

The following Motions and Documents were considered by the Board of Governors during the Open Session of its Friday, December 14, 2018 meeting:

---

Agenda Title: **Increase to Parking Citation Rates**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the 2019-2020 Parking Citation Rates as set forth in Attachment 1, effective May 1, 2019.

Final Item: 4bi.

---

Agenda Title: **University Funds Investment Policy**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Investment Committee, approve the revised University Funds Investment Policy, as set forth in Attachment 1.

Final Item: 4ci.

---

Agenda Title: **Board Committee Appointments**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Chair, Mr Michael Phair, approve Board Committee appointments, as set forth in Attachment 1 to the agenda documentation, to take effect December 15, 2018.

Final Item: 4di.

---

Agenda Title: **Implementation of Recommendations of the 2018 Board Working Group: Board Ad Hoc Group on Committee Mandates and Membership**

APPROVED MOTION 1: THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed *Principles for Board of Governors Standing Committee Composition*, as set forth in Attachment 1, effective immediately, to guide decisions regarding the composition of Board standing committees.

APPROVED MOTION 2: THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed Board Standing Committee Composition Frameworks, as set forth in Attachment 2, effective upon future approval of revised committee Terms of Reference (*with the exception of the Board Governance Committee for which changes can be effective immediately*).

APPROVED MOTION 3: THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed Board Standing Committee Mandate Statements, as set forth in Attachment 3, effective upon future approval of revised committee Terms of Reference (*with the exception of the Board Governance Committee for which changes can be effective immediately*).

Final Item: 6a.

**Governance Executive Summary  
Action Item**

<b>Agenda Title</b>	<b>Increase to Parking Citation Rates</b>
---------------------	---

**Motion**

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the 2019-2020 Parking Citation Rates as set forth in Attachment 1, effective May 1, 2019.

**Item**

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Andrew Sharman, Vice President (Facilities and Operations)
Presenter(s)	Andrew Sharman, Vice President (Facilities and Operations)

**Details**

Responsibility	Facilities and Operations
The Purpose of the Proposal is	To obtain approval to increase parking citation rates effective May 1, 2019.
Executive Summary	<p>Parking Services has noted a steady decrease in regulatory compliance in recent years resulting in a significant increase in the number of citations issued on North Campus despite no material change to the parking inventory, nor an increase in the resources dedicated to enforcing parking regulations.</p> <p>From 2013 to 2017 the total citations issued, excluding warnings, have increased by 34%. Citations issued for use of a parking space without purchasing a permit have increased by 48%. In cases such as expired meter time, the associated fine is not materially greater than the cost of daily parking itself.</p> <p>Current citation rates are insufficient to encourage the compliance necessary to allow for the effective, safe, and equitable management of the parking inventory. Citation rates have not changed for over fifteen years and are significantly lower than rates charged by the City of Edmonton for similar violations. The City of Edmonton last raised their rates in 2017 after having done so in 2012.</p> <p><b>PROPOSED CHANGES</b></p> <p>Ancillary Services is bringing forward a motion to the Board of Governors to align citation rates with those of the City of Edmonton effective May, 2019 (Attachment 1). This is particularly relevant considering Parking Services has begun to issue City of Edmonton parking tickets on South Campus when the infraction is particularly egregious (e.g. blocking a fire lane). While the citation revenue accrues to the city, the consequence to the offender is greater as the citation cannot be ignored.</p> <p>Only rates recommended for increase are attached. Citation rates that do not require increases (e.g. parking in a 24-hour reserved accessibility parking stall without valid permit) are not included as they are already at market rate.</p>

Item No. 4bi

	<p><b>FURTHER NOTES:</b></p> <p>Parking Services issued 30,132 citations in 2017, excluding warnings.</p>
Supplementary Notes / context	<p>This proposal was brought to the Board Finance and Property Committee with a proposed effective date of April 1, 2019. The motion was amended at the meeting to be effective May 1, 2019 in consideration of students during final exams.</p>

**Engagement and Routing** (Include meeting dates)

<p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p> <p>&lt;For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a>&gt;</p>	<p><u><i>Those who are actively participating:</i></u></p> <ul style="list-style-type: none"> <li>• Parking Services</li> </ul>
	<p><u><i>Those who have been consulted:</i></u></p> <ul style="list-style-type: none"> <li>• Vice-President (Facilities and Operations)</li> </ul>
	<p><u><i>Those who have been informed:</i></u></p> <ul style="list-style-type: none"> <li>• PEC-O: November 8, 2018</li> </ul>
<p>Approval Route (Governance) (including meeting dates)</p>	<p>Board Finance and Property Committee: November 27, 2018 Board of Governors: December 14, 2018</p>

**Strategic Alignment**

<p>Alignment with <i>For the Public Good</i></p>	<p><b><u>Institutional Strategic Plan - For the Public Good</u></b></p> <p>SUSTAIN...Our commitment extends to administration and governance...and infrastructure</p> <p>21. OBJECTIVE Encourage continuous improvement in administrative, governance, planning, and stewardship systems, procedures, and policies that enable students, faculty, staff, and the institution as a whole to achieve shared strategic goals.</p> <p>iv. Strategy: Facilitate easy access to and use of university services and systems, reduce duplication and complexity, and encourage cross-institutional administrative and operational collaboration.</p> <p>23. OBJECTIVE: Ensure that the University of Alberta's campuses, facilities, utility, and information technology infrastructure can continue to meet the needs and strategic goals of the university.</p> <p>i. Strategy: Secure and sustain funding to plan, operate, expand, renew, and optimize the use of campus infrastructure to meet evolving teaching and research priorities.</p> <p><b><u>Travel Demand Management Study 2007</u></b></p>
--	---

Item No. 4bi

Alignment with Institutional Risk Indicator	Please note below the specific institutional risk(s) this proposal is addressing.	
	<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
Legislative Compliance and jurisdiction	Post-secondary Learning Act s.18 (1 and 2.a.v) and s. 61.1.e BFPC Terms of Reference (2017-10-20) s. 3.d	

Attachments:

1. Proposed Parking Citation Rate Changes (1 page)

*Prepared by:*

Katherine Husing,  
Associate Vice-President, Ancillary Services  
Facilities and Operations  
Email: [husing@ualberta.ca](mailto:husing@ualberta.ca)

**Attachment 1**

<b>Citation Code</b>	<b>Violation</b>	<b>City of Edmonton</b>	<b>UAlberta Current</b>	<b>UAlberta Proposed</b>
1	Unauthorized use of plug in	n/a	5	15
2	Improper use of space / disregarding lines	50	15	50
3	Improper display of permit	35	5	35
4	Expired meter time	35	20	35
5	Overtime parking in loading zone	35	30	35
6	Overtime parking in a passenger drop-off zone	75	30	75
7	Parking a non-motorcycle in a motorcycle zone	75	10	75
8	Parking a motorcycle in a non-motorcycle zone	75	10	75
9	Parking a propane vehicle in a non-propane zone	150	110	150
10	Parking a large vehicle in a small vehicle zone	75	10	75
11	Parking in a driving lane	100	15	100
12	Double parking	100	10	100
13	Parking within 15 feet of a stop or yield sign	100	30	100
14	Leaving a vehicle running in a prohibited area	100	20	100
15	Parking on a crosswalk, sidewalk, boulevard, landscaping	100	30	100
16	Parking at a yellow curb or striped no parking area	100	30	100
17	Parking in a reserved area without a valid permit displayed	100	50	100
18	Parking in a manner that impedes maintenance/construction traffic	75	35	75
19	Abandoning a vehicle for more than 72 hours	n/a	30	50
20	Unauthorized use of a commercial area	100	50	100
23	Exceeding the 2-hour limit on a secondary permit	n/a	15	50
30	Parking within 15 feet of a fire hydrant	75	50	75
32	Parking in a 24-hour reserved stall without a valid permit	75	40	75
35	Parking within a transit bus zone	50	30	50
38	Entering an area via a marked or designated exit	n/a	30	100
42	Failure to secure a vehicle within a marked parking space	75	20	75

**Governance Executive Summary**  
**Action Item**

Agenda Title: **University Funds Investment Policy**

**Motion:** THAT the Board of Governors, on the recommendation of the Board Investment Committee, approve the revised University Funds Investment Policy, as set forth in Attachment 1.

**Item**

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Dave Lawson, Chair, Board Investment Committee
Presenter(s)	Dave Lawson, Chair, Board Investment Committee

**Details**

Responsibility	Vice-President (Finance & Administration)
The Purpose of the Proposal is <i>(please be specific)</i>	As the previously revised and approved University Funds Investment Policy is being implemented, the Board Investment Committee is proposing benchmark changes for the University Endowment Pool (UEP) and the Non-Endowed Investment Pool (NEIP). The Committee is also proposing risk management enhancements for the NEIP. The remainder of the changes being proposed can be characterized as housekeeping or editorial in nature.
Executive Summary <i>(outline the specific item– and remember your audience)</i>	<p>The revised benchmarks for the UEP and NEIP will more accurately reflect how the fund is invested and provide a more accurate measure of value added through active management and asset allocation. These changes will not impact how the two funds are being invested.</p> <p>The risk management enhancements for the NEIP will provide tighter asset allocation ranges for both the underlying Liquidity and Yield Strategies.</p> <p>Investment income reserve requirements for the NEIP's Yield and Return Seeking Strategies are now expressed on an aggregate basis for both strategies as opposed to an individual basis. This will manage the risks associated with making appropriations from one strategy to the strategic initiatives fund when the other strategy has not yet established a sufficient investment income reserve. Under this proposed change the target dollar value of the investment income reserve will increase slightly.</p>
Supplementary Notes and context	If approved, the revised University Funds Investment Policy will replace the one approved by the Board of Governors on June 30, 2017.

**Engagement and Routing** (Include meeting dates)

Consultation and Stakeholder Participation <i>(parties who have seen the proposal and in what capacity)</i>	<p><u><i>Those who are actively participating:</i></u></p> <ul style="list-style-type: none"> <li>• Vice-President (Finance &amp; Administration)</li> <li>• Associated Vice-President Financial Services and Supply Management Services</li> <li>• Director, Investments and Treasury</li> </ul>
--	---

<p>&lt;For information on the protocol see the <a href="#">Governance Toolkit section Student Participation Protocol</a>&gt;</p>	<p><b><u>Those who have been consulted:</u></b></p> <ul style="list-style-type: none"> <li>• Board Investment Committee</li> <li>• Board Finance and Property Committee</li> <li>• Vice-President (Finance &amp; Administration)</li> <li>• Associated Vice-President Financial Services and Supply Management Services</li> <li>• Director, Investments and Treasury</li> </ul>
	<p><b><u>Those who have been informed:</u></b></p> <ul style="list-style-type: none"> <li>• Board Investment Committee</li> <li>• Board Finance and Property Committee</li> <li>• Vice-President (Finance &amp; Administration)</li> <li>• Associated Vice-President Financial Services and Supply Management Services</li> <li>• Director, Investments and Treasury</li> </ul>
<p>Approval Route (Governance) (including meeting dates)</p>	<p>Board Investment Committee – September 27, 2018 Board Investment Committee – November 29, 2018 Board of Governors – December 14, 2018</p>

**Strategic Alignment**

Alignment with <i>For the Public Good</i>	Excel and Sustain.
Alignment with Institutional Risk Indicator	Funding/Resource Management.
Legislative Compliance and jurisdiction	PSLA, Banking and Investment.

Attachments:

1. University Funds Investment Policy – December 2018 Final (9 pages)
2. University Funds Investment Policy – December 2018 Track Changes (9 pages)

*Prepared by:* Ron Ritter, Director, Investments and Treasury, ron.ritter@ualberta.ca



## University Funds Investment Policy

<b>Office of Accountability:</b>	Vice President (Finance & Administration)
<b>Office of Administrative Responsibility:</b>	Financial Services
<b>Approver:</b>	Board of Governors
<b>Scope:</b>	Compliance with University policy extends to all members of the University community.

