



The following Motions and Documents were considered by the Board Finance and Property Committee at its October 2, 2012 meeting:

Agenda Title: **Review of Committee Terms of Reference and Approval of 2012-13 Committee WorkPlan**

APPROVED MOTION: THAT the Board Finance and Property Committee approve the proposed changes to the Committee's 2012-13 WorkPlan, as set forth in Attachment 1

Final Item: 6

Agenda Title: **Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets**

APPROVED MOTION: THAT the Board Finance and Property Committee recommend that the Board of Governors approve the transfer of \$2,803,689.00 of unrestricted net assets to permanent restricted endowment net assets.

Final Recommended Item: 6a

OUTLINE OF ISSUE

Agenda Title: **Review of Committee Terms of Reference and Approval of 2012-13 Committee WorkPlan**

Motion: THAT the Board Finance and Property Committee approve the proposed changes to the Committee's 2012-13 WorkPlan, as set forth in Attachment 1.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	Dick Wilson, Chair, Board Finance and Property Committee
Presenter	Dick Wilson, Chair, Board Finance and Property Committee
Subject	Review of Committee Terms of Reference and Approval of 2012-13 Committee WorkPlan

Details

Responsibility	University Governance
The Purpose of the Proposal is (please be specific)	To review the Committee Terms of Reference and review and approve the 2012-13 Committee WorkPlan
The Impact of the Proposal is	This proposal does not affect the core mandate of the Committee.
Replaces/Revises (eg, policies, resolutions)	Committee-approved 2011-2012 WorkPlan
Timeline/Implementation Date	Immediately upon approval
Estimated Cost	
Sources of Funding	
Notes	No changes are proposed related to the Committee Terms of Reference.

Alignment/Compliance

Alignment with Guiding Documents	
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal (please quote legislation and include identifying section numbers)	<p>1. Post Secondary Learning Act (PSLA), Section 60 (1)(b): "The Board of a public post-secondary institution shall develop, manage and operate, alone or in cooperation with any person or organization, programs, services and facilities for the educational or cultural advancement of the people of Alberta."</p> <p>2. Board of Governors General Terms of Reference, Section b: "The Board has delegated to each Committee responsibility and authority to make decisions on behalf of the Board in the Committee's defined area of responsibility except to the extent that such authority has been specifically limited by the Board in the Terms of Reference for the Committee."</p> <p>...</p> <p>"...issues which remain with the Board or which would be referred by a Committee to the Board would generally be in the nature of...any matter involving an alteration in the mandate, terms of reference, membership, or structure of a Committee;..."</p> <p>3. Board Finance and Property Committee Terms of Reference:</p> <p>3. MANDATE OF THE COMMITTEE</p> <p>Except as provided in paragraph 4 and in the Board's General</p>

Item No. 6

	<p>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. The Committee shall also consider any other matter delegated to the Committee by the Board.</p> <p>Without limiting the generality of the foregoing, the Committee shall:</p> <p>u) annually review the terms of reference for the Committee and recommend to the Board any required changes.</p>
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Routing (Include meeting dates)

Consultative Route	
Approval Route (Governance) (including meeting dates)	Board Finance and Property Committee – October 2, 2012 (for approval) Board of Governors – October 19, 2012 (for information)
Final Approver	Board Finance and Property Committee

Attachments:

1. Board Finance and Property Committee 2012-2013 WorkPlan (4 pages) – for approval
2. Board Finance and Property Committee Terms of Reference (4 pages) – for information

Prepared by: Juli Zinken, Committee Coordinator and Assistant Board Secretary, juli.zinken@ualberta.ca

