



KPU Board of Governors - Regular Meeting

Date: May 24, 2023

Time: 4:00 pm – 5:19 pm

Via MS Teams: [Click here to join the meeting](#)

Phone Dial-in

+1 604-449-3508 (Canada (Vancouver))

Conference ID: 481 921 870#

Board of Governors – Regular Meeting Agenda

Date: May 24, 2023

Time: 4:00– 5:19 pm

Via Microsoft Teams: [Click here to join the meeting](#)

Phone Dial-in: +1 604-449-3508 (Vancouver)

Conference ID: 481 921 870#

Attending: Ivy Chen (Chair), Rhiannon Bennett (Vice Chair), Kwuntiltunaat (Kim) Baird, Michael Chang, Alan Davis, Bob Davis, Kelly Fredrick, Ishant Goyal, Amos Kambere, Mohammed Mahabub, Muhammad Afzal Malik, Takashi Sato, Harman Preet Singh, Waheed Taiwo, Jack Wong

M = Motion to Approve
D = Discussion
I = Information
E = Education

Regrets:

Presenters & Administrative Resources: Gayle Bedard, Laurie Clancy, Chervahun Emilien, Brett Favaro, Randall Heidt, Ranminder Kaur, Zena Mitchell, Diane Purvey, Peter Smailes, Keri van Gerven

4:00 pm Regular Board Meeting
Closed Board Meeting to follow
In camera Debriefing Session to follow

Agenda Item	Resource	Action	Time	Page
1. Call to Order & Introductory Remarks	Ivy Chen		4:00-4:01	
We respectfully acknowledge that we live, work and study at KPU on the traditional and ancestral lands of the Coast Salish peoples, including those of the Kwantlen First Nation, who graciously bestowed their name on this university.				
2. Approval of Agenda	Ivy Chen	M	4:01-4:02	3
MOTION: THAT the Board of Governors approve the regular meeting agenda for May 24, 2023.				
3. Conflict of Interest	Ivy Chen		4:02-4:03	
4. Consent Agenda	Ivy Chen	M	4:03-4:06	7
4.1. Minutes of the March 29, 2023 Regular Board of Governors Meeting				9
4.2. Re-appointment of the External Auditor for 2023-2024	Chervahun Emilien	M		17

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|--|--------------|---|
| 4.3. Program Revisions: (a) Bachelor of Science in Health Science, Cooperative Education Option; (b) Bachelor of Science (Honours) in Health Science, Cooperative Education Option | Brett Favaro | M |
| 4.4. Program Discontinuances: 8 Citations in Horticulture Technology | Brett Favaro | M |
| 4.5. Amendment to KSA Annual Fee Change Letter – 2023/24 Academic Year | | I |

MOTION: THAT the Board of Governors approve the following items on the Consent Agenda:

- 4.1. Minutes of the March 29, 2023 Regular Board of Governors Meeting.
- 4.2. Approve the reappointment of KPMG LLP as External Auditor for the 2023/24 reporting year as recommended by the Board Audit Committee.
- 4.3. Program revisions to the Bachelor of Science, Major in Health Science, Cooperative Education Option and the Bachelor of Science (Honours), Major in Health Science, Co-operative Education Option programs, effective September 2023 as recommended by the Board Governance Committee.
- 4.4. Approve the discontinuances to the following eight Citations in Horticulture Technology: Arboriculture, Foundation in Landscape Design, Introduction to Sustainable Horticulture, Landscape Plant Health, Production Facilities, Production Plant Health, Residential Lawn Care, Turfgrass Pest Management, effective September 2023 as recommended by the Board Governance Committee.

AND

THAT the Board of Governors receive the following item for information:

- 4.5. Amendment to KSA Annual Fee Change Letter: 2023-2024 Academic Year.

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|--|-----------------------------|---|-----------|----|
| 5. Governance Committee Report | | | | |
| 5.1. Committee Chair Report | Ivy Chen | I | 4:06-4:07 | |
| 5.2. xé?elł KPU Pathway to Systemic Transformation | Alan Davis/
Gayle Bedard | M | 4:07-4:22 | 19 |

MOTION: THAT the Board of Governors endorse the xé?elł Pathways to Systemic Transformation, as recommended by the Board Governance Committee.

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|------------------|--------------|---|-----------|----|
| 5.3. VISION 2026 | Lori McElroy | D | 4:22-4:38 | 47 |
|------------------|--------------|---|-----------|----|

MOTION: THAT the Board of Governors approve Vision 2026 as recommended by the Board Governance Committee.

6. Human Resources Committee Report				
6.1. Committee Chair Report	Rhiannon Bennett	I	4:38-4:39	
7. Audit Committee Report				
7.1. Committee Chair Report	Mohammed Mahabub	I	4:39-4:40	
7.2. Draft Financial Statements for Year ended March 31, 2023	Chervahun Emilien	M	4:40-4:50	57

MOTION: THAT the Board of Governors approve the draft Financial Statements for Year Ended March 31, 2023 as recommended by the Board Audit Committee.

8. Finance Committee Report				
8.1. Committee Chair Report	Mohammed Mahabub	I	4:50-4:51	
8.2. Draft Board Response to Senate FY2023/24 Budget Letter	Chervahun Emilien		4:51-4:56	89

MOTION: THAT the Board of Governors approve the Draft Board Response to Senate regarding the FY2023/24 Budget as recommended by the Board Finance Committee.

8.3. Renewal of License Agreement with City of Delta for Paterson Park	Brent Elliott	M	4:56-5:01	93
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MOTION: THAT the Board of Governors approve the renewal of the existing Licence Agreement between the City of Delta and KPU for the City's use of Paterson Park for a further one-year period from June 1st 2023 to May 31st 2024, as recommended by the Board Finance Committee.

9. President's Report	Alan Davis	I	5:01-5:05	
9.1. Report to the Board				
10. Provost's Report	Diane Purvey	I	5:05-5:09	
10.1. Report to the Board				
11. University's Secretary's Report – Board of Governors Chair and Vice Chair Elections	Keri van Gerven	I	5:09-5:12	
12. Senate Report – meeting held on April 24, 2023	Alan Davis	I	5:12-5:13	
13. Next Meeting Agenda Contribution	Ivy Chen	D	5:13-5:14	
14. For the Good of the Order	All	D	5:14-5:15	
15. Feedback on the Meeting	All	D	5:15-5:16	

16. Closing Remarks	Ivy Chen		5:16-5:17
17. Appendix:			
17.1. Spring Election Results	N/A	I	5:17-5:18
17.2. Sustainable Development Goals (SDG) Project			
18. Next Meeting: Regular Board Meeting Wednesday, June 28, 2023 NETWORKING 3:00-4:00 pm IN PERSON MEETING Surrey Campus – Cedar Boardroom 4:00 – 7:00 pm	Ivy Chen		5:18-5:19
19. Adjournment	Ivy Chen		5:19

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #4

Meeting Date: May 24, 2023

Presenter(s): Ivy Chen

AGENDA TITLE: Consent Agenda

ACTION REQUESTED: Motion and Information

RECOMMENDED RESOLUTION

THAT the Board of Governors approve the following items on the Consent Agenda:

4.1. Minutes of the March 29, 2023 Regular Board of Governors Meeting.

4.2. Approve the reappointment of KPMG LLP as External Auditor for the 2023/24 reporting year as recommended by the Board Audit Committee.

4.2. Program revisions to the Bachelor of Science, Major in Health Science, Cooperative Education Option and the Bachelor of Science (Honours), Major in Health Science, Co-operative Education Option programs, effective September 2023 as recommended by the Board Governance Committee.

4.3. Approve the discontinuances to the following eight Citations in Horticulture Technology: Arboriculture, Foundation in Landscape Design, Introduction to Sustainable Horticulture, Landscape Plant Health, Production Facilities, Production Plant Health, Residential Lawn Care, Turfgrass Pest Management, effective September 2023 as recommended by the Board Governance Committee.

AND

THAT the Board of Governors receive the following item for information:

4.4. Amendment to KSA Annual Fee Change Letter: 2023-2024 Academic Year.

Attachments

1. Minutes of the March 29, 2023 Regular Board of Governors Meeting
 2. Reappointment of the External Auditor for the 2023/24
 3. [Program Revisions: \(a\) Bachelor of Science in Health Science, Cooperative Education Option; \(b\) Bachelor of Science \(Honours\) in Health Science, Cooperative Education Option](#)
 4. [Program Discontinuances: 8 Citations in Horticulture Technology](#)
 5. [Amendment to KSA Annual Fee Change Letter – 2023/24 Academic Year](#)
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Submitted by

Ranminder Kaur, Confidential Assistant to the Board of Governors

Date submitted

May 15, 2023

BOARD OF GOVERNORS - REGULAR MEETING

Regular Meeting Minutes

March 29, 2023

Via Microsoft Teams

Present: Board

Ivy Chen / Chair
Rhiannon Bennett / Vice Chair
Kim (Kwuntiltunaat) Baird /
Chancellor
Michael Chang
Alan Davis / President & Vice
Chancellor
Bob Davis
Kelly Fredrick
Ishant Goyal
Muhammad Afzal Malik
Takashi Sato
Jack Wong

University G7 members

Laurie Clancy / VP, Human Resources
Chervahun Emilien / Chief Financial Officer
Randall Heidt / VP, External Affairs
Stephanie Howes / Interim VP, Students
Diane Purvey / Provost & VP, Academic
Peter Smailes / VP, Administration

Presenters and Administrative Resources

Jennifer Duprey / General Counsel
Ranminder Kaur / Confidential Assistant to the
Board of Governors
Dr. Lori McElroy / AVP, Planning and
Accountability

Regrets: Amos Kambere
Mohammed Mahabub
Harman Preet Singh
Waheed Taiwo

Keri van Gerven / University Secretary & Executive
Assistant to the President & Vice Chancellor

**1. Call to Order and
Introductory Remarks**

The Chair called the meeting to order at 4:01pm.
The Chair acknowledged KPU's commitment to reconciliation
and recognition that that we live, work and study at KPU on the
traditional and ancestral lands of the Coast Salish peoples,
including those of the Kwantlen First Nation, who graciously
bestowed their name on this university.

2. Approval of Agenda

Motion #17-22/23

**MOVED, SECONDED AND CARRIED THAT the Board of
Governors approve the regular meeting agenda for March 29,
2023.**

3. Conflict of Interest

No other conflict of Interest was declared.

4. Approval of Consent Agenda

Motion #18-22/23

**MOVED, SECONDED AND CARRIED the Board of Governors
approve the following items on the Consent Agenda:**

**4.1. Minutes of the February 1, 2023 Regular Board of
Governors Meeting.**

AND

THAT the Board of Governors receive the following item for information:

4.2. KSA Annual Fee Change Letter: 2023-2024 Academic Year.

5. Governance Committee Report

5.1. Committee Chair Report

Committee Chair, Ms. Chen advised the Governance Committee met on March 8, 2023 and received an update on Board members term expiring on 2023. The Committee also reviewed the following:

- Governance Framework (including Governance Manual)
- Adequacy of KPU's Board Member Position Description & Code of Conduct

Members noted that the other item discussed at the meeting is on the agenda.

5.2. VISION 2023 Progress Report: Mid-year update

Dr. McElroy presented the report and commented that each year KPU measures progress towards the VISION 2023 goals in three ways:

- metrics are included in KPU's Accountability Plan and Report;
- a progress report is provided to the Board in the Fall, with the data reported in the Accountability Plan and Report, as well as an assessment of progress on each goal; and
- a mid-year progress report which is an expansion on the Fall progress report with the addition of the section with Benchmark data on ten metrics.

Dr. McElroy noted that the benchmarks are based on institutions with a program mix similar to KPU's: Capilano University, Douglas College, University of the Fraser Valley, Langara College, Thompson Rivers University, and Vancouver Island University. Members noted that however, some of the institutions do not have apprentice programs which is noted in the graphs.

Dr. McElroy noted that for each metric, two graphs are provided, one for the most recent data, and one for the prior year, showing KPU's results. Dr. McElroy commented that data for each benchmark institution is also included. Members noted that the Ministry required targets are also included within the report.

Dr. McElroy commented that BC Stats uses different surveys to collect outcome information from graduates depending on the

program credential, for example, bachelor's degree (BGS), associate degree, diploma or certificate (DACSO) and apprentice (APPSO) and non-apprenticeship trades programs (Trades). Dr. McElroy mentioned that there are some dissimilarities from credential to credential.

Dr. McElroy mentioned that progress has been made on most goals. However, there are a few areas where KPU is struggling, particularly around 'Metric 7: Indigenous student spaces.' Members noted that only one institution was successful in achieving this target. Dr. McElroy noted that each institution sets their own target for this metric, which were set several years ago.

Dr. McElroy noted that domestic developmental enrolments have declined considerably during the pandemic, particularly with KPU's indigenous enrolments.

5.3. Board Planning Seminar April 21, 2023

Dr. Davis presented the report and commented that this is an annual chance for the board to have a more robust conversation around strategy and general direction for the institution and included following agenda items:

- Vision 2026 and workplan for the next 24 months – Dr. Davis mentioned that the draft Vision 2026 has been through a lot of consultation and the draft Vision 2026 has been revised following feedback received from various stakeholders. Dr. Davis commented that the Board at its Planning session will receive an update on where KPU is with draft Vision 2026 and the workplan for next 24 months.
- KPU's Global Strategy – Dr. Davis noted that he has been working with the Global Taskforce to look at all dimensions of international activities such as, receiving students, sending students, partnerships and global development. Dr. Davis commented that he will share the latest update at the Planning session with the board members.

Dr. Davis mentioned that other suggested topics will be added to future board agendas as appropriate.

6. Human Resources Committee Report

6.1. Committee Chair Report

Committee Chair, Ms. Bennett, advised that the Human Resources Committee met on March 16, 2023 and ratified the

reappointment of University Librarian. Members noted that the other item discussed at the meeting is on the agenda.

6.2. 50-30 Challenge Survey Results

Ms. Clancy presented the report and commented that between October/November 2022, KPU Board members and senior management were invited to participate in a self-id survey for the purpose of assessing the current makeup of our board and senior management team in relation to the goals of the 50-30 Challenge.

Ms. Clancy noted that both the composition of senior management and the Board of Governors met the goals of the 50-30 Challenge in terms of diversity and gender parity.

Ms. Clancy commented that HR will be monitoring the survey outcome. Ms. Clancy mentioned that HR is working on revision to the recruitment and retention policies and the KPU has hired an external consultation to look at these policies for an equity, diversity and inclusion angle.

7. Audit Committee Report

7.1. Committee Chair Report

Committee Vice Chair, Mr. Wong, advised that the Audit Committee met on March 7, 2023 and received update on engagement activities.

8. Finance Committee Report

8.1. Committee Chair Report

Committee Vice Chair, Mr. Wong, advised that the Finance Committee met on March 7, 2023 and noted that all items discussed at the meeting are on the agenda.

8.2. FY 2022-23 financial status update

Ms. Emilien commented that this is the last financial update before KPU embarks on the year end audit. The purpose of the report is to provide an update to the Board on spending activities undertaken by KPU. Ms. Emilien noted that the variance and forecasting analytics was completed internally for the period ending February 28, 2023.

Ms. Emilien noted that as of February 28, 2023, KPU is projecting approximately \$35 million surplus to the end of the fiscal year. Members noted that this was due to higher revenues and lower expenses. Ms. Emilien commented that revenues are approximately \$6.5 million higher and salaries and benefits are

forecasted to be \$20 million lower than originally budgeted. This is mainly as a result of international and domestic student tuition collected to date and higher interest income on KPU's cash balances. Members noted that salaries and benefits variance is mainly due to vacancies and slow hiring, along with other savings in faculty.

Ms. Emilien mentioned that the non-salary expenses are expected for be \$15 million lower than budgeted due to significant savings in software and subscriptions due to project delays and lower than budgeted software requirements for Entertainment Arts. Members noted that Repairs and Maintenance also shows significant variance as a result of timing of getting work done for environmental liabilities and accounting related asset retirement obligations.

Ms. Emilien commented that Fees and services are also projecting savings due to lower Entertainment Arts activities, and anticipated underspend in a number of portfolios.

Ms. Emilien commented that the contingency that was set last year has not been used, therefore, as a result there are savings too.

Ms. Emilien mentioned that KPU has committed to \$5 million surplus to report to the Ministry at the end of March 2023. Ms. Emilien commented that Financial Services are still processing invoices however, there is still a potential for additional significant expenses in the coming weeks as KPU works towards finalizing year end numbers.

Ms. Emilien noted that the Ministry notified KPU on March 23, 2023 that the Ministry has approved KPU's request to restrict \$23 million from the 2023 operated funded allocation for capital purposes.

Ms. Emilien commented that \$7 million has been transferred to the KPU Foundation. Ms. Emilien noted that Board previously also approved \$4 million to Research Endowment, \$2 million to bio-reduction fund and \$1 million towards food endowment. Members noted that the approval resulted in approximately \$5 million surplus.

9. President's Report

9.1. Report to the Board

Dr. Davis advised that the President's Report was circulated by the Board office. Dr. Davis noted the significant number of activities around KPU featured in the report.

Dr. Davis commented that he was excited to read about academic strength at KPU. Dr. Davis noted that KPU is making progress on some key initiatives at KPU and will be reported to the Board accordingly.

Dr. Davis noted that Premier, David Eby and Prime Minister, Justin Trudeau visited KPU Langley on March 1, 2023 and met students and colleagues from Faculty of Health. Members noted that KPU Chancellor, Kim Baird opened the ceremony and made an important health care announcement. Dr. Davis thanked Ms. Baird for attending and for making the announcement.