### Purpose

The *Post-Secondary Learning Act*, Statutes of Alberta, (2003), Sections 75 and 76, provides The Governors of the University of Alberta with broad investment powers, the authority to pool funds and the authority to distribute income, subject to the terms of a trust on which it may be held. The purpose of this investment policy is to establish distinct asset allocation and risk tolerances for each of the University funds according to the individual fund's spending obligations, objectives, and liquidity requirements.

## **POLICY**

### **1.0 DESCRIPTION OF UNIVERSITY FUNDS AND GOVERNANCE**

The Board of Governors has delegated investment oversight to the Board Investment Committee as documented in the Board Investment Committee's Terms of Reference. The Board of Governors has retained responsibility for the following matters (as outlined in this document):

- The Investment Policy for the University, which shall include the establishment of broad risk tolerances, strategic asset allocation, and responsible investment.
- The investment objectives and Spending Policy of the University.

The Investment Policy is subject to annual review by the Board Investment Committee and any recommended changes require approval by the Board of Governors. Management's investment decisions are subject to the overall policy direction of the Board Investment Committee as reflected in this policy.

The Board Investment Committee approves Investment Proposals. Management has responsibility to select, retain, monitor and dismiss investment managers in accordance with the approved Investment Proposals. Funds are allocated to external managers, or, when determined to be advantageous, may be managed internally.

Each investment manager shall adhere to this policy and must exercise the care, skill, diligence and judgment that a prudent investor would exercise in making investments. Investment managers are expected to be in compliance with all applicable laws and regulations as well as the Code of Ethics and Standards of Professional Conduct established by the CFA Institute.

#### **1.1 University Endowment Pool (UEP)**

The UEP consists of the University's endowed trust funds or other funds of a permanent or long-term nature. In addition, external funds may be invested in the UEP including funds of affiliated organizations and funds where the University is a beneficiary.

#### **1.2 Other Endowments**

Other endowments consist of endowed trust funds, which cannot be pooled for investment purposes because of constraints or conditions attached to the funds.



### **1.3 Non-Endowed Investment Pool (NEIP)**

The NEIP consists of expendable funds, which are pooled for investment purposes.

### **1.4 Other Non-Endowed Funds**

Other non-endowed funds consist of restricted non-endowed donations and the funds earmarked for the Supplementary Retirement Plans, which cannot be pooled for investment purposes because of constraints or conditions attached to the funds. Other non-endowed funds also include shares in publicly held companies received as a form of compensation for licensing a University created technology and related investments in venture capital limited partnerships.

## **2.0 UNIVERSITY ENDOWMENT POOL (UEP)**

### **2.1 Purpose**

The UEP represents the pooling of invested assets accumulated by or donated to the University for endowed purposes. The UEP's purpose is to foster an environment of academic excellence where superior teaching, learning, and research can be continuously pursued to benefit all generations equally over time.

### **2.2 Nature of UEP Liabilities (Spending Policy)**

The UEP provides funding to the faculties and departments of the University to be used for endowed purposes in accordance with the terms of each endowment. The objective is an appropriate and stable spending allocation that maintains its purchasing power over time, as outlined in the University Endowment Pool Spending Policy. This policy may be amended from time to time by the Board of Governors to ensure that the real value of the endowments (i.e., net of inflation) is maintained.

## **3.0 INVESTMENT OBJECTIVES OF THE UEP**

### **3.1 Return and Risk**

The principal investment objective of the UEP is to earn a long-term real rate of return that meets or exceeds total endowment spending as outlined in the UEP Spending Policy.

Intergenerational equity requires that the UEP be managed to provide a comparable level of support to future generations as current beneficiaries receive. This means that the value of the UEP should be preserved over time in real dollar terms in order to maintain the future purchasing power of assets. In setting the spending and investment policies for the UEP, the focus should be not just to preserve but to grow the real value of assets over time, as a margin of safety is required to maintain a stable level of support for endowed purposes across varying capital market and economic conditions.

Assets are allocated across four strategic classifications based on their primary role in the portfolio, which includes Growth, Inflation Sensitive, Deflation Hedging, and Diversifiers. In order to achieve its investment objectives, the UEP will have to maintain a majority weighting in Growth assets and less liquid investment strategies. This is based on projected capital market assumptions which indicate that over long periods of time, these assets can be expected to provide returns that exceed total endowment spending. Deflation Hedging strategies are expected to help provide protection in times of equity market stress and support spending in a prolonged deflationary period. Conversely, Inflation Sensitive assets are expected to protect the UEP from high or unanticipated inflation, while Diversifiers consist of investment strategies that are expected to provide uncorrelated returns to the other three classifications.

There are many types of risk that impact investment performance, including but not limited to capital markets, economic, environmental, governance, interest rates, liquidity, political, and social. Risks will be monitored through the use of quantitative and qualitative indicators and managed where appropriate via asset allocation, active management, derivatives and other strategies.

### 3.2 Asset Allocation

The strategic asset allocation is determined by the following four factors:

- Objective of a real rate of return that equals or exceeds the total rate of spending
- Long-term return, volatility, and correlation expectations for individual asset classes
- Diversification across asset classes and investment strategies
- Projected liquidity requirements of the UEP

The theoretically infinite time horizon of the UEP allows for the adoption of a strategic asset allocation policy with a high allocation to Growth assets along the following parameters:

<b>Strategic Asset Allocation</b>			
	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Growth	50%	60%	70%
Inflation Sensitive	15%	20%	25%
Deflation Hedging	5%	10%	15%
Diversifiers	5%	10%	15%
Total		<u>100%</u>	

To achieve diversification the UEP will invest in the following asset classes:

<b>Growth</b>			
	Minimum	Target	Maximum
<i>Long-Only Equity</i>			
Canadian Equity	5%	10%	15%
Global Equity	20%	25%	45%*
Emerging Markets Equity	5%	10%	15%
<i>Private Equity</i>	0%	10%	15%
<i>Marketable Alternatives</i>	0%	5%	10%
		<u>60%</u>	
<b>Inflation-Sensitive</b>			
<i>Real Assets</i>			
Real Estate & Infrastructure	0%	7%	10%
Natural Resource Equity	0%	5%	10%
Energy and Renewable Resources	0%	5%	10%
Commodities	0%	3%	5%
Real Return Bonds	0%	0%	5%
		<u>20%</u>	
<b>Deflation Hedging</b>			
<i>Fixed Income</i>			
Sovereign Bonds	5%	10%	15%
		<u>10%</u>	
<b>Diversifiers</b>			
<i>Uncorrelated Strategies</i>			
Absolute Return	5%	10%	15%
Cash	-5%	0%	5%
		<u>10%</u>	

\* The higher maximum allocation to global equity is required to allow for a transition from the current asset allocation to the strategic asset allocation, after which the maximum allocation will be reduced to 30%.

### 3.3 Categories of Investments

Investment Proposals shall be classified in accordance with the following general categories in the context of overall fund objectives and the strategic asset allocation described above.

#### 3.3.1 Growth

Growth assets include marketable equity securities, directional long/short equity hedge funds, and credit based fixed income strategies. Private investments include private debt, private equity, and venture capital.

#### 3.3.2 Inflation Sensitive

Inflation sensitive assets include inflation linked bonds, real estate, infrastructure, timberland, farmland, natural resource public equities, commodities, and energy and renewable resources.

#### 3.3.3 Deflation Hedging

Deflation hedging assets include high quality sovereign fixed income securities.

#### 3.3.4 Diversifiers

Diversifiers include cash and cash equivalents, active currency management, managed futures, precious metals, and absolute return strategies including but not limited to low beta long/short equity, market neutral, event driven, merger arbitrage, and global macro.

### 3.4 Rate of Return Goals

In order of priority, it is expected that the UEP will achieve over any 4-year rolling period:

- An annualized real return that meets or exceeds total endowment spending.
- An annualized return, in excess of the following benchmark. The current benchmark will be modified towards the target benchmark as the strategic asset allocation is implemented.

UEP Policy Benchmark (Effective April 1, 2019)	Target
MSCI Canada IMI	10%
MSCI World IMI	35%
MSCI Emerging Markets IMI	10%
Cambridge Associates Private Equity Index	5%
IPD/Realpac Global Property Index	7%
S&P Global Natural Resources Index	5%
Dow Jones North America Select Junior Oil/Gas Index	5%
Bloomberg Commodity Index	3%
FTSE/TMX All Federal Bond Index	10%
LIBOR + 6%	10%
	100%

### 4.0 OTHER ENDOWMENTS

Other Endowments are invested with the same goals, restrictions and quality levels as described above, subject to any stipulation required by contractual agreement, or by condition of the estate, or administrative arrangement.

**5.0 NON-ENDOWED INVESTMENT POOL (NEIP)**

The NEIP consists of expendable funding that is pooled for investment purposes. The purpose of the NEIP is to provide both liquidity for the University’s daily operations and the potential for return enhancement to support strategic initiatives. Long-term forecasts project that a portion of the NEIP will not be required for cash flow management purposes on an on-going basis. Therefore, an investment profile that is less liquid than what would be expected for funds with a short-term investment horizon is appropriate for a portion of the NEIP.

**5.1 Asset Allocation**

The strategic asset allocation in the NEIP shall be as follows:

	Minimum	Target	Maximum
Liquidity	20%	35%	50%
Yield	25%	35%	45%
Return Seeking	20%	30%	40%

In addition to the maximum policy allocation in the table above, the proportionate economic interest in the UEP of return seeking funds is limited to the quotient of 5.0% and the target allocation to illiquid investment strategies.

**5.2 Categories of Investments**

Investment Proposals shall be classified within the following categories:

**5.2.1 Liquidity**

The primary investment objectives for assets in the liquidity category are to meet the University’s daily cash flow requirements and to earn a return that meets or exceeds inflation with an acceptable level of risk. Assets in the liquidity category include cash, obligations or deposits issued by Canadian chartered banks, ATB Financial or credit unions that are 100% guaranteed, and investment grade money market securities.

**5.2.2 Yield**

The investment objective for assets in the yield category is to generate additional return above liquidity assets with an appropriate level of risk. Yield assets include fixed income securities, mortgages, private debt, preferred and low-volatility equities, and absolute return strategies.

Yield also includes loans to University of Alberta Properties Trust Inc., and internal loans to University faculties, departments, and staff. Loans to University of Alberta Properties Trust Inc. will be at prevailing commercial terms and conditions. The Internal Loan Policy approved by the Board of Governors governs internal loans.

**5.2.3 Return Seeking**

All return seeking funds are invested in the UEP with the objective of earning a higher long-term rate of return, and are managed in accordance with Sections 2 through 4 of this policy.

**5.3 Budget Considerations and Risk Management**

All earnings from Liquidity will form part of the base budget and be available for spending in the year in which they’re earned. All earnings from Yield and Return Seeking will be reinvested to build an investment income reserve. Appropriations from this investment income reserve to the strategic initiatives fund can only be made when total market value of Yield and Return Seeking exceeds the underlying obligation (investment cost) by a factor of 1.17x.

## 5.4 Performance Benchmarks

For each component of the NEIP the benchmark is:

NEIP Policy Benchmark (Effective April 1, 2019)		Target
Liquidity	Canadian Consumer Price Index (CPI)	35%
Yield	Canadian Consumer Price Index (CPI) + 3%	35%
Return Seeking	Current UEP benchmark (section 3.4)	30%
		<hr/> 100%

## 5.5 Other Non-Endowed Funds

The assets of Restricted Non-Endowed Donations shall be invested with the same goals, restrictions, and quality levels as described above and the University's Interest Procedure for Restricted Special Purpose and Restricted Research Accounts will apply, subject to any stipulation required by contractual agreement, or by condition of the estate, or administrative arrangement. The assets of the Supplementary Retirement Plans shall be invested in accordance with the agreement.

## 6.0 GENERAL

### 6.1 Responsible Investment

As a responsible owner, the University will regularly engage and collaborate with its active investment managers on matters related to environmental, social and governance (ESG) risks and opportunities.

