



MINUTES

BOARD OF GOVERNORS — REGULAR SESSION

Thursday, April 29, 2021, 2:00-4:30 p.m.
Via Zoom online meeting platform.

ATTENDANCE:

Voting Members:

Kim Peacock
Geoff Plant
Gillian Siddall
Sonny Assu

Jacob Brennan
Megan Ellis
Scott Hawthorn
Selina Huang
Keith Kerrigan

Lindsay McIntyre
Alex Phillips
Esther Rausenberg
Keith Reynolds
Emma Somers

Support:

Philippa Mennell, Christen Downie

Guests:

Trish Kelly, Michael Clifford, Marcia Guno, Kevin Bird, Adrian Tees, Mark Douglas, Parnian Amani, Lu Chan, Aviva Davis, Alla Gadassik, Toa Gadd, Ruo Chen Gao, Taryn Goodwin, Sidney Gordon, Vivian Haines, Alia Hijaab, Maliv Khondaker, Chantale Lavoie, Thu Le, Soey Lee, Yutaan Lin, Roche Lynx, Lori MacDonald, Mickey Morgan, Keimi Nakashima-Ochoa, Fawn Plessner, Aradhya Rattan, Eduardo Rodriguez, Cecilia Sanchez, Becca Schile, Steph Schneider, Taylor Shaw, Sue Shon, Shelby Sixsmith, Coin Sluzalek, Vance Wright.

We respectfully acknowledge that Emily Carr University is situated on the unceded, traditional and ancestral territories of the Musqueam, Squamish and Tsleil-Waututh Nations.

I. ADMINISTRATIVE BUSINESS

1. Call to Order — Kim Peacock, Chair, called the meeting to order at 2:17 p.m.

2. Adoption of the Agenda

Moved / Seconded

Carried.

3. Approval of the Previous Board Meeting Minutes of Feb. 25, 2021.

Moved / Seconded

Carried.

4. Oath of Office new board member – It was noted that new board member Megan Ellis took the Oath of Office during the In Camera meeting of the board on April 29, 2021.

II. BUSINESS

1. For Information: Board member terms update

The Chair provided an update on the following ECU board terms and vacancy.

- Chancellor (By Virtue of Office): Geoff Plant's term as Chancellor ends on April 30, 2021. It was noted he will continue to serve as Chancellor until a new Chancellor has been appointed.
- Chair (Appointed Member): Kim Peacock's term as Board Chair ends on July 31, 2021.
- Appointed Member: Scott Hawthorn has given notice for completion of his term on July 31, 2021.
- Appointed Member: There continues to be one vacant appointed board position.

It was noted that, in accordance with Board Bylaws, upon completion of the Chair's term on July 31, 2021, the Vice-Chair will assume the duties of the Chair until the time of the next Board Annual General Meeting in September.

Philippa Mennell, University Secretary reported that a call for nominations for candidates for externally appointed board members was recently sent out to the university community. It was noted that nominations received will be available to the Board of Governors and/or the ECU Alumni Association for making recommendations to the Crown Agencies and Board Resourcing Office (CABRO) and government for board appointments.

There was discussion. A Board member inquired about the nominations process. It was explained that of the eight appointed members of the board, two positions are reserved for candidates nominated by the ECU Alumni Association. It was noted that these positions are currently held by Kim Peacock and Scott Hawthorn. The nomination process is currently underway for positions nominated by the Alumni Association and candidate recommendations are expected to be provided to CABRO in early May.

2. For Information: Update on Convocation

Gillian Siddall, President + Vice-Chancellor, provided an update on preparations for this year's online convocation ceremony. It was noted that speeches by ECU's Board Chair, Chancellor, President + Vice-Chancellor and others; as well as the processional into the event, were recorded recently for broadcast on May 14, 2021. Watch parties are being organized for students, faculty and the university community to gather virtually before the event to celebrate our students. Marcia Guno (Vice Provost, Students), Sandeep Sidhu (Interim Chief Information Officer) and the ECU team were thanked by the Chair and President + Vice-Chancellor for their significant work in organizing the event.

3. For Information: Update on Chancellor Search

The Chair provided an update on the Chancellor search process currently underway in collaboration with the ECU Alumni Association. It was noted that a number of qualified nominees were recommended by the university community following the call for nominations. The Chair reported that the Alumni Association expects to provide its recommendation to the Board Executive Committee, per policy, in the next week. Also per policy, consultation with Senate, candidate interview, and recommendation of a candidate to the Board by the Alumni Association will occur prior to ratification by the Board.

