



UNIVERSITY OF ALBERTA

UNIVERSITY GOVERNANCE

Board of Governors Open Session Minutes

Friday, October 24, 2014
2-31 South Academic Building (SAB)
8:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

Douglas O. Goss	Appointed Chair, General Public
Shenaz Jeraj	Appointed Vice-Chair, General Public
Dick Wilson	Appointed Vice-Chair, General Public
Nathan Andrews	Member, Graduate Students' Association
Mike Belosevic	Member, General Faculties Council
Jane Halford	Member, Alumni
Sangram Hansra	Member, Students' Union
Barry James	Member, Senate
LeRoy Johnson	Member, General Public
William Lau	Member, Students' Union
Steven LePoole	Member, General Public
Raymond Muzyka	Member, General Public
Christopher Pu	Member, Non-Academic Staff
Wayne Renke	Member, Academic Staff (AAS:UA)
Michael H. Ross	Member, General Public
Indira Samarasekera	Member, President
Nizar Somji	Member, General Public
Robert H. Teskey	Member, General Public
Ralph Young	Member, Chancellor

Non-Voting Officials Appointed by the President:

Carl Amrhein	Provost and Vice-President (Academic)
Lorne Babiuk	Vice-President (Research)
Phyllis Clark	Vice-President (Finance and Administration)
Marion Haggarty-France	University Secretary
Brad Hamdon	General Counsel
Don Hickey	Vice-President (Facilities and Operations)
Deborah Holloway	Secretary
Debra Pozega Osburn	Vice-President (University Relations)
Colm Renehan	Interim Vice-President (Advancement)

Regrets:

James Heelan	Member, General Public
Marcia Lang	Senior Strategic Advisor to the President
Robert Parks	Member, Alumni
Olive Yonge	Acting Provost and Vice-President (Academic)

Presenter(s):

Douglas O. Goss	Chair, Board of Governors
Indira Samarasekera	President and Vice-Chancellor

Don Matthew	Member, Board of Governors
Dick Wilson	Member, Board of Governors
Phyllis Clark	Vice-President (Finance and Administration)
Don Hickey	Vice-President (Facilities and Operations)
Robert H. Teskey	Member, Board of Governors
David Lawson	Member, Board of Governors
Shenaz Jeraj	Member, Board of Governors
Carl Amrhein	Provost and Vice-President (Academic)
Marion Haggarty-France	University Secretary, University Governance
Steven LePoole	Member, Board of Governors

Staff:

Deborah Holloway, Board Secretary and Manager of Board Services
Juli Zinken, Assistant Board Secretary

OPENING SESSION

1. Chair's Session

Presenter(s): Douglas O. Goss

1a. Call to Order and Confirmation of Quorum

Presenter(s): Douglas O. Goss

The Board Secretary confirmed that the attendance constituted quorum. The Chair called the meeting to order at 8:00 a.m.

1b. Approval of Open Session Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss

The motion was moved and seconded.

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

Carried

1c. Conflict of Interest - Opportunity for Declaration

Presenter(s): Douglas O. Goss

The Chair made note of the following:

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

The Chair invited members to declare conflicts of interest related to the Open Session Agenda of the meeting. Mr Teskey and Mr Ross reported connections with the law firm that generated some of the documents related to the items regarding the Land Trust.

1d. Chair's Remarks

Presenter(s): Douglas O. Goss

The Chair welcomed guests and members of the media who joined the meetings as observers for the Open Session of this meeting.

He reminded members that the President is the spokesperson for the University and he is the Board of Governors spokesperson.

The Chair noted that Mr Don Matthew was attending the meeting as his guest. Although Mr Matthew's second term as a Member of the Board of Governors expired October 21, he had agreed to attend in his capacity of outgoing Chair of the Audit Committee. The Chair asked that members join him in recognizing Mr Matthew's outstanding contributions to the Board and thanking him for his dedication to and advocacy on behalf of the University.

The Chair noted that this was the first meeting for Barry James and LeRoy Johnson.

He provided a brief updated regarding the status of the Presidential search.

2. Report of the President

Materials before members are contained in the official meeting file.

