



Board of Governors
Open Session Minutes

Thursday, March 26, 2020
By phone / video
10:30 AM - 12:30 PM

ATTENDEES:

Voting Members:

Kate Chisholm, QC	Appointed Chair, General Public
Guy Bridgeman	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
Akanksha Bhatnagar	Appointed Member, President, Students' Union
Katherine Binhammer	Appointed Member, Academic Staff Representative (GFC Appointee)
Charlene Butler	Appointed Member, University of Alberta Senate Representative
Daniel Eggert	Appointed Member, General Public
Fahed Elian	Appointed Member, President, Graduate Students' Association
Dominique Grégoire	Appointed Member, General Public
Rowan Ley	Appointed Member, Undergraduate Board of Governors Representative
Janice MacKinnon	Appointed Member, General Public
Ray Muzyka	Appointed Member, General Public
James Rajotte	Appointed Member, General Public
Thomas (Tom) Ross	Appointed Member, General Public
Rakesh Saraf	Appointed Member, General Public
Douglas Stollery	Appointed Member, Chancellor, University of Alberta
Robert Ryan Thompson	Appointed Member, University of Alberta Alumni Association Representative
David Turpin	Appointed Member, President and Vice-Chancellor, University of Alberta
Paul Whittaker	Appointed Member, General Public
Donna Wilson	Appointed Member, Academic Staff Representative (AASUA Appointee)

Non-Voting Officials Appointed by the President:

Steven Dew	Provost and Vice-President (Academic)
Marion Haggarty-France	University Secretary (University Governance)
Brad Hamdon	General Counsel
Gitta Kulczycki	Vice-President (Finance and Administration)
Matthias Ruth	Vice-President (Research and Innovation)
Andrew Sharman	Vice-President (Facilities and Operations)
Kelly Spencer	Interim Vice-President (Advancement)
Catherine Swindlehurst	Interim Vice-President (University Relations) & Chief of Staff (President's Office)
Juli Zinken	Board Secretary and Manager of Board Services (University Governance)

Staff:

Erin Plume, Assistant Board Secretary (University Governance)

Observers:

Bill Flanagan, President-Elect

IN CAMERA SESSION OF VOTING MEMBERS ONLY

Voting members met, *in camera*, with and without members of senior administration.

OPENING SESSION

The Chair welcomed members and guests to the first virtual Board of Governors' meeting, offering a warm welcome to President-Elect Bill Flanagan, who was observing the meeting.

She acknowledged all Indigenous peoples and the traditional lands from where Board members were gathering.

1. Chair's Session

Presenter(s): Kate Chisholm

1a. Call to Order and Confirmation of Quorum

Presenter(s): Kate Chisholm

The Chair called the meeting to order at 10:30 am, 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 Chair reminded members that a revised agenda was distributed earlier in the week, adding a second topic for discussion under the Report of the President: "Budget Update / Quad Post".

The motion was moved and seconded.

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

CARRIED

1c. Conflict of Interest - Opportunity for Declaration

Presenter(s): Kate Chisholm

The Chair made note of the following:

- The University of Alberta has a Code of Conduct in place regarding Board members' obligations respecting conflict of interest, and Board and Board Committee members make annual disclosures in this regard.
- 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 none, the Chair declared the question asked and answered.

1d. Chair's Remarks

Presenter(s): Kate Chisholm

The Chair welcomed new Board member, Dr Janice MacKinnon, to her first Board of Governors' meeting, noting that Dr MacKinnon was appointed as a Public Member for a three-year term on March 7, 2020.

The Chair then informed members that this would be the final Board of Governors' meeting for four Board members: Matthew Barnett, Non-Academic Staff Association Representative; Akanksha Bhatnagar, Students' Union President; Rowan Ley, Undergraduate Board of Governors Representative; and Fahed Elian, Graduate Students' Association President. Members joined the Chair in recognizing these members for their service and valuable contributions to the Board.

2. Report of the President

- Update on COVID19
- Budget Update / Quad Post

Presenter(s): David Turpin

Purpose of the Proposal: For information / discussion.

Discussion:

The President spoke of the Presidential transition, noting that he and President-Elect Flanagan were already in daily contact, with Professor Flanagan also beginning to attend university meetings.