Mandate of the Committee	Key Activities	Oct 2/12	Nov 27/12	Jan 22/13	Feb 8/13	Feb 26/13	Apr 30/13	May 28/13
Financial								
a) review the quarterly financial statements with respect to operating and capital funds		x	x			x		
b) review and recommend to the Board the Integrated Planning and Budgeting Policy which includes guiding principles for changes to approved budgets and for transfer or reallocation of monies included in approved budgets		* <u>as needed</u>						
c) review and recommend to the Board the annual and other budgets and major issues of policy related to budgets	<u>Budget-Comprehensive Institutional Plan (CIP) Briefing</u> (Board members invited)				x			
	<u>Budget-CIP</u> Approval					x		
d) review and recommend to the Board tuition and other like fees	Tuition Briefing	x						
	Tuition Approval		x					
	Differential Tuition Fees		x					
	GSA/SU Fees						x	
	Student Residence Fees		x					
	Parking Fees		x					
e) approve authorized signing officers in respect of all banking and safekeeping	MNIF/ Course Based Fees					x		
	BFPC Chair to approve appointment of UofA representative at annual meeting of Alberta Capital Finance Authority (ACFA)	as required						

Mandate of the Committee	Key Activities	Oct 2/12	Nov 27/12	Jan 22/13	Feb 8/13	Feb 26/13	Apr 30/13	May 28/13
Facilities and Property								
f) approve original Capital Expenditure Authorization Request (CEAR) or individual Supplemental CEARs up to a maximum of \$7 million and aggregate total CEAR and Supplemental CEARs up to a maximum of \$14 million. The Vice-President (Facilities and Operations) is authorized to approve original CEARs or individual Supplemental CEARs up to \$ 2 million and aggregate total CEAR and Supplemental CEARs up to \$4 million.	Review of capital projects	As required						
g) Review and recommend to the Board original Capital Expenditure Authorization Requests or individual Supplemental CEARs greater than \$7 million or aggregate total CEAR and Supplemental CEARs up to but not exceeding \$14 million.	Review of capital projects	As required						
h) approve the acquisition or disposal of real property, provided always that any such decision of the Committee shall be reported to the Board and shall only be effective or implemented a minimum of 24 hours following the conclusion of the Board meeting at which the decision of the Committee is reported, and provided the Board has not resolved otherwise	Campus Plan	As required						

Mandate of the Committee	Key Activities	Oct 2/12	Nov 27/12	Jan 22/13	Feb 8/13	Feb 26/13	Apr 30/13	May 28/13
Policies								
i) approve policies for intellectual property & technology transfer		As required						
j) approve policies for construction and supply contracts, policies governing the use of space and planning reports for individual capital projects and receive an annual report on these		As required						
k) recommend to the Board capital expenditure policies for the committee and for the Board		As required						
l) approve policies for the control and regulation of pedestrian and vehicle traffic on University lands		As required						
m) review and approve policies on financial risk management for risks which may jeopardize the achievements of the strategic vision of the University		As required						
n) review and recommend to the Board policies regarding the acquisition, management, control and disposition of University buildings, land and equipment and regarding individual project proposals and the implications of these short and long-range capital plans to the strategic vision of the University		As required						

Mandate of the Committee	Key Activities	Oct 2/12	Nov 27/12	Jan 22/13	Feb 8/13	Feb 26/13	Apr 30/13	May 28/13
Reports, Advice, Trends								
o) review and provide recommendations on the University's enterprise-wide risks and risk measures related to the Committee mandate	Input on Risks <u>Institutional Risk Indicator Summary and Emerging Risks</u>		x					
	Report on Risk Measures <u>Institutional Risk Summary</u>							x
p) monitor trends affecting the University and the implications of those trends on finances and property of the University	Review Results of Expert Forum	x						
	<u>Review Community Engagement Report</u>	<u>x</u>	<u>x</u>			<u>x</u>		<u>x</u>
q) annually provide advice to the President, through the chair of the Board Human Resources and Compensation Committee, with respect to the responsibilities and performance (in relation thereto) of those Vice Presidents whose responsibilities are within the mandate of the Committee	Beginning or end of year			x In-camera				
r) review annual and quarterly reports highlighting progress achieved in implementing the University's current budget and strategic business plan, including appropriate and relevant performance indicators	Budget <u>Comprehensive Institutional Plan (CIP)</u>					x		
	Capitalization of Unrestricted Funds to Permanent Net Asset Endowments	was <u>needed</u>						
	<u>TEC Edmonton Annual Report</u>						<u>x</u>	
s) planning reports for individual capital projects and receive a quarterly report on these	Project Management Office Status Reports on University facilities and property (from FAO)	x	x			x		x
t) receive for review an annual report on donations and gifts and monitor performance against fundraising goals.								x
u) annually review the terms of reference for the Committee and recommend to the Board any required changes	Beginning or end of year	x						
Committee Education Opportunities								
Facility Tours: •								
<u>BFPC Orientation</u>		<u>x</u>						
<u>Integrated Planning and Budgeting Process Overview</u>					<u>x</u>			

