

**Quest University Canada
Board of Governors
January 13, 2018
Squamish, BC**

Draft Minutes

Attending: Mary Jo Larson, Stuart Louie, David Fujimagari, Michael Hutchison, Claude Rinfret, Peter Webster, Chief Dale Harry

Guests: George Iwama, Marjorie Wonham, Eve Liu, Ellen Flourney

Recording Secretary: Bonny Randall

Adoption of the Agenda

The Chair requested that the agenda be amended to add the vote on the CAO Policy after the Approval of the Minutes.

The Quest University Canada Board of Governors moved to adopt the agenda as amended. Seconded and Carried unanimously.

Approval of the Minutes

The Quest University Canada Board of Governors moved to approve the minutes of September 11, 2017 as presented. Seconded and Carried unanimously.

The minutes of April 11 require editing and will return for approval at the next meeting.

The Chair asked that draft minutes generally be provided within a week after the meeting to allow for quicker review and posting on the Quest website. The Board agreed that future minutes will be approved by consent in writing or a special meeting rather than at the next regularly scheduled meeting to achieve a quicker turnaround and posting.

CAO Policy

The Quest University Canada Board of Governors moved to adopt the revisions to the CAO policy as presented. Seconded and Carried unanimously.

President's Overview

George Iwama advised that the Director of Admissions and Financial Aid, Trevor Mannion would join later to discuss tuition.

George reported that the Department Quality Assessment Board (DQAB) has requested that their Interim Report not be circulated pending the final report to the Minister in March 2018. The DQAB had expressed that the academic quality at Quest is above question and the Interim Report was positive. To date the directive from the DQAB has been to continue operating with three recommendations:

- That the President, two members of the Board, and legal counsel meet with the Chair and Vice-Chair of DQAB. This meeting has taken place.
- Proceed with monetizing undeveloped lands to assist with finances. This is in process.

- Obtain an articulation agreement with at least one university. It was noted that this is a requirement of all universities. An agreement with Capilano University has now been signed allowing for transfer to CapU following the second year of our degree program

Monthly updates between George and the DQAB staff will continue and George has requested a meeting with the Minister of Advanced Education.

Admissions

Trevor Mannion joined the meeting.

Trevor reported on the past trend of annual tuition increases. It was noted that the increases have been in line with the cost of living. The question was raised as to whether tuition increases posed a challenge to recruit and retain students. It was recognized that Quest's tuition is high in the Canadian market, average in the International market, and low in the US market. Trevor presented options to raising revenue through tuition. It was noted that the tuition is set for Fall 2018 making discussion and decisions relevant to the 2019 admission.

The Board discussed many variables, including minimum class size, variable tuitions, and student needs while recognizing that most of Quest's costs are fixed and that the impacts of capping tuition are wide-reaching, affecting curriculum and staffing.

Noting that a decision was not required at this time, the Board would like to have time for analysis of net revenue per student vs net cost per student and further discussion.

The Board discussed opening up pathways for students to transfer into Quest after the first year. Ellen Flournoy will take questions from the Board to the Curriculum committee.

George advised the Board of Quest's plan to host a conference with other institutions that follow the block program.

The Board offered thanks to Trevor for the successful efforts in admissions over the past summer.

Trevor reported that nine deposits have been received and that 146 students have been admitted to date.

Administrative Positions Updates

George reported that:

- the CAO nomination is in process
- a person will be dedicated to Business Development with clear goals and targets
- The selection committee has been established for VP Finance and three candidates will be interviewed next week. It was agreed that an early start date was important criteria for the candidate selection.
- Eve Liu has agreed to provide assistance with the transition.
- Ombudsperson has given notice. The position will be advertised and a replacement will be sought.

Budget and Finance

Eve Liu joined the meeting.

Eve noted that the budget was presented in the last meeting and has not substantively changed.

YTD

The YTD was presented as of November. Items of note included:

Revenue was up \$300K

- Financial aid showed an improvement of 5% over last year.
- Net revenue was \$100K over last year.
- Ancillary revenue was down \$200K and now shows a reduced forecast
- Wage expense was down due to the timing of hiring and is consistent with the planned budget.
- Operating expenses showed a savings of \$300K over all departments.

Cash Flow

Eve reported that cash actuals and forecasts are tracking very close and the trend should continue to March.

Not all tuition had been collected yet as student loans come in February and some students pay monthly. Early tuition payments will start to arrive in June.

The Board thanked Eve Liu for her services, efforts, and contributions.

In the interests of time the Board agreed to move the Special Reports ahead of the fundraising session.

Special Reports

Ombuds Service

Karen Elliott joined the meeting and was introduced.

