



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Minutes of the One hundred twenty seventh regular meeting of the **Board of Governors**

Monday, May 7, 2012
4:00 to 6:00 pm
O102P Governors Boardroom

Members Present:	James Cumming Darcy Corcoran Teagan Gahler Kevin Nabholz Leanne Telford	Dr. Glenn Feltham Syed Haq Allan Mah Mark Ohe	Kerry Brown Jeff Fitzner Randy McLeod Larry Spagnolo
Recorder:	Corie Phillips		
Others Present:	Dr. Ray Block Roxanna Stumbur Susan Cline	Dr. Paula Burns Corie Phillips Terry Sulyma	George Andrews Thomas Djurfors
Regrets:	Brent Hesje Don Metz	Keith Meagher	Diane Brickner

1. Call to Order

The meeting was called to order at 4:04 pm.

a) Approval of Agenda

Revisions were made to correct grammar/spelling in a few sections and the revision of the motion for the Strategic Investment Fund for the Finance and Audit Committee.

Moved by Allan Mah that the agenda be approved as revised.

Carried

b) Approval of Minutes of February 6, 2012

Moved by Randy McLeod that the minutes of February 6, 2012 be accepted as presented.

Carried

c) Business Arising from Minutes

Dr. Glenn Feltham addressed the three action items from the February 6, 2012 minutes and provided an update as follows:

- How does NAIT cash reserves compare to other postsecondary institutions?
Our net financial assets are the second highest in absolute terms (to U of C) but are the highest proportionately (relative to size).
- What is the money targeted for in the investment portfolio?
The investment portfolio is largely restricted, some with hard restrictions (eg., scholarships, bursaries), and some restricted by the Board (identified for certain purposes). The amount restricted by the Board is set aside for future capital expansion (eg., CAT), projected operating deficits, and the Academic Development Fund.
- Revise the letter to Minister Weadick regarding the budget deficit.
The letter was revised and sent, the response is included in the correspondence section of the Board package.
- Provide a yearly update on NAIT's Brand Strategy, and progress on this strategy.

We will provide a yearly update on NAIT's Brand Strategy. More broadly, we will discuss strategy formulation aligned with our vision document – NAIT 2021. To achieve NAIT 2021 we will align strategies through formulating a strategic framework, and report back on progress at the October meeting.

2. NAIT Executive Reports

a) Office of the President and CEO

Dr. Glenn Feltham provided a summary of his report as follows:

- Our Vision, NAIT 2021, has been a significant focus. There will be an all-staff event on April 30th to explore what it means to staff and their units.
- Capacity (CAT) – we are focused on a CAT advocacy strategy including meetings and discussions with Ministers, Deputy Ministers, and Assistant Deputy Ministers. The PC party announced on April 10th that, if elected, they would fund CAT.
- Long Term Capacity (City Centre Redevelopment) – we continue to make progress on the airport lands. We are working with the city to further define the outline of the campus, and are in discussion of how we would acquire the property through a land exchange.
- STARS Rating – NAIT has received its first sustainability rating. This student driven initiative provides an important baseline to measure sustainability. NAIT is the first polytechnic to receive a rating in Canada.
- Trades – we continue to advance the agenda on trades including a trades-to-degree pathway.
- Research Grants – NAIT has had significant recent success in attaining infrastructure funding for the NAIT Boreal Research Institute and for Oil Sands Environmental Sustainability, and NSERC funding for an Industrial Research Chair.
- Where is Ook? NAIT received extensive local, national, and international news coverage related to the Ook and our 50th anniversary.
- Book Club – We started a new tradition where we discuss books on leadership, or books that challenge our perceptions.
- Entering Student Survey 2011-12 Cohort – The cohort is different than one may expect. ½ had prior postsecondary experience, 44% have a long-term goal to obtain a degree, and only 22% come directly from high school.

Dr. Glenn Feltham provided a summary of the critical risks as follows:

- Academic and strategic direction – this has high importance but low risk as all necessary actions are in place.
- Financial – we have little budgetary risk in the current year, but need to continue to monitor our long term financial position.
- People and systems – we have moderate risk, but this risk is being managed.
- Facilities and capacity – short to intermediate term capacity presents a significant risk. We continue to focus on advancing CAT. The City Centre Redevelopment is very important to meet the longer term needs of Alberta for polytechnic education. We are focusing on developing a new campus development plan, and on how the acquisition of land can be financed (e.g., potentially through a land exchange).
- Reputation and external – reputation and external remain red and are a significant risk. We are working on strategies to enhance perceptions and understandings of NAIT. These strategies follow from the branding exercise and NAIT 2021.

b) Provost and VP Academic

Dr. Paula Burns provided a summary of her report as follows:

- Holistic Student Success – The success of our students is phenomenal, there are numerous examples of the competitions our students participate in as well as their commitments to a variety of social and entrepreneurial cases. The success of the student athletes as a whole, who under the leadership of Linda Henderson, we have had two significant firsts this year including SIRC (Canada's Sport Information Resource Centre) recognized NAIT as one of the two colleges in Canada with the greatest number of Academic All Canadians this season and the all 12 teams qualified for ACAC championships.

