

BOARD OF GOVERNORS OF ATHABASCA UNIVERSITY

APPROVED minutes of the 221st regular meeting of the Board of Governors of Athabasca University held Thursday, January 12, 2017, Governing Council Chambers, AU-Athabasca, Athabasca, AB.

Present: Margaret Mrazek (Interim Chair), Neil Fassina, Heather Kennedy, Rai Batra, Robert Balay, Lynn Hamilton, Cheryl Hunter Loewen, McDonald Madamombe, Debby Kronewitt Martin, Doug Schindel, Michael Mauws, Derek Briton, Grant Grams, Shawna Wasylyshyn, Julian Teterenko and via teleconference Teagan Gahler (8:44 A.M.).

Governance Staff: Carol Lund (University Secretary) and Barbara Kowalchuk (Recording Secretary)

Others Present: Cindy Ives, Estelle Lo, Rick Harland, John Latremouille, Alain May, Donna Romyn David Liddell and via teleconference Jane Arscott

Absent with Regrets: Chief Charles Weaselhead, Paulette Patry and Peter Thiveos

Call to Order

The meeting was called to order at 8:33 A.M.

1.0 Approval of Agenda

1.1 Approve Agenda for Meeting 221

221-01 MOVED That the Board of Governors approves the agenda for Meeting 221, and thereby approves the consent agenda including the minutes of meeting 218, held October 20, 2016, and meeting 219, held November 25, 2016, as presented.

Kennedy/Balay

Amendments: The following items were removed from the Consent Agenda to be discussed under Agenda Item 3.0 Business Arising from the Consent Agenda:

- 3.0 Report from General Faculties Council
- 4.0 Approved minutes of Executive Committee Meeting 352, held November 17, 2016 and draft minutes of Meeting 353, held December 13, 2016 and meeting 354, held December 15, 2016
- 5.0 Approved minutes of Finance & Property Committee 183, held November 24, 2016 and draft minutes of meeting 184, held December 15, 2016
- 6.0 Draft minutes of Audit Committee Meeting 113, held December 15, 2016

Motion 221-01 was restated as follows:

That the Board of Governors approves the agenda for Meeting 221 as amended, and thereby approves the consent agenda including the minutes of meeting 218, held October 20, 2016, and meeting 219, held November 25, 2016.

Carried

2.0 Conflict of Interest

2.1 Conflict of Interest Statement

Subject to the Conflict of Interest Guidelines set out in the Code of Conduct and Ethics for Members of the Board of Governors of Athabasca University, and the Board of Governors of Athabasca University General By-laws, members were asked to declare any conflict they may have with respect to particular agenda items contained within the meeting agenda.

Member Mauws declared a conflict with Agenda Item 10.2 (Approve Partnerships Policy) and noted he would be abstaining from the vote on this matter.

3.0 Business Arising from the Consent Agenda

Report from General Faculties Council (GFC)

An inquiry was made in relation to the content of the summary from GFC Meeting 36, held December 14, 2016 and it was noted that the draft minutes of this meeting were not available for the report, however would be included in the next report. It was further noted that future reports would signify that they are submitted by the President.

Approved minutes of Executive Committee Meeting 352, held November 17, 2016

An inquiry was made in relation to the authority for the Executive Committee to approve appointments to the Board standing committees and it was noted that the authority is included in the terms of reference for the Executive Committee. It was further noted that this process will be reviewed as part of the Board Governance Review.

Draft Minutes of Finance & Property Committee Meeting 184, held December 15, 2016

Further to the draft minutes provided, a member offered further context on the discussions held at the meeting.

Draft Minutes of Audit Committee Meeting 113, held December 15, 2016

An inquiry was made in relation to the level of materiality set by the external auditors for the audit, and the Chair of the Audit Committee noted that clarification had been provided at the meeting noting that the materiality is in line with prior years and the Audit Committee is comfortable with the level that has been set.

It was further noted that additional efforts will be made to ensure that employees are aware of the process to make protected disclosures under the Protected Disclosure (Whistleblower) Policy.

4.0 Business Arising from the Minutes

4.1/4.2 Take Motion 218-05 from the Table and Approve Provostial Model

221-02 MOVED That Motion 218-05 be taken from the table.

Kennedy/Mauws

Carried

Motion 218-05 (originally moved and seconded on October 20, 2016) was taken from the table and restated as follows:

That the Board of Governors approves a Provostial model to be combined with the Office of the Vice President, Academic and to be implemented in accordance with Athabasca University's academic mission, needs and resources.