Presenter(s): Indira Samarasekera

Discussion:

In addition to her written report, the President provided verbal points of interest to the Board on:

- The Alberta Lieutenant Governor's Award for Leadership and Commitment to Public Service, where Carl Amrhein, Provost and Vice-President (Academic) was named this year's recipient of the Alberta Lieutenant Governor's Award for Excellence in Public Administration from the Institute for Public Administration of Canada in recognition of his career achievements in public service and his global and dedicated approach to public administration and leadership.
- The recent Canada Research Chairs announcement where eleven University of Alberta researchers were named as Canada Research Chairs: Andre Grace, in Sexual and Gender Minority Studies; Sandra Davidge, in Maternal and Perinatal Cardiovascular Health; Aksel Hallin, in Astroparticle Physics; Lori West, in Cardiac Transplantations; Ingo Brigandt, in Philosophy of Biology; Dean Eurich, in Chronic Disease Prevention and Management; David Favero, in Derived Categories; Alope Kumar, in Microfluidics for Biological Systems, Lindsay Leblanc, in Ultracold Gases for Quantum Simulation, and Joseph Maciejko, in Condensed Matter Theory.
- This year's 139 University of Alberta CIS Academic All-Canadians, including Jordan Baker of the Golden Bears basketball team, who was also named to the Top 8 Academic All-Canadians. The University of Alberta's now holds a Canadian record total of 2,333 CIS Academic All-Canadian student athletes.
- The University's receipt of a Gold Standard for Sustainability in STARS (Sustainability Tracking, Assessment and Rating System). This is an improvement from its Silver rating in 2012 and places second among 24 Canadian institutions.

2a. Progress on the Change Agenda

The President updated members on the Change Agenda, including the University endowment fund reaching \$1 billion and recent trips to Berlin and London to discuss international research partnerships (the Helmholtz

Alberta Initiative was renewed for another five years, and the President participated in a summit in London between the vice-chancellors from the Russell Group of Universities and the U15 Group of Universities' presidents and principals) and to meet with alumni.

2b. Dare to Discover Report Card

Discussion:

For the benefit of new members, the President briefly described how the Report Card is compiled:

- The report details annual progress towards reaching the strategic goals of Dare to Discover and covers last fiscal year.
- The examples highlighted are largely drawn from annual reports submitted to the Provost's Office by Deans, Vice-Presidents, and Vice-Provosts.
- The report summarizes highlights the breadth of initiatives and work being done across all campuses and all faculties, schools, and units.
- The measures show how the U of A performs against peer public institutions in North America of similar size and mandate—and in some cases, against Canada's U15.

The President noted that several items within the report had been highlighted at past Board meetings when reporting on the achievements of administration portfolios and on the Change Agenda. She went on to highlight the following areas where the University is enriching the student experience:

- Expansion of new programs to meet both student and society demands. Emphasis on graduate programs.
- Significant advancement made in digital learning—with both blended courses and the development of 2 MOOCs—Dino 101 and Understanding Video Games.
- Continued growth in undergraduate research—whether as part of capstone research experiences developed within faculties (such as in engineering) or as part of the Undergraduate Research Initiative.
- Continued growth of community service-learning.
- This year, Aboriginal Teacher Education Program—an example of collaboration with provincial PSE institutions—celebrated its 10th anniversary.
- Addition/growth of embedded certificates which acknowledge the learning that students do in co-curricular and extra-curricular experiences.
- Growth in the opportunities for international study or internships—can involve a term abroad or summer courses.
- A continuing remarkable record of winning 3M National Teaching Fellowships for Excellence in Undergraduate Teaching. U of A has more than any other in Canada with a total of 41.
- Improvements in student services with the introduction of Student Connect.
- Graduate student review and implementation of plan.

On September 15th, 2014—outside the scope of the report card but in part of result of the progress reported within it—QS rankings were released and the University of Alberta placed:

- 31st in North America (up from 33)
- 14th among public research universities on this continent.
- Worldwide, the U of A sits at 84th (up from 96 last year).
- In 2005, we were ranked 166th.
- The marked rise in global rankings is due to our growing academic and employer reputation, increases in citations, and percentage of international students.

3. Safety Moment

Presenter(s): Philip Stack; Steven LePoole

At the request of the Board Chair and the Chair of the Board Safety, Health and Environment Committee, Mr Steven LePoole, Mr Philip Stack, Associate Vice-President (Risk Management Services), provided the Board with its first biannual "Safety Moment" presentation on the importance of safety culture, the current state of the University of Alberta's safety culture and how to improve it.

