

NICOLA VALLEY INSTITUTE of TECHNOLOGY

Board of Governors

MINUTES

Audit & Risk Management Meeting – August 22, 2023

Zoom Meeting

CHAIR:

Lennard Joe

ARM COMMITTEE MEMBERS:

Joseph Bevan

Dale Calder

Kathleen Smith

EX-OFFICIO:

Ken Tourand, President & CEO

LEADERSHIP TEAM/STAFF:

Ernie Gran, CFO

Paul Grewal, Director Finance

RECORDER: Pat Brown, Executive Assistant, President & Board and Elders Coordinator

New Board and ARM Committee member Kathleen Smith was welcomed. Kathleen is a member of the Squamish Nation and resides in North Vancouver. She is a CPA who retired after 22 years of working. 3 years later she returned to work as the Director of Finance & Administration at Hiyam Housing.

1. Call to Order

1.1 Call to Order

Chair Lennard Joe called the meeting to order at 4:01pm.

1.2 Adoption of Agenda

It was moved and seconded that

the A/RM Committee meeting agenda be adopted as presented. **Motion Carried.**

1.3 Review and Adoption of Minutes

It was moved and seconded that

the July 5, 2023 minutes be approved as presented. **Motion Carried.**

2. Financial Reporting and Statutory Items

2.1 Financial & FTE Report [MD&A]

It was moved and seconded that

the Financial & FTE Report (MD&A) be accepted and recommended to the Board for approval. **Motion Carried.**

Discussion:

- As of July 10th, 43.9% [274.50] of the PSFS FTE target [625] was achieved. This is 22% higher than the previous year. FTE increases are attributable to increases at both campuses and in Community Education.
- Revenue and expenses increased resulting in a surplus of \$126k.
- Question: What are the Inventory sales?
Answer: The inventory sales are from the bookstore.

2.2 Renewal of Short-Term Debt

It was moved and seconded that

the ARM Committee supported the renewal of the short-term debt of \$2.87m over 3 years. **Motion Carried.**

The deadline to renew the short-term debt was July 27, 2023. After a thorough review of the options and rates available, the 3-year term was chosen.

Question: Is there no rush in paying down the debt?

Answer: No, there is no rush and it generates a small return. All debt is approved by the Ministry and they provide money to pay the interest.

Question: Is it only the interest that is paid or is it the principal too?

Answer: It is interest payments only and they are paid semi-annually.

2.3 Board Remuneration

The Ministry approved an increase in Board remuneration rates of 15%, retroactive to April 1st. The Quarter 1 Board honoraria has been updated to include the increase and Board members will receive the difference within a few weeks.

2.4 Policy #5.5 Board Honoraria

It was moved and seconded that

the revised policy 5.5 Board Honoraria be approved. **Motion Carried.**

3. Other Reports

3.1 RFP for NVIT's Auditor

The contract for the current auditors ended this year. An RFP will be posted on the BC Government Bidding site by the end of August. The contract is for 2 years with the possibility of a 4-year extension.

KPMG is the current auditor and works for several Post-Secondary Institutes.

3.2 Financial Planning, Operations & Policies

Paul reviewed the briefing note and provided an update on the operations of the finance department throughout the year.

3.3 Information Security

Ernie provided an overview of the security protocols he is working on with the IT Team.

4. Board Governance

4.1 Fraud Risk Review

Ernie provided an overview of the fraud risk review. The fraud risk report will be presented at the September ARM meeting.

5. Other

5.1 No additional items to discuss.

6. In-Camera Meeting

6.1 No in-camera meeting was necessary.

7. Adjournment

3.1 The ARM Committee meeting adjourned at 4:46pm.

Note: The 40th year gala scheduled for Aug 30th is postponed to Oct 18th at 5pm at the Merritt campus.

Melissa Louie and Maynard McRae's terms end on Dec 31st. It is anticipated that the Board Executive, at their next meeting, will recommend new members to submit to the Crown Agencies and Board Resourcing Office [CABRO].

NEXT ARM MEETING: **ARM Zoom Meeting**
 Thursday September 21, 2023, 4:00pm