

Board of Governors
Board of Governors Meeting
Public Session Minutes

Friday, October 21, 2011
8:00 a.m. – 1:00 p.m.
3-15 University Hall

ATTENDEES:

Voting Members: Robert Campenot
Gordon Clanachan
Roy Coulthard
Marc de La Bruyère
Don Fleming
Brian Heidecker, Chair
Jim Hole
Agnes Hoveland
Linda Hughes, Chancellor
Shenaz Jeraj
Raphael Lepage Fortin
Tanya Martelle
Don Matthew
Ove Minsos
Bernd Reuscher
Indira Samarasekera, President
Robert Teskey
Rory Tighe

Officials: 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, University General Counsel
Don Hickey, Vice-President (Facilities and Operations)
O'Neil Outar, Chief Advancement Officer
Debra Pozega Osburn, Vice-President (University Relations)

Regrets: Louis Hugo Francescutti
Jerry Naqvi

Guests: Ron Ritter, Director, Treasury and Investments, Financial Services

Observers: Michael Brown, Folio Magazine
Jeremy Richards, Professor (Earth & Atmospheric Sciences)

Staff: Deborah Holloway, Board Secretary
Lindsey Hornland, Governance Specialist

Chair: Brian Heidecker
Scribe: Lindsey Hornland

OPENING SESSION

1. Chair's Session

1.1 Call to Order and Confirmation of Quorum

Ms. Holloway confirmed that the attendance constituted quorum. The Board Chair called the meeting to order at 8:05 a.m.

1.2 Approval of Public Session Agenda

Motion: Hole/Jeraj

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

CARRIED

1.3 Conflict of Interest – Opportunity for Declaration Related to the Agenda

The Board 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 Board Chair invited members to declare conflicts of interest related to the Open Session Agenda of the meeting. He received a declaration by Mr. Teskey, with regard to Agenda Item 9.2. Mr. Teskey excused himself from the room for the discussion, and abstained from the vote on the proposed Motion. The Board Chair observed no further declarations and declared that the question was duly asked and answered.

1.4 Chair's Remarks

The Board Chair welcomed Board members, guests and members of public to the first Board meeting of the academic year.

The Board Chair addressed some basic housekeeping items, such as: the question of where Board meeting documents can be disposed of; continuing to hold November 18th for a Board Education session; and a request to abstain from using Blackberries and other similar devices during Board meetings.

He also noted Ms. Dawn Graham's departure from the Board of Governors.

2. Report of the President

With the aid of a video presentation, the President began her Report by introducing the University's new GoogleEarth mapping system. The 3D map is an extension of the University's overall online strategy.

The President introduced the 2010-2011 Dare to Discover Report (Card) to the Board. She noted the 11 universities the University of Alberta was benchmarked against, and why those

particular universities had been chosen.

The President's written Report to the Board appears as **Item 2** to these Minutes and Dare to Discover appears as **Item 2.b**.

The President included several verbal points of interest on the University's Dare to Discover Report including: how she was pleased with the overall results of the report, acknowledging the University has improved in several areas and how she looks forward to the continued progress of the Institution; a review of the student ratios and how they compare to the other universities in the Report; a discussion surrounding student ratings, and how the University will be looking at ways to improve in this area; the notable number of University's Fellows- especially in comparison to other universities; and an increase in fundraising, and she hopes that these funds will directly benefit students.

In addition to her written reports, the President included verbal updates on:

- the success of recent President's Society Dinners held to recognize the University's annual donors;
- Sustainability Awareness Week (SAW);
- the opening of CCIS.

The President responded to questions and comments raised by Board members.

3. Approval of the Public Session Minutes of:
June 17, 2011, and July 13, 2011 (Electronic Vote)

Motion: Hole/ Matthew

THAT the Board of Governors adopt the Open Session Minutes of its meetings on:

- June 17, 2011, and
- July 13, 2011 (Electronic Vote)

CARRIED

ACTION ITEMS

4. Board of Governors

4.1 Revised General Terms of Reference for the Board of Governors

Agenda documentation is attached to these Minutes as Item 4.1.

Presenters: Brian Heidecker, Chair, Board of Governors; and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Ms. Haggarty-France introduced the item, and reviewed the proposed revisions made to the General Terms of Reference, noting the changes were largely editorial in nature.

Clarification was sought regarding the selection of the Board Chair and whether the process should be included in the Terms.

