



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

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

Tuesday, October 10, 2017
4:00 to 7:30 pm

O102P Governors' Boardroom

| | | | |
|-------------------|---------------------|---------------------------|------------------------|
| Members | Ray Martin (Chair) | Daryl Kruper (Vice Chair) | Dr. Glenn Feltham |
| Present: | Allan Mah | Keith Meagher | Mary Lynne Campbell |
| | Jeffrey Mason | Valerie Berger | Vi Becker |
| | Matthew Woodley | Yasmin Jivraj | Calli-Rae Barker-Poole |
| | Silvie Forest | Annemarieke Hoekstra | |
| Resources: | Dr. Ray Block | George Andrews | |
| | Dr. Sue Fitzsimmons | Kevin Shufflebotham | |
| Regrets: | Ray Pisani | | |
| | Joel Benitez | | |
| Recorder: | Sandy Timmer | | |

Mr. Ray Martin welcomed all to the first Board meeting of the academic year.

Mr. Martin welcomed four new members to the meeting:

- Alayne Sinclair – public member
- Calli-Rae Barker-Poole – NAITSA member
- Silvie Forest – NASA member
- Annemarieke Hoekstra – NASA member

Mr. Martin also pointed out that this would be the last Board meeting for two members who have come to the end of their second term on the Board – Keith Meagher and Allan Mah. He thanked each.

An overview of the agenda was provided by Mr. Martin.

1. Call to Order

Mr. Martin called the meeting to order at 4:00 p.m.

1.1 Approval of the Agenda

Dr. Feltham recommended minor changes to the agenda relating to the addition and deletion of motions. He advised that two motions related to the naming of buildings should be included in the agenda:

- The naming of the T Building
- The naming of the Productivity and Innovation Centre building

These will be addressed under the Campus Development Committee.

As well, Dr. Feltham noted that two motions listed in the meeting package do not require board approval and are for information purposes only.

Moved by Dr. Glenn Feltham that the amended agenda be approved.

Carried

1.2 Approval of Minutes of the Meeting on May 16, 2017

Moved by Allan Mah that the minutes of May 16, 2017 be approved as presented.

Carried

1.3 Acceptance into the Minutes of the Asynchronous Votes held between May 17, 2017 and October 10, 2017:

Records of the asynchronous votes are to be entered into the minutes.

- 1.3.1 Record of the Asynchronous Vote of the Board of Governors of July 5, 2017 re: purchase of the Western Hog Exchange Building.
- 1.3.2 Record of the Asynchronous Vote of the Campus Development Committee on September 21, 2017 re: the purchase of the 22.5 acres of land adjacent to the Spruce Grove Campus.

Moved by Vi Becker that the Board of Governors accepts into the Minutes the records of the Asynchronous Votes held between May 17, 2017 and October 10, 2017 as information.

Carried

1.4 Business Arising

There were two items arising from the previous minutes:

- At the previous meeting Joel Benitez inquired as to NAIT's physical capacity regarding personal devices; and the availability of computer labs for students.

- Ray Pisani inquired as to what mechanisms NAIT has for early warnings/alerts on software viruses.

Dr. Block confirmed that these inquiries were addressed directly with Mr. Pisani and Mr. Benitez.

[For the members' information – NAIT continually evaluates and expands our wireless capacity each year and we have one 24-hour lab in the U wing that is available to students.

NAIT has a number of sources for early detection of software viruses. Each vendor that supply tools like our firewall vendor, Microsoft, etc., do have global notification systems to all their clients. We also detect through the use of our tools – primarily through edge devices like our firewall. In addition, NAIT's CIO has a network of peers who continually communicate to each other.]

2. NAIT Executive Reports

2.1 Office of the President and CEO

Dr. Glenn Feltham provided an overview of his report to the Board. He wished to thank the broader leadership at NAIT and all that they do to make the NAIT an outstanding polytechnic.

Dr. Feltham also wished to thank George Andrews for all his contributions to NAIT as Vice President External Relations and Chief Development Officer. George will be moving on to a new executive role as the President and CEO of the Alberta Cancer Foundation.

Also leaving the Board soon will be Keith Meagher and Allan Mah – their terms will conclude in December. Dr. Feltham thanked them both for their service. Postings for these two positions should be posted shortly on the Government website.

