



NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Minutes of the One hundred thirty-fourth regular meeting of the Board of Governors

Monday, February 3, 2014
4:00 to 7:21 pm
O102P Governors Boardroom

Members Present:	Brent Hesje (Chair)	Dr. Glenn Feltham	Jeff Bailey
	Jonathan Bilodeau	Andy Clark	Darcy Corcoran
	Syed Haq	Diane Brickner	Daryl Kruper
	Allan Mah	(teleconference)	(teleconference)
	Justin Nand	Keith Meagher	Kevin Nabholz
	Larry Spagnolo	Mark Ohe	Ray Pisani
		Kerry Brown	
Recorder:	Corie Phillips		
Others Present:	Dr. Ray Block	George Andrews	Lara McClelland
	Thomas Djurfors	Dr. Neil Fassina	Doug Short
	Nancy McGuire	Susan Cline	Jeff Dumont
	John Engleder	Leo Lejeune, Stantec	
	Lilly Price, Vice-President & Director, TD Asset Management Inc.	Les Grober, Managing Director, Co-head of Asset Allocation Team	
Regrets:	Randy McLeod		

1. Call to Order

Brent extended appreciation to the members for committing an extra hour to the Board meeting this evening to enable a broader discussion following the presentations scheduled.

The meeting was called to order at 4:02 pm.

a) Approval of Agenda

The agenda was revised to move the presentation by TD Asset Management to 1 (d) following Business Arising from Minutes.

Moved by Kevin Nabholz that the agenda be approved as revised.

Carried

b) Approval of Minutes of December 2, 2013

Moved by Darcy Corcoran that the minutes of December 2, 2013 be accepted as presented.

Carried

c) Business Arising from Minutes

There was no business arising to report.

- d) TD Asset Management Presentation (Lilly Price, Vice President & Director; Les Grober, Managing Director, Co-head of Asset Allocation Team)

Glenn noted that, as the members are aware, NAIT recently changed asset management firms to TD Asset Management. The importance of the presentation to the board was shared: we have a very large amount being managed; there are significant implications (including accounting implications) of migrating from our old manager; and we will be borrowing a large sum toward CAT that will need to be managed.

Lilly provided an overview of the migration stating that the migration process was completed within 10 business days (January 13, 2014 to January 24, 2014) and trading costs (including brokerage costs and direct costs) and compensation.

Les provided an overview of the market outlook:

- Key Themes
- Current Positioning is modestly over weighted to equities relative to bonds.
- Global GDP Growth should accelerate in 2014 relative to 2013.
- Optimistic with U.S. Economy showing an increase in housing, auto sales, consumer confidence, and a decrease in unemployment.
- As the Canadian economy is highly correlated with the U.S. economy, the Canadian economy should follow.
- Equity vs. Fixed Income Valuations – Equity risk premium remains high.
- Equity vs. Fixed Income Performance – Could be a potential warning sign
- Liquidity Environment Remains Positive – Entering a different financial market regime.
- Key risks to the outlook regardless of optimism for 2014.

2. NAIT Executive Reports

- a) Office of the President and CEO

Dr. Glenn Feltham provided an overview of his report as follows:

- Reiterated the importance of the TD Asset Management presentation.
- Extended appreciation to members for their willingness to extend the Board meeting by a hour to allow for more in-depth discussion; provide time for a greater focus on strategy and fundamental risks to the organization; to allow for more in-depth discussions of activities important to NAIT; and to provide additional context.
- A new teleconferencing phone has been ordered with wireless speakers to enable an ease of teleconferencing during Board meetings.
- Extended appreciation to Executive, President's Council, Academic Council and the broader leadership of NAIT who have enabled a strong vision for NAIT.