Mandate of the Committee	Key Activities	Oct 2/12	Nov 27/12	Jan 22/13	Feb 8/13	Feb 26/13	Apr 30/13	May 28/13
Financial Statements 101 (invite BG members as well)							If need- ed	



BOARD FINANCE AND PROPERTY COMMITTEE Terms of Reference

1. AUTHORITY

- a) The Board Finance and Property Committee (the "Committee") is created by and responsible to the Board of Governors (the "Board") of the University of Alberta (the "University").
- b) The Vice-President (Finance and Administration) and the Vice-President (Facilities and Operations) shall provide management support to the Committee.
- c) The Committee shall function in accordance with the Board's General Committee Terms of Reference.

2. COMPOSITION OF THE COMMITTEE

- a) Voting Members appointed by the Board (ordinarily a maximum of 11 voting members):
 - (1) Two Board members from the membership categories identified by the *Alberta Post-Secondary Learning Act (the Act)* as *general public, alumni* and *Senate*
 - (2) A Board member from the membership category identified by the Act as *academic staff of the University*
 - (3) Two Board members from the membership category identified by the Act as *students nominated by the council of the students association* or as *graduate student nominated by the council of the association*
 - (4) Two other members of the of the Board of Governors
 - (5) A member of the general public with specific expertise in a field of interest to the Committee
 - (6) The Board Chair, by virtue of office
 - (7) The President and Vice-Chancellor, by virtue of office
 - (8) The Chancellor, by virtue of office
- b) Non-Voting Officials appointed by the President
 - (1) Provost and Vice-President (Academic)
 - (2) Vice-President (Advancement)
 - (3) Vice-President (Facilities and Operations)
 - (4) Vice-President (Finance and Administration)
 - (5) Vice-President (University Relations)
 - (6) University Secretary
 - (7) Committee Secretary
 - (8) Other officers, as determined by the President
- 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.
- d) The Board of Governors shall appoint the Committee Chair from the Committee membership category 2(a)(1), upon the recommendation of the Board Chair. .

- e) The Committee shall designate the Vice-Chair from the Committee membership 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.

3. MANDATE OF THE COMMITTEE

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. The Committee shall also consider any other matter delegated to the Committee by the Board.

Without limiting the generality of the foregoing, the Committee shall:

Financial

- a) review the quarterly financial statements with respect to operating and capital funds
- b) review and recommend to the Board the Integrated Planning and Budgeting Policy which includes guiding principles for changes to approved budgets and for transfer or reallocation of monies included in approved budgets
- c) review and recommend to the Board the annual and other budgets and major issues of policy related to budgets
- d) review and recommend to the Board tuition and other like fees
- e) approve authorized signing officers in respect of all banking and safekeeping

Facilities and Property

- f) approve original Capital Expenditure Authorization Request (CEAR) or individual Supplemental CEARs up to a maximum of \$7 million and aggregate total CEAR and Supplemental CEARs up to a maximum of \$14 million. The Vice-President (Facilities and Operations) is authorized to approve original CEARs or individual Supplemental CEARs up to \$2 million and aggregate total CEAR and Supplemental CEARs up to \$4 million.
- g) review and recommend to the Board original Capital Expenditure Authorization Requests or individual Supplemental CEARs greater than \$7 million or aggregate total CEAR and Supplemental CEARs up to, but not exceeding \$14 million.
- h) approve the acquisition or disposal of real property, provided always that any such decision of the Committee shall be reported to the Board and shall only be effective or implemented a minimum of 24 hours following the conclusion of the Board meeting at which the decision of the Committee is reported, and provided the Board has not resolved otherwise

