

UNIVERSITY OF KING'S COLLEGE

BOARD OF GOVERNORS MEETING MINUTES

The University of King's College Board of Governors met for a special meeting via Teams on Friday, September 5, 2025, at 12:00 noon.

Last Name	First Name	Title	Present via Teams	Regrets
ANDERSON	Ellie	(KSU Representative)	X	
BAGNELL	Alexa	(Co-opted Member)	X	
BRANDES	Daniel	(Faculty Representative)	X	
BURTON	Kathryn	(Diocesan Representative)	X	
CURRIE	Tim	(Vice-President)	X	
DAKIN	Pauline	(Faculty Representative)	X	
DEANE-LITTLE	Debra	(Chancellor)	X	
EDWARDS	The Most Reverend David	(Archbishop of Fredericton)	X	
FERGUSON	Rhema	(Diocese of Fredericton and PEI)	X	
FERNANDO	Carolle	(Co-opted Member)	X	
FISHER	Bruce	(Treasurer)	X	
FLACK	Graham	(Co-opted Member)	X	
FRAPPIER	Melanie	(Faculty Representative)	X	
FRENCH	Nevin	(Alumni Association Representative)	X	
FYFE	The Right Reverend Sandra	(Bishop of Nova Scotia and Prince Edward Island)		X
HARRIS	Nick	(Alumni Association Representative)	X	
LAHEY	Prof. William	(President and Vice-Chancellor)	X	
L'ESPERANCE	Peter	(Board Secretary)		X
MacLENNAN	Dale	(Co-opted Member)		X
MARTIN	Catherine	(Co-opted Member)	X	
McGRATH	Stephanie	(Chair)	X	
PATTILLO	Stuart	(Co-opted Member)	X.	
SOREN	Andrew	(Alumni Association Representative)	X	
TAYLOR	Lisa	(Faculty Representative)		X
THORNHILL VERMA	Jenn	(Alumni Association President)	X	
WAUGH	Erica	(KSU Representative)	X	
WRIGHT	Hugh	(Diocesan Representative)	X	

By invitation:

Last Name	First Name	Title	Present	Regrets
ABBOTT	Adriane	(Advancement Director)	X	
HAZEL	Pamela	(Manager of Governance and University Ceremonies)	X	
SANDS	Bonnie	(Bursar)	X	
ULKUER	Kutay	(Enrolment and Student Life Officer)	X	

(2025:37)

The Chair called the meeting to order at 1:03 p.m. She opened the meeting by explaining that the agenda stemmed from the President's memo on the university's financial situation. She noted that the President would offer comments before opening the floor to questions.

The President reviewed the memo distributed on Friday, August 29, 2025, addressing the financial challenges facing the university.

He noted there had been difficulty securing a consultant to conduct a financial review. A report regarding a possible salary freeze remains on track for October, but a second report on fundraising requested from the Board may be delayed.

He explained that prior to sharing the public statement, outreach was made to the Deputy Minister and Assistant Deputy Minister at the Department of Advanced Education (DAE) as well as senior leadership at Dalhousie University.

These conversations were appreciated, and concern was expressed for King's from all DAE leaders as well as from Dalhousie.

He explained that the measures that have already been taken (e.g., two rounds of departmental budget cuts) have not been sufficient to reduce the current year's deficit. We are halfway through the fiscal year, and the remaining time offers limited room for significant financial correction. The use of internally unrestricted funds is not viable as it would exceed Board-approved thresholds. And if current trends continue, the unrestricted fund will be depleted by next year. This may require eliminating or reducing entire functions, along with associated jobs. However, this is complicated by termination costs.

The President suggested that the establishment of a sinking fund may be necessary to structurally reduce costs. However, such decisions would come with substantial negative impacts on staff, students, and the institution's appeal to both donors and prospective students.

The President noted that a presidential search is currently underway. He also advised that due to the deficit, King's may be asked by the Minister of Advanced Education to submit a revitalization plan. Meanwhile, the provincially mandated academic program reviews have begun. Although they are not as severe as initially feared, the review remains a major demand on faculty and staff time.

Government has also initiated conversations about potential restructuring of the university's Board of Governors. And the Advancement team, led by Director of Advancement, Chair of the Advancement Committee and the Leadership Group, continues to work toward completing King's major gifts campaign.

Under current funding agreements, the university is required to demonstrate progress on five strategic initiatives aligned with government priorities. These include engagement with Mi'kmaq and African Nova

Scotian communities, and the expansion of experiential learning credit hours. The first formal report on these initiatives is due in early October, and the President stated that King's is making strong progress on at least three of the five initiatives.

The President accepted full accountability for the situation but emphasized that the current challenges stem from broader external pressures rather than internal mismanagement. He stressed the need for collective action and collaboration to move forward and cautioned that focusing on blame would only hinder the university's ability to respond effectively.

