

## **BOARD OF GOVERNORS OF ATHABASCA UNIVERSITY**

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APPROVED minutes of the 232nd regular meeting of the Board of Governors of Athabasca University held Friday, May 25, 2018, Room 1222, AU-Edmonton.

**Present:** Vivian Manasc (Chair), Neil Fassina, McDonald Madamombe, Lynn Hamilton, Cheryl Hunter Loewen, Debby Kronewitt Martin, Robert Balay, Tracey Maguire, Douglas Schindel, Shawn Fraser, Derek Briton, Paulette Patry, Liam Connelly, and Lindsay McNena

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

**Others Present:** Matthew Prineas and David Head

**Absent with Regrets:** Sharon Anderson, Brenden Hunter, Brandon Simmons and Melinda Goertz

### **Call to Order**

The meeting was called to order at 1:32 P.M. As the Chair was not attending in person, Member Madamombe served as Acting Chair.

### **1.0 Approval of Agenda**

#### **1.1 Approve Agenda for Meeting 232**

**232-01 MOVED** That the Board of Governors approves the agenda for Meeting 232 as amended, and thereby approves the consent agenda as amended including the minutes of meeting 231, held March 23, 2018.

**Hunter Loewen/Balay**

**Carried**

#### **Amendments:**

- Consent Agenda Item CA3 is removed from the consent agenda and becomes Agenda Item 5.1
- Consent Agenda Item CA4 is removed from the consent agenda and becomes Agenda Item 5.2
- Additions:
  - 4.1 Report of the Chair - Audit Committee
  - 4.2 Report of the Chair - Finance & Property Committee
- Remaining Action Items are renumbered following 4.1 and 4.2

### **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 General Bylaws Board of Governors of Athabasca University, members were asked to declare any conflict they may have with respect to particular agenda items contained within the meeting agenda.

No conflicts were declared.

### 3.0 President's Discussion and Analysis

The President presented and reviewed the report with the members. Further to the report, he advised that a letter has now been received from the Ministry requesting the university submit an updated mandate statement this fall; and requested that the Board members provide initial feedback by the end of June.

#### 3.1 Year-End Variance Report

The President presented this report noting that the report had been prepared in two segments; the first being a variance analysis for fiscal year end when compared to budget, and the second being a comparison of the third quarter projections to actuals at year-end. He advised that the year end results showed a 7.2M surplus (5.2% variance to budget) and reviewed the major contributors to the swing from the third quarter projections to the year-end results with the members.

### 4.0 Action Items

#### 4.1 Report of the Chair - Audit Committee Chair

The Chair provided a verbal summary of the proceedings of the Audit Committee at the committee meeting held earlier in the day.

#### 4.2 Report of the Finance & Property Committee Chair

The Chair provided a verbal summary of the proceedings of the Finance & Property Committee at the committee meeting held earlier in the day.

Discussion ensued regarding the purpose, duties and membership of the Investment Advisory Group (IAG) (a sub-group of the Finance & Property Committee) and the pending review of the Investment Policy. It was agreed that the vacancies that exist on the IAG would be recruited to as soon as possible in order to allow for the IAG to undertake a review of the Investment Policy among other duties. If recruitment efforts are not successful within the next quarter, administration was directed to undertake recommendations regarding the Investment Policy.

#### 4.3 Approve Transfer of Funds

##### 232-02 MOVED

That the Board of Governors approves the following transfers from Unrestricted Surplus from Operations to Internally Restricted Funds:

- Transfer from Unrestricted Surplus from Operations to Internally Restricted Future Student Awards Fund \$21,801
- Transfer from Unrestricted Surplus from Operations to Internally Restricted Pension Plan Liability Fund \$2,018,000
- Transfer from Unrestricted Surplus from Operations to Internally Restricted Strategic Investment Fund \$6,075,560

**Hunter Loewen/Briton**

It was noted that the transfer of funds must be approved prior to the presentation of the financial statements for approval, and further, the Finance & Property Committee had recommended approval. Clarification was provided regarding the purpose of the internally restricted strategic investment fund.

