



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Minutes of the One hundred and Fifty-first regular meeting of the Board of Governors

Tuesday, October 9, 2018
4:00 to 7:00 pm

T811 Governors' Boardroom

Members Present:	Ray Martin (Chair)	Dr. Glenn Feltham	Daryl Kruper (Vice Chair)
	Alayne Sinclair	Dr. Annemarieke Hoekstra	Brenda Needham
	Claire Seo	David Migadel	Jamie Corfield
	Priti Laderoute	Mary Lynne Campbell	Matthew Woodley
	Tara Chahl	Ray Pisani	Silvie Forest
	Yasmin Jivraj	Valerie Berger	Vi Becker
Resources:	Dr. Ray Block	Kevin Shufflebotham	Dr. Sue Fitzsimmons
	Sandra Marocco		
Guests:	John Engleder	Heather Murray	H. Douglas Montemurro
	Jeff Dumont	Clayton Davis	of Parlee McLaws
			Tracy Hayden of Alberta Infrastructure
Recorder:	Sandy Timmer		

1. Welcome and Call to Order

Mr. Ray Martin called the meeting to order at 4:00 p.m. and welcomed everyone to the first Board meeting of the 2018-2019 academic year. Mr. Martin noted that it was a busy summer at NAIT with staff moving into the renovated L Building and also into the Productivity and Innovation Centre (PIC). We were very pleased to have Prime Minister Justin Trudeau here on September 5th to officially open PIC. Along with the Prime Minister, federal Minister Amarjeet Sohi and MP Randy Boissonnault also attended the official opening. This was a very important day for NAIT as we continue our journey to make NAIT the most relevant and responsive post-secondary institution in Canada, and one of the world's leading polytechnics. It was noted that the Productivity and Innovation Centre would not have been built without the funding we

received from the federal government. PIC is an outstanding facility and will further support our ties to industry.

The following day, on September 6th, provincial Minister Deron Bilous was here to announce a \$2M funding grant for the Distributed Energy Management (DEM) initiative NAIT has with the provincial government.

Both of these announcements put NAIT in the spotlight.

Mr. Martin pointed out certain items of note on the agenda that the Board will address. However, prior to dealing with those items, we will have a special *in-camera* session with the Board members only directly after item #2 on the agenda.

1.1 Approval of the Agenda

Mr. Martin noted that we will add the *in-camera* session with the Board after item #2 on the agenda.

Board members were asked if they had any conflicts of interest to declare based on the agenda before the Board. No conflicts of interest were declared.

Moved by Ray Pisani that the agenda be approved with the addition of the in-camera session added following agenda item #2.

Carried

1.2 Approval of the Minutes of the Meeting held on May 29, 2018

Moved by Val Berger that the minutes of the Meeting of May 29, 2018 be accepted as presented.

Carried

1.3 Business Arising from Minutes

Mr. Martin noted there is one item under Business Arising regarding the academic portfolio changes and invited Mr. Kevin Shufflebotham to speak to that item.

Mr. Shufflebotham reviewed his report contained in the meeting materials and summarized the information and diagram. He advised that there are changes in the reporting structures for the Department Heads, Chairs and instructors from the initial academic portfolio reorganization. The changes are outlined on the diagram and are working well.

As part of the review, it was also determined that the Associate Dean Research role did not reflect the many ways the schools interact with industry. Accordingly, that position was removed and the new Associate Dean Industry Engagement was created for each school. This new role will ensure that each school has a champion who is focused on building and maintaining strong industry connections and will support how we deliver programs so we can meet our promises.

No further questions or concerns were raised from Board members for Mr. Shufflebotham and the information was accepted.

2. Consent Agenda (CA) Items:

2.1 Receiving Committee Reports and Accepting Minutes:

There were no requests to move any items from the Consent Agenda to the regular agenda.

