



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Minutes of the  
One hundred forty-second regular meeting of the  
Board of Governors

Monday, February 8, 2016  
4:00 to 7:00 pm

O102P Governors Boardroom

<b>Members</b>	Brent Hesje (Chair)	Dr. Glenn Feltham	Valerie Berger
<b>Present:</b>	Keith Meagher	Daryl Kruper	Mark Ohe
	Allan Mah	Justin Nand	Jeffrey Mason
	Shauna MacDonald	JudyLynn Archer	Nicolas Brown
	Ray Pisani	Larry Spagnolo	Randy Tribiger
	Diane Brickner		Andy Clark
<b>Resources:</b>	Dr. Ray Block	Dr. Neil Fassina	George Andrews
<b>Regrets:</b>	Randy McLeod		

---

Brent Hesje welcomed everyone to the meeting of the Board of Governors. Following the reports of Executive and the Committees, there will be two presentations made to the Board. The first is from a student group – the Investment Club of NAIT, or ICON, who have a proposal to set up a real money investment account. The second presentation is an overview of activities to foster and support entrepreneurship and new venture at NAIT.

Brent wished to acknowledge the attendance of Shamaim Arshad, one of NAIT's Senators, and Kim Watamaniuk, who instructs governance in the business program.

**1. Call to Order**

Brent Hesje called the meeting to order at 4:00 p.m. and requested approval of the agenda.

a) Approval of the Agenda

***Moved by Larry Spagnolo that the agenda be approved as presented.***

***Carried***

b) Approval of Minutes of December 7, 2015

***Moved by Allan Mah that the minutes of December 7, 2015 be accepted as presented.***

***Carried***

c) Business Arising from Minutes

There was no business arising from the previous meeting.

**2. NAIT Executive Reports**

**a) Office of the President and CEO**

Dr. Feltham reviewed his report provided in the meeting materials. The activities for the President for the last three months are included.

Glenn wished to thank Academic Council, President's Council, the NAIT Executive and the broader leadership at NAIT for their dedication and continued commitment to NAIT.

Glenn touched on highlights contained in his report to the Board.

- Glenn continues to work on strengthening NAIT and elevating the post-secondary system. With his work as Chair of Polytechnics Canada, he works to advocate to the federal government for a better understanding of polytechnic education and applied research education.
- Glenn advised that he, along with Brent Hesje, Daryl Kruper and Larry Spagnolo, attended a national strategy session in Ottawa put on by Polytechnics Canada. They met with several key federal government ministers as well as the Governor General and presidents of national research councils.
- As Chair of the Council of Post-secondary Presidents of Alberta (COPPOA), Glenn is working with the other 25 presidents in Alberta to strengthen the post-secondary education system in Alberta. Changes in the provincial government has created some challenges but also opportunities.
- The Provincial Government has recently announced initiatives including changes to the labour model (Essential Services legislation), the Sunshine list, a review of agencies, boards and commissions (ABCs), and the adult learning review (a broader review of post-secondary). NAIT continues to take a lead and advance these discussions with government.
- A major focus for NAIT is the development of the Skills Centre, a transformative facility. Glenn continues to advocate for the facility.
- Discussions continue with the City for the purchase of the Blatchford and bus barn lands.
- Glenn thanked George Andrews and Thomas Djurfors for their efforts to have several government announcements take place at NAIT.
- Glenn has met with several provincial ministers and deputy ministers in recent weeks and has had the opportunity to share the story of NAIT with them. Glenn noted that these meetings have been a chance to explain to ministers the role of polytechnics in Alberta.
- A recent shuffle in the Alberta cabinet has meant a change in the minister for Advanced Education. Minister Marlin Schmidt is now the new Minister for this portfolio. Glenn hopes to be meeting with the new Minister in the next few weeks.