Specifically the University will:

- Integrate the consideration of ESG factors into the investment process as an additional criterion in the selection and ongoing monitoring of active investment managers.
- Regularly review and track the engagement of active investment managers with their investee companies and their proxy voting records on ESG related issues.
- Obtain and evaluate annual disclosure from all active investment managers on how ESG factors are incorporated into their investment decision making processes.
- Collaborate with other institutional investors and industry associations on ESG matters where appropriate.
- Disclose and publish a detailed listing of its investments annually, and report on ESG matters in the Investment Committee's annual report.

### 6.2 Use of Derivatives

Derivatives offer ways to enhance risk adjusted returns or to protect against unwanted market movements. Where prudent and appropriate, derivatives may be used to gain market exposure, assist with hedging, and/or risk management.

### 6.3 Leverage

Leverage is an integral component of certain investment strategies. Where leverage is used, investments will be structured to limit potential maximum losses to the amount invested. The use of leverage will not be undertaken at the portfolio or fund level.

### 6.4 Securities Lending and Commission Recapture

The securities may be loaned to investment dealers and banks as part of the custodian's lending program when it is deemed that such lending may add incremental return to the funds at minimal risk. External

equity investment managers may be directed to participate in a commission recapture program in order to help mitigate internal investment research related expenses.

#### **6.5 Exercise of Proxies and Voting Rights**

Proxy or other voting rights will be exercised in the best interest of the University. The responsibility for voting may be delegated to the investment manager, but the University reserves the right to direct the investment manager on the voting of proxies.

#### **6.6 Valuation of Infrequently Traded Investments**

The valuation of infrequently traded investments shall be determined by the trustee or custodian of the fund. In the case of direct investments in real estate, the valuation shall be based on independent opinions of qualified appraisers as required.

#### **6.7 Conflict of Interest Guidelines and Related Parties Transactions**

The University's Conflict of Commitment and Conflict of Interest Policy will govern investment activities (General Faculties Council Policy # 35). Related Party transactions will be at fair market value.

#### **6.8 Custody**

To maintain a proper segregation of duties and adequate controls, all marketable securities held shall remain with or be monitored by a third-party custodian.

#### **6.9 Donated Securities**

Subject to market conditions, donated securities will generally be sold immediately upon receipt by the University. However, where it is advantageous to do so, and subject to the constraints of this policy, the University may hold these securities internally.

#### **6.10 Policy Review**

This policy shall be reviewed at least annually by the Board Investment Committee, who will either confirm or recommend changes to the Board of Governors. Upon recommendation from the Board Investment Committee, the Board of Governors can approve exceptions to this policy.

### **DEFINITIONS**

These terms and definitions apply to this policy with no implied or intended institution-wide use.

---

<b>Asset Allocation</b>	The process of dividing investments into different categories (Growth, Inflation Sensitive, Deflation Hedging, and Diversifiers) based on the role that the underlying category or investment strategy performs towards achieving the return and risk tolerance objectives of the portfolio. Each category comprises a specific group of investments that have similar expected return patterns, similar expected risk profiles, high correlations with other investments in the same category, or have a high sensitivity to inflation.
<b>Consumer Price Index (CPI)</b>	A Statistics Canada index of retail prices for goods and services. Increases in the CPI are also referred to as increases in the cost of living and are directly correlated to increases in inflation.
<b>Custodian</b>	A financial institution, usually a bank or trust company, which holds an investment portfolio's securities and cash in safekeeping.
<b>Deflation Hedging</b>	Any asset class that serves the primary objective of providing protection in times of market stress, and supports spending in a prolonged deflationary period. This consists primarily of high quality government and investment grade fixed income securities.

---

<b>Derivatives</b>	A financial instrument whose value is dependent on the performance of an underlying instrument or asset typically a commodity, bond or equity. They are also available on currencies, interest rates, and equity indices. Futures and options are examples of derivatives.
<b>Diversifiers</b>	Any asset class or investment strategy that is expected to be uncorrelated with Growth, Inflation Sensitive, and Deflation Hedging assets. This may include cash, active currency management, managed futures, and hedge fund strategies including but not limited to low beta long/short equity, market neutral, event driven, merger arbitrage, and global macro.
<b>Growth</b>	Any asset class or investment strategy which can be expected to provide returns that exceed the inflation adjusted rate of spending over the long-term. This may include marketable equity securities, directional long/short equity hedge funds, and credit based fixed income strategies. Private investments include private debt, private equity, and venture capital.
<b>Inflation Sensitive</b>	Any asset class or investment strategy that is expected to protect the fund from high or unanticipated inflation. This may include inflation linked bonds, real estate, infrastructure, timberland, farmland, natural resource public equities, commodities, and energy and renewable resources.
<b>Investment Proposal</b>	A statement of objectives that defines the investment rationale, asset class and/or strategy, risk characteristics and performance expectation.
<b>Liquidity</b>	Any asset class or investment strategy which can be expected to preserve capital, mature in one year or less from the date of purchase and be liquidated to cash within three months.
<b>Proxy</b>	A written authorization given by a shareholder to another individual, usually the company's management, in order to cast his/her vote at a shareholder meeting or at some other point in time.
<b>Rate of Return</b>	The percentage change in the value of an asset, including interest and dividends, over an evaluation period.
<b>Real</b>	Used in conjunction with asset values and rates of return and restates these nominal amounts for movements in the consumer price index.
<b>Real Return Bond (RRB)</b>	These bonds pay semi-annual interest based on a real interest rate. Unlike standard fixed-coupon marketable bonds, interest payments on RRBs are adjusted for changes in the consumer price index (CPI). Thus rates are adjusted higher for increases in the CPI and vice versa. Also known as inflation linked bonds (ILB).
<b>Responsible Investment</b>	The integration of environmental, social, and governance (ESG) factors into investment and ownership decisions.
<b>Return Seeking</b>	Any asset class or investment strategy which can be expected to be invested without the need for liquidity for at least ten years.
<b>Risk</b>	The possibility of loss and/or the uncertainty of future returns.

---

<b>Risk Tolerance</b>	An individual's ability to handle temporary and sustained declines in the value of their portfolio.
<b>Value at Risk</b>	A statistical measure of the amount of loss a portfolio might expect to experience over a specified time horizon with a given probability.
<b>Yield</b>	Any asset class or investment strategy which can be expected to preserve capital and mature between one and ten years.

---

## **RELATED LINKS**

Should a link fail, please contact the policy's Office of Administrative Responsibility (see header).

[University Endowment Pool \(UEP\) Spending Policy](#)

[Investment Committee Terms Of Reference](#)

[Statement of Investment Principles & Beliefs](#)

[Internal Loan Policy](#)

[Interest Procedure – Restricted Special Purpose and Restricted Research Accounts](#)

Approved:

Board of Governors, December 14, 2018

Board Investment Committee, September 27, 2018 and November 29, 2018





## University Funds Investment Policy

<b>Office of Accountability:</b>	Vice President (Finance & Administration)
<b>Office of Administrative Responsibility:</b>	Financial Services
<b>Approver:</b>	Board of Governors
<b>Scope:</b>	Compliance with University policy extends to all members of the University community.

### Purpose

The *Post-Secondary Learning Act*, Statutes of Alberta, (2003), Sections 75 and 76, provides The Governors of the University of Alberta with broad investment powers, the authority to pool funds and the authority to distribute income, subject to the terms of a trust on which it may be held. The purpose of this investment policy is to establish distinct asset allocation and risk tolerances for each of the University funds according to the individual fund's spending obligations, objectives, and liquidity requirements.

### POLICY

#### 1.0 DESCRIPTION OF UNIVERSITY FUNDS AND GOVERNANCE

The Board of Governors has delegated investment oversight to the Board Investment Committee as documented in the Board Investment Committee's Terms of Reference. The Board of Governors has retained responsibility for the following matters (as outlined in this document):

- The Investment Policy for the University, which shall include the establishment of broad risk tolerances, strategic asset allocation, and responsible investment.
- The ~~Endowment~~investment Objectives and Spending Policy of the University.

The Investment Policy is subject to annual review by the Board Investment Committee and any recommended changes require approval by the Board of Governors. Management's investment decisions are subject to the overall policy direction of the Board Investment Committee as reflected in this policy.

The Board Investment Committee approves Investment Proposals. Management has responsibility to select, retain, monitor and dismiss investment managers in accordance with the approved Investment Proposals. Funds are allocated to external managers, or, when determined to be advantageous, may be managed internally.

Each investment manager shall adhere to this policy and must exercise the care, skill, diligence and judgment that a prudent investor would exercise in making investments. Investment managers are expected to be in compliance with all applicable laws and regulations as well as the Code of Ethics and Standards of Professional Conduct established by the CFA Institute.

#### 1.1 University Endowment Pool (UEP)

The UEP consists of the University's endowed trust funds or other funds of a permanent or long-term nature. In addition, external funds may be invested in the UEP including funds of affiliated organizations and funds where the University is a beneficiary.

#### 1.2 Other Endowments

Other endowments consist of endowed trust funds, which cannot be pooled for investment purposes because of constraints or conditions attached to the funds.

### **1.3 Non-Endowed Investment Pool (NEIP)**

The NEIP consists of expendable funds, which are pooled for investment purposes.

### **1.4 Other Non-Endowed Funds**

Other non-endowed funds consist of restricted non-endowed donations and the funds earmarked for the Supplementary Retirement Plans, which cannot be pooled for investment purposes because of constraints or conditions attached to the funds. Other non-endowed funds also include shares in publicly held companies received as a form of compensation for licensing a University created technology and related investments in venture capital limited partnerships.

## **2.0 UNIVERSITY ENDOWMENT POOL (UEP)**

### **2.1 Purpose**

The UEP represents the pooling of invested assets accumulated by or donated to the University for endowed purposes. The UEP's purpose is to foster an environment of academic excellence where superior teaching, learning, and research can be continuously pursued to benefit all generations equally over time.

### **2.2 Nature of UEP Liabilities (Spending Policy)**

The UEP provides funding to the faculties and departments of the University to be used for endowed purposes in accordance with the terms of each endowment. The objective is an appropriate and stable spending allocation that maintains its purchasing power over time, as outlined in the University Endowment Pool Spending Policy. This policy may be amended from time to time by the Board of Governors to ensure that the real value of the endowments (i.e., net of inflation) is maintained.

## **3.0 INVESTMENT OBJECTIVES OF THE UEP**

### **3.1 Return and Risk**

The principal investment objective of the UEP is to earn a long-term real rate of return that meets or exceeds total endowment spending as outlined in the UEP Spending Policy.

Intergenerational equity requires that the UEP be managed to provide a comparable level of support to future generations as current beneficiaries receive. This means that the value of the UEP should be preserved over time in real dollar terms in order to maintain the future purchasing power of assets. In setting the spending and investment policies for the UEP, the focus should be not just to preserve but to grow the real value of assets over time, as a margin of safety is required to maintain a stable level of support for endowed purposes across varying capital market and economic conditions.

Assets are allocated across four strategic classifications based on their primary role in the portfolio, which includes Growth, Inflation Sensitive, Deflation Hedging, and Diversifiers. In order to achieve its investment objectives, the UEP will have to maintain a majority weighting in Growth assets and less liquid investment strategies. This is based on projected capital market assumptions which indicate that over long periods of time, these assets can be expected to provide returns that exceed total endowment spending. Deflation Hedging strategies are expected to help provide protection in times of equity market stress and support spending in a prolonged deflationary period. Conversely, Inflation Sensitive assets are expected to protect the UEP from high or unanticipated inflation, while Diversifiers consist of investment strategies that are expected to provide uncorrelated returns to the other three classifications.

There are many types of risk that impact investment performance, including but not limited to capital markets, economic, environmental, governance, interest rates, liquidity, political, and social. Risks will be monitored through the use of quantitative and qualitative indicators and managed where appropriate via asset allocation, active management, derivatives and other strategies.