The President provided an overview of his report pertaining to the proposed provostial model for Athabasca University.

- Reflects the initial work that was undertaken 2012/2013 through to present day
- Reflects the feedback received consistent with commitment at the October meeting to consult with university community
- Provided a summary of consultations undertaken and comments received

An inquiry was made as to how the differential impact of the new roles within the position description will be measured. The President noted that the role description will be refined with input from the AU community and then measures will be defined.

An inquiry was made for clarification regarding the key themes that came out of the conversations with the President with respect to the provostial model. The President noted that the key themes included:

- Clarification around administrative levels
- Impact for other leaders in the AU environment
- Understanding the implications for the university overall
- Impact with respect to access to the President (noted no impact in this regard)
- Inquiries as to the inclusiveness of the process
- Inquiries as to what the Provost/VPA position description would look like

The importance of a clear set of metrics by which this person will be held accountable was noted.

In response to an inquiry, the President noted that the primary risk of implementing this new model is the change in nature of the accountability lines – learning opportunities will need to be provided such that we are ensuring direct reports and their leaders have the tools to succeed.

It was noted that a high level of attention will need to be paid to both the organizational roles and the academic roles within the position.

The Interim Board Chair called the question on Motion 218-05.

Carried

4.3 Key Performance Indicators (KPI) Update

The President provided a verbal update on this item highlighting the following:

- Committed to the Board at the October, 2016 meeting to undertake the development of a key performance indicator scorecard and bring forward an update to this meeting
- Work to date has included the amalgamation of metrics including the Board ad hoc group information, campus-based information as well as benchmarks within the industry
- Moving in the direction of a more balanced scorecard lens, - financial, academic, alignment of resources, human resources, technology, and where appropriate, physical infrastructure

The members discussed the expectations for content within the scorecard, and it was noted that Members Kennedy and Mauws had participated in an ad hoc committee previously that had worked on key indicators. The President noted that he would share the proposed scorecard with Members Kennedy and Mauws prior to presenting it to the Board in March.

5.0 Reports

5.1 Report of the Chair

The Interim Board Chair provided a verbal report highlighting the following:

- A Board Chair communique goes out to the AU community after each Board meeting
- Attended Faculty of Business symposium
- Attended meeting with the Minister –reviewed current ministry initiatives – received the Adult Learning System Principles
- Involved with the installation of the President – thanked the Minister for attending
- Received a letter from the Minister indicating that PSI's have experienced IT security incidents and asking that all PSI's review our IT security

The members discussed the need for a comprehensive overview of IT services at AU and it was agreed that a presentation on IT services would be included as part of the Board evening session in March.

5.1.1 Advanced Education Adult Learning System Principles

The Interim Board Chair presented this item noting that it contains the focus principles for government, and further as we undertake initiatives we need to identify how we are addressing these principles.

5.2 Report of the President

Further to the written submission, the President highlighted the following:

- Structure of document – provided an overview of the rationale for the structure and format of the report and asked for members' input. He further noted reports going forward will be more data centric.
- Leadership planning (two Vice President searches)
- Change in role title within Human Resources – adding on Chief People Officer to the position title for the Director, Human Resources
- Financial sustainability – point of priority – review of tuition and base funding is underway by government, PSLA review is likely to have implications on our expense side, ABC review may result in compensation for Board members
- Budgeting process is underway – adjudication process starts next week
- Planning alignment – planning cycle – took a critical look at all the pieces
- Planning Framework – in order to plan effectively we need a planning framework (copy provided)
- Culture and people – we have been asked to reaffirm our commitment to the salary freeze for excluded staff
- Educational review report is included in the report – will need to be integrated into the broader system– progress to date will be brought forward to the Academic Affairs Committee in March

The members discussed the report and provided feedback to the President on structure and content.

The Interim Board Chair requested an update from the President regarding the government reviews of the base funding structure and tuition.

The President noted that the tuition review had been launched by the Province in September 2016 with broad consultation around tuition, and stakeholders from around the province were invited to participate. He further noted that the existing regulation expired in August 2016, and this is currently sitting with the province with the intention of it coming forward to the spring session. He advised the members that we do not yet know the implications for AU in terms of our fee structure and tuition structure.

The President advised that the review of the base funding structure of PSI's in Alberta was launched in late December and a working team has been put together to lay the groundwork for the responses to the survey provided (deadline for submission of responses is January 27th).

