



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

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

Monday, October 15, 2012
4:00 to 6:00 pm
O102P Governors Boardroom

Members Present:	James Cumming Kerry Brown Randy McLeod (teleconference) Kevin Nabholz Darcy Corcoran	Dr. Glenn Feltham Jeff Fitzner Keith Meagher Larry Spagnolo Syed Haq	Diane Brickner Brent Hesje Daryn Rainer Jeff Bailey Teagan Gahler
Recorder:	Corie Phillips		
Others Present:	Dr. Ray Block Roxanna Stumbur Chaw Ngo Kuai Annie Terry Sulyma Dr. David Carpenter	Dr. Paula Burns Thomas Djurfors Chao Kong D.R. Jones Jon Hoffman John Engleder	George Andrews Sandra Spencer Kyle Stevens Sophy Yang Hugh Seaton
Regrets:	Allan Mah	Mark Ohe	Don Metz

1. Call to Order

The meeting was called to order at 4:11 pm.

James Cumming provided a welcome to Daryn Rainer, Student Member and Jeff Bailey, Academic Staff Member for attending their first Board meeting. James also provided a welcome to the JRSB 309 Corporate Governance class and asked them to partake in the roundtable introductions along with the rest of the guests.

a) Approval of Agenda

Revisions to the agenda included:

- Add the subcommittee appointment for Jeff Bailey under the Governance Committee report.
- Page 48, item 5, third paragraph should read “..additional internal funding...”
- Page 293, item 2, second paragraph should read “...need to emphasize...”
- Page 433, Terms of Reference should note approval by Advocacy Committee
- Page 434, Terms of Reference should note approval by Advocacy Committee
- Page 133, Title should read “Overview & Approval Process”
- Page 7, item 4.1(d) should read “To be moved by xxx that the Board of Governors approve in Principle the Campus Development Plan.”
- Page 8, item 4.2(c) should read “To be moved by xxx that the Board of Governors approve the Appropriation of an additional \$1,000,000 from unrestricted net assets for the construction of the NAIT Boreal Research Institute Project in Peace River. I would further propose that the allocation of these funds to the respective sub-projects to be determined by Management.

Moved by Kevin Nabholz hat the agenda be approved as revised.

Carried

- b) Approval of Minutes of May 7, 2012

Moved by Diane Brickner that the minutes of May 7, 2012 be accepted as presented.

Carried

- c) Business Arising from Minutes

There is no business arising from the minutes.

2. NAIT Executive Reports

- a) Office of the President and CEO

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

- Welcomed all members back after the summer break to an updated boardroom with art that reflects NAIT.
- Returned from Post-Secondary International Network Conference in New Zealand where he was provided with the opportunity to exchange ideas with other polytechnic presidents and present on the role of trades in polytechnics.
- Continued effort are being made to revise Board packages to make them more effective. Executive reports now include strategic activities, items of interest and discussion of risks (risk analysis overall included in Glenn's report and individual portfolio analyses included in the corresponding appendix section).
- Strategic activities
 - There is a focus on strategy to achieve NAIT 2021, including developing a strategic framework document.
 - A Chief Strategy Officer (CSO) is being hired to provide a greater focus on strategy, to ensure alignment with our new vision, and guide and integrate the strategic planning processes for the organization. Interviews will commence soon with the search committee including the Executive, a Board member, and the HR Executive Director. Due to this restructuring, there will no longer be a Chief of Staff position. Glenn provided thanks to Roxanna for the work she completed during her term as she returns to ODS.
 - CAT continues to be a focus and our #1 priority. With a new government decision structure, we are focusing our message both in our ministry and across ministries.
 - We continue to advance our role in the City Centre Redevelopment project, including the creation of a new Campus Development Plan.
- Items of interest
 - An Employer of Choice, NAIT was shortlisted for the 2013 Canada's Top 100 Employers.
 - We are continuing to Celebrate with a focus on our 50th anniversary, including the NAIT@50 Gala and our Seasonal Celebration.
 - NAIT is the largest polytechnic based on enrolment and second by operating budget.
 - The Trades-to-Degrees pathway began September 2012 with 22 students.
 - November 14th is a big day for NAIT with the Polytechnics Canada Annual Student Showcase, the Trades-to-Degrees Launch, and the Diamond Jubilee Awards Celebration.
- Risk Analysis
 - Finances remain to be a major challenge with a continued focus on future budget strategies.
 - The delay in CAT presents significant risks to our being able to meet the needs of Alberta for polytechnic education.
 - Attracting and retaining staff is taking on greater importance as the market is becoming more competitive. We have lost some key individuals, and are focusing on retention strategies.
 - The New Academic Model is at a critical stage with implementation. Glenn provided kudos to Paula who is doing an amazing job.