- Four areas of strategic importance shown throughout the presentations:
 - Centre for Applied Technologies, including changes to the project and how the building will look, feel, and function.
 - NAIT's financial portfolio in terms of changes money managers and strategic decisions.
 - Pathways & the Collegiate
 - How we measure success and progress through the demonstration of a dashboard for use internally and externally.
- Areas of significant strategic importance to NAIT:
 - Advocacy
 - Provincially
 - Redefined Ministry, Innovation and Advanced Education
 - New Minister, Honourable Dave Hancock
 - New Deputy Minister, Steve MacDonald
 - Loss of Darlene Bouwsema who was the ADM responsible for Apprenticeship and Industry Training.
 - Minister of Infrastructure, Honourable Ric McIver
 - City
 - New Mayor Don Iveson
 - New City Council
 - Airport Lands
 - Strong focus on advancing negotiations to acquire the land with hopes of beginning negotiations to acquire the land on February 10th with the support of the Ministry of Innovation & Advanced Education and Ministry of Infrastructure.
 - Ministry of Infrastructure will focus on how much land, what land, constraints, and environmental. Also will be working on how best to pay for the acquisition.
- Items of interest
 - For the third straight year, NAIT will be recognized as a leading employer in Alberta – we are very proud of this.
 - Honourable Michelle Rempel visited NAIT last week to announce the federal government's contribution for the Thermotron and 3D printer within the NAIT Shell Manufacturing Centre.
 - Northern delegation visit to NAIT including two Minister's and the Mayor of Yellowknife.
 - Wonderful celebrations including the Children's Christmas Party (biggest one yet), the Seasonal Celebration, and Long Service and Staff Recognition Awards Ceremony.
 - Task Force for Teaching Excellence drawing to a close with the report being sent to the Minister next week, it has been a wonderful growth opportunity.

- Risk profile remains relatively stable, overall the risk profile is strong. An important risk area continues to relate to labour negotiations. We continue to await the results of an arbitration process with NASA (our staff association), and are bargaining with AUPE. Financially, we are making decisions that will allow us to be financially sustainable as we continue to focus on our long-term vision, NAIT 2021.

Both Keith Meagher and Andy Clark provided further conversations with various levels of Government about the importance of NAIT.

b) Provost and VP Academic

Dr. Neil Fassina provided an overview of his report as follows:

- Provost's Council – the initial stages of a governance review have led to the renaming of the Academic Leadership Team to Provost's Council. The newly established council will provide a broader body of engagement and input, building on the mandate associated with the Academic Model Alignment Team (AMAT) and Academic Model Alignment Team (AMIT).
- Development of an integrated rolling four year academic, applied research, innovation plan is underway. A broad consultation and engagement model is being used to define the current state and future evaluations of the academic and applied research vision of NAIT to accomplish the vision of NAIT 2021. The initial cultural change enable the academic portfolio to move to a planning culture, enabling the students to experience NAIT that much better.
- Focus on enhancing pathways for learners between academic institutions throughout the province. Also working closely with Lara McClelland, Chief Strategy Officer and other Senior Academic Officers to create a principle-based pathway within the post-secondary system.
- Facilitating a consultation with Program Advisory Committee's on February 20th.
- Neil provided a snapshot of the New Academic Model for new members. Neil stated the process began five years ago when NAIT initiated a primary need for a change in the way we offer education. The concept has now been renamed to Our Academic Model. There are many aspects of the model including: enabling a single point of contact for academic advising, a renewed focus on implementing applied research in the classrooms, formalizing processes with a standard operating system, work-integrated learning, and prior learning. More coordination was needed for to add to that are already present in the system. The model resulted in substantive changes enabling the system to have seamless pathways and enable NAIT to be a leading polytechnic.

c) VP Administration and CFO

Dr. Ray Block provided an overview of his report as follows:

- The NAIT Board approved the 2013/14 Budget based on revenue of \$304.7 million, expenses of \$316.6 million, and an excess of expense over revenue of \$11.9 million. Throughout the year, budget adjustments are processed based on new information resulting in a forecast for the year. New information includes: Campus Alberta grant, strong investment performance, reduction in expenditures and increased revenues, all resulting in a change to the bottom line forecast. As of December 31, 2013, the forecast reflects revenue of \$311.8 million, expense of \$314.9 million, with an operating deficit of \$3.1 million. The forecast reflects an additional \$34.0 million in extraordinary income due to the change in investment managers and policy, resulting in a net operating surplus of \$30.9 million.

- Facilities Management and Development (FMD) met with Alberta Infrastructure on January 24th regarding the City Centre Airport land transactions; a further meeting will occur on February 10th.
- Human Resources – Executive Director, Human Resources search committee consisted of 11 members and interviews have concluded with the goal to have a formal announcement by the end of the week.
- Information and Technology Services – Office 365 migration, migrations began in late December in accordance with the published schedule. Mailboxes through the migration will increase substantially from 300MB to 25GB.
- Digital Signage – Facilities Management and Development, Information and Technology Services, Marketing and Communications joined forces to come up with a solution for the digital signs. The team will be working together to replace the out-of-date technology that have caused the signs to be unreliable. Board members who notice the lack of reliability of the signs provided Ray and the teams mentioned with kudos for working to fix the sign.
- My Trade Secrets (formerly known as ATOMS Apprenticeship online class registration) NAIT is currently in discussions with Innovation and Advanced Education and other Post-Secondary Institutions regarding the conceptual model of the addition of an online class registration system for Apprentices. Tentative implementation is scheduled for October 2014; with NAIT's schedule for implementation aimed at May 2015.

