

Voting Members Present with Carol Ryder in the Chair were Sara Anhorn, Jolie Bird, Morgan Calenso, Patti Dibski, Dr. Daniel Doz, John Gaucher, Tom Graham, Evan Legate, Adrian Stimson, Sheila Taylor

Non-Voting, Ex-officio Member: Andrea Power, Secretary, Board of Governors

Regrets: Chris Cran, Stewart Hanlon, Chi Iliya-Ndule, Justin Waddell

Guests: Dr. Janis Goldie, Dean, Academic Programs; Wendy Harding, Executive Director, People and Culture; Debbie Kozoroski, Meeting Resource; Nicole Hamilton, Dean, Innovation, Learning and Development; Jamie Leong-Huxley, Vice President, Advancement; Dr. Pablo Ortiz, Dean of Student; Scott Powell, Vice President Finance and Operations

Observers: Gurman Sahota, Executive Director, Student's Association; Quynn Covey, Vice President, Academic, Student's Association

The Chair welcomed all Board members, guests, and observers to the meeting, read the Treaty 7 Land Acknowledgement and then called the meeting to order at 2:45 p.m.

1. Approval of Agenda

MOVED / SECONDED

THAT THE BOARD OF GOVERNORS APPROVE THE DRAFT MAY 24, 2023 BOARD OF GOVERNORS AGENDA, AS PRESENTED.

CARRIED

Secretary's note: Stew Hanlon, Chair of Finance and Audit Committee, was unavailable for the meeting and Sheila Taylor, Finance and Audit Committee member, will present agenda items 5.1, 6, 7.1 and 7.2. Chi Iliya-Ndule, Chair of Governance and HR Committee, was also unavailable for the meeting and Carol Ryder, Governance and HR Committee member, will present agenda items 5.3 and 8.1.

2. Consent Agenda

The following items were approved and received for information by consent.

- **DRAFT APRIL 25, 2023 BOARD MEETING MINUTES**
- **CONSTITUENT REPORTS:**
 - **GENERAL FACULTIES COUNCIL**
 - **AUARDS STUDENT ASSOCIATION**
 - **ALBERTA UNION OF PROVINCIAL EMPLOYEES**
- **PRESIDENT'S CABINET REPORT**

In discussion of the consent agenda items, the following was noted:

- Reports on the consent agenda are received for information and the draft minutes are approved as presented.
- Members of the President's Cabinet are to be commended for the amazing work being done at the university, as articulated in the Reports.
- It was confirmed that the Students' Association (SA) will have an in-person Fall Show + Sale and the Spring Show + Sale will be held online. There are benefits to in-person and online events. There is a tremendous effort that takes place for the in-person show and the online shows create the opportunity for all students to develop an e-commerce experience. The Fall in-person experience is very important as it focuses on a pre-holiday shopping experience. It is felt that Show+Sale will continue in this pattern for the next couple of years.
- The SA relationship with the cSPACE Creative Hub in Marda Loop resulted out of the pandemic and is a great benefit to students.
- The Heard Residency program will be reevaluated. Mental health resources for students are key. The residency program worked well in a digital setting, but it is time for the SA to evaluate all programming.

3. Board Chair's Report

The Board Chair provided a written report and there were no questions.

4. President and CEO Report

The President provided a written report and there were no questions. The President added his profound thanks to the members of the Board of Governors, the President's Cabinet, and to all in the institution for their efforts over the last year. There are exciting projects in the coming years with the Centennial, Equity, Diversity, Inclusion and Accessibility (EDIA) initiatives, and the Indigenous Pathways.

5. Board Committee Reports

5.1. Finance and Audit Committee

The committee member provided the written report, noting most items in the report were on the Board agenda for discussion and approval. There were no questions.

5.2 Advancement Committee

The Chair noted there was no meeting in May.

5.3 Governance and Human Resources Committee

The committee member provided the written report, highlighting the recruitment of a new Board Chair will commence in late July/early August. There were no questions.

5.4 Honorary Degrees Committee

The Chair provided a verbal report and noted the two Honorary Degree recipients – 1992 Alumni, Tracy Boychuk, and IAIN BAXTER, who taught at Alberta College of Art (ACA) in the 1980s - were celebrated at the luncheon earlier today and will receive their Honorary Degrees at convocation tomorrow.

6. Finance and Audit Committee: Creative Industries Innovation Centre

The proposal for a Creative Industries Innovation Centre was presented by the Dean, Innovation, Learning and Development and addresses the universities need for revenue diversification and contributes to the university's progress against the provincial goals for post-secondary. The proposal introduces a wide range of non-degree professional credentials including micro-credentials, certificates, diplomas, pre and post- baccalaureate, and graduate credentials that can serve as standalone qualifications, be combined with one another, and lay the groundwork for creating pathways that can articulate to, and expand upon, traditional degree credentials, promoting the heterogeneity of fine arts education and encouraging progressive practices in contemporary higher education, in Canada.

Financial projections indicate the initiative will achieve positive cash flow in the second year of operation, full payback in the third year, and a surplus exceeding \$1 million by year five. To address the first-year deficit, AUArts can use Advanced Education's (AE) 2023/24 process for running onetime deficits to fund specific projects. AUArts submitted a request to AE under this program to cover the projected first-year loss of this initiative and received approval from the government. The requested amount includes a contingency amount to account for risks that could impact on the projected first-year deficit.

