

APPROVED

MINUTES OF MEETING NUMBER FOUR HUNDRED AND FIFTY NINE OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE WHICH WAS HELD ON MONDAY, NOVEMBER 8, 2010, AT 5:00 P.M. IN THE ROSSER BOARD ROOM, C539, WOODROFFE CAMPUS

Present	Michael Dunlop, Chair Doug Orendorff, Vice Chair Stephen Abraham Denise Amyot Pauline Edmonds Veronica Engelberts Barbara Farber Robert Gillett, President Sterling Hartley Doreen Hume William Johnson Yusuf Khan Louis Lamontagne James McIntosh John Owens Debbie Robinson Valerie Sayah	Regrets	Stephen Abraham
		Vice Presidents	Gerry Barker, Human Resources Kent MacDonald, Academic Duane McNair, Administration (Acting) Joy McKinnon, Business Development Deborah Rowan-Legg, Student Services
		Resource Personnel	Anna Cobus, Recording Secretary
Observers	David Hall, Communications Officer, Public Relations & Communications Jennifer Lewington, Canadian Correspondent, Chronicle of Higher Education Russ Mills, Dean, Faculty of Media and Design Doug Ouder Kirk, Executive Director, Academic Operations and Planning Brenda Rothwell, Executive Director, Algonquin College Foundation Kim Tysick, Dean, Faculty of Health, Public Safety and Community Studies		

The Chair called the meeting to order at 5:04 p.m.

10-66 CONFLICT OF INTEREST DECLARATION

None.

10-67 APPROVAL OF PREVIOUS MINUTES**RESOLUTION**

MOVED AND SECONDED –Orendorff and Engelberts

That the minutes of October 12, 2010 be approved as amended.

10-68 BUSINESS ARISING

None.

10-69 PRESENTATION: UPDATE ON THE STRATEGIC PROGRAMS AND SERVICES PLANNING (SPSP) PROJECT

K. MacDonald provided an update on the progress that has occurred since the Board of Governors approved the recommendations presented in the Strategic Planning and Services Planning (SPSP) Project report to the Board of Governors on June 28, 2010, the College's priorities for 2010/2011, as well as an action plan for the implementation of the SPSP recommendations.

He began with a background of how the project was initiated by the Board of Governors and the categories of recommendations emanating from the review which included: New Programs and Services; Enhance; Modify & Enhance; Maintain; Revise; Phase Out; Phase Out with Transition to a new opportunity.

The priorities of the College for 2010/2011 begin with the implementation of the SPSP project recommendations. Other priorities include the development of the new strategic plan, 2011/2012 budget preparation, the ACCE building opening and transfer of programming/space capacity; and, revenue management.

In terms of the action plan for the roll out of the SPSP recommendations, four priorities have been identified for 2010/2011 and 2011/2012 including addressing the specific program and service recommendations; development of service performance metrics; SPSP service review implementation; and the institutionalization of SPSP within the College. Marguerite Donohue, who co-chaired the SPSP review, has been named to lead the SPSP Secretariat with the assistance of Nelson Rogers and Lynn Younghusband. A call has also gone out to the College Community seeking participation on an advisory committee to guide the work in the coming months.

A copy of the full presentation is available in the Board of Governors Office upon request.

Questions/Comments:

