



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

**Minutes of the
One hundred forty-sixth regular meeting of the
Board of Governors**

**Tuesday, May 16, 2017
4:00 to 7:25 pm**

O102P Governors' Boardroom

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|-------------------------|---------------------|---------------------------|---------------------|
| Members Present: | Ray Martin (Chair) | Daryl Kruper (Vice Chair) | Dr. Glenn Feltham |
| | Allan Mah | Garry Wilson | Joel Benitez |
| | Jeffrey Mason | Keith Meagher | Mary Lynne Campbell |
| | Matthew Woodley | Ray Pisani | Randy Tribiger |
| | Tamara Russell | Valerie Berger | Vi Becker |
| | Yasmin Jivraj | | |
| Resources: | Dr. Ray Block | George Andrews | |
| | Dr. Sue Fitzsimmons | Kevin Shufflebotham | |
| Recorder: | Sandy Timmer | | |

Mr. Ray Martin welcomed everyone to the meeting and his inaugural meeting as Chair of the Board. He also welcomed the new public members to the Board of Governors to their first meeting – Vi Becker, Yasmin Jivraj, Matthew Woodley and Mary Lynn Campbell.

Mr. Martin acknowledged and thanked Val Berger's work as interim Chair during the vacancy period between Brent Hesje's departure and Mr. Martin's appointment.

This is the final meeting of the academic year and Mr. Martin thanked those who would be leaving the Board prior to the next meeting in October – Tamara Russell, a NAITSA student representative, and Garry Wilson, a NASA representative who will be taking on the role as NASA president in August.

Mr. Martin stated that there were two items of note for the Board in the meeting: the approval of the Comprehensive Institutional Plan (CIP); and a presentation on the NAIT Alumni Engagement Survey.

1. Call to Order

Mr. Martin called the meeting to order at 4:03 p.m.

1.1 Approval of the Agenda

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

Carried

1.2 Approval of Minutes of the Meeting on December 13, 2016

Moved by Val Berger that the minutes of December 13, 2016 be approved as presented.

Carried

1.3 Approval of the Records of Asynchronous Votes held between December 14, 2016 and May 15, 2017:

- 1.3.1 Record of the Asynchronous Vote of December 22, 2016 re: International Tuition and Spruce Grove Land Purchase
- 1.3.2 Record of the Asynchronous Vote of February 15, 2017 re: Naming Grids and Donor Recognition
- 1.3.3 Record of the Asynchronous Vote of February 15, 2017 re: Honorary Degree Nominations
- 1.3.4 Record of the Asynchronous Vote of March 23, 2017 re: Committee Appointments

Moved by Dr. Glenn Feltham that the Board of Governors accepts the records of the Asynchronous Votes of December 22, 2016; February 15, 2017 and March 23, 2017 as information.

Carried

1.4 Business Arising

There was no business arising from the previous meeting.

2. NAIT Executive Reports

2.1 Office of the President and CEO

Dr. Glenn Feltham discussed his report for the Board. He wished to thank NAIT Executive, Academic Council, President's Council and the broader leadership at NAIT for all their work in making NAIT a world-leading polytechnic.

Dr. Feltham pointed out that this year's Convocation was the largest in NAIT's history and thanked Board members for attending the ceremonies.

He noted that we are excited to have the new members in place and now have a full Board. We look forward to working with everyone as we continue to work towards NAIT 2021 and beyond. NAIT has been very fortunate to have had strong board members with a deep understanding of education, industry and the needs of Alberta. There will be two

appointments in the fall as two members come to the conclusion of their terms and one anticipated re-appointment. Once those appointments have been made, we should have board stability for several years.

NAIT continues to focus on purposeful growth for the institute. Again this year, we are projecting significant growth in credit programming. However, there will be a decrease in apprenticeship numbers. There is a direct relationship of the decline in the skilled trades to the downturn in the economy as apprentices need to be employed and work their required hours to enroll in apprenticeship classes.

As employment in the skilled trades has decreased, this has affected our apprenticeship registration. This has also had an effect on apprenticeship staff. We have reduced our academic staff complement by approximately 60 members across 12 trades programs and Instrumentation. The decline in the skilled trades is expected to continue for approximately 3-5 years. We have worked with our Staff Association on the redundancies and finding other opportunities for these members who are affected. One of these opportunities is for staff to enroll in the new Trades to Degree program if they wish with NAIT contributing the tuition.

NAIT continues to make great progress in campus development. The last five years has seen the most campus development in all of NAIT's history. A major project currently underway is the Productivity and Innovation Centre (PIC). This will be a transformational facility for NAIT, and will provide a critical opportunity for us to further develop and strengthen our ties to industry. It will be the place industry comes to succeed and become more globally competitive. Recently, Dr. Sue Fitzsimmons, Dr. Feltham, and others from NAIT as well as a past board chair, James Cumming, visited several PIC-type facilities in the U.S. These visits provided a greater perspective and will help to inform our strategic and operational decisions related to PIC.

