

Board of Governors
Board of Governors Meeting
Open Session Minutes

Friday, February 10, 2012
8:00 a.m. – 12:00 p.m.
Council Chamber, University Hall

ATTENDEES:

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

Officials: Carl Amrhein, Provost and Vice-President (Academic)
Phyllis Clark, Vice-President (Finance and Administration)
Marion Haggarty-France, University Secretary
Brad Hamdon, University General Counsel
Don Hickey, Vice-President (Facilities and Operations)
Marcia Lang, Chief of Staff (University Relations)
O'Neil Outar, Chief Advancement Officer
Debra Pozega Osburn, Vice-President (University Relations)

Regrets: Lorne Babiuk, Vice-President (Research)
Douglas Goss, Chair
Louis Hugo Francescutti
Richard (Dick) Wilson

Guests: Bob Kamp, Chair, Board Investment Committee
Kerry Mummery, Dean, Faculty of Physical Education and Recreation
Stew Peterson, Associate Dean, Graduate Programs, Faculty of Physical Education
and Recreation
Ron Ritter, Director, Treasury and Investments, Financial Services
Colleen Skidmore, Vice-Provost and Associate Vice-President (Academic)

Staff: Deborah Holloway, Board Secretary

Chair: Gordon Clanachan
Scribe: Deborah Holloway

OPENING SESSION

1. Chair's Session

1.1 Call to Order and Confirmation of Quorum

Ms Holloway confirmed that the attendance constituted quorum. The Acting Chair called the meeting to order at 8:00 a.m.

1.2 Approval of Public Session Agenda

Motion: Matthew/Teskey

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 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. The Acting Chair observed no declarations and declared that the question was duly asked and answered.

1.4 Acting Chair's Remarks

The Acting Chair welcomed Board Members, guests and members of the public to the Board meeting. He addressed the following items:

- Douglas O. Goss, QC was appointed Chair of the Board of Governors and Richard (Dick) Wilson QC was appointed as a Public Member.
- The dinner attended by Committee Chairs with NASA and AASUA held on January 31, 2012.
- Upcoming Board events.
- Extended congratulations to Bernd Reuscher who has been awarded The Order of Merit of the Federal Republic of Germany.

2. Report of the President

Agenda documentation is attached to the Official Minutes as **Item 2**.

In addition to her written report to the Board, President Samarasekera included verbal remarks regarding the following:

- She extended her gratitude to Mr Gordon Clanachan for his service as Acting Board Chair since the retirement for former Board Chair, Brian Heidecker. The President

reported that recently appointed Board Chair, Douglas Goss, had held meetings with the senior administrative team and with the staff associations' leadership.

- The President noted that the recently delivered Throne Speech highlighted Post-secondary education and research as a major theme. The Government recognized the post-secondary sector as a key driver of a robust knowledge-inspired economy. They also committed to attracting the world's top talent to Alberta to contribute to the research agenda that will position the province as an international leader in helping to solve some of the world's challenges in energy, water, food, health and improving our quality of life.
- In its budget, the government has pledged a 2% increase to funding to post-secondary institutions for the next three years.
- The President provided a report regarding the opening of Edmonton Clinic Health Academy, noting that the Premier was in attendance, along with 33 other Government of Alberta officials. The remarks by the Premiers and Minister Horne indicated that the province is fully onside with the University's vision of interdisciplinary and inter-professional health education. The President extended her thanks to Don Hickey, Jane Drummond, and Martin Ferguson-Pell for their leadership over the last five years in bringing in the project on-time and under budget.
- The University signed a Memorandum of Understanding (MOU) this week with Tsinghua University in China. Through this MOU, our two universities will lead joint research, development and commercialization of energy and environment technologies in China and in Canada.
- The President reminded Members of the Water Initiative Event, scheduled for March 1, 2012 at 3:00 pm. She noted that there are four academic leads for the initiative which addresses some of the critical water-related issues, which range from social/cultural/policy to science/technology. The day will include special honorary degree conferral of three outstanding leaders in the area of water research, public policy and industry.
- The 3M National Teaching Fellowships are Canada's most prestigious teaching award—only 10 are awarded each year. This year, the University has been awarded an unprecedented four 3M Teaching fellows. Our 3M Teaching Fellows are: Sarah Forgie, Faculty of Medicine and Dentistry; Charles Lucy, Department of Chemistry; Toni Samek, School of Library and Information Studies; and Connie Varnhagen, Department of Psychology.
- The President reported that the previous week 5,000 University of Alberta students, faculty and staff joined together to reclaim the Guinness World Record for world's largest dodgeball game from our rivals, the University of California, Irvine. She acknowledged the work of the Students' Union and the Dean of Students office for organizing another successful event.

