

**APPROVED**

MINUTES OF MEETING NUMBER FOUR HUNDRED AND SIXTY ONE OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE WHICH WAS HELD ON TUESDAY, FEBRUARY 15, 2011, AT 5:00 P.M. IN THE ROSSER BOARD ROOM, C539, WOODROFFE CAMPUS

Present	Michael Dunlop, Chair	Regrets	Louis Lamontagne
	Doug Orendorff, Vice Chair		Debbie Robinson
	Stephen Abraham		
	Denise Amyot		
	Pauline Edmonds (teleconference)		
	Veronica Engelberts	Vice	Gerry Barker, Human Resources
	Barbara Farber	Presidents	Kent MacDonald, Academic
	Robert Gillett, President		Joy McKinnon, Business
	Sterling Hartley (teleconference)		Development
	Doreen Hume		Duane McNair, Administration
	William Johnson		(Acting)
	Yusuf Khan		Deborah Rowan-Legg, Student
	James McIntosh		Services
	John Owens	Resource	
	Valerie Sayah	Personnel	Anna Cobus, Recording Secretary

Observers Jennifer Daly-Cyr, Director, Recruitment  
Claude Brulé, Dean, Faculty of Technology and Trades  
Marguerite Donohue, Dean, Academic Development  
Wayne McIntyre, Director, Student Support Services  
Russ Mills, Dean, Faculty of Media and Design  
Kathryn Moore, Registrar  
Jim Orban, Director, International & Corporate Business Development  
Doug Ouderkirk, Executive Director, Academic Operations and Planning  
Brenda Rothwell, Executive Director, Algonquin College Foundation  
Philip Rouble, Facilities Planning Specialist, Physical Resources  
Mike Rushton, Director, Physical Resources (teleconference)  
Jack Wilson, Faculty, Police and Public Safety Institute  
Doug Wotherspoon, Executive Director, Advancement

**11-01 CONFLICT OF INTEREST DECLARATION**

None.

**11-02 APPROVAL OF PREVIOUS MINUTES****RESOLUTION**

MOVED AND SECONDED – Farber and Owens

That the minutes of December 13, 2010, be approved as amended.

**11-03 BUSINESS ARISING**

Further to the Board's mini-retreat held on January 10<sup>th</sup>, Governor Sayah indicated her opinion that the 2020 vision positioning paper appears optimistic, challenging and ambitious, yet it is in keeping with our goal of trying to stay abreast of and accommodating the future trends being reported in various journals and publications. She also noted that once the College selects and adopts its brand, she believes it will help to guide and steer Algonquin's focus in the right direction.

**11-04 PRESENTATION****UPDATE ON SPACE CONSIDERATIONS AND BUDGET PREPARATIONS**

P. Rouble provided a comprehensive overview of the space issues currently facing the College, beginning with a historical overview of the College's strategic space planning and usage which has been cited as a best practice on numerous occasions. The current space situation at each of the College's three main campuses was outlined as well as the realities being experienced as a result of the shortages. In addition to the current situation, the College is working to understand the implications of transforming into a mobile and digital college in terms of the impact on capacity, growth and infrastructure requirements presented by this new paradigm, and how best to prepare for the opening of four new facilities by the year 2012, including the space that will become vacated at the Woodroffe Campus when the Algonquin Centre for Construction Excellence opens in the Fall of 2011. Also discussed was the Health and Wellness Education Initiative which is under development, as well as the major investment plan overview and the College's advocacy with the government.

Questions/Comments:

- Governor Johnson: With the opening of two new buildings, is the GSF per FTE still as drastic as indicated? While the College will see some minor relief from the new buildings, it continues to grow at a steady pace and as such, buildings are filled to capacity when they are constructed. The compression will continue at the present level.