### 3.2 Asset Allocation

The strategic asset allocation is determined by the following four factors:

- Objective of a real rate of return that equals or exceeds the total rate of spending
- Long-term return, volatility, and correlation expectations for individual asset classes
- Diversification across asset classes and investment strategies
- Projected liquidity requirements of the UEP

The theoretically infinite time horizon of the UEP allows for the adoption of a strategic asset allocation policy with a high allocation to Growth assets along the following parameters:

<b>Strategic Asset Allocation</b>			
	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Growth	50%	60%	70%
Inflation Sensitive	15%	20%	25%
Deflation Hedging	5%	10%	15%
Diversifiers	5%	10%	15%
Total		<u>100%</u>	

To achieve diversification the UEP will invest in the following asset classes:

<b>Growth</b>			
	Minimum	Target	Maximum
<i>Long-Only Equity</i>			
Canadian Equity	5%	10%	15%
Global Equity	20%	25%	45%*
Emerging Markets Equity	5%	10%	15%
<i>Private Equity</i>	0%	10%	15%
<i>Marketable Alternatives</i>	0%	5%	10%
		<u>60%</u>	
<b>Inflation-Sensitive</b>			
<i>Real Assets</i>			
Real Estate & Infrastructure	0%	7%	10%
Natural Resource Equity	0%	5%	10%
Energy and Renewable Resources	0%	5%	10%
Commodities	0%	3%	5%
Real Return Bonds	0%	0%	5%
		<u>20%</u>	
<b>Deflation Hedging</b>			
<i>Fixed Income</i>			
Sovereign Bonds	5%	10%	15%
		<u>10%</u>	
<b>Diversifiers</b>			
<i>Uncorrelated Strategies</i>			
Absolute Return	5%	10%	15%
Cash	-5%	0%	5%
		<u>10%</u>	

\* The higher maximum allocation to global equity is required to allow for a transition from the current asset allocation to the strategic asset allocation, after which the maximum allocation will be reduced to 30%.

### 3.3 Categories of Investments

Investment Proposals shall be classified in accordance with the following general categories ~~with~~ in the context of overall fund objectives and the strategic asset allocation described above.

#### 3.3.1 Growth

Growth assets include marketable equity securities, directional long/short equity hedge funds, and credit based fixed income strategies. Private investments include private debt, private equity, and venture capital.

#### 3.3.2 Inflation Sensitive

Inflation sensitive assets include inflation linked bonds, real estate, infrastructure, timberland, farmland, natural resource public equities, commodities, and energy and renewable resources.

#### 3.3.3 Deflation Hedging

Deflation hedging assets include high quality sovereign fixed income securities.

#### 3.3.4 Diversifiers

Diversifiers include cash and cash equivalents, active currency management, managed futures, precious metals, and absolute return strategies including but not limited to low beta long/short equity, market neutral, event driven, merger arbitrage, and global macro.

### 3.4 Rate of Return Goals

In order of priority, it is expected that the UEP will achieve over any 4-year rolling period:

- An annualized real return that meets or exceeds total endowment spending.
- An annualized return, in excess of the following benchmark. The current benchmark will be modified towards the target benchmark as the strategic asset allocation is implemented.

UEP Policy Benchmark (Effective April 1, 2017)	Current
MSCI Canada IMI	15%
MSCI World IMI	45%
MSCI Emerging Markets IMI	10%
Cambridge Associates Private Equity Index	0%
IPD/Realpac Canada Property Index	5%
S&P Global Natural Resources Index	5%
Dow Jones North America Select Junior Oil/Gas Index	5%
Dow Jones - UBS Commodity Index	0%
FTSE/TMX All Federal Bond Index	10%
HFRI Fund of Funds Composite Index	5%
	100%
UEP Policy Benchmark (Effective April 1, 2019)	Target
MSCI Canada IMI	10%
MSCI World IMI	35%
MSCI Emerging Markets IMI	10%
Cambridge Associates Private Equity Index	5%
IPD/Realpac Global Property Index	7%
S&P Global Natural Resources Index	5%
Dow Jones North America Select Junior Oil/Gas Index	5%
Bloomberg Commodity Index	3%
FTSE/TMX All Federal Bond Index	10%
LIBOR + 6%	10%
	100%

#### 4.0 OTHER ENDOWMENTS

Other Endowments are invested with the same goals, restrictions and quality levels as described above, subject to any stipulation required by contractual agreement, or by condition of the estate, or administrative arrangement.

#### 5.0 NON-ENDOWED INVESTMENT POOL (NEIP)

The NEIP consists of expendable funding that is pooled for investment purposes. The purpose of the NEIP is to provide both liquidity for the University's daily operations and the potential for return enhancement to support strategic initiatives. Long-term forecasts project that a portion of the NEIP will not be required for cash flow management purposes on an on-going basis. Therefore, an investment profile that is less liquid than what would be expected for funds with a short-term investment horizon is appropriate for a portion of the NEIP.

##### 5.1 Asset Allocation

The strategic asset allocation in the NEIP shall be as follows:

	Minimum	Target	Maximum
Liquidity	20%	35%	<del>50%70%*</del>
Yield	<del>25%15%*</del>	35%	45%
Return Seeking	20%	30%	40%

~~\* The higher maximum allocation to liquidity and the lower minimum allocation to yield are required to allow for a transition from the current asset allocation to the strategic asset allocation, after which the maximum and minimum will be 50% and 25% respectively.~~

~~For risk management purposes, the objective is that any appropriations from the yield strategy can only occur if the market value exceeds the underlying obligation (investment cost) by a factor of 1.1x.~~

In addition to the maximum policy allocation in the table above, the proportionate economic interest in the UEP of return seeking funds is limited to the quotient of 5.0% and the target allocation to illiquid investment strategies.

~~For risk management purposes, the objective is that any appropriations from the return seeking strategy can only occur if the market value exceeds the underlying obligation (investment cost) by a factor of 1.25x.~~

##### 5.2 Categories of Investments

Investment Proposals shall be classified within the following categories:

###### 5.2.1 Liquidity

The primary investment objectives for assets in the liquidity category are to meet the University's daily cash flow requirements and to earn a return that meets or exceeds inflation with an acceptable level of risk. Assets in the liquidity category include cash, obligations or deposits issued by Canadian chartered banks, ATB Financial or credit unions that are 100% guaranteed, and investment grade money market securities.

###### 5.2.2 Yield

The investment objective for assets in the yield category is to generate additional return above liquidity assets with an appropriate level of risk. Yield assets include fixed income securities, mortgages, private debt, preferred and low-volatility equities, and absolute return strategies.

Yield also includes loans to University of Alberta Properties Trust Inc., and internal loans to University faculties, departments, and staff. Loans to University of Alberta Properties Trust Inc. will be at prevailing commercial terms and conditions. The Internal Loan Policy approved by the Board of Governors governs internal loans.

### 5.2.3 Return Seeking

All return seeking funds are invested in the UEP with the objective of earning a higher long-term rate of return, and are managed in accordance with Sections 2 through 4 of this policy.

## 5.3 Budget Considerations and Risk Management

All earnings from Liquidity will form part of the base budget and be available for spending in the year in which they're earned. All earnings from Yield and Return Seeking will be reinvested to build an investment income reserve. Appropriations from this investment income reserve to the strategic initiatives fund can only be made when total market value of Yield and Return Seeking exceeds the underlying obligation (investment cost) by a factor of 1.17x.

### 5.3.4 Performance Benchmarks

For each component of the NEIP the benchmark is:

NEIP Policy Benchmark (Effective April 1, 2015)		Current
Liquidity	FTSE TMX Canada 91 Day T-Bill Index	50%
Yield	FTSE TMX Canada Short Term Overall Bond Index	25%
Return Seeking	Current UEP benchmark (section 3.4)	25%
		<hr/> 100%

NEIP Policy Benchmark (Effective April 1, 2019)		Target
Liquidity	Canadian Consumer Price Index (CPI)	35%
Yield	Canadian Consumer Price Index (CPI) + 3%	35%
Return Seeking	Current UEP benchmark (section 3.4)	30%
		<hr/> 100%

~~The current benchmark will be modified towards the target benchmark as the strategic asset allocation is implemented.~~

### 5.4.5 Other Non-Endowed Funds

The assets of Restricted Non-Endowed Donations shall be invested with the same goals, restrictions, and quality levels as described above and the University's Interest Procedure for Restricted Special Purpose and Restricted Research Accounts will apply, subject to any stipulation required by contractual agreement, or by condition of the estate, or administrative arrangement. The assets of the Supplementary Retirement Plans shall be invested in accordance with the agreement.

## 6.0 GENERAL

### 6.1 Responsible Investment

As a responsible owner, the University will regularly engage and collaborate with its active investment managers on matters related to environmental, social and governance (ESG) risks and opportunities.

Specifically the University will:

- Integrate the consideration of ESG factors into the investment process as an additional criterion in the selection and ongoing monitoring of active investment managers.
- Regularly review and track the engagement of active investment managers with their investee companies and their proxy voting records on ESG related issues.

- Obtain and evaluate annual disclosure from all active investment managers on how ESG factors are incorporated into their investment decision making processes.
- Collaborate with other institutional investors and industry associations on ESG matters where appropriate.
- Disclose and publish a detailed listing of its investments annually, and report on ESG matters in the Investment Committee's annual report.

## **6.2 Use of Derivatives**

Derivatives offer ways to enhance risk adjusted returns or to protect against unwanted market movements. Where prudent and appropriate, derivatives may be used to gain market exposure, assist with hedging, and/or risk management.

## **6.3 Leverage**

Leverage is an integral component of certain investment strategies. Where leverage is used, investments will be structured to limit potential maximum losses to the amount invested. The use of leverage will not be undertaken at the portfolio or fund level.

## **6.4 Securities Lending and Commission Recapture**

The securities may be loaned to investment dealers and banks as part of the custodian's lending program when it is deemed that such lending may add incremental return to the funds at minimal risk. External equity investment managers may be directed to participate in a commission recapture program in order to help mitigate internal investment research related expenses.

## **6.5 Exercise of Proxies and Voting Rights**

Proxy or other voting rights will be exercised in the best interest of the University. The responsibility for voting may be delegated to the investment manager, but the University reserves the right to direct the investment manager on the voting of proxies.

## **6.6 Valuation of Infrequently Traded Investments**

The valuation of infrequently traded investments shall be determined by the trustee or custodian of the fund. In the case of direct investments in real estate, the valuation shall be based on independent opinions of qualified appraisers as required.

## **6.7 Conflict of Interest Guidelines and Related Parties Transactions**

The University's Conflict of Commitment and Conflict of Interest Policy will govern investment activities (General Faculties Council Policy # 35). Related Party transactions will be at fair market value.

## **6.8 Custody**

To maintain a proper segregation of duties and adequate controls, all marketable securities held shall remain with or be monitored by a third-party custodian.

## **6.9 Donated Securities**

Subject to market conditions, donated securities will generally be sold immediately upon receipt by the University. However, where it is advantageous to do so, and subject to the constraints of this policy, the University may hold these securities internally.

## **6.10 Policy Review**

This policy shall be reviewed at least annually by the Board Investment Committee, who will either confirm or recommend changes to the Board of Governors. Upon recommendation from the Board Investment Committee, the Board of Governors can approve exceptions to this policy.

## **DEFINITIONS**

These terms and definitions apply to this policy with no implied or intended institution-wide use.

