



UNIVERSITY OF ALBERTA

UNIVERSITY GOVERNANCE

Board of Governors Open Session Minutes

Friday, June 15, 2018
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
Katherine Binhammer	Appointed Member, Academic Staff Representative (GFC Appointee)
Charlene Butler	Appointed Member, University of Alberta Senate Representative
David Cooper	Appointed Member, Academic Staff Representative (AASUA Appointee)
Levi Flaman	Appointed Member, Undergraduate Board of Governors Representative
Reed Larsen	Appointed Member, President (Students' Union)
Kirk MacLeod	Appointed Member, General Public
Ray Muzyka	Appointed Member, General Public
Lynne Paradis	Appointed Member, General Public
Sheri Somerville	Appointed Member, General Public
Douglas Stollery	Appointed Member, Chancellor
Owen Tobert	Appointed Member, General Public
David Turpin	Appointed Member, President and Vice-Chancellor
Sasha van der Klein	Appointed Member, President, Graduate Students' Association

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)
Heather McCaw	Vice-President (Advancement)
Matthias Ruth	Vice-President (Research)
Andrew Sharman	Vice-President (Facilities and Operations)
Catherine Swindlehurst	Chief of Staff (President's Office)
Jacqui Tam	Vice-President (University Relations)
Juli Zinken	Board Secretary and Manager of Board Services

Regrets:

Dominique Grégoire	Appointed Member, General Public
Zahra Somani	Appointed Member, General Public
Glenn Stowkowy	Appointed Member, University of Alberta Alumni Association Representative
Claudette Tardif	Appointed Member, General Public

Presenter(s):

Kevin Friese	Assistant Dean, Health and Wellness, Office of the Dean of Students
David Lawson	Chair, Board Investment Committee
Andrew Leitch	Director, Enterprise Risk Management Programs, Risk Management Services
Ron Ritter	Director, Treasury and Investment
Bob Teskey	Member, Board Working Group; External Member, Board Human Resources and Compensation Committee

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 Chair reminded members of changes that had been distributed earlier in the week:

- A revised Open Session agenda - noting the addition of Item 1di: *Establishment of Board Ad Hoc Group for 2018 Board Strategic Retreat*
- Material for Item 1di: *Establishment of Board Ad Hoc Group for 2018 Board Strategic Retreat*
- Material for Item 7a: *Report and Recommendations of the Board Working Group - 2018*

The motion was moved and seconded.

THAT the Board of Governors approve the revised Open Session agenda, as amended.

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, noting that he had received a request to pull Item 4q - *Report of the Non-Academic Staff Association* off the consent agenda. There were no further requests to remove items.

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 no declarations, 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 noted that the Board had held its 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 also congratulated Sheri Somerville on Citie Ballet's new name, Ballet Edmonton, and recent partnership with MacEwan University.

Finally, he thanked those Board members who had participated in convocation over the past few weeks, noting the importance of convocation to a university.

At the Chair's request, Mr Hamdon provided the Board with an update on the University of Alberta's draft Codes of Conduct that were last shared with the Board for information in May and had since been submitted to the Alberta Ethics Commissioner for review. Mr Hamdon indicated that he had received preliminary feedback from the Ethics Commissioner and would be resubmitting draft documents based on that feedback before the August deadline. He reminded members that final documents would still come forward for approval by the Board.

1di Establishment of a Board Ad Hoc Group for the 2018 Board Strategic Retreat

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair

Purpose of the Proposal: To approve the establishment and membership of an Ad Hoc Group on the 2018 Board Strategic Retreat to determine a framework and finalize discussion topics for the 2018 Board Strategic Retreat (September 6 and 7, 2018).

Discussion:

The Chair reminded members that at the May Board meeting, the Board had discussed holding a retreat in September as well as possible topics for that retreat. He informed the Board that, with that guidance, he was proposing the establishment of an ad hoc group of Board members to finalize the retreat framework and discussion topics.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of Board Chair, Michael Phair, establish an Ad Hoc Group for the 2018 Board Strategic Retreat, as outlined in the documentation before members.
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CARRIED

2. Report of the President

Materials before members are contained in the official meeting file.

Presenter(s): David Turpin; Kevin Friese; Andrew Leitch

Purpose of the Proposal: For information / discussion.

Discussion:

In addition to his written report, the President provided verbal remarks on: recent convocation ceremonies and the university's honorary degree recipients; the 2018 Griffin Poetry Prize winning book *This Wound is a World* by Billy-Ray Belcourt, copies of which were distributed to Board members as summer reading; his recent travel to China to pursue opportunities for future academic research partnerships and meet with alumni and donors; and a progress update on *For the Public Good*, which will be posted to the strategic plan's website.