We are expecting to finish off the fiscal year in a small deficit position as a result of two factors: the anticipated land transfer of the South Lands did not transpire during this fiscal year (which would have added \$14M revenue) and, due to the staff reductions in the apprentice programs, we incurred unanticipated severance costs. However, long-term sustainability remains a key focus and decisions are made in the context of NAIT being a world-leading polytechnic. We continue to support growth and are keeping our long-term vision, promises and values at the forefront so NAIT can be a world-leading polytechnic.

Our relationships with the three levels of government has led to many successes. Dr. Feltham noted that he continues to meet regularly with the Deputy Minister of Advanced Education in his role as Chair of the Council of Post-secondary Presidents of Alberta. He works with George Andrews and Warren Singh to further define NAIT's advocacy strategy. Dr. Feltham's role as Chair of Polytechnics Canada has also offered him face-to-face discussions with various federal ministers to advance the agenda of polytechnic institutes across Canada.

NAIT continues to provide leadership on various initiatives that the provincial government currently has underway. These initiatives include the review of Agencies, Boards and Commissions (ABCs), executive compensation, the post-secondary quality assurance model and the admissions and transfers model.

Currently, the most significant challenge we have with the municipal government is the purchase of land at Blatchford. We continue to meet with the municipal administration in an effort to conclude this. Having the additional land at Blatchford would allow NAIT to expand and include potential student residences.

Dr. Feltham briefly touched on the three emergency incidents that occurred in February and noted that coincidentally, at that time, we were undertaking a review of our emergency management system which is expected to be rolled out shortly.

Items of interest that Dr. Feltham noted:

- NAIT is expected to receive \$4.8M in federal research funds which is the most of any other polytechnic or college in the country.
- On April 20th, Dr. Feltham signed a Letter of Intent with one of China's largest electric bus companies to jointly – with SAIT – develop curriculum and provide education to service these electric buses.

Dr. Feltham was pleased to note that the Auditor General gave NAIT an across the board “green dot” scorecard for internal controls which indicates that we have met all accuracy and timeliness of reporting and for fulfilling outstanding recommendations. Glenn congratulated the Finance team for their efforts to achieve this.

In the area of risk, NAIT's risk profile remains reasonably stable and we continue to work on strategies to mitigate risk.

Dr. Feltham concluded his report.

2.2 VP Administration and CFO

Dr. Ray Block provided a brief overview of his report. He wished to thank all the NAIT staff who worked in the completion of this year's Budget. Financial stability is top of mind for all departments at NAIT.

Challenges to the financial outlook include the new legislation changes allowing for the provision of strikes/lockouts and being prepared for that.

Cybersecurity is a major focus to keep NAIT's cybersecurity strong. We have approximately 100,000 cyber-attacks daily and maintaining a robust firewall is critical to deflecting these attacks.

We continue to look at various options to provide student housing.

A question was raised on Strategy 1.2 in Dr. Block's report regarding “bring your own device” had having sufficient computers in the labs during peak times. Ray will investigate and report back to the board.

2.3 VP External Relations and CDO

On corporate training, gross billings are approximately \$17M year-to-date which is down slightly. We will be close to year-over-year contributions.

Congratulations to Mike Meldrum and the Advancement team in that they have been able to raise nearly \$19M which has been challenging given the current economic state of the province. Much of the results we are seeing this year has been the result of the work they have done over the past few years to achieve this. We are also very grateful to one of our alumnus, Mr. Ashif Mawji, who has donated \$1M to NAIT and this is the largest donation of any alumni. We are approximately 98% of the way to achieving our \$100M fundraising goal by 2018.

We continue to leverage our presence with social media to drive our brand and will be looking at how our branding is working in concert with our fundraising.

Asked if we expect a dip in fundraising over the next year, Mr. Andrews advised that we are anticipating this but will continue our efforts in fundraising and ensuring our relationships are strong.

2.4 Provost (Kevin Shufflebotham) and VP Academic (Sue Fitzsimmons)

Dr. Sue Fitzsimmons discussed the joint report from the VP Academic and Provost portfolios.

The report also includes alignment with the Strategic Plan and our Academic Plan.

She and Kevin are working with the Human Resources department to put supports in place for the Chairs in their new roles. They are continuing with the curricular review and renewal process to ensure our programs are leading-edge in terms of curriculum. They are also in the final stages of completing our polytechnic education model document.

In terms of polytechnic research and innovation blend, we continue to achieve funding research grants. We continue to work on the integrated model for PIC for serving industry. The recent visit to the US innovation facilities was helpful to further refine and focus on what our PIC facility will do.

We have completed our Sexual Violence and Prevention and Response Policy which is in alignment with the requirements from provincial government. The policy has been approved by NAIT's Executive and has been sent to the Minister. The policy has been included for the Board's information.