He briefed the Board on the university's response to the global health pandemic, noting that the university was currently operating under a state of emergency, and reminding members of his delegated authority to act in extraordinary and/or emergency circumstances. He reviewed the university's actions to date, including a recent decision of General Faculties Council to move to a credit/no credit grading system and the response from students and faculty members.

The President also provided members with a budget update, informing the Board that the university had not received permission from the Government of Alberta to exclude severance costs from the requirement for a balanced budget, and that the university would therefore be losing an estimated one thousand positions, which would be a huge challenge to the community.

ACTION ITEMS

Report of the Finance and Property Committee

Presenter(s): Charlene Butler

3. Presentation on the University of Alberta's 2020-2021 Budget

Presenter(s): Steven Dew; Gitta Kulczycki; David Turpin; Andrew Sharman

Purpose of the Proposal: For information / discussion

Discussion:

Ms Butler introduced the item, reminding members that the Finance and Property Committee originally considered a University of Alberta 2020-2021 budget, as well as tuition, mandatory non-instructional fees, meal plan rates, and residence fees, at its meeting on February 27, 2020, but, due to larger-than-anticipated cuts to the university's provincial funding in the Government of Alberta's 2020 budget, had considered a revised 2020-2021 budget at a special meeting on March 25. She noted that the revised budget included projections for 2021-2022 and 2022-2023, but that those budgets were subject to future changes and not for approval at this meeting.

In preparation for a series of motions before the Board on tuition, fees, and residence and meal rates, Dr Dew and Ms Kulczycki presented an overview of the University of Alberta's consolidated budget and its component operating, ancillary, research, capital and special purpose budgets, including external budget context, budget reductions, and planning assumptions.

Dr Dew 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, including financial support offset. He then reviewed the residence fee proposal, noting that residences were transitioning from 11-month to 8-month leases to make them more attractive and increase occupancy rates, with a new fee schedule for recently renovated residences.

Dr Dew and Ms Kulczycki then presented an overview of the revised 2020-2021 budget, including: the differential of \$35.8M from the original proposed budget; updated three-year planning assumptions; updated consolidated budget and its component operating, ancillary, research, capital, and special purpose budgets; draft investment management agreement performance targets and the government's decision to delay the performance-based funding model until the end of May; average cuts of 8.3 percent to the faculties and 12.8 percent cuts to academic support units; deferral of capital projects, energy management investments, and parking infrastructure maintenance; near and longer-term strategies to deal with the reductions, including potential academic restructuring inclusive of consolidation of faculties and economies of scale; and preliminary job losses due to budget reductions, estimated at 400 for the 2019-20 budget year, and 635 for 2020-21.

Finally, Dr Dew and Ms Kulczycki briefed the Board on significant budget risks, including: the impact of the economic downturn on the university's endowed and non-endowed funds and pension liabilities; the impact of COVID-19 on teaching and research activities, enrolment, student employment, partnerships, and co-op placements; performance-based funding; and fractures in processes, services, and research productivity due to job losses.

President Turpin, Dr Dew, and Ms Kulczycki responded to questions from the Board regarding: whether the university's enrolment targets align with the current COVID-19 situation; the unusual circumstances under which such a significant budget is coming forward; the long-term damage of these cuts and the speed at which they must be applied; whether the university should try to mitigate the magnitude of the layoffs; why the provincial government refused the university's request to exclude severance costs from the requirement for a balanced budget; how the university's rankings would be affected by these cuts; what strategic decisions were being considered to maintain the university's quality; the opportunity to continue to offer online programming post-COVID-19; whether administration was considering contingency scenarios and testing budget assumptions; administration's level of confidence that the goals of this budget could be achieved; the alignment of the academic restructuring with the administrative process review, and the academic restructuring process with the provincial system review.

The Chair commended administration for their work responding to changing circumstances, and encouraged them to engage the Board in the academic restructuring process.