Dr. Feltham acknowledged the passing of Senator Thelma Chalifoux, a past NAIT Elder. Senator Chalifoux was a tireless advocate for Metis and all Aboriginal people and culture. NAIT presents the Senator Chalifoux award annually to those who work to make changes and improvements for Aboriginal students.

Dr. Feltham noted that a main focus for the Board this year will be to re-visit our vision document, NAIT 2021. Throughout the year, the Board will be asked for their input into central elements of our vision in the creation of an updated document, NAIT 2021+.

Campus development remains a significant priority, with multiple important initiatives. The purchase of the Blatchford lands remains vital to NAIT's future. The City and NAIT have reached an important milestone in the Blatchford lands negotiations. However, significant terms are still being discussed and continue to be negotiated.

Campus development in Spruce Grove is also a priority. The purchase of additional lands to complete our control of the quarter section is strategically important – in addition to providing more room for growth, it affords us greater flexibility in the use of our existing lands. We recently launched a new program at the Spruce Grove campus for

foundation drill rig operator – the first of its kind in North America. This is a two-year program and was developed by DCICE with strong industry support.

The Productivity and Innovation Centre, a transformative project, continues to advance well towards its completion date of April 2018.

Dr. Feltham reported that government funding for post-secondary continues to decline in real terms, and that this trend is likely to continue. This will have a significant impact on NAIT's financial sustainability. We will continue to focus on both revenue and expenses.

With George Andrew's departure, a search for a new VP External and CDO will be initiated in the coming weeks. Glenn also informed that Board that he would be conducting an internal process for the appointments of the positions of Provost and Vice President Academic, similar to reviews conducted for re-appointments.

Dr. Feltham advised that he has now concluded two chair-ships – his terms have ended as the chair of Polytechnics Canada and as the chair of the Council of Post-secondary Presidents of Alberta (COPPOA). He noted that both were educational and rewarding experiences that allowed him to regularly meet face-to-face with senior ministers and deputy ministers, federally and provincially, and elevate their understanding of polytechnics and the broader post-secondary system.

Dr. Feltham will be attending the WorldSkills competition in October to observe and learn more about best practice in skilled trades' education and systems. NAIT has three students in the competition who are part of Team Canada. Following WorldSkills, Glenn will visit several innovation, skilled trades, and sport institutes in Europe.

NAIT recently had a family event at the Valley Zoo with over 2500 staff and their families attending. The NAIT-it-Forward fundraiser for student bursaries was another large success. This is an opportunity for staff to give to students through bursaries.

The NAIT Ooks hockey all-stars teamed up with the MacEwan University hockey team all-stars to play against the Edmonton Oilers rookies and won 2-0 over the rookies. The game was held at Rogers Place Arena and there was a great turnout to cheer on the team.

The provincial government recently announced that NAIT will receive \$495,000 from government for the next three years for mental health programs for students. This is a very important part of our student well-being and experience at NAIT.

Dr. Feltham concluded his report by noting that risks to NAIT remain reasonably stable, and that we continue to work on strategies to mitigate risk. There are three areas of risk that Glenn noted:

- Completion of the Productivity and Innovation Centre on time and on budget for April 2018
- NAIT's long-term financial sustainability. With the reduction in government funding and freeze on tuition, this will be a challenge. We are focusing on strategies to ensure we are able to achieve our vision which includes growth.
- Cyber-security is a primary focus as the safety and security of our network is a priority. This will be discussed further by Dr. Block in his report.

The Board briefly discussed Dr. Feltham's comments and he concluded his report.

2.2 VP Administration and CFO

Dr. Ray Block summarized his report which is included in the meeting package. He noted that an important focus for his team is our network cyber-security. With recent events that have hit some post-secondaries, we are working hard to reduce IT risk at NAIT. Dr. Block reported that an external IT consultant was retained to work with us improvements to our cyber-security.

Discussion ensued with Dr. Block and Helen Wladyka, Chief Information Officer, on controls that NAIT has in place to reduce the possibility of cyber-attacks or "phishing" scams that could involve human error.

Dr. Block then concluded his report.

2.3 VP External Relations and CDO

George Andrews provided a brief overview of his report. He wished to acknowledge the strength and depth of his team and thanked them for all they had accomplished these past several years. He noted the strength of his direct reports in Marketing/Communications, Government Relations, Advancement and DCICE.