The Chair asked for questions and comments.

It was asked what proportion of the deficit was due to lower revenue versus increased costs, how much of the revenue decline was due to fewer first-year versus returning students, and whether King's had previously used management consultants for cost containment. The President replied that the deficit was entirely due to lower-than-expected upper-year enrolment. First-year numbers had been adjusted for in the June budget and have remained consistent. No consultants have been engaged during his tenure, though in the past the DAE had sent a representative to review finances, though not operations.

It was asked whether there is now a clear understanding of how projections missed the mark and what is being done to avoid similar missteps in the future. The President explained that the issue was not related to year-over-year assumptions but rather a projected 17% increase in enrolments from May/June to mid-October, which only reached 4%. This pattern was unprecedented over the last seven to eight years. He noted that projections for upper-year students, unlike first-years, typically evolve over the summer months.

From a student perspective, the student members noted that the cost of tuition, especially for out-of-province students, and concerns about the value of a liberal arts degree contributed to declining enrolment. They also highlighted the impact of the Dalhousie faculty lockout, which limited course access and prompted some students to transfer. One student, for example, left King's due to a lack of support in their program and enrolled elsewhere. It was emphasized that Dalhousie's decisions have a direct and often unpredictable effect on King's students.

The CESLO reinforced this, adding that King's forecasting heavily relies on Dalhousie trends, which are difficult to anticipate. The abrupt flattening of upper-year enrolment was unprecedented and largely driven by external factors.

It was asked whether a special government grant might be possible. The President responded that it was unlikely. A previous increase of approximately \$2 million raised government support to just under 40% of King's operating budget. That figure has since dropped to about 35%, among the lowest in the province. He noted that the current provincial approach is to reallocate funds amongst universities rather than increase overall funding. As such, King's must demonstrate alignment with government workforce and economic development priorities or risk reductions in funding.

The UKCTA representative asked that any salary decisions be made with attention to the needs of vulnerable employees, particularly in light of current cost-of-living pressures. The President agreed and emphasized that the salary freeze report will include all employees and reflect those concerns.

Graham Flack shared that he has had a range of experiences working with consultants, some successful, others less so. He noted that external consultants tend to be most effective when engaged in operational reviews and process-heavy areas, rather than in shaping policy or making academic program decisions. In

his view, consultants are not particularly helpful in determining which programs are more likely to produce graduates aligned with high-demand or lucrative fields.

He explained that some consultants operate on a fee-for-service basis, while others work on cost-recovery models or are compensated based on a percentage of identified savings.

There were two primary reasons to consider engaging external consultants: first, to identify real opportunities for cost savings; and second, to demonstrate to government and other stakeholders that the university has thoroughly explored every possible avenue for financial sustainability. Hiring a consultant could serve as visible evidence of due diligence.

There was concern expressed from faculty regarding the potential use of consultants. It was noted that external consultants may not fully grasp the complexities of academic institutions and emphasized that rising administrative costs are already a concern. Faculty support for consultants would depend on the clarity of their mandate and alignment with the university's academic mission.

Nevin French agreed with Graham's comments on consultants and emphasized that if the university chooses to go down that path, it must retain control over the process and outcomes. He also praised the President's outreach to senior government officials and stressed the importance of keeping the DAE informed to avoid surprises.

There was concern expressed that reducing faculty or staff could undermine King's small-class learning model, a core draw for students. It was asked whether any consideration had been given to reducing administrative salaries. The President responded that he has long maintained that cutting alone will not lead to success for King's. He reiterated that his report on a potential salary freeze will involve all employees and will take into account equity, not just equality.

The President noted that the fundraising campaign is on track to become the most successful since the 1920s, driven by strong donor enthusiasm around work on equity, accessibility, and sexualized violence but recent developments risk undermining that progress. Donors are sensitive to instability and may withdraw support if they perceive the university as reverting to previous patterns. The Advancement team is actively working to re-engage potential donors and reaffirm the university's commitment to its stated goals.

In his closing remarks, the President asked whether Graham Flack and Nevin French would be willing to work with senior admin to help develop a self-directed solution, in order to avoid a government-imposed revitalization plan, which would likely be more severe and less tailored to King's needs.

The Chair reaffirmed that the purpose of the meeting was to maintain transparency. The same topics will be revisited at the next Board meeting. She reminded everyone that the Chair of Advancement Committee will share some notes outlining ways Board members can support Advancement efforts and that Nevin French and Graham Flack will help advise on the potential engagement of external consultants.

The Treasurer asked whether the President needed additional time for the two October reports. The President replied that the salary freeze report would be delivered on time, but the second report may be delayed.

The Chair thanked all participants for their time and contributions, and the meeting was adjourned at 2:03 p.m.

Respectfully submitted,

Stephanie McGrath

Peter L'Esperance