Item:

- 4.1.1 Academic Council - Minutes of the Meeting on September 17, 2018
- 4.2.1 Campus Development Committee - Minutes of the Meeting on August 28, 2018
- 4.3.1 Executive Committee - Minutes of the Meeting on June 12, 2018
- 4.3.2 Executive Committee – Minutes of the Meeting on September 21, 2018
- 4.4.1 External Relations Committee - Minutes of the Meeting on September 13, 2018
- 4.5.1 Audit Committee - Minutes of the Meeting on September 26, 2018
- 4.5.2 Joint Audit and Finance Committee – Minutes of the Meeting on September 26, 2018
- 4.5.4 Audit Committee - Compliance Certificate–March 31 to June 30, 2018
- 4.5.5 Audit Committee – Enterprise Risk Management Policy
- 4.6.1 Finance Committee - Minutes of the Meeting on September 26, 2018
- 4.6.2 Finance Committee - NAIT's Financials and Quarterly Investment Report for the Quarter Ended June 30, 2018
- 4.6.4 Investment Advisory Sub-Committee – Minutes of the Meeting on September 26, 2018
- 4.7.1 Foundation Meeting – Minutes of the Meeting on September 26, 2018
- 4.8.1 Governance Committee - Minutes of the Meeting on September 13, 2018
- 4.9.1 Human Resources Committee - Minutes of the Meeting on September 12, 2018

Moved by Ray Pisani that the Consent Agenda items be approved.

Carried

Mr. Martin asked that NAIT Executive, Heather Murray, John Engleder, Jeff Dumont, Warren Singh, Tracy Hayden from Alberta Infrastructure, and Douglas Montemurro of Parlee McLaws to remain for the *in-camera* session and all other guests were excused.

Moved by Ray Martin that the Board of Governors move into an in-camera session.

Carried

Discussion ensued on the Blatchford lands. The Board discussed at length all aspects of the proposed lands and the proposed agreement with the City. The Board of Governors subsequently approved the contents of the proposed agreement.

Moved by Daryl Kruper that the Board delegate to the Executive Committee of the Board the authority to approve the purchase of the Blatchford lands from the City of Edmonton, and further to authorize Management to execute an agreement with the City for the purchase of those lands on substantially the terms as presented at this meeting, and with such amendment(s) to as the Executive Committee deems appropriate.

Carried

Moved by Dr. Glenn Feltham that the Board of Governors exit the in-camera session.

Carried

Moved by Daryl Kruper that the Board delineate to the Executive Committee of the Board the authority to approve the matter proposed during the in-camera meeting pending certain requirements being met. The in-camera motion to be included in subsequent meetings due to the confidentiality requirements.

Carried

3. NAIT Executive Reports

3.1 Office of the President and CEO

3.1.1 Risk Report

3.1.2 President's Activities

Dr. Feltham extended a warm welcome to Sandra Marocco for her first Board of Governors meeting. Ms. Marocco is the new VP External Relations and CDO as of September 10, 2018. Sandra brings a wealth of knowledge and background in the media/communications sector and we are excited to see what she will bring to the portfolio.

As Mr. Martin mentioned earlier, having the Prime Minister here to open the Productivity and Innovation Centre was a big highlight for NAIT. Having both Minister Amarjeet Sohi and MP Randy Boissonnault join the Prime Minister for the opening was also important as they are strong supporters of NAIT.

Dr. Feltham advised that the NAIT Executive met in August for a strategic planning meeting and determined five priorities for the year. These five priorities are:

- 1) *Blatchford* – finalizing the agreement with the City will help to secure NAIT's future
- 2) *NAIT 2021+* - finalize the updated vision document
- 3) *Industry Solutions and PIC* – we continue to focus our efforts on ensuring the success of Industry Solutions and PIC. We will go well-beyond our target of 100 tours of PIC in 100 days so we are informing industry.
- 4) *Academic Structure* – finalizing Career Essential Skills (previously called Enabling Skills) which will be brought back to the Board for their approval; and developing pathways for continuous learning
- 5) *Financial Sustainability* – our balance sheet remains strong but there are still some critical financial decisions to be made to ensure we continue to be financially sustainable

A few other highlights to note:

- The Encana Aboriginal Student Centre has been renamed the Nîsôhkamâtôtân Centre – a Cree word meaning “let's help each other”. NAIT's aboriginal community was consulted and determined this name best reflects the use of the Centre.
- Our risk registry remains reasonably stable.

