



UNIVERSITY OF ALBERTA

UNIVERSITY GOVERNANCE

Board of Governors Open Session Minutes

Wednesday, December 10, 2014
2-31 South Academic Building (SAB)
8:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

Douglas O. Goss	Appointed Chair, General Public
Shenaz Jeraj	Appointed Vice-Chair, General Public
Dick Wilson	Appointed Vice-Chair, General Public
Nathan Andrews	Member, Graduate Students' Association
Mike Belosevic	Member, General Faculties Council
Sangram Hansra	Member, Students' Union
James Heelan	Member, General Public
Barry James	Member, Senate
LeRoy Johnson	Member, General Public
William Lau	Member, Students' Union
Steven LePoole	Member, General Public
Raymond Muzyka	Member, General Public
Robert Parks	Member, Alumni
Christopher Pu	Member, Non-Academic Staff
Michael H. Ross	Member, General Public
Indira Samarasekera	Member, President
Robert H. Teskey	Member, General Public
Ralph Young	Member, Chancellor

Non-Voting Officials Appointed by the President:

Lorne Babiuk	Vice-President (Research)
Phyllis Clark	Vice-President (Finance and Administration)
Marion Haggarty-France	University Secretary
Brad Hamdon	General Counsel
Don Hickey	Vice-President (Facilities and Operations)
Deborah Holloway	Secretary
Debra Pozega Osburn	Vice-President (University Relations)
Colm Renehan	Interim Vice-President (Advancement)
Olive Yonge	Interim Provost and Vice-President (Academic)

Regrets:

David Cooper	Member, Academic Staff (AASUA)
Jane Halford	Member, Alumni
Marcia Lang	Senior Strategic Advisor to the President
Nizar Somji	Member, General Public

Presenter(s):

Douglas O. Goss	Chair, Board of Governors
Indira Samarasekera	President and Vice-Chancellor
Marion Haggarty-France	University Secretary, University Governance

Dick Wilson	Member, Board of Governors
Phyllis Clark	Vice-President (Finance and Administration)
Olive Yonge	Interim Provost and Vice-President (Academic)
David Lawson	Member, Board of Governors
Don Hickey	Vice-President (Facilities and Operations)
Steven LePoole	Member, Board of Governors

Staff:

Deborah Holloway, Board Secretary and Manager of Board Services
Juli Zinken, Assistant Board Secretary

OPENING SESSION

1. Chair's Session

Presenter(s): Douglas O. Goss

1a. Call to Order and Confirmation of Quorum

Presenter(s): Douglas O. Goss

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): Douglas O. Goss

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): Douglas O. Goss

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. Mr Hansra noted that he is currently a student living in residence but, as he is not returning next year, the related motions should not present a conflict for him.

1d. Chair's Remarks

Presenter(s): Douglas O. Goss

The Chair welcomed guests and members of the media who joined the meeting as observers for the Open Session of this meeting.

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

The Chair reported that Mr Dick Wilson had been reappointed to the Board and will serve another three term, and offered his congratulations to Mr Wilson.

He noted that, following Professor Wayne Renke's resignation from the Board, Dr. David Cooper has been appointed as AASUA representative and has received his Order in Council.

He thanked the President who recently announced the Indira V. Samarasekera Global Student Leadership Fund. The Fund will support students in their pursuit of education, research and community service experiences outside of Canada.

Finally, he requested that members place a "Hold The Date" in their calendars for the evening of April 1st for a Gala to celebrate President Samarasekera's contributions to the University and the City and Province.

At the invitation of the Board Chair, Chancellor Ralph Young and four Senators (Monica Mankowski, Andrea Mondor, Ken Regan, and Adam Sweet) provided the Board with an overview of the role and current initiatives of the Chancellor and the University Senate.

