

Open Meeting File 2012-06-21, approved September 20, 2012

IN ATTENDANCE**Board Members**

Daniel Fontaine
Peter Kendrick, Vice Chair
Marina Kolar*
Scott McAlpine, President
(ex-officio)
Elizabeth McCausland,
Education Council Chair (ex-officio)
Jerin Mece
Sydney Tomchenko
Jim Utley, Vice Chair; HRC Chair
Don Valeri
Paul Wates, Chair
Shelley Williams, AFC Chair

Administration

Kathy Denton, Vice President, Academic (VPA)
Shelagh Donnelly, Executive Assistant to the College Board; recording
Blaine Jensen, Vice President, Educational Services (VPES)
Maureen McGee, Administrative Assistant; administrative support
Karen Maynes, Vice President, Finance and Administration (VPFA)
Wanda Sanginesi, Associate Vice President, Human Resources (AVPHR)
Dave Taylor, Director, Marketing and Communications Office (MCO)
Chris Worsley, Director, Finance

Observers

Devlin Pereira, DSU

GUESTS

Mark Darville, Tracy Ho

REGRETS**Board Member(s)**

Bruce Clarke
Mary Hemmingsen
Gerry Shinkewski

Administration

Hazel Postma, Associate Vice President, External Relations (AVPER)
Guangwei Ouyang, Associate Vice President, International (AVPI)

Observer(s)

Lynne Currie, Sandra
Mountain; BCGEU
Sandra Hochstein, DCFA

* late arrival

1. CALL TO ORDER AND ACTING CHAIR'S REMARKS

There being a quorum present, Chair Paul Wates called the meeting to order at 5:04 p.m. He introduced and welcomed new Douglas Students' Union (DSU) Constituency Group Leader (CGL) Mr. Devlin Pereira, and conveyed word of an anticipated late arrival and regrets from those unable to participate.

2. APPROVAL OF AGENDA/CONSENT AGENDA

It was moved by Peter Kendrick, seconded by Don Valeri, and unanimously resolved:

21/2012 *THAT the Douglas College Board approve the agenda and approve/acknowledge the following items on the consent agenda.*

- 2.1 Minutes of the May 17, 2012 Open Session Board Meeting – approved
- 2.2 Report: BC Government and Service Employees' Union (BCGEU) – acknowledged
- 2.3 Report: Douglas Students' Union (DSU) – acknowledged
- 2.4 Report: College President – acknowledged
- 2.5 Report: Correspondence and Events – acknowledged

3. PRESIDENT'S REPORT
Douglas College 2010 – 2015 Strategic Plan: Update

a) Strategic Plan Update

The President reported that priorities for three broad categories within the Strategic Plan had been set for the year ahead: seamless learner pathways and continuing progress with same, superior teaching quality, and student, employee and community engagement. The President invited questions; there were none.

b) 2012/13 Douglas College Accountability Plan and 2011/12 Report to the Ministry of Advanced Education

The President reported that the document, reviewed during the last Closed Session meeting, had been vetted by the Ministry of Advanced Education (AVED). He noted some edits to the previous draft, reflecting Board members' input at the May 2012 meeting as well as minor edits subsequent to review with AVED.

It was moved by Peter Kendrick, seconded by Sydney Tomchenko, and unanimously resolved:

22/2012 *THAT the Douglas College Board approve the Douglas College 2012/13 Accountability Plan and 2011/12 Report for provision to the Ministry of Advanced Education"*

4. CHAIR, COMMITTEE AND LIAISON REPORTS

4.1 Board Chair

4.2 Board Executive and Governance Committee (BEGC)

a) General

The Chair reported on the seven Summer 2012 graduation ceremonies and celebration of students' successes. He commended Bruce Clarke for his attendance at all seven ceremonies, and noted that other Board members had attended anywhere from two to six of the ceremonies. That occasion also reflected the induction of the College's third Honorary Fellow, Dr. David Neima. The Chair thanked Bruce Clarke and Don Valeri for attending the 2012 ACCC World Congress 2012.

He noted that the evening marked the conclusion of service by Mary Hemmingsen and Jerin Mece, and reflected on their contributions, including Ms. Hemmingsen's early attention to oversight of risk management. The Chair announced that Daniel Fontaine had elected to not be considered, after all, for reappointment to the Board given multiple commitments. In reflecting on his service to this Board, Mr. Fontaine expressed appreciation for the opportunity and remarked upon the degree of Board members' commitments of time and expertise to Douglas College. The Chair conveyed the Board's thanks for Mr. Fontaine's contributions and comments.

b) Correspondence: Signed Government Letter of Expectations (GLE) Between the Minister of Advanced Education (AVED) and the Douglas College Board Chair

The Chair reported that the current GLE had been signed by both parties.

c) May 17, 2012 Receipt of Petition Opposing Tuition Fee Increases for Douglas College Students in 2012/2013

The Chair, who had been absent from the May 17, 2012 Board meeting, acknowledged the petition presented by representatives of the Douglas Students' Union (DSU) to Acting Chair Peter Kendrick at the outset of the May Board meeting.

d) Disclosure: Fiscal 2011/12 Douglas College Board and Committee Meeting Attendance and Honoraria

In a reflection of transparency and compliance with provincial requirements, the Chair noted, a report on Board members' 2011-12 meeting attendance and remuneration was now published to the Board website, at <http://www.douglas.bc.ca/about/college-board.html>.