Members discussed the level of engagement that the Board should have with respect to the response to be provided for the review of the base funding structure.

5.3 Business and Student Services Administrative Practices Review Report – Recommendations – Status Update

The President presented the report noting that it had been distributed to the Board last summer. It was noted that the recommendations outlined in the report need to be considered within a broader context.

5.4 Athabasca University Students' Union (AUSU) Report

Member Wasylyshyn presented this report.

An inquiry was made in relation to the information provided with respect to the Nursing program changes. The President provided a brief update and it was noted that this item would be further discussed during the In Camera session.

Clarification was requested and provided with respect to the request by the Canadian Alliance of Student Association (CASA) for the government to sponsor a pilot project regarding Open Educational Resources (OER's).

5.4 Athabasca University Graduate Students' Association (AUGSA) Report

This report was accepted as information

6.0 Executive Committee

6.1 Report of the Chair – Executive Committee

The Interim Board Chair presented this report highlighting activities of the Executive Committee since the last meeting of the Board of Governors.

6.2 Approve the Appointment or Reappointment of an Executive Officer Policy

221-03 MOVED That the Board of Governors approves the Appointment or Reappointment of an Executive Officer Policy effective January 12, 2017, and further That the Selection and Appointment or Reappointment of an Executive Officer Policy approved April 11, 2014, be rescinded effective January 12, 2017.

Wasylyshyn/Madamombe

The President presented this item highlighting the following:

- The two previous procedures have been joined together as there was not enough differentiation to warrant two different processes
- Membership of the search committee has been revised
- All Vice President's will be appointed to a five (5) year renewable term
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An inquiry was made in relation to Policy Statement 2 noting that the statement would appear to require international recruitment and whether this was necessary or not. It was noted that Policy Statement 2 could be amended to reflect the following: "*Recruitment of Executive Officers will normally be international in scope.*" This was accepted as a friendly amendment by the mover and seconder.

A comment was made in relation to the name of the policy as the President is also an executive officer and it was noted that confusion could be avoided by replacing "*Executive Officer*" with "*Vice President*" both in the title and throughout the policy. This was accepted as a friendly amendment by the mover and seconder.

Discussion took place regarding the proposed constitution of the Search Committee, and clarification was requested and provided with respect to the consultative process for the new policy and procedures and which groups within the AU community had reviewed the proposal.

The friendly amendments were summarized as follows:

- Policy Statement 2 will read "*Recruitment of Executive Officers will normally be international in scope.*"
- The words "*Executive Officer*" will be replaced with the words "*Vice President*" throughout the policy.

Motion 221-03 was restated incorporating the friendly amendments as follows:

That the Board of Governors approves the Appointment or Reappointment of a Vice President Policy effective January 12, 2017 as amended, and further That the Selection and Appointment or Reappointment of an Executive Officer Policy approved April 11, 2014, be rescinded effective January 12, 2017.

Carried

7.0 Finance & Property Committee

7.1 Report of the Chair – Finance & Property Committee

The Chair of the Finance & Property Committee presented this report highlighting activities of the Finance & Property Committee since the last meeting of the Board of Governors.

Clarification was requested and provided regarding the status of the pending land transfer to the Town of Athabasca.

7.2 Budget Development Process Update

The Vice President Finance & Administration provided an overview of the development process for the 2017-2018 budget.

- Fiscal 2018 budget process is underway
 - President held four open meetings with staff
 - Budget office also held a budget workshop for budget holders
 - Reinstated the budget committee as part of the process
 - 1 Dean sits on the Budget Committee and the remaining 4 will sit on the advisory committee
- 1st meeting was held with AUSU and AUGSA, 2nd meeting will be held at the end of January
- Budget guidelines include the Adult Learning System Principles
- A special meeting of the Finance & Property Committee is being scheduled to review the draft budget and provide feedback before the budget is presented to the Committee for recommendation to the Board
- Board will be asked to approve the budget at the March 30 meeting

Member Wasylyshyn provided comments regarding the composition of the budget committee and the nature of the meetings with AUSU and AUGSA.

It was noted that the budget would be submitted to the Ministry upon approval, and further that administration is working towards a balanced budget (deficit budget would require ministerial approval).

The members discussed the need for the Board to be involved to provide input and direction with respect to budget assumptions prior to the commencement of the budget cycle, and the President confirmed that this would be included in the annual cycle for next year's budget planning process.