Ray, Kerry and Kevin expressed their appreciation at the various ideas expressed to save money on the Centre for Applied Technologies with various ideas being vetted, both through Campus Development Committee and Finance and Audit Committee.

The biggest risk in regard to the Centre remains the timing and completion dates.

Larry provided kudos to Ray and his team for their diligent management of financials year after year. Ray advised members that NAIT has already been in communication with the government regarding the financial position.

d) VP External Relations and CDO

George Andrews provided an overview of his report as follows:

- Year to date fundraising goals as of December 31, 2013 are on target along with student award goals.
- The Department of Corporate, International and Continuing Education (DCICE). The transfer of Credit Program responsibility is ongoing and discussions are underway between various schools and CED to support mitigation of financial risk and revenue generation.
- The Marketing and Communications team will receive the following CASE (Council for Advancement and Support of Education) awards at the next annual conference in Vancouver: Gold, City of Tomorrow (TechLife Article); Silver, Essential brand campaign; and Bronze, Strange Brews (TechLife Article). Kudos was provided to Susan Cline and her team.
- Risks
 - With the increase in programs in the NAIT Shell Manufacturing Centre, this leads to a larger intake in each successive semester there is a greater need to

increase our teaching and support staff.

ACTION: It was requested that at future meetings, a chart is provided to members displaying the projections and actuals of fundraising, etc. for the Centre for Applied Technologies.

e) Chief Strategy Officer

Lara McClelland provided an overview of her report as follows:

- Strategic Framework for NAIT 2021 and Beyond – NAIT will be holding engagement sessions with faculty, staff, students and industry and other external stakeholders to collaboratively develop strategies, actions, metrics, and timelines that align to NAIT 2021 and the NAIT Way. The sessions will inform a long-term strategic framework that guides planning, decision-making, and reporting. Lara has been working closely with Dr. Neil Fassina to ensure there is an alignment of the Academic Plan with the long-term strategic framework, with guiding metrics used to demonstrate success.
- Occupational Health & Safety (OH&S) Overview – Committee includes 12 members from across NAIT and the committee is making progress in the identification of objectives for an OH&S cultural model, education, training, research, and outreach. The committee has also been working with the Ministry of Health and the Alberta Centre for Injury Control and Research to implement their *Preventable* campaign which works to reduce mortality and morbidity rates. A communications plan will be developed over the next couple months.
- Economic Impact Analysis – In collaboration with the George Andrews, VP External Relations and CDO, they contracted a leading academic economics firm to undergo an economic impact analysis of NAIT. As a result, Lara shared three compelling messages with the members including: 91% of NAIT's grads stay within Alberta two years after graduation; market advantage speed at which students spend an average of two years of time at NAIT from entry to exit to employment with a return on investment on students and government; and the tuition the student pays and the annual rate of return per FLE. NAIT students graduate earlier and contribute to the economy earlier and their long-term earnings in comparison to arts and science programs at university are comparable. Alberta Treasury and Finance data was utilized to build the report so the data is authenticated.

Keith expressed his happiness with the reflection of accident rates declining. Keith further stated he is pleased with the work occurring by Andrew Smith.

- Mental Health Advisory Committee – Committee is comprised of 82 representatives from a wide cross-section at NAIT, including each of the schools. Lara is the Executive Sponsor. The Committee has identified three pillars under which work is mobilized specifically: prevention of harm, promotion of health, and resolution of incidents or concerns. The Committee will be supporting mental health first aid training for four staff in a train-the-trainer model which will enable NAIT staff to identify signs and symptoms of mental health issues with our students and staff. The committee has begun a high-five campaign (a symbol of a palm of a hand) with the symbol to be posted on office doors around NAIT to represent a non-judgment area.

