

Alberta College of Art + Design (ACAD)



Minutes of the regular meeting of the Board of Governors (the Board),
Wednesday, June 20, 2013, at 2:00 p.m. in the ACAD Boardroom, 1407 –
14th Avenue NW, Calgary, with the following persons present:

CHAIR: James Peacock, QC

VICE-CHAIR: Margaret-Jean Mannix

BOARD MEMBERS: Dan Barnfield
Dr. Daniel Doz
Gregory Forrest (arrived at 2:15pm)
Cynthia Moore
Morgan Riotte
Carol Ryder
James Stanford
Sue Anne Valentine

REGRETS: Sheila O'Brien
Natasha Pashak
Susan Thomas

Resources: Cicilia Selinger (Recording Secretary)
Teresa Tam (*non-voting pending appointment*)

The Board meeting was called to order at 2:07pm, with quorum present and with James Peacock, QC as chair.

The Board Chair introduced and welcomed the newest members to the Board of Governors. The President + CEO presented them with their name tags and board manuals. (Carol Ryder, James Stanford, Gregory Forrest. Natasha Pashak.)

The Board Chair as well as the current Board of Governors in attendance expressed their thanks to the outgoing board members and presented them each with a small gift. They are: Joseph Leung, Roxanne McCaig, and Morgan Riotte.

1. APPROVAL OF AGENDA

MOVED by Ms. Margaret-Jean Mannix and SECONDED by Ms. Cynthia Moore that
the agenda be approved as presented.

CARRIED UNANIMOUSLY
MOTION: 1602

2. **APPROVAL OF MINUTES**

MOVED by Ms. Margaret-Jean Mannix and SECONDED by Ms. Sue Anne Valentine that the minutes of the May 22, 2013 meeting of the Board of Governors be approved.

CARRIED UNANIMOUSLY

MOTION: 1603

3. **BOARD COMMITTEE REPORTS**

3.1 Finance + Audit

The Board Chair noted that the risk management report included in the material was the most comprehensive report presented to the board to date and it will be of great value to the board.

Sheila O'Brien has stepped down as the chair of the Finance + Audit Committee because of her appointment to the board of Alberta Energy Regulator, which restricts board members from engaging in certain activities that might create a potential for conflict.

The Board Chair stated that a new committee chair will be appointed and indicated that participation on various board committees would be discussed with the new board members during their board orientation meeting with the Board Chair. The Board Chair will report to the board regarding committee composition. The board retreat in September will provide an additional opportunity for discussion about committee composition.

3.2 Governance/Human Resources

The last Auditor General's report commented that ACAD did not have a stand-alone Terms of Reference document for the ACAD Board. The previous document was embedded within other board manual materials. Revised terms of reference were prepared and reviewed by the Governance/Human Resources Committee and are being recommended for approval by the board.

MOVED by Ms. Sue Anne Valentine and SECONDED by Ms. Carol Ryder that the Board of Governors approve the updated Board of Governors Terms of Reference as recommended by the Governance/Human Resources Committee.

CARRIED UNANIMOUSLY

MOTION: 1604

The Board Manual will be updated accordingly.

The committee chair reported that the annual board survey will not go forward at this time due to the fact that the board was short four members for a considerable part of the year and the survey may not produce meaningful results in these circumstances. The content of the survey will be reassessed to ensure it is still the most effective measurement tool during the board retreat in September.

3.3 Development

A written report was included in the board package.

The President + CEO introduced ACAD's new Director of Philanthropy, Kara Teresen. He also introduced the new Gifts Administrator, Elizabeta Liguric.

3.4 Government Relations

Nothing to report

3.5 Special Events

Nothing to report

4. CHAIR'S REPORT

The Board Chair reported on his attendance at the May 28, 2013 Campus Alberta meeting in Edmonton. This well attended meeting took place with the Minister and members of the Ministry and the Presidents and Board Chairs of all the Post-Secondary Institutions in Alberta. The purpose of the meeting was to discuss the Ministry's 'results based budgeting initiative' and what that means for the post-secondary institutions going forward.

Each post-secondary institution has been asked to sign a letter of expectation. Originally, this was expected by the beginning of June. The deadline was extended to September. At the meeting, the Minister agreed to extend the deadline further to the end of October.

In order to comply with the requirements of the letter of expectation, post-secondary institutions require that additional information from the Ministry, which we have not yet received. There was an expectation coming out of the May 28 meeting that we would have received the additional information by now but that has not occurred. This would include the Minister's plans for a review committee and a process for considering changes to the Post-Secondary Learning Act.