4. CHAIR, COMMITTEE AND LIAISON REPORTS, cont'd**4.3 Audit and Finance Committee (AFC)**

a) Chair's Report

The AFC Chair expanded on her written report and the Committee's recent meeting with external auditors, who had very positive reports of the College and identified only one internal aspect of operations, within the Purchasing Department, for improvement. The College had already committed, the AFC Chair noted, to complying with the recommendation for improvement. The College had also committed to restating financials for fiscal 2011-12 in the new format required by government, and would do so by Fall 2012.

b) Recommendation on 2011/12 Audited Financial Statements

- i. Audited Financial Statements
- ii. Financial Statements Highlight Memo

The Vice President, Finance and Administration (VPFA) presented on the above reports and invited and responded to questions. Board members queried the College's progress in meeting Full Time Enrolment (FTE) targets and the VPFA outlined progress and plans for continued growth. Board members expressed interest in comparing Douglas College achievements with those of peer institutions and the VPFA confirmed that such information could be provided now that fiscal 2011-12 audits were complete. A Board member questioned reporting of costs related with overseas partnerships, and the VPFA reported that the expenses were paid from such operations' prior year's profits and not from the operating budget; the AFC Chair indicated the relevant reference line in the financial statements. On request, the VPFA expanded on agents' commissions.

In reviewing the financial statements presentation, Board members recommended incorporating bar charts as well as declining lines since such lines appear to indicate decreases in provincial contributions when such contributions remain consistent. The VPFA confirmed that she would do so; she and the AFC Chair advised that the intent of the existing chart design had been to illustrate the College's decreased *reliance* on government funding given the College's diversification and increased FTE production since 2002.

Board Policy B02.01.0,1 Operating Fund Surplus, states that the College is required to maintain an Operating Fund Surplus of at least 2.5% of annual budgeted operating fund revenues to safeguard the future operations of the College from unexpected events such as decreases in the Ministry grant, enrolments or self-funded activities. For the current year, 2.5% equates to \$2,629,000. As stated in the VPFA's written report, Appendix "H" of the agenda package, dollars in excess of this 2.5% (\$4,358,358) had been transferred to the Major Capital Reserve and Board approval of this transfer would be reflected in the approval of the Financial Statements.

Reference: Appendix "A"

It was moved by Shelley Williams, seconded by Daniel Fontaine, and unanimously resolved:

23/2012 *THAT the Douglas College Board approve the 2011/12 audited Douglas College Financial Statements*

It was moved by Shelley Williams, seconded by Peter Kendrick, and unanimously resolved:

24/2012 *THAT the Douglas College Board approve the appropriation of funds from the Ancillary fund as follows:*

<u>Appropriation</u>	<u>2011/12</u>	<u>2010/11</u>
Legal, Severance and Early Retirement	\$150,000	\$150,000
Replacement Equipment:		
- Ancillary Services	60,000	53,000
- Emergent and Insurance	50,000	50,000
- Operating Capital	575,000	575,000
Douglas College Foundation	<u>100,000</u>	<u>100,000</u>
	<u>\$935,000</u>	<u>\$928,000</u>

4. CHAIR, COMMITTEE AND LIAISON REPORTS, cont'd**4.3 Audit and Finance Committee (AFC), cont'd**

c) Auditor General of BC (AGBC) Management Letter

Board members noted this document.

- d) Recommendation on 2011/12 Audited FTE Enrolment Report
- i. Audited 2011/2012 FTE Enrolment Report
 - ii. FTE Enrolment Report Highlight Memo

It was moved by Shelley Williams, seconded by Peter Kendrick, and unanimously resolved:

25/2012 *THAT the Douglas College Board approve the 2011/12 FTE Enrolment Report*

e) FTE/Financial Reporting: Summer 2012 Semester

Board members acknowledged and noted this report.

f) Five-Year Capital Plan

Board members considered the Five-Year Capital Plan for the period from 2012/13 to 2016/17, and noted the Plan's reference to potential needs. The Vice President, Finance and Administration (VPFA) advised that the College purchased the former fire hall site on 8th Street in 2003 and the Agnes Street site in 2006, and had been requesting ability to build on that New Westminster site since 2004. At that point in time, the College identified expansion of the David Lam Campus (DLC) as its first priority, followed by the New Westminster Campus (NWC) site. The College secured government approval for Phase II of DLC in 2005 and completed that construction in 2008, since which time it has been highlighting to government its identification of the former fire hall site as its top priority.