Approved Capital Expenditure Authorization is as follows:

Approval level	Original CEAR or individual Supplemental CEAR Approval Limit	Aggregate Total CEAR and Supplemental CEAR’s Limit (not to exceed)
Directors/Executive Directors F&O	Up to \$500,000	\$750,000
Associate Vice-President (Facilities & Operations)	Up to \$1,000,000	\$2,000,000
Vice-President (Facilities & Operations)	Up to \$2,000,000	\$4,000,000

BFPC	Up to \$7,000,000	\$14,000,000
BG	Over \$7,000,000	Over \$14,000,000

Policies

- i) approve policies for intellectual property and technology transfer
- j) approve policies for construction and supply contracts, policies governing the use of space and planning reports for individual capital projects and receive an annual report on these;
- k) recommend to the Board capital expenditure policies for the committee and for the Board;
- l) approve policies for the control and regulation of pedestrian and vehicle traffic on University lands;
- m) review and approve policies on financial risk management for risks which may jeopardize the achievements of the strategic vision of the University
- n) review and recommend to the Board policies regarding the acquisition, management, control and disposition of University buildings, land and equipment and regarding individual project proposals and the implications of these short and long-range capital plans to the strategic vision of the University

Reports, Advice, Trends

- o) Review and provide recommendations on the University's enterprise-wide risks and risk measures related to the Committee mandate.
- p) monitor trends affecting the University and the implications of those trends on finances and property of the University
- q) annually provide advice to the President, through the Chair of the Board Human Resources and Compensation Committee, with respect to the responsibilities and performance (in relation thereto) of those Vice Presidents whose responsibilities are within the mandate of the Committee
- r) review annual and quarterly reports highlighting progress achieved in implementing the University's current budget and strategic business plan, including appropriate and relevant performance indicators
- s) planning reports for individual capital projects and receive a quarterly report on these
- t) receive for review an annual report on donations and gifts and monitor performance against fundraising goals
- u) annually review the terms of reference for the Committee and recommend to the Board any required changes

4. LIMITATIONS ON DELEGATION BY THE BOARD

The general delegation of authority by the Board to the Committee shall be limited as set out in this paragraph. Notwithstanding the general delegation of authority to the Committee set out in paragraph 3, the Board shall:

- a) approve the guiding principles, budgets and changes to approved budgets and the transfer or reallocation of monies included in approved budgets;
- b) approve the annual and other budgets and major issues of policy related to budgets;
- c) approve capital expenditures of more than \$7 million or more or expenditures which, when combined with other expenditures for the same project, would equal more than \$7 million;
- d) approve capital expenditure policies;
- e) approve tuition and other like fees;
- f) approve policies regarding the acquisition, management, control and disposition of University buildings, land and equipment and regarding individual project proposals and the implications of these short and long-range capital plans to the strategic vision of the University;

- g) review all decisions of the Committee with respect to the acquisition or disposal of real property; after any such review the Board may resolve to overturn or vary any such decision.

5. REPORTING TO THE BOARD

As provided in the Board's General Terms of Reference the Committee shall regularly report to the Board with respect to its activities and decisions.

