



Board of Governors
Open Session Minutes

Friday, March 12, 2021
By phone / video
8:00 AM – 12:00 PM

ATTENDEES:

Voting Members:

Kate Chisholm	Appointed Chair, General Public
Guy Bridgeman	Appointed Vice-Chair, General Public
Joel Agarwal	Appointed Member, President, Students' Union
Zarina Bhambhani	Appointed Member, Additional Member
Ayaz Bhanji	Appointed Member, University of Alberta Alumni Association Representative
Charlene Butler	Appointed Member, General Public
Daniel Eggert	Appointed Member, General Public
Bill Flanagan	Appointed Member, President and Vice-Chancellor, University of Alberta
Peggy Garritty	Appointed Member, Chancellor, University of Alberta
Mona Hale	Appointed Member, General Public
David Konrad	Appointed Member, Undergraduate Board of Governors Representative
Janice MacKinnon	Appointed Member, General Public
Sett Policicchio	Appointed Member, General Public
Thomas (Tom) Ross	Appointed Member, General Public
Margot Ross-Graham	Appointed Member, University of Alberta Senate Representative
Rakesh Saraf	Appointed Member, General Public
Robert Ryan Thompson	Appointed Member, University of Alberta Alumni Association Representative
Dilini Vethanayagam	Appointed Member, Academic Staff Representative (GFC Appointee)
Marc Waddingham	Appointed Member, President, Graduate Students' Association
Paul Whittaker	Appointed Member, General Public
Donna Wilson	Appointed Member, Academic Staff Representative (AASUA Appointee)
Lillian Zenari	Appointed Member, Additional Member

Non-Voting Officials Appointed by the President:

Steven Dew	Provost and Vice-President (Academic)
Walter Dixon	Interim Vice-President (Research and Innovation)
Todd Gilchrist	Vice-President (University Services and Finance)
Brad Hamdon	General Counsel and University Secretary
Elan MacDonald	Vice-President (External Relations)
Andrew Sharman	Vice-President (Facilities and Operations)
Catherine Swindlehurst	Chief Strategy Officer
Juli Zinken	Board Secretary and Manager of Board Services (University Governance)

Presenters:

Melissa Padfield	Vice-Provost and University Registrar
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Staff:

Erin Plume, Assistant Board Secretary (University Governance)

The Chair called the meeting to order at 8:00 a.m.

IN CAMERA SESSION OF VOTING MEMBERS ONLY

Voting members met, *in camera*.

OPENING SESSION

The Chair welcomed members and guests, and reminded all in attendance that the open session of the meeting was being webcast to observers, per the May 2020 Board of Governors' motion.

The Chair read the following territorial acknowledgement:

The University of Alberta resides on Treaty 6 territory and the homeland of the Métis. This territory is a traditional gathering place for diverse Indigenous peoples whose histories, languages and cultures continue to influence and enrich our community. To acknowledge the territory is to recognize the longer history of these lands. The acknowledgement signifies our commitment to working in Good Relations with First Nations, Métis and Inuit peoples as we engage in our institutional work, uplifting the whole people, for the University for Tomorrow.

1. Chair's Session

Presenter(s): Kate Chisholm

1a. Call to Order and Confirmation of Quorum

Presenter(s): Kate Chisholm

The Chair called the open session to order and the Board Secretary confirmed that the attendance constituted quorum.

1b. Approval of Open Session Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Kate Chisholm

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): Kate Chisholm

The Chair noted that governance best practice requests that members declare at each meeting whether they may have a conflict related to the agenda and absent themselves from the discussion and voting on that item. She invited members to declare conflicts of interest related to the open session agenda of the meeting. There were no declarations.

1d. Chair's Remarks

Presenter(s): Kate Chisholm

The Chair welcomed Andrei Tabirca, recently selected Non-Academic Staff Association Representative on the Board, who was observing the meeting while awaiting his formal Ministerial appointment.

The Chair informed members that this would be the final Board of Governors' meeting for two student members: Joel Agarwal, Students' Union President, and Marc Waddingham, Graduate Students' Association President. Members joined the Chair in recognizing Messrs Agarwal and Waddingham for their service and valuable contributions to the Board over the past year.