- *Governor Owens: Will a paper be authored on the SPSP project and what was completed?* At the current time there are no plans for a paper to be authored simply due to time constraints; however, the College is certainly committed to sharing its experience and information with others, and in fact, has already done so.
- *Governor Edmonds: Has received questions from some faculty as to why the Corporate & Security Risk Management and General Machinist Programs are being phased-out when they have shown significant improvement. What happens to a program when it has been turned around?* The decisions made were based on a variety of different data. Three programs were phased out which were adjacent to the General Machinist Program which resulted in its increase in enrolment. With respect to the Corporate & Security Risk Management Program, discussions are underway to look at modifying it to a degree program. Any decisions will be revisited if at any time it is felt that an incorrect recommendation or action was taken.
- *Governor Edmonds: Are we expecting to receive the service review metrics by March 31, 2011, followed by the review itself in 2011/2012, and when will the report be received by the Board?* The metrics template is targeted for spring 2011. Following that development, it will take at least one academic year to measure the services so it may go out as late as 18 months; however, there will be some services with enough evidence to make earlier decisions as indicated in the original report.
- *Governor Johnson: What is meant by "first generation students" and what is the process that will be followed when SPSP is institutionalized? It should be clearly outlined.* First generation students refer to the first child within a family who has attended a post secondary institution. The process which was followed for the SPSP review is clearly outlined and documented and will be referenced for future reviews.
- *Governor Edmonds: When will the College begin another major program review?* The next program review would not take place until after the completion of the services review. The focus at this time is on the services review and also on the implementation of the program recommendations which were presented to the Board of Governors in June, 2010.
- *Governor Dunlop: It may be appropriate for the Board to develop a schedule for future reviews that can be used by future Boards.*
- *Governor McIntosh: There were a number of industry reps who came forward at the June 28th Board meeting and offered support to assist with the rejuvenation of several programs that were being considered for phase out. Has this been done?* Yes, this has been done; however, some industries have been more active than others such as those who offered support to the Horticulture Program and who worked throughout the summer to restructure the curriculum.
- *Governor McIntosh: If any of these industries did not support the College as they had indicated it may be prudent to inform the Board so it is aware of those who have not followed through on their pledge to assist the College.* This question was taken under advisement.
- *Governor Amyot: Commended the College for undertaking such an extensive program and services review and questioned how the new programs and resulting costs were considered in terms of what the College can afforded.* Due to the funding mechanism in Ontario, it is up

to four years before a new program is fully funded whereas if a program is modified, it is fully funded immediately which is one of the considerations. Another consideration is that the College is incredibly space constrained and it hopes to return to the Board in February with recommendations on how best to use the space that will be vacated by the ACCE building opening.

- *Governor Orendorff: Of the 66 new programs, some are extensions of existing programs which makes transition quite straightforward; however, how will the new program offerings be funded? Is it even possible to bring in all of those programs within the next 3-4 years? No. It is not. The new programs which were identified will be reviewed based on such factors as student demand, capital investment requirements and weighted funding units, and will be prioritized based on those factors. As the environment changes and as new MTCU directions are received, other priorities could evolve.*

10-70 REPORT OF THE CHAIR

- The Chair attended the Ottawa Senators Military Appreciation Night on October 30th where the Military Family Foundation presented a \$60,000 donation to the Algonquin College Foundation to support the Bursary for families of those enlisted in military service, increasing the bursary's total balance to \$565,982.00. Two students currently enrolled in programs at the College were in attendance.
- The College hosted an open house on November 4th for grade nine students with the intent of educating these students about Algonquin College as an option for their future post secondary studies.
- Several governors are involved, under the guidance of Governance Committee Sterling Hartley, in the interviewing and selection of Governors for appointment to the Board in September, 2011. A recommendation will be brought to the Board on December 13th. Both the Chair and Vice Chair have sent correspondence to local MPP Yasir Naqvi expressing concern about the appointment process required by the provincial government and that any support he or his colleagues could offer would be appreciated, to which MPP Naqvi responded pleasantly.
- The Chair visited the International Education Centre and was overwhelmed to see all of the young men and women from around the globe seeking advice and assistance as either current or prospective students, and the impressive level of client service being provided to these students within such a small footprint.
- The Chair will attend a course Chairpersons of Not-For-Profit Boards at the Toronto DeGroote School of Business on November 16th.
- As a follow up to the discussions held at the Board's fall planning session at the Hilton Lac Leamy, a mini-retreat is being planned for January, 2010, with the purpose of discussing: Education (financial module, program mix, space issues/considerations; technology), the 2020 Vision, and the current Strategic Plan in terms of what still works and what does not work. (*Secretary's Note: It was subsequently agreed that the meeting would be held on Monday, January 10th beginning at 12:00 p.m.*)

- The Board Chair has been appointed as the Chair of Governors Affairs Committee whose mandate is to assist with appointments to the Trustees Board that handles the CAAT Pension Plan. It is also a board that oversees facilitation of communication and the sharing of best practices amongst College boards.