Decision History:

DATE	DECISION-MAKER	DECISION
2006-11-20	Board Finance and Property Committee	Recommended to Board of Governors
2006-12-8	Board of Governors	Approved
2008-06-10	Board Finance and Property Committee	Recommended to Board of Governors
2008-06-20	Board of Governors	Approved
2008-10-03		Editorial Revisions Made as a Result of CEAR Policy Approved by BFPC/Board
2009-09-16	Board Finance and Property Committee	Recommended to Board of Governors
2009-10-02	Board of Governors	Approved
2011-02-01	Board Finance and Property Committee	Recommended to Board of Governors
2011-02-11	Board of Governors	Approved
2011-09-20	Board Finance and Property Committee	Recommended to Board of Governors
2011-10-21	Board of Governors	Approved
2012-07-12		Editorial Revisions Made as a Result of Changes in Title

OUTLINE OF ISSUE

Agenda Title: **Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets**

Motion: THAT the Board Finance and Property Committee recommend that the Board of Governors approve the transfer of \$2,803,689.00 of unrestricted net assets to permanent restricted endowment net assets.

Item

Action Requested	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	Vice-President (Finance and Administration)
Presenter	Phyllis Clark, Vice-President (Finance and Administration)
Subject	Approval of the transfer of unrestricted funds to permanent restricted endowment net assets.

Details

Responsibility	Vice-President (Finance and Administration)
The Purpose of the Proposal is (please be specific)	<p>The following Faculties have requested capitalization:</p> <ul style="list-style-type: none"> • Agricultural, Life and Environmental Sciences - \$300,478.00 Source of funds: bequest (\$265,478.00) and discretionary royalty revenue (\$35,000.00). Purpose: To establish an endowment to support Renewable Resources, and to build a fund which can support awards of up to \$20,000 per year. • Alberta School of Business - \$2,442,000.00 Source of funds: bequest (\$2,442,000.00) Purpose: to establish an endowment to support the new Beyond the Classroom program to enhance undergraduate students' education. • Science - \$61,211.00 Source of funds: Discretionary royalty revenue (\$50,000.00) and unrestricted donations (\$11,211) Purpose: To support Lemieux Chair holder's research, and to increase funding available to support several Chemistry lecture series.
The Impact of the Proposal is	Transfer of \$2,803,689.00 of unrestricted net assets to permanent restricted endowment net assets.
Replaces/Revises (eg, policies, resolutions)	None
Timeline/Implementation Date	Effective upon approval by the Board of Governors.
Estimated Cost	n/a
Sources of Funding	n/a
Notes	

Alignment/Compliance

Alignment with Guiding Documents	Dare to Discover: A Vision for a Great University Dare to Deliver: The University of Alberta Academic Plan 2011-2015
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal	1. Post-Secondary Learning Act Under the <i>Post-Secondary Learning Act</i> , the University's Board of Governors has the <i>capacity, rights, powers and privileges of a natural person</i> (Section 59(1), and the Board is tasked with <i>managing and operating the University in</i>

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<p>(please quote legislation and include identifying section numbers)</p>	<p><i>accordance with its mandate</i> (Section 60). Thus, like any other owner of property, the governors of the University can create a trust by declaration whereby it yields up its ownership interest and becomes a trustee of the subject property, with beneficial ownership of the property residing elsewhere.</p> <p>This is equally so in terms of the creation of true permanent endowments (charitable purpose trusts) whereby the University can declare a trust that results in its taking on a trustee role for the property (in substitution for its prior ownership role) and whereby the beneficiaries of the trust become the equitable owners of the trust (i.e. in the case of a charitable purpose trust, the objects or purposes to which the endowment is devoted).</p> <p><u>2. University Policy and Procedure On-Line (UAPPOL)</u></p> <p>Board-approved Capitalization of Unrestricted Funds to Endowment Policy and relevant procedure.</p> <p><u>3. Board of Governors General Terms of Reference, Section 1.b. states:</u></p> <p><i>The Board has delegated to each Committee responsibility and authority to make decisions on behalf of the Board in the Committee's defined area of responsibility except to the extent that such authority has been specifically limited by the Board in the Terms of Reference for the Committee.</i></p> <p><u>4. The Board Finance and Property Committee Terms of Reference, Sections 3 and 4 state:</u></p> <p><i>Section 3</i> <i>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. The Committee shall also consider any other matter delegated to the Committee by the Board.</i></p> <p><i>Without limiting the generality of the foregoing, the Committee shall:</i></p> <ul style="list-style-type: none"> <i>a) review the sources of and application of financial resources</i> <i>b) review and recommend to the Board the guiding principles for changes to approved budgets and for transfer or reallocation of monies included in approved budgets.</i> <i>c) review and recommend to the Board the annual and other budgets and major issues of policy related to budgets</i> <p>4. <u>LIMITATIONS ON DELEGATION BY THE BOARD</u></p> <p><i>The general delegation of authority by the Board to the Committee shall be limited as set out in this paragraph. Notwithstanding the general delegation of authority to the Committee set out in paragraph 3, the Board shall:</i></p> <ul style="list-style-type: none"> <i>(a) approve the guiding principles, budgets and changes to approved budgets and the transfer or reallocation of monies included in approved budgets;</i>
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Routing (Include meeting dates)