The Chair then welcomed the recently-elected student members who were attending the meeting as observers: Rowan Ley, Students' Union President-Elect, and Anas Fassih, Graduate Students' Association President-Elect, both appointed to the Board effective May 1, pending Ministerial Orders. She then congratulated Dave Konrad, Undergraduate Board of Governors Representative, on his re-election in that role.

The Chair briefed members on recent meetings with the provincial government related to the *Alberta 2030: Building Skills for Jobs* initiative, in which it was suggested that: the Minister would be recommending to Cabinet that universities remain self-governed and be deconsolidated, in order to allow them to reduce their dependence on provincial funding and develop alternative revenues; and Investment Management Agreements (IMAs) would be instituted for 2021-22, but with only one performance-based funding metric focused on work-integrated learning. She indicated that future years' IMAs would contain more performance metrics, which would be used to ensure university alignment with provincial priorities and would result in further decreases to the Campus Alberta Grant if not met.

2. Report of the President

- a. General Faculties Council (GFC) recommendations arising from February 8, 2021 meeting
- b. Update: Board-GFC-Senate Summit
- c. COVID-19 Update
- d. Emergency Governance Protocols Decision Tracker

Materials before members are contained in the official meeting file.

Presenter(s): Bill Flanagan

Purpose of the Proposal: For information / discussion.

Discussion:

The President provided a written report on his activities since December 11, 2020, including updates on the five strategic goals of *For the Public Good*: build; experience; excel; engage; and sustain. In addition to his written report, President Flanagan provided verbal remarks on the provincial budget, including that: the University of Alberta's Campus Alberta Grant was reduced more than anticipated; the university had already made significant cost-reduction efforts but was able to adjust its consolidated budget to address the additional cut without requiring further job losses; and that the university was trying to understand the differential nature of the provincial budget cut.

The President also presented recommendations from the February 8, 2021 meeting of General Faculties Council (GFC) Committee of the Whole, highlighting the recommendation to develop a joint committee between the Board and GFC to discuss areas of overlap. He noted that he and the Board Chair had discussed the recommendation, and that a joint meeting of the GFC Executive Committee and Board Governance Committee would be held on March 25, 2021.

Dr Swindlehurst then provided an update on the March 26, 2021 Joint Board-GFC-Senate Summit, noting the summit's theme of the future of the university in 2030; and Mr Sharman briefed the Board on COVID-19 updates and planning for Fall 2021 in-person learning.

A Board member noted concerns raised by medical students regarding their eligibility to receive COVID-19 vaccines, and encouraged members of administration to raise this issue as a continued priority.

CONSENT AGENDA

3. Motion to Approve the Consent Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Kate Chisholm

3a. Approval of the Open Session Minutes of December 11, 2020

Report of the Finance and Property Committee

3b. 2021-2022 Mandatory Non-Instructional Fee Proposal (Health & Wellness Fee)

3c. 2021-2022 University of Alberta Meal Plan Rates

Report of the Investment Committee

3d. University Funds Investment Policy

3e. University Endowment Pool (UEP) Spending Policy

The motion was moved and seconded.

THAT the Board of Governors approve the Open Session Consent Agenda.

CARRIED

ACTION ITEMS

Report of the Finance and Property Committee

Presenter(s): Charlene Butler

4. Presentation on the University of Alberta's 2021-2022 Budget and Capital Plan

Presenter(s): Steven Dew; Todd Gilchrist; Andrew Sharman; Melissa Padfield

Purpose of the Proposal: For information / discussion

Discussion:

Ms Butler introduced the item, reminding members that the Finance and Property Committee (BFPC) originally considered a University of Alberta 2021-2022 budget and capital plan, as well as tuition, mandatory non-instructional fees, meal plan rates, and residence fees, at its meeting on February 25, 2021, but, due to larger-than-anticipated cuts to the university's provincial funding in the Government of Alberta's 2021 budget, had considered a revised 2021-2022 budget at a special meeting on March 9. Ms Butler noted that at the February 25th BFPC meeting, the Provost and Vice-President (Academic) responded to concerns raised by students regarding student financial pressures and committed to reviewing undergraduate financial aid in the fall and to discuss options for graduate funding.