---

<b>Asset Allocation</b>	The process of dividing investments into different categories (Growth, Inflation Sensitive, Deflation Hedging, and Diversifiers) based on the role that the underlying category or investment strategy performs towards achieving the return and risk tolerance objectives of the portfolio. Each category comprises a specific group of investments that have similar expected return patterns, similar expected risk profiles, high correlations with other investments in the same category, or have a high sensitivity to inflation.
<b>Consumer Price Index (CPI)</b>	A Statistics Canada index of retail prices for goods and services. Increases in the CPI are also referred to as increases in the cost of living and are directly correlated to increases in inflation.
<b>Custodian</b>	A financial institution, usually a bank or trust company, which holds an investment portfolio's securities and cash in safekeeping.
<b>Deflation Hedging</b>	Any asset class that serves the primary objective of providing protection in times of market stress, and supports spending in a prolonged deflationary period. This consists primarily of high quality government and investment grade fixed income securities.
<b>Derivatives</b>	A financial instrument whose value is dependent on the performance of an underlying instrument or asset typically a commodity, bond or equity. They are also available on currencies, interest rates, and equity indices. Futures and options are examples of derivatives.
<b>Diversifiers</b>	Any asset class or investment strategy that is expected to be uncorrelated with Growth, Inflation Sensitive, and Deflation Hedging assets. This may include cash, active currency management, managed futures, and hedge fund strategies including but not limited to low beta long/short equity, market neutral, event driven, merger arbitrage, and global macro.
<b>Growth</b>	Any asset class or investment strategy which can be expected to provide returns that exceed the inflation adjusted rate of spending over the long-term. This may include marketable equity securities, directional long/short equity hedge funds, and credit based fixed income strategies. Private investments include private debt, private equity, and venture capital.
<b>Inflation Sensitive</b>	Any asset class or investment strategy that is expected to protect the fund from high or unanticipated inflation. This may include inflation linked bonds, real estate, infrastructure, timberland, farmland, natural resource public equities, commodities, and energy and renewable resources.
<b>Investment Proposal</b>	A statement of objectives that defines the investment rationale, asset class and/or strategy, risk characteristics and performance expectation.
<b>Liquidity</b>	Any asset class or investment strategy which can be expected to preserve capital, mature in one year or less from the date of purchase and be liquidated to cash within three months.

---



<b>Proxy</b>	A written authorization given by a shareholder to another individual, usually the company's management, in order to cast his/her vote at a shareholder meeting or at some other point in time.
<b>Rate of Return</b>	The percentage change in the value of an asset, including interest and dividends, over an evaluation period.
<b>Real</b>	Used in conjunction with asset values and rates of return and restates these nominal amounts for movements in the consumer price index.
<b>Real Return Bond (RRB)</b>	These bonds pay semi-annual interest based on a real interest rate. Unlike standard fixed-coupon marketable bonds, interest payments on RRBs are adjusted for changes in the consumer price index (CPI). Thus rates are adjusted higher for increases in the CPI and vice versa. Also known as inflation linked bonds (ILB).
<b>Responsible Investment</b>	The integration of environmental, social, and governance (ESG) factors into investment and ownership decisions.
<b>Return Seeking</b>	Any asset class or investment strategy which can be expected to be invested without the need for liquidity for at least ten years.
<b>Risk</b>	The possibility of loss and/or the uncertainty of future returns.
<b>Risk Tolerance</b>	An individual's ability to handle temporary and sustained declines in the value of their portfolio.
<b>Value at Risk</b>	A statistical measure of the amount of loss a portfolio might expect to experience over a specified time horizon with a given probability.
<b>Yield</b>	Any asset class or investment strategy which can be expected to preserve capital and mature between one and ten years.

## **RELATED LINKS**

Should a link fail, please contact the policy's Office of Administrative Responsibility (see header).

[University Endowment Pool \(UEP\) Spending Policy](#)

[Investment Committee Terms Of Reference](#)

[Statement of Investment Principles & Beliefs](#)

~~[University Endowment Pool \(UEP\) Implementation Guidelines](#)~~

[Internal Loan Policy](#)

[Interest Procedure – Restricted Special Purpose and Restricted Research Accounts](#)

Approved:

Board of Governors, ~~December 14, 2018~~ ~~June 23, 2017~~

Board Investment Committee, ~~September 27, 2018 and November 29, 2018~~ ~~May 31, 2017~~

**Governance Executive Summary**  
**Action Item**

Agenda Title: **Board Committee Appointments**

**Motion:** THAT the Board of Governors, on the recommendation of the Board Chair, Mr Michael Phair, approve Board Committee appointments, as set forth in Attachment 1 to the agenda documentation, to take effect December 15, 2018.

**Item**

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Mr Michael Phair, Chair, Board of Governors
Presenter(s)	Michael Phair, Board Chair

**Details**

Responsibility	Chair of the Board of Governors
The Purpose of the Proposal is ( <i>please be specific</i> )	To consider revisions to the current Board Committee membership roster to reflect upcoming Board membership changes.
Executive Summary ( <i>outline the specific item– and remember your audience</i> )	The Board of Governors annually reviews the recommendations of the Board Chair for appointments to Board Standing and other committees at its June meeting. Other appointments are made as required.  The Board Chair is recommending the appointment of new member Donna Wilson to the Board Learning and Discovery Committee.  This committee membership listing also includes the new Board Governance Committee, with members appointed by the Board Chair.
Supplementary Notes / context	Replaces the 2018-2019 Committee Membership List approved by the Board on October 12, 2018.

**Engagement and Routing** (Include meeting dates)

Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)	<u><b>Those who are actively participating:</b></u> <ul style="list-style-type: none"> <li>Board Chair</li> <li>University Governance</li> </ul>
<For information on the protocol see the <a href="#">Governance Toolkit section Student Participation Protocol</a> >	<u><b>Those who have been consulted:</b></u> <ul style="list-style-type: none"> <li>Those Board members affected by the change</li> </ul>
	<u><b>Those who have been informed:</b></u>
Approval Route (Governance)	Board of Governors – for approval – December 14, 2018

**Strategic Alignment**

Alignment with <i>For the Public Good</i>	<u><b>Institutional Strategic Plan - For the Public Good</b></u> <i>SUSTAIN our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</i>  <i>21. Objective: Encourage continuous improvement in administrative, governance, planning, and stewardship systems, procedures, and policies that enable students, faculty, staff, and the institution as a whole</i>
---	--

Item No. 4di

	<i>to achieve shared strategic goals.</i>
Alignment with Institutional Risk Indicator	Leadership and Change
Legislative Compliance and jurisdiction	<ul style="list-style-type: none"><li>• Board of Governors General Terms of Reference for Board Standing Committees – Sections 3 and 4</li><li>• Board Learning and Discovery Committee Terms of Reference – Section 2(ai)</li></ul>

Attachments:

1. Proposed 2018-2019 Board of Governors Committee Membership (1 page) – for approval

Prepared by: Erin Plume, Assistant Board Secretary, [erin.plume@ualberta.ca](mailto:erin.plume@ualberta.ca), 780-492-9699

**\*\*AUDIT AND RISK COMMITTEE**

Chair: Dominique Grégoire  
Vice-Chair: Charlene Butler  
\*Shenaz Jeraj (June 30, 2019)  
\*Barry Kaiser (June 30, 2019)  
\*Stuart Lee (August 30, 2019)  
Owen Tobert

**FINANCE & PROPERTY COMMITTEE**

Chair: Owen Tobert  
Vice-Chair: Katherine Binhammer  
Matthew Barnett  
\*Jon Chia (June 30, 2021)  
Reed Larsen  
Glenn Stowkowy  
Sasha van der Klein  
<vacant>

**GOVERNANCE COMMITTEE**

Chair: Lynn Parish  
Vice-Chair: Mary Pat Barry  
Reed Larsen  
Ray Muzyka  
Zahra Somani  
Glenn Stowkowy

**HUMAN RESOURCES & COMPENSATION COMMITTEE**

Chair: Ray Muzyka  
Vice-Chair: Lynn Parish  
\*Robert Teskey (June 30, 2019)  
Zahra Somani

**INVESTMENT COMMITTEE**

Chair: \*Dave Lawson (June 30, 2020)  
Vice-Chair: \*Jim Drinkwater (June 30, 2019)  
\*Derek Brodersen (June 30, 2019)  
Charlene Butler  
\*John Butler (June 30, 2019)  
\*Gordon Clanachan (June 30, 2019)  
\*Maria Holowinsky (June 30, 2021)  
\*Sandy McPherson (June 30, 2021)  
\*Peter Pontikes (June 30, 2019)  
<vacant>

**LEARNING AND DISCOVERY COMMITTEE**

Chair: Lynne Paradis  
Vice-Chair: Mary Pat Barry  
~~David Cooper~~ Donna Wilson  
Reed Larsen  
Kirk MacLeod  
Ray Muzyka  
Sasha van der Klein

**\*\*\*REPUTATION AND PUBLIC AFFAIRS COMMITTEE**

Chair: Mary Pat Barry  
Vice-Chair: Sheri Somerville  
Matthew Barnett  
Katherine Binhammer  
Levi Flaman  
\*Catrin Owen (June 30, 2020)  
Lynne Paradis  
Sasha van der Klein  
\*<vacant>

**SAFETY, HEALTH & ENVIRONMENT COMMITTEE**

Chair: Zahra Somani  
Vice-Chair: \*Gordon Winkel (June 30, 2019)  
Matthew Barnett  
\*Fahed Elian  
Levi Flaman  
\*David Rust (June 30, 2020)  
Sheri Somerville  
Glenn Stowkowy  
<vacant>  
\*<vacant>

***Ex Officio Members on all Board Committees:***

Michael Phair, Board Chair  
Douglas Stollery, Chancellor  
David Turpin, President

**BOARD REPRESENTATION ON UNIVERSITY COMMITTEES**

Senate: Lynne Paradis, Sherri Somerville  
Edmonton Community Foundation Nominating Committee: Mary Pat Barry  
University Properties Trust Board of Directors: Glenn Stowkowy, <vacant>

\* Denotes External Member on a Board Committee

\*\* Formerly known as Audit Committee

\*\*\* Formerly known as University Relations Committee

Item No. 6a

**Governance Executive Summary  
Action Item**

<b>Agenda Title</b>	<b>Implementation of Recommendations of the 2018 Board Working Group: Board Ad Hoc Group on Committee Mandates and Membership</b>
---------------------	---

**Motion 1:** THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed *Principles for Board of Governors Standing Committee Composition*, as set forth in Attachment 1, effective immediately, to guide decisions regarding the composition of Board standing committees.

**Motion 2:** THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed Board Standing Committee Composition Frameworks, as set forth in Attachment 2, effective upon future approval of revised committee Terms of Reference (*with the exception of the Board Governance Committee for which changes can be effective immediately*).

**Motion 3:** THAT the Board of Governors, on the recommendation of the Board Ad Hoc Group on Committee Mandates and Membership, approve the proposed Board Standing Committee Mandate Statements, as set forth in Attachment 3, effective upon future approval of revised committee Terms of Reference (*with the exception of the Board Governance Committee for which changes can be effective immediately*).

**Item**

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Michael Phair, Chair, Board of Governors; Board Ad Hoc Group on Committee Mandates and Membership
Presenter(s)	Michael Phair, Chair, Board of Governors

**Details**

Responsibility	University Governance
The Purpose of the Proposal is ( <i>please be specific</i> )	<p>To seek Board of Governors approval of principles to guide future decisions regarding standing committee composition and of committee composition frameworks and mandate statements to be incorporated into future revised committee Terms of Reference.</p> <p>To brief the Board on work underway to implement Board recommendations for changes to limitations on delegation by the Board of Governors for Board Standing Committees, following the Board-approved Principles for Board Delegation of Authority.</p>
Executive Summary ( <i>outline the specific item – and remember your audience</i> )	<p><b><u>Background:</u></b></p> <p>In August 2017, the Board of Governors held a strategic retreat with objectives that included</p> <p><i>To solidify the Board of Governors’ commitment to dimensional governance that ensures the Board and all committees are doing the right work to guide the University and to support the ambitions of For the Public Good.</i></p> <p>The Board of Governors last reviewed its committee structure and mandates as a whole in 1999. Since that time, the <i>Universities Act</i> transitioned into the <i>Post-secondary Learning Act (2004)</i>, the <i>Alberta Public Agencies Governance Act (APAGA)</i> was established, and the</p>

Item No. 6a

University of Alberta has continued to grow and transform. Following the retreat, a Board Working Group was formed to engage in a review of the Board of Governors' processes, structure and role in providing strategic oversight, insight and foresight with a goal of governance excellence in support of the university's institutional strategic plan. On June 15, 2018, the Board of Governors approved the Report and Recommendations of the Board Working Group 2018, including the establishment of a Board Ad Hoc Group on Committee Mandates and Membership (BAGMM) to continue the implementation of committee-restructuring recommendations.