Dr. Davis commented that KPU has once again been named one of BC's Top Employers. Dr. Davis noted that KPU is paying attention towards academic integrity, particularly in the context of the digital environment and artificial intelligence.

Dr. Davis noted that the Faculty of Arts hosted four Indigenous Artists and Writers-in-Residence during the Spring 2023 semester.

10. Provost's Report

10.1. Report to the Board

Dr. Purvey advised members that the Provost's report was circulated by the Board office.

Dr. Purvey noted that City of Richmond Parks department is the winner of KPU Community Impact Award. Members noted that they were nominated by the department of Sustainable Agriculture.

11. Senate Reports

Dr. Davis advised that the Senate Reports were prepared by Dr. Amy Jeon, Senate Vice-Chair and was included in the meeting package.

12. Next Meeting Agenda Contribution

Board members were asked to send contributions for the next meeting agenda to the Board Office at least two weeks in advance of the meeting.

13. For the Good of the Order

There were no additional items identified.

14. Feedback on the Meeting

There was no feedback on the meeting.

15. Closing Remarks

The Chair, Ms. Chen thanked everyone, including Board Members for attending and contributing to the discussions.

16. Appendix

16.1. Report to the Board of Governors

The March 2023 Report to the Board of Governors was received.

17. Next Meeting

The next meeting has been scheduled for Wednesday, May 24, 2023.

18. Adjournment

The meeting adjourned at 5:44pm.

Board Chair

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #4.2

Meeting Date: May 24, 2023

Presenter(s): Chervahun Emilien

AGENDA TITLE: Re-appointment of the External Auditor

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Board of Governors approve the reappointment of KPMG LLP as External Auditor for the 2023/24 reporting year as recommended by the Board Audit Committee.

COMMITTEE REPORT

At its May 16, 2023 meeting, the Board Audit Committee recommended that the Board of Governors approve the reappointment of KPMG LLP as External Auditors for the 2023/24 reporting year.

Context and Background

Section 33 of the *University Act* states that, “*Unless the Auditor General is appointed in accordance with the Auditor General Act, as the Auditor of the Board, the Board must appoint an Auditor to audit the accounts of the Board at least once each year.*”

In accordance with section 13 of KPU’s Board Governance Manual, the Audit Committee Terms of Reference, states that the Audit Committee recommends to the Board the appointment of the External Auditor.

Key Messages

1. KPMG LLP was selected through request for proposal (RFP) to act as KPU’s External Auditor for three years, commencing with the 2021/22 reporting year. KPU retains the option to extend the Service Agreement for up to two additional years (2024/25, 2025/26), in one-year increments, provided both parties agree to each renewal.
 2. The Board of Governors approved the selection of KPMG LLP as External Auditor through RFP for three years commencing with the 2021/2022 reporting year, as recommended by the Board Audit Committee.
 3. As per the *University Act*, regardless of the procurement process, an auditor needs to be appointed annually. If approved, the appointment will apply to the current fiscal year.
-

Submitted by

Chervahun Emilien, Chief Financial Officer

Date submitted

May 16, 2023

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #5.2

Meeting Date: May 24, 2023

Presenter(s): Gayle Bedard

AGENDA TITLE: xéʔel̓t Pathways to Systemic Transformation

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Board of Governors endorse the xéʔel̓t Pathways to Systemic Transformation, as recommended by the Board Governance Committee.

COMMITTEE REPORT

At its meeting on May 10, 2023, the Board Governance Committee recommended that the Board of Governors endorse the xéʔel̓t Pathways to Systemic Transformation document.

Context and Background

Over the last three years, the Indigenous Advisory Committee, led originally by Puleeqweeluck Len Pierre and then Gwa'lgum'ax Gayle Bedard (AVP for Indigenous Leadership, Innovation and Partnerships) has developed this pathways document. Its purpose is to advance reconciliation with the Indigenous Peoples of these lands through systemic transformation of the institution.

Key Messages

1. This pathway to systemic transformation will guide KPU's efforts to address the Truth and Reconciliation Calls for Action as they relate to education, as well as the BC Government's Declaration of the Rights of Indigenous Peoples.
2. Commitment to change is an ongoing process that involves dialogue, deep reflection, and building trustful relationships.
3. Effective change will require delving into the deep-rooted systems, beliefs, and the culture of KPU.

Resource Requirements

KPU has committed funding to the establishment of the Office of the AVP and will use xé?elt to identify the resources necessary to address its recommendations.

Implications/Risks

This initiative has been talked about for decades at KPU and this pathways document will take that thought to action. The risk of not addressing its recommendations are both moral and reputational.

Consultations

1. Indigenous Advisory Committee; Indigenous employees; Indigenous students
2. Many members of the KPU community who are committed to systemic transformation.

Attachments

1. xé?elt Pathways to Systemic Transformation
-

Submitted by

Gayle Bedard, Associate Vice President of Indigenous Leadership, Innovation and Partnerships

Date submitted

April 28, 2023

xé?el+

KPU Pathway to Systemic Transformation

Artwork by Roxanne Charles, Semiahmoo First Nation

*The Bedford Channel of the Fraser River on territory
of the Kwantlen, Stz'uminus, S'ólh Téméxw (Stó:lō),
WSÁNEĆ, and Semiahmoo First Nations.*









TERRITORIAL ACKNOWLEDGEMENT

We at Kwantlen Polytechnic University respectfully acknowledge that we live, work and study in a region that overlaps with the unceded traditional and ancestral First Nations territories of the xwməθkwəyəʔ (Musqueam), qí cə y (Katzie), SEMYOME (Semiahmoo), scə waθən (Tsawwassen), qiqéyt (Qayqayt), and kwikwəłə m (Kwikwetlem); and with the lands of the qw̓ a:n̓ ʔə́ n̓ (Kwantlen First Nation), which gifted its name to this university.

In the cause of reconciliation, we recognize our commitment to address and reduce ongoing systemic colonialism, oppression and racism that Indigenous Peoples continue to experience.



LEGEND

- | | |
|---|---|
|  q'w̓ a:n̓ ʔə́ n̓ (Kwantlen) |  Semiahmoo |
|  qí cə y (Katzie) |  scə waθən ʔə́ təməx̓ (Tsawwassen) |
|  xwməθkwəyəʔ (Musqueam) |  Qayqayt |
|  k'wík'wəłə m (Kwikwetlem) |  Kwantlen Campus |



xé?elt 
[hee-yeath] noun


A hə́ŋqə́mínə́ŋ phrase for pathways;
chosen to represent this work.

Table of Contents

Acknowledgements.....	1
Introduction	2
Welcoming Statements	4
xé?elt Goals	8
Who Is xé?elt Intended For?	10
Gifting Of Our Name	11
Transformative Principles	12
Goal: Reflecting Upon Our Own Biases.....	13
Goal: Open to the Community.....	14
Goal: Indigenous Voices Matter	15
Goal: Weaving Indigenous Wordviews.....	16
Goal: Holistic Learning and Wellbeing.....	18
Implementation: Our First Steps Forward	19
Wai Wah – Let’s Do This Together!	22

Audio Files

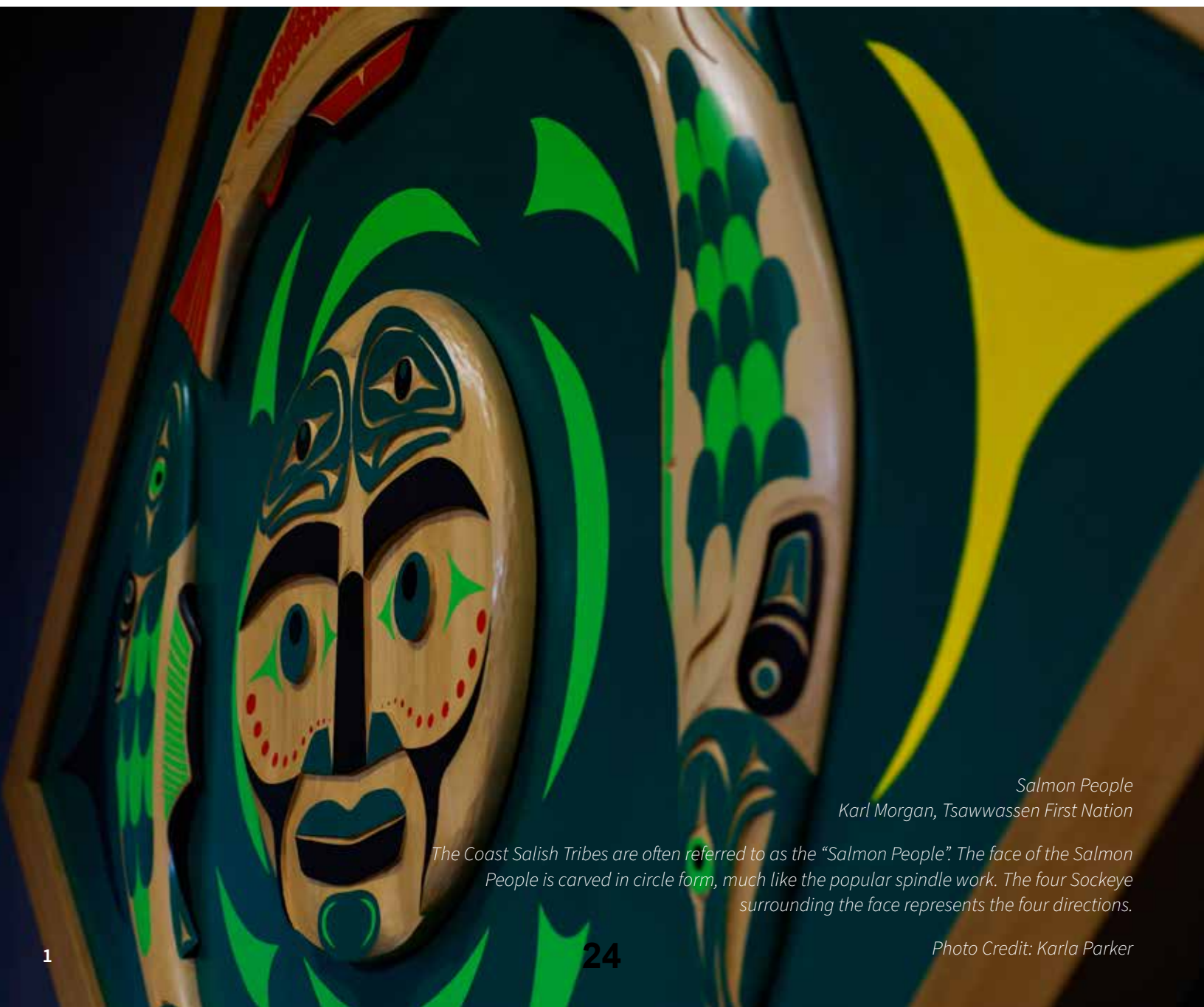
Throughout the document, we have included hə́ŋqə́mínə́ŋ translations for each of the principles. Each word doesn’t represent the entire principle, but it encompasses the core meaning and spirit.

We have also included audio files of each translation. To listen to the audio files, click the  symbol beside the hə́ŋqə́mínə́ŋ words/phrases.

ACKNOWLEDGEMENTS

The xé?elt-pathways document is KPU's response and commitment to upholding the responsibilities expressed through the Truth and Reconciliation Commission of Canada's Calls to Action, the Calls for Justice stemming from the National Inquiry into Missing and Murdered Indigenous Women, Girls and 2SLGBTQQIA people, and the United Nation's Declaration Rights of Indigenous Peoples.

The Indigenous Advisory Committee members have consisted of many leaders over the years: First Nation Chiefs and or designates, Elders, Metis Nation BC, Urban Indigenous organizations and school district representatives. The creation of this document, and how it grew through countless Indigenous Advisory Committee meetings and conversations with faculty, staff and students over the years is now coming to fruition with the release of the xé?elt-pathways document. Your voices have been heard and articulated throughout this document. hay cx^w qə for your dedication, passion and commitment over the years.



*Salmon People
Karl Morgan, Tsawwassen First Nation*

The Coast Salish Tribes are often referred to as the "Salmon People". The face of the Salmon People is carved in circle form, much like the popular spindle work. The four Sockeye surrounding the face represents the four directions.

Photo Credit: Karla Parker

INTRODUCTION



Fallen cedar tree covered in Spaghnum moss and surrounded by Bracken ferns at Alouette Lake, territory of the Katzie, Kwantlen, S'ólh Téméxw (Stó:lō), WSÁNEĆ, and Semiahmoo First Nations. (Photo Credit: Karla Parker)

Kwantlen Polytechnic University's Journey to Reconciliation

The creation of this document, and how it grew through countless conversations and contributions, reflects the journey towards achieving systemic transformation at KPU. Systemic transformation does not happen through a simple series of checklists. Commitment to change is an ongoing process that involves continual dialogue, deep reflection, and relationship building that moves beyond the surface and delves into the deep rooted systems, beliefs, and culture of an organization. This process is not linear or direct, it involves a series of intersecting pathways that reflect the various needs, abilities, and experiences of the community. Thus, xé?elt, a hən'qəmiṇ əm phrase for pathways, was chosen to represent this work.

The pathways are not exhaustive, and in terms of implementation, they are shared in a way to encourage and enable individuals, groups, facilities, and departments to create their own pathways that reflect their own environments, experiences, and abilities. Walk with the Indigenous peoples as we strive for equity within a euro-centric education system.



“

Don't lead; I may not follow.
Don't follow; I may not lead.
Let's walk together on this journey
and see where it leads us.

— Rich Pierre,
Katzie First Nation



WELCOMING STATEMENTS



**Chancellor Kwuntiltunaat
(Kim Baird)
Tsawwassen First Nation**

“To make transformation happen, we must learn from each other, set a path with vision and action, and move forward with care and courage.

We are at a unique time in the history of this country. A time when we are confronting the colonial past of Canada. A time when Indigenous Peoples and Canadians are wondering about how we move forward?

Whether it is increasing Indigenous participation, improving curriculum and convening important discussions about our way forward, post secondary institutions have a critical role to play for how Indigenous Peoples and Canadians move forward.

As KPU's first Indigenous and woman chancellor, I am proud of the work xé?el̓t represents to ensure KPU contributes to transforming the University, over time, with an Indigenous focus on its work. Xé?el̓t is the first articulation of work already underway combined with work KPU wants to achieve.

To make transformation happen, we must learn from each other, set a path with vision and action, and move forward with care and courage. Treating each other with dignity and respect is the way forward for us all, and the faculty and students of KPU are in a great place to walk this talk.

Thanks to all KPU faculty and students leading this important work. My hands go up to you with respect and I look forward to see our progress as set out in xé?el̓t and the transformation ahead of us.

hay cxʷ qə



Rhiannon Bennett
Musqueam First Nation
 Vice Chair of
 KPU Board of Governors

“I am honoured and grateful to have been a part of this process at KPU. I am very excited for the necessary changes the xé?elt will bring to KPU; it is a long-awaited and critical path forward, and I can only hope it sets a precedent for other educational institutions, both locally and across what is colonially known as Canada. I am also hopeful that these changes will allow Indigenous students to form a sense of belonging within their post-secondary careers.

The education system has long been used as a tool of genocide; it is vital for education to transition to a tool of healing and empowerment to create equitable and inclusive learning spaces for both Indigenous and non-Indigenous students – after all, what is good for Indigenous students is good for all students. The xé?elt’s holistic approach is fundamental to its inevitable success, as it allows for a transformative opportunity for the entirety of the education system here at KPU. The xé?elt will help pull out the thread of Anti-Indigenous

Racism that is woven into the fabric of Canadian culture and will help ensure KPU graduates are leading the way in stopping the harm that far too many Indigenous Peoples face at work, in healthcare, and in all places KPU graduates pursue their careers. Engaging with local Indigenous communities, forming relational rapport and togetherness, and instilling perspectives of people of the land in educational spaces are all necessary aspects of xé?elt. The impact that these strategies will have on all students will be a profound and much-needed change. The xé?elt is truly putting thought into action.



Alan Davis
President and Vice Chancellor

“I am an uninvited settler to these beautiful lands, the unceded and ancestral territories of the Coast Salish peoples, lands which were stewarded by the Indigenous Peoples for millennia.

I am truly grateful to have lived and worked here for the past 50 years, and I humbly recognize the privileges that I arrived with.

I accept and recognize my role, and that of Kwantlen Polytechnic University, to address and reduce ongoing systemic colonialism, oppression and racism that Indigenous Peoples continue to experience. We must also do all we can to heal the lands themselves and make them sustainable for generations to come. And we can only do this by having open and generative partnerships with the Indigenous communities in our region and beyond.

This document, xé?elt: Indigenous Pathway to Systemic Transformation, will guide KPU as it continues with this work.

Kwantlen means “tireless runner”, and we thank the Kwantlen First Nation for graciously bestowing their name on this university, but also for inspiring us to ceaselessly work towards the goals of xé?elt.

The medieval and colonial coat of arms of KPU has a motto that aligns with Kwantlen: “Through tireless effort, knowledge and understanding”, but more importantly, the more recent KPU tag line which we live by is “Where thought meets action.” We will do our work and we will know and understand more, but that will mean nothing if we do not also act in the ways suggested by xé?elt.

The Province of British Columbia is the first government in Canada and the Common Law world to pass legislation implementing the UN Declaration on the Rights of Indigenous Peoples, and this provides a context for our work, along with the Calls to Action of the Truth and Reconciliation Commission of Canada.

Finally, the goals of xé?elt intersect with those of fostering all human rights, inclusion and antiracism, both within KPU and beyond.

