

**MINUTES OF THE IN CAMERA MEETING OF THE BOARD OF GOVERNORS
OF VANCOUVER COMMUNITY COLLEGE HELD ON
DECEMBER 3, 2014 AT THE BROADWAY CAMPUS**

Committee Members: Eugene Hodgson (Chair), Pam Ryan, Ted McGurk, Jim Storie, Rick Stokes, Claire Marshall, Erin Klis, Tanis Sawkins, Jennifer Haggerty
Ex-Officio: Peter Nunoda, Susie Findlay
Staff Resources/Guests: Irene Young, Linda Sanderson, John Woudzia, Judith McGillivray, Victoria Klassen, Angela Blake
Regrets: Sumit Ahuja, Chloe Choi

The meeting was called to order at 4:10 p.m. by Mr. Hodgson. Ms. Blake acted as Secretary of the meeting.

APPROVAL OF AGENDA

Mr. Hodgson asked if there were any proposed amendments to the agenda for the meeting, a copy of which was provided with the meeting materials. Mr. Storie requested that time be allotted for him to provide an update regarding the VCC Foundation, which was agreed. The agenda, as amended to allow for the inclusion of an update with respect to the VCC Foundation, was adopted.

MINUTES OF PRIOR MEETING

Mr. Hodgson referred to the draft minutes of the November 6, 2014 in camera Board meeting that was provided with the meeting materials.

UPON MOTION duly made, seconded and carried, the following resolution was approved and adopted:

RESOLVED THAT the minutes of the in camera Board of Governors meeting held on November 6, 2014 are approved.

CHAIR REMARKS

Mr. Hodgson welcomed new members of the Board and provided the Board with a brief update on recent meetings with Dr. Nunoda and the Province with respect to ESL.

PRESIDENT'S REPORT

Dr. Nunoda welcomed Victoria Klassen, who has joined VCC as the Director of Marketing, and Judith McGillivray, who has joined VCC as Vice President, Education, and interim Vice President, Academic. He then discussed his recent trip to Ottawa to solidify a partnership among VCC, FortisBC and the Canadian Natural Gas Vehicle Alliance, pursuant to which VCC will become the exclusive provider of Compressed Natural Gas and Liquefied Natural Gas vehicle training in British Columbia. Mr. Hodgson stated that the partnership is a coup for VCC and will also allow the College to use vacant space at the Broadway Campus. Ms. Findlay noted that it will also create great opportunities for applied research at the College.

HUMAN RESOURCES COMMITTEE REPORT

It was agreed that the agenda would be modified such that the Human Resources Committee (HRC) update would be given prior to the Finance and Audit Committee (FAC) update. Ms. Ryan discussed matters addressed at the HRC meeting held on November 27, 2014, stating that the primary topic covered was the quarterly report. She noted that days lost to sick leave are trending below last year, due in part to the graduated return to work initiative and improved claims management processes. Worksafe BC claims and days lost to accidents are also down from prior years. The key positions of Dean, Trades, Director, Financial Services, and Director, Marketing and Communications, have been filled. Collective bargaining with the Faculty Association is in progress, with over 15 sessions completed to date. Turnover at the leadership level is still above average and the College is working on a number of retention strategies with this group.

FINANCE AND AUDIT COMMITTEE REPORT

Mr. McGurk briefly discussed matters addressed at the FAC meeting held on November 27, 2014. Ms. Young then referred to the briefing note included in the meeting materials with respect to the 2015/16 operating budget. She noted that the budget process commenced a few months ago and all areas of the College are currently working on inputting their plans and expected costs for the coming fiscal year. The budget gap is expected to be between \$5 and \$6 million based on known budget pressures, particularly attributable to the loss of ESL. The loss of ESL, coupled with a reduction of approximately \$600,000 with respect to the Shared Services grant and other internal and external pressures, are expected to create challenges. As such, VCC needs to come up with alternative ways to replace lost funds. Ms. Young commented on the challenging circumstances the College experienced throughout 2014, noting that they had been overly ambitious with revenue targets for the 2014/15 fiscal year. Now that there is a better understanding of the impact of ESL, it is possible to better prepare for next fiscal year, but there are also fewer options available to enable VCC to balance the budget. International tuition is expected to be the best way to increase revenue. Preliminary figures in this regard are promising, with an additional \$1 million in revenue being projected as a result of the year's recruitment drives. However, balancing the budget will be significantly more challenging than in past years. Mr. McGurk echoed Ms. Young's comments that this will be a significant issue for VCC and will affect all areas of the College.