Dr. Feltham then concluded his report as no questions were raised for him.

3.2 VP Administration and CFO

For 2018-2019, Dr. Ray Block noted that he will provide updates on his seven key outcomes outlined in his report. Dr. Block reported that his portfolio intends to focus on a new outcome called, “Position for Transformational Opportunities” in the upcoming year. His team will find, create and embrace new opportunities that will make NAIT more financially sustainable.

Dr. Block discussed an information-sharing opportunity on student housing. In that meeting, 21 people participated. In attendance were board members, representatives from NAITSA, NAIT staff members, representatives from Alberta Seniors and Housing, members from Stantec and a member from Canada Mortgage and Housing Corporation. The session was informative and beneficial to all the stakeholders who were part of these initial discussions and considerations for student housing at NAIT.

The slide deck that summarized the meeting on September 6th is available for any member who wishes to receive it.

Dr. Block concluded his report to the Board and no additional questions were raised for Ray.

3.3 VP External Relations and CDO

Sandra Marocco wished to thank Executive and her External Relations team for their assistance to get her familiarized with NAIT and her portfolio. Ms. Marocco noted that her portfolio is the external face of the institution and she will be overseeing all business development opportunities. Ms. Marocco’s area will also focus on new opportunities with Industry Solutions and working on new and different business models for Industry Solutions, as well as capitalizing on the model that is already up and running.

Ms. Marocco was pleased to report her portfolio is strong with sound processes in place to meet our targets. We are working to operationalize our Industry Solutions model and ensuring we are future-ready. The new role of Associate Deans of Industry Engagement in the schools will be instrumental in connecting with industry.

Ms. Marocco concluded her report as there were no additional questions raised.

3.4 Provost and VP Academic (combined report)

Kevin Shufflebotham discussed the Provost’s section of the combined report. Mr. Shufflebotham noted two new additions to his Academic Leadership team – Jen Glenday moved into the Registrar’s role from Assistant Registrar. As well, Dennis Sheppard is the new Dean of the JR Shaw School of Business. Both Jen and Dennis bring a strong background in their respective areas and are excellent additions to the team.

As noted earlier, the revised academic structure is working well now that the reporting lines have been clarified. We will continue to ensure that our processes align with the new structure.

Kevin spoke on the targeted funding we received for the expansion of the Digital Media and Information Technology program (DMIT) by 100 seats and the Computer Engineering Technology (CET) program by 24 seats. Government is investing in the technology area to be proactive for a forecasted computer technology labour shortage by 2025.

Financial sustainability strategies continue to be a major focus for Kevin's portfolio. Program efficiencies, growing credit revenue, as well as increasing enrolment and student retention are key areas of attention for his portfolio. We are also looking at strategies for the entire student life cycle from prospect to alumni.

Pathways from certificates and diplomas to degrees are also being investigated to ensure students have every opportunity for advancement in their careers and having NAIT be a part of that career path.

The Academic Leadership team has determined their priorities for the year and the team is aligned to meet those priorities to ensure students have an outstanding student experience while at NAIT and at the same time, meeting industries' needs for employees ready to join the work force.

Dr. Sue Fitzsimmons reported on the academic portfolio section of the report and noted that both hers and Kevin's reports are aligned with the 10 strategies of the Strategic Plan although those may change as we move into NAIT 2021+.

