



UNIVERSITY OF ALBERTA

UNIVERSITY GOVERNANCE

General Faculties Council
Academic Planning Committee
Approved Open Session Minutes

Wednesday, June 11, 2014
2-31 South Academic Building (SAB)
1:00 PM - 2:30 PM

ATTENDEES:

Voting Members:

Carl Amrhein	Chair, Provost and Vice-President (Academic) (to 1:45 pm)
Olive Yonge	Acting Chair, Provost and Vice-President (Academic) (Delegate) (from 1:45 pm)
Nathan Andrews	Member, President of the Graduate Students' Association
Lorne Babiuk	Member, Vice-President (Research)
Phyllis Clark	Member, Vice-President (Finance and Administration)
Lise Gotell	Member, Academic Staff, Member of GFC
Loren Kline	Member, Academic Staff-at-large, Cross-Representative from FDC
William Lau	Member, President of the Students' Union
John Law	Member, Academic Staff, Member of GFC
Douglas Miller	Member, Dean Representative, Faculty of Medicine and Dentistry
Wendy Rodgers	Member, Academic Staff, Member of GFC

Non-Voting Members:

Ed Blackburn	Member, Faculty Member of the GFC Executive Committee
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Presenter(s):

Carl Amrhein	Provost and Vice-President (Academic) and Chair, GFC Academic Planning Committee
Phyllis Clark	Vice-President (Finance and Administration)
Olive Yonge	Deputy Provost

Staff:

Garry Bodnar, Coordinator, GFC Academic Planning Committee
Andrea Patrick, Scribe

GFC Executive Committee Members (Invitees):

Kathryn Orydzuk, Steve Patten, Mirko van der Baan, Jonathan White, Olive Yonge

OPENING SESSION

1. Approval of the Agenda

Materials before members are contained in the official meeting file.

Presenter: Carl Amrhein, Provost and Vice-President (Academic) and Chair, GFC Academic Planning Committee

Motion: Kline/Rodgers

THAT the GFC Academic Planning Committee approve the Agenda.

CARRIED

2. Approval of the Open Session Minutes of May 14, 2014

Materials before members are contained in the official meeting file.

Presenter: Carl Amrhein, Provost and Vice-President (Academic) and Chair, GFC Academic Planning Committee

Motion: Rodgers/Lau

THAT the GFC Academic Planning Committee approve the Minutes of May 14, 2014.

CARRIED

3. Comments from the Chair

The Chair commented on a number of relevant issues to members. Dr Amrhein acknowledged the impending retirement of Dr Edward Blackburn and thanked him for his long service to the University of Alberta, particularly in relation to academic governance.

DISCUSSION ITEMS

4. Update on Changes to the University of Alberta's Financial Systems

There were no documents.

Presenter(s): Carl Amrhein, Provost and Vice-President (Academic) and Chair, GFC Academic Planning Committee; Phyllis Clark, Vice-President (Finance and Administration); Olive Yonge, Deputy Provost

Purpose of the Proposal: For information/discussion.

Discussion:

Dr Amrhein first acknowledged that a number of members of the GFC Executive Committee, who had been invited to today's meeting of GFC APC for the above-noted update, were in attendance. He stated that, in his opinion, there was a critical need to provide an update on the anticipated changes to the University's financial systems and budgeting to what he views at GFC's two senior standing committees.

The Chair reported that the effects of the 2013 budget crisis faced by the University are continuing to impact the institution, despite the fact the budget has been subsequently balanced. Although the University's GFC- and Board-approved 'Budget Principles', as set forth in the 2014 Comprehensive Institutional Plan (CIP) are not changing, the institutional financial model is. He stated that there will be complete transparency regarding this transition.

Ms Clark noted that these changes are consistent with the objectives set out within *Dare to Discover* and explained that the new system of financial management includes a shift of independent management of funds to the Faculty or unit level. She provided a brief verbal summary of the changes to members. She added that a new position, the Director of Integrated Financial Services, is being created to ensure there is a closer relationship between the financial service partners within Faculties and units and the University's Financial Services. This individual will have a dual report to the Vice-President (Finance and

Administration) and to the Provost and Vice-President (Academic). She stated that the investment in this new role will allow her team to provide more strategic services and to manage risks better and will result, as well, in a reduction of current redundancies.