ESL PROGRAMMING

Dr. Nunoda provided an update with respect to the status of negotiations with the Province. He noted that the Board had been scheduled to vote on the suspension of ESL at this meeting, but asked the Board to again postpone their decision, as he will be meeting with the AVED Deputy Minister tomorrow and will get confirmation of what VCC can do to continue ESL programming at that meeting. He suggested that the Board hold a meeting via teleconference prior to December 17, 2014, being the hard deadline for layoffs, to vote on the proposed suspension, with a public announcement to follow.

Dr. Nunoda then responded to questions from the Board with respect to whether there would be any financial implications associated with a further postponement of the vote on suspension. Discussion ensued with respect to possible options for programming that may result from the Province's decision and the financial repercussions of same. The Board unanimously agreed to postpone a vote on the suspension of ESL services until after Dr. Nunoda's meeting with AVED.

UPDATE ON VCC FOUNDATION

Mr. Storie provided the Board with an update on the status of the VCC Foundation. He summarized the review of the Foundation that was undertaken a few years ago by Compton Fundraising Consultants, noting that, in their report, they recommended that the Foundation's priorities must be clearly defined and should have a supporting business case. Mr. Storie stated that he believes the Board should continue to support the College's funding of the Foundation, subject to the Foundation meeting clearly defined milestones and providing frequent updates to the Board on its activities. Mr. Storie also noted that the decision to put the Foundation into abeyance was never formally put to a vote by the Board. Rather, the decision was voted on by the Foundation Board, which has now determined to bring the Foundation out of abeyance.

Mr. Storie advised that the Foundation's focus will be fundraising for bursaries and scholarships, building the College's alumni network, and supporting the College with specific project support. The Foundation is also intended to be the focal support for fundraising for the College community, rather than having this divided among different groups. He advised that the Foundation's goal will be to raise funds, grow existing endowments and be financially self-sufficient, however it is not expected to be self-sufficient within the next two years; it may take three to five. Mr. Storie proposed that the Board consider a motion authorizing the College to form a committee to create terms of reference for the Foundation, to be comprised of two Foundation Board members, two Board of Governors members and two leadership team members. Mr. Storie and Dr. Nunoda then responded to questions from the Board with respect to how the budget for the Foundation will be allocated and how past financial pitfalls would be avoided. Dr. Nunoda noted that the College is approaching its 50th anniversary, which is an opportunity for fundraising that should not be ignored. Discussion ensued as to who should serve on the committee. Mr. Hodgson asked for volunteers to let him know if they are interested in participating.

UPON MOTION duly made, seconded and carried, the following resolution was approved and adopted:

RESOLVED THAT the Vancouver Community College Board of Governors (the "Board") approves the formation of a committee, comprised of two members of the Board, two members of the VCC Foundation Board and two members of senior management of the College, to create terms of reference for the VCC Foundation and to report back to the Board with respect to same at a future date to be determined.

REVIEW OF AGENDA FOR PUBLIC BOG MEETING

Mr. Hodgson noted that, at the request of Mr. Storie, the consideration of the tuition fees for the Hospitality Management degree and diploma which were to be addressed at the evening's public Board meeting, will be postponed, as there are concerns that the proposed fees are too high. Discussion ensued among the Board as to how fees for new programs can best achieve the dual goals of being reasonable for students and financially responsible for the College. It was noted that, once fees for a program are set, they will be subject to the annual 2% fee increase cap. The Board also discussed concerns with respect to the fact that the program was untested and whether higher fees would negatively impact enrolment. Mr. McGurk advised that FAC, in providing prior approval of the fees, had considered these matters, weighed them against other factors, including the attractiveness of a downtown Vancouver campus location, and was satisfied the fees were reasonable. Ms. McGillivray also commented that the program has gone through extensive review, and comments and input were sourced from peer reviewers, members of the PAC, and focus groups comprised of various stakeholders,

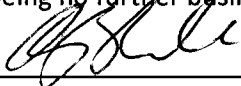
including students and non-PAC community members. It was also noted that if fees are too high, they can be reduced, but cannot be increased higher than the 2% fee limit if set too low. It was agreed that the matter would be postponed to the next public Board meeting.

NEXT MEETING

It was confirmed that the next in camera Board meeting will be held on January 28, 2015.

TERMINATION

There being no further business, the meeting was terminated at 5:20 p.m.



Angela Blake
Secretary to the Board