

BOARD OF GOVERNORS - REGULAR MEETING

Regular Meeting Minutes

February 1, 2023

Via Microsoft Teams

Present: Board

Ivy Chen / Chair
Rhiannon Bennett / Vice Chair
Michael Chang
Alan Davis / President & Vice
Chancellor
Bob Davis
Kelly Fredrick
Ishant Goyal
Amos Kambere
Muhammad Afzal Malik
Takashi Sato
Harman Preet Singh
Waheed Taiwo
Jack Wong

University G7 members

Laurie Clancy / VP, Human Resources
Chervahun Emilien / Chief Financial Officer
Randall Heidt / VP, External Affairs
Stephanie Howes / Interim VP, Students
Diane Purvey / Provost & VP, Academic
Peter Smailes / VP, Administration

Presenters and Administrative Resources

Jennifer Duprey / General Counsel
Heather Harrison / Pro Tem Dean, Melville School
of Business
Ranminder Kaur / Confidential Assistant to the
Board of Governors
Dr. Lori McElroy / AVP, Planning and
Accountability
Keri van Gerven / University Secretary & Executive
Assistant to the President & Vice Chancellor

Regrets: Kim (Kwuntlunaat) Baird /
Chancellor
Mohammed Mahabub

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

The Chair called the meeting to order at 4:02pm.
The Chair acknowledged KPU's commitment to reconciliation
and recognition that that we live, work and study at KPU on the
traditional and ancestral lands of the Coast Salish peoples,
including those of the Kwantlen First Nation, who graciously
bestowed their name on this university.

2. Approval of Agenda

Motion #13-22/23

**MOVED, SECONDED AND CARRIED THAT the Board of
Governors approve the regular meeting agenda for February 1,
2023.**

3. Conflict of Interest

No other conflict of Interest was declared.

4. Approval of Consent Agenda

Motion #14-22/23

**MOVED, SECONDED AND CARRIED the Board of Governors
approve the following items on the Consent Agenda:**

- 4.1. Minutes of the November 30, 2022 Regular Board of Governors Meeting.**
- 4.2. The establishment of a new department called Entrepreneurial Leadership (ENTR) in the Melville School of Business effective May 1, 2023, as recommended by the Board Governance Committee.**

Heather Harrison left the meeting

5. Outstanding Action Items

Ms. Emilien presented the report and commented that specific information requested by the Board during its meeting on September 28, 2022 is included in the package for information.

Mr. Heidt commented that a couple of positions have been identified in the Office of Advancement and Alumni team and will be presented as part of the draft budget agenda item 9.3 later on during the meeting.

Dr. Davis noted that KPU provides support to the KPU Foundation via the Office of Advancement. Members noted that the KPU Foundation invests money received through fundraising and the invested money is used to support KPU students.

6. Governance Committee Report

6.1. Committee Chair Report

Committee Chair, Ms. Chen advised the Governance Committee met on January 18, 2023 and received an update on Phase One rationale documentation for various policies currently under review.

Members noted that the other item discussed at the meeting is on the agenda.

6.2. VISION 2026 update

Dr. Davis presented the report and commented that Vision 2023 was developed and approved by the Board in 2018 and it has served as an excellent resource for planning and strategic decision-making since then. Dr. Davis commented that to bridge between the Vision 2023 final report, and the arrival of a new president in 2025, the attached draft of a Vision 2026 update is being proposed to provide the incoming president a framework.

Dr. Davis commented that a short survey has been launched and the draft Vision 2026 shared with the KPU community for feedback on what KPU is proposing and whether this is a good approach. Dr. Davis mentioned that he gave a substantive presentation to Senate at its January meeting.

Dr. Davis noted a new theme 'Justice' has been included with three set of goals as below:

- Implementation of xé?elh to foster decolonization and reconciliation
- Advancing Antiracism Initiatives across KPU
- Advancing Equity, Diversity and Inclusion across KPU

Dr. Davis noted that he is working on the documentation and a further update will be presented at a future Board meeting.

7. Human Resources Committee Report

7.1. Committee Chair Report

Committee Chair, Ms. Bennett, advised that the Human Resources Committee met on January 12, 2023 and received an update on Phase One rationale documentation for HR policy HR20 and HR22 currently under review.

8. Audit Committee Report

8.1. Committee Chair Report

Committee Vice Chair, Mr. Wong, advised that the Audit Committee met on January 17, 2023 and received update on engagement activities.

9. Finance Committee Report

9.1. Committee Chair Report

Committee Vice Chair, Mr. Wong, advised that the Finance Committee met on January 17, 2023 and noted that all items discussed at the meeting are on the agenda.

9.2. Senate Endorsement of the Draft 2022/23 University Budget

Dr. Davis highlighted the memo which outlined Senate's endorsement of the draft 2023/24 University Budget.