Larry inquired about the methods used for following up with students on the level of comfort with initiatives taken to address Mental Health. Neil replied that the Academic

Advising Centre is working on making sure that students have the appropriate resources available such as counsellors, etc. and the Mental Health First Aid Training will enable instructors to identify a student at risk within the classroom environment. Jonathan Bilodeau advised that iPads will soon to be disbursed throughout campus to enable students to partake in the NAITSA survey which does address mental health.

ACTION: Members requested for information at a future meeting regarding the results of the surveys provided to students to determine their knowledge of the level of support around Mental Health.

Brent congratulated Glenn and his team for all of the external work the Executive are working on and moving along.

3. Committee Reports

3.1 Academic Council (Glenn Feltham)

a) Minutes of January 21, 2014

Glenn summarized the minutes which focused on two areas – International and the Collegiate.

Moved by Dr. Glenn Feltham that the Academic Council meeting minutes of January 21, 2014 be accepted as information.

Carried

b) Honoray Degree Nominations

Glenn provided an overview of each nominee as recommended to the Board for approval by both the Honorary Degree Subcommittee of Academic Council and Academic Council.

The three recommended nominees are Bob Gomes, BTech; Ed Stelmach, BBA or BTech; and James (C.J.) Woods, BBA.

Bob Gomes, Stantec, has a degree in civil engineering from the University of Alberta and prior to joining Stantec in 1988, began his career working with a land-development-engineering firm. In November 1998, he was appointed vice president of Stantec's Edmonton Urban Land group. He led that group to become the largest and most successful land development firm in Edmonton.

Ed Stelmach, was sworn in as Alberta's 13th Premier on December 14, 2006. Ed entered politics in 1986, becoming Councillor for Division 4 of Lamont County, a year later being appointed as Reeve. In June 1993, Ed was elected to the constituency of Vegreville-Viking until 2004 when he won his fourth provincial election for the newly created constituency of Fort Saskatchewan-Vegreville. Ed continued to serve as Premier until October 7, 2011.

James (C.J.) Woods, is the Senior Vice President & Director for CIBC Wood Gundy. In 1999, James was recognized as the Distinguished Friend of the Institute of NAIT; 2005 named Outstanding Philanthropist Award, Association of Fundraising Professionals Edmonton & Area, along with many other recognitions.

The alternates were then reviewed:

- Bill Knight, Owner, B&B Demolition, NAIT Alumni, self-made Edmonton success story, employs NAIT grads.
- Don MacDonald, CEO, company hires NAIT grads and was nominated by a student.

The criteria used in selecting the awardees is as follows:

(1) Achievements aligning with NAIT's mission and vision; (2) Relationship or connection to NAIT (for individuals outside of NAIT); (3) Track record of achievements; (4) Uniqueness of achievements in terms of innovation, breakthrough, or creativity; and (5) the availability to attend the ceremony.

Moved by Glenn Feltham that Bob Gomes, BTEch; Ed Stelmach, BBA, and James Wood, BBA be awarded the 2014 Honorary Degrees, with the ability to call on alternates, namely Bill Knight and Don MacDonald if required.

Carried

c) Emergency Medical Responder

Dr. Neil Fassina provided the rationale for the proposal to move the Emergency Medical Responder program from a credit program to a non-credit program as follows:

- EMR is currently delivered as a non-credit program through several organizations and NAIT's tuition is already higher than the other offerings without taking into consideration the increase.
- As APAS is adopted into the EMR program it puts it at a competitive disadvantage. The program is a requirement for all Prehospital Care Programming, the first of a three-step process to becoming a Paramedic in Alberta.
- NAIT provides training for 525 EMR students per year in Alberta. The initiative is supported by Innovation and Advanced Education, School of Health Sciences, and the Department of Continuing Education.

Moved by Glenn Feltham that the Board of Governors approve the Emergency Medical Responder program to be terminated as a credit program so it can be offered as a non-credit program.

Carried

Mark asked a question regarding the eligibility of student athletes for alternative programming due to the change to a non-credit program; Neil subsequently advised that an alternative is in place for student athletes who previously used this method.

3.2 Campus Development Committee (Kevin Nabholz)

a) Minutes of January 21, 2014

Kevin provided a short overview of the following items, indicating that the minute were enclosed for information for further details:

- Centre for Applied Technologies
 - Leo Lejeune from Stantec will be providing a presentation for the members later in the agenda including an overview of the building, highlighting changes that have been made to the original design.
 - Construction is very much underway with the foundation substantially complete and the first floor slab of the north-

east quadrant completed. The concrete structure will be built quad by quad and the schedule for the north-east quad to be up to the full five stories by late spring/early summer.