- Applied Research and Innovation – Our work with industry continues to be strong of the 38 current applied research projects novaNAIT has engaged 33 external partners, 36 faculty, and 9 students. NAIT is well regarded nationally in Applied Research and will be hosting a Polytechnic Canada Student showcase and industry forum in Fall 2012.
- Program Excellence – The Campus Alberta Quality Council (CAQC) conducted their site visit for the approval of our Bachelor of Technology in Construction Project Management on April 11, 2012. We received a very strong summary report from the review team and were commended on our understanding of our role as a Polytechnic Institute and the nature and type of undergraduate degrees we would be offering.

c) VP Administration and CFO

Dr. Ray Block provided a summary of his report as follows:

- Corporate Results – The major variances include an increase in revenue which a portion of is attributed to investment income and under budget expenditures.
- Capital Projects and Facilities – Advanced Education and Technology provided funding for demolition of buildings K and M. A new five year waste removal contract has been awarded to the City of Edmonton effective July 2012 to green campus initiative. The NAIT Boreal Research Institute on the Northern Lakes College site at Peace River is being reviewed by the Campus Development Committee of the Board.
- Human Resources – A Respectful Workplace and Learning Environment Committee has been formed with student representation to guide the organization towards attaining the culture outlined in the new Respectful Workplace and Learning Environment Policy.
- Information Services Division – the delivery of the planning and design of the New Academic Model and enhance NAIT's ERP systems to support the new academic model continues to be ISD's top priority. The ITM framework has been added as a standing agenda item for Finance and Audit Committee.

d) VP External Relations and CDO

George Andrews provided a summary of his report as follows:

- Advancement – Employer Services were representing an increase in Q2, also an increase in the attendance of leadership donors at Career Fair.
- Corporate & International Training – Continues to foster relationships with multiple Program areas within NAIT with linkages internationally.
- Government Relations – Developed and implemented a comprehensive engagement strategy for NAIT's CAT project.
- NAIT@50 anniversary plan completed for implementation.

James Cumming gave kudos to George and his team for the good, hard work that went into the NAIT@50 video that captured a balance of history and humor and received a good response from all that also attended Convocation.

3. Committee Reports

3.1 Academic Council (Glenn Feltham)

a) Minutes of March 20, 2012

Moved by Dr. Glenn Feltham that the Academic Council meeting minutes of March 20, 2012 be accepted as information.

Carried

b) Minutes of April 17, 2012

Moved by Dr. Glenn Feltham that the Academic Council meeting minutes of April 17, 2012 be accepted as information.

Carried

c) Student Consultation Policy

Dr. Glenn Feltham provided an overview of the Student Consultation Policy and Guideline. The policy was created in response to the Minister's request to address non-instructional fees. It sets out a broad structure for student consultation on an annual basis, or as necessary for matters that directly affect students. The guideline is focused on tuition and mandatory non-instructional fees. There are two tuition consultations a year with the students which provide information about the fee changes and the rationale. The key point is that "NAIT administration will obtain general agreement from the student representatives that each mandatory non-instructional fee charged is a fair and equitable representation of the service provided for that fee."

Moved by Dr. Glenn Feltham that the Student Consultation Policy be approved as presented.

Carried

3.2 Advocacy Committee (Larry Spagnolo)

a) Minutes of April 24, 2012

Larry Spagnolo provided an overview of the minutes including the continued work being done on advocating for CAT, a debrief of the election results and a follow up request for congratulatory letters to be distributed. The committee also discussed its mandate whether the committee should examine not just advocacy but all strategic level externally focused activities including advocacy, branding (marketing and communications) and development. The recommendation put forward was to examine other postsecondary institutions and come back with a recommendation to Advocacy and Governance Committees.

Revision to remove edits section 3. Report on Government Relations Activities to Date.

Kevin Nabholz suggested that we should have the proposal and framework around CAT ready to go, to be proactive instead of reactive in preparation for discussions.

Moved by Larry Spagnolo that the Advocacy Committee meeting minutes of April 24, 2012 be accepted as revised.

Carried

3.3 Campus Development Committee (Kevin Nabholz)

a) Joint Meeting – Campus Development Committee & Finance and Audit Committee Minutes of April 26, 2012

Kevin Nabholz provided an overview of the minutes and advised that due to the success of obtaining funding for applied research projects, there is a need for adequate office space. NAIT has a Memorandum of Understanding with Northern Lakes College agreeing to collaboration in a new office facility for the Boreal Research Institute.

Moved by Kevin Nabholz that the Joint Finance and Audit Committee and Campus Development Committee meeting minutes of April 26, 2012 be accepted as information.

Carried

3.4 Executive Committee (James Cumming)

a) Minutes of March 7, 2011 (verbal update)

James Cumming advised that as standard practice now following every Board meeting, there will follow an Executive Committee meeting to discuss how the meeting went and any concerns or improvements for change that arise.