2. Report of the President

Presenter(s): Indira Samarasekera

In addition to her written report, the President also included verbal points of interest to the Board regarding:

- The newly-opened Physical Activity and Wellness (PAW) Centre, which is open to students, faculty and staff, alumni and the community.
- The \$50,000 raised during the University's Giving Tuesday campaign to fund a student-led project—the building and launching of Alberta's first satellite, the Experimental Albertan #1 Satellite (or Ex-Alta 1). The satellite will be part of a swarm of 49 other cube satellites launched from Brazil in 2016 as part of an international space mission and, once in orbit, will provide information to help students learn more about the northern lights and other space weather phenomena.
- The University's 2014 United Way Campaign, which finished with a cumulative amount of donations over the past three decades of more than \$10 million! The University was honoured for reaching this milestone last month by the United Way and the Association of Fundraising Professionals. The President thanked and congratulated United Way committee members and everyone on campus who has contributed to the campaign over the years.
- The University's 2014 Festival of Ideas, which was a big success and had the theme "Utopia/Dystopia: From Heroes to Villains". This year featured novelist, journalist and playwright, Colm Toibin; Pulitzer Prize winner cartoonist, Art Spiegelman; and bestselling novelist, playwright, poet and essayist, Joyce Carol Oates.
- Writing Studies 101: Exploring Writing, a course offered by the Office of Interdisciplinary Studies in the Faculty of Arts, won the 2014-2015 Writing Program Certificate of Excellence award from the Conference on College Composition and Communication (CCCC), the world's leading organization for writing studies. The blended course, with both online and in-class components, teaches students in all disciplines how to write academically and how to take their writing skills forward once they join the workforce. The University of

Alberta was the only Canadian institution honoured this year and only the second ever to be recognized by the CCCC.

- The President noted that ten years ago, she had presented Board Members with inukshuks, which are signposts, providing reassurance that the traveller is on the right road. The inukshuk is a sign of the human spirit and creativity. Each stone supports another, secured by balance. Unity is its strength and its beauty, a recognition that all pieces are necessary to achieving success. She then presented inukshuk gifts to the members of the Board.

2a. Progress on the Change Agenda

Discussion:

The President reported that the Deans had approved the Graduate Student Program. She noted the President's Visiting Committees (PVC) were going very well. Regarding Advancement activities, she reported that she was meeting with donors in order to facilitate a smooth transition for the President-Elect.

The President responded to questions and comments from members regarding the following matters: whether there was a calendar for future PVCs to allow more Board members to participate; whether a program is in place to implement changes arising from recommendations made by the PVCs; whether there is a need for leadership training for Deans; whether PVCs are tailored for individual Faculties; a suggestion to migrate from multiple small fundraising campaigns to one institutional campaign; and an expression of frustration regarding the culture of free-standing Faculties lacking accountability to the institution.

3. Approval of the Consent Agenda

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss

Item 3g was removed from the Consent Agenda.

The motion was moved and seconded, as amended.

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

Carried

3a. Approval of the Open Session Minutes of October 24, 2014

3b. Approval of the Open Session Minutes of October 29, 2014

Information Reports

3c. Report of the Audit Committee

3d. Report of the Finance and Property Committee

3e. Report of the Human Resources and Compensation Committee

3f. Report of the Investment Committee

3g. Report of the Learning and Discovery Committee - removed

3h. Report of the Safety, Health and Environment Committee

3i. Report of the University Relations Committee

Regular Reports

3j. Chancellor's Report

- 3k. Alumni Association
- 3l. Students' Union (including 2013-14 Financial Statements)
- 3m. Graduate Students' Association
- 3n. Association of Academic Staff
- 3o. Non-Academic Staff Association
- 3p. General Faculties Council
- 3q. Undergraduate Student Representative
- 3r. Board Chair and Board Members Activity Report

Regarding item 3g, Report of the Learning and Discovery Committee, Ms Jeraj asked Dr Babiuk to provide details regarding the Falling Walls Conference in Berlin. Ms Jeraj and Dr Babiuk also addressed the issue of funding for Post-Doctoral Fellows (PDFs), noting that there are currently between 600 – 700 PDFs at the University and, for those who trained elsewhere, no other institutions bore the costs of that training. The Province of Alberta does not provide funding for PDFs and they are not included in the Post-Secondary Learning act. They noted that support from the Board of Governors to obtain funding from the Province would be helpful.

ACTION ITEMS

4. Report of the Finance and Property Committee

Presenter(s): Dick Wilson

4a. University of Alberta 2015-16 Tuition Fee Proposal

Materials before members are contained in the official meeting file.

Presenter(s): Olive Yonge; Phyllis Clark

Purpose of the Proposal: To set tuition fees for the 2015-2016 academic year.

Discussion:

Ms Clark presented this item together with items 4b and 4c. She noted that the recommendation is that all general, differential and market modifier tuition fees increase by 2.2 percent effective September 1, 2015. In addition, consistent with the University of Alberta's principle that international students pay the full cost of their education, it is recommended that international tuition (base plus differential) also increase by 2.2 percent. She added that a market modifiers proposal would come to the Board early in 2015.