3a. University of Alberta 2020-2021 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 2020. Note that the tuition for international students incoming in Fall 2020 has already been approved in conjunction with the Board's approval of the new program-based tuition model for international students in June 2020. The tuition proposal for international students incoming in Fall 2021 will come forward in the coming months

Discussion:

Mr Ley thanked administration for its fair and transparent consultation process, but stated that given the current economic situation, the student aid proposal was not sufficient.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and General Faculties Council Academic Planning Committee, approve the Tuition Proposal for Fall 2020 as outlined in the following table:

Category of Student	Proposed Increase for Fall 2020	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
	Exception PharmD – 0%	
Domestic Graduate (thesis-based) (incoming students)	7%	15% of net increase
Domestic Graduate (thesis-based) (continuing students admitted prior to Fall 2020)	7% with rebate to reduce increase to 2.67% ²	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%
Domestic Graduate (course-based) exceptions	Masters of Accounting – 0% MBA – 10% Executive MBA – 10% ³ MBA – Ft. McMurray – 9% ⁴ MEng – 10%	15% of net increase
International Graduate (course-based) exceptions	MBA – 0% Executive MBA – 0% MBA – Ft. McMurray – 0% Integrated Petroleum Geoscience – 0%	7.55%
Former Cost-Recovery Program exceptions	(all 0%) Certificate in Advanced Adolescent Literacy Certificate in Teaching Students with Complex Needs Master of Education in Education Studies Master of Education in Health Studies Education	

	Master of Science in Internetworking Master of Science in Multimedia Master of Science in Urban and Regional Planning Post-Baccalaureate Certificate in Bridging to Canadian Physical Therapy Certificate in School Leadership Certificat d'etudes superieures en administration et leadeurship scolaire	
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¹ Existing model for International tuition financial aid.

² 2.67% reflects the increase in cost drivers for the University year over year.

³ Students currently enrolled in the Executive MBA will be grandparented for 2020 only with a 0% increase.

⁴ Students currently enrolled in the MBA- Ft. McMurray will be grandparented for 2020 only with a 0% increase in tuition.

CARRIED

Opposed: Akanksha Bhatnagar, Rowan Ley, Donna Wilson

3b. 2020/21 University of Alberta Residence Rates

3b.i. 2020/21 University of Alberta Residence Rates: New – Lease Terms

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To seek the Board of Governors' approval of new rates for residences where the lease terms have changed substantially from 2019/20 as component parts of the overall consolidated budget.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve new rates for residences transitioning from 11-month leases to 8-month leases, as follows:

- Alder
 - 1 bedroom - \$1,104 / month
- Linden
 - 1 bedroom - \$1,104 / month
- Nipisiy
 - 4 bedroom - \$1,139 / month
 - 6 bedroom - \$1,019 / month
- Pinecrest
 - 2 bedroom - \$1,136 / month
 - 4 bedroom - \$1,015 / month
- Tamarack
 - 2 bedroom - \$1,136 / month
 - 4 bedroom - \$1,015 / month

CARRIED

Opposed: Donna Wilson

3b.ii. 2020/21 University of Alberta Residence Rates: New - Renewal

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To seek the Board of Governors' approval of new rates for residences where major renewal activities have occurred as component parts of the overall consolidated budget.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee:

a) approve new rates for residences having undergone major renewal, as follows:

- Lister - Mackenzie Hall
 - Single - \$1,172 / month
 - Double - \$973 / month

and

b) authorize the Vice-President (Facilities and Operations) to apply the MacKenzie Hall residence rates (inclusive of any future approved increases) to Henday Hall and Kelsey Hall once they return to service as fully renewed residences.

CARRIED

Opposed: Akanksha Bhatnagar, Fahed Elian, Rowan Ley, Donna Wilson

3c. University of Alberta 2020-2021 Budget

Materials before members are contained in the official meeting file.

Purpose of the Proposal: To propose the University of Alberta 2020-21 Budget, for approval by the Board of Governors.

Discussion:

The Board Chair noted that the motion was no longer pending recommendation of the Board Finance and Property Committee, as that committee had met the day prior and recommended the item.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and General Faculties Council Academic Planning Committee, approve the 2020-21 consolidated budget, as set forth in Attachment 1.

CARRIED

Opposed: Matthew Barnett, Akanksha Bhatnagar, Rowan Ley, Fahed Elian

Following the budget approval, Mr Barnett informed the Board of a joint letter released earlier that day from all five university student and staff associations to the province and university community, express their joint concerns regarding the newest round of cuts to the University of Alberta operational budget. Mr Barnett articulated concerns for the anticipated job loss among non-academic staff and indicated that was why he had voted in opposition of the budget proposal.

CLOSING SESSION

6. Adjournment

Presenter(s): Kate Chisholm

The Chair adjourned the Open Session at 12:55 pm

IN CAMERA SESSION OF VOTING MEMBERS ONLY

Voting members met, *in camera*, with and without members of senior administration.