He discussed NAIT's relationships with our donors. He further discussed the importance of DCICE in creating pathways for lifelong learning for students. We noted that we do not receive government funding for non-credit programs, so it is particularly important that we focus on these programs financially sustainability.

Board members discussed with Mr. Andrews the various areas under the VP External portfolio.

The Board thanked George for all he has accomplished in his portfolio and for NAIT.

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

Kevin Shufflebotham provided some highlights from the combined Provost and VP Academic report.

Mr. Shufflebotham noted that there are three main priorities for the portfolio that were developed with the Academic Portfolio Leadership Team (APLT):

- 1) Operational excellence
- 2) Purposeful growth
- 3) Positioning NAIT as a world-leading polytechnic in the education we provide and how we serve industry

Mr. Shufflebotham noted that ensuring we are financially sustainable and have support for academic staff is foundational to achieving those goals.

He noted that he continues to focus on ensuring that the restructure of the academic portfolio is achieving its purpose. Given significant changes were implemented a year ago, Kevin will be working with the Schools and engaging stakeholders to consider if there should be adjustments to further strengthen the structure. He will bring recommendations back to Executive in January.

Purposeful growth is an important priority. Kevin noted that this would need to be accomplished with a lens of financial sustainability. He further noted that seats will continue to decline in the Skills Trades over the next two to three years – this is consistent with the messaging we are receiving from Apprenticeship and Industry Training (AIT).

Mr. Shufflebotham turned the remainder of their update to Sue Fitzsimmons.

Dr. Fitzsimmons continued the summary of the combined report for the portfolio and advised that we continue to work on clarifying how NAIT differs from universities and colleges and what it means to be a “polytechnic” and how we are critical for our province.

Research and innovation at NAIT is different from universities in how it is defined, how we determine our research priorities and how we support to industry.

Our education model is outcomes-based, and we deliver polytechnic enabling skills.

Having PIC open will further enhance how we serve industry. It will be a more integrated way of connecting with industry. The mandate given to NAIT by government in 2007 to provide research and innovation will be fully evident once PIC opens in April 2018.

We recently hosted Ms. Kate Young, the Parliamentary Secretary for Science, who visited NAIT to better understand what kinds of research and innovation NAIT does.

The Board engaged in a brief discussion with Kevin and Sue on their report. Sue advised that we will have a marketing and communications plan to help “sell” the Productivity and Innovation Centre to industry. We will ensure that what we can provide to assist industry is promoted and highly visible.

Kevin confirmed that we continue to look at ways to mitigate the loss in seats in the School of Skilled Trades. AIT is working with us on strategies to accommodate the effects of the challenges in the market place.

The report for the VP Academic and Provost was concluded.

3. Committee Reports

3.1 Academic Council (Dr. Glenn Feltham)

3.1.1 Minutes of the Meeting of September 18, 2017

Dr. Feltham reported on the meeting of Academic Council on September 18, 2017. Items included:

- Appointments to subcommittees – members were added to the various subcommittees of Academic Council
- An update on the development of a Health Administration degree – Tracey Scarlett, Dean of the JR Shaw School of Business presented an update on the development of this new joint program with the School of Health and Life Sciences
- The Sexual Violence Prevention Policy – minor amendments were made to the policy.
- Student Rights and Responsibilities Policy and Procedures – the Council was informed by the new Student Resolution Officer on the creation of this new policy.
- Suspension of the Bachelor of Applied Business Administration–Accounting – it was recommended to suspend this program. Dr. Feltham will speak to this item next.

Moved by Dr. Glenn Feltham that the minutes of the September 18, 2017 meeting of Academic Council be accepted as information.

Carried

3.1.2 Bachelor of Applied Business Administration – Accounting: proposed program suspension

Academic Council was provided with a brief presentation. Dr. Feltham noted that this program is no longer relevant given the restructuring of the accounting profession. The CGA, CMA and CA programs have all merged into the new CPA designation. The Bachelor of Applied Business Administration-Accounting is not recognized toward this new professional credential. Academic Council recommended to the Board that the program should be suspended.

Moved by Dr. Glenn Feltham that the Board of Governors approves the suspension of the Bachelor of Applied Business Administration – Accounting.