Ms Clark responded to questions and comments from members regarding the following matters: the need for clear messaging regarding increases in order that the public can understand the rationale; that student experiences bears a direct impact on future donors, so mindfulness regarding whether students believe they are getting value from their investment should be a priority; and that value should be balanced with accessibility to be sure that the best and most talented have opportunities.

Following a query from a member regarding whether it is known what it costs to educate a student on a program-by-program basis and, if so, how the University compares to peers in this regards, members undertook a discussion on the matter. Ms Clark reported that while it is known what is spent per student, an analysis of cost would require significant disaggregation of data that would be very labour-intensive. The President added that the return on investment to achieve this would likely not be realized. A member questioned whether clarity regarding costs is not necessary to achieve world-class status as this would be a critical tool for students and taxpayers to understand the University's position and for advancement purposes. Another member noted that the value perspective is important; the issue is not just cost but what is being delivered for that cost. Mr Andrews

reported that the Graduate Students' Association has this data at the graduate level, and Mr Lau noted that the Students' Union is currently investigating comparisons between provinces and the various systems of delivering financial aid and funding models. He noted that Alberta invests the least in post-secondary education. At the conclusion of the discussion, the President noted that she would take this request to the President's Executive Committee and report on the outcome at the next meeting of the Board.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the GFC Academic Planning Committee, approve a proposal from the University Administration for a general tuition fee increase of 2.2%, effective September 1, 2015 and as illustrated in the table below.

Undergraduate (Arts and Science) ^{a, b}	2014-15	2015-16	Change ^c	
			\$	%
Domestic (Arts and Science)	\$5,320.80	\$5,437.20	\$116.40	2.2%
Domestic Graduate Fees ^{a, b}	2014-15	2015-16	Change ^c	
			\$	%
Course Based Masters	\$3,744.72	\$3,826.80	\$82.08	2.2%
Thesis 919 ^d	\$2,335.92	\$2,387.28	\$ 51.36	2.2%
Thesis Based (Masters and PhD) ^{b, e}	\$2,805.72	\$2,867.40	\$ 61.68	2.2%

- (a) Values are based on a full-time per term and full time per year.
- (b) Excludes applicable market modifier and/or program specific differential fees.
- (c) Tuition increases are applied to the fee index. As such, the effective year over year percentage change on the overall full-time program may be below 2.2 percent.
- (d) Tuition applies to thesis students who were admitted to the program of study prior to Fall 2011 and are assessed the reduced thesis rate.
- (e) Tuition applies to thesis students who were admitted to the program of study beginning in Fall 2011 or later; this is based on an annual fee assessment (including spring/summer).

Carried
Mr Lau abstained

4b. University of Alberta 2015-2016 Program/Course Differential Fee and Market Modifier Fee Proposal
Materials before members are contained in the official meeting file.

Presenter(s): Olive Yonge; Phyllis Clark

Purpose of the Proposal: To set differential/market modifier fees for the 2015-2016 academic year

Discussion:

This item was addressed with item 4a and 4c.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the GFC Academic Planning Committee, approve a proposal from the University Administration for a fee increase to program differentials, course differentials, and market modifiers of 2.2%, effective September 1, 2015, for:

- a) Faculty of Law, Juris Doctor (JD) program;
- b) Faculty of Business, Master of Business Administration (MBA) program;

- c) Faculty of Medicine and Dentistry, Doctor of Medicine (MD) program;
- d) Faculty of Business, Undergraduate Business courses;
- e) Faculty of Engineering, Undergraduate Engineering courses;
- f) Faculty of Pharmaceutical Sciences, Pharmacy program; and
- g) Graduate Studies, Thesis Based, as set out in the table below.