At the President's invitation, Mr Friese and Mr Leitch provided the Board with an update from the Cannabis Working Group (CWG), noting that the CWG had completed its work, with 19 recommendations to guide the use of cannabis on campus, including the limitation of cannabis smoking and vaping to specific campus locations. They reminded the Board that the university was still awaiting final decisions from municipal and federal governments before finalizing its own recommendations, and responded to questions from Board members regarding: the consumption and growth of cannabis in residences; whether these recommendations included consumption by oils; how these recommendations would impact visitors to campus; whether consideration would be given to temporary, event-specific restrictions; whether the university was conducting cannabis-related research; and whether or not the university's regulations would include exemptions for medical use.

Dr Dew and Wendy Rodgers, Deputy Provost, responded to a member's request for an update on the institution-wide Equity, Diversity and Inclusion Scoping Group, as well as clarification on the meaning of "academic sustainability".

Following the President's update on *For the Public Good* initiatives, the Chair asked members to consider the Board Working Group's recommendation that the Board develop an annual outline of topics for discussion over the course of a year related to the objectives of *For the Public Good*, including topics concerning Board governance and institutional risk. He invited members to provide up to two suggestions for next year's discussion topics and indicated that the Board Working Group would consider those suggestions and work with senior administration to develop the 2018-19 outline of Board discussion topics.

3. Report from the University Secretary

Presenter(s): Marion Haggarty-France

Purpose of the Proposal: For information / discussion.

Discussion:

The University Secretary informed the Board of two pieces of "summer reading" she was providing for members: the Griffin Poetry Prize-winning poetry collection, *This Wound is a World*, by University of Alberta PhD student Billy-Ray Belcourt; and also the Association of Governing Board's publication, "Top Strategic Issues for Boards 2018-2019", which would be distributed to members in the coming months.

CONSENT AGENDA

4. Approval of the Consent Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair

The Chair reminded members that he would be removing Item 4q, *Report of the Non-Academic Staff Association*, from the consent agenda.

Action Items

- 4a. Approval of the Open Session Minutes of May 11, 2018

- 4b. Approval of the Open Session Minutes of May 28, 2018
- 4c. Report of the Learning and Discovery Committee
- 4ci. Termination of Postgraduate Diploma in Health Promotion, School of Public Health
- 4cii. Termination of the Bachelor of Arts and Bachelor of Arts (Honors) in: Italian Studies; Russian Language and Literature; Ukrainian Folklore; Ukrainian Language and Literature; French and Italian; German and Scandinavian; Italian and Spanish; Russian and Ukrainian, Faculty of Arts
- 4ciii. Termination of the Bachelor of Arts Individualized Major and Minor, Faculty of Arts
- 4civ. Termination of the Bachelor of Arts, Bachelor of Arts (Honors), and the Certificate in Middle Eastern and African Studies (MEAS), Faculty of Arts
- 4cv. Termination of the Bachelor of Music routes of Music History, School Music, and World Music, Faculty of Arts
- 4d. Report of the University Relations Committee
- 4di. University of Alberta Annual Report to the Government of Alberta
Information Reports
- 4e. Report of the Audit Committee
- 4f. Report of the Finance and Property Committee
- 4g. Report of the Human Resources and Compensation Committee
- 4h. Report of the Investment Committee
- 4i. Report of the Learning and Discovery Committee
- 4j. Report of the Safety, Health and Environment Committee
- 4k. Report of the University Relations Committee
Regular Reports
- 4l. Chancellor's Report
- 4m. Alumni Association
- 4n. Students' Union
- 4o. Graduate Students' Association
- 4p. Association of Academic Staff
- 4q. Non-Academic Staff Association - *item removed*
- 4r. General Faculties Council
- 4s. 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 amended.

CARRIED

DISCUSSION ITEMS

4q. Non-Academic Staff Association Report

Materials before members are contained in the official meeting file.

Presenter(s): Matthew Barnett

Discussion:

Mr Barnett provided an update on his report to the Board, informing members that the Non-Academic Staff Association (NASA) had recently voted to join the Alberta Federation of Labour. He also invited Board members to participate in the annual NASA pancake breakfast on July 18, 2018.

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; Ron Ritter

Discussion:

At the invitation of the Chair, Mr Lawson reviewed the Board Investment Committee's annual report to the Board, noting that the committee manages roughly \$2.3 billion of investments, of which \$1.4 billion are endowed assets and \$900 million are non-endowed assets. He indicated that the committee comprises dedicated, skilled and committed members and thanked the administrative team for keeping them on track.

Mr Lawson reminded members that the Board approved changes to the University Funds Investment Policy last June, including a dedicated section on responsible investment, and reviewed highlights from the annual report, including: \$38 million available for endowed program spending during the fiscal year; the University Endowment Pool's (UEP's) eight percent return, which outperformed its benchmark by 1 percent; the Non-Endowed Investment Pool's 2.9 percent return, which outperformed its benchmark by 0.9 percent; and the committee's commitment to responsible investing, noting that 94 percent of the UEP's externally managed assets were being invested with Environmental, Social, and Governance (ESG) issues taken into account.