Discussions with the NAIT Students' Association in respect of international tuition and the increases that were recently implemented have been productive and have created a better framework for this in the future.

We are working with NAIT's Communications department to improve internal communications within our portfolios.

Kevin Shufflebotham addressed the portfolio's focus on purposeful growth that is critical to NAIT and noted that the credit programs have had the highest growth since NAIT's inception. At the same time, we are facing the challenges to the apprentice programs and the reduction of 3100 seats. As mentioned by Dr. Feltham, we are working with the Staff Association, our HR department and the School of Trades, on the redundancies to staff so as provide both compassion and reduced economic impact to the impacted staff.

There is a joint initiative with the School of Health and the JR Shaw School of Business to create a health administrator degree program.

Kevin also wished to acknowledge the generous donation from Ashif Mawji of \$1M for the Mawji Centre for New Venture and Student Entrepreneurship at the JR Shaw School of Business. As well, a partnership agreement with CAE Healthcare has been entered into. CAE is a world-leading provider of simulation equipment. Over 80 groups toured the simulation labs in CAT.

Organizational Development Services and Learning and Teaching Commons departments have been instrumental in assisting with the changes in the academic portfolio with training sessions and information sessions for staff in their new roles. We continue to listen to feedback.

Mr. Shufflebotham also wished to congratulate Stewart Cook on his new role as Dean of the School of Applied Sciences and Technology.

3. Committee Reports

3.1 Academic Council (Dr. Glenn Feltham)

Dr. Feltham reviewed the minutes of the three meetings of Academic Council that have taken place since December 2016.

It was pointed out that in the February 6th there was a presentation on the Trades to Degree program. At the March 20th meeting, Academic Council discussed enrolment challenges in the skilled trades. At the last meeting on April 24th, Academic Council was provided with a presentation on a degree program in health administration that would be jointly delivered through the School of Health and Life Sciences and the School of Business. These pathways are ensuring that students have a continuous opportunity to learn and is meeting our promise to students.

3.1.1 Minutes of the Meeting of February 6, 2017

3.1.2 Minutes of the Meeting of March 20, 2017

3.1.3 Minutes of the Meeting of April 24, 2017

Moved by Dr. Glenn Feltham that the minutes of the February 6, March 20 and April 24, 2017 meetings Academic Council be accepted as information.

Carried

3.2 Campus Development Committee (Allan Mah)

Allan Mah, Chair of the Campus Development Committee, provided a review of the minutes of the meetings of January 30, March 6 and April 11th of the Campus Development Committee. As well, he asked Val Berger, Chair of the Finance Committee, to assist with the various motions from the Joint Meeting of the Campus Development Committee and Finance Committee held on April 11th.

3.2.1 Minutes of the meeting of January 30, 2017

At the meeting on January 30, 2017, the Campus Development Committee was provided with an update on the Blatchford lands negotiations with the City. The Committee was informed that the parties (NAIT, City and Provincial Government) were working towards completing a further appraisal as agreed by the City and Provincial Minister. A revised Terms of Reference was to be done so that a third and final appraisal can be completed for a final valuation on Blatchford. This was agreed to by all parties to be completed by March 30, 2017.

The Committee was updated on the status of the purchase of the two parcels of land at Spruce Grove adjacent to the Spruce Grove Campus.

Moved by Allan Mah that the Campus Development Committee meeting minutes of January 30, 2017 be accepted as information.

Carried

3.2.2 Minutes of the Meeting on March 6, 2017

Mr. Mah informed the Board that at this meeting, the Committee was advised that all three negotiating parties on Blatchford – NAIT, City, and Province – were not able to come to an agreement on the Terms of Reference for the third appraisal on the Blatchford lands appraisal. The City instead indicated that a counter-proposal would be forthcoming.

Management requested support from the CDC to move forward with the purchase of the Western Hog Exchange Building, which is located in-between our current HR Building and the Marketing & Communications Building. The CDC did offer its support for Management to proceed with the offer to purchase.

The Committee was given an update as to the progress of the renovations for the T and L Buildings.

Mr. Mah advised that a new zone under City Zoning for NAIT was accepted. The Urban Institutional Zone (UI Zone) will allow NAIT more flexibility for development with this zoning change. This zone is currently being used with other post-secondary institutes such as the U of A and MacEwan.

The lease on the Distribution Centre was to be extended for another five years as well as the lease at Edmonton Research Park to be extended for an additional nine months for a special project. The lease of space at Northern Lakes College was also to be extended for the Boreal program.

The Committee was updated on the purchase of land at the Spruce Grove campus and was advised that the smaller of the two land parcels was purchased. The land transfer is to take place at the end of May 2017. The larger parcel of land will be revisited at a later date.

Moved by Allan Mah that the Campus Development Committee meeting minutes of March 6, 2017 be accepted as information.