In discussion, the following was noted:

- The current targets for this program fit with the strategic plan. One objective would be to start to shift the brand for this new programming and advancement will help with this shift, which is all complimentary to fine arts. AUArts is first and foremost a university, but there is a lot of opportunity for growth, which is what the government wants.
- With respect to negative consequences, if AUArts go outside of our 'brand', it was noted that many universities have branched out in other cities with a satellite campus location and offer a variety of programming that is driven by market demand. AUArts is the only institution in the west of Canada that offers art and craft, which presents tremendous opportunities.
- The risk related to this new program will result from how aggressively AUArts can build enrolment. If needed, adjustments can be made particularly for year two.
- The program will be formally launched immediately after the Board of Governors approves the budget with the additional funds.

- There is the potential to expand modalities to both in person and online. The provincial forum for micro-credentials will next be accredited through the province. AUArts will have to ensure accrediting can take place for each micro-credential program. There is the potential to add script writing for film to the list of programs.
- How does AUArts compete on the world stage? Revenue projections are very optimistic and AUArts needs to know who their audience is so programs can be developed specific for that target audience. AUArts will soon start to become more aware of who our audience is. There is growing interest from agents who do not know us globally. One part of the strategy is for Student Services to start working with agents to expand this area and create awareness for the new programs.

7. Finance and Audit Committee

7.1. 2023-2024 Operating Budget & Investment Management Agreement

The *Post-Secondary Learning Act* requires that the University's Board of Governors approve a balanced budget before the institution's year-end and enters into an Investment Management Agreement (IMA) with the Minister.

Management recommends the enclosed balanced budget for the year ending June 30, 2024 (fiscal 2024, or 2024) and the associated IMA targets. A fulsome presentation was led by the Vice President Finance and Operations.

As recommended by the Finance and Audit Committee:

THAT THE BOARD OF GOVERNORS APPROVE THE OPERATING BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2024, AS PRESENTED.

CARRIED

In discussion, it was noted that the deficit created by the new Creative Industries Innovation Centre was projected to be \$463K and the government has approved a \$600K amount to cover the deficit. The difference in the two amounts has provided a financial buffer.

As recommended by the Finance and Audit Committee:

THAT THE BOARD OF GOVERNORS APPROVE THE INVESTMENT MANAGEMENT AGREEMENT TARGETS AND THRESHOLDS IN THE FORM PROVIDED AND AUTHORIZE MANAGEMENT TO MAKE NON-SUBSTANTIVE CHANGES TO THE IMA PRIOR TO ITS PRESENTATION TO ADVANCED EDUCATION.

CARRIED

There were no questions.

7.2 Endowment Contributions

- With the University's year end surplus projected at \$746K, management recommends that a portion of this surplus be allocated to the endowment to further sustain supporting students and programs. Thus, there is a request to transfer \$450K from accumulated unrestricted reserves to the endowment into four separate allocations.
- The first allocation of \$25K is a top-up of the Lodgepole Centre Support endowment to continue strengthening the sustainability of the programs and services provided through the Lodgepole Centre.
- The second allocation of \$25K is a top-up of the MFA Scholarships and Awards endowment, to expand the awards available to graduate students recognizing the growing competitiveness in attracting and keeping graduate students.
- Two new endowments are recommended:
 - Visiting Artist Endowment, \$100,000
 - International Student Entrance Scholarship, \$300,000
- There were no questions.

As recommended by the Finance and Audit Committee:

THAT THE BOARD OF GOVERNORS APPROVE CONTRIBUTIONS TO ENDOWMENTS, AS PRESENTED.

CARRIED

8. Governance and Human Resources Committee: Draft Policy Development Policy

- Over the last three years the policy repository, policy documents and processes have evolved at AUArts. The next step in the evolution is the revision of the Policy Development Policy.
- Two new documents have been created to supplement the revised Policy Development Policy and they are:
 - New Policy Development Procedure: approved by the President, as delegated, and outlines the procedure university staff must follow for policy development.
 - New Policy Development Framework: a working document for the university community that describes the Policy Document development process and defines the roles and responsibilities of all persons involved at every stage of the process.
- In addition to the three documents, a new online resource section has been created to aid staff who work with policy documents.

- In discussion, it was noted that the new documents do not add additional workload for staff, rather the documents provide clarity to staff on the policy development process at the university generating efficiencies.

As recommended by the Governance and Human Resources Committee:

THAT THE BOARD OF GOVERNORS APPROVE THE DRAFT POLICY DEVELOPMENT POLICY, AS PRESENTED, EFFECTIVE IMMEDIATELY.

CARRIED

9. Advanced Education Email

9.1 April 20, 2023 Update: Alberta Bureau for International Education

The email from the Minister of Advanced Education was provided for information.

10. AUArts Board of Governors Graduating Student Award Recipients

10.1. 2023 Graduating Student Award Recipient Thank You Letters

- The PowerPoint was presented by the President, noting the amazing art and craft by the award-winning students. The thank you letters were well received by the members of the Board.

The open session concluded at 4:45pm and the Board meeting then moved in-camera at 4:50pm. The in-camera Board meeting adjourned at 5:15 pm.