Questions/Comments:

- *Governor Johnson: Suggested that it may be helpful to invite MPP Naqvi to the January Retreat to educate him on the College and its values. This suggestion was taken under advisement by the Board Chair.*
- *Governor Edmonds: Tabled a petition on behalf of a group of individuals for the College to consider naming the ACCE Building the "College Centre for Construction Excellence" after former employee Roy Hyland. The Chair indicated that the naming approach for the Building is being addressed by the Foundation based on the Board-approved naming policy and that he will forward the petition to the Foundation for consideration.*

10-71 REPORT OF THE PRESIDENT

The President reported the following:

- The Ministry has been meeting with all of the Colleges and Universities to discuss both physical and virtual capital needs. The President, Vice President of Administration, and Director of Physical Resources recently travelled to Toronto to discuss Algonquin's needs and also asked the Ministry to reconsider funding support for both the Pembroke Campus and Student Commons. The Ministry was quite interested in the College's mobile and virtual initiatives. A separate discussion will be held with respect to unfunded maintenance which is currently in the range of approximately \$40-\$50M.
- Fall Convocation was held on October 26th and was so well attended that the ceremony may have to be divided into two sittings in 2011. The next convocation ceremonies will be held in the spring of 2011 and all Governors are welcome and encouraged to attend: June 2 (Perth); June 4 (Pembroke); June 21-22 (Ottawa). The Ottawa Convocation will be held at the new Ottawa Convention Centre and will be one of the first large events at the venue upon its opening.
- Construction of the ACCE and Perth buildings are on schedule and there may be some relief coming with respect to the March 31, 2011, substantial completion requirements set out by the Government.
- The Pembroke Campus and Student Commons buildings are progressing and are in the design stages.
- The College's new Mobile Learning Centre will open once the furniture has been delivered to the College. Members of the Board will be invited to attend the opening of the mobile lab which will serve as a pilot for the possible conversion of other such spaces within the College.

Questions/Comments:

- *Governor Johnson: What is the borrowing split on the \$48M debt for the Student Commons and Pembroke Campus? \$26M Pembroke/\$22M Student Commons.*
- *Governor Edmonds: What Services will be included in the Student Commons? Services in the Student Commons include, among others, the Centre for Students with Disabilities, Counselling Services, Student Employment Services and the Mamidosewin Centre. Discussion is underway regarding locating Cooperative Education in the Commons as well, enabling closer connection with Student Employment Services and fostering a supportive environment between the College, employers and students.*

10-72 DECISION ITEMS AND REPORTS**SECOND QUARTER FINANCIAL REPORT**

D. McNair, Acting Vice President, Finance and Administration, presented the 2nd Quarter Financial and Funded Positions Report.

On April 12, 2010, the Board of Governors approved the 2010/11 Annual Budget with a net cash flow of \$1 million and a net contribution after GAAP adjustments and expenditures from internally restricted funds of \$1.3 million. The 2010/11 Annual Budget includes a \$3 million provision to fund the future debt servicing for the Student Commons and Pembroke campus expansion projects.

On June 14, 2010, the Board of Governors approved the 2009/10 Financial Statements which included authority to spend up to \$11.2 million from internally restricted funds (appropriations and specific reserves). At the time the budget was approved, final results for 2009/10 were not yet known; year-end net asset balances were subsequently determined and a portion of these net assets (appropriations and specific reserves), were allocated to fund various projects and initiatives in support of the strategic plan and objectives under the Multi-Year Accountability Agreement.

As reported in the first quarter report in September, the following significant budget events occurred during the first quarter review period:

- In April 2010, the Ministry of Training Colleges and Universities (MTCU) advised that the current tuition fee framework will be extended for 2 additional years (i.e. up to and including 2011/12). The Q1 projections for tuition fees were adjusted to reflect a 5% increase over 2009/10 tuition fee rates replacing the 4% increase that was included in the approved budget. However, this adjustment was partially offset by a new MTCU requirement to increase the College's Mandatory Tuition Fee Set-Aside budget for student financial aid by an additional 10% of the tuition fee revenue increase over the previous year.

