



MEETING MINUTES OF THE BOARD

Tuesday, February 22, 2022
4:45 pm to 6:45 pm
In-Person, Room BR126

Board

Duncan Brown, Chair
Ash Amlani, Vice Chair
Paul Dangerfield, President
Rosie Anza-Burgess
Oscar Blue
Patricia Heintzman

Cherian Itty
Nanci Lucas
Andrew Petrozzi
Rodger So
Sonny Wong, Senate Liaison

Regrets

Yuri Fulmer, Chancellor
Harmanjot Kaur
Majid Raja

Staff

Debbie Carter, VP Finance & Administration
Jennifer Ingham, VP University Relations
Kartik Bharadwa, VP of People, Culture & Diversity
Laureen Styles, VP Academic and Provost
Lesley Cook, Recorder

Guest

Tally Bains, Director Financial Services
Ryan Blades, Dir., Facilities Serv. & Campus Planning
Jorge Ocegüera, Strategic Planning Lead
Stephen Williams, Senate Vice Chair

We respectfully acknowledge the Lil'wat, Musqueam, Squamish, Sechelt and Tsleil-Waututh people on whose territories our campuses are located.

The Chair called the meeting to order at 4:45 p.m.

1. Approval of Agenda

It was moved (Nanci Lucas), seconded (Cherian Itty) and resolved;

THAT the agenda be approved as presented.

2. Consent Agenda

It was moved (Ash Amlani), seconded (Rosie Anza-Burgess) and resolved;

THAT the Board approves the following items on the Consent Agenda:

- 2.1. Minutes from the November 30, 2022 Board Meeting
- 2.2. Board Committee Reports:
 - 2.2.1. Audit and Risk Committee
 - 2.2.2. Finance Committee
 - 2.2.2.1 Financial update for Period 9 ending December 31, 2021 and the January forecast
 - 2.2.3. Governance and Planning Committee
 - 2.2.4. Investment Management Committee
- 2.3 Correspondence

3. Place Holder

There were no items pulled from the Consent Agenda for discussion.

4. Board Chair's Report

Board Chair Duncan Brown summarized the Board's decision to split the Finance and Audit Committee into the Finance Committee and the Audit and Risk Committee at their November meeting. He commented that it's proved to be more inclusive and provides for a wider range of perspectives.

Duncan welcomed Kartik Bharadwa, new VP of People, Culture & Diversity.

Patricia Heintzman joined the meeting at 4:50 pm.

5. Senate Reports

5.1 Vice Chair

Senate Vice Chair Stephen Williams reported to the Board. At its February 1 meeting Senate approved initial development of three new programs. Now in the concept paper stage these three potential new programs are:

- Bachelor of Arts with a major in Criminology and Social Justice, to include a diploma and three different certificates
- Post-baccalaureate Diploma in Financial Planning to include a post-baccalaureate certificate, with a one year diploma and a two year diploma
- Master's in Responsible Tourism, expected start date fall 2025.

New programs in development at the provincial government level are a Stage 1 proposal for Bachelor of Costuming and a Stage 2 proposal for the minor in Sociology.

576 students were approved for graduation in January. CapU is now granting as many bachelor degrees as they are other credentials, such as diplomas, associates, certificates, and citations.

He also commented that Senate is excited to have Elder Latash join Senate when possible. It's quite an honour to have him participate, sitting next to Senate Chair and University President Paul Dangerfield.

5.2 Board Liaison

Board Liaison Sonny Wong sent his regrets for the last Senate meeting as he was participating in Lunar New Year.

6. President's Report

The Capilano University community welcomed and celebrated Elder Robert Joe of shíshálh Nation, a fierce warrior for Truth and Reconciliation.

Students, faculty, and staff returned to campus on January 31st. The majority of students are attending in person with a smaller portion joining classes using a hybrid model of in person and online. Recent information shows that although students prefer attending classes in person they don't like to commute.

Paul also commented on the real need for economic recovery. Since the November Board meeting the CapU community has expressed optimism for re-engagement. Management continues to develop the CapU campuses, making them great places for students, faculty, and employees. Paul also noted that management continues to work on CapU's exempt status for degree approval.