Mr Lawson then briefed the Board on the committee's plans going forward, indicating that it planned to push into more private and alternative assets to increase diversification of the funds and would also be looking for a better understanding of the underlying sources of risk in the university's current investments.

Mr Lawson and Mr Ritter responded to questions from the Board regarding: the percentage of investments that hit the responsible investment targets; the university's intended timeline to meet its responsible investment target; the university's key performance indicators related to responsible investing; how the university can reach 100 percent in its responsible investments; and whether current spending returns are sufficient and, if not, how they are being addressed.

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

ACTION ITEMS

6. Report of the Learning and Discovery Committee

Presenter(s): Lynne Paradis

6a. University of Alberta Comprehensive Institutional Plan (CIP) (2018-2021)

Materials before members are contained in the official meeting file.

Presenter(s): Steven Dew; Matthias Ruth

Purpose of the Proposal: To approve the text of the *University of Alberta Comprehensive Institutional Plan (2018 - 2021)*, understanding that the 2018-2019 Consolidated Budget and the 2018-2019 Capital Plan components, were previously approved by the Board of Governors at its March 16, 2018 meeting.

Discussion:

Dr Paradis introduced the item, and the Board Chair reminded members that while the budget and capital plan were included as part of the CIP, those components had been previously approved by the Board in March, and the current proposal was to approve the remaining learning and research portions of the document.

Dr Dew responded to a question from the Board regarding whether it was possible to make the document more streamlined, efficient, and meaningful in the future.

The motion was moved and seconded.

WHEREAS the University of Alberta 2018-2019 Consolidated Budget and the 2018-2019 Capital Plan were previously approved by the Board of Governors on March 16, 2018,

THAT the Board of Governors, on the recommendation of the Board Learning and Discovery Committee:

- approve the *University of Alberta Comprehensive Institutional Plan (2018 – 2021) (CIP)*, as set forth in Attachment 1, and
- authorize administration to make any other editorial changes to the CIP, as needed, as long as the changes do not have the force of policy.

CARRIED

7. Report of the Board Chair

Presenter(s): Michael Phair

7a. Report and Recommendations of the Board Working Group – 2018

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair

Purpose of the Proposal: To seek Board of Governors endorsement of the Report and Recommendations of the Board Working Group - 2018 and approval of the recommendations made by the Board Working Group following its review of Board of Governors' processes, structure and role in providing strategic oversight, insight and foresight with a goal of governance excellence in support of the university's institutional strategic plan.

Discussion:

The Chair introduced the item, reminding members that this process had originated from the 2017 Board Strategic Retreat, following which the Board Working Group was formed and spent eight months considering how to effectively realign board governance at the University of Alberta, with a goal of governance excellence in support of the university's institutional strategic plan.

He thanked members of the Board Working Group: Mary Pat Barry, David Cooper, Lynn Parish, Bob Teskey, and Marina Banister; those members of senior administration who had offered advice throughout the process, particularly President Turpin and Brad Hamdon; and members of the Board for their input and support throughout the process.

The Chair then reviewed the recommendations before the Board, and he and Board Working Group members responded to questions from the Board regarding: why not all Board committees had recommended changes;

how the disbanding of the Safety, Health and Environment Committee would be handled and whether students and staff would be able to participate in discussions on environmental health and safety at the Audit and Risk Committee once that change had been implemented; the rationale for adding student wellness to the mandate of the Learning and Discovery Committee; whether the Governance Committee would act like an executive committee and diminish the Board's transparency; and how the changes to the University Relations Committee would tie into other university community engagement activities.

Members engaged in a discussion regarding the recommendation for agenda planning meetings rather than agenda review meetings in preparation for standing committee meetings. Mr Teskey reviewed the proposal and the Board Working Group's reasoning for the recommendation, indicating that it was important for committee chairs to have more early-involvement in agenda-setting in order to address the Board's desire for more involvement during the evolution of issues, while continuing to be mindful to 'stay out of the weeds'.

The Chair then spoke of the sense of trust between senior administration and the Board that had made this report and its recommendations possible, and expressed a desire to continue to build and strengthen that relationship; to do better together, as a team.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Chair, Michael Phair, approve the recommendations of the Board Working Group as set forth in Appendices A, D and E of the attached Report and Recommendations of the Board Working Group - 2018.

CARRIED

7b. Board Committee Appointments

Materials before members are contained in the official meeting file.

Presenter(s): Michael Phair; Marion Haggarty-France

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

Discussion:

The Chair reviewed the proposal. Members questioned whether it would be possible in the future to add another Board member to each of the Human Resources and Compensation Committee and Investment Committee.

The motion was moved and seconded.

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

CARRIED

CLOSING SESSION

8. Adjournment

Presenter(s): Michael Phair

The Chair adjourned the Open Session at 9:55 a.m.