Audit and Finance Committee (AFC) members noted that, prior to development of a business case, the College would scope out the cost of the project; current planning was highly preliminary and further stages of planning would be undertaken prior to an application to government for funding.

It was moved by Shelley Williams, seconded by Peter Kendrick, and resolved, with one abstention:

26/2012 *THAT the Douglas College Board approve the Five-Year Capital Plan: 2012/13-2016/17*

4.4 Report: Human Resources Committee (HRC)

The HRC Chair reported on the Committee's meeting of June 19, 2012 and on an upcoming presentation by the Associate Vice President, Human Resources (AVPHR). He advised that the AVPHR recommended providing an annual succession planning presentation to the Board. The Board Chair invited questions of the HRC Chair; there were none.

Note: Marina Kolar joined the meeting at this point.

4.5 Report: Chair, Education Council

Education Council Chair Elizabeth McCausland had no details to add to her written report. Board members commended Education Council on recent developments, including its newly established Terms of Reference (TOR), and congratulated Dr. McCausland on her re-election as Chair of Education Council.

4. CHAIR, COMMITTEE AND LIAISON REPORTS, cont'd**4.6 Credential Recommendations: Post-Degree Diploma in Sales**

The Vice President, Academic (VPA) elaborated on the written recommendation, and Board members queried whether planning for such diplomas would imply reviews of the related degree's curriculum. The VPA advised that the diploma offering would be directed to people who studied at other institutions and earned a degree without an applied focus. She confirmed that applicants may hold undergraduate degrees in disciplines other than Business.

It was moved by Peter Kendrick, seconded by Jerin Mece, and unanimously resolved:

27/2012 *THAT the Douglas College Board establish the credential Post-Degree Diploma in Sales*

4.7 Report: Education Council Liaison

Board Liaison Bruce Clarke was not in attendance.

4.8 Report: Douglas College Foundation Liaisons

Liaison Sydney Tomchenko reported on the Foundation's recent meeting and positive audit. Revenues were up, and the Foundation delivered financial aid to more than 1,500 students in fiscal 2011-12. She advised that the Foundation Board was reviewing its investment policy to ensure the maximum amount of money possible would go to student aid.

5. NEXT MEETING AND ADJOURNMENT

The Chair invited identification of any further matters, and the Audit and Finance Committee (AFC) Chair thanked the Vice President, Finance and Administration (VPFA) and all her Finance people for their work on the recent audit.

There being no further business, the Chair adjourned the meeting at 6:05 p.m., after confirming that the subsequent meeting was scheduled for September 20, 2012 at the New Westminster Campus.

CHAIR

PRESIDENT

Appendix “A”

June 21, 2012

2011/12 Enrolment Report

and

2011/12 Financial Statements

Presented by the

Vice President, Finance and Administration (VPFA)



DOUGLAS COLLEGE

Enrolment Report

2011/2012



Full Time Equivalent Students



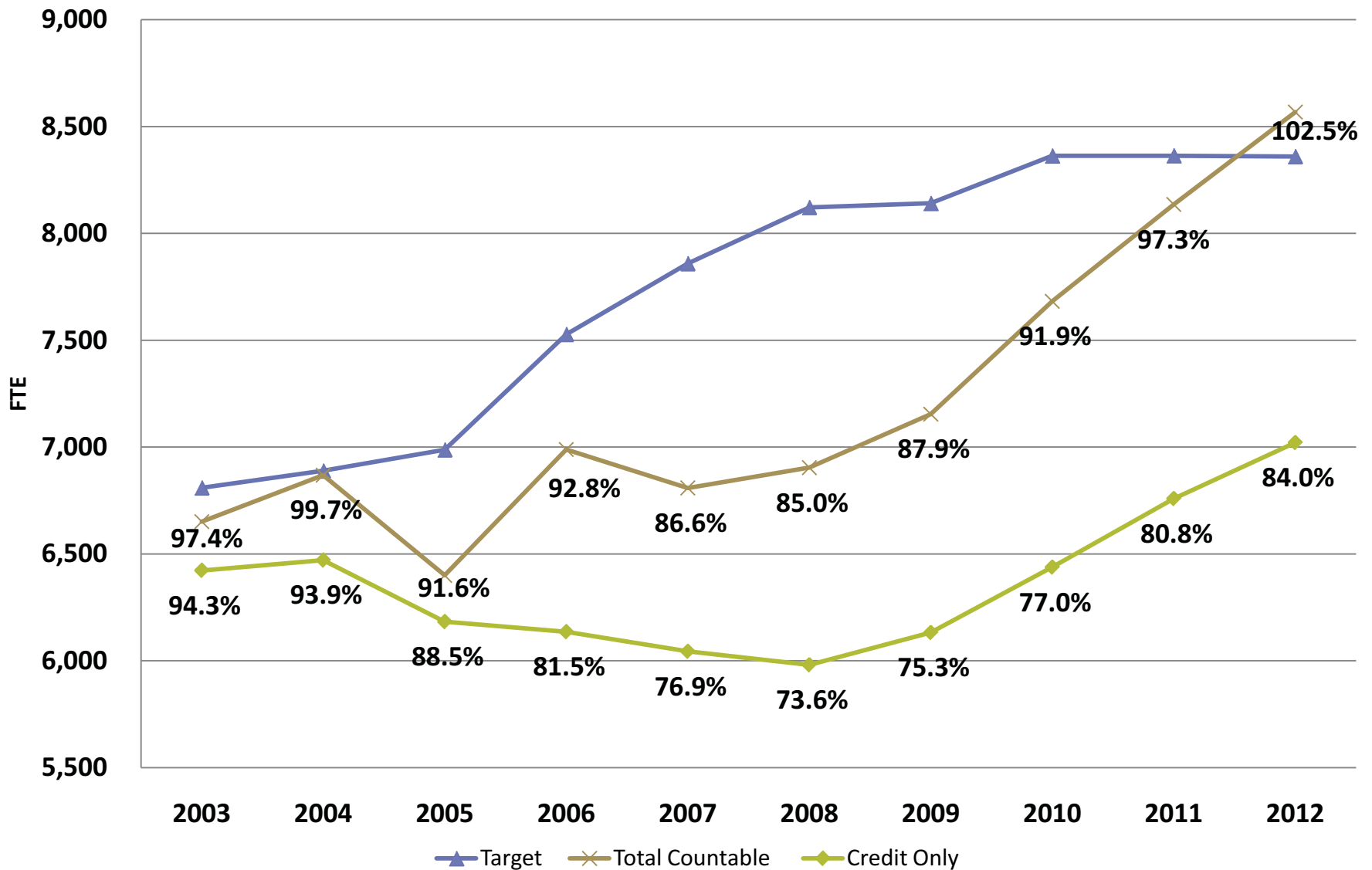
	2012	2011
Business	1,157	1,112
Health and Human Service	1,530	1,541
Performing Arts	188	171
University Transfer	2,797	2,618
Developmental	743	747
Other Programs	606	570
Continuing Education	643	705
The Training Group	904	672
Total	8,568	8,136
Achievement	102.5%	97.3%

