

**NIPISSING UNIVERSITY**

**BOARD OF GOVERNORS SPECIAL MEETING**

**OPEN SESSION**

February 18, 2021

The Open Session of the special Board of Governors meeting was held on Thursday, February 18, 2021, at 5:00 p.m. via Zoom Remote Conferencing.

**Members Present:** Marianne Berube, Board Chair  
Johanne Brousseau  
Paul Cook  
Fran Couchie  
John D'Agostino  
Hilary Earl  
Ryan Hehn  
Stuart Kidd  
Mykayla King  
Judy Koziol  
Denyse Lafrance Horning  
Joanne Laplante  
Hannah Mackie  
Gillian McCann  
Bobby Ray  
Judy Smith  
Dave Smits  
Lisa Snider  
Cheryl Sutton  
Stephen Tedesco  
Rick Vanderlee  
Kathy Wilcox

**Regrets:** Patti Carr

**Invited Guests:** Arja Vainio-Mattila  
Casey Phillips  
Renee Hacquard  
Maggie Daniel  
Cheryl Zimba  
Christine Dowdall (University Secretary)

**Observers:** 23 connections to the live stream broadcast

**Recording Secretary:** Abby Blaszczyk (Executive Assistant, President's Office)

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**1. Call to Order/Land Acknowledgment**

The meeting was called to order at 5:05 p.m. The Board Chair offered a traditional land acknowledgement. She noted that the meeting was being broadcasted live to all individuals who expressed interest in observing the meeting.

## 2. Declaration of Conflict of Interest

The Board Chair called for conflicts of interest concerning any of the agenda items. No such declarations were made.

## 3. Use of Recording and/or Broadcasting Devices

The Board Chair reminded everyone that only pre-approved methods of recording and/or broadcasting devices may be used during the meeting. Disseminating any information during the meeting is prohibited.

## 4. Adoption of the Special Meeting Agenda

Resolution 2021-02-01:     ***That the Board of Governors adopt the February 18, 2021, special meeting agenda as circulated.***

*Moved by Stuart Kidd; seconded by Kathy Wilcox.  
Carried.*

## 5. Chair's Remarks

The Board Chair explained that following a number of conversations she had with the President (Interim) and the Chair of the Audit & Finance Committee over the last couple of weeks, combined with concerns she received from various Board members, it was determined that a special meeting of the Board of Governors should be called in order to discuss Nipissing University's financial situation.

The Board Chair provided a brief history on the institution's finances dating back to 2014 when the Board of Governors approved an almost \$12 million deficit budget. Such approval was not achieved without significant concern on the part of the Board; however, it was expected at the time that Nipissing University would return to a position of balanced or surplus budgets within five years. Despite some very good work that has been accomplished towards this end, including the implementation of several of the recommendations that came out of the 2015 PwC Financial Review, the University has continued to work towards balancing its budget.

The Chair stated that Board members must ensure they are holding up their fiduciary duty for ensuring the University is financially stable. Referring to the governance training session that the Board participated in in November, the Chair reminded members that the Board is responsible for providing the boundaries for the institution to operate within but then allowing the President and her team to uphold those boundaries.

The recent news that Laurentian University has filed for creditor protection has many people concerned about the university sector in general as universities continue to face financial pressures made worse by tuition freezes and the COVID-19 pandemic. While Laurentian University is an extreme case, the Board Chair stated that Nipissing has to take control now to ensure the institution does not suffer the same fate. As a result, she will be proposing this evening that the Board of Governors consider a resolution that directs the University to work towards balanced budgets for next year and future years in order to ensure the financial sustainability and health of Nipissing University.

**6. University Sustainability – Cheryl Sutton, President (Interim)/Renée Hacquard, AVP, Finance & Infrastructure**

The President (Interim) spoke to the similarities between Nipissing University and Laurentian University. Both are Northern Ontario institutions with a history of deficits, and both institutions have low international enrollment as compared to other universities. Ways in which the two institutions differ were also highlighted, including Nipissing's minimal positive reserves, Nipissing's defined contribution pension plan (compared to Laurentian's defined benefit pension plan), and the fact that Nipissing has not had to utilize their financial line of credit.

The President (Interim) noted that the information presented at this evening's meeting would normally be shared first with the Audit & Finance Committee, but in the interest of time, it was brought to the full Board of Governors for consideration.