Carried

3.2.3 Record of the Asynchronous Vote of March 13, 2017 to award the General Contractor for the T Building

Mr. Mah advised that the Campus Development Committee held an asynchronous vote on March 13, 2017 to approve the award of the contract of General Contractor for the T Building to Carlson Construction Ltd. in the amount of \$9,833,102 plus GST.

Moved by Allan Mah that the Board of Governors accept the asynchronous vote of March 13, 2017 as information.

Carried

3.2.4 Minutes of the Joint Meeting with Campus Development Committee and Finance Committee meeting of April 11, 2017

Mr. Mah invited Val Berger to speak to the joint meeting of the Campus Development Committee and the Finance Committee meeting held on April 11, 2017.

Ms. Berger commented that both Committees met on April 11th as several items required the input of the Finance Committee.

Mr. Mah provided the Board with an update to the L and T Buildings. He advised that the scope has been modified as there have been some changes to the original scope plans for both buildings. Accordingly, increases to the budgets for both buildings was required. The scope changes are outlined in the meeting materials.

Mr. Mah noted that it was recommended that the 5th floor of the Tower be fully renovated to accommodate the move of the Facilities Management and Development department to that floor. The increased scope change totals \$2.6M.

3.2.5 CAT Contingency and CAT Cascading Reserve

Ms. Berger reported that the financial results for the Centre for Applied Technology (CAT) were discussed by the Committees and with \$13.3M remaining in the CAT Contingency Reserve, it was recommended to hold back \$1M and transfer \$12.3M to the CAT Cascading Reserve. The Cascading Reserve is used for capital funding that is not specific to CAT.

The budget for CAT was also revised to \$253,646,926. Ms. Berger proposed the following motions on behalf of both the Finance Committee and the Campus Development Committee:

Moved by Val Berger that the Board of Governors approves that the budget for the Centre for Applied Technology (CAT) project be revised to \$253,646,926 and that the surplus funds be transferred to the CAT Cascading Reserve.

Carried

Moved by Val Berger that the Board of Governors approves a transfer of \$12,336,004 from the Centre for Applied Technology capital reserve to the CAT Cascading Reserve.

Carried

3.2.6 L Building Upgrade and Recommended Scope Change

Moved by Val Berger, Chair of the Finance Committee, and Allan Mah, Chair of the Campus Development Committee, that the Board of Governors increase the L Building renovation project budget by \$1,579,000, bringing the total project budget to \$13,278,757, with the increase to be funded out of the Centre for Applied Technology Cascading Capital Reserve.

Carried

3.2.7 T Building Upgrade and Recommended Scope Change

Moved by Allan Mah and Val Berger that the Board of Governors increase the T Building renovations project budget by \$4,210,000, bringing the total project budget to \$20,618,952, with the increase to be funded out of the Centre for Applied Technology Cascading capital reserve.

Carried

Mr. Mah thanked Ms. Berger for her assistance with the motions on behalf of the Finance Committee.

3.2.8 Minutes of the Meeting of April 11, 2017

Mr. Mah wished to note that the April 11th CDC meeting also included the approval to award the contract for the General Contractor for the L Building to Carlson Construction Ltd. The amount of the award was \$5,942,205 plus GST.

Moved by Allan Mah that the Board of Governors accepts the minutes of the Campus Development Committee meeting of April 11, 2017 as information.

Carried

3.2.9 Naming Grids & Donor Recognition

Mr. Mah reported that at all three of the CDC meetings, there were a number of additions to the Naming Grids as well as Donor Recognition. These are put forward for the Board's approval. It was noted that the Melcor Family have donated \$1M for naming of the Spruce Grove Campus. This was previously approved by an asynchronous vote of the Board. The list of the naming grids and donor recognition is contained in the meeting material.

Dr. Feltham noted that it was the Board's decision several years ago to put naming values for donations and to have this come back to the Board for approval. This ensures recognition is consistent.

Moved by Allan Mah that the Board of Governors approve the addition to NAIT's naming grids as provided at the meeting on January 30, 2017.

Moved by Allan Mah that the Board of Governors approve the donor recognition as provided at the meeting on March 6, 2017.

Moved by Allan Mah that the Board of Governors approve the addition to NAIT's naming grids as provided at the meeting on April 11, 2017.

Carried

3.3 Executive Committee (Ray Martin)

3.3.1 Minutes of the meeting of February 28, 2017

Ray Martin briefly reviewed the minutes of the February 28th meeting of the Board's Executive Committee. As he was not appointed as Chair yet, he asked Val Berger, interim Board Chair at that time, to move for the acceptance of the minutes.

The Committee also held an *in-camera* session with Board members only.

Moved by Val Berger that the Board of Governors accepts the minutes of the Executive Committee meeting February 28, 2017 as information.