Two strategies Sue wished to highlight are: a review of PIC and Industry Solutions in the form of a report card and this will be updated for future board meetings. As well, a formal risk registry is being developed by the Enterprise Risk Management director and that will be forthcoming at the next board meeting.

Sandra Marocco will be joining Sue in the leadership of the Industry Solutions Management Team.

Dr. Fitzsimmons noted that Campus Alberta Quality Council (CAQC) will be doing their five-year comprehensive review of NAIT's programs to ensure we are upholding the quality standards required of degree-granting institutions. This review will be taking place at the end of November. This review will also help CAQC better understand the polytechnic model and how we differ from a university or college model, including how we do applied research, our instructors, and what scholarly activity means in a polytechnic.

Board members briefly discussed the information with Sue and Kevin and they concluded their report.

4. Committee Reports

4.1 ACADEMIC COUNCIL

Dr. Feltham reviewed the meeting of Academic Council held on September 17th. He also noted that Academic Council held an orientation meeting for all members on September 10th.

At the meeting on September 17th, Council members were appointed to sit on the sub-committees of Academic Council. There was an update to Council members of the progress of the NAIT student survey on instruction (NSSI) which will be launched in January 2019. We also had a presentation on degree pathways. This will be an item that will be on Academic Council agendas for the upcoming year as we continue to discuss ways to ensure students have the opportunity to have lifelong learning pathways at NAIT.

Also at that meeting, Sue Fitzsimmons presented the new Scholarly Activity Policy and what scholarly activity means for instructors at a polytechnic and how it differs from applied research. This Policy is being advanced for approval at today's board meeting. Glenn noted that the Policy will also allow us to provide a frame for scholarly activity and to have a document to show government what that means for a polytechnic. This Policy will be provided to CAQC and is an articulation on expectations in a leading polytechnic. NAIT and SAIT defined what scholarly activity means for a polytechnic and is all-inclusive, including skilled trades.

4.1.1 Minutes of the Meeting on September 17, 2018 (CA)

Moved by Dr. Glenn Feltham that the Board of Governors accepts the Academic Council meeting minutes of September 17, 2018 as information.

Carried

4.1.2 Approval of NAIT's Scholarly Activity Policy

Moved by Dr. Glenn Feltham that the Board of Governors approves NAIT's Scholarly Activity Policy as presented.

Carried

4.2 CAMPUS DEVELOPMENT COMMITTEE

Daryl Kruper, Chair of the Campus Development Committee, provided a brief review of the Committee's meeting on August 28th. The Committee was advised that the renovations to the T and L Buildings were complete and staff in the L Building moved in this summer. PIC was also completed and staff have moved into that space as well.

The Committee was apprised of the negotiations on Blatchford and as discussed today, have moved forward to near conclusion.

The student residence discussions continues to move forward as we try to reach an agreeable solution on the proposal. Several positive meetings with the potential partner have taken place and we remain optimistic that a mutually beneficial partnership will be reached. The Board will continue to be apprised as this moves along.

Construction of the new NAITSA offices is underway in the previous Executive Office space, through the generous donation of \$5M from NAITSA to NAIT. Funds of \$1M have been designated for the renovation of this space from NAIT. Any renovation costs beyond that amount (excepting mechanical upgrades and remediation) will be funded by NAITSA. The construction project manager has been hired and is preparing the site for the renovations. The full design package is expected to be out late November with move-in anticipated by spring 2019. NAITSA has been and will continue to be involved in the renovation process of this space.

4.2.1 Minutes of the Meeting on August 28, 2018 (CA)

Moved by Daryl Kruper that the Board of Governors accepts the minutes of the Campus Development Committee meeting of August 28, 2018 as information.

Carried

4.3 EXECUTIVE COMMITTEE

Mr. Martin reported on the Executive Committee's meeting on June 12th. The Executive Committee reviewed the Board Meeting held on May 29th and the informative presentations from Dwayne Chomyn and Justin Barrie of Neumann Thompson.

