



Board of Governors
Board of Governors [Special Meeting]
Open Session Minutes

Monday, May 27, 2019
2-31 South Academic Building (SAB)
11:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

Michael Phair	Appointed Chair, General Public
Lynn Parish	Appointed Vice-Chair, General Public
Matthew Barnett	Appointed Member, Non-Academic Staff Representative (NASA Appointee)
Mary Pat Barry	Appointed Member, University of Alberta Alumni Association Representative
Akanksha Bhatnagar	Appointed Member, President, Students' Union
Katherine Binhammer	Appointed Member, Academic Staff Representative (GFC Appointee)
Charlene Butler	Appointed Member, University of Alberta Senate Representative
Dominique Grégoire	Appointed Member, General Public
Rowan Ley	Appointed Member, Undergraduate Board of Governors Representative
Kirk MacLeod	Appointed Member, General Public
Ray Muzyka	Appointed Member, General Public
Zahra Somani	Appointed Member, General Public
Sheri Somerville	Appointed Member, General Public
Douglas Stollery	Appointed Member, Chancellor
Glenn Stowkowy	Appointed Member, University of Alberta Alumni Association Representative
Owen Tobert	Appointed Member, General Public
David Turpin	Appointed Member, President and Vice-Chancellor
Donna Wilson	Appointed Member, Academic Staff Representative (AASUA Appointee)

Non-Voting Officials Appointed by the President:

Steven Dew	Provost and Vice-President (Academic)
Marion Haggarty-France	University Secretary
Brad Hamdon	General Counsel
Gitta Kulczycki	Vice-President (Finance and Administration)
Andrew Sharman	Vice-President (Facilities and Operations)
Kelly Spencer	Interim Vice-President (Advancement)
Catherine Swindlehurst	Chief of Staff (President's Office)
Jacqui Tam	Vice-President (University Relations)
Juli Zinken	Board Secretary and Manager of Board Services

Regrets:

Fahed Elian	Appointed Member, President, Graduate Students' Association
Lynne Paradis	Appointed Member, General Public
Matthias Ruth	Vice-President (Research)

Presenter(s):

Martin Coutts	Associate Vice-President (Finance and Supply Management Services)
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Staff:

Erin Plume, Assistant Board Secretary

OPENING SESSION

1. Call to Order

Presenter(s): Michael Phair

The Chair called the meeting to order at 11:00 am. The Board Secretary confirmed that attendance constituted a quorum. The Chair then welcomed members and guests and acknowledged all Indigenous peoples and the traditional lands on which the Board was gathered.

2. Approval of the Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair

The motion was moved and seconded.

THAT the Board of Governors approve the Open Session Agenda as presented.

CARRIED

3. Conflict of Interest - Opportunity for Declaration Related to the Agenda

Presenter(s): Michael Phair

The Chair made note of the following:

- The University of Alberta has policy and procedure in place for Conflict of Interest and Conflict of Commitment, and Board members make annual disclosures.
- In addition, Board members must declare any conflict related to the Board Agenda of each meeting and, in the event of such conflict, absent themselves from the discussion and voting on the item.
- The *Post-secondary Learning Act*, Section 16(5) states that: The members of the board must act in the best interests of the university.

The Chair invited members to declare conflicts of interest related to the Open Session Agenda of the meeting. Seeing no declarations, the Chair declared the question asked and answered.

ACTION ITEMS

4. Report of the Audit and Risk Committee

Presenter(s): Dominique Grégoire

4a. Management's Annual Audited Financial Statements (Draft) and review Financial Statement Discussion and Analysis (Draft)

Materials before members are contained in the official meeting file.

Presenter(s): Gitta Kulczycki; Martin Coutts

Purpose of the Proposal: To approve the audited Consolidated Financial Statements as required by the *Post-Secondary Learning Act*.

Discussion:

Board Audit and Risk Committee Chair Dominique Grégoire introduced the item and commended Ms Kulczycki and her team for their work in developing the statements.

Ms Kulczycki reviewed the statements, noting a positive balance in net assets for the year, much of which is restricted to endowment and physical assets. She further noted the first appearance in the statements of the board-approved, restricted investment reserve funds, currently at 55.1 million dollars, and reminded members that this fund is related to a change in endowment strategy and will roll over to a strategic initiatives fund once reaching 17 percent of the endowment.

Ms Kulczycki reviewed the annual operating surplus in detail, noting adjustments for benefits liabilities, the ancillary services deficit, pending capital improvements and research expenses, as well as carryforward allocations to faculties and units and unusual investment gains, also related to the new investment strategy.

Finally, Ms Kulczycki explained factors relating to the surplus, including increased international enrolment, a two percent government grant in one-time funds, and unused benefits contingency funds, noting that any surplus will be applied towards the institutional deficit.

She responded to questions from board members regarding whether the adjusted operating surplus is earmarked for any specific purpose; the current amount of the institutional deficit and whether it has already been reduced; and how much in total has been committed to faculties and units in carryforward funds.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Audit and Risk Committee, approve the Audited Consolidated Financial Statements for the year ended March 31, 2019, as set forth in Attachment 1.

CARRIED

CLOSING SESSION

5. Adjournment

Presenter(s): Michael Phair

The Chair adjourned the Open Session at 11:25 am.