Motion: Teskey/ Hughes

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

CARRIED

4.2 Revised Mandate and Roles Document

Agenda documentation is attached to these Minutes as Item 4.2.

Presenters: Brian Heidecker, Chair, Board of Governors; and Marion Haggarty-France, University Secretary

Purpose of the Proposal: The Alberta Public Agencies Governance Act (APAGA) has not yet been proclaimed.

The Act provides a legislative framework for the work of Alberta's public sector agencies. The University of Alberta, and indeed all of the post-secondary institutions in Alberta, are considered public sector agencies and therefore the Board of Governors is accountable under the new Act.

Key responsibilities are outlined in the Act. Regulations for each of the responsibilities are currently under development.

Public Agencies will be responsible for the following:

- providing orientation, evaluation and training of members;
- requiring agencies to have a written statement of their mandate, roles and responsibilities, codes of conduct, and clearly stating the responsibilities of agencies and Ministers;
- clarifying the relationships and accountabilities between government and agencies, including policy making and information sharing;
- requiring periodic reviews of all agencies, to ensure they are operating as effectively as possible; (for the Post-Secondary sector, this will be on a seven year cycle); and,
- ensuring the public knows what steps are being taken to promote agency effectiveness, both through legislating these principles and requiring information about agencies to be made publicly available.

The document before members is one of the key documents called for in the accountability process under APAGA.

The revisions as proposed ensure that the document remains current. The revisions allow for the name change for the University Relations Committee and also allow for the Vice-Chair to Act in the absence of the Board Chair.

This document should not be confused with the Institution's Mandate which was approved by the Board in June 2009 and by the Minister on July 17, 2009. The University's Mandate is, however, referenced in the new Board of Governors Mandate and Roles document.

Discussion:

Ms. Haggarty-France introduced the proposal, and reviewed the revisions made to the Mandate and Roles document, noting the changes were editorial in nature.

Minor editorial changes were suggested by Board members. The changes were noted and will be included in the finalized document.

Motion: Fleming/ Minsos

THAT the Board of Governors approve the revised University of Alberta Board of Governors Mandate and Roles Document for submission to the Ministry of Advanced Education, as set forth in Attachment 1.

CARRIED

5. Item Withdrawn

6. Report of the Audit Committee

6.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 6.1.

Presenters: Don Matthew, Chair, Board Audit Committee; and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Mr. Matthew introduced the proposal, and reviewed the revisions made to the BAC Terms of Reference.

The Board agreed to a minor editorial change to better clarify the constituency of the Committee.

Motion: Matthew/ Reuscher

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

CARRIED

7. Report of the Finance and Property Committee

7.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 7.1.

Presenters: Gordon Clanachan, Chair, Board Finance and Property Committee, and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

To remove key items from BFPC and place with the Board University Relations Committee given the mandate of this revitalized committee.

Discussion:

Mr. Clanachan introduced this proposal, and reviewed the revisions made to the BFPC Terms of Reference. He noted that University Namings would now be assigned to the Board University Relations Committee.

Motion: Clanachan/Minsos

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

CARRIED

7.2 Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets

Agenda documentation is attached to these Minutes as Item 7.2.

Presenters: Phyllis Clark, Vice-President (Finance and Administration)

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

- Agricultural, Life and Environmental Sciences - \$84,810.86
Source of funds: undesignated donations (25,829.67) and discretionary funds (58,981.19).
Purpose: To add to existing endowments
- Arts - \$75,935.75
Source of funds: mainly undesignated donations
Purpose: To add to existing endowments
- Provost and Vice-President Academic - \$50,000.00
Source of funds: undesignated donations
Purpose: To add to existing endowment

Discussion:

Ms. Clark reviewed the details of the proposal.

Motion: Clanachan/Coulthard

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the transfer of \$210,746.61 of unrestricted net assets to permanent restricted endowment net assets.

CARRIED

8. Report of the Human Resource and Compensation Committee

8.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 8.1.

Presenters: Marc de La Bruyère, Chair, Board Human Resources and Compensation, Committee, and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Mr. de La Bruyère introduced the proposal, and reviewed the revisions made to the BHRCC Terms of Reference, noting they were relatively minor.

A Board Member raised a question in regard to the number of Committee members required by the Terms. There was a discussion of the possibility of an external member being added to the Committee. The Chair acknowledged this option, and suggested it should be looked at in greater

detail in the future.

Motion: de La Bruyère/Jeraj

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

CARRIED

9. Report of the Investment Committee

9.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 9.1.

