



Board of Governors
Open Session Minutes

Friday, June 14, 2019
2-31 South Academic Building (SAB)
8:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

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

Non-Voting Officials Appointed by the President:

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

Regrets:

Raymond Muzyka	Appointed Member, General Public
Jacqui Tam	Vice-President (University Relations)

Presenter(s):

David Lawson	Chair, Board Investment Committee
Michelle Bonnici	Director, Human Resources Integrated Client Services

Staff:

Erin Plume, Assistant Board Secretary

OPENING SESSION

1. Chair's Session

Presenter(s): Michael Phair

1a. Call to Order and Confirmation of Quorum

Presenter(s): Michael Phair

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): Michael Phair

The motion was moved and seconded.

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

CARRIED

1bi Review of Consent Agenda

Presenter(s): Michael Phair

The Chair invited members to inform him if there were any requests to remove an item from the Open Session Consent Agenda. There were no requests.

1c. Conflict of Interest - Opportunity for Declaration

Presenter(s): Michael Phair

The Chair made note of the following:

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

The Chair invited members to declare conflicts of interest related to the Open Session Agenda of the meeting. Seeing none, the Chair declared the question asked and answered.

1d. Chair's Remarks

Presenter(s): Michael Phair

The Chair welcomed members and guests and acknowledged all Indigenous peoples and the traditional lands on which the Board was gathered.

He thanked members and guests who attended the Board's annual recognition dinner the night before to honour the Board's outgoing and retired members and expressed his appreciation for those remarkable individuals and their work on the Board and its committees. The Chair acknowledged in particular Glenn Stowkowy, attending his final Board meeting as the Alumni Association Representative to the Board, and noted that Mr Stowkowy would next serve as the public member to the University of Alberta Property Trust, Inc. (UAPTI). He explained that the Alumni Association had elected Mr Bill Werry to succeed Mr Stowkowy on the Board of Governors, and that his appointment was pending Ministerial Order.

The Chair congratulated Ms Mary Pat Barry, who recently served as the Graduation Speaker at the Faculty of Extension graduation ceremony, and Ms Sheri Somerville, who, in her capacity as Executive Director of Ballet Edmonton, was invited to speak to the House of Commons' Standing Committee on Canadian Heritage regarding Canada Council funding for the arts.

The Chair, with President Turpin, congratulated Ms Kelly Spencer, Interim Vice-President (Advancement) on her recent convocation from the Master of Arts in Communication and Technology program, and the Chair congratulated all the graduates and thanked all the staff involved in the ceremonies.

He then updated members on the recent change in Provincial government and noted that he had a phone call with the Honourable Demetrios Nicolaidis, Minister of Advanced Education and would be attending a meeting with all Alberta post-secondary institution Board Chairs and the Minister next week. He explained that the Minister had been invited to campus both over the summer to meet with the Board and to the Board retreat, and that he had expressed an interest in both.

Finally, the Chair took a moment to recognize members of the University community who had recently passed away: former Board Member Dr Jeremy Richards, General Faculties Council representative to the Board from 2015 to 2017; Dr Margaret Ann Armour, Professor and Associate Dean of Diversity in the Faculty of Science; and Dr Rosalind Sydie, Professor Emeritus in the Faculty of Arts.

2. Report of the President

Materials before members are contained in the official meeting file.

Presenter(s): David Turpin

In addition to his written report, the President provided verbal remarks on continued advocacy for the Council of Post-secondary Presidents of Alberta (COPPOA) principles of increased capacity, affordability, and support for research and innovation; the forthcoming federal election and advocacy work with Universities Canada and the U15 (a collective of Canada's research-intensive universities); and his recent meeting with the Minister of Advanced Education, Demetrios Nicolaidis. At Dr Turpin's request, Vice-President (Finance and Administration) Gitta Kulczycki provided a brief update on the recent Canadian Association of University Business Officers (CAUBO) conference, at which Chad Schulz, Director of Integrated Finance Services, was awarded the Emerging Leader Award. Finally, Dr Turpin acknowledged Interim Vice-President (Advancement) Kelly Spencer and her team for surpassing their fundraising goal for the year, and at his request, Ms Spencer provided comments on the strength of the donor community and continued plans for communicating to donors the difference their gifts can make.

3. Report of the University Secretary

Presenter(s): Marion Haggarty-France

3a. Summer Reading

Discussion:

The University Secretary drew members' attention to the CD in front of them, *Giving Voice to Hope: Music of Liberian Refugees*, a gift from the Sound Studies Institute in the Faculty of Arts. She informed the Board that she had compiled a 'summer reading' list based on suggestions from Board Retreat panelists and Board members and would be sending the list later that day to Board of Governors' members.