Consultative Route (parties who have seen the proposal and in what capacity)	
Approval Route (Governance) (including meeting dates)	Board Finance and Property Committee (for Recommendation) – October 2, 2012 Board of Governors (for Approval) – October 19, 2012
Final Approver	Board of Governors – October 19, 2012



Attachments:

1. Summary of Requests from Faculties for the Capitalization of Unrestricted Funds (3 pages)
2. Unrestricted Net Assets (Deficit) Fund Balance (1 page)

Note: The “Capitalization of Unrestricted Funds to Endowment Policy” and the “Capitalization of Unrestricted Funds to Endowment Procedure” can be found at:

<https://policiesonline.ualberta.ca/PoliciesProcedures/Pages/DispPol.aspx?PID=23>

Prepared by:

Martin Coutts, Associate Vice-President, Finance and Supply Management Services
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Michele Pearce, Director, Financial Accounting and Reporting, Financial Services
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**University of Alberta
Financial Services
Summary of Requests from Faculties for the Capitalization of Unrestricted Funds
2012/13 Capitalizations (based on March 31, 2012 Faculty financial position)**

Provided to VP Finance & Administration (approx. Sept. 5, 2012)

Provost approved each of these (per signature on Faculty request) and forwarded on to FS.

Summary of Requests

By Faculty:

Agriculture, Life & Environmental Sciences	\$ 300,478.00
Alberta School of Business	2,442,000.00
Science	<u>61,211.00</u>

Total **\$2,803,689.00**

By Source of Funds:

Discretionary Funds (fund 210)	<u>\$2,803,689.00</u>
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Total **\$2,803,689.00**

FS has reviewed all sources of funding to ensure in agreement with the policy (or noted where there are exceptions).

Agricultural, Life and Environmental Sciences

Financially healthy (per Provost annual review)

FS has confirmed that Agricultural, Life and Environmental Sciences is in a positive balance (refer to Schedule 8 attached; from F210 – General Operating)

Source of funds	Faculty Request	Name (of new or existing endowment)	Purpose	FS Comments / Recommendation
General Operating (royalties received from beef genomic research) (210 100100 10GEN 0)	\$ 35,000.00	E0284 – Beef Genomics Research Established: February, 2010 Current fair value: \$530,248.59	To build a fund that provides ongoing support for graduate student research programs in bovine genomics	FS has discussed the lack of spending in this account with the Faculty. A graduate scholarship, to be funded from this endowment, has now been established which will provide up to \$20,000 in awards per year. Therefore, FS agrees with this request.
General Operating (bequest – final distribution was received in April 1980) (210 100100 110135 0)	\$265,478.00	The Herbert and Jeanette Hall Endowment Fund (new)	As part of a bequest, funds were to be used for or in the Forestry Division of the Faculty of Agriculture and Forestry. The Department of Forestry subsequently became part of Renewable Resources.	FS has had ongoing discussions with the faculty regarding this amount since it was received. The current plan of establishing an endowment with flexible spending criteria to support Renewable Resources appears reasonable. Therefore, FS agrees with this request.
Total Agricultural, Life and Environmental Sciences	\$300,478.00			