7. Integrated Plan and Budget

7.1 Integrated Plan 2021/22 to 2023/24 Year 2

Duncan reported that the Integrated Plan (IP) was presented to the Governance and Planning Committee at its February 8 meeting and the Committee was pleased that all of the University's academic and service unit plans flow from, and are aligned with, the Envisioning 2030 Strategic plan and the Illuminating 2030 Academic Plan, and that the Integrated Plan, in turn, informs the University's budgets and spending priorities. The next step is to discuss how the University reports on its progress on its Strategic and Academic Plans.

Strategic Planning Lead, Jorge Ocegüera explained the relationship of the Integrated Plan to the other plans, i.e. Envisioning 2030, Illuminating 2030 Plan, Campus Master Plan, Digital Transformation Plan, Internationalization Plan, People Plan, and the Indigenous Plan. If the plans were stacked like a sandwich, the Integrated Plan sits in the middle.

There haven't been any significant updates to the IP since last year so focus has been on implementation. As always, collaboration is key.

A list of high-level areas of focus for each VP portfolio was shared with the Board, as all initiatives outlined in the Integrated Plan fall into one of those areas of focus. Paul added that the important part is that we have 1,200 employees who are all very much involved in the process. Management is at the stage where the IP is part of the onboarding process for new employees. The University's recovery from Covid 19 also remains a key part of the collaborative conversations and focus.

It was moved (Duncan Brown), seconded (Rosie Anza-Burgess) and resolved;

THAT the Board of Governors accept the Integrated Plan 2021/22 to 2023/24 Year 2 as information.

7.2 Budget

VP of Finance and Administration, Debbie Carter provided an overview of the proposed Fiscal 2022/23 operating and capital budgets for the Board of Governors approval. The Fiscal 2022/23 operating budget is a deficit of \$8.4 million and capital budget is \$48.8 million. The operating budget includes a proposed 2% increase in domestic and international tuition fees with an exception for three programs in Faculty of Fine and Applied Arts. The budget package plus the updated January forecast for Fiscal 2021/22 of \$1.4 million surplus has been shared with Capilano University stakeholders for information and discussion.

Tally Bains, Director of Financial Services went over the key components of the operating and capital budget and explained why there is a deficit budget for Fiscal 2022/23 when the Fiscal 2021/22 January forecast is a surplus; the main reason is Fiscal 2021/22 forecast includes favourable variances in salaries and operating expenses and the Fiscal 2022/23 budget has not been reduced for these favourable variances. The Finance Department has continued to provide financial literacy training to stakeholders to explain the difference between a budget and a forecast and the reason

for using a conservative approach to budgeting. Finance adopted budget categories of enrollment, staffing, ancillary operations, restricted funds, capital and other to help explain how the budget and forecasts are developed by these major groupings. In the Enrollment category, course registration estimates for each program are used to develop the budget/forecasts for tuition revenue, faculty teaching, and the international agent commission fees. The Staffing category includes non-faculty teaching, administrative, exempt and MoveUp employees. The budget for these employee groups includes departmental staffing levels at full complement; the forecast factors in the savings that occur during the year due to vacant positions and the challenges in filling these vacancies. Operating expenses are included in the Other category. The budget for these expenses has remained at Fiscal 2021/22 budget levels; however the forecast shows operating expenses are lower than budgeted as result of savings realized from pandemic restrictions and working remotely from home.

Paul confirmed that the Provincial Government is aware of the University's deficit and that approximately 2/3 of the provincial PSIs are in a similar position. Currently there's no significant pressure from the Government to balance the CapU budget. However, there are 1.8 million outstanding Canadian visa applications in the queue and the Administration is looking into alternate education models, such as an online only option for first year students and other international possibilities. Further, some of the new degree programs will commence shortly. Students in the Human Kinetics degree program will advance into third year. There are other degree programs like this that will see the advancement of students into their third year. With a view to getting more students on campus, there's an opportunity for CapU to recruit from the Maritime Provinces and the Pacific Northwest. The Ministry of Advanced Education and Skills Training, together with the Ministry of Jobs, Economic Recovery and Innovation, may develop a strategy in the near future.