Presenters: Gordon Clanachan, Member of the Board Investment Committee, and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Mr. Clanachan introduced the proposal, noting that the changes made were the same as those made to the other Standing Committees.

Motion: Clanachan/Teskey

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

CARRIED

Mr. Teskey excused himself from the room.

9.2 University Funds Investment Policy

Agenda documentation is attached to these Minutes as Item 9.2.

Presenters: Gordon Clanachan, Member of the Board Investment Committee, and Ron Ritter, Director, Investments & Treasury

Purpose of the Proposal: To update the University Funds Investment Policy. While the majority of the proposed changes can be described as “housekeeping” in nature, credit quality standards as they apply to externally managed fixed income securities are being loosened slightly.

Discussion:

Mr. Clanachan introduced the proposal and outlined the revisions to University Funds Investment Policy. Mr. Clanachan noted changes in the ‘Money Market’ and ‘Bonds and Debentures’ sections of the Outline of Issue. The Board was also informed that the rate of return goals have been updated and approved by the Committee.

Mr. Clanachan, Mr. Ritter and the Administration responded to questions from the Committee in regard to: the role of the Board Investment Committee; comparisons between the American and

Canadian market; and asset-backed investments.

Motion: Clanachan/ Hole

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 to the agenda documentation.

CARRIED

Mr. Teskey returned to the discussion.

10. Report of the Learning and Discovery Committee

10.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 10.1.

Presenters: Ove Minsos, Chair, Board Learning and Discovery Committee and Marion Haggarty-France, University Secretary

Purpose of the Proposal: The University of Alberta prepares one Comprehensive Institutional Plan (CIP) that incorporates elements of the University's access plan, research plan, capital plan and budgets into one comprehensive document. The CIP is approved by the Board of Governors and then filed with the appropriate Ministries of the Provincial Government.

The CIP replaces the University Plan, the Capital Plan, and the University Budget (document). The Institutional Access Plan (IAP) and the Institutional Research Plan (IRP) are now incorporated into the CIP. The recommended change to the Terms of Reference addresses the CIP and/or a similar document as required. The "and/or similar document" language allows for approval of a similar type of document should the Ministries of the Provincial Government rename the required document.

To align the terms of reference for all Board Standing Committees respecting the designation of a Vice-Chair from the Committee and the duties of a Vice-Chair.

To align the terms of reference to specify that the Committee, receive for information proposals approved by the GFC Academic Planning Committee respecting new Shared Credential Programs at the University of Alberta.

Discussion:

Mr. Minsos introduced the proposal, and reviewed the revisions made to the BLDC Terms of Reference.

Motion: Minsos/ Hoveland

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

CARRIED

11. Report of the Safety, Health and Environment Committee

11.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 11.1.

Presenters: Jim Hole, Chair, Board Safety, Health and Environment Committee, and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Mr. Hole introduced the proposal for the revised BSHEC Terms of Reference. He provided clarification on the term 'Health' as it pertains to the work of the Committee.

Motion: Hole/ Teskey

THAT the Board of Governors, on the recommendation of the Board Safety, Health and Environment Committee, approve the proposed Terms of Reference for the Board Safety, Health and Environment Committee, as set forth in Attachment 1 to the agenda documentation.

CARRIED

12. Report of the University Relations Committee

12.1 2011 - 2012 Revised Committee Terms of Reference

Agenda documentation is attached to these Minutes as Item 12.1.

Presenters: Agnes Hoveland, Chair, Board University Relations Committee, and Marion Haggarty-France, University Secretary

Purpose of the Proposal: To align the terms of reference for all Board Standing Committees respecting the appointment of the Committee Chair.

Discussion:

Ms. Hoveland introduced the proposal, and reviewed the revisions made to the BURC Terms of Reference. She acknowledged the Terms are a work-in-progress and that they require the inclusion of Naming approvals. The revisions also include the addition of the Chief Advancement Officer.

The Board agreed on various editorial revisions that will be included in the final document.

Motion: Hoveland/ Fleming

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

CARRIED

12.2 University of Alberta 2010-11 Annual Report to the Government of Alberta

Agenda documentation is attached to these Minutes as Item 12.2.

Presenters: Agnes Hoveland, Chair, Board University Relations Committee, and Phyllis Clark, Vice-President (Finance and Administration)

Purpose of the Proposal: To comply with Alberta Advanced Education and Technology legislation

and guidelines.