Program Differential ^c	2014-15	2015-16	Change ^a	
			\$	%
Juris Doctor (JD) Program ^b	\$4,545.60	\$4,645.60	\$100.00	2.2%
Master of Business Administration (MBA) Program	\$597.84	\$610.92	\$13.08	2.2%
Doctor of Medicine (MD) Program ^b	\$4,545.60	\$4,645.60	\$100.00	2.2%
Market Modifier ^{c, d}	2014-15	2015-16	Change ^a	
			\$	%
Undergraduate Business	\$209.78	\$214.38	\$4.60	2.2%
Undergraduate Engineering	\$177.36	\$181.24	\$3.88	2.2%
Undergraduate Pharmacy	\$404.16	\$413.04	\$8.88	2.2%
Graduate, Thesis Based ^e	\$856.68	\$875.52	\$18.84	2.2%

- (a) Tuition increases are applied to the fee index. As such, the effective year over year percentage change on the overall full-time program may be below 2.2 percent.
- (b) Program Fees - values are based on a full-time per term and full-time per year.
- (c) Values listed are per course, unless otherwise stated (assumes 3 units course weight)
- (d) A grand-parenting structure applies in each case to allow for the exemption of these fees, under specific conditions, for students registered prior to September 2011.
- (e) Graduate market modifier applies only to thesis students beginning their program of study in Fall 2011 or later, and is based on an annual fee assessment (including spring/summer).

Carried
Mr Lau abstained

4c. University of Alberta 2015-2016 International Tuition Fee Proposal

Materials before members are contained in the official meeting file.

Presenter(s): Olive Yonge; Phyllis Clark

Purpose of the Proposal: To set the International Differential for the 2015-2016 academic year.

Discussion:

This item was addressed with items 4a and 4b.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the GFC Academic Planning Committee, approve a proposal from the University Administration for an increase to international tuition fees of 2.2%, effective September 1, 2015 and as illustrated in the table below.

General Tuition Fees:

Undergraduate (Arts and Science) ^{a, b}	2014-15	2015-16	Change ^c	
			\$	%
International, Base	\$5,320.80	\$5,437.20	\$116.40	2.2%
International, Differential			\$314.40	2.2%
Total, International	\$19,645.20	\$20,076.00	\$430.80	2.2%
Course Based Masters ^a	2014-15	2015-16	Change ^c	
			\$	%
International, Base Tuition	\$ 3,744.72	\$ 3,826.80	\$82.08	2.2%
International, Differential			\$85.68	2.2%
Total, International	7,649.28	7,817.04	\$167.76	2.2%
Thesis 919 ^{a, d}	2014-15	2015-16	Change ^c	
			\$	%
International, Base Tuition	\$2,335.92	\$2,387.28	\$51.36	2.2%
International, Differential	\$2,436.36	\$2,489.96	\$53.60	2.2%
Total, International	\$4,772.28	\$4,877.24	\$104.96	2.2%
Thesis Based Masters/PhD ^{a, b, e}	2014-15	2015-16	Change ^c	
			\$	%
International, Base Tuition	\$2,805.72	\$2,867.40	\$61.68	2.2%
Graduate Thesis Market Modifier	\$856.68	\$875.52	\$18.84	2.2%
International, Differential	\$2,935.80	\$3,000.36	\$64.56	2.2%
Total, International	\$6,598.20	\$6,743.28	\$145.08	2.2%

- (a) Values are based on full-time per year.
- (b) Excludes applicable market modifier and/or program specific differential fees, except for the graduate thesis market modifier, which is included above.
- (c) Tuition increases are applied to the fee index. As such, the effective year over year percentage change on the overall full-time program may be below 2.2 percent.
- (d) Tuition applies to thesis students who were admitted to the program of study prior to Fall 2011 and are assessed the reduced thesis rate.
- (e) Tuition applies to thesis students who were admitted to the program of study beginning in Fall 2011 or later; this is based on an annual fee assessment (including spring/summer).

Program Differential and Market Modifier Fees:

Program Differential ^a	2014-15	2015-16	Change	
			\$	%
Juris Doctor (JD), base ^b	\$4,545.60	\$4,645.60	\$100.00	2.2%
Juris Doctor (JD), IDF on base ^b	\$5,108.84	\$5,221.20	\$112.36	2.2%
Total International JD Program Fee ^b	\$9,654.44	\$9,866.80	\$212.36	2.2%
Master of Business Administration, Base	\$597.84	\$610.92	\$13.08	2.2%
MBA, IDF on Base	\$671.88	\$686.64	\$14.76	2.2%