The Committee was advised that the employee engagement survey was completed and results were being compiled. Dr. Feltham had reported that on the core engagement questions, NAIT still ranked highly. Other areas that showed some decline were being addressed.

The Committee was pleased to learn of three new public board appointments and once they had their orientation with Dr. Feltham, their choices for committee placement were put forward to the Governance Committee.

4.3.1 Minutes of the Meeting on June 12, 2018 (CA)

Moved by Ray Martin that the Board of Governors accepts the minutes of the Executive Committee meeting of June 12, 2018 as information.

Carried

As Mr. Martin was at a meeting of Board Chairs and the Minister on September 21st, Vice Chair, Daryl Kruper, chaired the Executive Committee meeting on September 21st. Mr. Kruper advised that the Committee reviewed the recommendations from the Governance Committee for placements on the Board's committees. All current members were canvassed to see if they wished to stay on their present committee or change to another and all current members were content with their present committees. New members were placed on committees based on their preferences and backgrounds. At that time, Mr. Kruper offered to continue chairing the Campus Development Committee and it was recommended that he continue as the Chair of that committee.

The Committee was briefed on the on-going discussions with GO Productivity and Dr. Feltham will speak more on that later in today's meeting.

4.3.2 Minutes of the Meeting on September 21, 2018 (CA)

Moved by Daryl Kruper that the Board of Governors accepts the minutes of the Executive Committee meeting of September 21, 2018 as information.

Carried

4.3.3 Approval of the Slate of Members to Board Committees

Moved by Daryl Kruper that the Board of Governors approves the recommended slate of members to the Board Committees as presented.

Carried

4.4 EXTERNAL RELATIONS COMMITTEE

Ms. Vi Becker, Chair of the External Relations Committee, discussed briefly the Committee's meeting held on September 13th. As commented earlier, the Committee was very pleased that Prime Minister Justin Trudeau attended NAIT for the official opening of the Productivity and Innovation Centre (PIC). Ms. Becker thanked all those who helped to bring this visit from the Prime Minister, along with Minister Amarjeet Sohi and MP Randy Boissonnault, together as it is an important milestone for NAIT to have PIC completed on time and on budget, and which was largely funded by the federal government.

The Committee was also pleased that Minister Deron Bilous, the provincial Minister of Economic Development and Trade, was at NAIT to announce a \$2M funding for our new Distributed Energy Management initiative. These were two very important events for NAIT and is keeping NAIT on governments' radar.

Ms. Becker acknowledged the work being done on the new advertising campaign for Industry Solutions and PIC which is aimed at those in industry and business to look to PIC as the place they can come to for solutions and to succeed.

The Advancement team is currently working on their next major fundraising campaign and information on that will be out soon.

The last paper copy of Tech Life magazine will be out in October and then going forward, will only be digital.

4.4.1 Minutes of the Meeting on September 13, 2018 (CA)

Moved by Vi Becker that the Board of Governors accepts the minutes of the External Relations Committee meeting of September 13, 2018 as information.

Carried

4.5 AUDIT COMMITTEE

Val Berger, Chair of the Audit Committee, discussed the Committee's meeting on September 26th. Ms. Berger noted that there was also a joint meeting of the Audit and Finance Committees at that time to review the audited consolidated financial statements. Minutes of both meetings are contained in the board package.

At the Audit Committee meeting, members met with representatives from the Auditor General's Office (OAG) as they reviewed the audited consolidated financial statements for the fiscal year ended June 30, 2018. Ms. Berger was pleased to note that the OAG's office will be issuing an unqualified audit opinion on the statements as there were no unadjusted differences. Ms. Berger congratulated the finance team for their hard work to achieve this.

