



UNIVERSITY OF ALBERTA

UNIVERSITY GOVERNANCE

Board of Governors Open Session Minutes

Friday, October 16, 2015
2-31 South Academic Building (SAB)
8:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

Dick Wilson	Acting Board Chair; Member, General Public
Shenaz Jeraj	Appointed Vice-Chair, General Public
David Cooper	Member, Academic Staff Representative (AASUA Appointee)
Jane Halford	Member, University of Alberta Alumni Association
James Heelan	Member, General Public
Barry James	Member, University of Alberta Senate
LeRoy Johnson	Member, General Public
Azhar Khan	Member, Undergraduate Board of Governors Representative
Navneet Khinda	Member, Students' Union
Steven LePoole	Member, General Public
Colin More	Member, Graduate Students' Association
Raymond Muzyka	Member, General Public
Robert Parks	Member, University of Alberta Alumni Association
Christopher Pu	Member, Non-Academic Staff Representative (NASA Appointee)
Robert H. Teskey	Member, General Public
David Turpin	Member, President

Non-Voting Officials Appointed by the President:

Phyllis Clark	Vice-President (Finance and Administration)
Marion Haggarty-France	University Secretary
Brad Hamdon	General Counsel
Don Hickey	Vice-President (Facilities and Operations)
Debra Pozega Osburn	Vice-President (University Relations)
Wendy Rodgers	Deputy Provost
Catherine Swindlehurst	Chief of Staff, Office of the President
Juli Zinken	Board Secretary and Manager of Board Services

Regrets:

Lorne Babiuk	Vice-President (Research)
Steven Dew	Provost and Vice-President (Academic)
Heather McCaw	Vice-President (Advancement)
Jeremy Richards	Member, Academic Staff Representative (General Faculties Council)
Michael H. Ross	Member, General Public
Nizar Somji	Member, General Public
Ralph Young	Member, Chancellor

Presenter(s):

Rob Munro	Director, Environment, Health and Safety
-----------	--

Staff:

Erin Plume, Assistant Board Secretary

OPENING SESSION

1. Chair's Session

1a. Call to Order and Confirmation of Quorum

Presenter(s): Dick Wilson

The Board Secretary confirmed that the attendance constituted quorum. The Acting 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): Dick Wilson

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): Dick Wilson

The Acting 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 Acting Chair invited members to declare conflicts of interest related to the Open Session Agenda of the meeting. Mr Heelan advised members that President Emerita Samarasekera had recently joined his law firm, Bennett Jones, as a Senior Advisor in the Vancouver office.

Seeing no further declarations, the Acting Chair declared the question asked and answered.

1d. Chair's Remarks

Presenter(s): Dick Wilson

The Acting Chair welcomed members and guests to the first Board of Governors' meeting of the 2015-16 governance year. He informed members that yesterday he received the formal Ministerial order appointing Drs David Cooper and Jeremy Richards as Board members, each for a three-year term effective October 12, 2015. He noted that Dr Cooper would continue his role as academic staff representative on the Board and that Dr Richards was the Board's new General Faculties Council representative, replacing Mike Belosevic. The Acting Chair led the Board in congratulating Drs Cooper and Richards on their appointments.

The Acting Chair also congratulated Dr Cooper on receiving an honorary doctorate from Université Paris (Dauphine) in June.

The Acting Chair welcomed Ms Erin Plume, Assistant Board Secretary, to her first Board meeting, informing members that Ms Plume started her new role just this week following several years at the Faculty of Arts, most recently as the Executive Assistant to the Dean.

The Acting Chair congratulated Board member Dr Ray Muzyka on his recent appointment as a member of the Premier's Advisory Committee on the Economy, a ten member committee that provides independent, expert advice to the Premier and government. He noted that the committee includes members from industry, academia, non-profit, labour, research and innovation and that Dr Joseph Doucet, Dean of the University of Alberta School of Business, was named Committee Chair.

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

2. Report of the President

Materials before members are contained in the official meeting file.

Presenter(s): David Turpin

Discussion:

President Turpin noted that this was his first regular Board of Governors' meeting and that he was subsequently presenting his inaugural report to the Board of Governors since assuming office on July 1, 2015.

In addition to his written report, the President included verbal points of interest to the Board on: planned meetings with external stakeholders, including Presidents of Alberta post-secondary institutions, to champion a well-integrated but differentiated sector; recent meetings with the U15 Group of Canadian Research Universities, where he was named Vice-Chair of the organization; as well as Universities Canada, where he has joined the committee on university research; and progress to date on the Institutional Strategic Plan, including the planned release of a discussion document to spark community feedback, and a November 23, 2015 joint Alumni Council Executive-Board of Governors-General Faculties Council-Senate planning retreat.

3. Safety Moment

Materials before members are contained in the official meeting file.