Glenn also noted that we are further strengthening our focus on staff and how we engage, empower each other and work together. We are doing this by:

- Reinforcing the NAIT Way values and that NAIT is a values-based organization.
- Ensuring there is proper engagement – that it needs to be purposeful and clear.
- Empowering staff to do their jobs.
- Setting clear expectations for each other and taking individual and collective ownership for our success.

Glenn noted that financial sustainability for the institution is also a key focus as the current economy in Alberta is in an economic downturn. These challenges will affect post-secondary institutes and may have direct impact to NAIT. Some of that impact is being felt in our fundraising efforts and other opportunities for that are being looked into. However, we will continue to focus on financial sustainability and growth and a look to the long term.

Highlight events Glenn noted:

- #NAITisGreat – a social media campaign launched to raise awareness of why NAIT is a great place to work and study.
- NAIT's Men's Hockey – the team is having an outstanding year with all wins and no losses so far!
- Baking Team Canada – two of the three members of Baking Team Canada are NAIT instructors. They are competing at the World Cup of Baking in Paris this month and it's the first time that Canada has qualified for the event.

Glenn briefly reviewed the risk register and indicated that, overall, things are stable. Items on the radar are the new government, financial uncertainty in the Alberta economy and changes to the Academic Portfolio.

## **b) VP Administration and CFO**

Dr. Ray Block provided an overview of his report to the Board. He noted that the format of the report changed and aligns with the Strategic Plan outcomes, strategies and actions.

Highlights of Ray's report are as follows:

### Finance and Corporate Services

Finance and Corporate Services are currently working the preparation of the 2016/17 budget. We are a month ahead of last year's schedule for budget preparation.

### Chartered Professional Accountants (CPA) Training Office Update

The CPA Training Office is underway and 155 applications were received. This office will run in conjunction with Internal Audit and the Finance department. NAIT will take on a maximum of two new students per year, with the possibility of a maximum of six students at one time going through the 30-month program.

### General Counsel

Ray wished to thank NAIT's legal counsel, Heather Murray, for her tireless efforts to ensure that NAIT is legislatively compliant, as well as her work on reviewing the many contracts that NAIT enters into each year.

### Information and Technology Services (ITS)

Ray noted that the IT infrastructure is essential to running the institute. A new initiative undertaken by ITS is Enterprise Information Management (EIM). A business case has been developed and will commence with the development of a NAIT framework for the EIM program including the EIM policy and governance model.

### Facilities Management and Development

There has been substantial activity with Facilities Management and Development. This will be further discussed in the Campus Development Committee update.

Ray advised that the construction of CAT is still on budget and on time for completion for the fall of 2016.

### Human Resources

Ray advised that there is significant activity going on with Human Resources including the preparation for contract negotiations. Human Resources is also recruiting for a Labour Relations Officer.

## **c) VP External Relations and CDO**

George Andrews provided a brief review of his report in the Board's meeting materials.

George noted that the economic downturn is having an effect on fundraising efforts; however, he was pleased to note that fundraising for Essential: the NAIT Campaign has generated just over \$72M of the \$100M goal. Targets for fundraising are staying intact and his team will continue to work towards those targets.

George wished to note that a referendum from the student body will be held next week for a significant student donation to NAIT.

Pan Global is a joint venture with NAIT and SAIT on apprenticeship training for the ILM Consortium. This consortium will manage all apprenticeship curriculums for Alberta and will facilitate earned revenue opportunities that have not been available in the past.

NAIT received silver and bronze awards at the CASE District VIII Communication Awards and George congratulated the Marketing and Communications team on their distinguished awards. These awards recognize excellence in marketing and communications among 130+ member institutions globally. NAIT's branding is highly visible and identifiable.

**d) Provost and VP Academic**

Dr. Neil Fassina discussed his report for the Board.

Dr. Fassina advised that progress is being made on the Academic Plan and wished to thank the Provost's Leadership Team for all their work and efforts to make the plan successful and continuing to communicate and updating staff on the progress.