CONSENT AGENDA

4. *Approval of the Consent Agenda*

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair

Action Items

- 4a. Approval of the Open Session Minutes of May 10, 2019
- 4b. Approval of the Open Session Minutes of May 27, 2019
- 4c. Report of the Finance and Property Committee
- 4ci. Space Management Policy
- 4d. Report of the Learning and Discovery Committee
- 4di. Proposed Termination of the Bachelor of Physical Education specializations in (1) Cultural and Managerial Study of Sport and Leisure and (2) Activity and Nutrition, Faculty of Kinesiology, Sport, and Recreation
- 4e. Report of the Reputation and Public Affairs Committee
- 4ei. University of Alberta Annual Report to the Government of Alberta

Information Reports

- 4f. Report of the Audit and Risk Committee
- 4g. Report of the Finance and Property Committee
- 4h. Report of the Governance Committee
- 4i. Report of the Human Resources and Compensation Committee
- 4j. Report of the Investment Committee
- 4k. Report of the Learning and Discovery Committee
- 4l. Report of the Reputation and Public Affairs Committee

Regular Reports

- 4m. Chancellor's Report
- 4n. Alumni Association
- 4o. Students' Union
- 4p. Graduate Students' Association
- 4q. Association of Academic Staff
- 4r. Non-Academic Staff Association
- 4s. General Faculties Council
- 4t. Board Chair and Board Members Activity Report

The motion was moved and seconded.

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

CARRIED

DISCUSSION ITEMS

5. Report of the Investment Committee

Presenter(s): David Lawson

5a. Investment Committee Annual Report

Materials before members are contained in the official meeting file.

Presenter(s): David Lawson

Discussion:

At the invitation of the Chair, Mr Lawson reviewed the Board Investment Committee's annual report to the Board, noting the University's investment assets of nearly \$2.5 billion, including roughly \$1.5 billion endowed assets and \$1 billion in non-endowed assets. He thanked committee members, administration, and staff for their attention and dedication to the committee over the year.

Mr Lawson reminded members of the Board-approved changes to the spending policy and reviewed highlights of the report, including the University Endowment Pool's (UEP's) 5.8% rate of return, short of the long term target of 7.4%, but still exceeding benchmarks; the Non-Endowed Investment Pool's (NEIP's) return of 3.4%; the Committee's strategy of allocating some assets to higher-return funds; the continued attention to responsible investments; and a cautious outlook towards the future.

President Turpin, Ms Kulczycki, and Mr Lawson responded to questions from Board members regarding how endowed and non-endowed returns are spent; whether these funds were available to spend or were earmarked for certain initiatives; and the possibility of increasing the percentage of assets to be invested responsibly.

The President thanked Mr Lawson, Investment Committee members, and administration for their work over the past year.

ACTION ITEMS

6. Joint report of the Finance and Property and Learning and Discovery Committees

Presenter(s): Lynne Paradis; Owen Tobert

6a. University of Alberta's Comprehensive Institutional Plan (CIP) (2019-2020)

Materials before members are contained in the official meeting file.

Presenter(s): Steven Dew; Gitta Kulczycki; Matthias Ruth; Andrew Sharman

Purpose of the Proposal: The proposal is before the Board because the university is required to submit the CIP annually to government as an integrated document reflecting academic, enrolment, financial, and capital plans.

Discussion:

Dr Paradis introduced the item and thanked administration for their work on the report, noting especially the goals and summary of the plans. The Board Chair reminded members that the Board previously approved the consolidated budget.

President Turpin and Ms Kulczycki responded to questions from a board member regarding when the university expects to receive provincial funding in the absence of a provincial budget and whether cash flow problems were anticipated without funding.

The motion was moved and seconded.

WHEREAS the University of Alberta 2019-2020 Consolidated Budget was previously approved by the Board of Governors on March 15, 2019,

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, the Board Learning and Discovery Committee, and the General Faculties Council Academic Planning Committee:

- approve the 2019-22 *University of Alberta Comprehensive Institutional Plan (CIP)*, as set forth in Attachment 1 to the agenda documentation, and
- empower administration to make any editorial changes to the CIP, as needed, as long as the changes do not have the force of policy.

CARRIED

7. Report of the Finance and Property Committee

Presenter(s): Owen Tobert

Discussion:

Mr Tobert introduced the following proposals recommended by the Board Finance and Property Committee noting the hard work of committee members over the past year.

7a. International Tuition

Presenter(s): Steven Dew

7ai. International Tuition Model

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To propose a new program-based tuition model to affect new international students, starting with the Fall 2020 intake.