Presenter(s): Steven LePoole; Rob Munro

Discussion:

Mr LePoole introduced the item, reminding members of the Board's decision last year to include biannual "Safety Moments" at Board of Governors' meetings. He introduced Mr Rob Munro who then provided the Board with a presentation on hazard management and its correlation with an organization's overall safety culture.

Mr Munro responded to questions and comments from members regarding: the scope of the term "hazard", who will have access to the tool, how the University community has responded to recent efforts to shift its safety culture, whether or not there are incidents that go unreported, and strategies used to encourage reporting.

4. Report from the University Secretary

Presenter(s): Marion Haggarty-France

The University Secretary reminded members that this was the first meeting for Acting Board Chair, Dick Wilson, and thanked him for taking on this important role. She noted that this was also Juli Zinken's first meeting as Board Secretary and Manager of Board Services and acknowledged the work of previous Board Secretary, Deborah Holloway. The Acting Chair thanked Ms Haggarty-France for her continued support and guidance.

5. Approval of the Consent Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Dick Wilson

The Acting Chair removed item 5i, *Report of the Audit Committee*, from the Consent Agenda. He briefed members on the report's Terms of Reference item, as it correlated directly to the other Committee Terms of Reference proposals on the Consent Agenda, informing members that Mr Michael Ross, Chair of the Audit Committee, had set-forth to better clarify the Audit Committee's overarching responsibility on behalf of the Board as related to the University's risk Management process, and that, as part of that initiative, each Board Committee's Terms of Reference was updated to reflect the Audit Committee's risk oversight. He then informed the Board that related changes to the Audit Committee's Terms of Reference were not quite ready for Board of Governors' consideration but that the Committee's overarching mandate related to risks would remain.

- 5a. Approval of the Open Session Minutes of June 19, 2015
- 5b. Approval of the Open Session Minutes of July 29, 2015
- 5c. Approval of the Open Session Minutes of September 3, 2015 (Electronic Vote)

Action Items

- 5d. Report of the Finance and Property Committee
 - 5di. Board Finance and Property Committee Terms of Reference
 - 5dii. Revisions to the Capital Expenditure Authorization Request (CEAR) Policy
 - 5diii. University of Alberta Students' Union 2015-16 Operating/Referendum Fees
- 5e. Report of the Human Resources and Compensation Committee
 - 5ei. Board Human Resources and Compensation Committee Terms of Reference
- 5f. Report of the Investment Committee
 - 5fi. Board Investment Committee Terms of Reference
- 5g. Report of the Learning and Discovery Committee
 - 5gi. Board Learning and Discovery Committee Terms of Reference
- 5h. Report of the University Relations Committee
 - 5hi. Board University Relations Committee Terms of Reference

Information Reports

- 5i. Report of the Audit Committee – removed from Consent Agenda
- 5j. Report of the Finance and Property Committee
- 5k. Report of the Human Resources and Compensation Committee
- 5l. Report of the Investment Committee
- 5m. Report of the Learning and Discovery Committee
- 5n. Report of the Safety, Health and Environment Committee
- 5o. Report of the University Relations Committee

Regular Reports

- 5p. Chancellor's Report
- 5q. Alumni Association
- 5r. Students' Union
- 5s. Graduate Students' Association (including 2014-15 Financial Statements)
- 5t. Association of Academic Staff
- 5u. Non-Academic Staff Association
- 5v. General Faculties Council
- 5w. Board Chair and Board Member Activity Report

The motion was moved and seconded.

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

CARRIED

ACTION ITEMS

6. Report of the Finance and Property Committee

Presenter(s): Dick Wilson

6a. Devonian Botanic Garden – Site Infrastructure: Capital Expenditure Authorization Request

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: To obtain Board of Governors approval for a capital expenditure of \$13,000,000 to complete the design and installation of site infrastructure and upgrades for the Devonian Botanic Garden.

Discussion:

Mr Hickey reviewed the background of the proposal, noting that the grant is based on the Islamic Garden proposal and was released early for this project. He informed members that work should start next year but cautioned of a possible risk: that should the Islamic Garden project not proceed, government could retract its funding.

Mr Hickey responded to a question from the Board regarding the approval process for potential future infrastructure and design changes.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve a capital expenditure of 13 million dollars (\$13,000,000) in Canadian funds for the design and installation of site infrastructure and upgrades for the Devonian Botanic Garden.

CARRIED

6b. Lister Centre Tower #5 and East Campus Village – Phase 3: Capital Expenditure Authorization Request (CEAR)

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: To obtain Board of Governors approval for a capital expenditure of \$74,700,000 to complete a Lister Centre Tower #5 and East Campus Village – Phase 3.