Carried

3.2 Campus Development Committee (Allan Mah)

Allan Mah, Chair of the Campus Development Committee, reviewed the meetings of the Committee that have taken place since the last Board meeting. He advised that the Committee met on July 5, July 26 and August 31, 2017.

3.2.1 Minutes of the meeting of July 5, 2017

Mr. Mah advised that the Committee met to discuss the purchase of the Western Hog Exchange building, review a proposal for student housing and receive an update on the Blatchford land discussions.

The Campus Development Committee further recommended the naming of the T Building and Productivity and Innovation Centre in accordance to NAIT's building nomenclature. Mr. Mah requested motions to approve the naming of these buildings.

Moved by Allan Mah the Board of Governors approve the building name "Administration Building" for the T (Tower) building.

Carried

Moved by Allan Mah the Board of Governors approve the PIC building name as the "Productivity and Innovation Centre".

Carried

The Committee noted the approval by the Board of Governors of the purchase of the Western Hog Exchange building for the appraised value of \$1.45M. The building is located between the HR Building and the PEB Building on Princess Elizabeth Avenue. This will position NAIT to have the three buildings in a row.

The Committee was provided with an update on a potential proposal for student housing with more information to be provided at a future meeting.

The Committee reviewed a letter from the City Manager and the proposed go-forward framework for NAIT's purchase of the Blatchford lands. The Committee also had Mr. Tracy Hayden, Executive Director of Realty Services Branch for the provincial government, attend the meeting to provide his perspective as he has been involved in the Blatchford discussions with the City as well.

Moved by Allan Mah that the Campus Development Committee meeting minutes of July 5, 2017 be accepted as information.

Carried

3.2.2 Minutes of the Meeting on July 26, 2017

At this meeting, the Committee was provided with a further update on the discussions on the Blatchford lands. As well as NAIT and City management, there were representatives from the Ministries of Advanced Education and Infrastructure attending the discussions. Both ministries were supportive of NAIT proceeding with a formal offer to the City. The formal offer to purchase was provided to the City on July 28, 2017.

Moved by Allan Mah that the Campus Development Committee meeting minutes of July 26, 2017 be accepted as information.

Carried

3.2.3 Minutes of the Joint Meeting of the Campus Development Committee and Finance Committee of August 31, 2017

On August 31st, the Campus Development Committee met jointly with the Finance Committee to discuss Blatchford lands, the Spruce Grove lands and the student housing proposal.

At the meeting, the Committees were advised that City administration presented a term sheet outlining the main terms of the proposal and the items where negotiations would continue. As the City announced on September 12th, it approved the Terms Sheet. The final approval of the transaction will require the approval of the Board and the Government of Alberta. Securing these lands is a critical step for NAIT to create its one campus-plus model.

The Committees were presented with an initial proposal from a potential partner to build student housing. The housing would provide units of various sizes – from 2 beds to 12 beds in a unit. However, after the presentation which included members from KPMG, it was determined that there is a significant monetary gap between the property owner and NAIT. The property owner would like to work with NAIT and is reviewing their proposal to determine if there can be significant movement in the pricing. An update will be provided at the December Board meeting.

The third item discussed at this meeting was the opportunity to purchase the adjacent lands to the Spruce Grove campus, consisting of 22.5 acres. The Committee was advised that the lands were recently re-listed with an increase in the asking price of \$500,000 to \$2,775,000. This land would enable NAIT to further expand our activities (and potentially introduce additional programs) as well as providing greater flexibility in the use of existing land (as we will not have a residential neighbour). A campus development plan will be completed to ensure the land is used appropriately.

Moved by Allan Mah that the Board of Governors accepts the minutes of the Joint Campus Development and Finance Committees meeting of August 31, 2017 as information.

Carried

3.2.4 Minutes of the Campus Development Committee meeting of August 31, 2017

Mr. Mah provided an overview of the discussions at the Campus Development Committee meeting on August 31, 2017, after the joint meeting with the Finance Committee.

The Committee approved their revised Terms of Reference and are put forward to the Board for approval later in this meeting.

The Committee was updated on a number of items that are underway on campus. The Productivity and Innovation Centre is on schedule for opening in April 2018. The general contractor, Clark Builders, has been very diligent in regards to safety. No safety issues requiring mediation for the job site were reported.