Neil advised that the FLE numbers remain strong and on target. With the challenges to the economy and industry, applications are increasing.

The Edmonton Coalition – the six Provosts in Edmonton – are working with their respective Registrars to develop a caucus to enable adult learners to move among the institutions freely for learning opportunities and pathways. The Coalition is working to make Edmonton a learning destination.

NAIT has to remain adaptable to the current demand for post-secondary education. On-line registrations are growing with nearly 20,000 students taking on-line courses.

Neil noted that applied research and innovation applications are also on the rise. A full suite of revised policies aligning with NAIT's new policy framework have been completed and approved by NAIT Executive. Two showcases per year are being planned to elevate NAIT in research and innovation.

In regards to the academic changes – the position descriptions for Deans have been completed with the position descriptions for Associate Deans near completion.

Neil noted that the leadership of the Transition Team is strong and there has been very good turnout to the information sessions.

Neil commented that NAIT is continuing to create strategies and pathways for students to achieve their planned education goals.

**3. Committee Reports**

**3.1 Academic Council (Dr. Glenn Feltham)**

**a) Minutes of the meeting of December 15, 2015**

Dr. Feltham briefly discussed the last meeting of Academic Council. He advised that key academic documents related to our credit framework and quality assurance were presented for feedback by Academic Council. He also indicated that two questions relating to the administrative changes to the academic portfolio were discussed and due to the governance nature of the questions, Glenn would raise the questions with the Governance Committee of the Board and report back to Academic Council.

***Moved by Dr. Glenn Feltham that the minutes of the December 15, 2015 Academic Council meeting be accepted as information.***

***Carried***

***Moved by Dr. Glenn Feltham to move to an in-camera session.***

***Carried***

Honorary Degree nominees were discussed.

***Moved by Dr. Glenn Feltham to move out of the in-camera session***

***Carried***

Dr. Glenn Feltham will contact the Honorary Degree nominees to attend at Convocation.

### **3.2 Campus Development Committee (Mark Ohe)**

#### **a) Minutes of the meeting of January 21, 2016**

Mark Ohe, Chair of the Campus Development Committee, reviewed the minutes of the last Committee meeting. Mark wished to thank John Engleder and his team for all of their hard work and information provided to the Committee.

Mark noted that the construction of the Centre for Applied Technology (CAT) is still on schedule for completion and is on budget. No concerns were raised in regards to the risk register for CAT.

The Campus Development Guidelines were reviewed and recommended changes for operational efficiencies were approved. The Guidelines will be reviewed by the Finance & Audit Committee at their April meeting and subsequently, presented to the Board for approval.

The Committee reviewed and approved the Capital Plan for 2016/17 to 2018/19 for inclusion in the Comprehensive Institutional Plan (CIP). The Committee also reviewed and approved the Major Renovation and Maintenance programs for 2016/17.

The Committee was advised that the Crane and Hoisting facility in Spruce Grove is well underway and is on-track for completion as scheduled.

***Moved by Mark Ohe that the Campus Development Committee meeting minutes of January 21, 2016 be accepted as information.***

***Carried***

#### **b) Donor Recognition & Naming Grids**

The purpose of the naming grids is to ensure that there is an equitable allocation of dollar values associated with rooms, shops, labs, floors, wings and buildings.

***Moved by Mark Ohe that the donor recognition and naming grids be approved by the Board of Governors as shown in the board package.***

***Carried***

### **3.3 Executive Committee (Brent Hesje)**

#### **a) Minutes of December 15, 2015**

Brent Hesje reviewed the last Executive Committee meeting. He indicated that succession planning is being discussed by the Committee with the terms of five Board members coming up in 2016, including his.