BAGMM has been meeting since June 2018 to drive the implementation of recommendations made by the Board Working Group, and in October 2018, the Board approved the Terms of Reference for a Board Governance Committee to enhance board governance integrity, oversee the organization and procedures of the Board of Governors, and provide oversight for the institutional strategic plan.

BAGMM was also charged with:

1. The development of Principles on Board Standing Committee Composition;
2. The development of committee composition frameworks for each Board Standing Committee, based on the Principles on Board Standing Committee Composition.
3. Revisions to mandates for Board Standing Committees;
4. Revisions regarding limitations on delegation by the Board of Governors (based on Board-approved Principles to Guide Board Delegation of Authority);

**Current Proposal:**

1. *Principles for Board of Governors Standing Committee Composition*,  
Composition of Board standing committees is crucial to ensuring that decisions are made in an informed manner that takes into account the role of the Board and will consider the breadth of issues, fiduciary responsibilities and perspectives of the Board. These proposed principles provide a framework to create committee compositions that are reflective of the membership of Board and appropriate to the role and mandates of those committees.

At the October Board meeting, BAGMM brought forward *Principles for Board Standing Committee Composition* for Board approval but was asked by the Board to reconsider the conditions guiding the selection of committee Chairs. This revised proposal is intended to address those concerns.

Until the Board of Governors establishes Board bylaws, these principles will work together with the Board-approved General Terms of Reference for Board Standing Committees to guide the composition and function of Board committees.

Item No. 6a

	<p><b>2. <u>Proposed Board Standing Committee Composition Frameworks</u></b></p> <p>In conjunction with the <i>Principles for Board of Governors Standing Committee Composition</i>, BAGMM also reviewed individual committee composition, and is recommending changes that include:</p> <ul style="list-style-type: none"> <li>• Less explicit membership categories, reflective of the principles’ commitment to diversity and broad representation, and of the Board Governance Committee’s new role in tracking skills matrices for each committee and populating committees accordingly.</li> <li>• The opportunity for each committee to include external members of the public, as needed.</li> <li>• A requirement for independent members on specific standing committees.</li> <li>• Slightly smaller committee memberships, with an odd number of maximum voting members (not including ex-officio) to assist in achieving quorum</li> </ul> <p><b>3. <u>Proposed Board Standing Committee Mandate Statements</u></b></p> <p>To reflect the Board-approved future restructuring of its committees, as well as the Board’s desire to focus not only on oversight, but also provide strategic foresight and insight, BAGMM reviewed each committee’s “mandate statement” at the beginning of its Terms of Reference and is proposing cohesive revisions that reflect these structural changes. Board committees had the opportunity to review the proposed mandate statements and provide feedback at their November meetings.</p> <p><b><u>Continuing Work:</u></b></p> <p><b>4. <u>Summary of Proposed Changes to Limitations to Board Delegation of Authority to Committees</u></b></p> <p>In June 2018, the Board approved <i>Principles for Board Delegation of Authority</i> and then tasked BAGMM with reviewing the current Board delegation of authority to its committees and determining where changes should be made, under these new Principles, with particular consideration of further delegation of authority.</p> <p>BAGMM has reviewed each’s committee’s limitations of delegated authority, as outlined in Terms of Reference, and, in consultation with General Counsel and senior administration, has compiled a list of possible future changes, some of which will take effect upon approval of the revised Terms of Reference, and others that are currently being worked on by Administration for Board approval at upcoming meetings. Final proposed changes to the Board’s delegation of authority to its committees will come forward for Board approval as part of the revised committee Terms of Reference in Spring 2019.</p>
<p>Supplementary Notes and context</p>	<p><b><u>Next steps:</u></b></p> <p>Current Board Standing Committee Terms of Reference and committee memberships do not yet reflect these recommended changes. Once the Board has approved these components, BAGMM will turn its work over to a consultant to review and propose changes to current Board Committee Terms of Reference. The revised Terms of Reference will</p>

Item No. 6a

	<p>reflect these approved components and also align with:</p> <ul style="list-style-type: none"> <li>• the new Board committee structure</li> <li>• the guiding principles for Board delegation; and the Board's desire for strategic insight &amp; foresight</li> </ul> <p>This process will begin in early 2019 and will include opportunities for Board and committee member feedback before coming forward for Board approval in Spring 2019. Once approved, committee membership will be adjusted to reflect the new committee structure and membership parameters for implementation in the 2019-20 Governance year.</p>
--	--

**Engagement and Routing** (Include meeting dates)

<p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p> <p>&lt;For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a>&gt;</p>	<p><u><b>Those who are actively participating:</b></u></p> <ul style="list-style-type: none"> <li>• Michael Phair, Chair, Board of Governors</li> <li>• Members, Board Ad Hoc Group on Committee Mandates and Membership</li> <li>• Marion Haggarty-France, University Secretary</li> <li>• Juli Zinken, Board Secretary and Manager of Board Services</li> </ul> <p><u><b>Those who have been consulted:</b></u></p> <ul style="list-style-type: none"> <li>• Board Standing Committees</li> <li>• President and Vice-Chancellor</li> <li>• General Counsel</li> <li>• President's Executive Committee - Strategic</li> </ul> <p><u><b>Those who have been informed:</b></u></p>
Approval Route (Governance)	Board of Governors, December 14, 2018 – for approval

**Strategic Alignment**

Alignment with <i>For the Public Good</i>	<p><i>SUSTAIN: Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</i></p> <p><i>21. Encourage continuous improvement in administrative, governance, planning and stewardship systems, procedures, and policies that enable students, faculty, staff, and the institution as a whole to achieve shared strategic goals.</i></p>			
Alignment with Institutional Risk Indicator	<p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Enrolment Management  <input type="checkbox"/> Faculty and Staff  <input type="checkbox"/> Funding and Resource Management  <input type="checkbox"/> IT Services, Software and Hardware  <input checked="" type="checkbox"/> Leadership and Change  <input type="checkbox"/> Physical Infrastructure                 </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Relationship with Stakeholders  <input checked="" type="checkbox"/> Reputation  <input type="checkbox"/> Research Enterprise  <input type="checkbox"/> Safety  <input type="checkbox"/> Student Success                 </td> </tr> </table>		<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success			
Legislative Compliance and jurisdiction	<ul style="list-style-type: none"> <li>• The <i>Alberta Public Agencies Governance Act</i> (APAGA) promotes transparency, accountability, and good governance for the province's nearly 250 agencies, boards and commissions.</li> </ul>			



Item No. 6a

Attachments:

1. Proposed Principles for Board of Governors Standing Committee Composition (1 page) – for approval
2. Proposed Board Standing Committee Composition Frameworks (9 pages) – for approval
3. Proposed Board Standing Committee Mandate Statements (3 pages) – for approval
4. Summary of Proposed Changes to Limitations to Board Delegation of Authority to Committees (1 page) – for information

*Prepared by:* Juli Zinken, Board Secretary and Manager of Board Services, [juli.zinken@ualberta.ca](mailto:juli.zinken@ualberta.ca) / 780-492-4715



## Principles for Board of Governors Standing Committee Composition

### Introduction

Governance at the University of Alberta relies upon a structure wherein the Board of Governors can delegate provincially-mandated authorities to its standing committees. As such, the composition of those standing committees is crucial to ensuring that decisions are made in an informed manner that takes into account the role of the Board and will consider the breadth of issues, fiduciary responsibilities and perspectives of the Board. The following principles provide a framework to create committee compositions that are reflective of the membership of Board and appropriate to the role and mandates of those committees.

### Principles

1. Wherever possible, committee composition will reflect a balance of public members and internal constituencies, with a commitment to diversity and broad representation.
2. All Board members are eligible to serve on Board standing committees except in those circumstances where a committee's mandate requires independence of its members and/or a member may have a conflict of interest.
3. ~~Wherever possible, t~~The Chair of a standing committee ~~will be a public board member appointed by the Board.~~ will be recommended by the Board Chair for approval by the Board; the Vice-Chair of a standing committee will be elected by the committee from its appointed voting members of the committee.
4. Wherever possible, members of the Board will serve on at least one standing committee.
5. Where there is a requirement for additional expertise on a specific standing committee, external members of the public will be appointed to the standing committee.
6. Board members interested in observing a committee meeting may do so at the expressed invitation of the Committee Chair.
7. The President will appoint all non-voting officials to standing committees and these officials will be included in the membership of a standing committee. When appointing officials to the standing committee, normally, the number of board committee members will be greater than the number of officials.
8. Wherever possible, to better-facilitate quorum, the number of voting committee members (excluding ex-officio voting members) will not be an even number.
9. Wherever possible, members' terms on a committee will be staggered to aide in transition of new members and continued good governance.



Consider the following:

- Principles of Committee Composition (attached)
- An odd number of voting members (not including ex-officio) is better in order to achieve quorum
- There are 18 voting Board members (excluding ex-officio):

Board composition by constituency (per the PSLA) (excluding ex-officio):

<b>Constituency</b>	<b># of members</b>	<b>Term Length</b>
Alumni	2	3 years
Senate	1	3 years
Academic Staff	2	3 years
Undergraduate Student	2	1 year
Graduate Student	1	1 year
Non-Academic Staff	1	3 years
General Public	9	3 - 6 years

- Each member should sit on at least one committee.
- In current structure, there are 60 voting member spots on committees (including external members of the public, and excluding ex-officio) – 49 are currently filled.
- In proposed structure, there are 47 voting member spots on committees (including external members of the public, and excluding ex-officio).
- Which committees require independent members?
  - BARC, BHRCC, BIC
- Going forward, rather than specify required skillsets in each committee's Terms of Reference, the Board Governance Committee will work with Committee Chairs to maintain skills matrices for each committee to ensure committee membership reflects the required skillset.

Original Composition Framework	Proposed new Composition Framework
<b>Board Audit and Risk Committee</b>	
<p>(a) Voting Members appointed by the Board (<b>Ordinarily a maximum of 12</b>)</p> <ol style="list-style-type: none"> <li>(1) At least 2 Board members from the membership categories identified by the Alberta <i>Post-Secondary Learning Act</i> (the Act) as general public, alumni and senate ; and</li> <li>(2) At least 2, but no more than 8, external members of the general public</li> <li>(3) The Board Chair, by virtue of office</li> <li>(4) The Chancellor, by virtue of office</li> </ol> <p>(b) Non-Voting Officials</p> <ol style="list-style-type: none"> <li>(1) External Auditor (Auditor General of Alberta)</li> <li>(2) The President and Vice-Chancellor, by virtue of office</li> </ol> <p>(c) Non-Voting Officials appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Provost and Vice-President (Academic)</li> <li>(2) Vice-President (Finance and Administration)</li> <li>(3) University Auditor (Associate Vice-President (Audit &amp; Analysis) and University Auditor)</li> <li>(4) General Counsel</li> <li>(5) University Secretary</li> <li>(6) Committee Secretary</li> <li>(7) Other officers, as determined by the President</li> </ol> <p>(d) No member of the staff (academic or non-academic) nor any student of the University shall sit as a member of the Committee.</p> <p>(e) One member of the Committee shall also serve on the Board Finance and Property Committee. [...]</p> <p>(f) The majority of members of the audit committee should be financially literate and at least three members should have accounting or related financial expertise. Financial literacy requirements that may be considered include:</p> <ol style="list-style-type: none"> <li>i) The ability to read, comprehend and analyze the financial statements and the notes to the financial statements.</li> <li>ii) The ability to understand accounting policies, estimates and judgments when these are explained by management and the external auditor.</li> <li>iii) An understanding of the business of the University and any unique features that may impact the accounting policies.</li> <li>iv) Knowledge and understanding of the strategies that the University has adopted, especially the risks inherent with new strategies.</li> </ol>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 9)</b></p> <p><b><i>Ex-officio (2)</i></b></p> <ol style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> </ol> <p><b><i>Appointed (7)</i></b></p> <ol style="list-style-type: none"> <li>c) No more than seven voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate*</li> </ol> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials</i></b></p> <ol style="list-style-type: none"> <li>d) The President and Vice-Chancellor, by virtue of office</li> <li>e) External Auditor (Auditor General of Alberta)</li> </ol> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ol style="list-style-type: none"> <li>f) Provost and Vice-President (Academic)</li> <li>g) Vice-President (Finance and Administration)</li> <li>h) University Auditor</li> <li>i) General Counsel</li> <li>j) University Secretary</li> <li>k) Committee Secretary</li> <li>l) Other officers, as determined by the President</li> </ol> <p><b>Chair/Vice-Chair</b></p> <ol style="list-style-type: none"> <li>m) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (c) of these Terms of Reference.</li> <li>n) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ol> <p>*Voting Members of this committee require independence, as set-out in the Principles for Board of Governors Standing Committee Composition.</p>