Carried

3.4 External Relations Committee (Vi Becker)

3.4.1 Minutes of the meeting of April 12, 2017

As the new Chair of the External Relations Committee, Vi Becker, provided a review of the meeting of the Committee on April 12th. Ms. Becker reported that the Committee was updated on the institute's marketing and communications activities by Susan Cline. The Committee was also informed by Mike Meldrum on the fundraising activities and where we are at on achieving the fundraising goal.

We continue to develop our relationships with the three levels of government. The federal government has skills and innovation high on their list which fits well with polytechnic education.

A visit and tour with the Mayor and some City Councillors was had on site in March and it was an opportunity to show them some of the unique aspects of NAIT and what we can offer to students such as the simulation labs.

Moved by Vi Becker that the Board of Governors accepts the External Relations Committee meeting minutes of April 12, 2017 as information.

Carried

3.5 Audit Committee (Valerie Berger)

3.5.1 Minutes of the Meeting of March 1, 2017

Ms. Berger discussed the Audit Committee's meeting held on March 1, 2017. She advised that the Auditor General's Office attended that meeting to present the audit plans for both NAIT and the NAIT Foundation. It was noted that the materiality for the audit was raised to \$11M from \$9.9M the previous year.

The Committee was informed MNP has reviewed the institute's Disaster Recovery Plan as part of NAIT's Business Continuity Plan. The Committee was advised that the evaluation indicated that NAIT's IT security is one of the more advanced aspects of the current program. An external consultant will perform a sequence of two table-top tests on the IT security. After the conclusion of the tests, NAIT will receive suggested

improvements from the testing and will incorporate, where practical, best practice recommendations. A report to the Audit Committee will come in the fall.

Moved by Val Berger that the Board of Governors accepts the minutes of the Audit Committee meeting of March 1, 2017 as information.

Carried

3.5.2 Compliance Certificate – October 1-December 31, 2016

The Compliance Certificate for the quarter October 1-December 31, 2016 was reviewed. No concerns were raised.

Moved by Val Berger that the Board of Governors accept the Compliance Certificate for the period of October 1 to December 31, 2016 as information.

Carried

3.5.3 Minutes of the Meeting of April 25, 2017

Ms. Berger provided a summary of the minutes of the Audit Committee meeting on April 25, 2017. The Audit Committee was updated on the status of the claim for the fire in G-Wing. An amount has been designated for the claim (estimated over \$6 million) which includes ancillary services and refunds to students for cancelled classes. Ms. Berger noted that the adjuster praised all those who they have dealt with on this matter at NAIT. All potential costs are being tracked.

The Committee received information on IT Key Metrics Education Analysis for 2016 that outlines a comparison of IT spending in the Alberta educational system and what NAIT spends on IT. NAIT's CIO is comfortable with NAIT's IT spending level compared to the benchmark. The Committee was advised that NAIT has a state-of-the-art firewall protecting it up to 100,000 cyber-attacks daily. Cyber insurance was discussed and it was indicated that the premiums are reduced with improved safety levels.

Risk registers were also reviewed and as it is a living document, it continues to evolve. It is envisioned to have one risk register for the institute.

Internal Audits were undertaken in various departments and no major concerns were raised. Some recommendations were made for efficiency improvements.

Moved by Val Berger that the Board of Governors accepts the minutes of the Audit Committee meeting of April 25, 2017 as information.

Carried

3.5.4 Compliance Certificate – January 1-March 31, 2017

The Compliance Certificate for the quarter was approved.

Moved by Val Berger that the Board of Governors accept the Compliance Certificate for the period of January 1 to March 31, 2017 as information.

Carried

3.6 Finance Committee (Valerie Berger)

3.6.1 Minutes of the meeting on March 1, 2017

Val Berger briefly reviewed the meeting of the Finance Committee on March 1, 2017.

The Financial Report was presented to the Committee and will be presented for acceptance by the Board of Governors.

Moved by Val Berger that the Board of Governors accepts the minutes of the Finance Committee meeting of March 1, 2017 as information.

Carried

3.6.2 NAIT's Financials – Financial Report for the Quarter Ended December 31, 2016

The Board reviewed the financial report for the quarter ended December 31, 2016.

Moved by Val Berger that the Board of Governors accept the December 31, 2016 financial report as information.

Carried

3.6.3 Indemnification of ICON Advisory Committee External Members

Ms. Berger advised that the ICON group – Investment Club of NAIT – has two external members. We provide indemnification to the external members in the exercise of their duties as per s.119 of the *Post-secondary Learning Act* (PSLA). Aaron Brown and Eric Pedde are the two external members to be indemnified. No concerns were raised by the Board.

Moved by Val Berger that the Board of Governors approves the indemnification of the ICON Advisory Committee External Members – Aaron Brown and Eric Pedde.

Carried

3.6.4 Minutes of the Meeting of April 25, 2017

The minutes of the Finance Committee meeting of April 25, 2017 were briefly reviewed. Ms. Berger indicated that the draft Comprehensive Institutional Plan (CIP) for NAIT was reviewed at the meeting.