***Moved by Brent Hesje that the Executive Committee meeting minutes of December 15, 2015 be accepted as information.***

***Carried***

### **3.4 External Relations Committee (Larry Spagnolo)**

#### **a) Minutes of January 19, 2016**

Larry Spagnolo discussed the minutes of the External Relations Committee's meeting on January 19<sup>th</sup>. Larry advised that the Committee's main priority is advocating for the Skills Centre in regards to funding and the building site. Advocating includes reaching out to political and executive branches of government. We continue to communicate the message that NAIT has the capability but not the capacity to meet the growing educational needs of students. Expansion is essential.

A new Advanced Education Minister was appointed recently – Minister Marlin Schmidt – and a meeting with Dr. Feltham in the very near future has been requested.

Larry commented on the Polytechnics Canada National Strategy Group session he attended with Glenn, Brent and Daryl and the informative meetings held with various federal ministers.

Larry wished to thank Justin Nand and NAITSA for all the work they have done to move forward the referendum on the student donation. This will be a significant achievement for NAIT if this is passed.

Larry also thanked George Andrews, Thomas Djurfors and Susan Cline and her team for all their efforts to keep NAIT top of mind for government and Albertans.

***Moved by Larry Spagnolo that the External Relations Committee meeting minutes of January 19, 2016 be accepted as information.***

***Carried***

### **3.5 Finance and Audit Committee (Valerie Berger)**

#### **a) Minutes of January 25, 2016**

Valerie Berger noted the minutes of the Finance and Audit Committee meeting held on January 25<sup>th</sup> are contained in the Board's meeting materials. She will speak to the various items for motions.

***Moved by Valerie Berger that the Finance and Audit Committee meeting minutes of January 25, 2016 be accepted as information.***

***Carried***

b) Financial Report for the Six Months Ended December 31, 2015

Ms. Berger reviewed the financial report for the quarter ended December 31, 2015. She advised that a highlight was the increased tuition revenue by \$1.2M from the first quarter forecast due to stronger enrollment numbers. She also pointed out that total expenditures exceeded revenue by \$5.8M for the six months ended December 31, 2015. There is a budgeted deficit; however, Administration has committed to mitigating the actual amount of the deficit as much as possible for the year. Quarterly reports will be provided to the Finance and Audit Committee on the financial progress.

***Moved by Valerie Berger that the Board of Governors accept the December 31, 2015 Financial Report as information.***

***Carried***

c) Investment Report for the Six Months Ended December 31, 2015

Valerie noted that ROI for the six months ended December 31<sup>st</sup> was 5.2% annualized and is higher than the annualized approved budget rate of return of 3.82%.

***Moved by Valerie Berger that the Board of Governors accept the December 31, 2015 Investment Report as information.***

***Carried***

d) Compliance Certificate

The Compliance Certificate in the meeting package is based on a review of best practices with other organizations and has been duly signed.

***Moved by Val Berger that the Board of Governors accept the Compliance Certificate for the period of September 30, 2015 to December 31, 2015 as information.***

***Carried***

Other highlights from the last quarter noted by Ms. Berger were:

- “My Trade Secrets” – self-service registration portal for apprentices will have a vulnerability scan scheduled to ensure the portal will not cause any access concerns for NAIT.
- Workflow Process for Expenses and the HR Absence Management process was reviewed, and the technology for CAT was discussed. A tender for the classroom and meeting room AV has been issued and procurement is underway.
- Heather Murray attended the meeting and advised the Committee that the land transaction for the Spruce Grove Campus has been finalized.
- A presentation by the Investment Club of NAIT – “ICON” – was made to the Committee, after recommendation by the Investment Advisory Committee. This presentation will be made to the Board later in today’s meeting. This is an excellent example of students having an experiential education with hands-on learning. Guided by their faculty mentors, students are learning to do investments as in the real world.



- Internal Audit provided the Committee with a draft report prepared for the Office of Research and Innovation. The report included information on the stage-gate process to identify and prioritize research and innovation opportunities at NAIT.
- Parking rates were discussed and it was recommended that the Alberta Consumer Price Index (CPI) for July 2015-June 2015 of 1.6% be used to increase the 2016/17 rates, rounded up to the nearest dollar. Formal Board approval of these rates will be completed with the approval of the 2016/17 budget in May.