Discussion:

The Provost introduced the item together with Item 7a.ii, *2020-2021 Tuition Fee Proposal for Incoming International Students*, noting that the first item was an enduring model going forward while the second was a consideration of rate increases for the 2020-2021 year.

The Provost explained the critical elements of Bill 19: *An Act to Improve the Affordability and Accessibility of Post-secondary Education*, including that international tuition fees cover the full cost of the student's education and that institutions provide cost predictability, and noting that the Bill is the impetus behind the proposed changes. He provided an overview of the proposed program-based tuition model, explaining that students admitted in Fall 2020 and later would be provided with a total cost of their tuition and would pay it in installments over the length of their program. He noted issues with using the current course-based tuition model, including that the maximum predicted cost could be up to 45% higher than the actual cost.

Dr Dew then briefed the board on the proposed tuition rates. He provided an overview of the development of a four-year cost estimate to educate international students, including anticipated inflation increases over those years; and a comparison of international tuition of peer institutions. He explained that the proposed rates would

fall into categories based on similar costs; rates for a few smaller programs were still being finalized; and funds for student supports would increase.

Mr Tobert commended the Provost and Ms Kulczycki for their work on the proposed changes and the students for acting as positive advocates for the model.

The Provost responded to questions from board members regarding whether international tuition fees will cover the costs to support those students; whether the model will apply to current students; whether there are risks of inflation to the cost of tuition; and whether students would pay for any extra courses they take.

Ms Bhatnagar, Mr Elian, and Mr Ley expressed student support for the model, noting that it will provide predictability, that the amount of consultation was appreciated, and that international students enrich the campus. Ms Bhatnagar then noted her opposition to the international fee increases and explained that students are worried about affordability, and that in addition to the high rates of tuition that international students are subject to, they also face difficulties finding work and housing.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve a new program fee-based model for tuition for international students, to take effect for the Fall 2020 intake of new international students, as described in Attachment 1.

CARRIED

7a.ii. 2020-2021 Tuition Fee Proposal for Incoming International Students

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To propose tuition fees for the Fall 2020 intake of new international students, compliant with the requirements imposed by amendments to the Post-Secondary Learning Act from Bill 19, An Act to Improve the Affordability and Accessibility of Post-secondary Education, and associated Alberta Tuition Framework and Guidelines.

Discussion:

This item was discussed and considered with Item 7ai, *International Tuition Model*.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the GFC Academic Planning Committee, approve tuition fees, as set forth in Attachment 1, to take effect for the Fall 2020 intake of new international students.

CARRIED

Opposed: Akanksha Bhatnagar and Rowan Ley

The President thanked the Provost and Melissa Padfield, Interim Vice-Provost & University Registrar, for their work on the model and tuition rates.

7b. Board Delegation of Authority for Residence and Meal Plan Rates

Materials before members are contained in the official meeting file.

Presenter(s): Andrew Sharman

Purpose of the Proposal: Further to the Board of Governors' approval of delegated authority for determining increases to domestic tuition and mandatory non-instructional fees, this proposal is before the committee to continue the effort to see operational decisions occur more efficiently allowing the Board of Governors to devote its attention to strategic matters.

Discussion:

Mr Sharman introduced the proposal, noting the difficulty of developing any one calculation to set approval limits and explaining the recommendations that the Board delegate authority to the Board Finance and Property Committee to approve increases to residence rental rates of less than five percent and increases to meal plan rates of Alberta Consumer Price Index (CPI) plus one percent.

Mr Sharman responded to questions from board members regarding whether increases to residence rates would allow for improvements to the residences and whether the Board Finance and Property Committee could recommend a proposal to the Board if increases if CPI increased by a large amount.

The motions were moved and seconded.

Whereas the Board of Governors approved the Principles for Board of Governors Delegation of Authority on June 15, 2018, including the following statements:

- *The Board of Governors has employed a structure that relies upon the delegation of its provincially mandated authorities to its standing committees, the President or other members of Administration and other campus bodies; and*
- *Delegation is essential to ensure timely and efficient decision-making in smaller forums with access to appropriate resource people, while allowing the Board to focus on substantive and strategic issues of broad relevance to the university community;*

Motion 1: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, delegate approval of increases to residence rental rates equal or less than five percent (5%) to the Board Finance and Property Committee, effective upon Board of Governors' approval.

CARRIED

Motion 2: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, delegate approval of increases to meal plan rates equal or less than the most recently reported Alberta Consumer Price Index plus one percent (1%) to the Board Finance and Property Committee, effective upon Board of Governors' approval.