Discussion:

Mr Hickey presented the item together with Item 6c, *Lister Centre Tower #5 and East Campus Village - Phase 3: Project Finance (Borrowing Resolution) and Order in Council*. He informed members that the proposal is part of the Residence Master Strategy and is a five-year plan involving a new Lister Centre tower and the final phase of East Campus Village. He briefed the Board on the total accommodation space that would become available with these new buildings as well as the project's source of funding, and reviewed in detail the best-case and worst-case pro-forma options.

Mr Hickey and President Turpin responded to questions from the Board regarding: whether Board members will have the opportunity to visit these sites, the potential of using virtual residence tours to aid student recruitment, the benefits of residence life to a students' postsecondary education experience, how many other Canadian post-secondary institutions have a first-year residence guarantee, how the University communicates the benefits of residence-life to local students, design plans for the proposed Lister tower, and the university's plans for improved quality in the other Lister accommodations.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve a capital expenditure of seventy-four million, seven hundred thousand dollars (\$74,700,000) in Canadian funds for a fifth tower at Lister Centre and for East Campus Village - Phase 3.

CARRIED

6c. Lister Centre Tower #5 and East Campus Village - Phase 3: Project Finance (Borrowing Resolution) and Order in Council

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: To obtain the Lieutenant Governor's Order In Council required for financing the design and construction of Lister Centre Tower #5 and East Campus Village – Phase 3 project.

Discussion:

This item was discussed and considered with Item 6b, *Lister Centre Tower #5 and East Campus Village – Phase 3: Capital Expenditure Authorization Request (CEAR)*.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee:

- a) execute a Borrowing Resolution requesting approval of mortgage financing for the design and construction of the Lister Centre Tower #5 and East Campus Village – Phase 3 project for a total borrowing amount not to exceed seventy-four million, seven hundred thousand dollars (\$74,700,000) in Canadian funds for a term of not more than thirty (30) years at an interest rate of not more than four percent (4.0%); and
- b) make an application to the Minister of Infrastructure for the required approval of the Lieutenant Governor in Council.

CARRIED

6d. 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: Approval of the transfer of unrestricted funds to permanent restricted endowment net assets.

Discussion:

Ms Clark introduced the two capitalization proposals, reviewing each proposal's source of funds and the purpose of the capitalization, as well as the process for obtaining budgetary support of these proposals.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the transfer of \$841,214.44 of unrestricted net assets to permanent restricted endowment net assets.

CARRIED

7. Report of the Safety, Health and Environment Committee

Presenter(s): Steven LePoole

7a. Board Safety, Health and Environment Committee Terms of Reference

Materials before members are contained in the official meeting file.

Presenter(s): Steven LePoole

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

Discussion:

Mr LePoole introduced the item, reminding members that this proposal was a result of lobbying by William Lau, former Students' Union President, to add oversight regarding student health and wellness initiatives and strategies to the mandate of the Board Safety, Health and Environment Committee. He reviewed the proposed changes to the Terms of Reference, noting the extensive consultation that had taken place over the last year with students, Administration, and the Board Chair, and reinforced the intent that this addition not overlap with the Board Human Resources and Compensation Committee's oversight of staff wellness.

Mr LePoole noted that the change included the addition of two Committee members: a new voting member of the general public with specific expertise in the area of non-clinical community health, and the addition of the Provost and Vice-President (Academic) or delegate as a non-voting member.

Mr LePoole and Dr Rodgers responded to a question from the Board regarding the role and intended expertise of the new voting member, and Board members expressed their support for the initiative.

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

CARRIED

8. Report of the Board Chair

Presenter(s): Dick Wilson

8a. Committee Appointments

Materials before members are contained in the official meeting file.

Presenter(s): Dick Wilson; Marion Haggarty-France

Purpose of the Proposal: To consider revisions to the annual appointment roster to Board Committees.

Discussion:

The Acting Chair presented his membership recommendations to add Jon Chia and William Lau as external members on the Audit Committee and Safety, Health and Environment Committee, respectively. He noted that Attachment 1 would need to be amended to reflect the Minister's recent Board appointments, by removing Mike Belosevic from the Learning and Discovery Committee and University Relations Committee membership listings. The Acting Chair further noted that, once he has determined which committees Drs Cooper and Richards will

serve on, he would likely require an electronic vote of the Board of Governors to appoint them formally to those committees prior to the next meeting cycle.

Members engaged in discussion regarding Board Committee mandates and composition, including: the potential of adding a Board Risk Committee, why there are no academic staff representatives on the Human Resources and Compensation Committee, the status of the Advancement Board Committee, and the value of a review of the current Board governance structure.

The University Secretary agreed that a review of Board Committee structure and mandates would be valuable but indicated that it would require an immense time commitment and thorough consultation. She suggested that any such review be delayed until after a new Board Chair was in place.

The motion was moved and seconded, as amended.

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

CARRIED

CLOSING SESSION

9. *Adjournment*

Presenter(s): Dick Wilson

The Acting Chair adjourned the Open Session at 9:05 a.m.