- Schedule remains a risk on this project and Facilities is working closely with the contractor to find ways to improve construction time.
- The tendering of the construction trades work is about 40% and so far, the costs have come within budget.
- Main Campus Restack
 - When the CAT building is completed and the staff and students are relocated into CAT, there will be a substantial amount of vacant space that will be opened up throughout Main Campus. Administration will be carrying out an extensive planning exercise to develop a restacking plan. The plan will identify upgrades and renovations required and include a cost estimate for the restacking plan.

Moved by Kevin Nabholz that the Campus Development Committee meeting minutes of January 21, 2014 be accepted as information.

Carried

b) Student Housing

Kevin advised that NAIT engaged The Scion Group to provide a preliminary feasibility study for student housing. The consultant noted that the student engagement rate for this study was much higher than experienced on other studies they have done. The consultant concluded that:

- NAIT has a strong case for student housing
- Building for half the existing demand is prudent
- There is a natural fit with campus expansion
- Financial challenges exist, but do not appear insurmountable.

The study was presented at the February Campus Development Committee meeting and could be available for the March board retreat if determined to be complementary to the overall retreat agenda.

Moved by Kevin Nabholz that the Board of Governors approve NAIT carrying out a detailed study to determine a financially viable model that provides a level of housing that meets NAIT's objectives and to provide recommendations for a specific development concept and delivery model.

Carried

c) Donor Recognition & Naming Grids

Moved by Kevin Nabholz that the Board of Governors approve the addition of the following to NAIT's naming grids:

NAIT – Main Campus

GIFT LEVEL	NAMING OPPORTUNITY
\$500,000	A1X12 – Wing
\$500,000	A103 – Laboratory; increase gift level from \$100,000 due to specialized equipment.
\$100,000	A147 – Computer Lab; increase gift level from \$50,000 due to specialized equipment.
\$250,000	A162 – Woodworking Shop
\$250,000	A163 – Woodworking Shop
\$250,000	A164 – Woodworking Shop
\$100,000	A171 - Laboratory; increase gift level from \$50,000 due to specialized equipment.
\$50,000	RH107 – Smart Classroom
\$100,000	RH104 – Blueprint Reading Room
\$500,000	RH108 – Shop A & B
\$100,000	V102 – Cabinet Maker Shop
\$100,000	V110 – Carpenter Shop
\$100,000	V111 – Cabinet Maker Shop
\$100,000	V113 – Preparation Area
\$100,000	V114 – Carpenter Shop
\$50,000	CAT230 - Classroom

Carried

Moved by Kevin Nabholz that the Board of Governors approve the donor recognition as follows:

NAIT Centre for Heavy Equipment (A)

- Laboratory (A159; 10 year term) – Clean Harbors Inc. (\$100,000 cash)

NAIT Engineering Annex (L)

- Classroom (L234; 10 year term) – GCS Energy Services Ltd. (\$50,000 cash)

NAIT Insulator Building (RH)

- Move Thermal Insulation Association of Alberta donor recognition from laboratory P151 (valued at \$500,000) to RH108 (valued at \$500,000) due to program relocation.

NAIT Centre for Instrumentation (Y)

- Classroom (Y137; 5 year term) – Fluke Electronics Canada LP (\$42,006 In-kind)

NAIT Centre for Centre for Steel Technologies (Z)

- Classroom (Z137A; 10year term) – ENTREC Corporation (\$125,000 cash)

NAIT Centre for Applied Technologies

- Classroom (230; 10 year term) – Freedom 55 Financial (\$50,000 cash)

Carried

3.3 Executive Committee (Brent Hesje)

a) Minutes of December 9, 2013

Brent overviewed the minutes as follows:

- Reiterated his appreciation for the Board's openness to extending the meeting by an hour to enable further discussion.
- The Governance Committee at a future meeting will ensure the by-laws are in line with the current operations of the Board.
- As Brent is unable to fill his role at Convocation, Larry Spagnolo has agreed to step up to fulfill this role at convocation

Moved by Brent Hesje that the Executive Committee meeting minutes of December 9, 2013 be accepted as information.

