



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Minutes of the One hundred and Sixty-sixth regular meeting of the Board of Governors

Tuesday, May 31, 2022
4:00 to 6:00 pm

Governor's Boardroom T811 and Microsoft Teams

Members Present:	Ray Pisani (Chair) Vi Becker Priti Laderoute Dr. Jean-Paul Prévost Paul Verhesen	Yasmin Jivraj (Vice Chair) Dan Brown Kris Mauthe Kaedee Fythe Torrino	Laura Jo Gunter Dr. Annemarieke Hoekstra Renata Saicosque Medeiros Kristina Williams
Resources:	Peter Leclaire Melanie Rogers	Jeff Dumont Gerard Hayes	Clayton Davis Michael Haworth
Regrets:	Jamie Corfield Linda Palladino	Janet Riopel Marlea Sleeman	Andy Neigel
Recorder:	Sandy Timmer		

IN-CAMERA SESSION WITH BOARD MEMBERS ONLY PRIOR TO CALLING THE MEETING TO ORDER

Moved by Priti Laderoute that the Board move to an in-camera session.

Seconded, Carried

Moved by Paul Verhesen that the Board exit the in-camera session.

Seconded, Carried

1 CALL TO ORDER

Mr. Ray Pisani welcomed members to the last Board meeting for the academic year 2021-2022. Mr. Pisani expressed his appreciation to all board members for all their work and efforts on the Board and in their respective committees.

Mr. Pisani proceeded with NAIT's Territorial Land Acknowledgement:

At NAIT, we honour and acknowledge that the land on which we learn, work and live is Treaty Six territory. This place is a traditional homeland for the First Nations and Métis Peoples, and today we are all part of this treaty land. The traditional name of this place is Amiskwaciy Waskahikan, which we also call the city of Edmonton.

As this was Mr. Pisani's last meeting as Board Chair, he commented on his nine years on the Board both as a member and as Chair. It has been an amazing experience and he has seen the institute go through some changes during this time. Mr. Pisani noted that although the past two years have been challenging for everyone, the institute has strong leadership to lead the institute into the future.

Mr. Pisani wished to acknowledge Janet Riopel as she has elected not to stand for a second term on the Board. Mr. Pisani thanked Ms. Riopel for her insight and knowledge at the Board meetings and for her leadership as Chair of the Industry Partnerships and External Relations Committee.

Mr. Peter Leclaire and Mr. Gerard Hayes were welcomed to their first meeting of the Board. Mr. Leclaire is the new Vice-president Academic and Mr. Hayes is the new Vice-president Students and Campus Life and are part of the Executive Management Committee team. Both come to NAIT with extensive post-secondary experience and expertise.

The meeting focused on the approval of the audited consolidated financial statements and approval of the Investment Management Agreement. The main presentation was from the Mawji Centre for New Venture and Student Entrepreneurship.

1.1 Approval of the Agenda

Mr. Pisani noted that he would like to move Tab 5.3-IMA and PBF Metrics presentation up to Tab 4.5.4 with the discussion on the IMA with the Finance Committee. There were no other changes to the agenda.

Moved by Annemarieke Hoekstra that the agenda be approved as amended.

Seconded, Carried

Mr. Pisani asked for declarations of conflicts of interest from the Board. Annemarieke Hoekstra and Jean-Paul Prévost, NASA Board members, declared a conflict of interest with item 6.1-Labour Relations Update, and will depart the meeting at that time.

No other conflicts of interest were declared.

1.2 Business Arising from Minutes

Ms. Gunter advised that there was no business arising from the previous minutes.

2 CONSENT AGENDA

2.1 Accepting Minutes and Receiving Committee Reports:

There were no items removed from the Consent Agenda.

2.1.1 Approval of the Minutes of the Board of Governors for the Meeting held on March 1, 2022

2.1.2 Approval of the Minutes of the Board of Governors for the Meeting held on March 24, 2022

2.1.3 Approval of the Minutes of the Board of Governors for the Meeting held on April 11, 2022

2.1.4 Academic Council – Minutes of the Meeting on April 25, 2022

2.1.5 Academic Council – Hospitality Program Co-op

Moved by Laura Jo Gunter that the addition of a Hospitality Management co-op be recommended for approval by the Board of Governors.

2.1.6 Academic Council – Pre-Employment Auto Service Technician program suspension

Moved by Laura Jo Gunter that suspension of the Pre-employment Automotive Service Certificate be recommended for approval by the Board of Governors.