At this point, Ms Clark provided details in relation to training and other opportunities for current employees to attain professional designations of financial management and strategic planning. She noted that the University was shifting in this regard, anticipating that those with responsibility for the financial management of their units (in concert with the Deans and unit heads) would have professionally-attained competencies and skills. She reported that many other North American post-secondary institutions were moving towards this model, including the University of Calgary.

Ms Clark stated that the current goal is to make this transition by 2015 but added that each unit is unique and has differing needs and that the approach will include flexibility. She commented that consultation regarding this transition continues.

During the discussion surrounding this item, members expressed a number of comments and questions, including, but not limited to: whether there are risks associated with this proposal; clarification on the origin of this endeavour and when the proposal will be available for public distribution; how this new financial model might impact smaller Faculties; an expression of support for encouraging current employees within financial services to attain professional designation(s); clarification about the impact of this proposal on students; whether there is a new organizational chart being drafted to reflect these changes; and whether these changes will impact the Research Services Office (RSO).

Dr Amrhein exited the meeting at this point, given another commitment, and Dr Olive Yonge, Deputy Provost, assumed the position of the Chair.

Dr Yonge reported to members that there is an increased focus on revenue generation at the institution and that a working group is being organized to investigate this issue. Further, the Administration is planning a series of discussions with the Provincial Government in order to pursue this matter further. She explained that as more information is gathered on this topic, it will be provided to the wider University community. She noted that there will be established principles intended to assist members of the University of Alberta with revenue generation proposals.

Dr Yonge stated that an oversight committee has been created to review Responsibility Centered Management (RCM), co-chaired by Dr Yonge and Ms Clark. She added that, as Deans are integral to the implementation and ongoing operation of the RCM model, several Deans will serve on this committee, as well. This committee is expected to engage stakeholders in an advisory capacity. She noted that timelines associated with and the Terms of Reference for this oversight committee are being developed. Dr Yonge reported that other large universities have adopted RCM and that she and Ms Clark will be carrying out a site visit to the University of Toronto this summer to discuss with representatives that institution's transition to RCM.

Ms Clark provided a brief explanation of the three stages of the project to members and the associated timelines. The oversight committee will review these transitions and manage a communication strategy.

During the discussion surrounding this item, members provided a number of comments and questions, including, but not limited to: commentary that it will be interesting to see how the model is created and whether it is viable and sustainable, particularly given that other public universities have struggled to adhere to this business model; the impact of these changes on medical schools; whether there has been consideration of the issue of salary equity across the Faculties in relation to RCM; that this could impact

career progression for faculty members as a result of merit adjustments; clarification regarding offering additional cost-recovery or revenue-generating student programming in relation to existing student category requirements; that although there are benefits to RCM, one of the drawbacks is that the institution cannot raise tuition or fees for the services it provides in any meaningful or significant manner, given Provincial Government regulations; whether any other considerations have been factored in, such as space; clarification on the process of developing shared principles and whether any other groups will be consulted on this issue; whether this model allows for units to make decisions regarding their expenditures, including office space and services; clarification about the implementation of RCM; that other Canadian post-secondary institutions have struggled to implement RCM; that this model benefits individual units rather than whole universities; that gathering the data to properly assess this transition is going to be difficult; clarification regarding the fate of 'leftover' merit funding within Faculties; clarification on how this change will impact students and the quality of academic programming offered at the institution; that this model poses several large problems for an academic institution and that the transition needs to be monitored closely; clarification on how RCM will impact cross-teaching Faculties; the impact of confidential processes associated with RCM within individual Faculties and units; clarification regarding who will monitor the decisions of the Faculties in relation to their autonomy over unit-specific financial management; clarification on the definition of the word "space" as it relates to RCM; whether cost of living allowances (COLA) would be considered discretionary funding; and that reviewing unfunded pension liabilities poses equity problems across the Faculties.

The Acting Chair thanked members for their thoughtful comments and noted that the process of consultation and the development of principles underpinning a RCM model suitable for the University of Alberta would continue throughout the summer. Dr Yonge indicated this was a topic that would most certainly come back to these GFC standing committees as further progress was made.

5. Question Period

There were no questions.

INFORMATION REPORTS

6. Items Approved by the GFC Academic Planning Committee by E-Mail Ballots

There were no items.

7. Information Items Forwarded to Committee Members Between Meetings

There were no items.

CLOSING SESSION

8. Adjournment

The Acting Chair adjourned the meeting at 2:45 pm.