Ash, commented that it's advantageous for CapU to be able to offer 35 students per classroom. Duncan added that although the salary lag helps to stabilize the deficit, it's important to fill staff vacancies.

It was moved (Patricia Heintzman), seconded (Cherian Itty) and resolved;

THAT the Board of Governors approve the 2022/23 operating and capital budgets.

Paul and the executive team took questions from the Board regarding the 2% increase in tuition and mandatory fees. The 2% will continue to align with inflation, an issue echoed by other provincial PSIs. The University can offset the costs to students through further development of bursaries, awards, and scholarships.

Oscar informed that students must work an additional 1.5 extra days, at minimum wage, per course, to finance the additional 2%. An additional consideration is that international students are bound by their visas and therefore not able to extend their stay in order to work more to complete the set courses of their programs.

Paul and Duncan thanked Oscar for sharing these concerns through the student lens. This perspective and these ideas on tuition freezes and caps are appreciated and the University recognizes that development of more and better on campus student work opportunities are needed. Cherian noted that when compared to housing, health care, and climate sustainability, the cost of education has fallen further down the government's needs list. Ash sympathizes with students and explained the financial drawbacks of tuition freezing and tuition inflation because she's experienced it firsthand.

It was moved (Patricia Heintzman), seconded (Ash Amlani) and resolved;

THAT the Board of Governors approve a 2 percent increase in tuition and mandatory fees for domestic and international tuition for the 2022/23 academic year. The 2% increase will not be applied to the 2D, 3D and VFX programs.

8. Investment Management

8.1 Asset Mixes

Debbie provided an update. Ellement Consulting Group has been working with Administration and the Investment Management Committee on an asset mix review for both the University and Foundation investment portfolios. Ellement provided a presentation for the Investment Management Committee, which outlined alternative asset mixes that optimize the risk-reward trade-off, and further provided recommended asset mixes for each portfolio. The notable recommended asset mix changes for the University portfolio include a reduction in Canadian equity, an increase in Global equity, and the addition of real assets. The notable recommended asset mix changes for the Foundation portfolio include adjustments within total fixed income, a reduction in total equity, and an increase in real estate. Jennifer Ingham, VP of University Relations added that the Foundation portfolio has a long-term focus, which means a higher risk tolerance. It was noted that PH&N follow the Environmental, Social, and Governance (ESG) policy and they report to the Committee on a regular basis.

Action: The Administration will update the Board at the April meeting, regarding ESG and Socially Responsible Investing (SRI) policies and how that's reflected in each portfolio.

It was moved (Ash Amlani), seconded (Rosie Anza-Burgess) and resolved;

THAT the Board of Governors approves changes in the asset mix for the University portfolio and the asset mix for the Foundation portfolio and that they be reviewed once every 5 years.

8.2 Distribution Rate

Annually the Investment Management Committee reviews the Foundation's portfolio with a view to determine a proposed distribution rate. After consultation with Ellement Consulting Group, the Committee recommends that the distribution rate for the 2022/23 fiscal year be 3.5%.

It was moved (Ash Amlani), seconded (Oscar Blue) and resolved;

THAT the Board of Governors recommend the annual distribution rate of 3.5 percent from the Capilano University Foundation Investment portfolio in Fiscal 2022/23.

9. Academic

9.1 Proposed Discontinuance of the Academic Studies Diploma

Laureen Styles, VP of Academic and Provost summarized the proposal. It was a returning item from the Board's November agenda, when the Board approved a motion to recommend to Senate the discontinuance of the Academic Studies Diploma. Senate has since approved the discontinuance and the motion to discontinue, based on Senate's advice, was put before the Board of Governors.

It was moved (Nanci Lucas), seconded (Rosie Anza-Burgess) and resolved;

THAT the Board of Governors approve the discontinuation of the Academic Studies Diploma based on the advice from Senate.

10. Meeting Closed

The Regular Meeting of the Board finished at 6:25 pm.