A group of herons
near slakəyánc
(I.R. #1)

Photo Credit:
Kwikwetlem First
Nation



Celebrating
members who
graduated or
passed grade at
Kwikwetlem Day
2021.

Photo Credit:
Kwikwetlem First
Nation



xé?elt GOALS

Goal 1 Reflecting Upon Our Own Biases

Commit to supporting Indigenization, Decolonization and Reconciliation by being responsible for undertaking a personal journey to learn the true history of Canada and to examine your beliefs and biases about Indigenous Peoples and cultures.

Goal 2 Open to the Community

Decolonize KPU by creating a system that is culturally responsive, ready for all learners, and strives for reconciliation.

Goal 3 Indigenous Voices Matter

Strengthen relationships/partnerships based on mutual recognition, respect, sharing, accountability and responsibility.

Goal 4 Weaving Indigenous Worldviews

Cultivate inclusive communities that foster student's sense of belonging and wellbeing.

Goal 5 Hollistic Learning and Wellbeing

Weave Indigenous ways of knowing, doing, being and becoming in education, personally and professionally within the KPU community.

Commit KPU to annual funding to build capacity for Indigenization across the five campuses.

Elder Lekeyten at the Open Doors, Open Minds 2018.

KPU welcomed more than 60 Indigenous students to its Surrey campus to hear from inspirational speakers and learn about post-secondary study options.

Photo credit: KPU



Captured at Open Doors, Open Minds 2022.

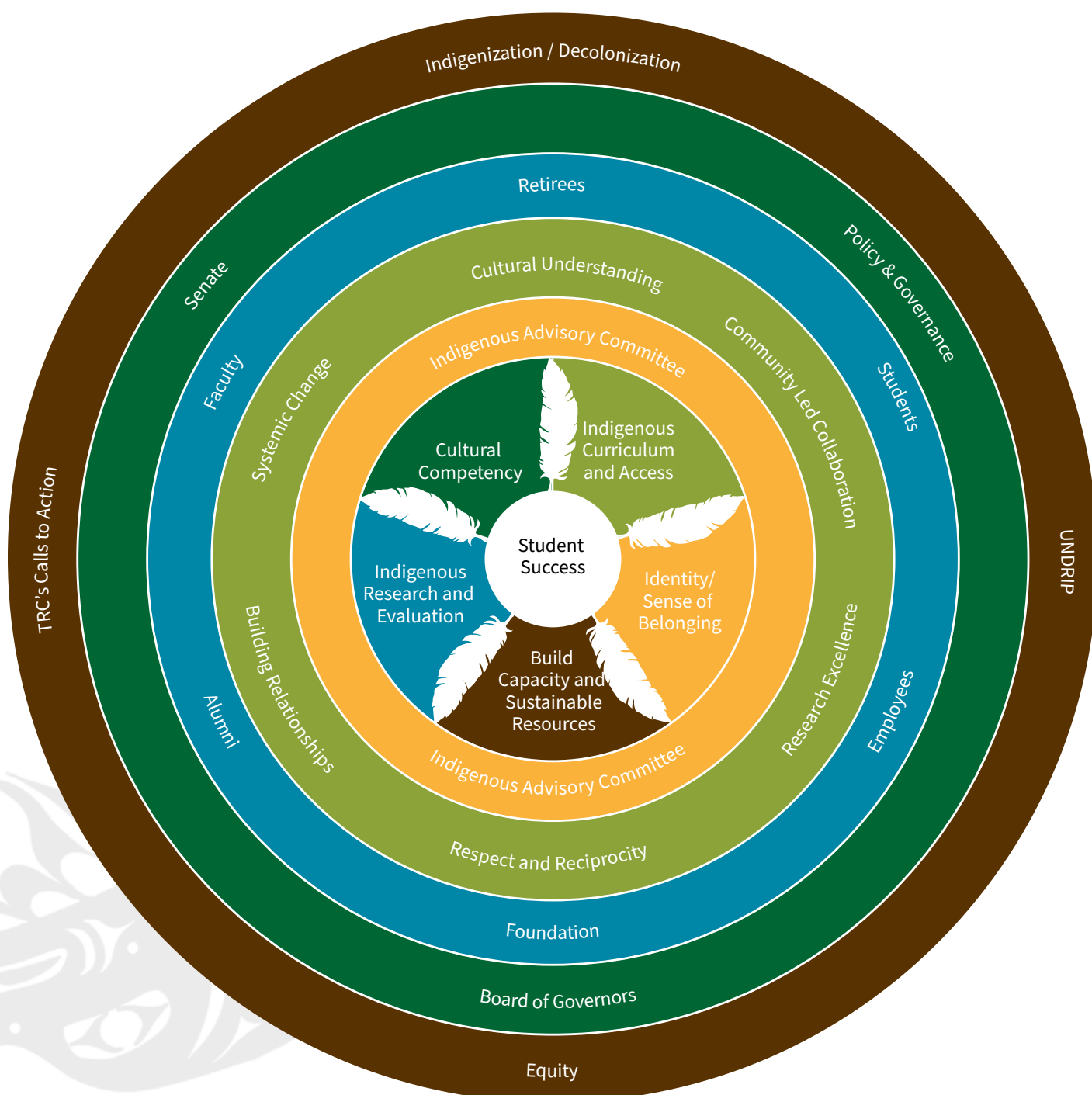
Open Doors, Open Minds gave Indigenous high school students a taste of the learning opportunities open to them at KPU. Pil'alt Canoe Family performing traditional dance.

Photo credit: KPU



WHO IS xé?el̓t INTENDED FOR?

xé?el̓t is about shifting the culture at KPU to one where the responsibility of systemic transformation is shared amongst the KPU community to recognize and advance the rights of Indigenous Peoples. As illustrated below, everyone within the KPU community, be they the Board of Governors, Senate, administrative executives, faculty, students, employees, or alumni, are asked to reflect on xé?el̓t and ask themselves how they can meaningfully carry out its inherent messages through their own areas of interest and influence. Ultimately, it is about reimagining what it means to be a university with a name gifted by the Kwantlen First Nation and respecting the responsibilities that come with that privilege.





GIFTING OF OUR NAME

<<<Insert gifting story>>>



TRANSFORMATIVE PRINCIPLES AND CALLS TO ACTION: OUR PATHWAY

· Safe and Respectful
· Dialogue

· Examine Beliefs
· and Biases

· Open to
· Community

· Indigenous
· Voices Matter

· Holistic Learning
· and Wellbeing

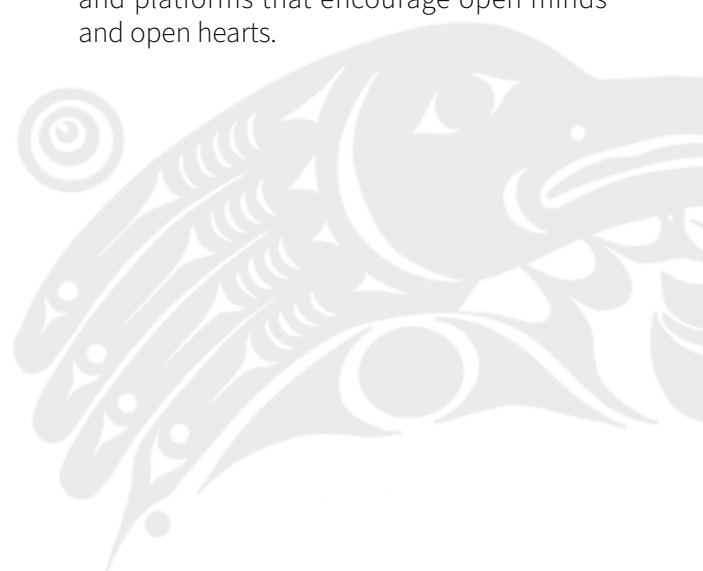
· Weaving Indigenous
· Worldviews



Reflecting Upon Our Own Biases

Commit to supporting Indigenization, Decolonization and Reconciliation by being responsible for undertaking a personal journey to learn the true history of Canada and to examine your beliefs and biases about Indigenous Peoples and cultures.

- | | |
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| <p>Action 1 Support faculty, employees and students in their decolonization work to achieve equity, diversity, inclusion and justice at KPU.</p> | <p>Action 6 Expand on existing online Indigenous resources and repositories to provide students, faculty, and employees access to resources, video and audio recordings, written guides and reports, literature, and publications about Indigenous topics, knowledges and cultures.</p> |
| <p>Action 2 Support each individuals' journey of reconciliation and Indigenous awareness, both in the workplace and in our places of learning, through the creation and implementation of professional development and training programs for all groups, including: Board of Governors, Senate, senior university leaders, faculty, other employees and students.</p> | <p>Action 7 Promote inclusivity and a sense of belonging across all campuses for all peoples, acknowledging that who we are as individuals and as a community relates to one's identity, worldviews, values and beliefs.</p> |
| <p>Action 3 Evolve cultural awareness training and ensure comfort and safety for students, faculty and employees before they introduce worldviews to students and colleagues. Provide tools for self-assessment and prompts for self-reflection.</p> | <p>Action 8 Identify, report, and celebrate growth in the Indigenous student population along with the number of Indigenous studies, programs, classes, and projects that are delivered at KPU.</p> |
| <p>Action 4 Create traditional knowledge sharing circles with teachers and cultural advisors from all Indigenous communities to bring together Indigenous community leaders with members of the Board of Governors, Senate, senior university leaders, faculty, employees and/or students.</p> | <p>Action 9 Continue to provide a forum for critical discourse through the provision of spaces and platforms that encourage open minds and open hearts.</p> |
| <p>Action 5 Develop and offer experiential learning opportunities for faculty, students, and employees to raise greater insight and understanding about Indigenous histories, knowledges, ceremonies, and cultural protocols.</p> | |





we are united/
community

Open to the Community

Decolonize KPU by creating a system that is culturally responsive, ready for all learners, and strives for reconciliation.

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| <p>Action 1 “Nothing about us without us”. Ensure that Indigenous Peoples are always included in decisions and processes about them.</p> <p>Action 2 Focus on jointly building vocabulary to define what Indigenization, decolonization, reconciliation, Indigenous community engagement, and good relations mean within an Indigenous context.</p> <p>Action 3 Review and prioritize all existing or future KPU plans, policies, and procedures to ensure they support the principles and goals of xé?elt and reflect the commitments expressed through the TRC Commission of Canada’s Calls to Action, the Calls for Justice stemming from the National Inquiry into Missing and Murdered Indigenous Women, Girls and 2SLGBTQIA people, and the United Nations Declaration on the Rights of Indigenous Peoples.</p> <p>Action 4 Expand recruitment, hiring and retention practices to recognize Indigenous ways of knowing and community validated kinship and lived experiences that may not be reflected in western definitions.</p> <p>Action 5 Create institutional capacity and resources through the Office of Research, innovation and Graduate Studies for Indigenous learners that is led by Indigenous communities.</p> <p>Action 6 Deliver on-campus spaces and services to support the needs of Indigenous and non-Indigenous students, such as childcare and housing.</p> | <p>Action 7 Encourage, host and learn from ongoing learnings and discussions that identify the intersections between Indigenous communities and other communities confronting colonization, other forms of systemic harm and exclusion, and their lasting impacts as experienced globally.</p> <p>Action 8 Collaborate with the KPU Anti-Racism Task Force to form an Indigenous Anti-Racism Committee, to help identify and eliminate racism in systems and structures throughout the institution.</p> <p>Action 9 Establish and maintain effective working relationships and openly engage with Indigenous peoples, communities and organizations whether they are First Nations, Metis or Inuit.</p> <p>Action 10 Create a road map to identify and define methods to collaborate on the development of the campus, and to include Indigenous values, presence and histories in the design of open spaces, buildings, streetscapes and installations.</p> <p>Action 11 Create opportunities for dialogue, and recommendations on how to reimagine a stronger sense of indigeneity and presence on all campuses by allocating space for gathering of, for community celebrations and ceremonies that are grounded in Indigenous ways.</p> |
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sʔiʔaʔəq^wt 

[sthlee-uh-ow-gtwo]

future generations

Indigenous Voices Matter

Strengthen relationships/partnerships based on mutual recognition, respect, sharing, accountability and responsibility.

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| <p>Action 1 Develop sustainable and effective methods for Indigenous consultation, at multiple levels to address knowledge, cultural protocols, guidelines and ethical frameworks, decision making, and the evolution of the Indigenous Advisory Committee.</p> <p>Action 2 Align KPU's operational budget to provide meaningful and flexible allocations and resourcing for the goals identified in the xéʔelt Pathways to Systemic Transformation plan.</p> <p>Action 3 Address the systemic hierarchical barriers by recognizing the distinct and unique histories, cultures, and modern realities of the First Nations, Metis and Inuit peoples of Canada.</p> <p>Action 4 Collaboratively work with the Kwantlen Faculty Association (KFA) to strategically address and revise policies to support the TRC's Calls to Action and the UN Declaration on the Rights of Indigenous Peoples, developing actions for decolonization, reconciliation and Indigenization.</p> <p>Action 5 Collaboratively work with the BCGEU to strategically address the TRC's Calls to Action, to cultivate a deeper understanding of the impact of intergenerational trauma and systemic racism, and work together to dismantle colonialism.</p> | <p>Action 7 Recognize that new Canadians and international students quickly adopt the dominant views about Indigenous peoples. Deconstruct with learners the implications for this ongoing alignment with euro-centric views. Anticipate and prepare responses to racism.</p> <p>Action 8 Celebrate and recognize the achievements and contributions of Indigenous students, employees, faculty, and community members.</p> <p>Action 9 Incorporate Indigenous cultural protocols and ceremonies into convocation, including the opportunity to wear Indigenous regalia at the ceremony.</p> <p>Action 10 Work with Kwantlen First Nation Elders to honour and share the story of how the name Kwantlen became gifted to KPU, making use of interactive media where appropriate.</p> <p>Action 11 Partner with Indigenous communities and organizations (such as the Fraser Region Aboriginal Friendship Centre and Surrey Urban Indigenous Leadership Committee) to provide programs for youth that include training and skills development.</p> <p>Action 12 Compensate Elders and Cultural Advisors on the same level as instructors and faculty.</p> <p>Action 13 Collaborate with local Indigenous communities, and teach with the land-based learning that reflect Indigenous presence and history.</p> |
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to weave

Weaving Indigenous Worldviews

Cultivate inclusive communities that foster student's sense of belonging and wellbeing.

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| <p>Action 1 Complete a university-wide, faculty-level curriculum review to ensure Indigenous histories, experiences, worldviews and knowledge systems are appropriately integrated in course content.</p> | <p>Action 8 Create physical and virtual spaces at each of the five campuses that reflect Indigenous peoples' histories, contributions, languages and diversities.</p> |
| <p>Action 2 Develop collaborative partnerships, transformative learning experiences, and an accessible and holistic network of support and resources.</p> | <p>Action 9 Support students looking for a safe place, and create ways to communicate and demonstrate to families that their loved ones will be safe.</p> |
| <p>Action 3 Expand the Gathering Place into an Indigenous Student Centre, ensuring to interweave Indigenous cultures, and to provide a growing presence on every campus.</p> | <p>Action 10 Create an environment where Indigenous students feel welcome and supported throughout the admissions process. This includes assisting Indigenous students and families with their registration, and identifying through clear communication the programs, courses, and resources that are available.</p> |
| <p>Action 4 Create additional Indigenous scholarships to recognize and celebrate both academic and community achievements.</p> | <p>Action 11 Focus on providing Indigenous students with improved priority in their course registration.</p> |
| <p>Action 5 Work with local School Districts, Indigenous communities and organizations to create multi-pathway admissions processes and programming for students transitions from K-12, including mature learners.</p> | <p>Action 12 Create a credited course or process offering an introduction to KPU to help in the transition of new students to navigate the university experience, and to further support Indigenous cohorts, communities, and relationships.</p> |
| <p>Action 6 Work with Indigenous alumni to foster mentorship and relationship opportunities for current and future Indigenous students.</p> | <p>Action 13 Host welcoming events and community circles to help Indigenous students connect with their peers.</p> |
| <p>Action 7 Support International Indigenous exchange programs to enhance learning exchange experiences.</p> | |

Community feast held in the Fall at the Tsawwassen First Nation Farm School, bringing together TFN community members, Chief and Council, KPU staff, and program supporters.

*Photo Credit:
KPU Sustainable Agriculture and Food Security*



Tsawwassen First Nation Elder Ruth Adams providing a blessing at the Tsawwassen First Nation Farm School.

*Photo Credit:
KPU Sustainable Agriculture and Food Security*





ya:yəstəl' 

[yaya-stel]

work together

Holistic Learning and Wellbeing

Weave Indigenous ways of knowing, doing, being and becoming in education, personally and professionally within the KPU community.

Commit KPU to annual funding to build capacity for Indigenization across the five campuses.