- In July 2010, the MTCU issued preliminary allocations of 2010/11 operating and growth grants to Ontario Colleges. These preliminary allocations agreed with College's approved budget plan for 2010/11 with one exception. The Extraordinary Growth Grant was reported as an additional one-time grant allocation for 2010/11. Algonquin's share of this grant is approximately \$2.6 million.
- The College received Section 28 approval (under the Financial Administration Act) from the Ministry of Finance to borrow up to \$48 million to finance construction of the Student Commons and Pembroke campus. The Students' Association received credit approval from the CIBC to borrow \$30 million to finance their contribution to the Student Commons.

The following significant projection adjustments were processed during the second quarter review period:

- Tuition fee projections have decreased due to overall enrolment not anticipated to meet enrolment projections reflected in the Approved Budget, mainly due to suspended new offerings.
- International Student Premium reported revenues and contribution are higher than budgeted due to international student enrolments, actual and projected, being greater than those reflected in the Approved Budget.
- Projected expenditures for 'one-time' investments have been reduced as a result of refining cost estimates for various projects.

The format of the Quarterly Financial report has been revised to clearly and separately disclose the projected net cash flow contribution of College operations, Ancillary Services, International Education Centre and Contract Activity on the Summary Schedule.

With respect to funded positions, adjustments have been made to reflect new funded positions, positions eliminated, transfers, etc. Accordingly, there are minor differences in the staff complement and a plus three net increase in the overall summary of funded positions.

Questions/Comments:

- *Governor Hartley: Is the \$2.6M extraordinary growth grant one-time funding? Yes.*
- *Governor Orendorff: In looking at the contribution of ancillary, international and contract services, it is approximately 6% of revenues; yet at the last Board meeting international activity was projected to grow by 50% by 2015. Overall, is this viewed as an increased contribution of a non-tuition/non-ministry revenue stream? It is anticipated that the revenue streams will continue to grow at those levels; however, it will be dependent on the associated costs of the growth.*
- *Governor Edmonds: What is the reason for the reductions in the number of funded positions, particularly in the academic faculty in area 5? Two academic positions were*

transferred to ESL which now reports through the Business Development Area; however, they remain academic positions.

- *Governor Edmonds: What are the academic project manager positions which were recently advertised on the Human Resources website?* These were project manager positions in Applied Research which are contract positions that are funded through external funding sources.
- *Governor Sayah: Is it correct that there are a total of 48 vacant positions as of Q2?* Yes.
- *Governor Johnson: What has occurred in the list of reserves on page 10 of the report to result in such a significant under-budgeting? The reserves appear to be substantially greater than budgeted.* In April, 2010, the account for the 2009-10 fiscal had not yet been finalized so it was unknown what the net assets would be and it was therefore estimated at \$2.1M. When the financial statements were brought to the Board in June, 2010, and the net asset capacity was clarified, the revised balances and projects were brought forward to the Board for approval, at which time the Board agreed to move the funds from restricted to unrestricted net assets.
- *Governor Johnson: What was the cause for the reduction in summer business for the Residence?* With the change from an outsourced to an in-house management model for the Residence over the summer, the required level effort was not put forth by the exiting supplier to attract the summer business that was expected.

RESOLUTION

MOVED AND SECONDED – Orendorff and Owens

That the Board of Governors approve the report as presented.

BUSINESS PLAN UPDATE TO THE BOARD OF GOVERNORS

Questions/Comments:

- *Governor Orendorff: Why will the Engagement Survey for Employees not be completed?* This is something that is being discussed province-wide in terms of a provincial wellness survey. The system will likely adopt the George Brown or Georgian College model and it will be resubmitted for consideration in the 2010/11 budget.
- *Governor Orendorff: Why is the Alumni Tactical Plan at risk of being delayed?* The Alumni Department is currently in the transition of moving from the Advancement Area to be more closely aligned with the Foundation. The tactical plan has also been readjusted with a focus on social media. It will be completed but it listed “at risk” because it may not be within the current fiscal year.
- *Governor Sayah: What is the Algonquin College Personal Development Institute?* The Personal Development Institute is a non-credit, continuing education offering based on a

social learning concept that is intended to attract baby boomers in retirement who tend to be life-long learners.