The Assistant Vice-President, Finance and Infrastructure presented the University's cash flow projections, as well as the impact of those projections to the net expendable reserves. She explained that following the 2015 financial review completed by PwC, the report predicted that Nipissing University would be in a cash deficit position of \$24.1 million by the 2019/20 fiscal year if operations continued unchanged. The actual results to date show the University was able to significantly improve its financial situation by implementing several of the recommendations in the PwC report, including the closure of the Brantford campus, the sale of the Bracebridge building, the refinancing/consolidating of long term debt to achieve a lower interest rate, and the reorganization of administrative departments to achieve significant salary and benefit savings.

The AVP further explained that had the COVID-19 pandemic not occurred, and had the University been able to increase tuition at a rate of 3% each year, the University was heading toward increased surpluses and cash.

The AVP provided two forecasts. The first, referred to as the "optimistic" forecast, anticipates a small deficit in the operating budget for 2021/22 and a balanced operating budget in 2022/23. This projection still shows decreased cash levels for the next two years due to the projected deficit and assumes \$3 million in COVID-19 relief funding from the Ministry this fiscal year. It also assumes a 0% tuition rate increase for 2021/22 and a 1.5% tuition rate increase in 2022/23, as well as international growth based on applications already received.

The second forecast, referred to as the "pessimistic" forecast, anticipates the need for additional financing by the end of 2022/23. While this projection includes the same tuition rate increases as included in the optimistic projection, the additional assumptions include no COVID-19 relief funding from the Ministry and a reduction in international growth.

The AVP reviewed the Financial Sustainability Metrics that were presented to the Audit & Finance Committee in December. She summarized by stating if Nipissing continues to have significant deficits, the University will face a similar financial situation as Laurentian University.

Following the presentation, a lengthy discussion ensued. Several themes emerged, including the benefits and the risks of international student enrolment. It was noted that the federal and international

regulations that are in place due to the pandemic put the future of international recruitment at risk for the institution.

Several concerns were expressed about the proposal to direct the University to work toward a balanced budget. The Board Chair noted the Board's fiduciary responsibility to set boundaries for the administration to work within. A number of members spoke to the uncertainties of the pandemic and requested further rationale behind a balanced budget resolution. The Chair explain that the proposed resolution for the 2021/22 budget year would include a clause that recognizes the uncertainties related to COVID-19.

The discussion continued. Several other questions and comments were addressed. The President (Interim) noted that, due to the large variabilities in projections, she could not yet provide definitive information regarding where additional savings might be found; however, a variety of strategies to increase revenue are being explored. A more fulsome plan with be discussed with the Executive Committee and the Audit & Finance Committee.

A discussion followed regarding the Board's processes for voting on resolutions. The Board Bylaws state as follows: "Voting shall be by show of hands unless a vote by ballot is demanded by any member present. When necessary, votes shall be counted and recorded: in favour, against, and abstentions." The Bylaws are silent on the issue of roll call votes that record the names of each voting member and whether they voted in the affirmation or in the negative or if they abstained from voting.

Following the lengthy discussion, it was determined that further dialogue and the potential consideration of a resolution will be deferred to the March 11, 2021, meeting of the Board of Governors.

## 7. Question Period

There were no questions.

## 8. Other Business

There was no other business.

## 9. Adjournment

Resolution 2021-02-04:     ***That the special meeting of the Board of Governors now adjourn.***

*Moved by Joanne Laplante; seconded by Fran Couchie.  
Carried.*

Meeting adjourned at 6:50 p.m.

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President & Vice-Chancellor (Interim)/  
Secretary of the Board

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Board Chair



## NIPISSING UNIVERSITY BOARD OF GOVERNORS – SPECIAL MEETING

February 18, 2021

### OPEN SESSION

5:00 P.M. – Zoom Remote Conferencing

Zoom Connection for Virtual Attendance: <https://us02web.zoom.us/j/84803511193>  
Passcode: 826770

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**1. Call to Order/Land Acknowledgement**

*“As we begin this meeting, I would like to acknowledge that we are in the territory of the Robinson-Huron Treaty of 1850 and that the land on which we gather is the Nipissing First Nation Traditional Territory and the traditional territory of the Anishinabek.*

*We respect and are grateful to hold this meeting on these lands with all our relatives.”*

**2. Declaration of Conflict of Interest**

**3. Use of Recording and/or Broadcasting Devices**

*“Only pre-approved methods of recording and/or broadcasting devices (such as today's Zoom connection) may be used. Disseminating any information during the meeting is prohibited.*

**4. Adoption of Special Meeting Agenda**

Resolution: *That the Board of Governors adopt the February 18, 2021, special meeting agenda as circulated.*

**5. Chair’s Remarks**

**6. University Sustainability**

**7. Question Period**

**8. Other Business**

**9. Adjournment**

Resolution: *That the special meeting of the Board of Governors now adjourn.*

Time: \_\_\_\_\_