In preparation for a series of motions before the Board on the budget, capital plan, and tuition, Dr Dew, Mr Gilchrist, and Mr Sharman presented an overview of the University of Alberta's consolidated budget and its component operating, ancillary, research, capital and special purpose budget. Mr Gilchrist reviewed the revised 2021-2022 budget, including: the differential of \$60M from the original proposed budget; updated three-year planning assumptions; updated consolidated and operating budgets; revenue and expense sensitivities for 2021-22; and average cuts of three percent to the faculties and seven percent cuts to academic support units for the coming year.

Dr Dew then reviewed the tuition proposal for domestic and international undergraduate students, as well as proposals for domestic and international course-based and thesis-based graduate students, noting that proposed international tuition increases were not as significant as domestic increases because international tuition had not been frozen over the past several years. He reviewed the financial support offset for each proposal, which maintained the allocation of new tuition revenue from domestic tuition increases (15 percent) to fund need-based financial supports, and 7.55 percent of international tuition revenue to international students, and provided an overview of Mandatory Non-Instructional Fees.

Finally, Mr Sharman reviewed the proposed 2021-2022 Capital Budget, noting the provincial government budget's provision for an increase of 37 percent to the Infrastructure Maintenance Program grant. He reviewed the project plan, including current major capital projects and other shovel-ready projects that are pending funding.

Members reminded the Board of prior cuts to faculties and the number of faculty and staff reductions to date, as well as the increased financial burdens on graduate and undergraduate students.

Dr Dew, Mr Gilchrist, Mr Sharman, and Ms Padfield responded to questions from the Board regarding: the reason for the increase in material supplies and services and why that wasn't being addressed through the Service Excellence Transformation initiative; opportunities for further government advocacy; how the university was managing economies of scale; the purpose and use of special purpose funds; how international student tuition offset was used to support students; whether the university could be more creative in its support for students in need, including seeking unique and additional sources of financial aid; whether a minimum of 20 percent of the revenue in excess of the budgeted amount could be directed to additional undergraduate student aid, or other programs which directly support or benefit students; whether the burden of costs to get the university back on its feet could be shared, to maintain student wellness and experience as well as the university's reputation; and consideration of a potential rebate program for graduate students to ensure fewer graduate students required financial supports or a second job.

Following the discussion, the Board asked that future budgets should note cumulative deficits and surpluses in addition to yearly totals.

The Chair commended administration for their work accommodating the additional cut without requiring further job losses.

4a. University of Alberta 2021-2022 Tuition and Student Financial Aid

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To approve the tuition proposal for most domestic and international students for Fall 2021.

Discussion:

A member noted the impact of current exchange rates on international students, and also raised concerns regarding the risk of rising tuition levels on the university's reputation and international rankings.

Ms Butler reiterated that at the February BFPC meeting, the Provost had committed to reviewing undergraduate financial aid in the fall and to discuss options for graduate funding, and would report back through BFPC to the Board of Governors.

The motion was moved and seconded.

Motion: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the Tuition Proposal for Fall 2021 as outlined in the following tables:

Category of Student	Proposed Increase for Fall 2021	Financial Support
Domestic Undergraduate (incoming and continuing students)	7%	15% of net increase
International Undergraduate (continuing students admitted prior to Fall 2020)	4%	7.55% ¹

¹ Existing model for International tuition financial aid.

Undergraduate Tuition Calculation Examples:

Domestic Tuition Fees *	2020-21	2021-22	Change	
			(\$)	(%)
Undergraduate, Arts and Science	5,692.80	6,091.20	398.4	7.00%
Undergraduate, Business	7,488.48	8,012.52	524.04	7.00%
Undergraduate, Engineering	6,831.36	7,309.44	478.08	7.00%

International Tuition Fees <i>(Admitted prior to 2020)</i>	2020-21	2021-22	Change	
			(\$)	(%)
Undergraduate, Arts and Science	23,156.40	24,081.60	925.2	4.00%
Undergraduate, Business	30,461.04	31,678.80	1,217.76	4.00%
Undergraduate, Engineering	27,787.68	28,898.40	1,110.72	4.00%