The Chair reported that the Minister wants to review and assess how the Government funds post-secondary institutions and they want to remove perceived duplication from the system. Another priority mentioned is the establishment of centres of excellence, one of the goals of which is to create research and revenue generating opportunities across the province.

The Minister has made it clear that the letter of expectation is intended to be a cooperative exercise between his ministry and each post-secondary institution. Post-secondary institutions will have the ability to provide feedback along with other key stakeholders as the ministry moves forward.

Finally, the Chair commented on the decision of the Minister not to approve the expansion of the board by four members. The response was the Minister is not prepared to move forward on initiatives such as this until they have completed a review of the current legislation.

The size of the board was briefly discussed.

5. ACTION ITEMS

5.1 2013-14 Budget

The Chair and the President + CEO provided opening comments and provided background details regarding the budget.

The Chair noted that the biggest single risk in the budget relates to revenue generation in the amount of \$300,000 in addition to maintaining the revenues the College brings in annually. He also noted that we do have reserves in place to mitigate this risk.

A discussion ensued regarding the percentage of international students vs. domestic students currently enrolled at ACAD and any plans for change in this area. The Board also discussed the fee differential between international and domestic students.

A discussion was held around the number of faculty and others to be hired in the current year as reflected in the proposed budget.

The President + CEO reviewed the choices that were made in putting together this budget and he answered questions from the board.

MOVED by Mr. James Stanford and SECONDED by Mr. Gregory Forrest that the Board of Governors approve the 2013-2014 operating budget as presented by the Finance and Audit Committee.

CARRIED UNANIMOUSLY
MOTION: 1605

5.2 Unrestricted Net Assets Fund Allocation

The President + CEO presented the Board with the rationale for the use of a portion of the College's unrestricted reserves as set out in the motion. To a very large extent, the expenditures are necessary in order to ensure that ACAD complies with the outstanding recommendations contained in previous reports of the Auditor General as well as the need of the College to more effectively pursue revenue generating opportunities.

MOVED by Mr. Gregory Forrest and SECONDED by Ms. Cynthia Moore that the Board of Governors approve the following allocations of the College's Unrestricted Reserves for use in 2013-2014:

1. An amount of \$100,000 to be used for project coordination and support for meeting revenue generation targets and sustainability goals outlined in the 2013-2014 budget and Comprehensive Institutional Plan.
2. An amount of \$100,000 to be used to support the resource needs of the Finance Department in addressing outstanding audit recommendations and other financial support needs of the Department.
3. An amount of \$100,000 to be used to support the resource needs of the Computing & Technical Services Department in addressing outstanding audit recommendations of the Department.

CARRIED UNANIMOUSLY
MOTION: 1606

5.3 Comprehensive Institutional Plan

The Board Chair and President + CEO both commented on the hard work and consultation that had gone into the creation of this document.

This CIP provides information and measurement tools such as key performance indicators that can be used as part of the results based budgeting framework contemplated in the proposed letter of expectation.

Discussion ensued regarding what entities are likely to refer to the CIP on a go forward basis. Internally, the President + CEO's Cabinet will review the progress made on the key performance indicators and report back to the board on the progress. The creation of a dashboard is also being reviewed as it relates to the Risk Management Report presented to the board in this meeting. Externally, the CIP is sent to the Government annually, however, in the past there has generally not been any specific feedback received from the Government.

It was proposed that a summary version of the CIP be shared with the wider community. The President + CEO advised that a town hall meeting will be scheduled in September for this purpose.

MOVED by Ms. Margaret-Jean Mannix and SECONDED by Ms. Carol Ryder that the Board of Governors approve the Comprehensive Institutional Plan as presented by the President.

CARRIED UNANIMOUSLY
MOTION: 1607

6. **PRESIDENT'S REPORT**

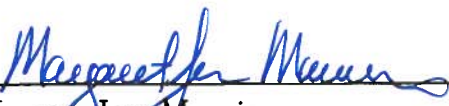
The President + CEO reported that the Ministry is reviewing the entire tuition system as well as focusing on Governance as it relates to Universities more than Colleges since the Deanship format prevents Universities from entering into partnership with Colleges.


He also reiterated that at the June 17, 2013 President's Council meeting with the Ministry nothing further was forthcoming.

7. **ADJOURNMENT**

MOVED by Ms. Sue Ann Valentine and SECONDED by Mr. Gregory Forrest that the meeting be adjourned at 3:13 pm.

CARRIED UNANIMOUSLY
MOTION: 1608


Margaret-Jean Mannix
Acting Chair, ACAD Board of Governors


Dr. Daniel Doz
President + CEO, ACAD