Carried

3.4 External Relations Committee (Larry Spagnolo)

a) Minutes of January 17, 2014

Larry provided an overview of the minutes:

- Changes within the Ministry of Innovation and Advanced Education as already overviewed by Glenn in his report.
- Honourable Dave Hancock, Minister of Innovation and Advanced Education visited NAIT on January 27, 2014 as part of his pre-budget and institutional tours, with NAIT being the first on the stop.
- Steve MacDonald, Deputy Minister, Innovation and Advanced Education will be visiting NAIT on February 18th for a meeting and tour.
- Minister of State for Western Economic Diversification, Honourable Michelle Rempel was at NAIT on January 31st announcing the funding toward the NAIT Rapid Prototyping and Product testing project that was approved last year.
- NAIT's engagement with the City Centre Airport Lands has been increased since the closure on November 30, 2013. A number of meetings have occurred with more to be scheduled.
- Brent Corte, National Director of Government and Community Relations, Janssen Pharmaceuticals has agreed to join the Advocacy Subcommittee, a meeting will be scheduled in the near future.
- Lara McClelland provided a demonstration of the Dashboard which is an interactive PDF that provides a single window of key metrics that NAIT Will share with internal and external audiences.

Moved by Larry Spagnolo that the minutes of the External Relations Committee of January 17, 2014 be accepted as information.

Carried

3.5 Finance & Audit Committee (Kerry Brown)

a) Minutes of January 23, 2014

Kerry Brown provided an overview of the minutes as follows:

- An orientation session was provided to the Finance and Audit Committee due to the number of new members over the span of two different days.
- Heather Murray, NAIT's General Counsel advised the Committee that all FOIP Access Requests received over the last quarter, were responded to by the deadlines noted and the matters are considered closed.
- Daryl Allenby provided a general update on Information Technology activities, further advising that the Data Centre renovations project is on track for completion by end of June 2014.
- Dr. Neil Fassina and Lara McClelland, Co-Chairs of NAIT's Internal Tuition Working Team provided an update on NAIT's Tuition Fee Model. The proposed 2014/15 tuition fees will be presented at the April 23rd Finance and Audit Committee meeting, followed by the Board meeting on May 14th.
- Jeff Dumont advised that the search for a Director of Enterprise Risk Management (ERM) was completed and the successful candidate chosen is Arthur Arruda who comes to NAIT from Government of Alberta. Dr. Susan Fitzsimmons, Senior Advisor to the Provost, who has provided support to ERM, provided a demo of the ERM website that has been developed. ERM is an enabler for tracking and sharing risks across the institute and is housed on SharePoint which is a business collaboration platform that NAIT has adopted on an enterprise level.
- Members were advised that NAIT has one outstanding recommendation from the Office of the Auditor General that applied system-wide to all Post-Secondary Institutions. A working group was put together through the Senior Business Officers (SBOs) of Alberta PSIs, to provide guidance to the sector on key legislation and establish good practices to efficiently and effectively manage the risk of not complying with legislation.
- 2014/15 to 2016/17 Comprehensive Institutional Plan Financial and Budget Information Update that the Financial Sustainability Task Force activities and a critical path for the preparation of current Comprehensive Institutional Plan that will be led by Lara McClelland. Members discussed the preparation of the budget for the upcoming year and specifically requested that a continued listing of deferred maintenance requests be carefully reviewed and considered.
- Ross Wilson, Internal Auditor, summarized his first audit report of NAIT's International Recruitment sub-unit of Student Recruitment. Management is currently reviewing the report and preparing a response to the recommendations to be reviewed at the upcoming Finance and Audit Committee meeting.
- 2014/15 Parking Rates – NAIT conducted a market comparison realizing that the previously approved \$10/stall increase would take us out-of-market for many of the stall categories. The overall increase to be reduced only underground, scramble plug in, and monthly surface

be adjusted for an overall increase. Formal approval for these changes will come forward with the CIP to the May 14th Board meeting.

Moved by Kerry Brown that the minutes of the Finance and Audit Committee meeting of January 23, 2014 be accepted as information.

Carried

b) NAIT Investment Reports

Kerry advised that the investment portfolio for the quarter ended December 31, 2013 reflects a better than benchmark for all investment categories.

Moved by Kerry Brown that the investment report quarter ended December 31, 2013 be accepted as information.

Carried

c) NAIT Financial Report

Kerry advised that the second quarter results reflect a surplus for the six months ended December 31, 2013. Investment revenue is approximately \$2 million higher than budget expectations for quarter two.

Moved by Kerry Brown that the financial report quarter ended December 31, 2013 be accepted as information.