ACTION: Follow up requested by NAIT Executive to provide what the turnover rate for staff is at NAIT.

b) Provost and VP Academic

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

- The New Academic Model is a response to the strategies we identified in the CIP under the key three directions of champion student success, pursue academic excellence and advance institutional sustainability. It is designed to increase access to NAIT courses and programs, provide flexible earning pathways for students, and support holistic student success. System design is on track with much of the testing completed and the team now beginning to set-up the system for Fall 2013.
- Items of Interest
 - School of Information and Communication Engineering Technology is experimenting with various workload models that allow staff and faculty to participate in applied research projects.
 - School of Sustainable Building and Environmental Management has experienced an increase in the number of applications for Geomatics Engineering Technology by 67%.
 - JR Shaw School of Business – Trades-to-Degrees Pathway brings together two pillars of NAIT: Trades and Business, 22 registrants currently in the pilot group.
 - Hospitality and Culinary Arts offered additional learning opportunities and international experiences for students and faculty through the Student Culinary Exchange program.
 - School of Health Sciences – Medical Laboratory Assisting Program received a first time full 6 year accreditation from the Canadian Medical Association.
 - School of Trades secured over 3.5 million dollars in AIT bridging funds for the 2012-2013 to support operational sustainability.
 - Continuing Education Department completed its first year running under the New Academic Model.

ACTION: Include in future Board packages a report on safety.

c) VP Administration and CFO

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

- Facilities Management and Development – the preparation of the Campus Development (CDP) and Business Case to accommodate long term growth for NAIT has been an important activity during the summer.
- Corporate Services have been busy with the finalization of the 2011/2012 year end as being a significant achievement with again a positive report from the Auditor General.
- Human Resources continues to develop new approaches in identifying top human resource talent in the organization, and the development of this talent to aid succession management.
- The delivery of the planning and design of the New Academic Model (NAM) and the enhancement of NAIT's Enterprise Resource Planning (ERP) and Enterprise Risk Management (ERM) systems continue to be Information Services Division's priorities.
- General Counsel is working as a part of the taskforce assigned to respond to the Government of Alberta's comprehensive disclosure policy including proactively posting expenses online as a commitment to greater openness and transparency.
- Items of Interest
 - Name change approved for department formerly known as Capital Projects and Facilities Operations now known as Facilities Management and Development.
 - Name change approved for department formerly known as Energy Management now known as Engineering and Energy Services.
 - Rick Ellis, Executive Director of Corporate Services will be leaving NAIT effective October 31, 2012. Rick's commitment and service to NAIT has been outstanding and he will be missed. NAIT is currently recruiting for a replacement.

d) VP External Relations and CDO

George Andrews provided a summary of his report as follows:

- Inability to proceed on the CAT campaign has negatively impacted our activity to steward donors into larger commitments.