The L and T Buildings have had asbestos abatement completed and both are on schedule for completion of their respective renovations. Administration is expected to move into the T Building by end of February 2018 and the L Building will have its tenants in by May 2018.

Other items discussed in that meeting included:

- Main campus optimization plan – a committee was struck to bring recommendations to Executive Committee and then to Campus Development Committee.
- LRT Planning – NAIT has provided its recommendation to the City as to where the LRT Station should be on the Blatchford lands.
- Campus marker development plan – this is part of the Wayfinding Master Plan and Facilities Management is working with Marketing & Communications on this matter.
- Campus map initiative – this is in conjunction with the Wayfinding project.

The Committee was informed that an integrated emergency management plan was adopted in the spring. This was to align NAIT with industry practices while promoting a safe and secure environment. An Emergency Management Coordinator has been hired and she is working on the Emergency Management and Business Continuity Plan implementation. We also hired a new Director of Health and Safety Services. He is working on the Strategic Plan for health and safety for the institute.

Parking and transportation was discussed and we are looking into technology-assisted processes for the parking areas.

Apprenticeship and Industry Training (AIT) will be moving into leased space at NAIT in the fall of 2018.

The Western Hog Exchange building purchase closed on August 24th and NAIT will be leasing 2,800 sq. ft. of the space back to the current tenants for up to two years with a lease rate for operating costs only.

Moved by Allan Mah that the Board of Governors accepts the minutes of the Campus Development Committee meeting of August 31, 2017 as information.

Carried

3.2.5 Approval by the Board of Governors for the purchase of 22.5 acres of land adjacent to the Spruce Grove Campus

The Campus Development and Finance Committees concurred that administration should proceed with the purchase.

Moved by Allan Mah that the Board of Governors approves the purchase of 22.5 acres of land in Spruce Grove (Title No. 112 035 435) for the sum of \$2,775,000 plus applicable GST and closing costs.

Carried

3.2.6 Approval of Naming Grids and Donor Recognition

As the Board approves all naming for the institute, the newly added naming requested for approval is included in the meeting materials and were approved by the Campus Development Committee on August 31, 2017. It was noted that it was the Board's decision several years ago to put naming values for donations and that it comes back to the Board for approval. This ensures recognition is consistent.

Mr. Mah wished to acknowledge the generous donation from the Mawji Family of \$1 million to establish the Mawji Centre for New Venture and Student Entrepreneurship at the JR Shaw School of Business. It was requested to have additional descriptions added to the Naming Grids and Donor Recognition.

Moved by Allan Mah that the Board of Governors approve the addition to NAIT's naming grids and Donor recognition as recommended at the Campus Development Committee meeting on August 31, 2017.

Carried

3.3 Executive Committee (Ray Martin)

3.3.1 Minutes of the Meeting on June 9, 2017

Mr. Martin advised that the Executive Committee of the Board, which consists of the Committee Chairs, the Board Chair and Dr. Feltham, met on June 9th. One of the items they reviewed was the revised Roles and Mandate document for the institute that is to be provided to the Minister every three years. The document was presented to the Governance Committee for their review in September. Mr. Martin advised this will be addressed in the Governance Committee update later in the meeting.

Moved by Ray Martin that the Board of Governors accepts the minutes of the Executive Committee meeting of June 9, 2017 as information.

Carried

3.4 External Relations Committee (Vi Becker)

3.4.1 Record of the Meeting on September 14, 2017

Vi Becker advised that as quorum was not reached at the meeting of the External Relations Committee on September 14th, items were discussed; however, no motions were passed and items will be tabled at the next meeting of the Committee.

Ms. Becker wished to comment that the Committee was advised by Marketing & Communications that NAIT is top of mind in unaided brand awareness. NAIT's marketing campaign has raised NAIT's brand in the community.

Ms. Becker also noted that NAIT has recently hosted some government announcements from both the Provincial and Federal Governments, including announcements from Premier Rachel Notley and Minister Amarjeet Sohi. These provided opportunities to showcase NAIT.

As quorum was not reached, the meeting was identified as an informal meeting with formal items to be ratified at a following meeting.

3.5 Audit Committee (Val Berger)

Val Berger, Chair of the Audit Committee, spoke to the items for the Committee's meeting on September 27, 2017.