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| <p>Action 1 Meet quarterly with Indigenous Services to review the structures and supports.</p> | <p>Action 6 Collaboratively prepare and honour local Indigenous communities cultural protocols to ensure that there are consistent and respectful approaches for inclusion of traditional knowledge in teaching, research, and community celebrations.</p> |
| <p>Action 1 Expand the Indigenous Cultural Advisory Program to include Elders and Cultural Advisors from multiple Indigenous communities, to reflect the needs of current and future students and Indigenous participation at KPU.</p> | <p>Action 7 Ensure that han'q'emin'am' and other dialects are evident and accessible throughout the campuses and online to create connection with language, and to offer insights into worldviews.</p> |
| <p>Action 1 Commit to the revitalizing the hən'q'əmin'əm language by partnering with other post-secondary universities with established language programs.</p> | <p>Action 8 Incorporate the "First Peoples Principles of Learning" into curriculum design, and reflect the traditional teaching and knowledge from all Indigenous communities on whose traditional territories KPU's campuses are located.</p> |
| <p>Action 2 Host traditional cultural ceremonies that celebrate community and bring people together such as a modern potlatch, smudging, powwows, etc. Support the teachings of preparing, weaving, beading, and cedar mats as giveaways, celebrations, and knowledge sharing.</p> | <p>Action 9 Decolonize assessments by including Indigenous assessment as a component of academic evaluation.</p> |
| <p>Action 3 Host annual gatherings of local elders at KPU, inviting students and the wider community to also participate.</p> | <p>Action 10 Include cultural protocols when welcoming new Indigenous faculty.</p> |
| <p>Action 4 Create a dedicated safe space for Elders and Cultural Advisors to talk and gather where they can also initiate and partake in practices such as smudging.</p> | <p>Action 11 Recognize the importance of the relationship between all peoples and the land, to ensure that the built and natural environments on every campus feel like an extension of the Gathering Place.</p> |
| <p>Action 5 Incorporate ongoing visits and sharing from Elders and Cultural Advisors in classrooms, at gatherings, and celebrations.</p> | |

IMPLEMENTATION: OUR FIRST STEPS FORWARD

Implementation 1.2

Ensure that KPU's operating budget provides the financial resources to deliver xé?elł and the flexibility to accommodate specific Faculty, Division and Departmental needs, including a requirement for each unit to report annually how such budgets were allocated towards advancing reconciliation.

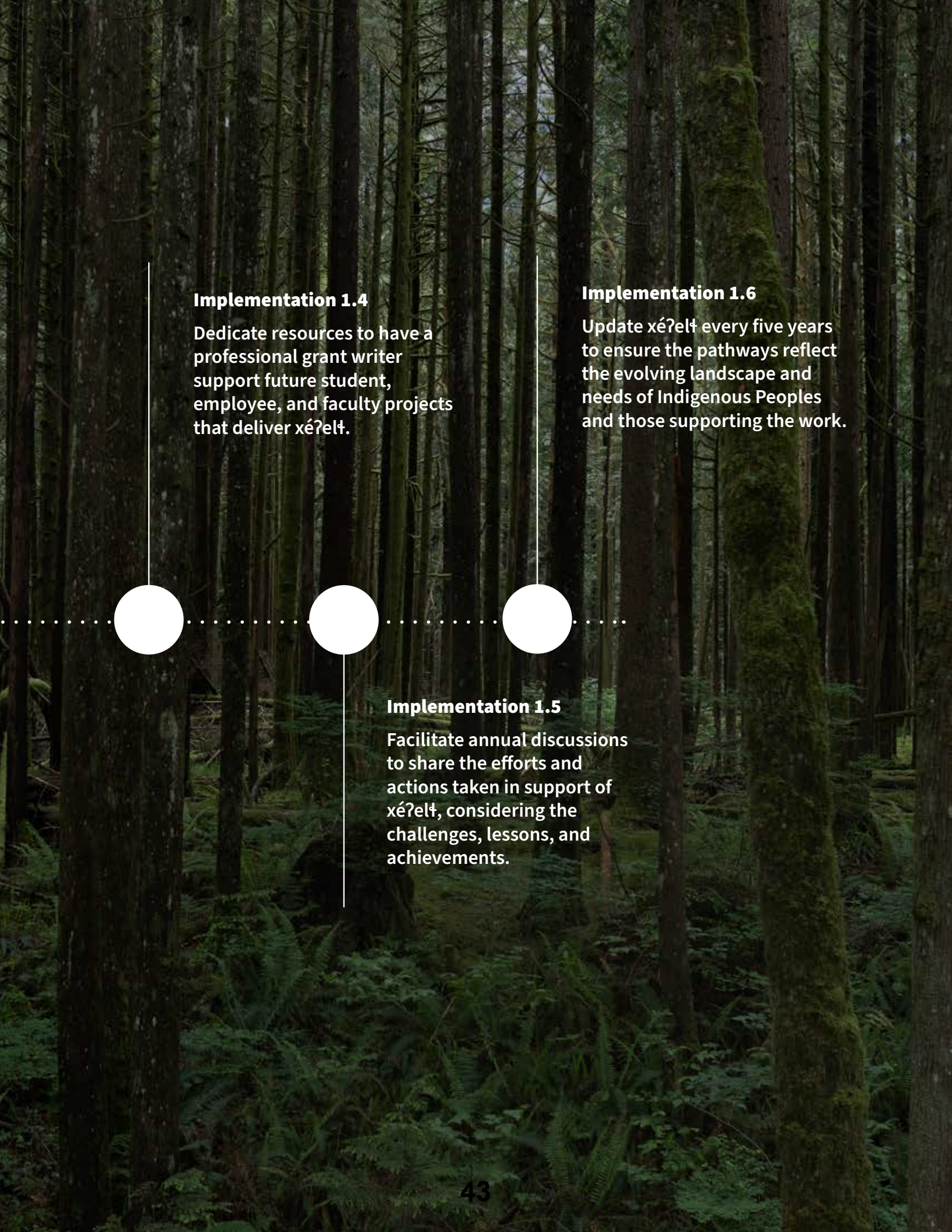
Implementation 1.1

Revise the terms of reference for the Indigenous Advisory Committee and establish responsibility for overseeing the implementation of xé?elł as well as contribute to reporting annually to the university community and partners. This would include the creation of a matrix to share ongoing reconciliation efforts, ideas, lessons and achievements.

Implementation 1.3

Create an Office of Indigenous Initiatives and Partnerships with appropriate levels of staffing and resources to uphold the principles and goals, and sustain the actions identified in xé?elł and subsequent reviews.

Forest of trees and ferns at Alouette Lake, territory of the Katzie, Kwantlen, S'ólh Téméxw (Stó:lō), WSÁNEĆ, and Semiahmoo First Nations. (Photo Credit: Karla Parker)

A background image of a dense forest with tall, moss-covered trees. A horizontal dotted line runs across the middle of the page, with three white circles positioned on it. Vertical lines extend from each circle to the text blocks.

Implementation 1.4

Dedicate resources to have a professional grant writer support future student, employee, and faculty projects that deliver xé?elt.

Implementation 1.6

Update xé?elt every five years to ensure the pathways reflect the evolving landscape and needs of Indigenous Peoples and those supporting the work.

Implementation 1.5

Facilitate annual discussions to share the efforts and actions taken in support of xé?elt, considering the challenges, lessons, and achievements.



Let's Gather
Leonard Wells, Semiahmoo First Nation

Each figure represents both the First Nations in the area - Semiahmoo, Tsawwassen, Katzie and Kwantlen - and the diversity of non-First Nations people attending the University. The figures rest one hand on the inner circle, this being the Bowl of Knowledge from which they draw.
Medium: 450 year old Red Cedar, January 2020

WAI WAH – LET’S DO THIS TOGETHER!



Gayle Bedard
Tsimshian Nation

Indigenous Associate Vice
President, Indigenous Leadership,
Innovation and Partnerships

Weaving together our traditional languages, vibrant cultures and histories with Western knowledge systems will create educational opportunities to learn the true colonial history of Canada. Together we can make a stronger future for Indigenous peoples and their communities.

As the new Associate Vice President of Indigenous Leadership, Innovations and Partnerships, I am pleased to be part of the many voices in the creation of the xé?elt Pathways to Systemic Transformation document. The purpose of the xé?elt plan is to provide guidance to the KPU community, in their commitment to honoring the Truth and Reconciliations 94 Calls to Action, and the United Nations on the Declaration of Rights for Indigenous Peoples by advancing decolonization and Indigenization in curriculum, policies and governance across the five campuses.

Weaving together our traditional languages, vibrant cultures and histories with Western knowledge systems will create educational opportunities to learn the true colonial history of Canada. As non-Indigenous peoples commit to walking this path of transformation with respect, accountability and transparency – they will proudly recognize their contributions to a better and stronger future for Indigenous peoples and their communities.



KWANTLEN
POLYTECHNIC
UNIVERSITY

*The Katzie First Nation Tradition & Spirit
Loraine Pierre and Josephine James, Katzie First Nation*

This plaque-style carving is a rendering of Katzie First Nation Traditions within its Territories. The use of 2x6 boards represents the traditional style of their ancestor's plank lean-to. The backdrop of "Golden Ears Mountain" with a traditional fishing canoe is shown with the sacred Eagle, Wolf, Crame, and Bear with Salmon. All are found within the Katzie Traditional Territories with whom the people share their food, water and lands.

*Medium: Red cedar
January 2010*

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #5.3

Meeting Date: May 24, 2023

Presenter(s): Dr. Alan Davis/ Dr. Lori McElroy

AGENDA TITLE: Vision 2026

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

That the Board of Governors approve Vision 2026 as recommended by the Board Governance Committee.

COMMITTEE REPORT

At its meeting on May 10, 2023, the Board Governance Committee recommended that the Board of Governors approve Vision 2026.

Context and Background

The first draft of Vision 2026 was presented to the Board Governance Committee in January. Since then considerable consultation on the Vision has occurred, including a survey of employees and students, and meetings with various groups, including the Senate Subcommittee on Academic Planning and Priorities, the Senate, the Board of Governors and some Faculty Councils. Based on these consultations, Vision 2026 has been modified. The most substantial change is the addition of a new goal on health and wellness, and a new set of values.

Key Messages

1. The Vision 2023 strategic plan will close with a final report in the Fall of 2023.
2. With the re-appointment of Dr. Davis until August 2025, an update to Vision 2023 ("Vision 2026") needs wide consultation and Board approval.
3. Vision 2026 will provide the priorities for ensuring a successful transition to a new president.
4. Based on the consultation, a new goal on health and wellness of students and employees has been added, a new set of values have been developed, and improvements in wording have been made throughout the document.

Resource Requirements

None

Implications/Risks

Without such a plan, the transition to a new era for KPU with a new president in 2025 may not be as successful.

Consultations

Board, Foundation Board, Senior Leadership, Academic Council, Senate, KSA, Unions, Chairs of Program Advisory Committees, some Faculty Councils, in addition to a survey of all employees and students

Attachments

1. Vision 2026
 2. Policy [GV10](#): Mission, Vision and Values Development and Amendment
 3. [Board Governance Manual](#): Section 18 - Strategic Planning
-

Submitted by

Dr. Alan Davis, President and Vice Chancellor and Dr. Lori McElroy, AVP, Planning & Accountability

Date submitted

April 27, 2023

Building on VISION 2023...

Vision 2026

The Context

In drafting VISION 2023 in 2018, KPU was prescient. It described a future where:

- as a result of digital transformation, the nature of work and ways of life are quickly evolving;
- awareness of and demands for action around social injustice are heightened;
- environmental impacts such as global climate change are requiring significant adaptation in the way we work and live; and
- decolonization of institutions and full inclusion of Indigenous peoples is a priority.

KPU suggested that, in order to respond to these challenges and to make the world a better place, access to lifelong, meaningful education for all is fundamental. This is as important now in 2023 as it was then, and these challenges continue with the addition of the impacts of the continuing global COVID-19 pandemic and a changing world order. These and other factors have shown how much we depend on global supply chains and on a workforce that has undergone all sorts of disruptions.

KPU's response remains consistent. As a polytechnic university, KPU has the unique opportunity to evolve in a way that anticipates this future by:

- reflecting and serving our diverse, dynamic and growing region by providing a wide range of offerings, services and activities;
- defining, developing and teaching the essential new competencies needed by our graduates, encompassing both technical and human literacies, creativity, adaptability, digital citizenship and social awareness;
- staying abreast of digital transformation, including generative AI, in program curriculum, pedagogy and assessment, as well as in how we work;
- ensuring that our graduates are prepared for a lifetime of learning and re-learning, and providing them with opportunities to adapt to their changing needs;
- leading by example as we evolve as a unique, progressive and highly regarded polytechnic university which fosters innovative teaching and learning and relevant research and scholarship; and
- striving to be a good university*: democratic, engaged, truthful, creative and sustainable. **The Good University, Raewyn Connell (2019)*

KPU's Mission, Vision, Values and Goals

Mission By thinking and acting together, we transform lives and empower positive change.

Vision In 2026, KPU is a learning ecosystem rooted in a culture of sustainability, creativity, justice and quality that inspires our people and our communities.

Values At KPU, we work together to transform lives for the benefit of our society. In so doing, we tirelessly endeavor to align our actions with our values, which are:

Care: We care about the words we choose, the actions we take, and the impact we have on our students, colleagues, the community and the land on which KPU is situated. We do this by showing pride in our work, communicating honestly and with empathy, treating each other with dignity and respect, offering our help, and holding ourselves and each other accountable for the long-term success and well-being of our students, colleagues, community and environment.

Collaboration: Together, we seek solutions for the greater good. We do this by giving and seeking input from others when developing plans, exchanging information and ideas, gaining commitment to goals, notifying those impacted by changes in a timely manner, respectfully stating opinions, supporting group decisions even if not in total agreement, and sharing credit for achievements.

Humility: We balance confidence with modesty. We do this by accepting our own strengths and limitations, receiving feedback without defensiveness, apologizing when we make a mistake and learning from it, being open to new ideas and opportunities, building others up, and putting aside ego to serve the needs of our students and colleagues.

Equity: We strive to offer opportunities, supports and resources for all students and employees of equity-denied groups to ensure that they thrive and succeed. We do this by actively seeking out and considering diverse perspectives and experiences when making decisions, raising awareness and understanding of equity issues, and addressing and correcting systemic barriers that may exist for equity-denied groups.

Goals KPU's 15 goals are organized into five interconnected themes:

A. Experience: We will

- A1. Enhance the experience of our students
- A2. Enrich the experience of our employees
- A3. Support the health and wellness of our students and employees

B. Sustainability: We will

- B1. Foster cultural, social and environmental sustainability through our offerings, research and operations
- B2. Integrate planning to sustain institutional health by aligning KPU operations with our resources
- B3. Ensure financial sustainability for KPU through long-term financial and enrolment planning

C. Creativity: We will

- C1. Foster teaching excellence and expand innovation in teaching, learning and curriculum
- C2. Expand activity, funding, intensity and impact of research, scholarship and innovation partnerships
- C3. Embolden creative problem solving across KPU's operations

D. Justice: We will

- D1. Foster decolonization and reconciliation
- D2. Advance Antiracism across KPU
- D3. Advance equity, diversity, inclusion and accessibility across KPU

E. Quality: We will

- E1. Ensure continuous improvement of all KPU programs and services
- E2. Hold each other responsible for our promises and our expectations
- E3. Be accountable and transparent to our friends, communities, partners and governments

The Details

A. Experience: Students and employees enjoy rich, engaging and supportive educational and working experiences

A1. Goal: We will enhance the experience of our students

Progress on this goal will be made by ensuring that both domestic and international students have access to:

- The courses they need to graduate in a timely manner
- Experiential learning opportunities in all programs
- Resources they need to help them succeed academically
- Campus resources to support their learning and development
- Campus facilities and services to support their well-being, including progress on affordable housing
- Increased financial support for students in need
- Opportunities to develop the skills and competencies needed for success in the workforce
- Opportunities to develop intercultural competencies

Experiential learning includes, for example, co-ops, practica, field work, internships and other work-integrated learning, as well as service learning and research.

A2. Goal: We will enrich the experience of our employees

Progress on this goal will be made by providing our employees with access to:

- Appropriate professional development opportunities
- Appropriate opportunities to advance internally
- A respectful workplace where all employees are treated with dignity and respect and are free from discrimination, bullying and harassment
- Celebration and recognition of employees' achievements and service
- Opportunities to develop intercultural competencies
- The resources necessary to do their job effectively

A3. Goal: We will support the health and wellness of our students and employees

Progress on this goal will be made by:

- Formally committing to the principles and practises of a health-promoting university through the [Okanagan Charter](#)
- Supporting the development of a comprehensive wellness strategy for students and employees
- Supporting the development and implementation of a comprehensive mental-health strategy for students and employees

What this means for KPU:

By making the perspectives of students and employees our priority, we will improve their experiences at KPU and help them be successful. By promoting the health and well-being of our students and employees, KPU will create a culture of compassion and well-being, improving the health of students and employees.

B. Sustainability: Cultural, social, environmental and institutional sustainability are advanced

B1. Goal: We will foster cultural, social and environmental sustainability through our offerings, research and operations

Progress on this goal will be made by:

- Offering formal education programs and courses that address sustainability
- Conducting research that addresses sustainability issues
- Ensuring our operations are environmentally sustainable
- Implementing KPU's Sustainability Plan to advance sustainability performance and support the United Nations Sustainable Development Goals

B2. Goal: We will integrate planning to sustain institutional health by aligning KPU operations with our resources

Progress on this goal will be made by:

- Creating an integrated planning culture where decisions are fully informed and transparent
- Developing institutional mechanisms to align all planning and approval processes with available resources and institutional priorities
- Providing planners and decision-makers with the tools and training required to align operations with priorities and resources
- Sustainable enrolment planning that aligns recruitment, admission and retention processes with our capacity to meet demand and support student success
- Develop and implement a strategy and plan for internationalization at KPU

B3. Goal: We will ensure financial sustainability for KPU through long-term financial and enrolment planning

Progress on this goal will be made by:

- Ensuring sustainable enrolments
- Employing a budget model that ensures the strategic allocation of available resources to address institutional priorities
- Developing a five-year rolling budget that supports long-term planning
- Developing ways to support the implementation of the KPU 2050 Campus Plan while generating endowment wealth and ongoing revenue streams

What this means for KPU:

KPU's commitment to environmental sustainability will ensure KPU's reduces its environmental impact and help educate KPU students so they can contribute to environmental sustainability. Integrated planning will ensure that academic offerings and services are aligned with our resources so that quality, financial and institutional stability are sustained. Long-term financial and enrolment planning will ensure financial sustainability.