Full Time Equivalent Student Performance

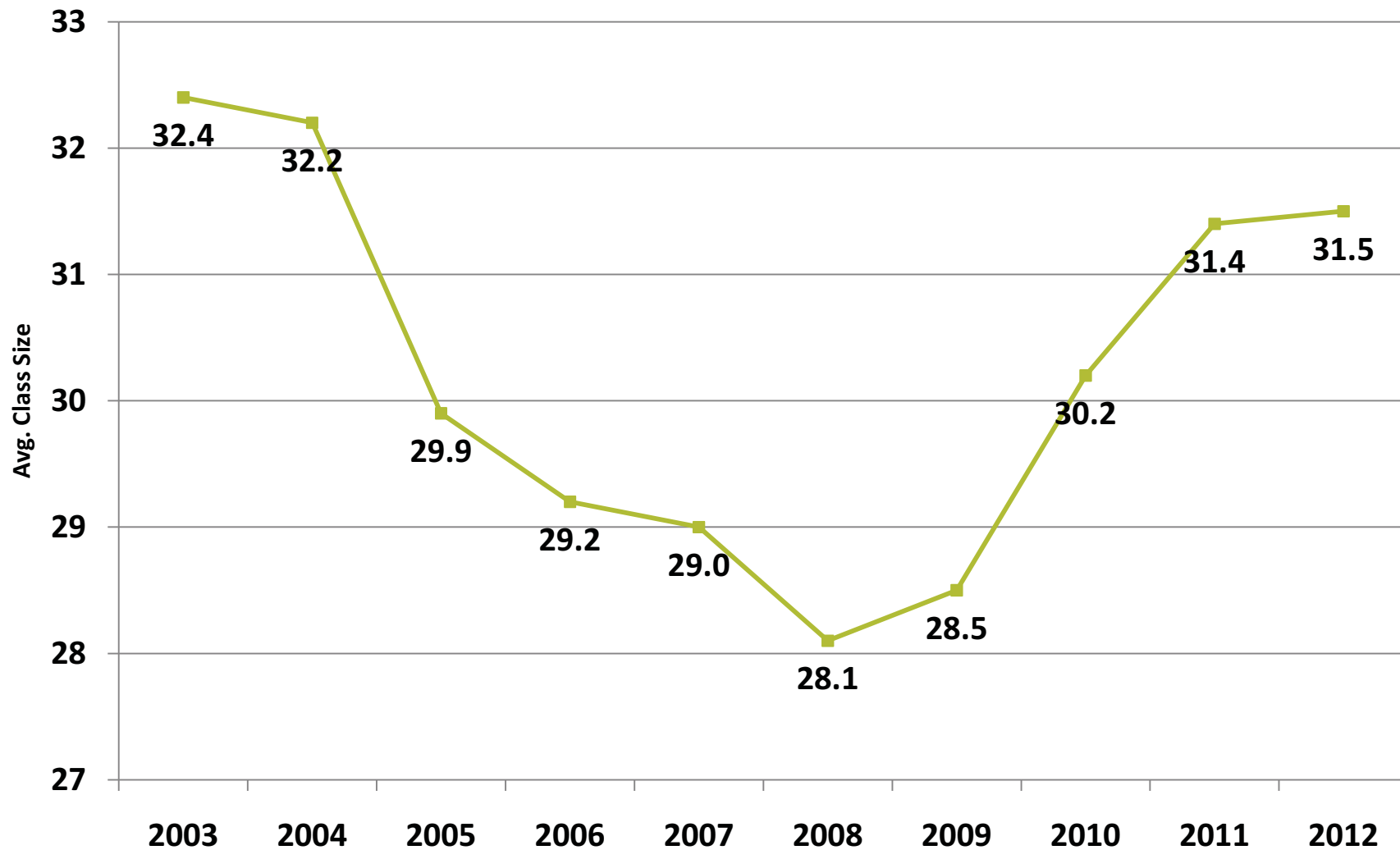


	2011/12 FTE	% of Profile	2010/11 FTE	% of Profile
Ministry Profile	8,360	-	8,364	-
Credit Performance	7,021	84.0%	6,759	80.8%
Non-Credit Performance	1,547	18.5%	1,377	16.5%
Total Countable Performance	8,568	102.5%	8,136	97.3%