v) An ability to understand the University's risk environment.	
--	--

Original Composition Framework	Proposed new Composition Framework
<b>Board Finance and Property Committee</b>	
<p>a) <u>Voting Members</u> appointed by the Board (<b>ordinarily a maximum of 11 voting members</b>):</p> <ol style="list-style-type: none"> <li>(1) Two Board members from the membership categories identified by the <i>Alberta Post-Secondary Learning Act (the Act)</i> as <i>general public, alumni</i> and <i>Senate</i></li> <li>(2) A Board member from the membership category identified by the Act as <i>academic staff of the University</i></li> <li>(3) A Board member from the membership category identified by the Act as <i>non-academic staff of the University</i></li> <li>(4) Two Board members from the membership category identified by the Act as <i>students nominated by the council of the students association</i> or as <i>graduate student nominated by the council of the association</i></li> <li>(5) One other member of the Board of Governors</li> <li>(6) A member of the general public with specific expertise in a field of interest to the Committee</li> <li>(7) The Board Chair, by virtue of office</li> <li>(8) The President and Vice-Chancellor, by virtue of office</li> <li>(9) The Chancellor, by virtue of office</li> </ol> <p>b) <u>Non-Voting Officials</u> appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Provost and Vice-President (Academic)</li> <li>(2) Vice-President (Facilities and Operations)</li> <li>(3) Vice-President (Finance and Administration)</li> <li>(4) Vice-President (University Relations)</li> <li>(5) University Secretary</li> <li>(6) Committee Secretary</li> <li>(7) Other officers, as determined by the President</li> </ol> <p>c) One of the members from the Board's constituencies of general public, or the Senate or the Alumni Association who is a member of the Committee shall also serve as a member of the Audit Committee.</p>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 10)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ol style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ol> <p><b><i>Appointed (7)</i></b></p> <ol style="list-style-type: none"> <li>d) No more than seven voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate</li> </ol> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ol style="list-style-type: none"> <li>e) Provost and Vice-President (Academic)</li> <li>f) Vice-President (Facilities and Operations)</li> <li>g) Vice-President (Finance and Administration)</li> <li>h) Vice-President (University Relations)</li> <li>i) University Secretary</li> <li>j) Committee Secretary</li> <li>k) Other officers, as determined by the President</li> </ol> <p><b>Chair/Vice-Chair</b></p> <ol style="list-style-type: none"> <li>l) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (d) of these Terms of Reference.</li> <li>m) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ol>



Original Composition Framework	Proposed new Composition Framework
<b>Board Governance Committee</b>	
<p><b>Voting Members (ordinarily a maximum of 8)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ul style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ul> <p><b><i>Appointed (5)</i></b></p> <ul style="list-style-type: none"> <li>d) At least three but no more than five voting members of the Board of Governors, of whom at least one must be the chair of a Board standing committee.</li> </ul> <p><b>Non-voting Members</b></p> <ul style="list-style-type: none"> <li>e) University Secretary</li> <li>f) Committee Secretary</li> </ul>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 10)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ul style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ul> <p><b><i>Appointed (7)</i></b></p> <ul style="list-style-type: none"> <li>d) No more than seven voting members of the Board of Governors, and</li> <li>e) No more than one external member of the public,</li> </ul> <p>with a total not exceeding seven voting members as appointed by the Board or its delegate, of whom at least one must be the chair of a Board standing committee.</p> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials</i></b></p> <ul style="list-style-type: none"> <li>f) University Secretary</li> <li>g) Committee Secretary</li> </ul> <p><b>Chair/Vice-Chair</b></p> <ul style="list-style-type: none"> <li>h) The Board Chair shall appoint the Committee Chair from the Committee membership Section (d) of these Terms of Reference.</li> <li>i) The Committee appoints the Committee Vice-Chair from the Committee membership category Section (d) of these Terms of Reference, upon the recommendation of the Board Chair and the Committee Chair. The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ul>



Original Composition Framework	Proposed new Composition Framework
<b>Board Human Resources and Compensation Committee</b>	
<p>(a) <u>Voting Members</u> appointed by the Board (<b>ordinarily a maximum of 10 voting members</b>):</p> <ol style="list-style-type: none"> <li>(1) Up to six Board members from the membership categories identified by the Alberta Post-Secondary Learning Act (the Act) as general public, alumni and senate. There shall be no board members on this committee representing academic staff, non-academic staff or students</li> <li>(2) If required, a member of the general public with specific expertise in a field of interest to the Committee, to ensure the committee has the appropriate balance of skills and competencies;</li> <li>(3) The Board Chair, by virtue of office</li> <li>(4) The President and Vice-Chancellor, by virtue of office</li> <li>(5) The Chancellor, by virtue of office</li> </ol> <p><u>Non-Voting Officials</u> appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Provost and Vice-President (Academic)</li> <li>(2) Vice-President (Finance and Administration)</li> <li>(3) Vice-Provost and Associate Vice-President (Human Resources)</li> <li>(4) University Secretary</li> <li>(5) Committee Secretary</li> <li>(6) Other officers, as determined by the President</li> </ol>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 8)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ol style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ol> <p><b><i>Appointed (5)</i></b></p> <ol style="list-style-type: none"> <li>d) No more than five voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate*</li> </ol> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ol style="list-style-type: none"> <li>e) Provost and Vice-President (Academic)</li> <li>f) Vice-President (Finance and Administration)</li> <li>g) Vice-Provost and Associate Vice-President (Human Resources)</li> <li>h) University Secretary</li> <li>i) Committee Secretary</li> <li>j) Other officers, as determined by the President</li> </ol> <p><b>Chair/Vice-Chair</b></p> <ol style="list-style-type: none"> <li>k) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (d) of these Terms of Reference.</li> <li>l) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ol> <p>*Voting Members of this committee require independence, as set-out in the Principles for Board of Governors Standing Committee Composition.</p>



Original Composition Framework	Proposed new Composition Framework
<b>Board Investment Committee</b>	
<p>a) <u>Voting Members</u> appointed by the Board (<b>ordinarily a maximum of 13 voting members</b>)</p> <ol style="list-style-type: none"> <li>(1) Two Board members from the membership categories identified by the <i>Alberta Post-Secondary Learning Act (the Act)</i> as <i>general public, alumni</i> and <i>Senate</i> subject to 2 (c) below</li> <li>(2) Three to eight members of the general public</li> <li>(3) The Board Chair, by virtue of office</li> <li>(4) The President and Vice-Chancellor, by virtue of office</li> <li>(5) The Chancellor, by virtue of office</li> </ol> <p>b) <u>Non-Voting Officials</u> appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Vice-President (Finance and Administration)</li> <li>(2) University Secretary</li> <li>(3) Committee Secretary</li> <li>(4) Other officers, as determined by the President</li> </ol> <p>2. No member of the staff (academic or non-academic) nor any student of the University shall sit as a member of the Committee.</p>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 10)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ol style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ol> <p><b><i>Appointed (7)</i></b></p> <ol style="list-style-type: none"> <li>d) No more than seven voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate*</li> </ol> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ol style="list-style-type: none"> <li>e) Vice-President (Finance and Administration)</li> <li>f) University Secretary</li> <li>g) Committee Secretary</li> <li>h) Other officers, as determined by the President</li> </ol> <p><b>Chair/Vice-Chair</b></p> <ol style="list-style-type: none"> <li>i) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (d) of these Terms of Reference.</li> <li>j) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ol> <p>*Voting Members of this committee require independence, as set-out in the Principles for Board of Governors Standing Committee Composition.</p>





Original Composition Framework	Proposed new Composition Framework
<b>Board Learning, Research, and Student Experience Committee</b>	
<p>a) Voting Members appointed by the Board (<b>ordinarily a maximum of 10 voting members</b>)</p> <ul style="list-style-type: none"> <li>i) A Board member from the membership category identified by the Post-Secondary Learning Act (<i>the Act</i>) as <i>academic staff of the University</i>;</li> <li>ii) A Board member from the membership category identified by the Act as <i>an undergraduate student nominated by the council of the undergraduate student association</i>;</li> <li>iii) A Board member from the membership category identified by the Act as a <i>graduate student nominated by the council of the graduate student association</i>;</li> <li>iv) Four Board members from the membership categories identified by the Act as general public, alumni and senate;</li> <li>v) The Board Chair, by virtue of office</li> <li>vi) The President and Vice-Chancellor, by virtue of office</li> <li>vii) The Chancellor, by virtue of office</li> </ul> <p>b) Non-Voting Officials appointed by the President</p> <ul style="list-style-type: none"> <li>i) Provost and Vice- President (Academic)</li> <li>ii) Vice-President (Research)</li> <li>iv) University Secretary</li> <li>v) Committee Secretary</li> <li>vi) Other officers, as determined by the President</li> </ul>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 10)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ul style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ul> <p><b><i>Appointed (7)</i></b></p> <ul style="list-style-type: none"> <li>d) No more than seven voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate</li> </ul> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ul style="list-style-type: none"> <li>e) Provost and Vice- President (Academic)</li> <li>f) Vice-President (Research)</li> <li>g) University Secretary</li> <li>h) Committee Secretary</li> <li>i) Other officers, as determined by the President</li> </ul> <p><b>Chair/Vice-Chair</b></p> <ul style="list-style-type: none"> <li>j) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (d) of these Terms of Reference.</li> <li>k) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ul>



Original Composition Framework	Proposed new Composition Framework
<b>Board Reputation and Public Affairs Committee</b>	
<p>a. <u>Voting Members</u> appointed by the Board (<b>Ordinarily a maximum 12 voting members</b>)</p> <ol style="list-style-type: none"> <li>(1) Three Board members from the membership categories identified by the <i>Alberta Post-Secondary Learning Act (the Act)</i> as <i>general public, alumni</i> and <i>Senate</i></li> <li>(2) A Board member from the membership category identified by the Act as <i>academic staff of the University</i></li> <li>(3) A Board member from the membership category identified by the Act as <i>member of the non-academic staff</i></li> <li>(4) A Board member from the membership category identified by the Act as <i>students nominated by the council of the students association</i></li> <li>(5) The Board member from the membership category identified by the Act as <i>graduate student nominated by the council of the association</i></li> <li>(6) Two members of the general public</li> <li>(7) The Board Chair, by virtue of office</li> <li>(8) The President and Vice-Chancellor, by virtue of office</li> <li>(9) The Chancellor, by virtue of office</li> </ol> <p>b. <u>Non-Voting Officials</u> appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Vice-President (University Relations)</li> <li>(2) Vice-President (Advancement)</li> <li>(3) Vice-President (Facilities and Operations)</li> <li>(4) University Secretary</li> <li>(5) Committee Secretary</li> <li>(6) Other officers, as determined by the President</li> </ol> <p>c. <u>Non-Voting Advisors</u> invited by the Committee Chair</p> <p>From time to time, the Committee Chair may invite individuals who are not Board members to provide advice to the Committee.</p>	<p>The Committee shall function in accordance with the Principles for Board of Governors Standing Committee Composition.</p> <p><b>Voting Members (ordinarily a maximum of 10)</b></p> <p><b><i>Ex-officio (3)</i></b></p> <ol style="list-style-type: none"> <li>a) The Board Chair, by virtue of office</li> <li>b) The Chancellor, by virtue of office</li> <li>c) The President and Vice-Chancellor, by virtue of office</li> </ol> <p><b><i>Appointed (7)</i></b></p> <ol style="list-style-type: none"> <li>d) No more than seven voting members of the Board of Governors or external members of the public, as appointed by the Board or its delegate</li> </ol> <p><b>Non-voting Members</b></p> <p><b><i>Non-Voting Officials appointed by the President</i></b></p> <ol style="list-style-type: none"> <li>e) Vice-President (University Relations)</li> <li>f) Vice-President (Advancement)</li> <li>g) Vice-President (Facilities and Operations)</li> <li>h) University Secretary</li> <li>i) Committee Secretary</li> <li>j) Other officers, as determined by the President</li> </ol> <p><b>Chair/Vice-Chair</b></p> <ol style="list-style-type: none"> <li>k) The Committee Chair and Vice-Chair shall be selected from Committee membership Section (d) of these Terms of Reference.</li> <li>l) The Vice-Chair undertakes and discharges all duties of the Chair in the absence of the Chair.</li> </ol>