Alberta School of Business

Financially healthy (per Provost annual review)

FS has confirmed that Alberta School of Business is in a positive balance (refer to Schedule 8 attached; from F210 – General Operating)

Source of funds	Faculty Request	Name (of new or existing endowment)	Purpose	FS Comments / Recommendation
General Operating (William Winspear estate funds allocated to Business by EPC) (210 100100 10GEN 0)	\$2,442,000.00	W Winspear Undergraduate Program Enhancement Fund (new endowment)	To create a fund that will provide a variety of opportunities and resources to enhance the education of students in the B. Comm, or similar, program.	The operating terms of this endowment align with our understanding of the terms of the bequest. Therefore, FS agrees with this request.
Total Agricultural, Life and Environmental Sciences	\$2,442,000.00			

Science

Financially healthy (per Provost annual review)

FS has confirmed that Science is in a positive balance (refer to Sched 8 attached; from F210 – General Operating)

Source of funds	Faculty Request	Name (of new or existing endowment)	Purpose	FS Comments / Recommendation
General Operating (Dean of Science royalties) (210 360010 36RDS 0)	\$50,000.00	E0147 – Lemieux Chair (Department of Chemistry) Established: July, 1996 Current fair value: \$427,821.76	This represents a retention commitment to Todd Lowary, Chair holder. This will allow the Chair holder to conduct research.	The retention plan appears reasonable to FS. Although this is will not attract a great deal of spending, it does show the Faculty's commitment. Therefore, FS agrees with this request.
General Operating (Unrestricted donations transferred from F350) (210 360200 36UCH 0)	\$ 7,000.00	E5799 – Chemistry Student Association Award Established: June, 1983 Current fair value: \$0.00	Chemistry has been funding these awards (2 x \$150 annually) from operating. This principal amount will support these awards.	FS discussed this with Science who agreed an E fund should not have been established in PeopleSoft for this activity. Chemistry will continue to fund the awards from Operating and FS will work with Science to close E5799. See next item.
General Operating (Unrestricted donations transferred from F350) (210 360200 36UCH 0)	\$ 4,211.00	E5363 – Chemistry Lecture Series Established: October, 1980 Current fair value: \$542,539.23	This endowment supports several lecture series. Costs related to travel, etc. have increased and the spending from this additional principal will help offset those increases.	Based on the decision to not capitalize \$7,000 to E5799, Science determined it would be to their advantage to capitalize that amount to E5363. As a result, this capitalization amount will be \$11,211.00. FS supports this decision.
Total Science	\$61,211.00			

Summary of Prior Three Years:

Fiscal 2012	
Agricultural, Life and Environmental Sciences	84,810.86
E0284 - \$38,981.19 royalties	
E5034 - \$13,500.00 undesignated donations	
E0051 - \$12,329.67 undesignated donations	
E6221 - \$10,000.00 general operating	
E6739 - \$10,000.00 general operating	
Arts	75,935.75
E7034 - \$37,188.89 undesignated donations	
E5923 - \$15,276.55 undesignated donations	
E6322 - \$12,830.00 play festival revenue	
E5836 - \$10,640.31 undesignated donations	
VP Academic	50,000.00
E0125 - \$50,000.00 undesignated donations	
	210,746.61
Fiscal 2011	
VP Academic	100,000.00
Business	37,500.00
Engineering	37,500.00
	175,000.00
Fiscal 2010	
Pharmacy & Pharmaceutical Science	43,267.67
VP Academic	40,000.00
Business	28,079.77
	111,347.44

Attachments:

Schedule of Unrestricted Net Assets (Deficit) – Fund Balance, For the Year Ended March 31, 2012

UNIVERSITY OF ALBERTA FINANCIAL SERVICES
UNRESTRICTED NET ASSETS (DEFICIT) - FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2012
(in thousands of dollars)