- *Governor Owens: As the College is continuing to increase its student population, are the increases in space for professors, support staff, etc., also factored into the planning?* Yes, space planning is based on 1/3 classroom/lab, 1/3 support/teaching, 1/3 gross up.
- *Governor Johnson: Do other College's have Student Commons and will it add a false sense of space?* Many Colleges do have Student Commons and some have plans in place. The Student Commons is taken into account in the space factoring as it will also house student support spaces. It will also help to address the service concerns expressed by students in KPI surveys.
- *Governor Orendorff: If the College goes further with online and virtual delivery will it be successful and not have to build its way out to create additional capacity while delivering its mission in a productive and desirable way? If there were 50% of offerings in a virtual format would it be out of the red?* As the College will always have to balance theory and applied spaces on all growth scenarios, the College will always require applied space to deliver its programs, even if the theory is offered online. It will likely always be in the red but it is a matter to what extent, unless a decision is taken to limit enrolment.
- *Governor McIntosh: What growth rate is used in space forecasting?* 6% is used as an average and is based on the five-year enrolment target agreement which was submitted to the MTCU.
- *Governor Johnson: Who owns the land in CentrepoinTE for the tower building as indicated on the major investment plan overview?* The City currently owns the land but there is an agreement with the City that the College has rights to develop/negotiate with the City as they are very interested in partnering with the College at the sites, as well as one of the developments above the transit station.
- *President Gillett: The ACCE building is continuing to progress and the Board will provided with another tour again shortly.*

D. McNair provided an overview of the ongoing preparation of the 2011/2012 budget which has been developed under a set of assumptions which will only be confirmed once the Ontario budget is released in late March. The College is prepared to make reductions if necessary and finding solutions to financing space requirements to accommodate increased enrollment of 1000 students is being developed. There have been significant demands for one-time investments including funding to provide a cash flow to bridge the five year capital campaigns for the ACCE and Perth buildings, space needs (renovations and maintenance), technology and equipment, and business plan investments.

## **11-05 REPORT OF THE CHAIR**

### **Report of the Chair**

The Chair reported the following:

- As the Chair of the Colleges Ontario Governors Committee which oversees appointments of Governors to the CAAT Pension Plan Committee, exploring best practices and governor engagement and training, the Chair held an exploratory conference call with other Board Chairs to discuss interest in exploring areas where Boards may learn best practices from other Colleges. As an example, he offered to share with other Ontario Colleges, information regarding the recent Strategic Programs and Services Review as a best practice. He noted, however, that it is not an attempt to make Boards uniform, but rather an attempt to not reinvent the wheel, with a focus on governance.
- The Chair offered congratulations to Governor Owens who will become the Chair of the Ottawa Construction Association effective February 23<sup>rd</sup>.
- Seven responses on meeting feedback were received following the December meeting of the Board, with the general consensus as follows:
  - o The meeting material was distributed sufficiently prior to the meeting to allow for adequate review of material.
  - o Discussion time allotted for agenda items was sufficient.
  - o The Chair worked towards compromise and was open to input from all Governors.
  - o The level of conversation was productive.
  - o Areas for improvement included decision items being moved up on the agenda to allow for greater discussion, as well as the shortage of space and temperature in the boardroom.
- The College is in the process of reviewing its administrative policies and there are plans in place to review Board policies once the administrative policy review is complete. Governor Orendorff has agreed to perform an initial review under the auspices of the Governance Committee to whom he will make recommendations. Administration will also share their plan based on the experience garnered from the administrative policy review. An update will be presented to the Board as the process evolves.
- Correspondence received in the Board Office:
  - o Letter from the Sheet Metal Workers' International Association dated January 26, 2011, to petition the College to name the new ACCE building the *Roy Hyland Centre for Construction Excellence* after the late Roy Hyland. Enclosed with the letter was a petition signed by 287 individuals.

- Fax from Climate Works dated January 4, 2011, petitioning the College to name the new ACCE building the Roy Hyland Centre for Construction Excellence, as well as a signed petition from Donald and Marjorie Dudley in the same regard.
- Former Governor and Professor Wayne Wilson also sent a letter in support of the petitions.
- A letter from the Ottawa Construction Association expressing thanks to the Board of Governors for supporting the Bachelor of Building Science Program Proposal to the Ministry.
- On the table for each Governor was a statement from the financial officers of the College confirming that as of December 31, 2010, all applicable income tax source deductions and remittances have been submitted in accordance with CRA and Ministry of Revenue requirements.