Val then briefly discussed the consolidated financial statements for the fiscal year ended June 30, 2018 contained in the meeting package. She advised that NAIT ended 2017/18 with an annual operating deficit of \$12.2M and an annual overall deficit after endowment contributions of \$10.7M. The annual operating deficit represents 3.3% of total revenues which is up from 1.6% from the previous year. The deficit is partly due to the reduction in funded apprenticeship seats, which is a result of the decline in Alberta's economy. Other factors contributing to the deficit are the amortization of the CAT building and the discontinuation of the lights-on funding for CAT. NAIT's Comprehensive Institutional Plan projects that we will reach a balanced budget in three years.

Ms. Berger noted that there was an accumulated surplus at the end of 2017/18 of \$263.5M compared to \$274.2M last year.

Ms. Berger advised that Management's Discussion and Analysis will be tabled at the December Board meeting along with the Annual Report for Board approval.

Items from the internal auditor's report were reviewed by Ms. Berger and she noted that no significant concerns were raised and management has committed to make adjustments to procedures and processes as recommended.

Ms. Berger advised that an updated Enterprise Risk Management Policy is included in the board package for Board approval.

4.5.1 Minutes of the Meeting on September 26, 2018 (CA)

Moved by Val Berger that the Board of Governors accepts the minutes of the Audit Committee meeting of September 26, 2018 as information.

Carried

4.5.2 Minutes of the Joint Meeting of the Audit and Finance Committees (CA)

Moved by Val Berger that the Board of Governors accepts the minutes of the Joint Audit and Finance Committees meeting of September 26, 2018 as information.

Carried

4.5.3 NAIT's Audited Consolidated Financial Statements for the Fiscal Year Ended June 30, 2018

Moved by Val Berger that the Board of Governors approve NAIT's audited consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended June 30, 2018.

Carried

4.5.4 Compliance Certificate – March 31, 2018 to June 30, 2018 (CA)

Moved by Val Berger that the Board of Governors accept the Compliance Certificate for the period of March 31, 2018 to June 30, 2018 as information.

Carried

4.5.5 Enterprise Risk Management (ERM) Policy (CA)

Moved by Val Berger that the Board of Governors approves the new Enterprise Risk Management Policy as presented.

Carried

4.6 FINANCE COMMITTEE

Ms. Berger, Chair, reported on the meeting of the Finance Committee held on September 26th. In the meeting, NAIT's \$150M debt through the Government of Alberta was discussed. Refinancing the funds was reviewed. Currently, the debt would have to be repaid by June 2019. The loan was initially made to help fund the construction of CAT. Refinancing the loan would provide NAIT with funds for several projects including acquiring the Blatchford lands and commencing work on student housing. Ms. Berger noted that this would not increase NAIT's overall debt and would leave our debt room at \$47.9M at the end of this fiscal year.

The Committee was advised that discussions on the debt refinancing were also had with our finance team, Alberta Capital Finance Authority (ACFA) and Advanced Education. The Finance Committee discussed the refinancing at length and recommends that the Board approves the refinancing in order to use the funds for several projects on the books. Ms. Berger then outlined the proposed allocations of the \$150M for the refinancing request. The refinancing would require an Order in Council and requires a motion by the Board which will be requested today. Ms. Berger noted that the interest rate that was approved at the May board meeting for the refinancing has reduced from 4.5% to 4%.

Ms. Berger briefly touched on the continuing negotiations with the potential partner on the student housing project. As NAIT is the only large post-secondary institute without student housing, it is critical that we work to remedy this. As student housing on Blatchford will likely not happen for several years, an alternate option is being thoroughly investigated that would allow us to do something sooner. Negotiations are at the point where the partner and NAIT propose to share costs to obtain more detailed schematic renderings to further understand the costs, which will help to finalize the negotiations and agreements. The Finance Committee approved spending up to \$300,000 in costs, shared 50/50 with the partner. We are requesting shared ownership of the renderings and materials produced. These funds would be taken from the \$10M internal reserve previously approved for student housing.

4.6.1 Minutes of the Meeting on September 26, 2018 (CA)

Moved by Val Berger that the Board of Governors accepts the minutes of the Finance Committee meeting of September 26, 2018 as information.