- *Governor Edmonds: What is the College's target number of hybrid courses?* During the 2010-2011 academic year, 956 courses are being offered in either hybrid or fully online format. Some programs have reached (or exceeded) the 20% online activity target and some have not. An additional 400 courses are required to ensure all programs are able to reach the 20% target. Next year's planned development activity of 200 more courses will bring the College close to the final number required. It is anticipated that 200 additional courses will have to be developed into hybrid format the following year to allow all programs to have reached their goals.
- *Governor Edmonds: What is the Confucius Institute?* It is an institute set up by an arm of the Chinese Government to address preservation of the Chinese culture across the world. There are 250 institutes across the world, with only six in Canada. This will help to differentiate Algonquin from others and also enable domestic students to learn the culture and language. We are working with the Confucius Institute of BCIT.
- *Governor Edmonds: What is the Full Spectra Centre in the expanded Applied Research opportunities?* This was a competitive application to the NSERC CCI program which is the same program that funded the Design Centre, a collaborative effort involving 11 companies.
- *Governor Edmonds: In the fall there was information in the newspaper regarding the universal bus pass for students. Is this being revisited? Governor Edmonds requested to go on the record indicating that the University of Ottawa students appeared pleased with the universal bus pass.* Not at this time as our students voted against it and were not in favour of a tax being charged to students who are unable to access a bus service or who use their cars.
- *Governor Sayah: What are we doing as a College to commit to building a full sustainability strategy?* The College is developing a strategy which will be ready early in 2011; it is anticipated that the Board will be briefed on the strategy in February and it will be a part of the fiscal plan for 2010/2011.
- *Governor Hume: Which aboriginal communities does the College target?* The College has approximately 1300 aboriginal students from the First Nations, Metis and Inuit Communities. The 'Skype project' is progressing with communities who have students attending Algonquin. To date, one computer has been provided to Wikwemikong and one to M'Chigeeng. Discussions are ongoing to identify a third Aboriginal community partner to participate in this project. Computers have been designated for this project in the Mamidosewin Centre. This project will enable parents and students in high school in those communities to interact with students from their community who are attending Algonquin.

REPORT OF THE AUDIT COMMITTEE

Governor Johnson provided a report on the Audit Committee meeting held on November 8th as follows:

- The Audit Committee is comprised on the Board Chair and Vice Chair, as well as Governors Hume and Farber. The Committee meets approximately four times a year. The fall meeting is generally intended for a review of the Audit Plan before the initial work commences early in the New Year. The appointment of KPMG as the Auditors for 2010/2011 was recommended for approval and it was agreed that this recommendation should be presented to the Audit Committee earlier in the year (such as May or June) so as to not coincide with the audit planning processes in the fall. The next RFP for Audit Services will be completed early in 2012.
- Representatives from Doherty and Associates reported on the Student Bursary Endowment fund that currently totals \$13.2M, by providing an overview of the investment mix and performance against benchmarks based on the Endowment Fund Investment Policy.
- The College's ability to respond to business continuity in the event of a major IT disruption is being reviewed with a report to be presented to the Audit Committee in March, 2010.
- Internal audits currently underway include a PCI (Payment Card Industry) Standards Review, as well as a review of the procurement processes of the College. Results will be reported to the Audit Committee in the Spring.

RESOLUTION

MOVED AND SECONDED – Lamontagne and Farber

That the report of the Audit Committee be approved as presented.

GOVERNANCE COMMITTEE REPORT

Governor Hartley, Chair of the Governance Committee, reported that the efforts of the Governance Committee have been galvanized as a result of recent amendments to regulation 34/03 which stipulates that the submission of appointments for new Governors beginning their term in September, 2011, must be submitted to the Ministry of Training, Colleges and Universities by no later than December 15, 2010.

The Governance Committee met on October 26th to determine the process that would be undertaken in order to meet that deadline. A Selection Committee has been struck which will review the candidates, develop a shortlist of interviewees and complete interviews of four candidates on December 2nd, with three candidates to be recommended to the Board of Governors for approval on December 13th, following which the submission will be forwarded to the Ministry of Training, Colleges and Universities.

There are also three Governors whose terms are up for reappointment and their names will be forwarded to the MTCU for consideration: Governors Dunlop, Orendorff and Owens.