2.1.7 Academic Council – Faculty Emeritus Nominee Approval

Moved by Laura Jo Gunter that Academic Council supports the recommended Faculty Emeritus nominee, Dorothy Lawrence, for approval by the Board of Governors subject to prior review and approval from Human Resources.

2.1.8 Campus Development Committee - Minutes of the Meeting on April 19, 2022

2.1.9 Board Executive Committee – Minutes of the Meeting on March 8, 2022

2.1.10 Board Executive Committee – Minutes of the Meeting on May 3, 2022

2.1.11 Audit Committee - Minutes of the Meeting on May 10, 2022

2.1.12 Audit Committee - Compliance Certificate–January 1-March 31, 2022

2.1.13 Audit Committee – Approval of the Enterprise Risk Management Policy

Moved by Kris Mauthe that the Audit Committee recommends the Enterprise Risk Management Policy to the Board of Governors for approval.

Board of Governors Meeting – May 31, 2022

- 2.1.14** Finance Committee - Minutes of the Meeting on May 10, 2022
- 2.1.15** Finance Committee - Quarterly Investment Report for the Quarter Ended March 31, 2022
- 2.1.16** Joint Finance and Audit Committee – Minutes of the Meeting on May 19, 2022
- 2.1.17** Foundation Trustees – Minutes of the Meeting on May 10, 2022
- 2.1.18** Governance Committee - Minutes of the Meeting on April 7, 2022
- 2.1.19** Governance Committee – Approval of NAIT's Sustainability Policy

Moved by Yasmin Jivraj that the Board of Governors approve the Sustainability Policy as presented.

- 2.1.20** Governance Committee – Approval of the Appointment of an External Member for Finance Committee and Indemnity Agreement

Moved by Yasmin Jivraj that the Board of Governors approves that Jonathan (Jake) Gebert be appointed as a voting member of the Finance Committee for a term commencing immediately and extending to May 31, 2024, and that the term end for Jake Gebert's appointment to the Audit Committee also be May 31, 2024, and that the Institute enter into an Indemnification Agreement in relation to this appointment.

- 2.1.21** Governance Committee – Approval of the Appointment of an External Expert Advisor for Campus Development Committee and Indemnity Agreement

Moved by Yasmin Jivraj that the Board of Governors approve the participation of Dean Doige in the capacity of expert advisor to the Campus Development Committee, for the period commencing immediately and extending to May 31, 2024 and that the Institute enter into an Indemnification Agreement in relation to this participation.

- 2.1.22** Human Resources Committee - Minutes of the Meeting on April 27, 2022

- 2.1.23** Industry Partnerships and External Relations Committee – Minutes of the Meeting on May 17, 2022

Moved by Yasmin Jivraj that the Consent Agenda items be approved as presented.

Seconded, Carried

3 NAIT EXECUTIVE MANAGEMENT REPORT

- 3.1 Consolidated Executive Management Report to the Board**
- 3.2 President's Activities**

Board of Governors Meeting – May 31, 2022

Mr. Pisani invited Ms. Laura Jo Gunter and Executive Management members to provide brief highlights from their sections of the consolidated management report.

Ms. Gunter noted from her report that she has been able to attend in person at a couple of conferences recently – Colleges and Institutes Canada and Polytechnics Canada conferences – that have been held virtually these past two years. Ms. Gunter commented that her focus has been to make connections at these conferences for additional funding opportunities for NAIT.

Ms. Gunter attended the announcement with Minister Nicolaides on the targeted enrolment expansion funding on May 12th. NAIT received \$9M targeted funding for the following programs:

- Bachelor of Business Administration – Accounting and Analytics
- Bachelor of Business Administration – Finance
- Veterinary Medical Assistant Certificate
- Digital Media and IT Diploma
- Computer Engineering Technology Diploma

Mr. Jeff Dumont highlighted the Sustainability Policy that was approved in the Consent Agenda. The Sustainability Steering Committee will now start to work on the tasks as outlined in the Policy. We have also set up an external-facing website on our commitment to sustainability. It can be found here: <https://www.nait.ca/nait/about/our-vision/sustainability>.

Mr. Peter Leclaire discussed Industry Solutions as this area is now under his portfolio. Industry Solutions continues to improve its financial contribution to the institute and achieved higher than budgeted revenues although this department is still having COVID-related deferrals and interruptions to supply chains.