- Recognized Shiraz Jiwani as the 2011 Distinguished Friend of the Institute.
- Kevin Martin and Adam Enright were recognized as the 2011 Alumni Recognition Award Recipients.
- Strong prospects for renewal and new international engagements in China, Columbia, Cuba, Mexico, Mongolia, Trinidad and Tobago.
- Successful in getting the Premier to include CAT as a part of the party campaign commitment and worked closely with current and previous cabinet members and senior bureaucrats to move the project forward.
- 50th Anniversary event on October 25, 2012 will launch a commemorative publication (complete with profiles of our Top 50 alumni) and our NAIT@50 history book.
- Items of Interest
 - Insights and Ideas Breakfast and lecture sessions by Social Media guru Michael Brito
 - Canada's Top 100 Employers, NAIT was included on the shortlist for the 2013 edition of Canada's Top 100 Employers.
- Risk
 - Increased competition for qualified fundraising staff has created vacancies and we have not been effective at replacing these vacancies with qualified individuals.

ACTION: Report to the Board on NAIT's salary structures.

3. Presentations

a) Boreal Forest Research Institute Peace River Facility

Dr. David Carpenter and Hugh Seaton provided an overview of the project.

- The Boreal Research Institute was established in 1995, originally anchored in the forest industry.
- In 2004, the program was transferred to NAIT. Since then it has grown with the support of novaNAIT, etc.
- Five years progress into applied research in forest reclamation, established a strong niche due to our timing, positioning, and external funding.
- Industry is required to use native boreal plants and to achieve "equivalent land capability" to the surrounding forest.
- Forest reclamation is a new endeavor (compared to prairie land and surface mining).
- Program is all about filling knowledge gaps in helping companies to adjust to new criteria, getting old well sites off the books. This takes on even greater importance as the oil and gas sector has a backlog of well sites that need to be reclaimed, which is a liability on company books until the site is certified.
- Research is a scale up from the plot level to full operational scale, makes their findings, including cost factors, most relevant to industry. Interaction with industry and provide linkages to regulators. Each program has an advisory committee.
- Provides real world training by hiring NAIT students as summer research interns.

4. Committee Reports

4.1 Campus Development Committee (Kevin Nabholz)

a) Minutes of September 25, 2012

Moved by Kevin Nabholz that the Campus Development Committee meeting minutes of September 25, 2012 be accepted as information.

Carried

b) Boreal Forest Research Institute Peace River Facility

Kevin advised that for future projects, administration will be provide confidence intervals to members with a +/- (confidence interval) to allow for increases/decreases in estimates..

Moved by Mark Ohe that the Campus Development Committee confirm its support for the construction of the Boreal Forest Research Facility in Peace River pending

approval for financing by the Finance and Audit Committee. A revised business case along with funding source to accompany the request.

Carried

c) Campus Development Plan Business Case

The Business Case provided an overview of challenges and opportunities, current situation enrolment growth, business case assumptions, triple bottom-line analysis of options, key findings, conclusions, and recommendations.

For information only.

d) Campus Development Plan (For consideration following the dinner presentation)

The meeting reconvened at 7:00 pm. Stantec presented on the Campus Development Plan providing an overview of the structure of the report, highlights of “the campus plan”, and discussion. Kevin gave thanks to the team that has spent a lot of hard work on developing and creating the plan.

Moved by Kevin Nabholz that the Board of Governors approve in principle the Campus Development Plan.

Carried

The meeting adjourned following the motion at 7:21 pm.

Moved by Kevin Nabholz that the meeting be adjourned.

Carried

e) Naming Grids & Donor Recognition

Moved by Kevin Nabholz that the Board of Governors approve the addition to NAIT’s naming grids and donor recognition.

Carried

4.2 Finance & Audit Committee (Kerry Brown)

a) Minutes of September 17, 2012

Kerry provided an overview of his June 20, 2012 Meeting with Administration:

- Reviewed more fully the role of ISD managers, the role of the CIO, and the purpose of the ITM committee and the role of the Finance and Audit Committee in relation to IT, and the development of dashboard reporting for IT activities.
- NAIT’s General Counsel reviewed FOIP requests and confirmed that all requests had been responded to.
- Discussed Enterprise Risk Management.