10-73 MANAGEMENT SUMMARY REPORTQuestions/Comments

- *Governor Edmonds: What are the ACE Link Sites?* The College offers the ACE (Access and College Entrance) Program at both the Woodroffe and Pembroke Campuses. The ACE Link services are offered at three off-sites community organizations: John Howard, PLC, ALSO.
- *Governor Edmonds: When does counseling individuals' in the CIITE (Colleges Integrating Immigrants to Employment) Project and CIIP (Canadian Immigration Integration Program) turn into revenue for the College?* The cost of our advisors who provide services to immigrants is partly funded by the Ontario government through CIITE. Furthermore, we receive revenue directly when the people who have been advised access postsecondary education and training at Algonquin. The majority of those we advise go on to study at Algonquin.
- *Governor Edmonds: What are the details of the Ottawa Senators Partnership?* The College is advertised on rink boards at the Scotiabank Place and there is also signage throughout. In addition, there is a military family fund night as well as three special events, including two training events that are being co-hosted by Corporate Training which will raise the profile of that area of the College. A similar evening is being planned in February, 2010 which deals with aboriginal employment issues and it is anticipated that a preview of the Personal Development Institute will be held as well. The Senators are also involved in high school material and visits.
- *Governor Edmonds: What work is being contracted to Shepell FGI?* Shepell FGI is handling five return-to-work cases in an attempt to assist employees in their return to the workplace.
- *Governor Edmonds: What is the percentage of grievances that are settled at Step 1 or 2?* Approximately 90% of faculty grievances and approximately 60% of support staff grievances proceed to arbitration.
- *Governor Robinson: Who is working on the Family Health Team (FHT) proposal and has a satellite location of the Family Health Team been considered for Pembroke?* The Family Health Team is a collaborative effort between Student Services and the Faculty of Health. The first application that was submitted was not successful; however, discussions are underway with the University of Ottawa to look at a partnership with a possible satellite FHT location.

The complete Management Summary for November, 2010, is available at www.algonquincollege.com/board.

10-74 OTHER BUSINESS**AAADD PROGRAM**

Governor Edmonds spoke to the AAADD (Academic Assistance for Adults with Disabilities) Program that is a program for individuals with both intellectual and physical disabilities that must be able to function on their own in a ratio of 9 students to 1 staff member. Student in the program can attend for a four-year duration and concentrate on areas such as literacy, numeracy and reading. She noted that it was her opinion that a program of this type is reflected of the College's mission, and observed that the program has come forward to the Board via correspondence to both the current and past board chairs with a request for the Board to support advocacy efforts in seeking additional funding from the Ministry. Governor Edmonds inquired as to whether the College has investigated the possibility of additional funding sources.

The Board Chair responded that the program has come forward to the Board twice previously for consideration of cancellation and the Board has decided both times to not terminate the program. In addition, it was recently listed as a program to be maintained in the Strategic Programs and Services Review. The program, however, is not a cost-recovery program and is being supported by the College in terms of both space and cost. What the College has said at this time is, given the space and fiscal constraints being faced by the College, that the College is unable to further support or enhance the program at this time.

The President added that the College has followed up with the Ministry to determine if additional funding sources are available for the program and has thus far not received a positive response.

Discussion ensued with respect to the Governance practices of the Board in terms of the action and follow up that is taken related to correspondence received in the Board Office on behalf of the Board of Governors. The Board Chair expressed concern that some of the questions being raised at the meeting were issues that could have been addressed by administration outside of the regular board meeting and reminded Governors that he was elected as their representative to speak with one voice on behalf of the Board.

In summary, a consensus was reached that any correspondence received by the Board will be forwarded by the Secretary to the Board Chair who will make a determination whether it is an operational matter (which will be referred to the President) or a Board item (which the President will be asked to provide input on), in which the Chair will apprise the Board of the correspondence received and the resolution.

It was furthermore discussed that, at the upcoming Board meeting on December 13th, a motion will be tabled that all future Management Summary reports will no longer be a part of the regular board agenda, but will be posted on the Board's SharePoint Site on which Governors

are welcome to make inquiries on any topic with a response to be posted for all Governors' information.

The meeting adjourned at 7:32 p.m.

Michael Dunlop, Chair

Anna Cobus, Recording Secretary