### **3.6 Foundation Trustees (Valerie Berger)**

Val advised that the Committee did not meet this quarter.

### **3.7 Governance Committee (Jeff Mason)**

#### **a) Minutes of the meeting of January 11, 2016**

Jeff Mason provided a review of the Governance Committee's meeting on January 11<sup>th</sup> in Randy McLeod's absence.

The minutes of the Governance Committee were briefly discussed by Jeff. Jeff advised that the Committee discussed the Skills Matrix for board members. It was recommended to post the Skills Matrix template on the website for the information of any potential board applicants.

***Moved by Jeff Mason that the Governance Committee meeting minutes of January 11, 2016 be accepted as information.***

***Carried***

#### **b) Appointment of Ray Pisani as Vice Chair to the Board**

Jeff advised that the Committee recommended the approval of Ray Pisani as Vice Chair to the Board of Governors.

***Moved by Jeff Mason that the Board of Governors approve Ray Pisani as Vice Chair to the NAIT Board of Governors.***

***Carried***

#### **c) Appointment of Daryl Kruper as Chair of the Human Resources Committee**

The Committee was advised that Diane Brickner wished to step down as Chair of the Human Resources Committee due to travel commitments. The Committee recommended the approval of Daryl Kruper as Chair of the Human Resources Committee.

***Daryl Kruper abstained from voting.***

***Moved by Jeff Mason that the Board of Governors approve the appointment of Daryl Kruper as Chair of the Human Resources Committee.***

***Carried***

d) Appointment of JudyLynn Archer to the External Relations Committee

The Governance Committee recommends the approval of JudyLynn Archer to the External Relations Committee.

***JudyLynn Archer abstained from voting.***

***Moved by Jeff Mason that the Board of Governors approve the appointment of JudyLynn Archer to the External Relations Committee.***

***Carried***

e) Bylaws of Academic Council

The updated Bylaws of Academic Council were reviewed by the Governance Committee. The Committee recommended approval of the update Bylaws of Academic Council.

***Moved by Jeff Mason that the Board of Governors approve the revised Bylaws of Academic Council as presented.***

***Carried***

f) Code of Ethics and Conduct Procedures

i) Code of Ethics and Conduct Procedures

Jeff advised that the Governance Committee reviewed the Code of Ethics and Governance Procedures that were recommended to the Committee by the Finance and Audit Committee. The Governance Committee recommended approval of the Procedures.

ii) Code of Ethics and Conduct Policy

The Code of Ethics and Conduct Policy were then reviewed by the Governance Committee, as recommended by the Finance and Audit Committee, and recommends approval by the Board of Governors.

***Moved by Jeff Mason that the Board of Governors approve the Code of Ethics and Conduct Policy and Procedure as presented.***

***Carried***

Jeff advised that the Board's Strategic Planning Session is being prepared for March 11 and 12<sup>th</sup>. The Friday night will have team-building and the formal retreat will be held all day on Saturday. The Agenda for the retreat will be forthcoming.

### **3.8 Human Resources Committee (Diane Brickner)**

a) Minutes of the Meeting of December 18, 2015

Diane Brickner discussed the meeting of the Human Resources Committee held on December 18, 2015. The Committee was advised that the Board of Governors

should carry optional WCB coverage and the same was approved and recommended for approval by the Board of Governors. Coverage levels to be determined according to individual circumstances.

***Moved by Diane Brickner that the Board of Governors approve the WCB coverage for the Board of Governors as indicated.***

***Carried***

The Committee was updated on the status of negotiations between NASA and NAIT.

The Committee has tabled approval of its Terms of Reference until the next meeting to be held prior to the Board meeting in May.