Ms. Berger then called upon Dr. Feltham to provide the Board with an overview of the final CIP for the Board's review and approval.

3.6.5 Comprehensive Institutional Plan (CIP) Approval

Dr. Feltham provided a short presentation on the Comprehensive Institutional Plan 2017/18 and 2019/2020. Dr. Feltham noted that this document is a 3-year plan for the institute and is legislated under the PSLA. The CIP identifies the institute's strategies, financial plans, priority initiatives and performance metrics to be implemented that will move the institute towards achieving NAIT 2021.

The document aligns with the Government's strategic priorities. The goals in the Plan align with NAIT's Strategic Plan and NAIT 2021. It sets out the goals of the institute and the Annual Report at the end of the year then reports back on the progress of those goals.

The Government's principles drive the document and how we are to answer those questions. The CIP is compiled by a broad cross-section of individuals at NAIT to provide a robust document.

The five principles outlined by Government that the CIP should meet are:

- Affordability
- Accessibility
- Quality
- Coordination
- Accountability

Dr. Feltham discussed Purposeful Growth for NAIT and how that is to be achieved. The credit programs are seeing significant growth – this is not the case in the skilled trades. Due to the challenges to the economy, the number of seats in many of the apprentice programs have been reduced. The apprentice programs fall under the government's domain as apprentice students are actually clients of the government not of the institute. Accordingly, the seats given by the Alberta Apprenticeship and Industry Training (AIT) are relative to the market situation.

The financials and budget for the CIP were also reviewed by Dr. Feltham for the Board's information.

The Board was satisfied with the CIP document to be submitted to government. Ms. Berger then proposed the following motion for the approval:

Moved by Val Berger that the Board of Governors approves the 2017/18 – 2019/20 Comprehensive Institutional Plan with such non-substantive changes that management of NAIT considers necessary or advisable.

Carried

3.6.6 Approve 2017/18 Tuition Fees

Val advised that the government-implemented tuition freeze is still in effect; however, the ministry of Advanced Education still requires the institute to approve tuition fees.

Moved by Val Berger that the Board of Governors approve the tuition fees, as detailed in the Tuition Fee Compliance documents for the 2017/18 year, for submission to Advanced Education for final approval.

Carried

3.6.7 New year-End Funds and Reserves

3.6.7.1 Strategic Investment Fund

Val indicated that NAIT administration and the Campus Development Committee continue to seek possible land/building acquisitions and in order to manage risks and maximize opportunities, the internal Strategic Investment Fund has available funds for these types of acquisitions when properties/land become available. It is requested to replenish this Fund to a level of \$3M after the 2016/17 fiscal commitments are considered.

Moved by Val Berger that the Board of Governors approves replenishing the Strategic Investment Fund (SIF) to \$3 Million for the fiscal year ending June 30, 2017.

Carried

3.6.7.2 Review of General Research Fund Reserve

The General Research Fund Reserve was refreshed with clearer expectations for the use of the funds. This item will be brought to the Finance Committee annually for review. This fund is also connected to the PIC project in regards to research and is also to be used for other research-funded areas. It was suggested to approve an allocation of \$380,000 to the Fund.

Moved by Val Berger that the Board of Governors approve an internally funded annual research strategic fund allocation of \$380,000 to the General Research Fund internal reserve for the fiscal year ending June 30, 2017.

Carried

3.6.8 NAIT's Financials – Financial Report for the Quarter Ended March 31, 2017

Ms. Berger provided an overview of the Financial Statements for the quarter ended March 31, 2017. Total revenue for the quarter was \$282.7M and actual expenditures were \$286.7M. This resulted in an excess of expenditure over revenue of \$4.0M. Currently, the forecasted budget deficit is \$8.4M for the fiscal year. As we did not realize the land transfer of \$14M, this amount was removed from the forecast and resulted in the deficit.

To be moved by Val Berger that the Board of Governors accept the March 31, 2017 financial report as information.

Carried

3.6.9 NAIT's Quarterly Investment Report as of March 31, 2017

Val reported that the accounting rate of return for the nine months ended March 31, 2017 was 4.17% (5.56% annualized) which is higher than the annualized approved budget rate of return of 4.04%.

Moved by Val Berger that the Board of Governors accept the March 31, 2017 Investment Portfolio Performance report as information.

Carried

3.6.10 Investment Advisory Sub-Committee

3.6.10.1 Investment Advisory Sub-Committee Minutes of a Meeting on April 19, 2017

Moved by Val Berger that the Board of Governors accept the minutes of the Investment Advisory Committee meeting of April 19, 2017 as information.

Carried

3.6.10.2 Investment Advisory Sub-Committee Terms of Reference

Moved by Val Berger that the Board of Governors accept the revised Terms of Reference for the Investment Advisory Sub-Committee as presented.