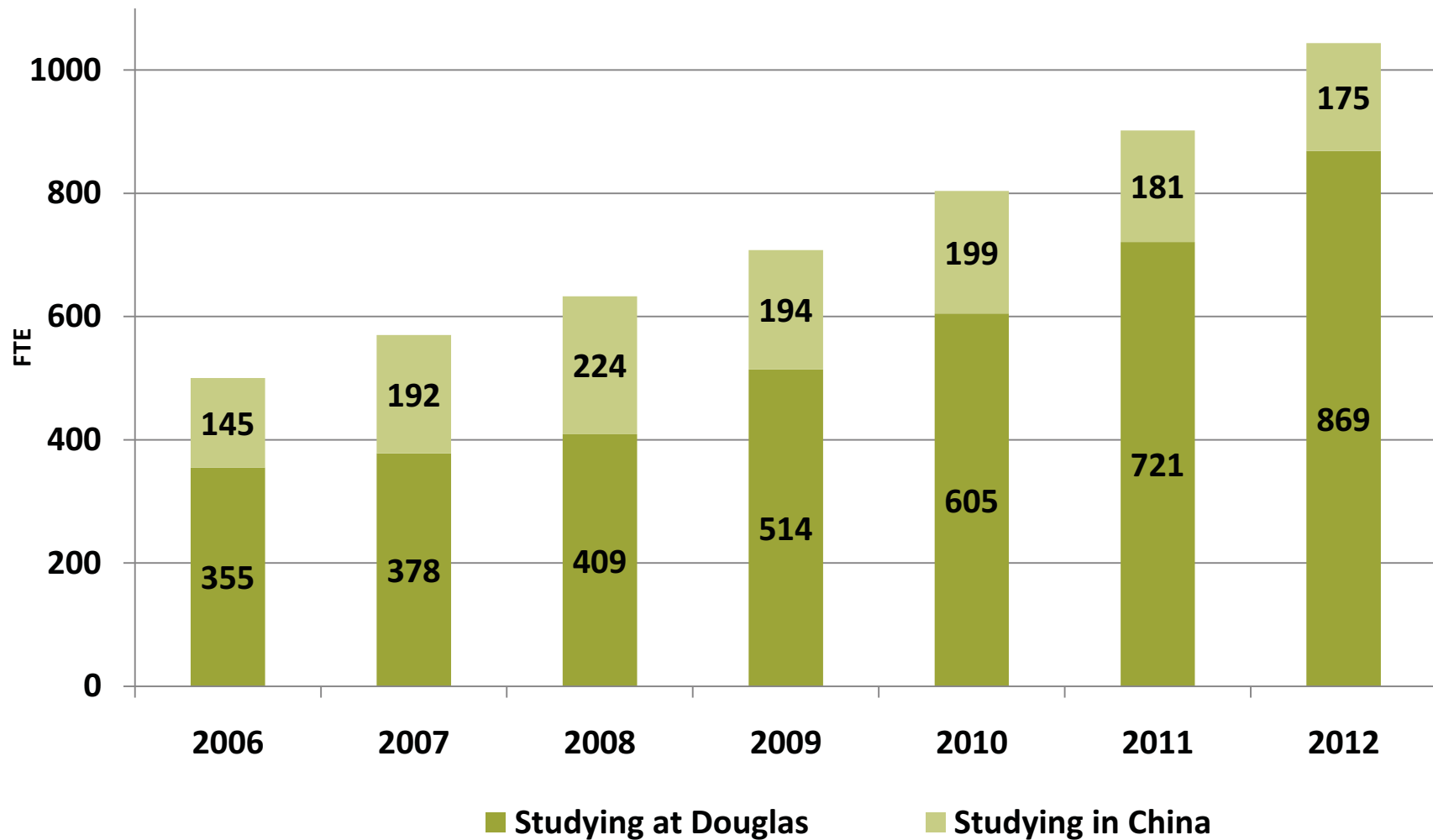
Countable FTE Performance 2003 - 2012



Open Enrolments - Average Class Size 2003 - 2012



International Full Time Equivalent Students 2006 - 2012



Course Registrants by Campus





DOUGLAS COLLEGE

Financial Statements

2011/2012



The College's financial statements are based on fund accounting principles



Douglas College uses funds to allocate revenues/grants restricted as to purpose, consistent with conventions for government accounting. Each fund is a separate entity, with its own self-balancing accounts.

Operating Fund

Ancillary Fund

Capital Fund

Special Purposes Fund

Operating Fund (Page 14)

Covers all on-going activities related to instruction, support and administration of the College.

Revenue	\$ 102,437,542
Expenditures	97,899,184
2011/12 Surplus	\$ 4,538,358



Surplus resulted from an increase in both domestic and international enrolments plus \$2,020,000 in unallocated funds for future years FTE growth.