On the academic side, enrolment planning is continuing, and enrolment is expected to be soft again this fall with the lingering effects of COVID and delays for international students' travel. That is expected to carry through to next year as students continue on with the second year of their education and deferred students start to return to post-secondary. This is being seen at other post-secondaries as well. It was noted that there is a backlog of international visas that the federal government is working through and there may still be a delay in international student enrolment.

Mr. Leclaire reported that there are four programs who have committed to using high-flex classrooms. The pandemic has accelerated the adoption of technology in the classroom, and we are looking to enhance that with intentional development. Mr. Leclaire applauded faculty for embracing the use of technology to provide exceptional learning experiences for students as this will go on to be the new normal in many cases.

Ms. Melanie Rogers addressed her section of the Executive Management report.

Ms. Rogers commented that Convocation was a successful event and it was wonderful to have it in person again. A new NAIT marketing campaign will be launched this summer which has been in the works for some time.

Mr. Gerard Hayes briefly spoke on his new portfolio and noted that preparations are underway for student orientation this fall and he is working closely with the NAITSA team. He also advised that the new Gender-based Sexual Assault Policy is being finalized and will be put forward to the Board for approval in September.

Mr. Clayton Davis commented that he is pleased to be on campus more frequently and seeing more staff on campus as well. Mr. Davis was happy to report a high engagement score with the staff engagement survey. He will discuss this further with the OKR update later in the meeting.

Mr. Davis also noted for the Board that there are indicators that the Management and Excluded (MAE) employees salary freezes imposed by government could be lifted. He noted that the salaries and the grids had both been frozen and to expect adjustments. There is currently a growing disparity between union and non-union employees as a result of the freeze.

Moved by Jean-Paul Prévost that the consolidated Executive Management Report be accepted for information.

Seconded, Carried

4 COMMITTEE REPORTS

4.1 ACADEMIC COUNCIL *(Laura Jo Gunter)*

- Written Committee Chair's Summary Report as attached

4.2 CAMPUS DEVELOPMENT COMMITTEE *(Paul Verhesen)*

- Written Committee Chair's Summary Report as attached

4.3 EXECUTIVE COMMITTEE OF THE BOARD *(Ray Pisani)*

- Written Committee Chair's Summary Report as attached

4.4 AUDIT COMMITTEE *(Kris Mauthe for Kristina Williams)*

- Written Committee Chair's Summary Report as attached

4.4.3 Approval of NAIT's Audited Consolidated Financial Statements for the Year-Ended March 31, 2022

Ms. Kristina Williams addressed the audited consolidated financial statements for the year ended March 31, 2022 in the meeting materials. Ms. Williams thanked management and the finance team for their hard work to complete this on a tight timeline. Ms. Williams was pleased to note that it was a clean audit.

Ms. Williams invited Mr. Dumont to provide a presentation on the financial statements.

Mr. Dumont discussed the various key numbers in the statements.

- Year-end results showed a small deficit of \$2.4M, down from a Q2 forecast of a deficit of \$11.4M. Although this is an improvement, it is still important to work towards healthy surplus budgets so that funds can be reinvested into the institute. The deficit represents less than 1% of NAIT's total revenues.
- Revenue variances impacted the results with fewer domestic and international enrolments than was budgeted, as well as lower apprenticeship and continuing education enrolments. Overall, student tuition and related fees were below plan by \$14.3M.
- Investment income was lower by \$4.5M. Much of this is due to the timing of realization of gains, as our unrealized gains increased by \$9.6M.
- On a positive note, donations and other grants were up 15.2% to \$11M, \$1.45M over budget.
- The staff vacation liability, while reduced in the year by \$2.3M, is still high and messages continue for staff to use their vacation both for their own mental health as well as the liability reduction.
- Under the Grant and Other section, this represents the academic areas, administration, etc. which fell short of budgetary goals by \$5.1M. There are several factors included in this number, including lower tuition of \$13.8M and lower investment income of \$4.5M. However, lower salaries of \$6.9M helped offset these lower revenues, along with lower amortization of \$9.5M.
- Continuing Education revenues were also down slightly. However, Continuing Education was able to deliver its courses more efficiently thereby improving their bottom line by \$1.1M over budget.

The Board then discussed the financials with Mr. Dumont. It was commented that Q2 was a difficult quarter so it is positive to see some recovery. Discussion ensued on NAIT's sustainability going forward. Working towards surplus budgets will be important.