Original Composition Framework	Proposed new Composition Framework
<b>Board Safety, Health and Environment Committee</b>	
<p>a) <u>Voting Members</u> appointed by the Board (<b>ordinarily a maximum of 12 voting members</b>)</p> <ol style="list-style-type: none"> <li>(1) Two Board members from the membership categories identified by the <i>Alberta Post-Secondary Learning Act (the Act)</i> as <i>general public, alumni</i> and <i>Senate</i></li> <li>(2) A Board member from the membership category identified by the Act as <i>academic staff of the University</i></li> <li>(3) A Board member or designate from the membership category identified by the Act as <i>students nominated by the council of the students association</i></li> <li>(4) A Board member or designate from the membership category identified by the Act as <i>graduate student nominated by the council of the association</i></li> <li>(5) Board member or designate from the membership category identified by the Act as <i>member of the non-academic staff</i></li> <li>(6) Two members of the general public with specific expertise in the area of environmental health and safety.</li> <li>(7) A member of the general public with specific expertise in the area of non-clinical community health</li> <li>(8) The Board Chair, by virtue of office</li> <li>(9) The President and Vice-Chancellor, by virtue of office</li> <li>(10) The Chancellor, by virtue of office</li> </ol> <p>b) <u>Non-Voting Officials</u> appointed by the President</p> <ol style="list-style-type: none"> <li>(1) Provost and Vice-President (Academic) or delegate</li> <li>(2) Vice-President (Finance and Administration)</li> <li>(3) Associate Vice-President (Risk Management Services)</li> <li>(4) University Secretary</li> <li>(5) Committee Secretary</li> <li>(6) Other officers, as determined by the President</li> </ol>	

**BAGMM: Proposed Changes to Board Committee Mandate Statements (from committee Terms of Reference)**

Introductory statement:

- Current common language at the beginning of most of the committees' mandates: "The Committee shall monitor, evaluate and make decisions on behalf of the Board with respect to..."
- Proposed "blanket language" for committee mandates: "The <> Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to..."

Committee	Current	Proposed new wording – tracked changes	Proposed new wording – clean
<p><b>BARC</b></p>	<p>Except as provided in Section 4 hereof and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate and make decisions on behalf of the Board with respect to all auditing, financial reporting and internal control functions relating to the University.</p>	<p><i>The Board Audit and Risk Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight</i> <del>Except as provided in Section 4 hereof and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate and make decisions on behalf of the Board</del> with respect to all auditing, financial reporting and internal control functions; <u>occupational health, safety, environmental stewardship, and security of the University community; and enterprise-wide risk management relating to the University.</u></p>	<p>The Board Audit and Risk Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to all auditing, financial reporting and internal control functions; occupational health, safety, environmental stewardship, and security of the University community; and enterprise-wide risk management.</p>
<p><b>BFPC</b></p>	<p>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate, advise and make decisions on behalf of the Board with respect to all strategic and significant financial and property matters and policies of the University.</p>	<p><i>The Board Finance and Property Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight</i> <del>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate, advise and make decisions on behalf of the Board</del> with respect to all <del>strategic and</del> significant financial and property matters <del>and policies</del> of the University.</p>	<p>The Board Finance and Property Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to all significant financial and property matters of the University.</p>
<p><b>BGC</b></p>	<p>The Board Governance Committee is a standing committee of the Board of Governors charged with enhancing board governance integrity and performance by overseeing the effectiveness, impact, organization, and procedures of the Board of Governors.</p>	<p>The Board Governance Committee <u>assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight</u> <del>is a standing committee of the Board of Governors charged with enhancing board governance integrity and performance</del> by overseeing the effectiveness, impact, organization, and procedures of the Board of Governors, <u>to enhance board governance performance.</u></p>	<p>The Board Governance Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to the effectiveness, impact, organization, and procedures of the Board of Governors, to enhance board governance performance.</p>

**BAGMM: Proposed Changes to Board Committee Mandate Statements (from committee Terms of Reference)**

Committee	Current	Proposed new wording – tracked changes	Proposed new wording – clean
BHRCC	<p>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate, advise and make decisions on behalf of the Board with respect to, and the Board delegates to the Committee responsibility and authority for, all policies and procedure affecting staff working conditions at the University and matters for collective bargaining and related service contracts.</p>	<p><u>The Board Human Resources and Compensation Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight.</u><del>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate, advise and make decisions on behalf of the Board with respect to, and the Board delegates to the Committee responsibility and authority for, all University human resources policies and, procedures, affecting staff working conditions at the University and trends; and matters for collective bargaining and related service contracts; and senior administration selection, review, compensation, and succession planning.</del></p>	<p>The Board Human Resources and Compensation Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to University human resources policies, procedures, and trends; collective bargaining and related service contracts; and senior administration selection, review, compensation, and succession planning.</p>
BIC	<p>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate and make decisions on behalf of the Board with respect to all investments, including both short-term and long-term investments ("Investments").</p>	<p><u>The Board Investment Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight.</u><del>Except as provided in paragraph 4 and in the Board's General Committee Terms of Reference, the Committee shall monitor, evaluate and make decisions on behalf of the Board with respect to all investments, including both short-term and long-term investments ("Investments").</del></p>	<p>The Board Investment Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to all investments.</p>
BLRSEC	<p>Except as provided in paragraph 4 hereof and in the Board's General Committee Terms of Reference, the Committee shall, in accordance with the Committee's responsibilities with powers granted under the Post-Secondary Learning Act, monitor, evaluate, advise and make decisions on behalf of the Board with respect to matters concerning the teaching and research affairs of the University, including proposals coming from the administration and from General Faculties Council (the "GFC"), and shall consider future educational expectations and challenges to be faced by the University</p>	<p><u>The Board Learning, Research, and Student Experience Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight.</u><del>Except as provided in paragraph 4 hereof and in the Board's General Committee Terms of Reference, the Committee shall, in accordance with the Committee's responsibilities with powers granted under the Post-Secondary Learning Act, monitor, evaluate, advise and make decisions on behalf of the Board with respect to matters concerning the university teaching and research affairs, of the University, including proposals coming from the administration and from General Faculties Council (the "GFC"), and shall consider student mental health and wellness, and future educational expectations and challenges to be faced by the University.</del></p>	<p>The Board Learning, Research, and Student Experience Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to University teaching and research affairs, student mental health and wellness, and future educational expectations and challenges.</p>



**BAGMM: Proposed Changes to Board Committee Mandate Statements (from committee Terms of Reference)**

Committee	Current	Proposed new wording – tracked changes	Proposed new wording – clean
BRPAC	<p>The Committee promotes the advancement of the University’s Mission and Vision, aligns with the University Values, complies with the University Mandate and supports institution-wide plans, priorities and objectives by fulfilling its Committee Mandate in five Areas of Interest:</p> <ul style="list-style-type: none"> <li>a. University Reputation: The Committee guides efforts to ensure that the University safeguards and enhances its reputation to advance its interests.</li> <li>b. University Identity: The Committee guides efforts to ensure that the University protects and enhances its identity, brand and profile at the international, national, provincial, municipal and institutional levels to advance its interests.</li> <li>c. University Strategic Communication: The Committee guides efforts to ensure that the University identifies and effectively interprets strategic communication themes and key messages to targeted audiences, to enhance relationships, influence outcomes and advance the University’s interests.</li> <li>d. University Community Engagement: The Committee guides efforts to ensure that the University’s relationships with identified stakeholder communities are positive and productive.</li> <li>e. University Philanthropy and Advancement: The Committee guides efforts to ensure that the University’s philanthropic and advancement policies and plans promote, attract and generate revenue to advance the University’s interests.</li> </ul>	<p><del>The Board Reputation and Public Affairs Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to. The Committee promotes the advancement of the University’s Mission and Vision, aligns with the University Values, complies with the University Mandate and supports institution-wide plans, priorities and objectives by fulfilling its Committee Mandate in five Areas of Interest:</del></p> <ul style="list-style-type: none"> <li><del>f. — University rReputation. — The Committee guides efforts to ensure that the University safeguards and enhances its reputation to advance its interests.</del></li> <li><del>g. — University lIdentity: The Committee guides efforts to ensure that the University protects and enhances its identity, brand and profile at the international, national, provincial, municipal and institutional levels to advance its interests.</del></li> <li><del>h. — University S, strategic Ccommunication: The Committee guides efforts to ensure that the University identifies and effectively interprets strategic communication themes and key messages to targeted audiences, to enhance relationships, influence outcomes and advance the University’s interests.</del></li> <li><del>i. — University C, community eEngagement: The Committee guides efforts to ensure that the University’s relationships with identified stakeholder communities are positive and productive.</del></li> <li><del>j.f. — University P, philanthropy and aAdvancement: The Committee guides efforts to ensure that the University’s philanthropic and advancement policies and plans promote, attract and generate revenue to advance the University’s interests.</del></li> </ul>	<p>The Board Reputation and Public Affairs Committee assists the Board of Governors in fulfilling its governance responsibilities by providing strategic oversight, insight, and foresight with respect to University reputation, identity, strategic communication, community engagement, philanthropy and advancement.</p>
BSHEC	<p>Except as provided in paragraph 4 hereof and in the Board’s General Committee Terms of Reference, the Committee shall monitor, evaluate, advise and make decisions on behalf of the Board with respect to all matters concerning environmental health and the protection of the health, safety and security of the University community and the general public at the University as well as University student health and wellness.</p>	<p>Distributed among BARC and BLRSEC</p>	<p>Distributed among BARC and BLRSEC</p>



In June 2018, the Board approved Principles for Board Delegation of Authority. The Board then asked the Board Ad Hoc Group on Committee Mandates and Membership (BAGMM) to review the current Board delegation of authority to its committees and determine where changes should be made, under these new Principles, with particular consideration of further delegation of authority.

BAGMM has reviewed each's committee's limitations of delegated authority, as outlined in their Terms of Reference, in consultation with General Counsel and senior administration.

Proposed changes would include:

- a) A cross-committee statement that only those policies / policy changes with significant institutional impact would need to go to the full Board
  - o A review of current University policies to determine which policies are operational and could be delegated to administration going forward
- b) A cross-committee statement that the Board should see any reports, information, and recommendations related to issues that, in the opinion of a committee, may pose material risk to the university
- c) Specific consideration of parameters, including for approval of tuition and fees and acquisition or disposition of real property, establishing financial thresholds at which approval could be at the Board level, committee level, or by administration.
- d) Delegations to committees for specific items as recommended by the Board Working Group (Dean appointments, collection of student fees, committee appointments)

Final proposed changes to the Board's delegation of authority to its committees will come forward for Board approval as part of the revised committee Terms of Reference in Spring 2019.