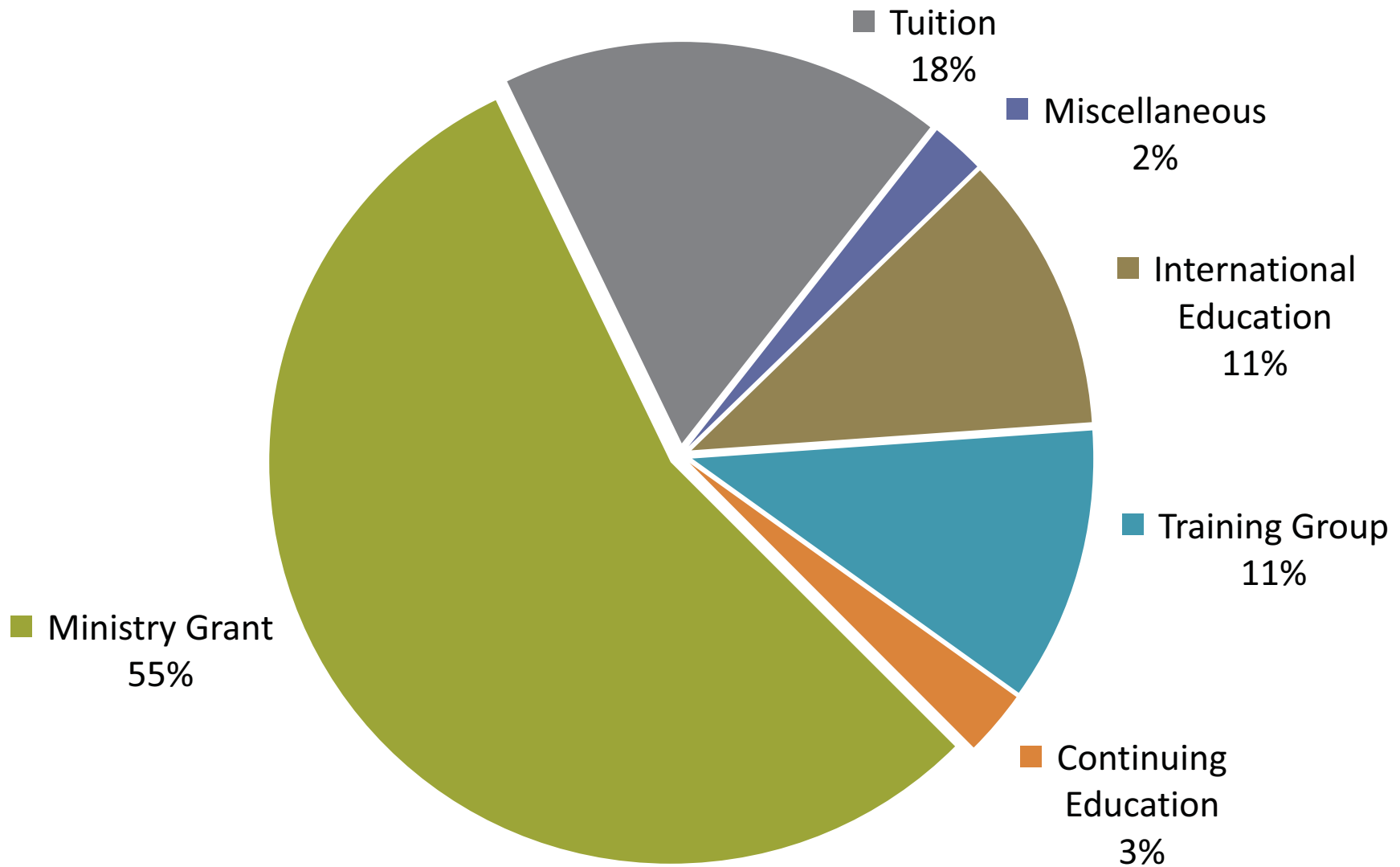
Operating Fund continued



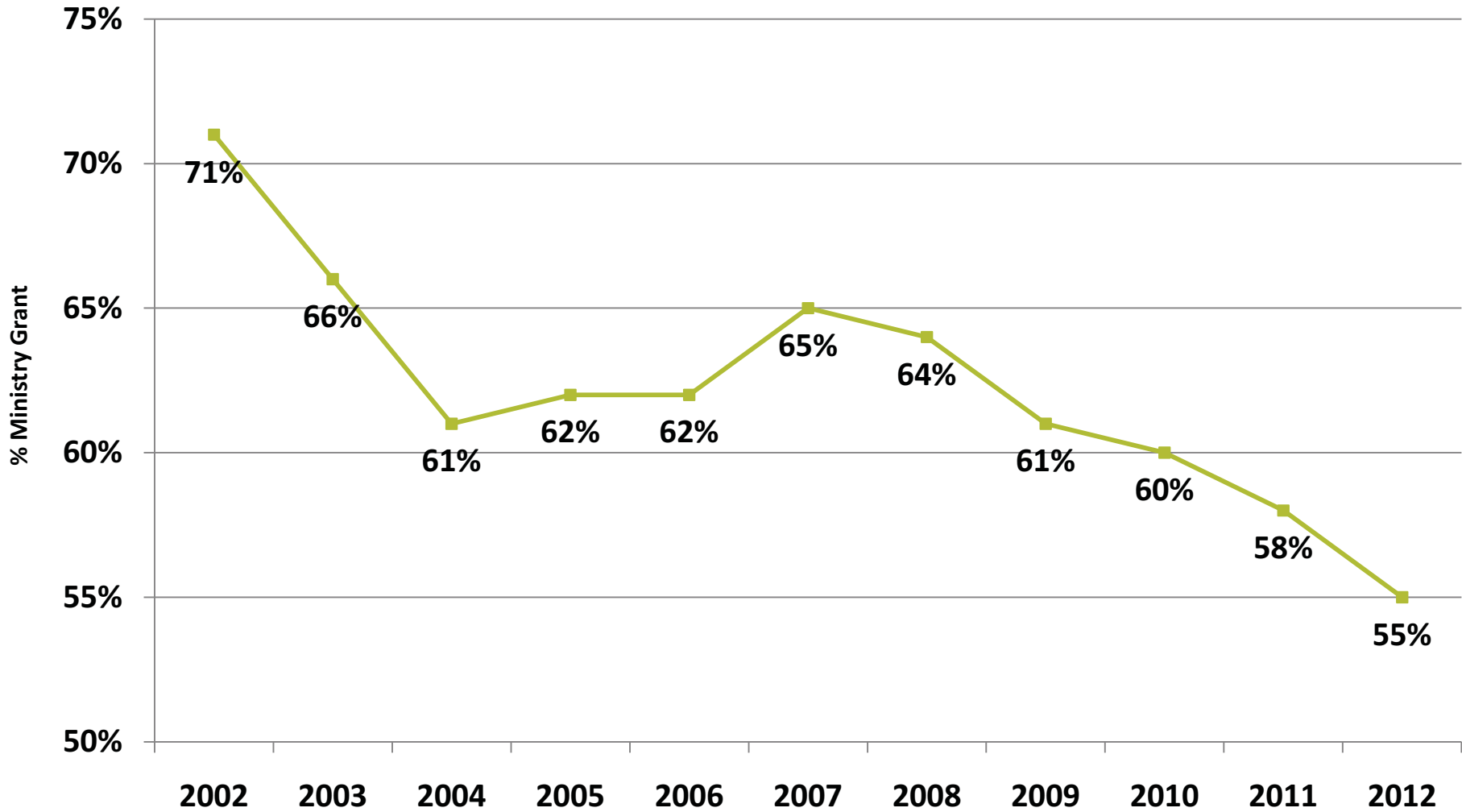
2011/12 Surplus	\$ 4,538,358
Fund balance, beginning of year	2,449,000
Transfer to Capital Fund	(4,358,358)
Fund balance, end of year*	\$ 2,629,000

*Required per Board Surplus Policy – 2.5% of 2012/13 Operating Budget.

