of the Order

Keri van Gerven advised the members that Board has received a 'Thank You' card from a student who had received a scholarship award and recently graduated from the university.

14. Feedback on the Meeting

There was no additional feedback on the meeting.

15. Appendix:

15.1 *Report to the Board of Governors*

The March 2019 Report to the Board of Governors was received and hard copies of the report were distributed to the Board.

16. Next Meeting

Wednesday, May 22, 2019 at the Surrey Campus, Cedar Boardroom 2110 at 4:00 pm.

17. Adjournment

The meeting adjourned at 5:30 pm.

Board Chair