3.5.1 Minutes of the Meeting on September 27, 2017

Representatives from the Auditor General's office attended the Audit Committee meeting to present their Audit Report.

Ms. Berger was pleased to advise that the Auditor General would be issuing an unqualified audit opinion on the consolidated financial statements with no unadjusted differences. There were no new or outstanding recommendations. NAIT received all "green dots" across the Auditor's scorecard. Ms. Berger congratulated NAIT's financial and administrative team for this achievement.

Ms. Berger briefly discussed the financial statements that are included in the meeting materials. She indicated that for the first time in many years, NAIT will have an operating deficit. The deficit was (\$6.1M). This is a decline from the previous year's \$5.6M surplus and down from a budgeted surplus of \$5.2M. There were several factors.

- The anticipated South Lands land transfer was not realized in fiscal 2016-17.
- There was also unexpected severance costs associated with a reduction in staff in the skilled trades' area – this related to a decline in apprenticeship seats.
- Also, as NAIT grows, so do expenses and these are being diligently monitored; however, there has been an increase in expenses to sustain the growth.
- Facilities operation and maintenance costs also increased. Some of that is due to the costs related to the CAT building.
- Also, tuition has been frozen for a further year.
- Finally, some additional salary and support costs were incurred with the academic restructuring.

At the December Board meeting, the Annual Report will be presented for the Board's approval and will include the finalized Management's Discussion and Analysis.

Ms. Berger also reported that the Committee had reports from General Counsel, Information Technology, Enterprise Risk Management and Internal Audit which are contained in the minutes of the meeting.

The internal audit plan for the institute was reviewed and approved. The Committee also agreed with a recommendation to purchase cyber security insurance coverage. Amount to be determined by Administration.

Moved by Val Berger that the Board of Governors accepts the minutes of the Audit Committee meeting of September 27, 2017 as information.

Carried

3.5.2 Minutes of the Joint Meeting of the Finance Committee and Audit Committee on September 27, 2017

Ms. Berger briefly reviewed the minutes of the Joint Meeting with the Audit and Finance Committees who met with the Auditor General's representatives where the Financial Statements and the Management's Discussion and Analysis were reviewed.

Moved by Val Berger that the Board of Governors accepts the minutes of the Joint Meeting of the Finance Committee and Audit Committee on September 27, 2017 as information.

Carried

3.5.3 NAIT's Audited Consolidated Financial Statements for the Fiscal Year Ended June 30, 2017

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, 2017.

Carried

3.5.4 Compliance Certificate – April 1, 2017 to June 30, 2017

Moved by Val Berger that the Board of Governors accept the Compliance Certificate for the period of April 1-June 30, 2017 as information.

Carried

3.5.5 Report on the Meeting of August 30, 2017 re: a potential IT Sub-committee

Ms. Berger advised that the Audit Committee met on August 30th to discuss the potential need for a new sub-committee under the Audit Committee which would deal with IT matters. After a lengthy meeting, it was determined that a sub-committee was not required at this time. It was felt that the Audit Committee should continue to oversee enterprise risk management, including IT matters. It was concluded that as Yasmin Jivraj is a member of the Audit Committee and is an expert in the IT field, she would be involved in IT strategies. The Audit Committee will do an extensive investigation annually into specific areas on the Enterprise Risk Register such as IT.

Moved by Val Berger that the Board of Governors accept the report of August 30, 2017 as information.

Carried

3.6 Finance Committee (Val Berger)

3.6.1 Minutes of the Meeting on September 27, 2017

The minutes of the Finance Committee meeting on September 27th were discussed by Ms. Berger. She advised that the Committee had a presentation on the Productivity and Innovation Centre operating model and were advised that a pricing model was being developed. A request for RFPs is under underway for market research analysis to assist in the marketing of what the PIC building will offer industry.

The Blatchford lands and potential student housing were discussed.

NAIT's Financial Sustainability Task Force is working to ensure that NAIT meets the needs of students, industry and staff in a fiscally responsible way. The Task Force will continue to report to the Finance Committee.

As the lights-on funding for the CAT building has been reduced, the Board Chair, President and Government Relations Director will develop a go-forward plan.