**Carried**

#### **4.4 Approval of 2017-2018 Financial Statements**

**232-03 MOVED** That the Board of Governors approves the 2017-2018 Financial Statements as presented.

**Hunter Loewen/Kronewitt Martin**

Members were advised that the newly appointed Auditor General was in attendance at the Audit Committee meeting earlier in the day. It was noted the auditors had reported the financial statements present fairly the financial position of the university, and further, the Audit Committee had recommended approval.

**Carried**

#### **4.5 Approval of Comprehensive Institutional Plan 2018-2021**

**232-04 MOVED** That the Board of Governors approves the Comprehensive Institutional Plan 2018-2021, effective May 25, 2018.

**Hunter Loewen/Fraser**

Members were advised that the Comprehensive Institutional Plan (CIP) is a required reporting document guided and mandated by the Government of Alberta with three components; 2018 forward and financial plans, narrative (consistent with the IMAGINE Plan) and performance standards.

It was noted that during review of the document by General Faculties Council, it was determined it would benefit the report to include a rationale for the reference to “conciliation (Kwayskahsatsowin)” rather than “reconciliation”. The President provided the rationale to the members, noting it is proposed that the CIP be amended to include a footnote on Page 4 disclosing the rationale.

Members were advised, following a discussion regarding the goals, initiatives, outcomes and performance measures, the Finance & Property Committee had recommended approval of the CIP with the inclusion of the footnote described above.

#### **Amendments:**

- Addition of a foot note to page 4 in relation to the Kwayskahsatsowin (Conciliation)

**Motion 232-04 was restated as follows:**

*That the Board of Governors approves the Comprehensive Institutional Plan 2018-2021 as amended, effective May 25, 2018.*

**Carried**

#### **4.6 Approval of AU Policy Framework – Governing Policy**

- 232-05 MOVED** That the Board of Governors approves the AU Policy Framework – Governing Policy effective May 25, 2018,  
And further  
That the existing Policy Development and Maintenance Policy at Athabasca University and the Procedure Development and Maintenance at Athabasca University approved June 26, 2009 be rescinded.

##### **Briton/Maguire**

The members were advised that policy approvals owned by the Academy are defined in the Post-secondary Learning Act, however the distinction between Board authority and Administrative authority is not as clear. In alignment with IMAGINE, the proposed framework supports lean processes by defining the authority to create, adapt or rescind policy, while ensuring that the Board retains decision authority for policies that must remain with the Board (strategy and governance) and delegates the authority to management to approve administrative policies. It was noted that the framework had been recommended for approval by the Audit Committee.

The members discussed the proposed framework at length in relation to the levels of authority, and the following friendly amendment was proposed:

***FRIENDLY AMENDMENT*** – *Administrative Policy Definition will now read:*

*“Administrative Policy governs the management and operations of the University, and outlines principles for administrative activities where there is no identified risk to the institution’s reputation, financial and applicable governing laws”.*

The friendly amendment was accepted by the mover and the seconder.

**Motion 232-05 was restated as follows:**

***That the Board of Governors approves the AU Policy Framework – Governing Policy as amended, effective May 25, 2018,  
And further  
That the existing Policy Development and Maintenance Policy at Athabasca University and the Procedure Development and Maintenance at Athabasca University approved June 26, 2009 be rescinded.***

**Carried**

**Member Hunter Loewen opposed.**

#### **5.0 Business Arising from the Consent Agenda**

##### **5.1 Enterprise Risk Management Summary Report**

Clarification was provided for the increased risk noted in the risk category of Human Resources.

##### **5.2 Legislative Compliance Reporting April 1, 2017 to March 31, 2018**

Clarification was provided regarding the process that leads to the preparation of this report.

## **6.0 Board Chair Report and Closing Comments**

This report was received for information.

The Acting Chair acknowledged the work undertaken by the AU team in ensuring that all requirements were met for the financial statements resulting in positive feedback from the external auditors, and further acknowledged the work that had been undertaken in preparation of the Comprehensive Institutional Plan approved by the Board.

## **7.0 Adjourn**

The meeting was adjourned at 3:43 P.M.