Carried

4.6.2 NAIT's Financials and Quarterly Investment Report for the Quarter Ended June 30, 2018 (CA)

Moved by Val Berger that the Board of Governors accepts NAIT's financial statements and investment report for the quarter ended June 30, 2018 as information.

Carried

4.6.3 Debt Limits

Moved by Val Berger that NAIT's borrowing scenario to refinance the \$150 million in debt that comes due in June 2019 be accepted and recommended for approval by the Board of Governors, with minor updates to the amounts per project being finalized in discussions with ACFA and the Department of Advanced Education. Specifically, the borrowing is to be within the following terms:

- *Amount not to exceed* \$150 million
- *Loan interest rate not to exceed* 4.00%
- *Term loan not to exceed* 30 years

Carried

NOTE: Subsequent to the motion being passed, an asynchronous vote was held on November 9, 2018 to amend and approve the maximum loan interest rate to not exceed 4.50%. The vote was passed.

4.6.4 Investment Advisory Sub-Committee Minutes of a Meeting on September 26, 2018 (CA)

Moved by Val Berger that the Board of Governors accept the minutes of the Investment Advisory Committee meeting of September 26, 2018 as information.

Carried

4.7 FOUNDATION TRUSTEES

Ms. Berger advised the Foundation met to review their audited consolidated financial statements for the fiscal year ended June 30, 2018 with the OAG. No concerns were raised by the Auditor General on the statements.

Foundation members also reviewed and approved the annual casino license application and the hockey playoff draft license.

Ms. Berger welcomed Sandra Marocco as an officer of the Foundation and she will be providing a strategy discussion paper at the next Foundation meeting.

4.7.1 Minutes of the Meeting on September 26, 2018 (CA)

Moved by Val Berger that the Board of Governors accept the minutes of the Foundation Trustees meeting held on September 26, 2018 as information.

Carried

4.7.2 NAIT Foundation Financial Statements for the Fiscal Year Ended June 30, 2018

Moved by Val Berger that the Board of Governors accept the NAIT Foundation audited consolidated financial statements for the fiscal year ended June 30, 2018.

Carried

4.8 GOVERNANCE COMMITTEE

Mr. Ray Pisani presented the report from the Governance Committee meeting held on September 13th. Mr. Pisani noted that the Committee was updated on the progress of GO Productivity, including the interim- and long-term governance structures. He advised that the Governance Committee supported the proposal outlined for GO Productivity and to bring them into NAIT.

The Committee also reviewed the final draft of the Code of Ethics and Conduct Policy that was submitted to the Ethics Commissioner on August 20th. There had been several amendments previously recommended by the Ethics Commissioner relating to the limits on monetary gifts, although our limits aligned with SAIT's. We had been advised to amend those to a lesser amount. We then removed distinctions regarding the nature of the source of the gift and further minor amendments were made. The final copy of the Code of Ethics and Conduct Policy contains the following gift limits:

The total value of the mentioned fees, gifts, entertainment, hospitality and benefits given from the same source in any calendar year to an individual shall be subject to the following limits:

- a. To the President, a Vice President, the Provost, a Board member or the Board Chair, the total value to the individual shall not exceed \$1,000, with the value of any single gift not exceeding \$200;
- b. To an Associate VP, Executive Director, Director or Dean, the total value to the individual shall not exceed \$500, with the value of any single gift not exceeding \$200;
- c. To any other NAIT employee, the total value to the individual shall not exceed \$250, with the value of any single gift not exceeding \$150.

On October 4th, we received confirmation from the Ethics Commissioner that our Code of Ethics and Conduct Policy was approved and meets the requirements of the *Conflicts of Interest Act*. The Governance Committee recommends approval of the Policy by the Board of Governors.

The Committee also reviewed the lengthy list of legislative changes which is contained in the Board's meeting package as Appendix A.