The Investment Advisory sub-Committee met and they are continuing their vigilant watch over NAIT's investment portfolio. Members on this sub-committee have strong investment backgrounds. Our investment portfolio manager, TD Asset Management (TDAM), meets with the sub-Committee at all of their meetings. The sub-Committee met on September 26th to discuss the asset mix and some minor adjustments were made to the asset mix in the portfolio. The changes were consistent with TDAM's research. The Finance Committee and Investment Advisory sub-Committee supported these adjustments. The sub-Committee's meeting materials and presentations will be added to the Board Meeting Books going forward.

Moved by Val Berger that the Board of Governors accepts the minutes of the Finance Committee meeting of September 27, 2017 as information.

Carried

3.6.2 Investment Advisory Sub-Committee

3.6.2.1 Investment Advisory Sub-Committee Minutes of a Meeting on September 19, 2017

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

Carried

3.6.3 NAIT's Quarterly Investment Report as of June 30, 2017 and August 31, 2017

Ms. Berger advised that the accounting rate of return on the investment portfolio for the year ended June 30, 2017 was 5.3% which was higher than the approved budget rate of return of 4.04%.

The accounting rate of return on the investment portfolio managed by TDAM for the two months ended August 31, 2017 was 0.72% (4.33% annualized). This is also higher than the approved budget rate of return of 0.69% (4.11% annualized). The portfolio and TDAM are performing well.

Full details of the investment results are included in the meeting materials.

Moved by Val Berger that the Board of Governors accept the June 30, 2017 and August 31, 2017 Investment Portfolio Performance report as information.

Carried

3.7 Foundation Trustees (Val Berger)

3.7.1 Minutes of the Meeting on September 27, 2017

Ms. Berger reported that the Foundation Trustees met on September 27th. The Foundation's purpose is to run the NAIT hockey playoff draft every year and a casino every second year to generate cash for athletic funding.

The Trustees approved the hockey draft license application and the casino application for this year.

Moved by Val Berger that the Board of Governors accept the minutes of the Foundation Trustees meeting held on September 27, 2017 as information.

Carried

3.7.2 NAIT Foundation Financial Statements for the Fiscal Year Ended June 30, 2017

The Foundation's financial statements were audited by the Auditor General and were approved by the Audit Committee.

3.8 Governance Committee (Jeff Mason for Ray Pisani)

3.8.1 Minutes of the Meeting on September 14, 2017

Mr. Jeff Mason discussed the meeting of the Governance Committee on September 14, 2017 on behalf of the Chair, Ray Pisani.

In the meeting, the Governance Committee reviewed the revised Roles and Mandate document that will be submitted to the Board and then to the Minister of Advanced Education. There were changes made to better align with NAIT 2021 and polytechnic education.

The Governance Committee discussed the potential IT security sub-Committee and supported the Audit Committee's decision that a separate IT sub-Committee is not required at this time. It was noted that the fiduciary responsibility is achieved through the Audit Committee's review of the Enterprise Risk Register which includes IT matters. The Board Chair provided a letter to the Minister of Advanced Education advising him of the measures that NAIT has in place for IT security.

Moved by Jeff Mason that the Board of Governors accepts the minutes of the Governance Committee meeting of September 14, 2017 as information.

Carried

3.8.2 NAIT Roles and Mandate 2017

Moved by Jeff Mason that the Board of Governors approves the Roles and Mandate for NAIT as presented.

Carried

3.8.3 Approval of the Terms of Reference for Board Committees

The Governance Committee received and reviewed the Terms of Reference for the Governance Committee, Campus Development Committee and Human Resources

Committee. The main change to all of them was to include the role of the Vice Chair in Committee meetings.

3.8.3.1 Governance Committee Terms of Reference

Moved by Jeff Mason that the Board of Governors approves the Terms of Reference for the Governance Committee as presented.

Carried

3.8.3.2 Campus Development Committee Terms of Reference

Moved by Jeff Mason that the Board of Governors approves the Terms of Reference for the Campus Development Committee as presented.

Carried

3.8.3.3 Human Resources Committee Terms of Reference

Moved by Jeff Mason that the Board of Governors approves the Terms of Reference for the Human Resources Committee as presented.

Carried

3.8.4 Board Committees' Membership

The Committee reviewed the upcoming vacancies when Keith Meagher and Allan Mah have concluded their second terms. As well, the skills matrix was reviewed to determine skill-set needs for the Board.