The funding targets are now set with the Investment Management Agreement. While achieving those funding targets is reasonable, there may still be mitigating factors out of NAIT's control that may affect the targets.

Discretionary spending is still be monitored for only high priorities and non-urgent discretionary spending is being held in abeyance.

Moved by Kristina Williams that the Board of Governors approves NAIT's audited consolidated financial statements for the year-ended March 31, 2022.

*Seconded, Carried
(No abstentions)*

4.5 FINANCE COMMITTEE *(Kristina Williams)*

- Written Committee Chair's Summary Report as attached

4.5.4 Approval of NAIT's Investment Management Agreement (IMA)

Ms. Kristina Williams introduced the Investment Management Agreement that NAIT will enter into with the Minister. She noted that the Finance Committee discussed this at length at its meeting and thanked management for their work on the targets. The funding calculation has not yet been defined by the Ministry.

Ms. Williams then invited Ms. Gunter to give a brief overview. Ms. Gunter advised that the IMAs are now a requirement for every post-secondary. The IMA also contains NAIT's Mandate Statement which has been carried over from last year. The at-risk funding for 2022-23 is 15% of the base operating grant. Then it increases to 25% for 23/24 and 40% for 24/25.

Jeff Dumont, Peter Leclaire and Michael Haworth then provided a short presentation on the IMA and the Performance-based Funding metrics that form part of the IMA.

Mr. Haworth pointed out the four at-risk funding targets for NAIT:

- a. Work-Integrated Learning (WIL)
- b. Domestic Degree, Diploma, Credit programs (DDCP) enrolment
- c. Domestic Apprenticeship (APPR) Enrolment
- d. Grad Employment Outcome

Mr. Haworth advised that the metrics were discussed with the Ministry and the targets set are achievable. Each of the targets also have tolerance thresholds for some adjustment if necessary.

The four metrics to achieve for 2022/23 are:

- 1) WIL – target 76% (tolerance band 3%)
- 2) Domestic DDCP – target 9,540 FLEs (tolerance band 763)
- 3) Domestic APPR – target 7,654 (tolerance band 612)
- 4) Grad Employment Outcome – target 93% (tolerance band 5%)

There is one transparency metric – International Enrolment. There is no funding at-risk associated with this metric. It was advised that the targets are negotiated every year.

The Minister has the discretion whether or not to penalize an institution if a target is not met. It was noted that for apprenticeships, the numbers are set by AIT but the threshold was increased to mitigate risk. NAIT has scored quite high with employment outcomes so it was determined this target would be achievable.

The metrics and funding risk scenarios were discussed with the Board and management.

Moved by Kristina Williams that the Board of Governors approve NAIT's Investment Management Agreement and Performance-based Funding metrics.

*Seconded, Carried
(No abstentions)*

4.6 FOUNDATION TRUSTEES (*Kris Mauthe for Kristina Williams*)

- Written Committee Chair's Summary Report as attached

4.7 GOVERNANCE COMMITTEE (*Yasmin Jivraj for Andy Neigel*)

- Written Committee Chair's Summary Report as attached

4.7.5 Approval of NAIT's Mandate and Roles Document (MRD)

As Mr. Neigel was not able to attend the meeting, Ms. Yasmin Jivraj provided an overview of the Mandate and Roles Document on his behalf. The MRD is a requirement of the *Alberta Public Agencies Governance Act* (APAGA) and as post-secondaries fall under APAGA, this must be completed by each PSI.

MRDs provide clarity regarding a public agency's mandate, the roles and responsibilities of key governance positions, and an agency's accountabilities to the responsible Minister.

The current MRD has been in place since 2014 and now the Ministry has created a new template for all PSIs that only contains the relevant information from APAGA. It is now more streamlined.

The draft MRD was reviewed and discussed in depth by the Governance Committee. Once the draft MRD in the meeting package is approved by the Board, it will be submitted to the Ministry to review and if approved, it will be sent back for the Board Chair's signature and then the Minister will sign it off. This is expected to be completed by the fall.

The Mandate Statement that is also in the Investment Management Agreement, is imbedded into the MRD as well.

There were no concerns raised by the Board.

Moved by Yasmin Jivraj that the Board of Governors approve the proposed Mandate and Roles Document for submission to the Ministry for review and approval.