4.8.1 Minutes of the Meeting on September 13, 2018 (CA)

Moved by Ray Pisani that the Board of Governors accepts the minutes of the Governance Committee meeting of September 13, 2018 as information.

Carried

4.8.2 Code of Ethics and Conduct Policy

Moved by Ray Pisani that the Governance Committee recommends approval by the Board of Governors of the Code of Ethics and Conduct Policy, with such amendments as may be required by the Office of the Ethics Commissioner in response to the last

submission to their office, and with such further amendments as Management deems appropriate.

Carried

4.9 HUMAN RESOURCES COMMITTEE

Mr. Daryl Kruper, Chair of the Committee, reviewed the meeting of the Human Resources Committee which was held on September 12th. Mr. Kruper indicated that several important items were discussed with the Committee including Executive Compensation, the Employee Engagement Survey and Health and Safety.

The Committee discussed the various impacts of the new legislation related to executive compensation. Within that, the changes to the executive retirement pension plans (SRPs) will have to be reviewed and modified to ensure it complies with the new regulations. Although the present plan was approved by the Board in 2006 and was endorsed by the government at the time, it will now need to be changed. The primary impact of this is in attracting and retaining future executive talent. We have retained an independent consultant to review our SRP and she will present a report to the Committee at its next meeting in November.

The results of the Employee Engagement Survey were reviewed and the Committee was pleased to see that the results of the core questions did not change much from last year. The score was still quite high with responses on these questions at or above 4 out of 5 with an average score of 4.18. Areas where there was a small decrease are being addressed by administration to seek ways to find improvements.

The Committee met with the Director of Health and Safety and were advised that progress is being made to advance the health and safety culture at NAIT and to align to the new requirements under Bill 30. The Committee was pleased to learn that NAIT achieved a 20% decrease in incident frequency, as compared to the previous fiscal year. This is the lowest incident frequency rate in six years. More health and safety awareness is contributing to the reduced incident frequency.

The new Joint Worksite Health and Safety Committee (JWHSC) which was established under the new Bill 30, is working well and is composed of equal representation from management, union staff and departments across NAIT. The Committee has legislated responsibility to review and provide input on all health and safety matters that may impact the safety and well-being of NAIT employees.

The Committee was advised by the Executive Director of Human Resources that a new Respect in the Workplace program would be launched for all employees to take. The new program focuses on creating safe and respectful work and learning environments that are free from bullying, abuse, harassment and discrimination. This is a positive program which was implemented in response to recent legislation and its importance in the workplace.

4.9.1 Minutes of the Meeting on September 12, 2018 (CA)

Moved by Daryl Kruper that the Board of Governors accepts the minutes of the Human Resources Committee meeting of September 12, 2018 as information.

Carried

5. Presentation and Discussion

- **Strategic Priorities for NAIT for 2018-2019**

Due to the length of the earlier *in-camera* session with the Board, the discussion on strategic priorities will be deferred to the next Board meeting.

6. *In-camera* Session with Board of Governors

Moved by Yasmin Jivraj that the Board move to an in-camera session.

Carried

Dr. Feltham briefly reviewed the aspects of bringing GO Productivity into NAIT and how it would work within PIC. He will provide a presentation at the next Board meeting to further describe how they would be integrated.

Moved by Dr. Glenn Feltham that the Board exit the in-camera session.

Carried

7. Correspondence

For information.

8. Board Member Contact List

For information.


9. Next Board Meeting

The next Board Meeting date will be Tuesday, December 11, 2018 at 4:00-6:00 p.m. in the Governor's Boardroom – Rm. T811. We will then go to Ernest's Dining Room for the Board's Festive Dinner for 6:15 p.m.

10. Adjournment

Moved by Silvie Forest that the Board of Governors meeting be adjourned at 7:09 p.m.


Ray Martin – Board Chair


Sandy Timmer - recorder