Kerry provided an overview of the September 17, 2012 meeting:

- Enterprise Risk Management (ERM) Presentation – committee reviewed the current state assessment and discussed next steps, stressed the need to identify opportunities NAIT will have through a robust enterprise risk management program. Sent to the Governance Committee to review and consider the best governance approach and to provide further direction to Administration.
- Auditor General’s Report for the Fiscal Year Ended June 30, 2012 – Auditor General will be issuing an unqualified audit opinion on the consolidated financial statements and it was noted that there were no unadjusted differences. Report includes one recommendation on compliance with legislation.

- o NAIT is in discussion with another Alberta Post-Secondary Institution on the feasibility of implementing a joint internal audit function for both institutions.

James Cumming provided thanks to the Finance and Audit Committee members for the personal time they have put into the work of the committee.

Moved by Kerry Brown that the minutes of the Finance and Audit Committee meeting of September 17, 2012 be accepted as information.

Carried

- b) Minutes of Asynchronous Meeting of October 1, 2012

Moved by Kerry Brown that the minutes of the Finance and Audit Committee asynchronous meeting of October 1, 2012 be accepted as information.

Carried

- c) Boreal Forest Research Institute Peace River Facility

Moved by Kerry Brown that the Board of Governors approve the appropriation of an additional \$1,000,000 from unrestricted net assets for the construction of the NAIT Boreal Research Institute project in Peace River, and that the allocation of these funds to the respective sub-projects be determined by management.

Carried

- d) NAIT's Audited Consolidated Financial Statements for the fiscal year ended June 30, 2012

Kerry advised that the financial statements can be found on pages 360 to 385 in the agenda package.

Moved by Kerry Brown that NAIT's audited consolidated financial statements for the fiscal year ended June 30, 2012 be approved as presented.

Carried

- e) NAIT's Annual Report for the year ended June 30, 2012

Glenn provided a brief overview of the Annual Report that is prepared under the Board's direction, in accordance with the Government Accountability Act; under the oversight of NAIT's Finance and Audit Committee; and the Auditor General who conducted an independent audit of the consolidated financial statements. Glenn reviewed the categories of institutional performance and financial profile summarizing that our students become employed and our employers are satisfied. Glenn also provided kudos to the team that worked on the Annual Report.

Moved by Kerry Brown that NAIT's Annual Report for the fiscal year ended June 30, 2012, with such non-substantive changes that management of NAIT considers necessary or advisable, be approved as presented.

Carried

- f) Strategic Investment Fund

Moved by Kerry Brown that the Board of Governors accept the report on the Strategic Investment Fund as information.

Carried

- g) 2013/14 Tuition Fee

Moved by Kerry Brown that the Board of Governors approve the proposed tuition fees for the 2013/14 academic year.

Carried

4.3 Foundation Trustees

- a) Minutes of September 17, 2012

Moved by Kerry Brown that the minutes of the NAIT Foundation meeting of September 17, 2012 be accepted as information.

Carried

4.4 Academic Council (Glenn Feltham)

- a) Minutes of September 10, 2012

Moved by Dr. Glenn Feltham that the Academic Council meeting minutes of September 10, 2012 be accepted as information.

Carried

4.5 Advocacy Committee (Larry Spagnolo)

- a) Minutes of September 17, 2012

Larry provided an overview of the meeting as follows:

- CAT – Government showing continued support for CAT and ongoing efforts are being made to keep CAT front and centre.
- Various levels of government meetings are taking place.
- November 14th is an important day for NAIT including the Polytechnic Canada Conference expected attendance between 75 – 100 individuals with Rona Ambrose and Gary Goodyear in attendance; Minister Khan and Premier Redford will be on site, and the Lieutenant Governor is hosting an event of approximately 300 individuals to distribute the Queen's Golden Jubilee medallions.

Moved by Larry Spagnolo that the Advocacy Committee meeting minutes of September 17, 2012 be accepted as information.