Category of Student	Proposed Increase for Fall 2021	Financial Support
Tuition for Domestic Graduate (thesis-based)	7%	15% of net increase

Domestic students Thesis based -admitted prior to Fall 2020	7% with rebate to reduce increase to 2.67% ²	15% of net increase
Incoming Domestic Thesis based Students (admitted Fall 2020 and after) remain in the Regular Tuition Cohort	7%	15% of net increase
International Graduate (thesis-based) (continuing students admitted prior to Fall 2020)	7% with rebate to reduce increase to 2.67% ²	7.55%
Domestic Graduate (course-based) (incoming and continuing students) (with exceptions noted below)	7%	15%
International Graduate (course-based) (continuing students admitted prior to Fall 2020)	4%	7.55% ¹

¹ Existing model for International tuition financial aid.

² 2.67% is consistent with the rebated increase from last year and is designed to ensure consistency and predictability for students in alignment with cost drivers. This is of net tuition.

³ Executive MBA is excluded from the increases.

⁴ Note where International and Domestic Rates are currently the same the domestic increase of 7% will be applied.

Graduate Tuition Calculation Examples:

Domestic Tuition Fees * Arts and Science Example used	2020-21	2021-22	Change	
			(\$)	(%)
Tuition for Domestic Graduate (Thesis-Base)	3,918.60	4,192.80	274.2	7.00%
Domestic Students Admitted Prior to Fall 2020	3,760.80	3,860.40	99.6	2.67%
Incoming Domestic Students (admitted Fall 2020 and after) remain in the regular tuition cohort	3,918.60	4,192.80	274.2	7.00%
Graduate Course Based (per *3 course)	667.8	714.48	46.68	7.00%

International Tuition Fees <i>(Admitted prior to 2020)</i>	2020-21	2021-22	Change	
			(\$)	(%)

Graduate Thesis (entry before 2020)	8,004.12	8,217.60	213.48	2.67%
Graduate Course Based (per *3 course)	1,502.88	1,562.88	60	4.00%
CARRIED				

4b. University of Alberta 2021-2022 Budget and Capital Plan

Materials before members are contained in the official meeting file.

Purpose of the Proposal: University of Alberta 2021-22 Budget and Capital Plan.

Discussion:

The Board Chair noted that Motion 2 was no longer pending recommendation of the Board Finance and Property Committee, as that committee had met earlier in the week and recommended the item.

Mr Sharman responded to questions from the Board regarding: the status of the Maskwa House of Learning capital project and the university's commitment to Indigenous priorities; whether funding would be allocated toward optimization of spaces given anticipated enrolment increases; and whether it would be possible to fill-up residences to maximize revenue.

The motions were moved and seconded.

Motion 1: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the 2021-2024 Capital Plan as set forth in Attachment 2.

CARRIED

Motion 2: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the 2021-22 Consolidated Budget as set forth in Attachment 3.

CARRIED

INFORMATION ITEMS

Materials before members are contained in the official meeting file.

A member spoke to Item 10, Report of the Human Resources and Compensation Committee, noting that the attached College Dean position description did not reference the interim role of current College Deans.

There were no further requests from members to discuss the information items listed below.

Report of General Counsel and University Secretary

5. 2021-2022 Board of Governors' Calendar

Information Reports

- 6 Action Arising from Previous Meetings – *completed / no action arising from December 11*
7. Report of the Audit and Risk Committee
8. Report of the Finance and Property Committee
 - Integrated Asset Management Strategy Dashboard
9. Report of the Governance Committee

10. Report of the Human Resources and Compensation Committee
11. Report of the Investment Committee
12. Report of the Learning, Research, and Student Experience Committee
13. Report of the Reputation and Public Affairs Committee

Regular Reports

14. Chancellor's Report
15. Alumni Association
16. Students' Union (including 2019-20 Financial Statements)
17. Graduate Students' Association (including 2019-20 Financial Statements)
18. Association of Academic Staff
19. Non-Academic Staff Association – *no documents / no report*
20. General Faculties Council
21. Board Chair Report

CLOSING SESSION

22. Adjournment

The Chair adjourned the Open Session at 10:00 am.