C. Creativity: KPU's innovation, teaching excellence, scholarship and research benefit KPU, its students and society

C1. Goal: We will foster teaching excellence and expand innovation in teaching, learning and curriculum

Progress on this goal will be made by:

- Ensuring adequate supports and resources for continual development of teaching practise
- Ensuring students receive quality instruction and a meaningful learning experience
- Ensuring educators are well supported to innovate in teaching, learning and curriculum
- Ensuring that Indigenous histories and knowledge are thoughtfully infused across the curriculum

C2. Goal: We will expand activity, funding, intensity and impact of research, scholarship and innovation partnerships

Progress on this goal will be made by:

- Growing supports for research, innovation and scholarly activities conducted by KPU employees and students
- Increasing the amount and intensity of research, innovation and scholarly activity, both inside and outside of curriculum
- Expanding capacity for research and scholarship in order to promote and foster excellence across the university's research enterprise
- Engaging business, industry, non-profit, government, academic and Indigenous organizations to address economic, environmental and social needs of our communities
- Increasing the impact from research, innovation and scholarly activities on KPU and on our region
- Increasing visibility and showcasing achievements in research, innovation and scholarly activity undertaken by members of KPU community

Scholarship activities at KPU encompass discovery, application, engagement, creation, integration and the scholarship of teaching and learning. Research is an undertaking intended to extend knowledge through a disciplined inquiry and/or systematic investigation.

C3. Goal: We will embolden creative problem solving across KPU's operations

Progress on this goal will be made by:

- Anticipating the rapid changes occurring in work and society, and increasing our ability to respond accordingly
- Ensuring employees are empowered to take calculated and creative risks without fear
- Providing employees with the resources to incorporate diverse and creative problem solving into their daily operations

What this means for KPU:

KPU links thought to action, appreciating and embracing creativity and innovation in all forms, big and small. KPU will do more to recognize and celebrate the innovation, teaching excellence, research and scholarship already underway. We will invest more in all types of creative activity, both formal and informal, especially in the context of the digital transformation in our society.

D. Justice: KPU will build on its history of openness and innovation to help build a more just society

D.1. Goal: We will foster decolonization and reconciliation

Progress on this Goal will be made by:

- Implementing the *xé?elł* [\[pronunciation here\]](#) *KPU Pathway to Systemic Transformation* and its recommendations across KPU's learning and work environments
- Building capacity and strengthening the Indigenous Education Department to support programs and services to achieve positive impact
- Weaving Indigenous ways of knowing, doing, being and becoming into the curriculum
- Nurturing an inclusive culture that values Indigenous peoples, and strengthening relationships/partnerships based on mutual recognition, respect, sharing, accountability and responsibility
- Cultivating inclusive communities that foster students' sense of belonging and well-being
- Learning the true history of Canada, examining beliefs and biases about Indigenous peoples and cultures, enabling Indigenization, Decolonization and Reconciliation through personal journeys

D.2. Goal: We will advance anti-racism Initiatives across KPU

Progress on this goal will be made by:

- Implementing recommendations of KPU's Task Force on Anti-Racism, and providing resources and supports for them
- Embedding anti-racist principles throughout KPU's structures, policies and processes
- Providing educational opportunities and resources for employees and students to learn more about racism and anti-racism
- Supporting BIPOC (Black, Indigenous and people of color) students and employees to succeed and thrive at KPU and beyond

D.3. Goal: We will advance equity, diversity, inclusion and accessibility across KPU

Progress on this goal will be made by:

- Finalizing the development of the EDI Action Plan for employees and providing resources to implement its recommendations
- Developing an EDI Action Plan for students and providing resources to implement its recommendations
- Addressing the requirements of the [Accessible British Columbia Act](#) and providing resources to implement the recommendations of the Accessibility Action Plan
- Developing a Disability Action Plan to address systemic ableism and providing resources to implement its recommendations
- Developing a Gender and Sexuality Equity Plan and providing resources to implement its recommendations

What this means for KPU:

KPU will be an inclusive and safe learning and working environment that values, supports, and benefits from the diversity of all its people, where all are treated with dignity and respect and are free from discrimination, bullying and harassment. Investing in an accessible, equitable and inclusive community will empower all to reach their full potential, free from barriers of access and advancement. By working towards decolonizing KPU, we will create a system that is culturally responsive, ready for all learners, and strives for reconciliation.

E. Quality: Continuous improvement builds confidence and reputation.

E1. Goal: We will ensure continuous improvement of all KPU programs and services

Progress on this goal will be made by:

- Conducting regular reviews of all KPU programs to ensure continued relevance, alignment with institutional priorities, and efficient and effective use of resources, and implementing recommendations as appropriate
- Conducting regular reviews of all KPU support services to ensure continued relevance, alignment with institutional priorities, and efficient and effective use of resources, and implementing recommendations as appropriate
- Conducting regular reviews of all KPU operations to ensure continued relevance, alignment with institutional priorities, and efficient and effective use of resources, and implementing recommendations as appropriate
- Confirming students receive a quality education to ensure their success, addressing the UN Sustainability Goal of quality education
- Ensuring effective and efficient use of resources

E2. Goal: We will hold each other responsible for our promises and our expectations

Progress on this goal will be made by:

- Ensuring employees understand their role in achieving KPU's mission, mandate and vision
- Ensuring employees have clear expectations that guide their work
- Ensuring employees receive effective feedback on how well they meet those expectations
- Promoting a culture of shared responsibility and accountability to each other

Holding each other responsible is fundamental to a collegial organization. As peers, we are all vested in KPU's quality and reputation, and we must be open to respectfully giving and receiving constructive feedback.

E3. Goal: We will be accountable and transparent to our friends, communities, partners and governments

Progress on this goal will be made by:

- Ensuring effective relationships with our friends, communities, partners and governments
- Engaging with our partners in ways that benefit our communities
- Ensuring we fulfill our commitments to our partners
- Regularly engaging our friends to actively contribute to KPU
- Respecting and valuing the contributions of our friends to KPU

By "friends" we mean Indigenous peoples, alumni, retirees, visitors, donors, members of advisory boards, the KPU Foundation Board, partner organizations, health authorities, school districts and members of the communities we serve.

What this means for KPU:

KPU's mandate is to contribute to the social, economic and cultural life of our region and beyond. We do this by providing the right mix of offerings and services, and undertaking research and innovation of many types. These can all be improved through regular cycles of thoughtful and collegial reflection, evaluation and subsequent change. This attention to continuous improvement is key to building the long-term reputation of KPU and thus its ability to attract and retain motivated students and talented employees, and to increase respect within the community.

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #7.2

Meeting Date: May 24, 2023

Presenter(s): Chervahun Emilien

AGENDA TITLE: Draft Financial statements for Year ended March 31, 2023

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Board of Governors approve the draft Consolidated Financial Statements for the year ended March 31, 2023, as recommended by the Board Audit Committee.

COMMITTEE REPORT

At its meeting on May 16, 2023, the Board Audit Committee recommended that the Board of Governors approve the draft Consolidated Financial Statement for the year ended March 31, 2023.

Context and Background

Draft consolidated financial statements are presented to the Audit Committee annually. As per Section 13 of the Board Governance Manual, “The Audit Committee has the responsibility to review KPU’s annual financial statements to ensure they are fairly presented in all material respects in accordance with generally accepted accounting principles and financial reporting principles and in conjunction with the reports of the external auditor”.

The annual draft consolidated financial statements are subject to external audit and must be approved by the Board of Governors for inclusion in the Province of BC’s annual financial statements. The draft consolidated financial statements are prepared by KPU management in accordance with Public Sector Accounting Standards.

Key Messages

1. Annual surplus at March 31, 2023 is \$7.7M
2. Revenues are similar to the Board approved budget. Although the overall variance in revenue is small, significant variances occurred in the following areas:

- a) A decrease of \$18.7M in Grants from the Province of British Columbia due to a \$23.0M restriction of the FY2022-23 operating grant for capital purposes
 - b) An increase of \$10.4M in International tuition and student fees due to higher than budgeted international student enrollment
 - c) An increase of \$4.6M in Investment income due to rising interest rates
3. Expenses are \$7.7M lower than the Board approved budget, driven primarily by:
- a) Salary saving due to a tight labour market resulting in longer vacancies on employee churn and slow to fill new positions
 - b) Saving in non-salary expenses due to lower than anticipated expenses across almost all non-salary expense categories
4. There were various changes included in the consolidated financial statements from the last fiscal year including a category disclosing asset (land) held for resale; expenses presented by function on the Consolidated Statement of Operations and Accumulated Operating surplus; a restatement, policy and note disclosure to address the adoption of the new accounting standard for Asset Retirement Obligations; the inclusion of the Trust and a separate disclosure note for line of credit.
5. The draft consolidated financial statements include a draft copy of the Independent Auditor's Report which highlights an unqualified opinion from KPMG LLP.

Consultations

- 1. University Executive
- 2. KPMG LLP

Attachments

- 1. Draft Financial Statements for the Year Ended March 31, 2023
-

Submitted by

Chervahun Emilien, Chief Financial Officer

Date submitted

May 9, 2023

- DRAFT -

Management's Statement of Responsibility

To the Board of Governors of Kwantlen Polytechnic University

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements for the year ended March 31, 2023, including responsibility for significant accounting judgments and estimates in compliance with the accounting requirements of Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Board of Governors (the "Board") and the Finance and Audit Committee (the "Committee") are composed primarily of those who are neither management nor employees of the University. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the consolidated financial statements. The Committee has the responsibility of meeting with management and external auditors to discuss the financial reporting process, auditing matters, financial reporting issues, and recommends approval of the consolidated financial statements to the Board. The Committee is also responsible for recommending the appointment of the University's external auditor.

KPMG LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board to audit the consolidated financial statements and report directly to them through the Committee. The external auditor has full and free access to, and meets periodically and separately with, both the Committee and management to discuss their audit findings.

On behalf of Kwantlen Polytechnic University

Dr. Alan Davis
President and Vice-Chancellor

Chervahun Emilien
Chief Financial Officer



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of Kwantlen Polytechnic University, and to the Ministry
of Post-Secondary Education and Future Skills, Province of British Columbia

Opinion

We have audited the consolidated financial statements of Kwantlen Polytechnic University (the "Entity"), which comprise:

- the consolidated statement of financial position as at March 31, 2023
- the consolidated statement of operations and accumulated operating surplus for the year then ended
- the consolidated statement of changes in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended March 31, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Financial Reporting Framework

We draw attention to Note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between that financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Comparative Information

We draw attention to Note 3 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2022 has been restated.

Note 3 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended March 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended March 31, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

DRAFT

Chartered Professional Accountants

Vancouver, Canada
May 24, 2023

Consolidated Financial Statements of

KWANTLEN POLYTECHNIC UNIVERSITY

March 31, 2023

KWANTLEN POLYTECHNIC UNIVERSITY

Consolidated Statement of Financial Position

As at March 31, 2023

(In thousands of dollars)

			2023		2022
					(Restated - Note 3)
Financial assets					
Cash and cash equivalents	(Note 4)	\$	160,171	\$	135,836
Accounts receivable	(Note 5)		10,253		3,874
Inventories for resale			414		383
Investments and endowment investments	(Note 6)		33,856		32,999
Asset held-for-sale	(Note 7)		1,057		-
			205,751		173,092
Liabilities					
Accounts payable and accrued liabilities	(Note 8)		49,760		45,140
Deferred revenue			67,293		72,418
Deferred contributions	(Note 10)		10,271		11,225
Deferred capital contributions	(Note 11)		179,720		157,020
Asset retirement obligations	(Note 12)		1,561		1,463
			308,605		287,266
Net debt			(102,854)		(114,174)
Non-financial assets					
Tangible capital assets	(Note 14)		232,450		237,517
Investments and endowment investments	(Note 6)		2,817		2,817
Prepaid expenses and deposits			2,016		1,955
			237,283		242,289
Accumulated surplus		\$	134,429	\$	128,115
Accumulated surplus is comprised of:					
Accumulated operating surplus	(Note 15)	\$	133,698	\$	126,036
Accumulated rereasurement gains			731		2,079
		\$	134,429	\$	128,115

Contractual obligations (Note 17)

Contingent liabilities (Note 18)

Contractual rights (Note 19)

Ivy Chen
Chair, Board of Governors

Chervahun Emilien
Chief Financial Officer

See accompanying notes to consolidated financial statements.

KWANTLEN POLYTECHNIC UNIVERSITY

Consolidated Statement of Operations and Accumulated Operating Surplus

Year ended March 31, 2023

(In thousands of dollars)

		Budget	2023	2022
				(Restated - Note 3)
Revenue:				
Grants from the Province of British Columbia	\$	82,575	\$ 63,850	\$ 66,978
Revenue from deferred contributions (Note 10)		6,172	10,540	7,892
International tuition and student fees		117,506	127,869	99,830
Domestic tuition and student fees		39,077	36,559	37,196
Ancillary services		3,049	3,301	2,440
Investment income		1,500	6,055	2,302
Other revenue		3,621	3,987	4,677
Revenue from deferred capital contributions (Note 11)		9,233	10,518	9,492
		262,733	262,679	230,807
Expenses:	(Note 21)			
Academic support and Instruction		150,102	139,713	125,556
Student support		28,013	29,243	25,112
Administration support		76,260	76,809	71,662
Research		5,065	6,127	4,735
Ancillary		3,293	3,125	3,180
		262,733	255,017	230,245
Annual surplus		-	7,662	562
Accumulated operating surplus, beginning of the year as originally reported		127,328	127,328	126,706
Change in accounting policy (Note 3)		(1,292)	(1,292)	(1,232)
Accumulated operating surplus, beginning of the year restated		126,036	126,036	125,474
Accumulated operating surplus, end of year	\$	126,036	\$ 133,698	\$ 126,036

See accompanying notes to consolidated financial statements.

KWANTLEN POLYTECHNIC UNIVERSITY

Consolidated Statement of Changes in Net Debt

Year ended March 31, 2023

(In thousands of dollars)

	Budget	2023	2022
			(Restated - Note 3)
Annual surplus	\$ -	\$ 7,662	\$ 562
Acquisition of tangible capital assets, net of write-offs	(32,137)	(15,885)	(14,371)
Transfer of asset held for sale (Note 7)	-	1,057	-
Amortization of tangible capital assets	21,347	19,895	20,136
	(10,790)	5,067	5,765
Net use (acquisition) of prepaid expenses and deposits	-	(61)	133
Net remeasurement losses	-	(1,348)	(89)
Change in net debt	(10,790)	11,320	6,371
Net debt, beginning of year	(114,174)	(114,174)	(120,545)
Net debt, end of year	\$ (124,964)	\$ (102,854)	\$ (114,174)

See accompanying notes to consolidated financial statements.

KWANTLEN POLYTECHNIC UNIVERSITY

Consolidated Statement of Cash Flows

Year ended March 31, 2023

(In thousands of dollars)

	2023	2022
	(Restated - Note 3)	
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 7,662	\$ 562
Items not involving cash:		
Amortization of tangible capital assets	19,895	20,136
Write-off of tangible capital assets	-	33
Asset retirement obligation accretion expense	98	45
Revenue recognized from deferred capital contributions	(10,518)	(9,492)
	17,137	11,284
Change in non-cash operating working capital:		
Accounts receivable	(6,379)	(1,946)
Prepaid expenses and deposits	(61)	133
Inventories for resale	(31)	64
Accounts payable and accrued liabilities	4,620	2,026
Deferred revenue	(5,125)	31,558
Deferred contributions	(954)	5,728
Net change from operating activities	9,207	48,847
Capital activities:		
Cash used to acquire tangible capital assets	(15,885)	(14,404)
Net change from capital activities	(15,885)	(14,404)
Financing activities:		
Contributions received for tangible capital assets	33,218	14,009
Principal payments on capital lease obligations	-	(33)
Net change from financing activities	33,218	13,976
Investing activities:		
Increase in investments	(2,205)	(1,474)
Net change from investing activities	(2,205)	(1,474)
Net change in cash and cash equivalents	24,335	46,945
Cash and cash equivalents, beginning of year	135,836	88,891
Cash and cash equivalents, end of year	\$ 160,171	\$ 135,836

Total interest paid during the year \$37 (2022 - \$52)

See accompanying notes to consolidated financial statements.

KWANTLEN POLYTECHNIC UNIVERSITY

Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2023

(In thousands of dollars)

	2023	2022
Accumulated remeasurement gains, beginning of year	\$ 2,079	\$ 2,168
Unrealized gains (losses) generated during the year from:		
Fixed income investments	1,027	805
Pooled investments, mortgage-backed securities and mutual funds	(2,042)	(109)
Foreign currency translation	(58)	(30)
Remeasurement (gains) losses realized and reclassified to the Statement of Operations and Accumulated Surplus from:		
Pooled investments, mortgage-backed securities and mutual funds	(345)	(797)
Foreign currency translation	70	42
Net remeasurement losses for the year	(1,348)	(89)
Accumulated remeasurement gains, end of year	\$ 731	\$ 2,079

See accompanying notes to consolidated financial statements.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

1. Authority and purpose

Kwantlen Polytechnic University (the "University") operates under the authority of the *University Act* of British Columbia. The University is a not-for-profit entity governed by a Board of Governors, the majority of which are appointed by the Province of British Columbia. The University is a registered charity and is exempt from income taxes under section 149 of the *Income Tax Act*.