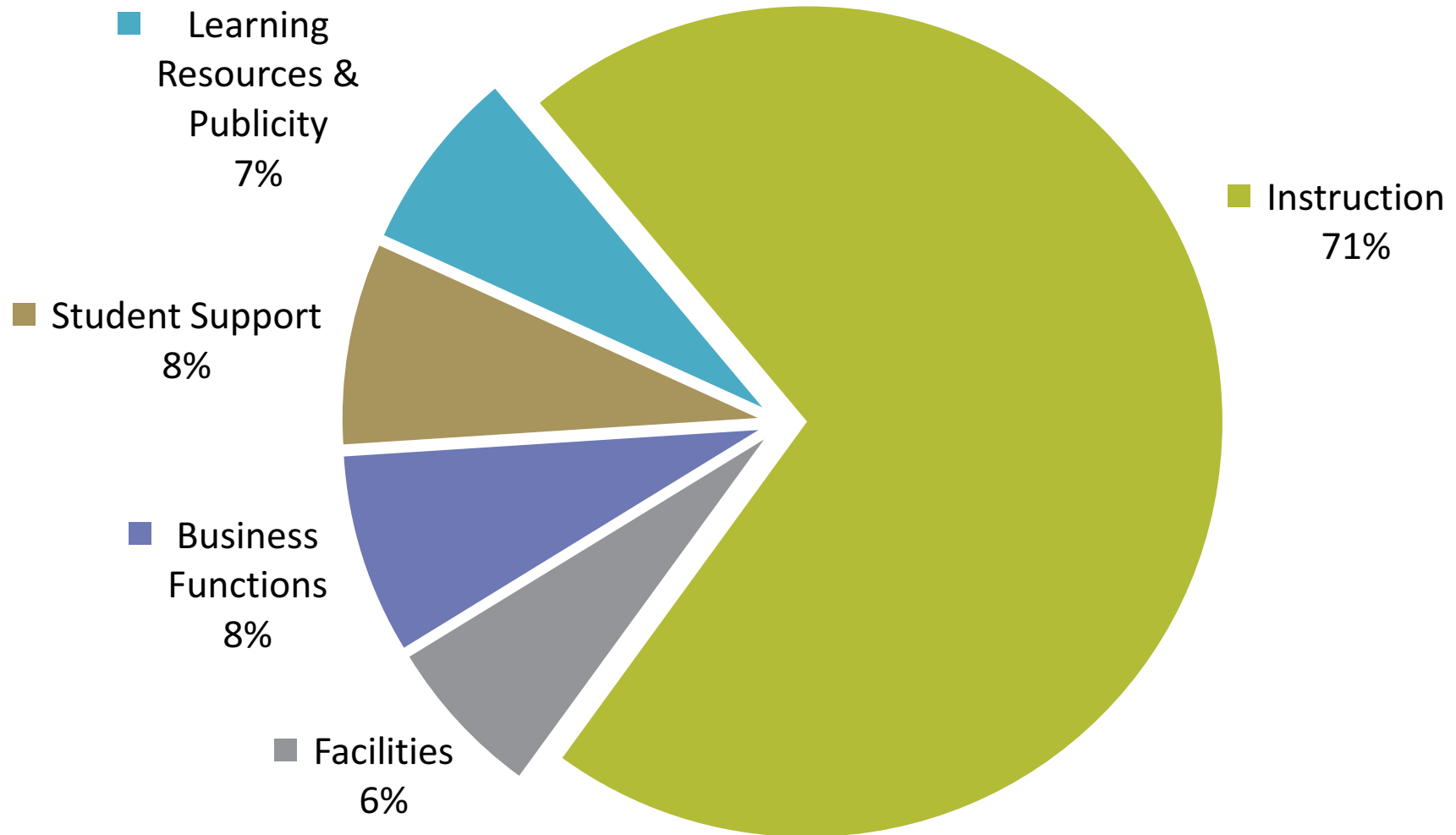
Operating Fund - Sources of Revenue



Ministry Grant as a % of Total Revenue 2002-2012



Operating Fund – Areas of Expenditure



Includes bookstore, parking, cafeteria and vision centre.

Revenues (net)	2012	2011
Bookstore	\$ 477,898	\$ 423,618
Parking	129,411	149,346
Cafeteria	265,270	250,670
Vision Centre	26,922	44,046
Recoveries	31,327	22,349

Ancillary Appropriations



	2012
Legal, severance and early retirement	\$ 150,000
Ancillary services equipment*	60,000
Emergent and insurance	50,000
Operating capital*	575,000
Douglas College Foundation	100,000
Unappropriated	101,308
Total	\$ 1,036,308

*Approved at May Board Meeting.

Covers the purchase of land, facilities, furniture, equipment and leasehold improvements.

Revenues include provincial and federal grants, interest income generated on unspent funds and transfers.

Capital Fund



	2012
Receipts	\$ 6,726,823
Disbursements	6,312,341
Change in fund balance	414,482
Opening balance	23,852,046
Transfer from Operating Fund	4,358,358
Total	\$ 28,624,886

Capital Fund Balance comprised of:



Reserves	2012
Cunnings Field Turf Replacement	\$ 170,915
Cyclical Maintenance	970,975
Major Capital	24,853,638
Internally Committed	2,629,358
Total	\$28,624,886

Special Purposes Fund (Page 17)



Includes Ministry and non-Ministry monies received for special projects.

	2012
Receipts	\$ 4,818,435
Disbursements	4,367,788
Change in fund balance	450,647
Opening balance	7,382,739
Total	\$ 7,833,386