Seconded, Carried

4.8 HUMAN RESOURCES COMMITTEE (*Vi Becker*)

- Written Committee Chair's Summary Report as attached

4.9 INDUSTRY PARTNERSHIPS AND EXTERNAL RELATIONS COMMITTEE (Janet Riopel)

- Written Committee Chair's Summary Report as attached

Moved by Vi Becker that the Board of Governors accept the written Chairs' Summary Committee Reports as presented for information.

Seconded, Carried

5 PRESENTATIONS

5.1 Mawji Centre for New Venture and Student Entrepreneurship

Mr. Leclaire introduced Ryan Young, Associate Dean of Industry Engagement for the JR Shaw School of Business (JRSSB), Ms. Cecile Wendlandt, the Coordinator for the Mawji Centre, and Niki Kearl, who is a student from the JR Shaw School of Business in the BTech program in JRSSB, to give an overview of the Mawji Centre for New Venture and Student Entrepreneurship. Mr. Leclaire commented that the Mawji Centre is an exciting opportunity for students who are interested in entrepreneurship.

Mr. Young noted that the Mawji Centre's focus is on entrepreneurship and innovation. The Centre receives a generous yearly donation from Mr. Ashif Mawji that started in 2017 when it opened. NAIT's relationship with industry is important to the Centre as it also helps to grow the economy with helping future entrepreneurs. The Centre assists students to excel from intrapreneurs where they learn about becoming entrepreneurs and stepping outside their programs to excel in the community, to finding the business they want to be in. There are speakers and networking events at the Centre.

A new program has launched called, "The Entrepreneurship Blue Book Program" which will help students from taking an idea from a seed to launching it in one academic year. They were planning to have 25 students in the program this past year and over 50 students applied. International students who apply to take this program will receive extra points and may be prioritized for a special visa to allow them to stay in Canada to work on their business idea.

The program has caught the attention of businesses outside of NAIT as well. The TD Bank is sponsoring \$300K over three years to help expand the program. The Centre has also been able to secure other donations to help with operational expenses.

This fall it is hoped to accept 50 students into this program. Over the past five years, there has been a dramatic increase in the level of entrepreneurship on campus. The Centre worked with five student companies in winter semester of 2018 with 300 students attending the sessions. Last semester, the Centre worked with 140 student start-ups and had 400 students attending the sessions, with over 190 being repeat users.

Ms. Kearl then discussed what she learned through the Mawji Centre and how it helped her to become a successful entrepreneur, even when starting her business during the pandemic.

The Board engaged in a short discussion with the presenters. Mr. Pisani thanked them for their time and the presentation to help the Board to better understand what the Mawji Centre does for students.

5.2 Board Objectives and Key Results Update

Ms. Gunter and Mr. Haworth provided an update on the Board's Objectives and Key Results (OKRs) completed to date. It was reported that 52% have been completed, compared to 24% when the Board last met in March. Most outstanding OKRs are on target as we are half-way through the year (the OKRs were approved in December 2021), with only 2% needing to have their targets re-evaluated and 5% of targets struggling or slow going.

The OKRs were reviewed for progress. It was noted that the OKR focused on this year's IMA PBF target has been reached. New PBF targets in the 2023-25 IMA will become a new OKR.

6 IN-CAMERA SESSION WITH BOARD OF GOVERNORS

The Board moved to an *in-camera* discussion and guests departed. Mr. Pisani thanked guests for attending the meeting. Mr. Pisani requested Executive Management, Mr. Haworth and Ms. Timmer to remain for the *in-camera* discussion.

Moved by Priti Laderoute that the Board move to an in-camera session.

Seconded, Carried

At this time, Annemarieke Hoekstra and Jean-Paul Prévost declared a conflict of interest with discussion item 6.1 and departed the meeting.

6.1 Labour Relations Update

Mr. Davis provided a labour relations update.

Moved by Vi Becker that the Board exit the in-camera session.

Seconded, Carried

7 CORRESPONDENCE

For information.

8 BOARD MEMBER CONTACT LIST

For information.

9 NEXT BOARD MEETING

The next Board Meeting will be Tuesday, September 27, 2022 at 4:00 p.m.

10 ADJOURNMENT

*Moved by Yasmin Jivraj that the Board of Governors meeting be adjourned at 6:12 p.m.
Seconded, Carried*

Ray Pisani – Chair, Board of Governors

Laura Jo Gunter - President