Carried

d) Internal Reserves – Parkade and Centre for Applied Technologies

Kerry advised that initially NAIT allocated \$12.2M of internally restricted net assets towards the construction of the new parkade located at the northeast corner of main campus. In 2011/12, due to securing funds from Alberta Capital Finance Authority (ACFA), \$11.1M of these funds were redirected to the construction of the Centre for Applied Technologies, with a further \$0.8M redirected to the Centre in 2012/13. As the construction of the parkade is now complete; the balance of the appropriated funds is not required, and we are requesting that they be redirected to the CAT building.

Moved by Kerry Brown that the Board of Governors approve, that for the fiscal year ending June 30, 2014, transfer the remaining balance of approximately \$0.3 million from the funds previously appropriated for the construction of the new parkade to the construction of the Centre for Applied Technologies.

Carried

3.6 Foundation Trustees (Kerry Brown)

The committee has not met.

3.7 Governance Committee (Randy McLeod)

The committee has not met.

3.8 Human Resources Committee (Brent Hesje)

a) Minutes of December 9, 2013

Brent reviewed the minutes on behalf of Diane Brickner:

- The main purpose of the meeting was to provide an orientation for the new members of the committee.
- Dwayne Chomyn, NAIT's legal representative from the law firm of Neuman Thompson who has been recognized as one of the "Best Lawyers in Canada" rankings for labor and employment law. Dwayne provided a broad overview of labor relations and employment law for the Committee's information, provided an update on the arbitration hearing between NAIT and NASA, and on recent legislation including Bill 45 and Bill 46. On January 30th, Deputy Premier Dave Hancock announced that Bill 46 implementation date has been delayed to March 31st so that AUPE and the province can continue to negotiate for a fair settlement between the parties.
- Information sessions are planned for all NAIT Staff in regard to the Local Authorities Pension Plan (LAPP) with presenters from AUPE and NASA, the government has declined the invite to participate.
- Occupational Health & Safety (OHS) report reviewed including the commitment by NAIT to be recognized as a leader in safety training and education for industry. Andy Smith, Director OHS, has joined the Joint Strategic Advisory Body (JSAB). The purpose of the JSAB is to provide a temporary advisory committee to the Minister of Human Services with a view to facilitate business and labor community engagement and support the development of the Work Safe Alberta (WSA) strategic framework.

Moved by Brent Hesje that the Human Resources Committee meeting minutes of December 9, 2013 be accepted as information.

Carried

4. Presentation and Discussion

4.1 Centre for Applied Technologies (Leo Lejeune, Stantec)

Glenn advised that the Centre for Applied Technologies is a critical project for NAIT. It is the most important capital project in NAIT's history and it will allow us to move toward meeting our promise to Alberta, through expanding our programs. Glenn, Executive, and the Campus Development Committee found it important to provide the Board with an update on the project including: the context and purpose of the building and how it fits into the master plan; discuss how the building will look, feel, and function; and the five changes to the project. Glenn then proceeded to introduce Leo.

Leo Lejeune provided an overview of the Centre for Applied Technologies:

- Purpose of building
 - Respond to space pressures on campus
 - Accommodate growth in enrolment
 - Provide space for up to 5000 additional students
 - Improve the student experience
 - Provide interdisciplinary facilities (classrooms, labs, offices)
- Project Background

- Changes from 2011 to 2013
 - Modify the exterior look
 - Replace Executive Suite with Student Space
 - Provide improved Food Service space
 - Modify the split between 64 and 32 seat classrooms
 - Remove the Waste-Water Treatment Plant
 - Timeline from 2008
 - Master Plan
 - Architectural Guidelines including visioning sessions determining the top 10 priorities.
- Design Highlights
 - Exterior Architecture
 - List of Tenants
 - Floor plans for Levels 0 - 5
- Sustainability Features
 - Energy-efficient glazing
 - Energy-star roofing
 - Low-emitting materials
 - Educational information on building
 - Target - LEED Silver rating (33 – 39 points)

Leo concluded his presentation by stating that the project will bring students and staff together in an interdisciplinary manner.

The Board expressed its appreciation for the enhanced student space in the newly rendered version.