***Moved by Diane Brickner that the Human Resources Committee meeting minutes of December 18, 2015 be accepted as information.***

***Carried***

Brent Hesje wished to thank Diane for her leadership of the Human Resources Committee.

#### **4. Presentation and Discussion**

##### **4.1 Investment Club of NAIT - ICON**

Dr. Feltham welcomed Anna Beukes, Chair – Business Administration, Finance, to discuss the request for real money for the Investment Club of NAIT (ICON).

Also attending with Anna were Max Varela Arevalo, Associate Chair – Business Administration, Finance, and one of their students working in the Club – Logan Phillips.

Ms. Beukes advised that the Investment Club works with NAIT and NAITSA and are bringing this proposal and presentation to the Board of Governors to seek approval to set up a real money account. Anna advised that several post-secondary institutes have real money investment accounts for students to learn how to manage the funds.

Anna advised the Chartered Financial Analyst (CFA) Society has recognized ICON and NAIT is the first polytechnic in Canada to be welcomed into the CFA Institute University Recognition Program. The Club has received recognition and awards through competitions from schools of business across Canada. The Club wishes to take their learning to the next level by using real money funds.

The revenue from investments (once it reaches a certain level) will be used for student bursaries and scholarships.

The Club worked with KPMG to do an environmental scan of other post-secondary institutions who use real money trading account for students. Legal Counsel from NAIT was also consulted on risk factors. Moving forward with this plan aligns with the NAIT 2021 vision to be the most relevant and responsive post-secondary institute in Canada and a world-leading polytechnic.

Ms. Beukes advised that seed money of \$25,000 was received from CFA to help the Club get started.

Max Arevalo Varela then reviewed the presentation with the Board. He advised that this is a hands-on learning venture for students in the Club. Max indicated that only the Head Portfolio Manager (Ivan Ourdev – Instructor, Business Administration, Finance) is permitted to do the actual trades with input from the Club members. Students do the research and provide the investment recommendations. There are benchmarks to be met and there will be a Fund Advisory Committee that will include CFA-accredited members.

The Board discussed the presentation with Ms. Beukes and Mr. Varela. Mr. Varela advised that no positions in the Club are paid positions – all are voluntary.

NAIT can be the first Canadian polytechnic to provide a real money fund for its students.

NAIT executive have agreed to match the seed capital provided by CFA and future donors up to to \$50,000 from the Strategic Investment Fund. This will bring the initial real money fund for the Club at \$50,000.

The Board thanked Anna, Max, and their team for their efforts.

#### **4.2 Entrepreneurship and New Venture at NAIT**

Dr. Neil Fassina introduced the presentation of Entrepreneurship and New Venture at NAIT. Neil introduced Stacy Ohlman, Malcolm Haines and Peter Nissen, all faculty who are involved in this project.

Neil went through his slide presentation that outlined entrepreneurship and new venture at NAIT that provides curriculum to meet the needs in eco-system learning. This started in 2012 with a hatchery for student-led entrepreneurial activities and competitions. The hatchery provides entrepreneurial connections for students as well.

NAIT is the only venue in Canada with a three-day boot camp for start-up ventures. This boot camp takes the learner through all the phases of starting up a business.

There is industry engagement in the hatchery and it crosses all Executive portfolios.

Discussion followed the presentation and it was noted that entrepreneurship at NAIT is fundamental to the vision of NAIT 2021.

#### **5. Correspondence**

Provided for information only.

#### **6. Board Member Contact List**

Provided for information only.

## 7. Next Board Meeting

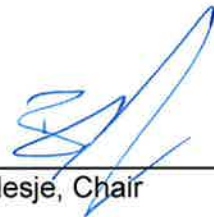
The next meeting will be held Monday, May 9, 2016 at 4:00 p.m.

## 8. Adjournment

***Moved by Nicolas Brown that the Board of Governors meeting be adjourned at 7:13 p.m.***

***Carried***

  
Sandy Timmer, Recorder

  
Brent Hesje, Chair