Carried

3.6.11 Parking Rates Approval

Ms. Berger advised that a market analysis on parking rates at NAIT is undertaken annually to compare our rates to similar public facilities in the surrounding area. Based on the analysis, the rates in the meeting materials were derived. On average, there is an increase of 2.9% for 2017/2018 which is still below market rates. These rates were reviewed and approved by NAIT's Executive Committee and the Campus Development Committee.

Moved by Val Berger that the Board of Governors approve the parking rates for 2017-18.

Carried

3.7 Foundation Trustees (Valerie Berger)

3.7.1 Meeting with Auditor General to Review Foundation Audit Plan for the Fiscal Year Ended June 30, 2017 conducted in conjunction with Audit Committee meeting on March 1, 2017.

Moved by Val Berger that the Board of Governors accept the minutes of the Foundation Trustees meeting held on March 1, 2017 as information.

Carried

3.8 Governance Committee (Ray Pisani)

Ray Pisani reported on the two meetings that were held this spring with the Governance Committee.

3.8.1 Minutes of the Meeting on March 16, 2017

The meeting on March 16th included a review of the Board structure as new public member appointments were made on March 7th. The Committees were reviewed for vacancies and recommendations for placements on the Committees were made. A recommendation was also made to appoint Daryl Kruper as Vice Chair of the Board and is *ex-officio* on all Committees, except the Academic Council, as a non-voting member.

Moved by Ray Pisani that the Board of Governors accepts the minutes of the Governance Committee meeting of March 16, 2017 as information.

Carried

3.8.2 Minutes of the Meeting on April 18, 2017

Mr. Pisani advised that the Committee reviewed the Board By-laws due to the change of adding the Vice Chair role. The Committee also discussed cyber security and recommended the information in Appendix C of the meeting package to the Audit Committee for their consideration.

Moved by Ray Pisani that the Board of Governors accepts the minutes of the Governance Committee meeting of April 18, 2017 as information.

Carried

3.8.3 Board By-law Changes for Approval

The Committee reviewed the Board By-laws for changes to clarify the Vice Chair's role and powers:

- Wording has been added to specify that the Vice Chair is eligible to be appointed as a voting member of any Board committee in accordance with the usual appointment provisions contained in Section 5 of the By-laws.
- Wording has been added to specify that the Vice Chair shall serve as an *ex officio*, non-voting member of all Board committees (except Academic Council) of which the Vice Chair is not already an appointed member (i.e. Chair Human Resources Committee).
- Wording has been added to clarify that the Vice Chair may exercise the Committee Chair's vote during any committee meeting where the Chair is absent or otherwise unable to perform, unless the Vice Chair is already a voting member of that committee and therefore entitled to vote in the capacity as an appointed member of Committee (i.e. Chair Human Resources Committee)

In addition to the above, the following two changes were also proposed:

- The By-laws currently allow written resolutions of the Board to be delivered by facsimile transmission. New wording was proposed to allow resolutions to be delivered electronically in portable document format (".pdf") as well.

Moved by Ray Pisani that the Board of Governors approve the changes to the Board By-laws as presented.

Carried

3.9 Human Resources Committee (Daryl Kruper)

3.9.1 Minutes of the Meeting of March 30, 2017

Daryl Kruper provided a brief review of the minutes of the meeting held on March 30, 2017.

The Committee was advised that AUPE negotiations would be commencing in the next several months. A significant change to the negotiations this time will include the right to strike and lockout as per the changes under the PSLA.

The Committee was updated as to the staff reductions that were occurring in the School of Skilled Trades as a result of the declines in apprenticeship registrations. The HR Department as well as the NASA Executive worked to ensure staff were accommodated as best as possible, including offering pathways to learning if they choose to do so at no cost. Some elected early retirement.

The Government is working on the ABC Review with the focus being on Executive Compensation, and Roles and Mandates.

Moved by Daryl Kruper that Board of Governors accepts the minutes of the Human Resources Committee meeting of March 30, 2017 as information.

Carried

3.9.2 Minutes of the Meeting of April 18, 2017

Mr. Kruper reported on the meeting of the Human Resources Committee of April 18, 2017.

The Committee was updated on the status of the redundancy notifications to staff. Mr. Kruper thanked Clayton Davis, Malcolm Haines and their teams for their compassionate handling of these very difficult circumstances due to reduced enrolments in the trades.

Government continues to move forward on their ABC review and they have sent out a request for information to the post-secondary institutes on senior Executive compensation. Mr. Kruper noted that he and Dr. Feltham have also met with Advanced Education Minister Schmidt on this matter. A presentation to the Board will be made in the fall.

NAIT has received notice to commence bargaining from AUPE. It is expected that the negotiating teams will meet in the early fall.