8.0 Audit Committee

8.1 Report of the Chair – Audit Committee

The Chair of the Audit Committee presented this report highlighting activities of the Audit Committee since the last meeting of the Board of Governors.

8.2 2nd Quarter Variance & Year-End Forecast Report

The Vice President Finance & Administration presented this item and reviewed the report with the members.

- Projected \$1.4M deficit (Executive group and budget holders continue to implement mitigation strategies)
- President requires that financial reporting by division, by department and by faculty be provided monthly

8.3 Enterprise Risk Management Summary Report

The Vice President Finance & Administration presented this report including an overview of the Status of AU's Primary Risk Exposures.

8.4 Enterprise Risk Management Activity Report

The Vice President Finance & Administration presented this report and reviewed the report with the members.

8.5 Approve Ranking of AU's Primary Risk Exposures

221-04 MOVED That the Board of Governors approves the ranking of Athabasca University's primary risk exposures 2017.

Schindel/Kennedy

The President noted that the proposed ranking was presented to the Audit Committee in December, and input received has been incorporated into the proposed ranking being presented for approval by the Board.

An inquiry was made as to the separation of "governance" and "management" risks. The Director, Strategic Initiatives noted that this was undertaken at the request of the Audit Committee, and as result "governance" is no longer in the top 10 risks so it is no longer a part of the proposed ranking. It was further clarified, that although a risk may no longer be part of the top 10, input regarding risks is still tracked and adjustments can be made.

Carried

9.0 Human Resources Committee

9.1 Report of the Chair – Human Resources Committee

The Chair of the Human Resources Committee presented this report to the members.

9.2 Approve Appointment and Reappointment of Deans Policy

221-05 MOVED That the Board of Governors approves the Appointment and Reappointment of Deans Policy effective January 12, 2017, and further
That the Appointment, Reappointment, and Acting Appointment of Deans Policy, approved June 6, 2014, be rescinded effective January 12, 2017.

Hunter Loewen/Kennedy

The Vice President Academic (Interim) presented this item highlighting the following:

- Human Resources Committee reviewed the proposed policy in December and input received has been incorporated into the policy

Carried

10.0 Institutional Advancement Committee

10.1 Report of the Chair – Institutional Advancement Committee

The Chair of the Institutional Advancement Committee presented this report highlighting activities of the Institutional Advancement Committee since the last meeting of the Board of Governors.

10.2 Approve Partnerships Policy

- 221-06 MOVED** That the Board of Governors approves the Partnerships Policy effective January 12, 2017, and further
That the Strategic Partnerships Policy, approved December 12, 2001, be rescinded effective January 12, 2017.

Wasylyshyn/Balay

The Vice President Advancement (Interim) presented this item.

Member Hunter Loewen noted that the essence of the policy is excellent however she would be abstaining from the vote due to concerns with the language.

Carried

Members Mauws and Hunter Loewen abstained.

11.0 Academic Affairs Committee

11.1 Report of the Chair – Academic Affairs Committee

The Chair of the Academic Affairs Committee presented this report highlighting activities of the Academic Affairs Committee since the last meeting of the Board of Governors.

11.2 Strategic Enrolment Plan Indicators

The Vice President Academic (Interim) presented this item and reviewed the report with the members noting that based on the input received at the last Board meeting, the format has changed to reflect the strategic enrolment management goals and to give more clarity in terms of numbers. She further noted the following:

- A task force (working group) has been formed and is working towards renewing the Strategic Enrolment Management Plan (expired in 2016).
- Retention activities will be the focus of next version of the plan.

12.0 Honorary Awards Committee

12.1 Report of the Chair – Honorary Awards Committee

The President (Chair, Honorary Awards Committee) presented this item and reviewed the report with the members.

13.0 Other Business

13.1 Board & Standing Committee Meeting Schedule

The Board & Standing Committee Meeting Schedule was accepted as information.

14.0 Schedule of Pending Items

14.1 Schedule of Pending Items

The Schedule of Pending Items was accepted as information.

15.0 In Camera Session – Members Only

15.1 Motion to Move In Camera

221-07 MOVED That the Board of Governors moves to an In Camera session (Members Only).

Schindel/Balay

The University Secretary was asked to remain in the session.

Carried

15.2 Motion to Exit In Camera

221-08 MOVED That the Board of Governors exits the In Camera session.

Balay/Schindel

Carried

16.0 Adjournment

The meeting adjourned at 1:45 P.M.