Total International MBA Program Fee	\$1,269.72	\$1,297.56	\$27.84	2.2%
Market Modifier ^a	2014-15	2015-16	Change	
			\$	%
Business, Base Market Modifier	\$209.78	\$214.38	\$4.60	2.2%
Business, IDF on Market Modifier	<u>\$564.64</u>	<u>\$577.06</u>	<u>\$12.42</u>	<u>2.2%</u>
Total, International	\$774.42	\$791.44	\$17.02	2.2%
Engineering, Base Market Modifier	\$177.36	\$181.24	\$3.88	2.2%
Engineering, IDF on Market Modifier	<u>\$477.48</u>	<u>\$487.96</u>	<u>\$10.48</u>	<u>2.2%</u>
Total, International	\$654.84	\$669.20	\$14.36	2.2%
Pharmacy, Base Market Modifier	\$404.16	\$413.04	\$8.88	2.2%
Pharmacy, IDF Market Modifier	<u>\$1,087.92</u>	<u>\$1,111.80</u>	<u>\$23.88</u>	<u>2.2%</u>
Total, International	\$1,492.08	\$1,524.84	\$32.76	2.2%

- (a) Values listed are per course, unless otherwise stated (assumes 3 units course weight).
 (b) Program Fees - values are based on a full-time per term and full-time per year.

Carried
Mr Lau abstained

4d. 2015-2016 Residence Rate Proposal

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: Ancillary Services do not receive base operating or capital dollars to build and maintain the student residences. As per Board of Governors direction, Ancillary Services must operate the student residence as self-sustaining operations. As such, the financial proforma must reflect the full and true cost of replacement and renewal of their capital assets through operations and reserves, including the repayment of debt and related interest. In addition, the residences are subject to municipal property taxation.

Discussion:

Mr Hickey introduced the item, highlighting the consultation process that led to the recommendation before members.

He responded to questions and comments from members regarding the following matters: how the residence rates compare in the Edmonton market; whether there is a specific analysis of market segments where students are likely to live; and a note that student homelessness is an emerging issue.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the 2015-2016 Residence Rental Rate Proposal as set forth in Attachment 1, effective May 1, 2015.

Carried

4e. Research and Collections Resource Facility (RCRF) - South Campus: Capital Expenditure Authorization Request (CEAR)

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: The Books and Records Depository (BARD) is currently the facility that houses less frequently used library materials, research collections and University Archives. Given the current location, the building conditions and the lease expiring in 2017, the university is looking to find an alternate location for high density storage for research collections and the Archives.

Discussion:

Mr Hickey presented the item, outlining the requirement for the construction of a new, purpose-built facility on South Campus to provide the required capacity including expansion space; the proper environment in which to store these materials; and lower risk and close proximity to University campuses. The proposed building could be expanded in the future for related or complimentary use occupancies. He noted that three options had been explored prior to arriving at this recommendation: lease space; occupy the expanded federal archives facility; and build a new facility.

Mr Hickey responded to questions and comments from members regarding the following matters: that maintaining a world-leading library is critical to the heart of the University's mission; and whether the new facility aligns with the South Campus Plan.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve an expenditure of thirty million dollars (\$30,000,000.00) in Canadian funds for a total project cost of thirty million dollars (\$30,000,000.00), for the design and construction of the Research and Collections Resource Facility (RCRF) – South Campus.

Carried

4f. Research and Collections Resource Facility (RCRF) - South Campus: Borrowing Resolution and Order in Council

Materials before members are contained in the official meeting file.

Presenter(s): Don Hickey

Purpose of the Proposal: The Book and Record Depository (BARD) is currently the facility that houses less frequently used library materials, research collections and the University Archives. Given the current location, the building conditions and the lease expiring in 2017, the university is looking to find an alternate location for high density storage for research collections and the Archives.

A borrowing resolution and borrowing motion requires the approval of the Board of Governors, based on the recommendation of the Board Finance and Property Committee, in order that the required Order in Council may be obtained from

Discussion:

Mr Hickey introduced the item and provided details regarding the likelihood of receiving lights-on funding.

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 debt financing for the design and construction of the Research and Collections Resource Facility (RCRF) – South Campus project for a total borrowing amount not to exceed thirty million dollars (\$30,000,000.00) in Canadian funds for a term of not more than twenty-five (25) years at an interest rate of not more than five percent (5.0%); and

b) make application to the Minister of Infrastructure for the required approval of the Lieutenant Governor in Council.

Carried

4g. Internal Loan Policy

Materials before members are contained in the official meeting file.

Presenter(s): Phyllis Clark

Purpose of the Proposal: To update the Internal Loan Policy to better reflect current and anticipated utilization patterns.