Mr. Kruper advised that Bill 7 – An Act to Enhance Post-secondary Academic Bargaining – passed on April 6th and is expected to impact collective bargaining. This Bill moves the PSLA under the Labour Code and will have impact on the right to strike and lockout.

The Employee Engagement Survey has been issued to all staff and the results of the survey will help to inform decisions by Executive for NAIT's present and future. The Committee will receive a summary at its next meeting.

Daryl was pleased to report that NAIT received the Best Overall Employer Award from Alberta Venture magazine and Top 70 award from MediaCorp. This is NAIT's 6th consecutive year to receive this award.

It was reported that Kevin Davediuk, Chief Negotiator for the Government, held a consultation meeting on bargaining direction with Executive and HR representatives from the PSIs on the expectations from government on bargaining outcomes.

Mr. Kruper was pleased to advise that Kevin Davediuk will be attending at the HR Committee meeting on June 22, 2017 to discuss this in further detail with the Committee.

Health and Safety Services was transferred from Human Resources to the Facilities Management department to better improve efficiencies and communications. NAIT hosted a Health and Safety conference recently and Keith Meagher attended the conference on behalf of the Board. Mr. Meagher commented that the presentation was very informative.

Moved by Daryl Kruper that Board of Governors accepts the minutes of the Human Resources Committee meeting of April 18, 2017 as information.

Carried

4. Presentation and Discussion

4.1 NAIT Alumni Engagement Survey

Dr. Feltham provided a brief introduction on this presentation and noted that it was important that we look at alumni as a valuable resource and keeping them engaged after graduation. We examine perceptions of industry, students, staff but it's also important to examine the perceptions of alumni once they are out in the work world. Their feedback has been helpful to NAIT to see that what we are teaching is relevant outside the classroom. There are over 200,000 alumni and what they can tell us is valuable. Dr. Feltham welcomed Mike Meldrum, Associate Vice President Advancement to speak to the results of the survey. Mike also introduced Mike Steger, Senior Manager Alumni Relations, who worked on the presentation and gathering the data.

Mr. Meldrum reiterated that alumni are very important stakeholders of NAIT and are part of our promise to students in that after graduation they are an alumnus and can help to share their NAIT experience and they may return to take more courses or become involved at NAIT in various other ways.

There are approximately 60% of alumni that still reside in Edmonton and 90% living in Alberta.

We have various methods of contact with alumni including:

- Communications
- Lifelong learning events
- Mentors, volunteers
- Guest lecturers
- Alumni Recognition Awards
- Donors
- Reunions

One of the objectives of the survey was to track the success of our programs. The 2016 survey was a follow-up to the 2013 survey and was conducted by an independent consultant.

Mr. Meldrum reported that engagement levels of alumni from 2013 to 2016 increased from 15.8% to 26.3%. Our engagement in comparison to the peer group benchmark averaged 26.3% compared to the average score in the peer group of 18.3%. Mike discussed the Net Promoter Score, which is the result of Promoters minus Detractors, and advised that NAIT's

Net Promoter Score was 47 (Promoter=56% less Detractors=9% for a total of 47%). This is considered a high score compared to available comparator institutions.

Mike shared the core statements with the largest increases since 2013:

| Engagement Statement Increases | % Agree & Strongly Agree | | Diff. +/- |
|--|--------------------------|------|-----------|
| | 2016 | 2013 | |
| I feel proud when I read about NAIT's successes in the public media. | 68% | 31% | +37% |
| Alumni volunteers have a positive impact on NAIT. | 55% | 20% | +34% |
| Volunteering for NAIT is a good networking opportunity. | 53% | 31% | +22% |
| I communicate with my NAIT classmates and friends. | 41% | 23% | +17% |
| NAIT was welcoming to me. | 85% | 68% | +17% |
| There are influential people involved with NAIT. | 59% | 43% | +16% |
| I visit NAIT's website for information. | 30% | 14% | +16% |

Overall, we have a strong engagement with our alumni and will continue to strengthen our relationships with our alumni as valued stakeholders in NAIT.

The Board discussed the presentation with Mr. Meldrum and thanked him for this information.

5. In-camera Session with the Board of Governors

Moved by Allan Mah that the Board of Governors move to an in-camera session.

Carried

All invited guests departed except Dr. Ray Block who remained in the meeting. Dr. Feltham provided an overview of discussions with the City on the Blatchford lands.

Moved by Allan Mah that the Board of Governors exit the in-camera session.

Carried

6. Correspondence

Provided for information only.

7. Board Member Contact List

Provided for information only.

8. Next Board Meeting

The next meeting of the Board will be Tuesday, October 10, 2017.

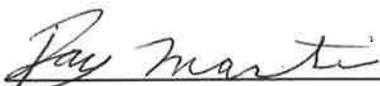
9. Adjournment

Moved by Joel Benitez that the Board of Governors meeting be adjourned at 7:25 p.m.

Carried



Sandy Timmer, Recorder



Ray Martin, Chair