The University offers career, vocational, developmental and academic programs from its Richmond, Langley and three Surrey campuses located in southwestern British Columbia. The academic governance of the University is vested in the Senate.

2. Summary of significant accounting policies

(a) Basis of accounting

The consolidated financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The *Budget Transparency and Accountability Act* requires that the financial statements be prepared in accordance with the set of standards and guidelines that are comprised of generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that are comprised of generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Government Organization Accounting Standards Regulation 257/2010 requires all taxpayer supported organizations in the schools, universities, colleges and hospitals sectors to adopt the Canadian Public Sector Accounting Standards ("PSAS") without any public sector ("PS") 4200 elections, effective their first fiscal year commencing after January 1, 2012.

Government Organization Accounting Standards Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

Regulation 198/2011 also requires that the contributions restricted for specific purposes other than those for the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the period when the stipulation or restriction on the contributions have been met.

2. Summary of significant accounting policies (continued)

(a) Basis of accounting (continued)

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of PSAS which requires government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with PS 3410. Externally restricted contributions are recognized in revenue in the period when the resources are used for the purpose specified in accordance with PS 3100.

As a result, revenue recognized in the Consolidated Statement of Operations and Accumulated Operating Surplus and certain related deferred capital contributions in the Consolidated Statement of Financial Position would be recorded differently under PSAS.

(b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of organizations which are controlled by the University. On May 22, 2022, KPU Communities Corporation (the "Corporation"), a wholly-owned subsidiary of the University, was incorporated under the *Business Corporations Act* of British Columbia and on June 1, 2022 a trust deed was executed and appointed KPU Communities Corporation as trustee of KPU Communities Trust (the "Trust"). The purpose of the Trust is to create revenue generating opportunities to support academic endeavors and enhance student experience and well-being for the University. The Corporation and the Trust are fully consolidated into these statements and all inter-entity balances and transactions are eliminated on consolidation.

(c) Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with a term to maturity of three months or less at the date of purchase. They are subject to insignificant risk of change in value.

(d) Financial instruments

Financial instruments are classified into two categories: fair value or cost.

- (i) Fair value category: The University manages and reports performance for groups of financial assets on a fair-value basis. Investments are reflected at fair value as at the reporting date. The carrying amounts are shown at fair value based on quoted prices (unadjusted) in active markets. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets except for those related to restricted endowments are recognized in the Consolidated Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Operating Surplus and related balances reversed from the Consolidated Statement of Remeasurement Gains and Losses. Unrealized gains and losses on endowment investment assets, where earnings are restricted as to use, are recorded as deferred contributions and recognized in revenue when disposed or when the related expenses are incurred.

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

- (ii) Cost category: For accounts receivable, accounts payable and accrued liabilities, the carrying amount generally approximates fair value because of the short maturity of these instruments. Valuation allowances are made when collection is in doubt.

(e) Inventories for resale

Inventories for resale, including new and used textbooks, course manuals, stationery, art supplies, clothing, and crested and non-crested giftware, are recorded at the lower of cost or net realizable value.

Cost includes the original purchase cost, plus shipping and applicable duties. Net realizable value is the estimated proceeds on sale less any costs to sell. Inventories are written down to net realizable value when the cost of inventories is estimated not to be recoverable.

When circumstances that previously caused inventories to be written down below cost no longer exist, the amount of write-down previously recorded is reversed.

(f) Contaminated sites

A liability for contaminated sites is recognized when the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The University is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of costs directly attributable to remediation activities, including the cost of post-remediation operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(g) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital asset acquisitions are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less the residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as shown below. Land is not amortized as it is deemed to have a permanent value. Work in progress is not amortized until the asset is available for productive use.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

2. Summary of significant accounting policies (continued)

(g) Non-financial assets (continued)

(i) Tangible capital assets (continued)

	Term
Buildings	40 years
Major site improvements	10 years
Major equipment	10 - 20 years
Library holdings	10 years
Technology infrastructure	8 years
Furniture and equipment	5 years
Computing equipment	4 years
Leased capital assets	lesser of 5 years or lease term

Tangible capital assets are written down when conditions indicate that they no longer contribute to the University's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

(ii) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as obligations under capital lease and are reflected as part of tangible capital assets in the financial statements. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(h) Employee future benefits

The University and its employees make contributions to the College Pension Plan and the Municipal Pension Plan which are multi-employer joint trustee pension plans. These plans are defined benefit plans, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the plans are not segregated by institution, the plans are accounted for as defined contribution plans and any contributions of the University to the plans are expensed as incurred.

The University's sick leave benefits do not vest or accumulate and related costs are expensed as incurred. The University accrues vacation for employees as earned. The University accrues a supplemental employment benefit for maternity and parental leave upon commencement of the related leave. Retirement allowances, where applicable, are accrued upon approval.

2. Summary of significant accounting policies (continued)

(i) Asset retirement obligations

The University recognizes an asset retirement obligation, as at the financial reporting date, when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is recorded as a liability and increase to the related tangible capital asset. The amount capitalized in tangible capital assets is amortized using the amortization accounting policy outlined in note 2(g)(i).

The carrying value of the liability is re-evaluated at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the asset retirement obligation liability and tangible capital assets.

(j) Revenue recognition

Tuition and student fees, ancillary revenues, and sales of other goods and services are reported as revenue at the time the services are provided or the products are delivered, and collection is reasonably assured.

Unrestricted donations and grants are recorded as revenue if the amounts can be estimated and collection is reasonably assured. Pledges from donors are recorded as revenue when payment is received by the University or the transfer of property is completed.

Restricted donations and grants are reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows:

- (i) Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or in the form of a depreciable tangible capital asset, in each case for use in providing services, are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.
- (ii) Contributions restricted for specific purposes other than for those to be held in perpetuity or the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contribution have been met.
- (iii) Contributions restricted to be retained in perpetuity, allowing only the investment income earned thereon to be spent are recorded as endowment donations and as deferred contributions for any unspent restricted investment income earned thereon.

2. Summary of significant accounting policies (continued)

(j) Revenue recognition (continued)

Investment income includes interest recorded on an accrual basis, dividends recorded as declared, and realized gains and losses on the sale of investments.

(k) Functional classification of expenses

The University has identified the following functions and associated groups of activities based upon the functional areas of service provided by various departments:

(i) Academic support and instruction

Academic support and instruction includes the activities related to the support and delivery of education including cost of instructors, academic management, support staff and related support costs.

(ii) Student support

Student support includes direct supports for students including Student Affairs, Alumni Relations, International Education, The Learning Centre, Library Resources and the Office of the Registrar.

(iii) Administrative support

Administrative support includes expenses that relate to the activities that support the University. This includes Financial Services, Procurement, Business Performance (Internal Audit) and Advisory Services, Human Resources, Information Technology, Office of Planning and Analysis, the Office of Advancement, Campus Security and Safety, Facilities, and External Affairs.

(iv) Research

Research consists of the Office of Research Services which assists researchers with proposal preparation, administration of sponsored projects and active research activities.

(v) Ancillary

Ancillary represents the business activities that support the Universities campus life. It consists of Bookstore, Food Services and Parking and Transit Services.

2. Summary of significant accounting policies (continued)

(l) Use of estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related disclosures, and the disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas where management has made estimates and assumptions include those related to the determination of useful lives of tangible capital assets for amortization and the amortization of related deferred capital contributions, accrued liabilities, valuation of accounts receivable, provisions for contingencies, and discount rate and future cash flows associated with asset retirement obligations. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

(m) Foreign currency translation

The University's functional currency is the Canadian dollar. Transactions in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities which are designated in the fair value category under the financial instrument standard are reflected in the financial statements in equivalent Canadian dollars at the exchange rate in effect on the Consolidated Statement of Financial Position date.

Any gains or losses resulting from a change in rates between the transaction date and the settlement date or Consolidated Statement of Financial Position date is recognized in the Consolidated Statement of Remeasurement Gains and Losses. In the period of settlement, the related cumulative remeasurement gain/loss is reversed in the Consolidated Statement of Remeasurement Gains and Losses and the exchange gains or losses in relation to the exchange rate at the date of the item's initial recognition is recognized in the Consolidated Statement of Operations and Accumulated Operating Surplus.

(n) Budget figures

Budget figures have been provided for comparative purposes and have been derived from the 2022-2023 University Budget approved by the Board of Governors on March 30, 2022. The budget is reflected in the Consolidated Statement of Operations and Accumulated Operating Surplus and the Consolidated Statement of Changes in Net Debt.

(o) Asset held-for-sale

Asset held-for-sale includes land which is ready and available to be sold and for which there is a market. It is valued at the lower of cost or expected net realizable value.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

3. Change in accounting policy

On April 1, 2022, the University adopted PS 3280 *Asset retirement obligations* using the modified retroactive transitional provisions as at the date of adoption. This new standard requires that the University record the legal obligations associated with the retirement of tangible capital assets. The March 31, 2022 consolidated financial statements have therefore been restated as follows:

	Previously stated 2022	Adjustment	Restated 2022
Asset retirement obligations	\$ -	\$ 1,463	\$ 1,463
Cost of tangible capital assets	467,683	595	468,278
Accumulated amortization of tangible capital assets	(230,337)	(424)	(230,761)
Accumulated operating surplus	127,328	(1,292)	126,036
Amortization	20,121	15	20,136
Accretion expense	-	45	45
Annual surplus	622	(60)	562
Net debt, beginning of year	(119,127)	(1,418)	(120,545)

4. Cash and cash equivalents

	2023	2022
Cash	\$ 157,182	\$ 132,860
Cash equivalents	2,989	2,976
	\$ 160,171	\$ 135,836

5. Accounts receivable

	2023	2022
Student	\$ 3,004	\$ 3,033
Trade and other	8,584	1,999
Allowance for doubtful accounts	(1,335)	(1,158)
	\$ 10,253	\$ 3,874

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

6. Investments and endowment investments

Investments and endowment investments recorded at fair value are comprised of the following:

	2023	2022
Designated to the fair value category (Level 1)		
Fixed income pooled investments	\$ 20,996	\$ 19,970
Canadian equities pooled investments	7,087	8,723
International equities pooled investments	6,375	6,381
Guaranteed investment certificate	1,000	-
Total Level 1 category investments	35,458	35,074
Designated to the fair value category (Level 3)		
Infrastructure pooled investments	82	294
Real estate pooled investments	1,133	448
Total Level 3 category investments	1,215	742
Total investments	36,673	35,816
Less endowment investments	(2,817)	(2,817)
Investments	\$ 33,856	\$ 32,999

The financial instruments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table reconciles the changes in the fair value of investments classified as Level 3 during the year.

	2023	2022
Balance, beginning of year	\$ 742	\$ 382
Purchases	727	520
Dispositions	(302)	(198)
Income distribution	34	19
Unrealized gain	14	19
Balance, end of year	\$ 1,215	\$ 742

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

7. Asset held-for-sale

The Board of Governors approved to sell a portion of land at the Cloverdale campus and the sale is expected to be completed in one year. Accordingly, land with a cost of \$1,057 has been classified as asset held-for-sale.

8. Accounts payable and accrued liabilities

	2023	2022
Accounts payable and accrued liabilities	\$ 24,822	\$ 25,137
Salaries, benefits and wages payable	12,410	7,788
Accrued vacation payable	12,528	12,215
	\$ 49,760	\$ 45,140

9. Employee future benefits

(a) Pension benefits

The University and its employees contribute to the College Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at August 31, 2022, the College Pension Plan has about 16,600 active members, and approximately 10,100 retired members. As at December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 7,000 from colleges.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the College Pension Plan as at August 31, 2021, indicated a \$202,000 surplus for basic pension benefits on a going concern basis.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

9. Employee future benefits (continued)

(a) Pension benefits (continued)

The most recent valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761,000 funding surplus for basic pension benefits on a going concern basis. The University paid \$11,932 for employer contributions to the plans in the fiscal year 2023 (2022 – \$11,286).

The next valuation for the College Pension Plan will be as at August 31, 2024. The next valuation for the Municipal Pension Plan will be December 31, 2024, with results available in 2025.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

(b) Maternity or parental leave

The University provides supplemental employee benefits for faculty, staff and administration on maternity or parental leave. For the duration of the leave, employees on maternity or parental leave receive a supplemental payment added to employment insurance benefits. Employer-paid benefits also continue to be paid on the employees' behalf. The University has expensed \$982 in the current year (2022 – \$798). As at March 31, 2023, the University has an obligation of \$452 (2022 – \$710) which has been included in salaries, benefits and wages payable.

10. Deferred contributions

Deferred contributions represent the unspent externally restricted grants and contributions that will be used in future periods primarily for academic programming, as specified by the contributor.

	2022	Amounts received	Recognized as revenue	2023
Provincial	\$ 7,784	\$ 5,062	\$ (6,799)	\$ 6,047
Federal	1,717	1,764	(1,458)	2,023
Other sources	1,724	2,760	(2,283)	2,201
	\$ 11,225	\$ 9,586	\$ (10,540)	\$ 10,271

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

11. Deferred capital contributions

Contributions that are restricted for the purpose of acquiring capital are recorded as deferred capital contributions. Amounts are recognized into revenue at the same rate that amortization of the tangible capital asset is recorded.

Changes in deferred capital contributions balance are as follows:

		2022		Amounts received		Recognized as revenue		2023
Provincial	\$	134,853	\$	31,095	\$	(9,145)	\$	156,803
Federal		9,126		72		(781)		8,417
Other sources		13,041		2,051		(592)		14,500
	\$	157,020	\$	33,218	\$	(10,518)	\$	179,720

12. Asset retirement obligations

The University has recorded asset retirement obligations for the removal of hazardous material from some of the University's buildings.

The following is a reconciliation of the changes in the asset retirement obligations during the year:

		2023		2022
				(Restated – Note 3)
Balance, beginning of year	\$	1,463	\$	1,418
Accretion expense		98		45
Balance, end of year	\$	1,561	\$	1,463

The undiscounted estimated cash flows required to settle the obligations are approximately \$2,169 to be paid during the fiscal years 2032 to 2034. The estimated cash flows were discounted using the credit-adjusted risk-free rate of 3.2% per annum.

13. Line of credit

The University has the ability to draw on a line of credit with a commercial bank for \$7,500 (2022 - \$7,500). As at March 31, 2023, the University has not utilized the available line of credit.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

14. Tangible capital assets

	Land	Buildings	Major site improvements	Major equipment	Library holdings	Technology infrastructure	Furniture & equipment	Computing Equipment	Work in progress (WIP)	2023	2022
(Restated - Note 3)											
Cost											
Opening balance	\$ 21,485	\$ 267,414	\$ 47,274	\$ 15,604	\$ 9,739	\$ 3,866	\$ 82,429	\$ 14,772	\$ 5,695	\$ 468,278	\$ 453,965
Additions	-	-	684	619	197	-	5,406	1,485	7,494	15,885	14,404
Dispositions	-	-	-	-	-	-	-	-	-	-	(91)
Transfer to asset held for sale	(1,057)	-	-	-	-	-	-	-	-	(1,057)	-
Transfer to/(from) WIP	-	-	1,083	2,361	-	-	732	-	(4,176)	-	-
Closing balance	20,428	267,414	49,041	18,584	9,936	3,866	88,567	16,257	9,013	483,106	468,278
Accumulated amortization											
Opening balance	-	(109,584)	(26,204)	(3,090)	(7,953)	(2,614)	(70,688)	(10,628)	-	(230,761)	(210,683)
Amortization	-	(6,685)	(4,105)	(1,220)	(380)	(483)	(5,107)	(1,915)	-	(19,895)	(20,136)
Dispositions	-	-	-	-	-	-	-	-	-	-	58
Closing balance	-	(116,269)	(30,309)	(4,310)	(8,333)	(3,097)	(75,795)	(12,543)	-	(250,656)	(230,761)
Net book value	\$ 20,428	\$ 151,145	\$ 18,732	\$ 14,274	\$ 1,603	\$ 769	\$ 12,772	\$ 3,714	\$ 9,013	\$ 232,450	\$ 237,517

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

15. Accumulated surplus

The accumulated surplus is comprised of the following:

	2023	2022
	(Restated – Note 3)	
Investment in tangible capital assets	\$ 88,984	\$ 94,003
Endowments (Note 6)	2,817	2,817
Internally restricted	6,170	6,170
Unrestricted	35,727	23,046
Accumulated remeasurement gains	731	2,079
	\$ 134,429	\$ 128,115

16. Financial risk management

The University has exposure to certain risks from its financial instruments.

The Board of Governors ensures that the University has identified its major risks and ensures that management monitors and controls them.

(a) Credit risk

Credit risk is the risk of financial loss to the University if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the University consisting of cash and cash equivalents and accounts receivable.

Credit risk associated with cash and cash equivalents is minimized by ensuring that these assets are held at financial institutions with a high credit quality. The University holds the majority of its cash and cash equivalents in a Canadian Chartered bank.

Management believes the credit risk associated with accounts receivable is limited as the balance largely consists of receivables from the Province of British Columbia and student accounts receivable that are closely monitored and managed to limit further enrollment until payment is made.

(b) Market risk and interest rate risk

Market risk is the risk that changes in the market prices, such as interest rates, will affect the University's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The University manages its market risk and interest rate risk on investments with established investment guidelines for its investment management companies to follow in managing its investment portfolios. The guidelines limit investments to those with BBB- or greater credit rating. The University does not invest in any derivatives.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

16. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they become due.