Discussion:

Ms Clark presented the item and noted that the proposed change is required to adjust for increasingly larger requests.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the proposed changes to the UAPPOL Internal Loan Policy, as submitted by the Office of the Vice-President (Finance and Administration) and as set forth in Attachment 1, to take effect upon final approval.

Carried

4h. Chemical and Materials Engineering Building (CMEB): Supplemental 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 approval of a supplemental CEAR for \$7,000,000.00 as provided through the Faculty of Engineering for the construction of levels 2, 3 and 7 in CMEB.

Discussion:

Mr Hickey presented the proposal, reporting that the funds will allow for the continued construction and modernization of three additional levels within CMEB. The three new levels will add an additional fifty (50) wet labs to alleviate the space constraints currently being realized by the Faculty of Engineering.

Ms Clark noted that this request was not outside the scope of the original internal loan and that she is confident that the University has the capacity to handle this request.

The motion was moved and seconded.

THAT the Board of Governors approve a Supplemental Capital Expenditure Authorization Request (CEAR) of seven million dollars (\$7,000,000.00) in Canadian funds for a total revised project cost of twenty-four million dollars (\$24,000,000.00) for the construction of levels 2, 3 and 7 within the Chemical and Materials Engineering Building (CMEB).

Carried

5. Report of the Investment Committee

Presenter(s): David Lawson

5a. Unitized Endowment Pool (UEP) Spending Policy

Materials before members are contained in the official meeting file.

Presenter(s): David Lawson; Phyllis Clark

Purpose of the Proposal: To implement a revised Unitized Endowment Pool (UEP) Spending Policy that aligns the indirect cost recovery on endowed donations with that of expendable donations.

Discussion:

Ms Clark introduced Mr Dave Lawson, new Chair of the Board Investment Committee. Mr Lawson presented the item, noting that the Committee conducts an annual review of the spending policy for the endowment and, as a result, this year, three changes are recommended regarding administrative provisions:

- to eliminate the redirection of the first 12 months spending allocation associated with new endowment donations to the administrative assessment.
- the annual spending allocation is made available in full during the month of April each fiscal year.
- the spending allocation calculation procedure is changed to allow communication one year in advance on the amount to be allocated.

The presenters responded to questions and comments from members regarding the following matters: whether a policy for socially ethical investment is in place; whether the portfolio is diversified, not relying on resource-based investments; the difference between socially responsible investment and divesting of energy investments; and how the spending policy deals with major changes in the market.

Members engaged in a discussion regarding Advancement activities. The need to create an experience that increases pride in donors regarding their gifts was expressed, and the level of dissatisfaction among donors was noted. The President observed that every other major university directs a portion of each donation to the Advancement Office. She added that donors are concerned with lack of follow-up and other service-related issues, some of which are due to lack of necessary resources. Mr Renehan reported that when Greg Abel, Berkshire Hathaway Energy CEO, visited campus, he reviewed the endowment and the financial statements and noted that if the University was a company he would invest in it. Members also discussed the advantages of an integrated service model versus centralized and decentralized models.

The Board Chair requested that a report regarding where the University ranks against our peers in terms of the number of staff conducting advancement activities, and how advancement teams are structured, be produced.

The motion was moved and seconded.

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

Carried

Mr Wilson opposed; Mr Teskey abstained

6. Report of the Safety, Health and Environment Committee

Presenter(s): Steven LePoole

6a. 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 presented the item, noting that the proposed revised Terms of Reference include a change to Committee Composition appointing the Associate Vice-President (Risk Management Services) as a non-voting member of the Committee.

The motion was moved and seconded.

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

7. Report of the Board Chair

Presenter(s): Douglas O. Goss

7a. Committee Appointments

Materials before members are contained in the official meeting file.

Presenter(s): Douglas O. Goss

Purpose of the Proposal: To consider the appointment of Mr David Cooper, recently appointed Academic Staff representative on the Board of Governors, to Board Committees.

Discussion:

Mr Goss introduced the proposal, noting that Dr Cooper would serve on the Board Finance and Property Committee and the Board Safety, Health and Environment Committee.

The motion was moved and seconded.

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

Carried

CLOSING SESSION

8. Other Business

Presenter(s): Douglas O. Goss

9. Adjournment

Presenter(s): Douglas O. Goss

The Chair adjourned the Open Session at 11:00 a.m.