4. Approval of the Consent Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss

Discussion:

Items 4c and 4r were removed from the Consent Agenda

The motion was moved and seconded as amended.

THAT the Board of Governors approve the Open Session Consent Agenda as amended.

Carried

4a. Approval of the Open Session Minutes of June 20, 2014

4b. Approval of the Open Session Minutes of June 25, 2014

Information Reports

4c. Report of the Audit Committee - removed

4d. Report of the Finance and Property Committee

4e. Report of the Human Resources and Compensation Committee

4f. Report of the Investment Committee

4g. Report of the Learning and Discovery Committee

4h. Report of the Board Safety, Health and Environment Committee

4i. Report of the University Relations Committee

Regular Reports

4j. Chancellor's Report

4k. Alumni Association

- 4l. Students' Union
- 4m. Graduate Students' Association (including 2013-14 Financial Statements)
- 4n. Association of Academic Staff
- 4o. Non-Academic Staff Association
- 4p. General Faculties Council
- 4q. Undergraduate Student Representative
- 4r. Board Chair and Board Members Activity Report - removed

Regarding Item 4c, Report of the Audit Committee, Mr Matthew reported that, following a review process, the Office of the Auditor General had appointed a new agent, PwC, effective this year.

Regarding Item 4r, Board Chair and Board Members Activity Report, the President and Provost responded to a question from a member regarding Administration's response to the letter from Professor Kent.

ACTION ITEMS

- 5. Report of the Board Finance and Property Committee

Presenter(s): Dick Wilson

- 5a Board Finance and Property Committee Terms of Reference

Materials before members are contained in the official meeting file.

Presenter(s): Dick Wilson

Purpose of the Proposal: To review the Committee Terms of Reference and approve proposed changes.

Discussion:

Mr Wilson noted that the revised Terms of Reference reflect the elimination of the position "Associate Vice-President (Facilities and Operations)" and addition of new Associate Vice-President positions in the Facilities and Operations portfolio.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the proposed changes to the Committee's Terms of Reference, as set forth in Attachment 1.

Carried

- 5b. Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets

Materials before members are contained in the official meeting file.

Presenter(s): Phyllis Clark

Purpose of the Proposal: The following faculties have requested capitalization:

- Agricultural, Life and Environmental Sciences - \$1,000,000.00 Source of funds: Mattheis Ranch revenue from oil & gas and utility right-of-way payments. Purpose: To match a portion of the Conservation Easement grant, and increase the funding available to support rangeland research, education and extension activity.
- Medicine and Dentistry - \$52,657.00 Source of funds: Alberta Health Services research and education fund (\$30,000.00); Department of Pharmacology one-time funding (\$22,657.00). Purpose: To increase the number of students registered in Pharmacology MSc and PhD programs.
- Science - \$345,000.00 Source of funds: Undesignated donations Purpose: To increase the principal of the SCI fund to provide an ongoing source of funding that will enable the faculty to focus financial resources on critical priorities.
- Vice-President (Finance and Administration) - \$1,103,034.39 Source of funds: WCB Special Dividends Purpose: To increase the principal of the WCB fund to provide an ongoing source of funding that will enable the university to fund various health and safety initiatives.

Discussion:

The Board Chair noted that the motion contained in materials before members was incorrect and would need to be amended to read as follows:

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the transfer of \$2,500,691.39 of unrestricted net assets to permanent restricted endowment net assets.

Ms Clark reported that the funds requested are acceptable to Financial Services and can be supported.

The motion was moved and seconded as amended.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the transfer of \$2,500,691.39 of unrestricted net assets to permanent restricted endowment net assets.

Carried

5c. Land Asset Strategy: Trust Deed

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: Administration seeks Board of Governors approval of the governance model proposed for the University subsidiary in connection with it serving as corporate Trustee of the intended Land Trust. Subject to Board of Governors' approval, the Order in Council approving the University's incorporation of the subsidiary will be submitted to Innovation and Advanced Education (IA&E).

Discussion: Mr Hickey presented the item, noting that at the June 2014 meeting of the Board of Governors there was unanimous support to authorize and approve the incorporation of a subsidiary corporation, University of Alberta Properties Trust Inc. He reported that the Board Finance and Property Committee recommends the proposed governance structure and outlined next steps. Mr Hickey responded to a question from a member regarding the auditing process that would be employed for the new entity.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the governance model for the University of Alberta Properties Trust Inc. as set forth in attachment 1 (Articles of Incorporation) and attachment 2 (By-law no. 1).