The University manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation.

(d) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in foreign exchange rates. The University is exposed to foreign exchange risk on investments that are dominated in foreign currencies.

The functional currency of the University is the Canadian dollar. The University is also exposed to risk as it conducts some transactions in foreign currencies, particularly the U.S. dollar. The University maintains a U.S. dollar denominated bank account to minimize foreign exchange risk on these transactions.

17. Contractual obligations

The nature of the University's activities can result in multi-year contracts and obligations whereby the University will be committed to make future payments. Significant contractual obligations related to operations that can be reasonably estimated are as follows:

		2024		2025		2026		2027		2028
Capital commitments	\$	4,120	\$	-	\$	-	\$	-	\$	-
Operational commitments		13,832		4,139		1,411		966		123
	\$	17,952	\$	4,139	\$	1,411	\$	966	\$	123

18. Contingent liabilities

(a) The University may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of operations.

There are several lawsuits pending in which the University is involved. It is considered that the potential claims against the University resulting from such litigation would not materially affect the financial statements of the University.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

18. Contingent liabilities (continued)

- (b) As at March 31, 2023, the University does not have any letters of credit outstanding (2022 - \$189).

19. Contractual rights

The University may, from time to time, enter into contracts or agreements in its normal course of operations that will result in the realization of assets and revenues in future fiscal years. The University is a recipient of research grants from various federal, provincial and municipal funding agencies.

The University enters into various multi-year research funding agreements whereby the University has the opportunity to earn revenue in future years by incurring qualified expenditures. These research funding agreements do not abnormally impact the University's financial position.

20. Related party transactions

The University has entered into certain transactions and agreements in the normal course of business with certain of its related parties. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Significant related party transactions with the provincial government entities are as follows:

Revenue and expenses:

Included in revenue	2023	2022
Ministry of Post-Secondary Education and Future Skills grants	\$ 63,850	\$ 66,978
Other provincial government entity – grants and revenue recognized from deferred contributions	6,799	5,518
Other provincial government entity – grants and revenue recognized from deferred capital contributions	9,145	8,080
	\$ 79,794	\$ 80,576

Included in expenses	2023	2022
Ministry of Post-Secondary Education and Future Skills	\$ 318	\$ 261
Other provincial government entity	1,408	1,327
Other provincial universities	384	397
	\$ 2,110	\$ 1,985

Receivables and payables:

Included in accounts receivable	2023	2022
Ministry of Post-Secondary Education and Future Skills	\$ 6,098	\$ 700

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

20. Related party transactions (continued)

Related party transactions with key management personnel:

During the year, the key management personnel, comprised of the Board and the University's Executives, have nil (2022 – nil) related party transactions with the University with respect to the delivery of goods and services, and payment of fees that were transacted at non-arms' length.

21. Expense by object

The following is a summary of expenses by object:

	2023	2022
		(Restated – Note 3)
Salaries and benefits	\$ 173,175	\$ 151,358
Travel and professional development	3,334	1,967
Supplies	5,121	4,802
Student awards, bursaries and donations	11,600	9,246
Fees and services	25,326	28,469
Facilities	14,524	11,990
Cost of sales	1,475	1,502
Leases, property taxes, insurance	469	730
Accretion	98	45
Amortization of tangible capital assets	19,895	20,136
	\$ 255,017	\$ 230,245

22. Kwantlen Polytechnic University Foundation

The Kwantlen Polytechnic University Foundation (the "Foundation") was established on July 14, 2000 and is registered under the Societies Act (British Columbia). The Foundation is a registered charity under the Income Tax Act of Canada. The purpose of the Foundation, is the solicitation and management of donations and endowments for the purpose of providing awards and grants to students of the University and to advance the University's engagement with and within communities it serves. The Foundation is governed by an independent board of directors, the voting members of which can include employees and officers of the University. The University does not exercise control over the Foundation.

KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Consolidated Financial Statements

Year ended March 31, 2023

(All figures in thousands of dollars)

22. Kwantlen Polytechnic University Foundation (continued)

During the year, as part of its ordinary course of business, the University transferred certain funds to the Foundation.

	2023	2022
KPU Research Endowment	\$ 4,000	\$ -
KPU Food Endowment	1,000	-
KPU Financial Aid Endowment	-	3,300
KPU Financial Barrier Reduction Fund	2,000	3,700
	\$ 7,000	\$ 7,000

The University also provides administrative, management and staff resources to the Foundation at no charge.

23. Comparative information

Certain comparative figures have been reclassified to conform to the current year consolidated financial statement presentation. These changes do not affect prior year's annual surplus.

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #8.2

Meeting Date: May 24, 2023

Presenter(s): Chervahun Emilien

AGENDA TITLE: Draft Board Response to Senate FY2023-24 Budget Letter

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Board of Governors approve the Draft Board Response to Senate regarding the FY2023/24 Budget as recommended by the Board Finance Committee.

COMMITTEE REPORT

At its meeting on May 16, 2023, the Board Finance Committee recommended that the Board of Governors approve the draft Board response to Senate regarding the FY2023/24 budget.

Context and Background

As part of the Budget Development Process, the Senate Standing Committee on University Budget (SSCUB) provides to Senate an evaluation of the alignment of the proposed budget to academic and strategic priorities of KPU and, if in agreement, a recommendation to Senate to endorse the proposed budget.

Senate then provides, based on SSCUB's feedback, recommendations to the Board of Governors (BOG) for the continued improvement and enhancement of the budget process. The Board of Governors then provides a board-approved response to Senate's recommendations.

Key Messages

1. Senate endorsed the FY2023/24 budget, and agrees that budgetary key themes are in alignment with KPU's budget tenets and priorities.
2. No recommendations were provided by Senate for improvement or enhancement of the budget process.

Resource Requirements

Implications/Risks

Consultations

Attachments

1. Draft Board Response to Senate FY2023-24 Budget Recommendations
-

Submitted by

Chervahun Emilien, Chief Financial Officer

Date submitted

May 5, 2023

MEMORANDUM

TO: SENATE
CC: Senate Standing Committee on University Budget (SSCUB)
FROM: Mohammed Mahabub, Chair, Board Finance Committee
DATE: May 24, 2023
SUBJECT: SSCUB's Recommendation to Senate for Approval of FY 2023-24 Budget

Dear Senate Members:

KPU's Board of Governors would like to express its sincere appreciation and recognize the efforts of both Senate and the Senate Standing Committee on University Budget (SSCUB) for your endorsement and the integral roles played during the consultation and review process for the University's FY 2023/24 budget.

The Board of Governors approved KPU's FY 2023/24 budget on February 1, 2023, which was two months ahead of schedule from previous years. With the condensed budget timeline, Senate and SSCUB consultation was key to advancing the budget process and the Board of Governors would like to recognize the dedicated review and follow-up from the Senate office. The Board of Governors appreciates Senate's engagement and willingness to provide detailed information and insight throughout the consultation process as the Senate office provides a unique perspective and a dedication to continued educational excellence at various stages during the budget process.

The Board of Governors appreciates feedback from all stakeholders and continues to refine the budget development process in order to provide efficient, timely and relevant information for the KPU community.

BOARD OF GOVERNORS - REGULAR MEETING

Agenda Number: #8.3

Meeting Date: May 24, 2023

Presenter(s): Brent Elliott

AGENDA TITLE: Renewal of License Agreement with City of Delta for Paterson Park

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Board of Governors approve the renewal of the existing Licence Agreement between the City of Delta and KPU for the City's use of Paterson Park for a further one-year period from June 1st 2023 to May 31st 2024, as recommended by the Board Finance Committee.

COMMITTEE REPORT

At its meeting on May 16, 2023, the Board Finance Committee recommended that the Board of Governors approve the renewal of the existing Licence Agreement between the City of Delta and KPU for the City's use of Paterson Park for a further one-year period from June 1st 2023 to May 31st 2024.

Context and Background

Background:

On May 27th 2020, the KPU Board of Governors approved a Licence Agreement between the City of Delta ("the City") and KPU for the City's use of Paterson Park from May 31st 2020 to May 31st 2022, as was previously recommended by the Board Finance Committee on May 19th 2020. The Licence Agreement, for a fee of \$1.00 per year, provides the City with the right to enter in, over and upon Paterson Park to:

- access and maintain an electronic municipal sign;
- allow residents of the City to access the Lands for walking and cycling purposes;
- allow the City to maintain the Lands;
- make alternations to the Lands with prior written approval from KPU; and
- provide the City with uninterrupted access (including its employees, agents and contractors) to enter the Lands at any time with or without workers, vehicles and equipment for the purposes set out above.

On February 14th 2022, the City requested an extension. Based on that interest, a renewed Licence Agreement was prepared for a term of 1 year, commencing on June 1st 2022 and terminating on the May 31st 2023. The licence fee remained at \$1.00 per year and the terms of the new Licence Agreement are the same as the preceding agreement. KPU's Risk and Legal departments had reviewed and approved the 2022 agreement.

Separately, in 2020 KPU prepared and executed a Special Events Agreement with the City given the number of special events that the City of Delta administers at Paterson Park. The renewed 2022 Licence Agreement blended the two agreements and specifically references the Special Events Agreement (Schedule B), with its term being tied to the duration of the parent Licence Agreement.

Discussion:

In March 2023, KPU and the City of Delta began conversations for a further renewal of the Licence Agreement for Paterson Park, noting the pending expiry date of May 31st 2023. The City has agreed to proceed with another 1-year renewal, requesting no material changes to the agreement. The further extension and subsequent public use of the property for another year was considered appropriate by CCP given that KPU does not have any immediate or alternate plans for Paterson Park. As well, the additional year will allow KPU to further establish its newly formed KPU Communities Trust and decide whether our Paterson Park property is best retained as a university asset, or leased to the Communities Trust for possible redevelopment.

CCP has worked with both Risk and Legal and has obtained their approvals of the new agreement. As well, it was confirmed that the Licence Agreement continues to indemnify KPU against any and all manner of liability which KPU may sustain arising out of the City's use of the lands.

KPU may terminate the licence agreement at any time, at our discretion, with 30 days' notice.

CCP is seeking the Board Finance Committee's endorsement of the new Licence Agreement and approval recommendation to the Board of Governors.

Key Messages:

1. A new Licence Agreement will supersede and replace the original Licence Agreement, with a term of 1 year commencing on June 1st 2023 and terminating on the May 31st 2024. The licence fee is still \$1.00 per year.
2. The Licence Agreement allows residents of Delta access to the Paterson Park lands for walking and cycling purposes and also allows Delta to maintain the lands and to maintain the sign which is located on the lands.

3. The Licence Agreement can be terminated by either party upon thirty days' written notice.

Resource Requirements

A renewal of the current Licence Agreement with the City of Delta is needed to replace the current Licence Agreement which is set to expire on May 31st 2023

Implications/Risks

An active Licence Agreement between KPU and the City of Delta is needed so long as public use of the park is provided through the City to ensure KPU's interests are protected in regards to legal and insurance purposes.

Consultations

1. Approval from the Board Finance Committee as well as the KPU Board of Governors are required to move forward with the amendment to the existing Licence Agreement.

Attachments

1. New Proposed Licence Agreement between City of Delta and KPU dated June 1st 2023.
-

Submitted by

Brent Elliott, Interim AVP, Campus & Community Planning
Natalia Finlay, Divisional Business Manager, Campus & Community Planning
Peter Smailes, Vice President, Administration

Date submitted

May 1st 2023

LICENCE AGREEMENT

THIS AGREEMENT is made with effect as of the 1st day of June, 2023 (the “**Effective Date**”).

BETWEEN:

KWANTLEN POLYTECHNIC UNIVERSITY, a special purpose teaching university pursuant to regulations prescribed under the *University Act* having an address at 12666 72 Avenue, Surrey, British Columbia V3W 2M8

(“**KPU**”)

AND:

CITY OF DELTA, a municipal corporation under the *Community Charter* having an address at 4500 Clarence Taylor Crescent, Delta, British Columbia V4K 3E2

(“**Delta**”)

WHEREAS:

- A. KPU is the registered owner of those lands and premises with a civic address of 5900 Ladner Trunk Road, in the municipality of Delta, in the Province of British Columbia, and legally described as:

PID: 018-870-236
Lot 2 Section 35 Township 5 New Westminster District Plan LMP17932

(the “**Lands**”);
- B. Delta has installed and wishes to maintain a sign and wires, cables and other works or structures associated therewith (the “**Sign**”) for the posting of community events notices on a portion of the Lands, the location of which is shown boldly outlined in white on Schedule A hereto (the “**Sign Area**”);
- C. Delta wishes to utilize the remainder of the Lands for the purposes described herein, pending a disposition or other use of the Lands by KPU;
- D. Pursuant to a licence agreement dated for reference May 1, 2016 (the “**Original Licence**”), KPU granted Delta certain rights of occupation relating to the Lands for a two (2) year term (the “**Original Term**”) that commenced on May 1, 2016 and was set to terminate April 30, 2018;
- E. Delta continued to occupy the Lands beyond the Original Licence term on an overhold basis, pursuant to Section 10 of the Original Licence and the parties subsequently entered into a licence agreement dated for reference June 1, 2018 (the “**First Extension Licence**”) for an additional two (2) years that expired on May 30, 2020 (the “**First Extended Term**”). The parties subsequently entered into a further licence agreement dated for reference June 1, 2020 (the “**Second Extension Licence**”) for a term that expires on May 31, 2022 (the “**Second Extended Term**”). The parties subsequently entered into a further licence agreement dated for reference June 1, 2022 (the “**Third Extension Licence**”) for a term that expires on May 31, 2023 (the “**Third Extended Term**”);
- F. The parties entered into a Special Events Agreement dated February 14, 2020 (the “**Special Events Agreement**”) (attached hereto as Schedule B), with respect to “Special Events” (as defined therein) put on by Delta and third parties on the Lands; and
- G. KPU and Delta wish to enter into this Agreement which, effective as of the Effective Date, will supersede and replace the Second Extension Licence.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties hereto), KPU and Delta hereby agree as follows.

1. Grant of Licence

Subject to the terms and conditions of this Agreement, KPU hereby grants to Delta a non-exclusive licence of occupation (the “**Licence**”) of the Lands for a term of one (1) year, commencing on the Effective Date and expiring on May 31, 2024 (the “**Term**”), unless earlier terminated in accordance with the terms of this Agreement.

2. Purpose

KPU, subject to the terms and conditions contained in this Agreement, hereby grants to Delta the right to enter in, over and upon the Lands for the purpose of:

- (a) inspecting, installing, maintaining, constructing, altering, cleaning, repairing, removing, replacing and operating the Sign on the Sign Area and to keep the Sign Area in a good and safe condition;
- (b) allowing residents of Delta access to the Lands for walking and cycling purposes;
- (c) re-levelling, re-seeding, inspecting, cutting, trimming, removing, altering, maintaining and replacing any ground, grass, trees, shrubs or vegetation within or on the Lands;
- (d) making alterations to the Lands with prior written approval of KPU;
- (e) to carry on Special Events, as that term is defined in the Special Events Agreement, in accordance with the Special Events Agreement; and
- (f) providing uninterrupted access by Delta, including its employees, agents and contractors, to enter upon the Lands at any time, with or without workers, vehicles and equipment, for the purposes set out above.

2A. Reservation - Access for Academic and Research Purposes and Signage

Notwithstanding the grant of the Licence, KPU reserves for itself and its employees, agents, contractors and invitees, upon thirty (30) days' advance written notice to Delta, the right:

- (a) to access and make use of the Lands for academic and research purposes; and
- (b) to install signage in respect of the marketing and sale of the Lands, in each case, provided that it complies with the terms of Section 5 herein.

3. Licence Fee

In consideration of the Licence granted herein, Delta shall pay to KPU One Dollar (\$1.00) plus all applicable taxes per annum (the “**Licence Fee**”) and such fee shall be paid to KPU, in advance without deduction, on or before the first day of the Term and thereafter annually on the first day of the subsequent year of the Term.

4. Management of the Lands; Delta Covenants

4.1 Subject to the terms and conditions set forth in this Agreement, Delta hereby covenants:

- (a) to use and occupy the Lands only for the purposes provided in Section 2, and for no other purposes without the prior written approval of KPU;
- (b) to be responsible for the maintenance of the Lands during the Term;
- (c) to be responsible for remedying any unsafe conditions on the Lands existing on the Lands as of the date hereof, and to remedy any unsafe conditions on the Lands that may be created or arise during the Term or that may have been created or arisen during the Original Term, the Extended Term and any period of overholding thereafter save and except for any unsafe conditions caused by or attributable to KPU or its employees, agents, contractors and invitees under section 2A of this Agreement or otherwise;
- (d) to be responsible for all equipment used by Delta or any of its employees, agents and contractors on the Lands;
- (e) to ensure that all alterations made to the Lands and the maintenance of the Sign are undertaken in accordance with sound engineering and construction practices in effect at the date of conduct of the works, and comply at all times with all applicable statutes, regulations and bylaws of any relevant municipal, provincial, federal or other governmental authority;
- (f) to observe, abide by and comply with all laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Lands or the use or occupation thereof by Delta;
- (g) to pay all utilities consumed, and any taxes or charges payable, arising from Delta's use of the Lands, including without limitation the Sign and Sign Area; to promptly pay all accounts, charges and expenses as they become due for any labour performed on or material supplied to the Lands; and to keep the Lands free of any claims of lien caused by or attributable at law to Delta and in the event of the filing of any such lien, to promptly at its own cost and expense cause the same to be discharged;
- (h) on the expiry or earlier termination of the Licence, to peaceably quit, surrender and deliver to KPU possession of the Lands, all in good and substantial order and in a clean and tidy condition, and to remove all rubbish and waste material from the Lands;
- (i) not to use the Lands for any Special Events except in accordance with the Special Events Agreement; and
- (j) to do on the Lands anything that may be or become a nuisance or which may be offensive or in contravention to municipal, provincial or federal laws.