4. For Information: Report from the Senate Budget Committee

The President + Vice-Chancellor provided an update on Senate Budget Committee discussions about the following motion brought forward by a student Senator at the November 20, 2020 Senate Budget Committee meeting: *Be it resolved that due to the unprecedented financial pressures facing students because of Covid-19, that Senate recommend to the Board of Governors to begin preparations to create a budget for the 2021-2022 fiscal year with a freeze on tuition and ancillary fee increases for all undergraduate and graduate students.*

It was noted that at the November Senate Budget Committee meeting committee members agreed on the need for more information before the committee would be prepared for a vote on the motion. The motion was postponed to a further meeting set for March 5, 2021, at which time analysis of a potential tuition freeze on ECU and financial impact of the pandemic on students would be presented.

At that March 5th Senate Budget Committee meeting the following was noted:

- Michael Clifford, VP, Finance + Administration, presented analysis of the tuition freeze proposal. It was reported that the tuition freeze proposal in 2021/22 would result in revenue loss for the university of \$393,381; and the trailing effect from freezing one-year tuition would be revenue loss of \$410,807 in 2022/23 and \$429,036 in 2023/24. The cumulative effect would be a total loss of \$1.2 million over a three-year period.
- There was discussion about availability of student awards to students.
- The Emily Carr Students' Union (ECSU) reported on results of a survey of 179 students that revealed students' current financial pressures, stress and mental health concerns due to pandemic-related financial hardship, and the potential impacts of tuition increase.

At the March 5th meeting, the motion carried.

5. For Information: Report from the ECSU – Students' Financial Challenges

Lori MacDonald (ECSU Executive Director), Parnian Amani (ECSU Community Engagement Coordinator) and Stephanie Schneider (ECSU External Representative) referred to the circulated ECSU presentation. It was noted that the volume of concerns received from students regarding financial challenges has been unprecedented this year due to the pandemic. Student concerns have related largely to themes pertaining to food insecurity and struggles to meet basic health needs. It was also noted that students are facing challenges in maintaining participation in their studies and creative practices because of increased financial pressures.

The ECSU spoke to their advocacy efforts with government in support of underfunded institutions and curbing tuition increases. A willingness was expressed to collaborate with the university in budget consultations with the Select Standing Committee on Finance and Government Services.

There was discussion. A Board member inquired about the potential positive or negative impact of a tuition freeze on the university's relationship with government and ECSU's relationship with government. The ECSU Executive Director suggested pressure from students and creativity are needed to continue dialogue with government on this matter.

6. For Information: 2021/22 Budget Planning Presentation

The President + Vice-Chancellor presented budget projections for 2021/22 to provide context for the motion before the board on tuition increases. It was noted that these projections were not yet available for the Senate Budget Committee meeting in March.

The following summary was provided:

- The university has had an ongoing structural deficit for many years that is being mitigated in collaboration with the Ministry. One-time funding received from government (\$1.5 million in 2019/20 and \$4 million 2020/21) enabled ECU to balance its budget in previous years. A Deficit Mitigation Plan was accepted by government that proposed to halve the university's deficit within three years via ECU initiatives such as additional revenue sources and cost cutting measures.
- ECU will continue discussions with the Ministry regarding the Deficit Mitigation Plan.
- The Ministry has informed the university that in light of pandemic-related costs, government cannot commit to one-time funding this year and is requiring all post-secondary institutions to address respective deficits through internal reserve funds.
- ECU's projected deficit for 2021/22 is approximately \$6.7 million. The university's internal available funds total approximately \$5 million, which includes accumulated savings, deferred contributions and contingency reserves. Accessing all internal funds could mitigate the projected budget deficit to a maximum of \$5 million, but \$1.7 million would remain to be addressed via revenue initiatives or further budget reductions.
- A tuition freeze would result in \$400k in additional projected lost revenue to ECU and would have a significant impact on faculty, staff and services for students. Additionally, this reduction in revenue, considered in terms of the university's Deficit Mitigation Plan commitments, could compromise collaboration with government.

There was discussion. Board members inquired about the government's inability to provide one-time funding this year, deficit positions of other post-secondary institutions, ECU's contingency and reserves, and annual costs of running the university in terms of research and personnel.