Carried

- b) External Relations Committee (Discussion)

- Advocacy Committee reviewed the NAIT Executive Committee's recommendation to replace the Advocacy Committee of the Board with the External Relations Committee to better reflect its broader mandate, in addition to three advisory committees (advocacy, branding, and fundraising) which will report to this new committee.
- The Advocacy Committee fully endorsed the recommendation for a name change and the establishment of the three subcommittees, and further recommended that the matter be submitted to the Board's Governance Committee for further review and consideration.

4.6 Governance Committee (Randy McLeod)

- a) Minutes of September 26, 2012

Randy summarized the minutes as follows:

- Subcommittee appointments of newly appointed and reappointed members.
- Social Media Policy which can have a significant impact on organizational and professional reputations and brand.
- Enterprise Risk Management presentation

Moved by Randy McLeod that the Governance Committee meeting minutes of September 26, 2012 be accepted as information.

Carried

b) Subcommittee Appointments

Moved by Randy McLeod that Daryn Rainer be appointed to Academic Council and Advocacy Committee; Darcy Corcoran be reappointed to the Campus Development Committee; Teagan Gahler be reappointed to Academic Council; and Jeff Bailey be appointed to Academic Council.

Carried

c) External Relations Committee

- Proposed External Relations Committee and its branches of advisory committee's (brand, advocacy, and fundraising) will replace the Advocacy Committee and would differ in two significant ways: committee would have a broader mandate which would include branding and fundraising in addition to its current focus on advocacy; and the committee would be comprised strictly of Board members, yet the advisory committees will be comprised of both Board members and the community at large. The ERC will take under consideration a standardized one page outline to be signed by non-Board members as part of the advisory committee that outlines NAIT's code of conduct and use of any proprietary information.

Moved by Randy McLeod that the terms of reference for the External Relations Committee and the branding, marketing, and fundraising advisory committees be approved as presented.

Carried

d) Travel and Expense Disclosure

Randy provided a summary of NAIT's work done thus far following the Government of Alberta's introduction of the Public Disclosure of Travel and Expense Policy that broadens the scope of routine reporting of expenditures. NAIT's Executive team appointed an internal task force, which is led by Roxanna Stumbur, NAIT's Chief of Staff. A phased approach will be utilized once the NAIT Board of Governors has reviewed the Task Force recommendations.

4.7 Executive Committee (James Cumming)

a) Minutes of May 17, 2012 (verbal update)

James provided a verbal update from the May 17th meeting. The main topic for discussion was CEO performance which was followed up by a review of the performance and provided further guidance for areas of improvement. The committee unanimously believed that Glenn is off to a great start and doing good work.

4.8 Human Resources Committee (James Cumming)

a) In-Camera Session – Board Evaluation Results

Moved by James Cumming that the meeting be moved to an in-camera session.

Carried

The Board evaluation results were shared and comments were provided roundtable. The results will be brought back to the Governance Committee and a survey will be completed on an annual basis.

Moved by James Cumming that the meeting exit its in-camera session.

Carried

5. Discussion on a Strategic Framework

Glenn provided an overview of the strategic framework document. In June 2012, NAIT formally adopted a new vision – NAIT 2021. The focus now is on how to achieve this vision. The document will provide guidance as to how our vision will be achieved and define the principle strategic plans. The focus is to align our activities to achieve our vision. Strategic plans will not stand alone, they are interconnected. Three strategic planning levels are contemplated including the framework sponsored by the President and CEO, principle plans sponsored by a member of the Executive or Executive as a whole, and unit plans. The Chief Strategy Officer will be the co-sponsor of all documents. Each plan will follow a defined template and have strong measurable outcomes.

6. Schedule

For information only.

7. Correspondence

For information only.

8. Board Member Contact List

For information only.

9. Next Board Meeting

Next Board Meeting – Monday, December 10, 2012 (Board Festive Dinner)

10. Adjournment

Moved by Kevin Nabholz that the meeting be adjourned at 6:36 pm.

Carried

Corie Phillips, Recorder

James Cumming, Chair