4.2 During the Term, Delta will be the "prime contractor" with respect to the Lands as defined in the *Workers Compensation Act* (British Columbia) when Delta, or a contractor hired by Delta, is one of the employers on the workplace save and except when KPU or its employees, agents, contractors and invitees exercise any rights under section 2A of this Agreement. Delta will indemnify KPU for any costs, fines, expenses and penalties that KPU is required to pay as a result of or arising from Delta's activities on the Lands which are in breach of the *Workers Compensation Act* (British Columbia) or any regulation, order or directive under that Act. Delta will, or will cause its contractors to, register for and maintain workers compensation coverage in accordance with the *Workers Compensation Act* (British Columbia) including, if applicable, Personal Optional coverage, during the Term and will provide proof of coverage to KPU upon the request of KPU from time to time.

4.3 Delta accepts the condition of the Lands, including, without limitation, its environmental condition,

on an "as is, where is" basis, and in connection therewith, Delta understands that a portion of the Lands, including the groundwater therein, may be contaminated with elevated sodium, chloride and magnesium concentrations likely due to use of road salt on roads adjacent to the Lands and roads and/or paths located on the Lands; further, Delta acknowledges and agrees that KPU has not and will not give any representations, warranties or covenants in respect of the Lands including, without limitation, its condition, fitness for use for the purposes of Delta, or its compliance with environmental laws or zoning bylaws.

- 4.4 Delta will not bring or create on, or allow to be brought onto or created on the Lands, any pollutants, contaminants, hydrocarbon contaminants, asbestos materials, hazardous, corrosive or toxic substances, hazardous waste, or waste of any kind or any other substance which is regulated, prohibited or controlled under any statute, law, regulation, bylaw, permit or other lawful requirement, relating to in any way the environment, health or occupational health and safety. Notwithstanding any law to the contrary, the ownership and responsibility for any such substances and wastes brought onto or created on the Lands by Delta or any person for whom it is responsible in law will remain with Delta, and not KPU.

5. KPU Covenants

Subject to the terms and conditions set forth in this Agreement, KPU hereby covenants:

- (a) not to do or knowingly permit to be done anything that may, in the opinion of Delta, interfere with or damage the Sign;
- (b) not to do or knowingly permit to be done any act or thing that will interfere with the purposes of the Licence granted herein without the written consent of Delta;
- (c) not to store or use any hazardous materials on the Lands or burn or permit the burning of anything on the Lands other than in accordance with applicable laws;
- (d) not to erect, place or maintain on the Lands any building, structure, foundation, fence, concrete walkway, concrete wall, rock wall, retaining wall, excavation, well, culvert, open drain or ditch, pond, pile of material, obstruction, equipment or thing, or to plant any vegetation, which, in the opinion of Delta, may:
 - (i) interfere with or endanger the Sign or the inspecting, installing, maintaining, constructing, altering, cleaning, repairing, removing, replacing or operating of the Sign;
 - (ii) obstruct access by Delta, its employees, agents and contractors to the Lands; or
 - (iii) create any hazard by its erection, placement or maintenance on the Lands.

(For certainty, the prohibition contained in this subsection (d) does not and shall not apply to any building, structure, foundation, fence, concrete walkway, concrete wall, rock wall, retaining wall, excavation, well, culvert, open drain or ditch, pond, pile of material, obstruction, equipment or thing, or plant or vegetation which exists on the Lands as of the date of this Agreement.)

6. Separate Property - the Sign

Delta and KPU agree that:

- (a) the Sign shall be and remain a chattel and shall remain the separate property of Delta;

- (b) the Sign shall be entirely at the risk of Delta in respect of breakdown, failure, disrepair, loss, damage, injury, destruction or accident from whatsoever cause arising; and
- (c) upon the expiry of the Term or earlier termination of the Licence, Delta shall promptly de-construct and remove the Sign from the Sign Area in accordance with Section 12.

7. Indemnity

7.1 Delta hereby releases KPU and each, any and all of its board members, officers, servants, agents and employees (collectively, the “**KPU Group**”) from, and hereby covenants and agrees to indemnify and save harmless each member of the KPU Group against, any and all manner of liability, actions, causes of action, prosecutions, claims, fines, demands, damages, losses (including, without limitation, economic loss, property damage, personal injury or death), costs or expenses of whatever kind, which the KPU Group or any of them may sustain or be put to, in any manner based upon, arising out of or attributable to:

- (a) any act or omission of Delta or its officers, servants, agents, employees, contractors, invitees, guests or any member of the public (collectively, the “**Delta Group**”), on the Lands;
- (b) any failure on the part of the Delta Group or any of them to comply with the terms, conditions or provisos of this Agreement;
- (c) any unsafe condition on the Lands created by the Delta Group or any of them; or
- (d) any use of the Lands by the Delta Group or any of them during the Term, the Original Term, any period of overholding following the Original Term, the First Extended Term and the Second Extended Term,

save and except to the extent that such loss, injury, damage or death is caused by the negligence or wilful act or omission of the KPU Group or any of them.

7.2 The obligation of Delta to indemnify and save harmless each member of the KPU Group under the provisions of Section 7.1 shall survive any expiration of the Term or cancellation or termination of the Licence or this Agreement.

8. Events of Default

KPU may forthwith terminate the Term, this Agreement and the Licence and take full possession of the Lands without further notice to Delta if:

- (a) any amount due from Delta to KPU under this Agreement is in arrears and is not paid within twenty-one (21) days after written demand by KPU;
- (b) Delta has breached any of its obligations under this Agreement, other than payment of any amounts due from Delta, and after twenty-one (21) days' notice in writing from KPU Delta fails to remedy such breach or, in the case of a failure which cannot with due diligence be cured within such twenty-one (21) day period, if Delta shall not promptly proceed to cure the same and thereafter prosecute such curing with diligence, it being intended in connection with a failure not capable of being cured within such twenty-one (21) day period that the time within which Delta shall have to cure the same shall be extended for such period as may be reasonably necessary to cure the same with diligence;
- (c) a creditor of Delta executes or attaches this Agreement or the Sign and the same is not stayed within twenty-one (21) days;

- (d) Delta makes any assignment for the benefit of creditors, or becomes insolvent or bankrupt or ceases to function or if proceedings are commenced to wind up Delta;
- (e) a liquidator or a receiver or a trustee in bankruptcy is appointed for or in relation to Delta under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* or any law of Canada or any province thereof relating to bankruptcy or insolvency if such appointment is not vacated or terminated within twenty-one (21) days or stayed on appeal; or
- (f) without KPU's written approval, the Licence or this Agreement is assigned.

9. Termination

Notwithstanding any other provision of this Agreement, either party may terminate this Agreement and the Licence without cause on thirty (30) days' written notice to the other party.

10. Overholding

If Delta continues to exercise its rights under the Licence after the expiration of the Term without objection by KPU and without a further written agreement, the Licence shall be deemed to be a licence terminable on thirty (30) days' notice. Such month-to-month licence shall be governed by the terms and conditions hereof except for the length of the Term described in Section 1 of this Agreement, and during the period of the month-to-month licence Delta shall be required to pay the Licence Fee to KPU pursuant to the terms of this Agreement and all other payments for which Delta is liable hereunder.

11. Assignment or Change of Control

During the Term Delta will not:

- (a) assign or sub-licence this Agreement or the Licence; or
- (b) allow any other person to manage the whole or any part of the Lands,

without first obtaining the written consent of KPU, which may be withheld for any reason or may be granted subject to such conditions as KPU considers appropriate.

12. Removal of the Sign

- 12.1 On the expiry of the Term or cancellation or other termination of this Agreement Delta shall, at its sole expense, promptly remove the Sign and restore the Sign Area and any portion of the Lands proximate thereto and affected by the de-construction and removal, all to good and safe condition and to the satisfaction of KPU, within ninety (90) days after the expiry of the Term or cancellation or other termination of this Agreement.
- 12.2 If ninety (90) days after the expiry of the Term or cancellation or other termination of this Agreement, the Sign remains on the Lands, the Sign shall, at the option of KPU, be absolutely forfeited to and become the property of KPU, or KPU may remove it from the Lands and restore the Lands to its satisfaction, and, whether KPU retains or removes the Sign, improvements, or other materials or things, Delta shall, on demand, compensate KPU for all costs incurred by it in relation thereto.
- 12.3 To the extent necessary, the covenants in this Section 12 shall survive the expiry of the Term or cancellation or other termination of this Agreement.

13. Notice

Any notice or payment required or permitted by this Agreement to be given shall be in writing and shall be deemed to have been duly given only if delivered by personal delivery or by email, addressed as follows:

- (a) if to KPU:

KWANTLEN POLYTECHNIC UNIVERSITY
12666 72 Avenue
Surrey, British Columbia V3W 2M8

Attention: General Counsel
Phone Number: 604-599-2079
with a copy to the Associate Vice President, Campus and Community Planning

Email: Natalia.Finlay@kpu.ca

and:

- (b) if to Delta:

CITY OF DELTA
4500 Clarence Taylor Crescent
Delta, British Columbia V4K 3E2

Attention: General Manager Parks, Recreation & Culture
Phone Number: 604-952-3537

Email: treid@delta.ca

or to such other address as any party may from time to time advise the other party in writing. Any such notice shall be deemed to have been given and received when delivered.

14. Miscellaneous

- 14.1 Delta is not granted and does not hereby acquire exclusive possession of the Lands, nor does this Agreement grant Delta or any of its officers, servants, agents, employees, contractors, invitees or guests an interest in land in the Lands.
- 14.2 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 14.3 No term, condition, covenant or other proviso herein shall be considered to have been waived by any party unless such waiver is expressed in writing by that party and no such waiver shall be construed as or constitute a waiver of any further or other breach of the same or any other term, condition or proviso.
- 14.4 The terms and provisions of this Agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 14.5 Time is of the essence of this Agreement.
- 14.6 This Agreement, (including Schedule A), constitutes the entire agreement between the parties regarding the use of the Lands by Delta and shall not be modified or amended except by a written document executed and delivered by both parties hereto. Delta and KPU hereby confirm and agree that:

- (a) the Licence dated for reference October 1, 1998 in respect of the Sign has expired, is no further force or effect, and is superseded and replaced with this Agreement;
- (b) as of the Effective Date, this Agreement will supersede and replace the Second Extension Licence; and
- (c) the Special Events Agreement is affirmed and remains in full force and effect for the Term.

14.7 This Agreement may be executed in counterparts, which counterparts will together comprise one and the same instrument.

14.8 No term, condition, covenant or other proviso herein shall prejudice or affect the rights and powers of Delta in the exercise of its functions under any public or private statute, bylaw, order or regulation, all of which may be fully and effectively exercised in relation to the Lands, as if this Agreement had, not been executed and delivered by Delta or KPU.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

KWANTLEN POLYTECHNIC UNIVERSITY

CITY OF DELTA

Peter Smailes
Vice President, Administration

Trent Reid
General Manager, Parks, Recreation &
Culture

Randall Heidt
Vice President, External Affairs

SCHEDULE A



SCHEDULE B

SPECIAL EVENTS AGREEMENT

THIS AGREEMENT made the 14 day of February, 2020.

BETWEEN:

Kwantlen Polytechnic University ("Kwantlen")

AND:

The City of Delta ("Delta")

WHEREAS:

A. Kwantlen and Delta are parties to a License Agreement, made with effect as of June 1, 2018 (the "**License**"), whereby Kwantlen licenced to Delta lands and premises with a civic address of 5900 Ladner Trunk Road, as more particularly described in the License (the "**Lands**").

B. Pursuant to Section 4.1(i) of the License, Delta covenanted to "not use the Lands for any special events ~~for any special events~~ without the prior written approval of Kwantlen, for which purpose Kwantlen may require that a special events agreement be executed".

C. Delta wishes to utilize the Lands for various special events, both those put on by Delta, and those put on by third party organizers, including (without limitation) running races, triathlons, fairs, and exhibitions (collectively, "**Special Events**").

D. The parties wish to document the terms and conditions upon which Special Events may be held upon the Lands by Delta or third parties authorized by Delta under the License.

Now therefore, the parties agree as follows:

1. All provisions of the License shall continue to be in effect during all Special Events. If there is an inconsistency between the License and this Agreement, this Agreement prevails.
2. For the period of the Special Event, including all load in and load out periods, the Lands shall be exclusively occupied by Delta, and Delta takes full responsibility for the Lands and all uses thereof and activities thereon.
3. Delta shall provide Kwantlen at least 12 weeks' advance written notice of any Special Events it wishes to permit on the Lands. The advance notice shall include:
 - (a) Details of the Special Event, including the Event's name, the activities that will take place on the Lands, the name of the organizer, and the anticipated number of individuals expected (participants, employees, staff, suppliers, etc.).
 - (b) An assurance from Delta that the Lands are, and will be on the date(s) of the Special Event, in a safe condition and suitable for the Special Event. If the Lands are not currently

suitable, the advance notice must provide an assurance the Delta will undertake all necessary work to render the Lands safe, postpone the Special Event until the Lands are safe, or otherwise cancel the Special Event.

- (c) Where the organizer is a third party, a copy of the agreement between Delta and the Organizer, which shall include liability and indemnity provisions that protect Kwantlen to at least the same extent as the License, and the insurance provisions contained in this Agreement.
 - (d) Where participants in the Special Event are asked to sign a waiver of liability, an assurance that the waiver will either be in the form attached hereto as Schedule 1 or otherwise substantially similar in substance. Without limitation, the waiver must clearly describe the activities and the associated risks, and specifically release Kwantlen from liability.
 - (e) An Assurance from Delta that they will be solely responsible to ensure that the Lands after the Special Event will be in, or otherwise remediated back to, a condition or state as they were originally provided and described under the License Agreement between the parties.
4. Where Kwantlen, acting reasonably, is not satisfied with any aspect of the Special Event, including but not limited to, safety, liability and indemnification protections for Kwantlen, or the substance of the proposed waiver of liability, Kwantlen may withhold its consent until its concerns are addressed.
5. Without limiting Article 7 of the License, Delta hereby releases Kwantlen and each, any and all of its board members, officers, servants, agents and employees (collectively, the "**Kwantlen Group**") from, and hereby covenants and agrees to indemnify and save harmless each member of the Kwantlen Group against, any and all manner of liability, actions, causes of action, prosecutions, claims, fines, demands, damages, losses (including, without limitation, economic loss, property damage, personal injury or death), costs or expenses of whatever kind, which the Kwantlen Group or any of them may sustain or be put to, in any manner based upon, arising out of or attributable to:
- (a) any act or omission of Delta or its officers, servants, agents, employees, contractors, invitees, guests, the organizers of any Special Event, or any member of the public whether participating, working, volunteering, or spectating at a Special Event (collectively, the "**Delta Group**"), on the Lands before, during, after or otherwise connected with any Special Event;
 - (b) any failure on the part of the Delta Group or any of them to comply with the terms, conditions or provisos of the License or this Agreement with respect to any Special Event;
 - (c) any unsafe condition on the Lands created by the Delta Group or any of them; or
 - (d) any use of the Lands by the Delta Group or any of them during the Term, the Original Term and any period of overholding following the Original Term,
- save and except to the extent that such loss, injury, damage or death is caused by the negligence or wilful act or omission of the Kwantlen Group or any of them.

The obligation of Delta to indemnify and save harmless each member of the Kwantlen Group under the provisions of this Section shall continue after the completion of the Special Event for the Term, and survive any expiration of the Term, or cancellation or termination of the Licence or this Agreement.

6. Delta covenants with Kwantlen that it will, at its cost and expense, take out and keep in force, as available, either rental liability insurance or commercial general liability insurance, including personal injury liability, contractual liability, non-owned automobile liability, employer's liability, and owners and contractors protective insurance coverage, with respect to the Lands and each Special Event in particular. Such coverage must:
 - (a) Be written on a comprehensive basis with inclusive limits of at least \$5,000,000 per occurrence for bodily injury for any one or more persons, or property damage,
 - (b) Contain a severability of interests section and cross-liability sections; and
 - (c) Name the Kwantlen Group as additional insureds.
7. Delta covenants with Kwantlen that where the Special Event organizer is a third party, Delta will ensure that the organizer takes out and keeps in force insurance in keeping with Section 5 or Delta's standard insurance requirements, and that the organizer ensures that the Kwantlen Group is named as an additional insured.
8. The terms and provisions of this Agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.
9. Time is of the essence of this Agreement.
10. No term, condition, covenant or other proviso herein shall prejudice or affect the rights and powers of Delta in the exercise of its functions under any public or private statute, bylaw, order or regulation, all of which may be fully and effectively exercised in relation to the Lands, as if this Agreement had, not been executed and delivered by Delta or Kwantlen.
11. This Agreement may be executed in counterparts, which counterparts will together comprise one and the same instrument.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

KWANTLEN POLYTECHNIC UNIVERSITY

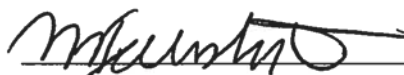


Authorized Signatory

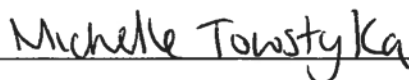
Joe Sass

Authorized Signatory

CITY OF DELTA



Authorized Signatory



Authorized Signatory