Discussion:

Ms. Hoveland introduced the proposal, and invited Ms. Clark to speak to the Report. Ms. Clark reviewed the Annual Report with the Board noting that it includes the full financial statements, which is a new requirement. The Chair noted that the Report can be viewed by the public but is not an official Public Relations document.

Motion: Hoveland/Teskey

THAT the Board of Governors, on the recommendation of the Board University Relations Committee, approve the *University of Alberta 2010-2011 Annual Report for submission to the Government of Alberta* and empower the Associate Vice-President (Audit & Analysis) to make any editorial changes to the *Report*, as needed, as long as the changes do not have the force of policy.

CARRIED

12.3 Prospect Management Policy

Agenda documentation is attached to these Minutes as Item 12.3.

Presenters: Agnes Hoveland, Chair, Board University Relations Committee, and O'Neil Outar, Chief Advancement Officer

Purpose of the Proposal: The purpose of the Prospect Management Policy is to guide the overall fund-raising efforts of the University of Alberta by promoting proactive and interactive strategic fund-raising. It is designed to help members of the Advancement community (professionals in fund-raising and alumni relations) perform at high levels of excellence while respecting, first and foremost, benefits to the University and donors' choices to support the area(s) of their greatest interest.

Discussion:

Ms. Hoveland introduced the proposal, noting that this is a new policy created to guide and align the University's fundraising efforts.

Mr. Outar informed the Board that this is a 'core policy' that needs to be implemented immediately in preparation for the expected donor growth the University will see over the next three years. He noted that the significance of the Core Values portion of the Policy.

Mr. Outar then responded to questions and comments from members regarding: whether the policy will help direct money towards endowments; whether there are any concerns about donors reactions to the new Policy; what staffing changes will need to take place in order to accommodate this new Policy; timelines; and how the Office of Advancement will coordinate cooperation between the Administration and Faculties.

Motion: Hoveland/ Reuscher

THAT the Board of Governors, on the recommendation of the Board University Relations Committee, approve the Prospect Management Policy, as set forth in Attachment 1 to the agenda documentation.

CARRIED

INFORMATION REPORTS

13. Report of the Audit Committee

Mr. Don Matthew, Chair of the Audit Committee, presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 13**.

14. Report of the Finance and Property Committee

Mr. Gordon Clanachan, Chair of the Finance and Property Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 14**.

15. Report of the Human Resources and Compensation Committee

Mr. Marc de La Bruyère, Chair of the Human Resources and Compensation Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 15**.

16. Report of the Investment Committee

Mr. Gordon Clanachan, Member of the Investment Committee, presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 16**.

17. Report of the Learning and Discovery Committee

Mr. Ove Minsos, Chair of the Learning and Discovery Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 17**.

18. Report of the Safety, Health and Environment Committee

Mr. Jim Hole, Chair of the Safety, Health and Environment Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 18**.

19. Report of the University Relations Committee

Ms. Agnes Hoveland, Chair of the University Relations Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to these Minutes as **Item 19**.

REGULAR REPORTS

20.1 Report of the Chancellor

Ms. Linda Hughes, Chancellor, presented her report to the Board of Governors. The report is attached to these Minutes as **Item 20.1**.

20.2 Report of the Alumni Association

Mr. Don Fleming, Alumni Association Representative presented the Alumni Association Report to the Board of Governors. The report is attached to these Minutes as **Item 20.2**.

20.3 Report of the Students' Union (SU)

Mr. Rory Tighe, Students' Union President, presented the Students' Union Report to the Board of Governors. The report is attached to these Minutes as **Item 20.3**.

20.4 Report of the Graduate Students' Association (GSA)

Mr. Roy Coulthard, President, Graduate Students' Association, presented the Graduate Students' Union Report to the Board of Governors. The report is attached to these Minutes as **Item 20.4**.

20.5 Report of the Association of Academic Staff of the University of Alberta (AASUA)

Dr. Robert Campenot, AASUA Representative, presented the report to the Board of Governors. The Report is attached to these minutes as **Item 20.5**.

20.6 Report of Non-Academic Staff Association (NASA)

No report was distributed.

20.7 Report of the General Faculties Council (GFC)

The Committee reviewed the GFC report to the Board of Governors. The report is attached to these Minutes as **Item 20.7**.

21. Report of the Board Chair

The Board Chair's written report appears as **Item 21** to these Minutes.

22. Other Business

There was no other business.

23. Conclusion of the Public Session

The Chair concluded the Public Session at 10:40 a.m.