3. Approval of the Public Session Minutes of December 9, 2011

Motion: Teskey/Naqvi

THAT the Board of Governors adopt the Open Session Minutes of its meeting on December 9, 2011.

CARRIED

ACTION ITEMS

4. Report of the Finance and Property Committee

- 4.1 Student Consultation Process Regarding Tuition, Residence and Mandatory Non-Instructional Fees

Agenda documentation is attached to the Official Minutes as **Item 4.1**.

Presenters: Carl Amrhein, Provost & Vice-President (Academic); Phyllis Clark, Vice-President (Finance and Administration); Roy Coulthard, President, Graduate Students' Association; and Rory Tighe, President, Students' Union

Purpose of the Proposal:

To:

1. respond to a letter from the Students' Union requesting a set of principles regarding the introduction of any new Mandatory Non-Instructional Fees (MNIF)
2. respond to the request by the Minister of Advanced Education and Technology to provide information by February 1, 2012 on the consultation process with students regarding MNIF
3. rescind the Church/Minsos' Motion of May 5, 2000
4. approve a Motion that allows for a regular annual increase to MNIF of up to and including the Alberta Consumer Price Index (CPI) unless a greater increase is approved by the Board by separate Motion in a given year
5. receive for information the University's proposed consultation process with students regarding changes to tuition fees, residence fees, and mandatory non-instructional fees as reflected in the attached committee terms of reference.

Discussion:

The Acting Chair introduced the item, noting that no new fees or changes to fees are involved, adding that the purpose is to bring consistency to the consultation process with students regarding tuition and fee increases and ensure that the University's governance approval processes for tuition and fees are consistent with Provincial legislation and University policy and procedure.

With the aid of a powerpoint presentation, Ms Clark reviewed the background of the proposal, noting the request from the Students' Union regarding a set of principles for the introduction of new MNIF as well as the Minister of Advanced Education and Technology's request for information regarding a formal consultation process with students on this matter. She indicated that the proposal is intended to bring consistency to the consultation process with students regarding tuition and fee increases, ensuring the processes are also consistent with Provincial legislation and University policy and procedure.

Dr Amrhein reviewed the details of the proposal, emphasizing that Administration is not attempting to deregulate mandatory non-instructional fees. He informed the Committee of the establishment of a third Budget Advisory Committee (in addition to the Tuition Budget Advisory Committee (TBAC) and Residence Budget Advisory Committee (RBAC)) on MNIF called the Mandatory Non-Instructional Fees Budget Advisory Committee (MBAC). These three committees will represent the formal consultation process between the University and students in consulting, reviewing and discussing proposed changes to tuition, residence fees, and MNIF. Dr Amrhein also noted that it is the position of the Administration that the "Church/Minsos" Motion of 2000 is inconsistent with best practices and that a student referendum for proposed increases to MNIF above Alberta Consumer Price Index (CPI) could bind the hands of a future Board of Governors.

Mr Tighe presented the Students' Union (SU) response to the proposal, expressing that the SU believes the proposal represents a step back in the institution's partnership with students by eliminating the requirement for a student referendum in the event of an extraordinary increase to MNIF. Mr Tighe suggested that incorporating formal student consultation and the potential for a student referendum in the event of extraordinary increases to MNIF or the creation of a new MNIF would not constitute loss of authority of the Board, adding that, as a public Board, Members should not be sheltered from disagreement between students and administration.