9.3. FY 2023-24 University Budget and revisions to Bylaw No. 4, Fees

Ms. Emilien commented that there was a lot of discussion throughout the preparation of the draft FY 2023/24 University budget and it was presented to the Finance Committee during various phases of the budget process. Ms. Emilien noted that the budget presented is in line with the timeline previously presented at the Board in June 2022. Members noted that in previous years, the budget was presented in March for approval however, presenting it earlier for approval will allow various

divisions to plan accordingly to support the utilization of the budget effective April 1, 2023.

Ms. Emilien presented the report and commented that the new budget scope of \$13.8 million was determined based on revenue assumptions and the budget being presented adheres to the assumptions around steady international student's tuition revenue when compared to the current fiscal year which was consistent and confirmed at spring stable enrolment.

Ms. Emilien noted that in addition to the draft budget, Bylaw No. 4, Fees is also revised on an annual basis to reflect annual increases and changes to student fees. Ms. Emilien noted that the domestic tuition has been raised by 2%; the maximum allowed by the provincial government under the Tuition Limit Policy. Ms. Emilien mentioned that although the Tuition Limit Policy does not apply to international student tuition, increases will be held at 2% for international tuition as well.

Ms. Emilien noted that the budget Principles and Priorities that were approved in the first quarter of the current fiscal year, align with KPU's Strategic Priorities which formed the framework for the overall process for developing the draft budget. Members noted that the budget Principles and Priorities included student's success and faculty predictability in combination with showing a balanced budget was the forefront of developing the draft budget.

Ms. Emilien commented that the overall budget is made out of the base budget and any new additions for FY2023/24. Members noted that the process also entailed reviewing current year budget for underutilization and budget was re-allocated across the divisions where appropriate.

Ms. Emilien noted that KPU also assumed increases for the operating grant for the collective agreement bargaining and the health expansion. Ms. Emilien mentioned that the assumption for the health expansion is consistent with the FY 2023 funding letter, whereas, the assumption for the increase in the operating grant is consistent with previous years and has been communicated by the Ministry.

Members noted that a less conservative but realistic approach has been taken on revenues when developing the budget. Ms. Emilien commented that FY 2022/23 has been used as a base to determine an assumption for FY2023/24 tuition estimate.

Ms. Emilien commented that an additional \$1 million is recommended for approval for scholarships and bursaries. Members noted that additional amounts have been proposed for transfer to the KPU Foundation to further support the students.

Ms. Emilien noted that a purposeful and deliberate contingency has been set up at 2% which aligns with the rate at other institutions in the Lower Mainland.

Ms. Emilien presented a comparison of overall FY2023/24 draft budget alongside prior years' budget. Members noted that the draft budget was comparable to prior year's budget allocations.

Ms. Emilien mentioned that the draft budget proposes increases of approximately \$27 million in revenues and \$15.8 million in expenses when compared to the Fiscal 2022/23 budget.

Ms. Emilien commented that the draft capital budget proposed an increase of approximately \$19.7 million for FY2023/24 to ensure that KPU stays within its 5% threshold. Members noted that in the capital budget included a \$6.3 million that pertains to FY2022/23 projects that have been carried forward due to negatively impacted by the supply chain issues.

Dr. Purvey commented that KPU reaches out to all the students on academic probation offering support. Members noted that if a student is on an academic probation due to financial constraints, emergency bursaries are available to support them.

The Chair and the Vice Chair commended Ms. Emilien and her team for the work on the budget.

Motion #15-22/23

MOVED, SECONDED AND CARRIED THAT the Board of Governors approve the draft budget for Fiscal Year 2023-24; and the revisions to Bylaw No. 4, Fees, as recommended by the Board Finance Committee.

9.4. FY 2022-23 Financial Status Update

Ms. Emilien presented the report and commented that the variance and forecasting analytics was completed internally for the period ending November 2022.

Ms. Emilien noted that as of November 30, 2022, KPU is projecting approximately \$25million surplus to the end of the fiscal year. Members noted that this was due to higher revenues

and lower expenses. Ms. Emilien commented that revenues are approximately \$30 million higher in the report presented. This is mainly as a result of international and domestic student tuition collected to date and higher interest income on KPU's cash balances.

Ms. Emilien mentioned that salaries and benefits are forecasted to be \$9 million lower than originally budgeted. Members noted that this is mainly due to vacancies and slow hiring, along with other savings in faculty.

Ms. Emilien mentioned that the non-salary expenses are expected for be \$3 million lower than budgeted due to significant savings that are expected in software and subscriptions due to project delays and lower than budgeted software requirements for Entertainment Arts. Members noted that Fees and services are also projecting savings due to lower Entertainment Arts activities, and anticipated underspend in a number of portfolios.