Karen thanked the Board and President for their support, noting that the Ombudsperson fills an important role on campus.

Karen provided a summary of the work she has done noting that most issues had been brought to early resolution. It was noted that many issues had occurred due to outdated policies and processes. In particular, the Faculty Performance Review Committee reviews do not provide feedback to the faculty early enough in the process when there is time for improvement.

Karen also reported that she observed the students searching for their voice on campus as they feel that they are often token members of committees. She further recommended that there be a review of the SRC structure.

Karen told the Board that despite her desire to continue in the role at Quest, the on-call nature of the role doesn't currently fit with her other commitments. The standard of response from the Ombuds office has been a 24 hour response and a meeting within 72 hours as people are often at a dead-end when they call and out of options.

The Board thanked Karen Elliott for her services to Quest.

Coast Mountain Academy

Geoff Park, David Greenfield, and Mike Slinger, Coast Mountain Academy, joined the meeting.

It was disclosed to the Board that Michael Hutchison and David Greenfield are business partners in Sea to Sky Gondola.

A handout was presented to the Board outlining the case towards Quest extending the lease to Coast Mountain Academy. The end of the lease is currently 18 months out and CMA would like to confirm the extension for future planning. The request was for a five-year extension of the current lease on either the current land or an alternate spot, noting that an early confirmation is necessary for CMA to maintain momentum and fund-raising.

The Board expressed thanks for the CMA presentation and indicated further discussions would be forthcoming.

Strategic Planning and Destination Quest

Marjorie Wonham joined the meeting.

It was reported that Marjorie Wonham and Bonny Randall have been engaging in exercises towards an institutional plan. The components of the exercise have been Destination Quest, an environmental scan, and a SWOT analysis. The intent is that the findings and reports, along with finance information, will help inform the President and the Board as Quest moves to develop an institutional plan. The outcomes of these exercises will be presented at the student-led Our Futures conference in February.

The ideas coming from community input process will be condensed into main themes and will be closed off by the Feb. conference, along with preliminary reports from the Environmental Scan and the SWOT. Further work to refine will continue in March and April. The process is being done with a high degree of transparency that includes progress tracking on the website, and has been inspired by the Squamish OCP and models done by other small schools.

Marjorie also reported that a brief history of the land transactions is being compiled.

It was recognized that the process is driven from the bottom up but that the Board should have input in the process and is invited to determine their level of activity and involvement in the process. The compiled information will be brought to the March Board meeting for discussion and possible workshopping. It was suggested that this could be a done as a retreat exercise.

Quest University Foundation (US)

Mary Jo Larson reported that QUF had received its tax-exempt 501(c)(3) determination letter from the IRS, established a new bank account and closed out the prior account, with all assets successfully transferred with the help of prior Quest CFO, Wes Schroeder. A link on the Quest website is operational, communications have begun, and donations have started. The QUF Board is Ann Bizer, Mary Jo Larson, Claire Nold-Glazer, and Christopher Celeste.

Fundraising Report and Next Steps

George reported that the Quest database of alumni, parents and donors has been cleaned up on Giftworks. Compton will visit campus in the coming weeks to conduct interviews, in preparation for submitting their report by the end of January.

Traditional donations have been received, a list of needs is being compiled, and Quest will be reaching out to potential donors with information.

Abby Majendi will be Coordinator of Advancement due to her history in this area and Jasmine Amique, Director of Communications, also has fundraising background. Additional fundraising staff is not being considered at this time. It was recognized that there is a need to be able to track historical donations.

Peter Webster was appointed as the Board member to lead fundraising. The Board was invited to individually submit lists of possible donors.

George reported that as part of a visit to Toronto this month he was reaching out towards furthering relationships with parents in the area.

Amazon Smile will be investigated as a potential avenue for receiving donations.

Ancillary Revenue

George presented the Business Services Review report, which outlines the strategic and tactical recommendations for increasing Quest's ancillary revenue. In line with the report, George expressed that he plans to dedicate a staff person to ancillary revenue. He noted that most of July and August events have been cleared for development purposes and the intent is to bring all sources of revenue under this umbrella. This could include campus components, bookstore, creative programming, and shared revenue with cafeteria. He anticipates situating someone in this role within a month.

North and South Leases

The external purchase of North and South Village should be final on January 17. The Board will work with George regarding the renewal of the leases and the terms. Prospero will be doing the property management. The current lease expires in 2019.

It was noted that the "Bethel" leases expire in 4 months and would be discussed in the Executive sessions.

Board Development

It was agreed by consensus that the Governance Committee will also serve as the nominating committee to bring candidates to the Board, and will be renamed the Governance and Nominating Committee. Peter Webster will chair.

The Board moved to the Executive Session