Mr Coulthard presented the Graduate Students' Association (GSA) response to the proposal, indicating that the GSA broadly supports the "Church/Minsos" Motion and is opposed to its rescission. He also indicated that the GSA supports MNIF for new, value-added fees, noting that the Common Student Space, Sustainability and Services (CoSSS) Fee was an anomalous fee to pay for services previously covered by operating grants. He expressed the GSA's support for student consultation through the three Budget Advisory Committees. He added, however, that the rescission of the "Church/Minsos" motion would have the potential to negatively impact the relationship between students and the Board of Governors that could prove to be a future liability.

Mr Minsos noted that the original motion did not make referenda mandatory but allowed for them to proceed. He acknowledged that while the language in the motion lacked clarity regarding intent, he suggested a revision for clarity, rather than rescission. He noted that while student action should not be allowed to tie the hands of future Boards of Governors, neither should Boards be able to prevent student referenda.

Discussion ensued regarding the whether the proper time to undertake such a proposal might be when the Institution faced financial crisis, whether the opportunity existed to effectively split the motion, clarity regarding the existing consultative process and the process now proposed, the impact of student referenda on decision making, and the Board's authority.

Motion: Hole/Teskey

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, rescind the "Church/Minsos" Board-approved Motion of May 5, 2000 regarding the Indexing of Mandatory Non-Instructional Fees; and

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the annual adjustment of all Mandatory Non-Instructional Fees (MNIF), as determined by Administration, up to and including the Annual Alberta Consumer Price Index and that the MNIF be reported for information to the GFC Academic Planning Committee, the Board Finance and Property Committee, and the Board of Governors on an annual basis.

CARRIED

Mr Coulthard, Mr Minsos, Mr Tighe and Mr Lepage Fortin Opposed

4.2. Physical Activity and Wellness Centre – Capital Expenditure Authorization Request

Agenda documentation is attached to the Official Minutes as **Item 4.2**.

Presenter: Don Hickey, Vice-President (Facilities and Operations)

Purpose of the Proposal: To obtain the Board of Governors approval of the expenditure of \$57,000,000 to complete the construction of the Physical Activity and Wellness (PAW) Centre.

Discussion:

Mr Hickey introduced the item, noting the PAW Centre project will strengthen access to academic programs; provide student social space and afford health and wellness opportunities for staff, faculty, alumni and the community. The project includes renewal of some of the existing Physical Education and Recreation facilities to integrate with new construction. The project will also include an expansion to The Steadward Centre and addresses some of the University's deferred maintenance liability. The project is scheduled for completion in August 2014.

Mr Coulthard and Mr Tighe expressed strong support for the project.

Mr. Hickey responded to questions and comments regarding the following matters: whether the total cost includes equipping the fitness centre; and the role of physical education and health and wellness in the achievement of the University's academic mission.

Motion: Tighe/Coulthard

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve an additional supplemental expenditure of fifty-three million seven hundred and fifty thousand dollars (\$53,750,000) in Canadian funds for a total revised project cost of fifty-seven million (\$57,000,000), for the construction of the Physical Activity and Wellness (PAW) Centre.

CARRIED

4.3. Physical Activity and Wellness Centre – Borrowing Resolution

Agenda documentation is attached to the Official Minutes as **Item 4.3**.

Presenters: Don Hickey, Vice-President (Facilities and Operations)

Purpose of the Proposal: To obtain financing for the student-fee-supported portion of the design and construction of the Physical Activity and Wellness Centre project.

Discussion:

Mr Hickey presented the proposal. Discussion on this proposal took place under Item 4.2 above.

Motion: Teskey/Coulthard

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, execute a Borrowing Resolution requesting approval of mortgage financing for the design and construction of the Physical Activity and Wellness Centre project for a total borrowing amount not to exceed Thirty Million Dollars (\$30,000,000) in Canadian funds for a term of not more than thirty-five (35) years at an interest rate of not more than six and one quarter percent (6.25%).