Carried

5d. Land Asset Strategy: Signature Authorization

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: Approval of two signing authorities to act on behalf of the Board as sole shareholder of the University of Alberta Properties Trust Inc. to execute all documents necessary to give effect to the resolutions of the Board of Governors of the University of Alberta pertaining to the establishment of University of Alberta Properties Trust and the University of Alberta Properties Trust Inc. Subject to Board of Governors' approval, Mr Doug Goss, as Chair of the Board of Governors, and Mr Dick Wilson, as Chair of the Board Finance and Property Committee, will be authorized to act on behalf the Board as sole shareholder of University of Alberta Properties Trust Inc., to execute all documents necessary to give effect to the resolutions of the Board of Governors of the University of Alberta pertaining to the establishment of University of Alberta Properties Trust and the University of Alberta Properties Trust Inc.

Discussion:

The Board Chair introduced the item and responded to a question from a member regarding whether the authorization applied to the position titles or those currently holding those titles.

The motion was moved and seconded.

THAT the Board of Governors authorize the Chair of the Board of Governors or the Chair of the Board Finance and Property Committee, on behalf of the Board as sole shareholder of University of Alberta Properties Trust Inc., to execute all documents necessary to give effect to the resolutions of the Board of Governors of the University of Alberta pertaining to the establishment of University of Alberta Properties Trust and the University of Alberta Properties Trust Inc.

Carried

6. Report of the Board Human Resources and Compensation Committee

Presenter(s): Robert H. Teskey

6a. Board Human Resources and Compensation Committee Terms of Reference

Materials before members are contained in the official meeting file.

Presenter(s): Robert H. Teskey

Purpose of the Proposal: To review the proposed changes to the Committee Terms of Reference.

Discussion:

Mr Teskey introduced the item noting that this proposal increases the potential number of voting members on the Committee and adds the Associate Vice-President (Human Resources) as a member. It also changes the individuals whose performance and compensation will be reviewed by the Committee, adding the Deputy Provost and the University Librarian, and removing Associate Vice-Presidents (Academic and Research).

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Human Resources and Compensation Committee, approve the proposed changes to the Committee's Terms of Reference, as set forth in Attachment 1.

Carried

7. Report of the Board Investment Committee

Presenter(s): David Lawson

7a. Board Investment Committee Terms of Reference

Materials before members are contained in the official meeting file.

Presenter(s): David Lawson

Purpose of the Proposal: To update the current Terms of Reference for the Board Investment Committee.

Discussion:

Ms Halford presented the item on behalf of Mr Lawson. She noted that the proposed changes were largely of a "housekeeping" nature.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Investment Committee, approve the revised Terms of Reference for the Board Investment Committee, as set forth in Attachment 1 to the agenda documentation.

Carried

8. Report of the Board Learning and Discovery Committee

Presenter(s): Shenaz Jeraj

8a. Board Learning and Discovery Committee Terms of Reference

Materials before members are contained in the official meeting file.

Presenter(s): Shenaz Jeraj

Purpose of the Proposal: To review and update the Committee Terms of Reference. This proposal updates the Committee's responsibilities with respect to enrolment management, in alignment with current practices. It also clarifies that the Board should make decisions relating to the academic transformation of the institution.

Discussion:

Ms Jeraj presented the proposal noting that increased oversight of strategic issues is the major goal of the proposed changes.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Learning and Discovery Committee, approve the proposed changes to the Committee's Terms of Reference, as set forth in Attachment 1.

Carried

8b. Faculty of Graduate Studies and Research and Faculty of Business Proposal for a Master of Accounting (MAcc)

Materials before members are contained in the official meeting file.

Presenter(s): Carl Amrhein

Purpose of the Proposal: To offer a Master of Accounting (MAcc) program to provide the required competencies of the new CPA (Chartered Professional Accountant) designation. There are currently no similar programs which exist in the Campus Alberta system.

Discussion:

Dr Amrhein presented the proposal, noting that the new Chartered Professional Accountant designation replaces all other designations and unifies the accounting bodies into one national organization. The new designation requires a new degree and there is currently a strong market for accountants in Alberta.