#### Questions/Comments:

- *Governor Johnson: Advised Governors that they should be aware of the dichotomy of two overarching organizations with interest in the Colleges. While Colleges Ontario is an advocacy group whose focus is to look after the best interest of Colleges, the Government recently legislated the College Employers Council which is composed of all Board Chairs and Presidents, with a mission to ensure that Colleges run well from a government's perspective. In addition, there is a subcommittee of the CEC, the Governors Review Committee, of which Governor Johnson is a member, and whose job is to make recommendations and to advise the Boards and the CEC on President's compensation as well as the appointment, training and qualification of Governors. The President observed that Colleges are under the legislated wage restraint program for administrative and part time staff compensation for a period of two years, ending in March, 2012.*
- *Governor Owens: Noted that while the Ottawa Construction Association is supportive of the Bachelor of Building Science Program, it is most emphatic that it does not want to diminish the output of technicians and technologists from the other programs.*

#### **11-06 REPORT OF THE PRESIDENT**

The President reported the following:

- If the review of the administrative policies is any indication of the amount of effort required to review the Board's policies, it will be a significant undertaking. It is anticipated that the Board policy review will begin in September, 2011, using the same format that was used for the administrative policy review.

- Governor Farber was awarded the Consumers Award for Businesswoman of the Year; the President offered congratulations on behalf of the Board.
- In the recent edition of [\*The College Voice\*](#), Colleges Ontario Newsletter, there is a positive mention of the College's new Pembroke Campus.
- The College is working to prepare its budget based on a number of assumptions and will amend it as required following the release of the provincial announcement as well as following the capital allocation budget in June.
- The recent edition of *The Algonquin Times* reported an issue related to mould in the Residence. It is a situation which is confined to four rooms in the first-built residence. Air quality testing is underway and the situation is under control as it appears to be confined to just the four rooms.
- The College, along with the Ottawa Senators, is hosting an Aboriginal Business Circle on Friday, February 18<sup>th</sup>. Governors were welcomed to attend.
- The Theatre Arts Students are running a series of plays throughout the semester. Anyone interested was asked to contact A. Cobus for further information.
- David Donaldson, Dean, School of Business, was recently named as the Chair of the Ottawa Chamber of Commerce.
- Gerry Barker, Vice President, Human Resources, was recently named as the Chair of the Queensway Carleton Hospital Board.
- Joy McKinnon, Vice President, Business Development, was recently named as the College-System representative to the new College of Trades.
- Many students have recently won medals in various provincial competitions. Governors were encouraged to read the monthly management summary report for further information.
- The Ministry recently made an announcement regarding funding to encourage Colleges and Universities to work more closely together on credit transfer initiatives. The College will be preparing a number of funding submissions. Each institution will receive \$57K in March to allow the partnerships to begin to move forward and break down the existing barriers.

#### Questions/Comments:

- None.

### **11-07 DECISION ITEMS AND REPORTS**

#### THIRD QUARTER REVIEW

D. McNair provided an update on the third quarter review.

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 included 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.

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 budget events occurred during the third quarter review period:

International Student Premium revenues and contribution were higher than budgeted due to greater Full-Time Post-Secondary and English as a Second Language International student enrolments.

Second Career enrolment and revenues were higher than budgeted due to higher than anticipated enrolment in this program.

The 3rd Quarter Financial Report was distributed and includes variance analyses. The tolerable variance level is 25% or \$250,000. The Q3 projection is compared to the 2010/11 Approved Budget.

Questions/Comments:

- Governor Edmonds: What is the reason for the decrease in grants? This is related to the capital projects; the College matched the capital grants for both ACCE and Perth which is the reason for the associated decrease.