CARRIED

5. **Report of the Investment Committee**

5.1 Unitized Endowment Pool (UEP) Spending Policy

Agenda documentation is attached to the Official Minutes as **Item 5.1**.

Presenter: Bob Kamp, Chair, Board Investment Committee; Phyllis Clark, Vice-President (Finance and Administration)

Purpose of the Proposal: To update the UEP Spending Policy. While the proposed changes can be described as "housekeeping" in nature, as recommended in the Auditor General's Report, the policy clarifies how endowment related expenditures are funded in years where endowment earnings are insufficient to meet approved spending allocations.

Discussion:

Ms Clark reported that the proposal is in response to a recommendation by the Auditor General.

Mr Kamp added that the proposal clarifies wording regarding the spending policy encroaching on the endowment.

Motion: Teskey/ Hole

THAT the Board of Governors, on the recommendation of the Investment Committee, approve the revised UEP Spending Policy, as set forth in Attachment 1 to the agenda documentation.

CARRIED

6. Report of the Learning and Discovery Committee

6.1 Proposal for a Master of Coaching (MCoach) Offered by the Faculty of Physical Education and Recreation

Agenda documentation is attached to the Official Minutes as **Item 6.1**.

Presenter: Carl Amrhein, Provost and Associate Vice-President (Academic)

Purpose of the Proposal: To offer a MCoach degree to students seeking high-quality graduate education in sport coaching and related topic areas

Discussion:

Mr Minsos introduced the item. Dr Amrhein noted that the result would be the ability to develop coaches well prepared for careers in the field of advanced and professional sport coaching, primarily at post-secondary institutions and within the amateur sport system.

Motion: Minsos/ Reuscher

THAT the Board of Governors, on the recommendation of the Board Learning and Discovery Committee, approve the proposed (new) Master of Coaching (MCoach) degree program, as set forth in Attachment 1, to take effect in September, 2012.

CARRIED

INFORMATION REPORTS

7. 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 the Official Minutes as **Item 7**.

8. 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 the Official Minutes as **Item 8**.

9. Report of the Board Investment Committee

Mr Bob Kamp, Chair of the Investment Committee presented the Committee's Report to the Board of Governors, a copy of which is attached to the Official Minutes as **Item 9**.

10. 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 the Official Minutes as **Item 10**.

11. REGULAR REPORTS

11.1 Report of the Chancellor

Ms Linda Hughes, Chancellor, presented her report to the Board of Governors. The report is attached to the Official Minutes as **Item 11.1**.

The Chancellor responded to question regarding the status of the search for the next Chancellor by outlining the process to date, input sought and received, and the next steps. Nominations close February 28, 2012.

11.2 Report of the Alumni Association

Mr Jim Hole, Alumni Association Representative presented the Alumni Association Report to the Board of Governors. The report is attached to the Official Minutes as **Item 11.2**.

11.3 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 the Official Minutes as **Item 11.3**.

11.4 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 the Official Minutes as **Item 11.4**.

Mr Coulthard provided clarification regarding the training provided to Graduate Students who wish to stand for elected office.

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

Dr Bob Campenot, AASUA Representative, presented the report to the Board of Governors. The Report is attached to the Official Minutes as **Item 11.5**.

11.6 Report of Non-Academic Staff Association (NASA)

Ms Tanya Martelle, NASA Representative, presented the report to the Board of Governors. The Report is attached to the Official Minutes as **Item 11.6**.

11.7 Report of the General Faculties Council (GFC)

The Report was placed before Members. A Member requested that, as this report is so detailed, in future it be distributed with the Agenda package to allow sufficient time for review. The report is attached to the Official Minutes as **Item 11.7**.

12. Report of the Board Chair

The Board Chair's written report appears as **Item 12** to the Official Minutes.

15. Other Business

There was no other business.

16. Conclusion of the Public Session

The Acting Chair concluded the Public Session at 10:25 a.m.