



Board of Governors
Open Session Minutes

Monday, May 31, 2021
By phone / video
11:00 AM - 12:00 PM

ATTENDEES:

Voting Members:

Kate Chisholm	Appointed Chair, General Public
Guy Bridgeman	Appointed Vice-Chair, General Public
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
Anas Fassih	Appointed Member, President, Graduate Students' Association
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
Rowan Ley	Appointed Member, President, Students' Union
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
Andrei Tabirca	Appointed Member, Non-Academic Staff Representative (NASA Appointee)
Robert Ryan Thompson	Appointed Member, University of Alberta Alumni Association Representative
Dilini Vethanayagam	Appointed Member, Academic Staff Representative (GFC Appointee)
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 (Office of the President)
Juli Zinken	Board Secretary and Manager of Board Services (University Governance)

Presenter(s):

Martin Coutts	Associate VP (Finance, Procurement and Planning), Financial Services
Brian Boytang	University Chief Accountant, Financial Services

Staff(s):

Erin Plume, Assistant Board Secretary (University Governance)

The Vice-Chair called the meeting to order at 11:00 a.m. and informed the Board that he was chairing the meeting at the request of the Board Chair who was attending by telephone.

IN CAMERA SESSION OF VOTING MEMBERS ONLY

Voting members met, *in camera*.

OPENING SESSION

The Vice-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 Vice-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.

The Vice-Chair also recognized the recent news of the burial site near Kamloops, British Columbia, where the remains of 215 Indigenous children were found, and acknowledged the continued need for reconciliation.

1. Chair's Session

Presenter(s): Guy Bridgeman

1a. Call to Order and Confirmation of Quorum

Presenter(s): Guy Bridgeman

The Vice-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): Guy Bridgeman

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): Guy Bridgeman

The Vice-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. He 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): Guy Bridgeman

There were no remarks.

ACTION ITEMS

Report of the Audit and Risk Committee

Presenter(s): Mona Hale

2. Management's Annual Audited Financial Statements (Draft) and review Financial Statement Discussion and Analysis (Draft)

Materials before members are contained in the official meeting file.

Presenter(s): Todd Gilchrist; Martin Coutts; Brian Boytang

Purpose of the Proposal: To approve the audited Consolidated Financial Statements as required by the Post-Secondary Learning Act.

Discussion:

Ms Hale introduced the item and informed the Board that the Audit and Risk Committee had met earlier that morning, discussed the financial statements with the External Auditor, and recommended approval of the statements to the Board of Governors with one change to the Unfunded Pension Liability section of Areas of Significant Financial Risk on page seven: to change "a decrease of 0.25% in the discount rate assumption would lead to an increase of approximately \$42 million" to "...a decrease of 1% in the discount rate assumption would lead to an increase of approximately \$169 million". She recommended the motion be amended to reflect that change.

Mr Coutts presented an overview of the draft financial statements. He reviewed the annual operating surplus variance to budget, noting that the 2020-21 year-end statements reflected unanticipated impacts of changes necessitated by the pandemic, cost reductions needed to proactively address reductions to the U of A's provincial grant, higher than anticipated investment income, and other one-time revenue opportunities. He reviewed the specific components of the variance, and noted that the external auditor had presented no audit recommendations.

Mr Gilchrist responded to questions from the Board regarding: whether the surplus could result in additional funding cuts from the provincial government; the surplus' impact on the morale of staff and faculty, who may view it as a sign that budget cuts were too deep; whether the university should reevaluate projected job loss for the coming year; whether administration would consider voluntary severance in the future; and whether the statements could be more specific regarding the source of "other grants" in the Summary of Financial Results.

The Audit and Risk Committee Chair reminded members of the proposed revision to the financial statements, and the motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Audit and Risk Committee, approve the Audited Consolidated Financial Statements for the year ended March 31, 2021, as set forth in Attachment 1, as revised.

CARRIED

Report of the Learning, Research, and Student Experience Committee

Presenter(s): Daniel Eggert

3. 2021-2022 Investment Management Agreement (IMA)

Materials before members are contained in the official meeting file.

Presenter(s): Steven Dew; Todd Gilchrist

Purpose of the Proposal: This proposal is before the committee to seek approval of the 2021/2022 Investment Management Agreement from BLRSEC to the Board.

Discussion:

Mr Eggert introduced the item, reminding members that revised material had been posted earlier in the week to reflect a small number of minor changes to the Investment Management Agreement (IMA) template made by the provincial government. Dr Dew then reviewed the targets included within the IMA, and spoke to the Work Integrated Learning component as a learning opportunity for students.

Dr Dew responded to a question from the Board regarding whether there was a risk that the university may not meet the established targets.

The motion was moved and seconded.

THAT the Board of Governors, on the recommendation of the Board Learning, Research and Student Experience Committee, approve the 2021-2022 Investment Management Agreement, as set-forth in Attachment 1.

CARRIED

CLOSING SESSION

Adjournment

Presenter(s): Guy Bridgeman

The Vice-Chair adjourned the Open Session at 11:45 a.m.