The VP, Finance + Administration provided a summary of the circulated 2021-22 Budget Planning Presentation. It was noted the summary is not a budget approval submission but a planning document for required resources to enable projected program delivery. It was noted the following three key factors contribute to the projected deficit of over \$6.7 million: 1) \$4 million loss in revenue due to the lack of one-time funding from government this year; 2) a projected increase in total salaries of \$1.2 million, which includes costs of positions approved in previous years but not yet hired; and 3) additional expenses of \$2.5 million.

It was emphasized that if ECU were to access all internal funds to mitigate the deficit by \$5 million, the \$1.7 million shortfall must be addressed and such a remedy would allow the university to operate until only March 2022, at which time all accumulated savings would be exhausted. It was pointed out that the university would have no mechanism to fund a deficit of the same level for 2022/23, which would pose serious challenges to the university if the Ministry were to continue its position of being unable to provide one-time funding.

There was discussion. Board members commented on:

- the budget challenges faced by ECU beyond the current year;

- requests for clarity in the financial analysis related to projected versus actual costs; expenditures, salaries and revenue sources; and spending on administration, support and faculty, and research;
- the potential impacts on the budget of decreased tuition from international students;
- anticipated decrease in revenues from commercial filming following the return to campus;
- recommendation to use creativity in identifying ways to fund mitigation measures.

Mark Douglas, Executive Director, Financial Services, confirmed that the deadline for decision on tuition fees for registration purposes is mid-May.

7. For Information + approval: Report from the Finance + Audit Committee + Motion on Tuition Fee Increase

Geoff Plant, Chair, Board Finance + Audit Committee, reported that at the time of the Board Finance + Audit Committee meeting on April 15, 2021, the Ministry had indicated no commitment to one-time funding for the university. It was noted that, taking all circumstances into account, the Board Finance + Audit Committee decided it would not be in the best interest of the university, faculty, staff and students, nor would it maximize the ability to deliver on the university's mission, if a tuition freeze is implemented this year. Consequently, the Board Finance + Audit Committee recommended approval of the tuition fee increase as proposed by management.

There was discussion. The following was noted:

- either outcome of the motion poses challenges and impacts on students;
- ECU's structural deficit is part of a larger systemic issue related to government funding;
- the desire was expressed to maintain positive relationships with government, students and alumni.

*Kim Peacock, Chair, left the meeting due to technical difficulties.
Keith Kerrigan, Vice Chair, took over the duties of Chair.*

As the meeting was about to reach the scheduled time for conclusion and the discussion was still in progress, a motion was proposed to adjourn to a set time.

Moved / Seconded to adjourn the meeting until a date in advance of student registration on May 15, 2021. Motion failed.

Kim Peacock returned to the meeting. Keith Kerrigan continued to Chair the meeting.

The meeting and the discussion continued. Several board members raised suggestions, which included the following:

- need to consider the organization in its entirety in considering the vote on tuition increase;
- look at collaborating with other institutions to advocate for sustainable funding from government;
- administration should look at a process that would freeze or reduce tuition next year;
- need for solidarity – community must collaborate to find a solution.

Moved / Seconded that the Board of Governors approve an annual tuition fee increase as follows:

- 1) Undergraduate – Domestic 2.0%**
- 2) Undergraduate – International 4.0%**
- 3) Graduate Studies – Domestic 0.0%**
- 4) Graduate Studies – International 0.0%**

Vote resulted in a tie; motion failed.

The University Secretary noted that, in accordance with the *University Act*, 26 (3) "...in the case of a tie vote on a motion, the motion is defeated...."

There was discussion about the broader communication strategy about this result. It was noted the Chair, President and ECU Director of Communications would discuss next steps regarding communication.

III. REPORTS

1. Chair's Report – This agenda item was postponed to a future meeting of the Board.
2. Finance + Audit Committee (F+AC) Report – This agenda item was postponed to a future meeting of the Board.
3. Governance Committee Report – This agenda item was postponed to a future meeting of the Board.
4. President + Vice Chancellor's Report – This agenda item was postponed to a future meeting of the Board.
5. Vice President, Academic + Provost's Report – This agenda item was postponed to a future meeting of the Board.
6. Vice President, Finance + Administration's Report – This agenda item was postponed to a future meeting of the Board.
7. Vice Provost, Students' Report – This agenda item was postponed to a future meeting of the Board.

IV. OTHER BUSINESS: There was no other business.

V. NEXT MEETING: June 3, 2021

VI. ADJOURNMENT: The meeting adjourned at 5:45 p.m.