3.5 Finance & Audit Committee (Kerry Brown)

a) Minutes of April 26, 2012

Kerry Brown summarized the minutes as follows:

- Information and Technology Management Committee Update – ITM now falls under the oversight of the Finance and Audit Committee and will be reported back to the Board on a quarterly basis. Finance and Audit asked Administration to provide the Committee with information necessary to ensure the members understand their responsibilities and provide the governance required of information technology. A meeting in June is planned to further discuss this.
- Audit Plans for the Fiscal Year ended June 30, 2012 – The Auditor General, Merwan Saher, along with his staff presented the NAIT and NAIT Foundation Audit Plans for the year ended June 30, 2012. Newly appointed, Robert Driesen, Principal will head up this year's Audit for the OAG (replaces Tim Lamb). NAIT has implemented a governance, risk management and compliance (GRC) tool to assist with the audit of our IT framework. NAIT ranked along with three others as the top amongst all post secondary institutions.
- Kerry provided an overview of the amount spent on CAT thus far, land transactions, and parkade update.
- Accounting standards will not change as significantly as initially appeared. NAIT has commenced its preparation of an implementation plan to document actions completed and actions required to fully implement new accounting standards effective July 1, 2012.

Moved by Kerry Brown that the minutes of the Finance and Audit Committee meeting minutes of April 26, 2012 be accepted as information.

Carried

b) Appropriation for the NAIT Boreal Research Institute Office Facility

Moved by Kerry Brown that the Board of Governors approves the appropriation of \$1.6 million from unrestricted net assets for the furniture, equipment and construction of the office facility in Peace River for the NAIT Boreal Research Institute.

Carried

c) Strategic Investment Fund

Dr. Glenn Feltham provided an overview of the Strategic Investment Fund. Glenn advised that it is normal for post-secondary institutions to have strategic investment funds in order to respond to emerging needs. Critical projects include such initiatives as NAIT 2021, supporting our brand (marketing and promotion), computer replacement program, and other one-time special initiatives such as enterprise risk management, identification of alternative budget models, or NAIT@50.

Moved by Kerry Brown that the Board of Governors approves the appropriation of \$6 million from unrestricted net assets for the establishment of a Strategic Investment Fund. Administration will provide quarterly updates to the Finance and Audit Committee and the Board of Governors' throughout the fiscal year.

Carried

d) 2012/13 to 2014/15 Comprehensive Institutional Plan, including the 2012/13 Budget

Dr. Glenn Feltham provided an overview of the Comprehensive Institutional Plan (CIP) for 2012/13 to 2014/15. The legislated requirements for the CIP are grounded in the strategic directions outlined in the Campus Alberta Planning Resource, the Alberta Research and Innovation Plan, supports the achievements of Campus Alberta

outcomes, and academic planning will link to and drive the CIP. The new sections of the CIP include a reference to NAIT 2021, update on the Academic Model, and the Institutional Research Plan.

Moved by Kerry Brown that the Board of Governors approves:

i) 2012/13 Budget as presented within NAIT's 2012/13 to 2014/15 Comprehensive Institutional Plan, reflecting a budgeted deficit of \$5.3 million, with the actual deficit incurred during the year to be drawn from NAIT's Internally Restricted Net Assets. Furthermore, the expectation is that Administration mitigate the actual amount of the deficit to the extent possible during the course of the year and will provide quarterly updates to the Finance and Audit Committee, Board of Governors and the Minister of Advanced Education and Technology on the financial progress throughout the year.

ii) 2012/13 to 2014/15 Comprehensive Institutional Plan, with such non-substantive changes that management of NAIT considers necessary or advisable.

Carried

e) Financial Report for the Quarter Ended March 31, 2012

Moved by Kerry Brown that the March 31, 2012 financial report be accepted as information.

Carried

f) Investment Report for the Quarter Ended March 31, 2012

Moved by Kerry Brown that the March 31, 2012 investment portfolio performance report be accepted as information.

Carried

3.6 Governance Committee (Randy McLeod)

a) Minutes of Asynchronous Meeting April 12, 2012

Randy McLeod provided a summary of the asynchronous meeting held as there was only one agenda item to discuss.

Moved by Randy McLeod that the Governance Committee asynchronous meeting minutes of April 12, 2012 be accepted as information.

Carried

b) Subcommittee Appointment

Randy McLeod advised that Syed Haq, the new Non-Academic Staff Member representative on the Board was required to be appointed to a subcommittee. Syed was appointed to a subcommittee based on his preferences.

Moved by Randy McLeod that Syed K. Haq be appointed to the Governance Committee.

Carried

3.8 Human Resources Committee (James Cumming)

The committee has not met.

4. NAIT 2021

Dr. Glenn Feltham provided a summary of all of the consultations, time, and work that had been spent on creating NAIT 2021 v.75 document.

Moved by Dr. Glenn Feltham that the Board of Governors endorse the NAIT 2021 v.75 document.
Carried

5. **Schedule**
6. **Correspondence**
7. **Board Member Contact List**
8. **Next Board Meeting**
9. **Adjournment**

James Cumming advised that a note from the President would be sent to Board members once the new provincial cabinet is named.

Moved by Allan Mah that the meeting be adjourned at 5:44 pm.

Carried

Corie Phillips, Recorder

James Cumming, Chair