CARRIED

7c. Taking Care of our Campuses: An Integrated Asset Management Strategy (2019-2035)

Materials before members are contained in the official meeting file.

Presenter(s): Andrew Sharman

Purpose of the Proposal: To endorse the Integrated Asset Management Strategy, which will steer infrastructure decisions across all campuses for the foreseeable future, following consultations with the University's executive leadership, the General Faculties Council, and the Board of Governors.

Discussion:

Mr Sharman presented an overview of the Integrated Asset Management Strategy and its development, including the committee's previous review of the guiding principles and the governance and consultation path. He explained that the strategy holds students and scholarships as its first priority while being mindful of financial and policy

issues and that the University of Alberta would be the first in the province and across the U15 institutions with such a strategy.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and General Faculties Council, approve the Integrated Asset Management Strategy, as proposed by the Office of the Vice-President (Facilities and Operations) and as set forth in Attachment 1, as the basis for future infrastructure decisions across all campuses.

CARRIED

8. Report of the Human Resources and Compensation Committee

Presenter(s): Lynn Parish

8a. Workplace Impairment Policy and Procedures

Materials before members are contained in the official meeting file.

Presenter(s): Gitta Kulczycki; Michelle Bonnici

Purpose of the Proposal: To obtain approval of the Workplace Impairment Policy and related procedures which have been developed after extensive consultation and feedback.

Discussion:

Ms Parish introduced the item, noting that the proposal was recommended by the Board Human Resources and Compensation Committee where it was subject to scrutiny and questions and that the Board should feel reassured that it was thoroughly reviewed.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Human Resources and Compensation Committee and General Faculties Council, approve the Workplace Impairment Policy, the Workplace Impairment Disclosure and Reporting Procedure, the Managing Impairment in Safety-Sensitive Positions Procedure, and the Drug Testing Procedure, as set forth in Attachments 2 – 5, to take effect September 1, 2019.

CARRIED

9. Report of the Learning and Discovery Committee

Presenter(s): Lynne Paradis

9a. University of Alberta International Strategic Plan

Materials before members are contained in the official meeting file.

Presenter(s): Steven Dew

Purpose of the Proposal: To present the University of Alberta International Strategic Plan for discussion and approval.

Discussion:

Dr Paradis introduced the item and outlined the consultation path. The Provost provided an overview of the proposal, noting that this strategic plan was one of a number of subsidiary plans of *For the Public Good* and that it will serve as an enduring document.

The President and the Provost responded to questions from board members regarding whether the university should develop a strategic plan for domestic students, whether domestic students would ever be displaced by international students, whether the university community should use a term other than 'capacity' when talking about the ability to educate students, whether the enrolment targets are flexible, and whether projected rates affect enrolment rates in the future.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Learning and Discovery Committee and General Faculties Council, approve the proposed University of Alberta International Strategic Plan, as proposed by the Provost and Vice-President (Academic), and as contained in Attachment 1, to be effective upon final approval.

CARRIED

10. Board Governance Transformation

Presenter(s): Michael Phair

10a. Proposed Terms of Reference for the:

- Audit and Risk Committee
- Finance and Property Committee
- Governance Committee
- Human Resources and Compensation Committee
- Investment Committee
- Learning, Research, and Student Experience Committee
- Reputation and Public Affairs Committee

Materials before members are contained in the official meeting file.

Presenter(s): Marion Haggarty-France; Juli Zinken

Purpose of the Proposal: To approve new and revised Terms of Reference for seven standing committees of the Board of Governors and to rescind the Terms of Reference for the current eight Board standing committees. These changes are being recommended based on the 2018 Report and Recommendations of the Board Working Group, Board-approved principle documents, and the Board's direction regarding delegations of authority.

Discussion:

Ms Haggarty-France introduced the proposal and explained that the proposed changes to mandates are the result of a three year governance review process, the Terms of Reference were revised for all Board Committees, and future amendments to the Terms could be made as part of their regular review process.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of its standing committees, approve:

a) the proposed Terms of Reference for the following standing committees of the Board of Governors:

- Audit and Risk Committee
- Finance and Property Committee
- Governance Committee
- Human Resources and Compensation Committee
- Investment Committee
- Learning, Research, and Student Experience Committee, and
- Reputation and Public Affairs Committee

as set forth in Attachment 1, to take effect July 1, 2019; and

b) the concurrent rescission of the existing Board standing committee Terms of Reference, as set forth in Attachment 2.

CARRIED

CLOSING SESSION

11. *Adjournment*

Presenter(s): Michael Phair

The Chair adjourned the Open Session at 9:50 a.m.