	General Operating () indicates unfavourable variance to budget	Special Purpose (operating) () indicates overexpenditure	Other Research () indicates overexpenditure	Enrollment Planning Envelope () indicates overexpenditure	March 2012	March 2011	Increase (Decrease) from March 2011
Faculties:							
Agricultural, Life and Environmental Studies	\$ 5,154	\$ (8)	\$ 1,555	\$ -	\$ 6,701	\$ 7,821	\$ (1,120)
Arts	2,940	8	2,031	-	4,979	5,890	(911)
Augustana	2,367	-	26	-	2,393	2,635	(242)
Business	716	(6)	132	-	842	964	(122)
Education	4,947	-	1,108	-	6,055	4,714	1,341
Engineering	3,708	-	6,125	-	9,833	13,452	(3,619)
Extension	1,587	-	269	-	1,856	1,809	47
Campus Saint-Jean	(2,556)	-	63	-	(2,493)	112	(2,605)
Graduate Studies and Research	1,493	-	75	-	1,568	866	702
Law	489	-	67	-	556	586	(30)
Medicine and Dentistry	48,690	24	8,128	-	56,842	46,819	10,023
Nursing	4,389	-	729	-	5,118	4,772	346
Pharmacy and Pharmaceutical Sciences	3,671	-	878	-	4,549	5,869	(1,320)
Physical Education and Recreation	2,132	-	420	-	2,552	3,683	(1,131)
Public Health Sciences	2,502	-	280	-	2,782	2,393	389
Rehabilitation Medicine	8,542	-	1,506	-	10,048	9,372	676
School of Native Studies	490	-	330	-	820	541	279
Science	3,334	2	5,591	-	8,927	10,144	(1,217)
Total Faculties	94,595	20	29,313	-	123,928	122,442	1,486
Faculty Support:							
Governance	103	-	-	-	103	168	(65)
Office of Advancement	717	-	-	-	717	-	717
Provost and Vice President (Academic)	18,294	-	385	-	18,679	17,255	1,424
Vice President (Research)	1,429	4	6,299	-	7,732	5,497	2,235
Vice President (University Relations)	1,903	-	-	-	1,903	3,757	(1,854)
Vice President (Finance and Administration)	17,996	-	-	-	17,996	12,741	5,255
Vice President (Facilities and Operations)	31,306	-	-	-	31,306	22,788	8,518
Total Faculty Support	71,748	4	6,684	-	78,436	62,206	16,230
Sub-total Faculty and Faculty Support (Note 1)	166,343	24	35,997	-	202,364	184,648	17,716
Central Institutional (fund 100)							
Variance to budget carryforward	84,485	-	-	-	84,485	72,020	-
Operating debt elimination	13,124	-	-	-	13,124	13,124	-
Accumulated surplus/(deficit)	(196,219)	-	-	-	(196,219)	(193,667)	-
Sub-total Central Institutional	(98,610)	-	-	-	(98,610)	(108,523)	-
Enrolment Planning Envelope	-	-	-	-	-	-	-
Total Central Institutional (Note 2)	(98,610)	-	-	-	(98,610)	(108,523)	9,913
	\$ 67,733	\$ 24	\$ 35,997	\$ -	\$ 103,754	\$ 76,125	
(----- Schedule A -----)							
Comparative Figures	\$ (11,593)	\$ 6,619	\$ 34,715	\$ 46,384			\$ 27,629
Capital (operating)					3,007	24,217	(21,210)
Ancillary enterprises					36,946	40,617	(3,671)
Subtotal (allocated for future expenditures)					143,707	140,959	2,748
Employee future benefit liabilities					(159,319)	(144,497)	(14,822)
Unrestricted net assets (deficiency)					\$ (15,612)	\$ (3,538)	\$ (12,074)
----- Schedule A -----							

Notes:

- (1) Represents operating fund (210) variance to budget calculation. Benefit variance is not adjusted in this calculation.
(2) Represents central institutional fund (100) variance to budget.