- *Governor Johnson: There was a large decrease in the capital assets budget yet a large increase in the investments. Is this due to a move to a longer term investment? Yes.* This is correct. Cash flow forecasts are based on anticipated needs and we have invested more in securities with higher yields which was a strategy.
- *Governor Orendorff: There is no offsetting expense increase against the contract and international revenue increases.* This is because the direct costs of the delivery of those programs are incurred directly by the academic area, while the international student premiums are accounted for in the international area.
- *Governor Orendorff: Does the reduction in capital and equipment grants reflect a delay in the ACCE project?* Cash flow expenditures are lower than initially expected however, the funds will be spent and the project will be completed on time.
- *Governor Dunlop: The notes indicate that the global studies and human performance coaching programs have been deferred. Why is this?* The programs were approved late in the cycle and there was not sufficient demand to warrant a program offering; therefore, program entry was deferred and they are being re-launched in September. There has been an increase in the applications.

## RESOLUTION

MOVED AND SECONDED – Johnson and Engelberts

That the third quarter review be accepted as presented.

## BUSINESS PLAN UPDATE

The President reported that almost all of the goals contained in the 2010/2011 business plan will be attained; however, those at risk or which will not be completed were identified in the report.

### Questions/Comments:

- *Governor Orendorff: What is the implication of the employee survey being cancelled?* There is no implication. It is in the budget once again for 2011/2012 and preparatory work is underway. Conversations are ongoing with certain vendors as well as other Colleges in this regard. In addition, plans were underway by one of the unions to complete an employee survey therefore it was felt that two surveys in parallel would be excessive for College employees.
- *Governor Edmonds: Will the programs indicated on page 7 for high demand delivery be offered in a full or part time mode?* The programs will allow students to study in a full time capacity. Secretary's Note: The programs are Police Foundations (Year 1), Early Childhood Education, Business Marketing.



**RESOLUTION**

MOVED AND SECONDED – Sayah and Owens

That the 3<sup>rd</sup> quarter business plan update be accepted as presented.

**MOTION RE: EDUCATION FUNDING FOR GOVERNORS**

Governor Sayah spoke to her proposed motion regarding education funding for Governors, indicating she believes that with the guidance received from the past and current Chair of the Board as well as the College President, the Board has been progressive in the area of Governor development through orientation and education initiatives and a result, feels that the adoption of a Board Education policy would serve to formalize and further enhance the progress that has already taken place.

Discussion ensued regarding the merits of formalizing a Board Education Policy and following Board member input, Governor Sayah proposed the following amended motion:

**RESOLUTION**

MOVED AND SECONDED – Sayah and Amyot

That the Board of Governors request the Governance Committee to examine the appropriateness of a Governor Education Policy and recommend to the Board if such a policy should or should not be developed.

CARRIED

1 Abstention – Hartley

1 Opposed - Engelberts

**11-08 MANAGEMENT SUMMARY REPORT**

Questions/Comments:

- *Governor Edmonds: Inquired as to whether the increase in international student enrolment indicated on page 15 of the report is located on campus or offshore. The increase is as a result of on campus enrolment. Offshore enrolment is increasing but at a lower rate.*
- *Governor Orendorff: What is the implication to the completion of the Perth Campus building if an extension is not received? An extension has been received for all of the Knowledge Infrastructure Projects and the contractors are committed to completing all projects on schedule for September, 2011 openings.*

- *Governor McIntosh: Commended staff for the exemplary task in achieving the goal of completing students grading and releasing the marks before the Christmas holidays, as it is not a common practice amongst educational institutions.*

**11-09 OTHER BUSINESS**

Governor Owens commented that he recently had the opportunity to speak to the Internationally Trained Civil Engineering students and was thoroughly impressed by the engagement of the students and looks forward to returning to speak in the future.

Governor Dunlop observed that Algonquin's Board of Governors is very engaged with the College Community which is a best practice identified by other College Boards.

The meeting adjourned at 6:53 p.m.

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Michael Dunlop, Chair

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Anna Cobus, Recording Secretary