Dr Amrhein responded to questions and comments from members regarding the following matters: whether elimination of existing programs before creating a new one and it bringing it before the Board for approval had been considered; a suggestion that documents before members could have provided clarity regarding whether other programs would be eliminated; a note that the new program will generate revenue and that if the University does not offer it another institution will do so; whether the capacity and expertise to deliver the program exists in the Faculty; and whether the addition of this program would impact the MBA program.

The Provost noted that new degree designations will continue to come forward and programming to deliver them will be required

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Learning and Discovery Committee, approve the proposal for a (new) Master of Accounting (MAcc) degree program, as submitted by the Faculty of Graduate Studies and Research and the Faculty of Business and as set forth in Attachment 1, for implementation in May, 2015.

Carried

9. Report of the Board Chair

Presenter(s): Douglas O. Goss

9a. Approval of Mandate and Roles Document

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss; Marion Haggarty-France

Purpose of the Proposal: On December 18, 2013, the Board Chair received a letter from then Deputy Minister David Morhart requesting the University's Mandate and Roles document be updated. The Board of Governors reviews the Mandate and Roles document (MRD) on an annual basis and it had just done so at the December Board meeting. Per the request of the Deputy Minister, prior to submitting an update, the universities in Alberta sought clarity regarding the scope of the MRD with respect to governance within the post-secondary sector. Following a series of discussions, the Ministry clarified the scope of the MRD and suggested modifications to the document in key areas.

Discussion:

Ms Haggarty-France introduced the item, noting that the Mandate and Roles document had been in place for many years. She outlined the process undertaken both at the University of Alberta and among Campus Alberta institutions since the Deputy Minister's request for updated documents, noting that issues of concern had been resolved. She drew members' attention to the letter from the Acting Deputy Minister contained in the materials before them.

The motion was moved and seconded.

THAT the Board of Governors approve the revised University of Alberta Board of Governors Mandate and Roles Document for submission to the Ministry of Innovation and Advanced Education, as set forth in Attachment 2.

Carried

9b. Committee Appointments

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss

Purpose of the Proposal: To consider the appointment of Mr Michael Ross as Chair of the Board Audit Committee.

Discussion:

The Board Chair presented the item.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Chair, Mr Douglas Goss, approve Board Committee appointments, as set forth in Attachment 1 to the agenda documentation.

Carried

INFORMATION REPORTS

10. Report of the Finance and Property Committee

Presenter(s): Dick Wilson

10a. Internal Loan Briefing

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey; Phyllis Clark

Purpose of the Proposal: This internal loan supports the construction of the Peter Lougheed Leadership College (PLLC). Construction delays would impact teaching capabilities, student space, and programming opportunities for the College

Discussion:

Ms Clark introduced the item, noting that in June 2014 when the Board approved the total expenditure for this project, it was anticipated to commence construction upon confirmation of the donor commitment of twenty-two million, five hundred thousand dollars (\$22,500,000.00) and upon approval of borrowing and receipt of an Order In Council from the Government of Alberta and targeted to reach substantial completion in August 2016. Current donor commitments are \$12,500,000 short and therefore the University must now seek an internal loan. The required internal loan is \$6,000,000 higher than the shortfall since \$6,000,000 of the \$10,000,000 in pledged donations will be received between 2016 and 2025. She reported that the loan can be supported and does not impact the operating budget.

The presenters responded to questions and comments from members regarding the following matters: whether there is confidence that the remaining funds will be raised; whether this loan would negatively impact other capital projects; whether pledges are treated as fund in hand; and clarity regarding the source of funding to support faculty members who engage in delivering related programming.

CLOSING SESSION

11. Other Business

Presenter(s): Douglas O. Goss

Mr Lau invited members to join him at the Faculty of Engineering's annual Head Shaving event.

The Chancellor encouraged members to support the United Way Campaign.

The President reported that she had been named a Distinguished Fellow at the University of British Columbia's Liu Institute for Global Issues.

The Board Chair expressed concern regarding recent advertising by the University of Calgary that claimed the UofC to be "Canada's Energy University." He noted the U of A's crucial role in the Province's energy development. The President noted that the Province's three research universities, U of A, U of C and the University of Lethbridge signed a memorandum of agreement ten years ago to collaborate on energy research, adding that the agreement is still in effect.

12. Adjournment

Presenter(s): Douglas O. Goss

The Chair adjourned the Open session at 9:55 a.m.