4.2 Collegiate (Lara McClelland)

Glenn provided an overview of the importance of pathways to NAIT, and to Alberta. Pathways refer to pathways within NAIT, pathways between NAIT and other post-secondary institutions, and pathways from K-12 to NAIT. Lara will discuss a potentially transformative pathway – the NAIT Collegiate. Glenn ensured members were aware that the idea is still conceptual – much more work is left to be done, there is a need to consult within NAIT and ultimately the Board, but it was believed that it was important for the Board to understand the potential.

Lara McClelland provided a presentation on the Collegiate:

- Pathways
 - Defining element of post-secondary institutions.
 - Provide options and flexibility at all ages and stages.
 - NAIT (within NAIT, between post-secondary institutions, and between K-12)
- K-12 Focus on engaged thinkers, ethical citizens, and entrepreneurial spirit.
- Supporting Pathways to Post-Secondary through dual credit strategy, diploma exam flexibility, and high-school flexibility programs.
- Issues
 - Growing skills agenda
 - Poor profile of STEM programs
 - Perception of polytechnic education
 - Limited support to high-school students (guidance counselor, mentor)

- Failing performance in math and science.
 - Lost productivity and opportunity costs.
 - Strong silos between K-12 and post-secondary
- Opportunity
 - Program policy: Inspiring Education
 - Capital plan policy: partnership focus
 - Growing demand for STEM programs
 - Students are increasingly concerned about education aligning with careers.
 - Minister of Education requested a business case for the Collegiate concept.
- Vision: North America's leading polytechnic high-school dedicated to STEM education.
- What it is? Grades 9-12 high school integrated within a post-secondary institution, competitive application process, rigorous hands-on learning environment with problem-driven curriculum, elevating STEM programming profile, different way to deliver curriculum, one mechanism to support growing the workforce in greatest labour market demand, and collaboration between NAIT and Edmonton Catholic Schools.
- Target group of students including those with an aptitude in math and science, enjoy working with their hands, and ability to be successful in an accelerated program.
- Scope would entail four streams (1) SBEM; (2) Engineering; (3) Information and Electronics; and (4) Health, capacity would be 700 students with expansion opportunities to 900.
- Currently, Lara is waiting to hear back from the Ministry of Education following the submission of the business case.
- Lara and Glenn toured the University of Winnipeg Collegiate and found it to be fundamentally integrated into the University and the pathways it enables into University.
- Points to consider in developing a charter:
 - Consideration of realm of teachers.
 - Competitive application process enabling any student to apply.
 - Ensuring we in no way compromise our values.
 - Consideration of curriculum requirements.

The Board commended Lara and Glenn for the direction taken in the consideration of the Collegiate; it is a huge and fantastic opportunity. It is exciting to see the progress on ideas formed. The Board reiterated the importance of communicating the right information to counsellors, mentors, and parents.

4.3 Dashboard Demo (Lara McClelland)

Due to time constraints, it was decided that the dashboard will be shown at the Board retreat instead.

4.4 Board Retreat (March 7 & 8, 2014)

Glenn reviewed the two common themes of importance from past Board retreats – ability for members to provide greater input and fun.

- Proposals of topics to be considered:

- NAIT's Sustainability – What do we need to achieve NAIT 2021?
- Measuring Progress (Dashboard)
- Financial Sustainability
 - Changing the role of IT
 - Managing Risk
- Evolution of our campus – Campus Plan
- Alignment of Programs & Applied Research to achieve our vision and promises
- Building Reputation – our brand
- Pathways
- Other potential areas:
 - Building a culture of safety
 - International
- The members asked that out of the entire listing, only two or three topics should be selected to ensure time for input and discussion. Pathways should be always be an agenda item to keep the momentum.
- Suggestions for the “fun” Friday portion was to cook our own dinner with Culinary Arts team.

5. Schedule (2013/2014)

Provided for information purposes only.

6. Correspondence

Provided for information purposes only.

7. Board Member Contact List

Provided for information purposes only.

8. Next Board Meeting

Board Retreat on Friday, March 7, 2014 and Saturday, March 8, 2014

Regular Board Meeting on Wednesday, May 14, 2014 at 4:00 pm

9. Adjournment

Brent extended thanks and appreciation to Syed Haq for all he has done for the Board during his term which is due to end March 2014. Syed's request was to include the new AUPE representative in the March Board retreat as he feels that is a good introduction to the Board.

Brent said that he admires the commitment of the members to the Board and this is a really important time for NAIT and Alberta.

Moved by Allan Mah that the meeting be adjourned at 7:21 pm.

Carried

Corie Phillips, Recorder

Brent Hesje, Chair