Ms. Emilien commented that as of January 31, 2023, the surplus projection is showing an increase and has risen to approximately \$32 million. Ms. Emilien noted that KPU is monitoring the financial status closely and it is anticipated that the forecasted number will be closer to \$30 million at year-end.

9.5. 2022/23 Endowments

Ms. Emilien presented the report and commented that KPU is forecasting a significant surplus at the end of fiscal 2023. Ms. Emilien noted that ranges are being presented for approval to allow for flexibility in making a timely and accurate transfer due to the potential of the surplus being more at the year-end than currently forecasted.

Ms. Emilien mentioned that KPU has agreed with the Ministry that \$5 million will be recorded by KPU that will float into its accumulative surplus to potentially address any future operative initiatives. Ms. Emilien commented that KPU is also discussing a capital deferral ranging from \$15 – 22 million from the provincial operating grant funds for use in the future years for capital purposes.

Ms. Emilien noted that the final amount that will be transferred at the end of March will be reported back to the full Board at the immediate meeting subsequent to year-end.

Motion #16-22/23

MOVED, SECONDED AND CARRIED THAT the Board of Governors approve the following allocation of surplus funds from the 2022/2023 fiscal year, as recommended by the Board Finance Committee:

- a) Increase the KPU Research Endowment in the KPU Foundation by \$ 4-7M to support research at KPU.**
- b) Contribute to the fund in the KPU Foundation that supports the reduction of financial barriers for KPU students by \$2-3M. This will be used to provide direct student awards and bursaries.**
- c) Establish a \$1M Food Endowment at KPU Foundation to help support students in immediate need of food.**

10. President's Report

10.1. Report to the Board

Dr. Davis commented that KPU campuses are busy and noted the significant number of activities happening around KPU.

Dr. Davis provided an update on stable enrollment data and noted that the headcount is up by 6%. Members noted that this excluded students on Trades program funded through ITA. Dr. Davis mentioned that the domestic numbers are also stable.

Dr. Davis noted that KPU is working on diversifying the country of citizenship from where the students come to attend KPU and commented that students are coming from a broader array of countries to attend KPU.

11. Provost's Report

11.1. Report to the Board

Dr. Purvey provided an update on KPU Strategic Committee 'Sustainable Enrolment Planning Council (SEPC)' co-chaired by Dr. McElroy and Dr. Purvey. Dr. Purvey commented that the members of the committee include Deans and other senior leaders.

Dr. Purvey noted that the committee uses data to talk about recruitment and retention, looking at enrollment targets and managing waitlist etc. Dr. Purvey commented that the committee meets on a monthly basis. Members noted that there are several sub-committees that meets regularly and the sub-committees looks at degree completion, applicant conversion, indigenous students, mature learners to name a few. The sub-committees are fluid, and after dealing with a specific problem they can disband.

Dr. Purvey provided an update on the Pathways Sub-Committee and commented that the sub-committee is currently reviewing

the undergraduate courses that are offered to the students on the pathway program and to determine whether the students are successful in those courses.

12. Senate Reports

Dr. Davis advised that the Senate Reports were prepared by Dr. Amy Jeon, Senate Vice-Chair and was included in the meeting package.

13. Next Meeting Agenda Contribution

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

14. For the Good of the Order

Mr. Wong noted the Mandate letter in the package and commended the initiatives KPU has taken to ensure that the international students have a positive experience and promoting indigenous educational opportunities.

Ms. van Gerven advised that Convocation is scheduled for February 13-16, 2023. Ms. van Gerven thanked Mr. Malik and Mr. Singh for signing up to attend some of the ceremonies. Board members were encouraged to sign up for convocation if their schedule allows.

There were no additional items identified.

15. Feedback on the Meeting

There was no feedback on the meeting.

16. Closing Remarks

The Chair, Ms. Chen thanked everyone, including Board Members for attending and contributing to the discussions.

17. Appendix

17.1. Policy Phase One Posting:HR22 Presidential Search Advisory, Appointment and Re-appointment (Revision)

Phase one HR22 policy submission was received.

17.2. Mandate letter to Minister Robinson from Premier Eby

Mandate letter to Minister Robinson from Premier Eby was received.

Dr. Davis commented that the Minister will be visiting KPU Langley on February 2nd, 2023 for a tour and will be meeting with students from the Kwantlen Students Association and there will be an opportunity to talk about the Mandate letter.

17.3. Post-Secondary Governance Workshop

Post-Secondary Governance Workshop information was received.

18. Next Meeting

The next meeting has been scheduled for Wednesday, March 29, 2023.

19. Adjournment

The meeting adjourned at 5:14pm.

Board Chair