Membership for each Board Committee was reviewed. The newest members of the Board were recommended to Committees that had vacancies. Once all members have been appointed, the Governance Committee will review the slate of members with any recommended changes presented to the Board of Governors as required.

Moved by Jeff Mason that the Board of Governors approves the slate of Board Committees membership as presented.

Carried

3.8.5 Board of Governors and Committee Evaluation Instruments

Evaluation instruments provide helpful feedback from members and are part of good governance. Best practices for Boards was considered and the proposed instruments are consistent with best practices. The Committee agreed that these reviews should be administered annually. It was recommended that these evaluation tools be adopted for the upcoming year and will be included in the Orientation Binder for new members.

Moved by Jeff Mason that the Board of Governors approves the Board of Governors and Committee evaluation instruments as presented.

Carried

3.9 Human Resources Committee (Daryl Kruper)

3.9.1 Minutes of the Meeting on June 22, 2017

Mr. Daryl Kruper reported on the meeting of the Human Resources Committee on June 22, 2017.

Highlights from the June 22nd meeting included a meeting with Mr. Kevin Davediuk, the Chief Advisor on Negotiations for the Provincial Government. Mr. Davediuk provided information on upcoming negotiations and noted that, until recently, Alberta had little central planning for bargaining. He noted that the Essential Services legislative changes will be a new challenge and discussed what post-secondary institutes should be prepared for in that regard.

Executive compensation and the Government's Executive Compensation Framework was presented and discussed by the Human Resources Committee. Further information on this is expected in fall 2017. Negotiations with AUPE is scheduled to start in early fall 2017. The Sunshine List was posted on June 30, 2017.

Moved by Daryl Kruper that the Board of Governors accepts the minutes of the Human Resources Committee meeting of June 22, 2017 as information.

Carried

3.9.2 Minutes of the Meeting on September 13, 2017

In the meeting on September 13th, the Human Resources Committee discussed the closure of the Calgary Campus. It was determined that it would be closed as of June 30, 2018. Programs at that campus would be transferred to Edmonton as well as staff who chose to move to Edmonton. This was a fiscally prudent decision.

The Committee was advised that NAIT was the first post-secondary institution to apply through the new CPA pre-approved model for the CPA program. We currently have two CPA students who do a 10-month rotation for a 30-month term.

The Committee met the new Director of Health and Safety and was informed of his plans going forward for that department.

The executive compensation timeline for the Government's framework was updated to early 2018.

The Committee was advised of George Andrews' departure to take on a new position as the President and CEO at the Alberta Cancer Foundation. A search for a new VP External & CDO would be initiated in the coming weeks.

Moved by Daryl Kruper that Board of Governors accepts the minutes of the Human Resources Committee meeting of September 13, 2017 as information.

Carried

4. Presentation and Discussion

4.1 NAIT 2021⁺ – Dr. Glenn Feltham

Dr. Feltham presented on the review of our vision document, NAIT 2021 which will occur throughout the year – that is, we will develop NAIT 2021⁺.

Glenn noted that we have achieved much of what was in the NAIT 2021 vision, and now have to think beyond 2021. He noted that, in developing NAIT 2021+, we will also need to revise NAIT's other strategic documents, including our Strategic Plan, to ensure alignment.

In the review of NAIT 2021 we will affirm core elements of our vision, modify items that may no longer fully reflect our aspiration, and add to the vision.

The NAIT 2021+ plan will be discussed at each Board meeting going forward culminating in a comprehensive review at the Board Strategic Planning Session in April 2018.

5. In-camera Session with Board of Governors

Guests departed the meeting as the Board moved to an *in-camera* session. Dr. Ray Block remained to speak to certain matters and then departed.

Moved by Vi Becker that the Board move to an in-camera session.

Carried

Moved by Yasmin Jivraj that the Board exit the in-camera session.

Carried

6. Correspondence

For information.

7. Board Member Contact List

For information.

8. Next Board Meeting

The next Board Meeting date will be Tuesday, December 12th at 4:00 p.m. to be followed by the Board Festive Dinner at 6:00 p.m.

9. Adjournment

Moved by Ray Martin that the Board of Governors meeting be adjourned at 7:35 p.m.


Sandy Timmer, Recorder


Ray Martin, Chair