



APPROVED

MINUTES OF MEETING NUMBER FOUR HUNDRED AND EIGHTY TWO OF THE BOARD OF GOVERNORS & ANNUAL GENERAL MEETING OF ALGONQUIN COLLEGE WHICH WAS HELD ON MONDAY, JUNE 17, 2013, AT 4:00 PM, IN THE ROSSER BOARDROOM, C BUILDING, WOODROFFE CAMPUS.

Present	James McIntosh, Chair Fred Blackstein Nancy Cheng Jeanine Chiasson Lynne Clark Michael Dunlop Barbara Farber Kyrylo Kasyanenko Louis Lamontagne Kathryn Leroux Kent MacDonald, President Shawn McBride Doug Orendorff Andrew Pridham Mark Sutcliffe	Regrets:	John Owens
		Sr. Mgmt:	Gerry Barker, Human Resources Claude Brulé, Academic Duane McNair, Finance & Admin Laura Stanbra, Student Services Doug Wotherspoon, Advancement
		Recorder:	Suzannah DiMarco
Observers	Jo-Ann Aubut, Acting Dean, Academic Development Jennifer Daly-Cyr, Director Algonquin College Denyce Diakun, Director, Workforce & Personal Development Cathy Dempsey, Director, Finance & Administrative Services Michael Gawargy, Director, Information Technology Services Mark Hoddenbagh, Director, Applied Research & Innovation Eric Hollebhone, Director, Marketing Chris Janzen, Dean, Faculty of Technology & Trades Nancy Lada, Professor Nursing Studies Jeff Macnab, Acting Registrar, Registrar's Office Tracy McDougall, Executive Assistant to the President Peter Nadeau, incoming Board Governor Sherline Pieris, President, Students' Association Joe Ranieri, Acting Director, Business Development Brenda Rothwell, Executive Director, Foundation John Tattersall, Director, Physical Resources Marlene Tosh, Acting Chair, School of Health & Community Studies Jack Wilson, Professor, Police & Public Safety Institute		

1. CONSTITUTION OF THE ANNUAL GENERAL MEETING

Chair McIntosh constituted the **Board** and **Annual General Meeting** at 4:05 pm. J. Ranieri, Acting Director of Business Development introduced Denyce Diakun, Director of Workforce & Personal Development – Denyce was integral in establishing the LEED Program – a compressed program for women wishing to enter non-traditional employment in the trades. Chair McIntosh introduced Sherline Pieris incoming President of the Students Association, and Peter Nadeau, incoming Governor as of September 1, 2013. Guests were welcomed.

2. CONFLICT OF INTEREST DECLARATION

No conflicts of interest were declared.

3. APPROVAL OF THE AGENDA AND PAST MINUTES

Members reviewed the Agenda and approved it by consensus. Members were referred to the draft regular and In Camera minutes of May 13, 2013. A number of revisions were suggested. With these revisions:

RESOLUTION

MOVED & SECONDED D. Orendorff & N. Cheng

That the minutes of May 13, 2013, be approved as revised.

CARRIED.

4. BUSINESS ARISING

There was no business arising from the Minutes.

5. DECISION ITEMS & REPORTS

5.1 Governance Committee Report - 2013-2014 Board Officers & Committee Appointments

K. Leroux reported on behalf of Governance Committee Chair, that the Committee met on May 27 to review the Board officer positions and the Board Committee appointments. The Committee considered the feedback received from members regarding their preferences and Governance Committee recommends, subject to LGIC appointments, the following appointments:

RESOLUTION

MOVED & SECONDED K. Leroux & M. Sutcliffe

OFFICERS OF THE BOARD 2013/2014

Chair	Jim McIntosh
Vice Chair	Doug Orendorff
Chair, Audit Committee	Nancy Cheng
Chair, Governance Committee	Kathryn Leroux

Executive Committee

Chair	Jim McIntosh
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Vice Chair	Doug Orendorff
Chair, Audit Committee	Nancy Cheng
Chair, Governance Committee	Kathryn Leroux
Past Chair	Vacant

AUDIT COMMITTEE

Chair	Nancy Cheng
Chair of the Board	Jim McIntosh
President	Kent MacDonald
External Members	Fred Blackstein Louis Lamontagne Michael Waters

GOVERNANCE COMMITTEE

Chair	Kathryn Leroux
Chair of the Board	Jim McIntosh
President	Kent MacDonald
Governors	Doug Orendorff John Owens Jeanine Chiasson Peter Nadeau

FOUNDATION BOARD Representative John Owens

CARRIED**5.2 4th Quarter Financial Results & Audited Financial Statements**

D. McNair, Vice President Finance & Administration presented an overview of the 2012/2013 4th Quarter financial results as well as the 2012/2013 audited financial statements. The College realized a positive net contribution of \$6.1 million for the year ending March 31, 2013, as noted on the Statement of Operations (page 2) of the 2012/13 audited financial statements. Schedule A provides a detailed list of revenues and Schedule B provides details related to College Ancillary Services. The Statement of Change in Net Assets (page 3) provides a summary of activities processed through the College's net asset accounts. Capital reserves decreased by \$23 million to fund the Pembroke Campus project. The 2012/13 4th Quarter Year-End Actuals have several variances from the approved budget which are explained in the report. It was noted that the audited financial statements are prepared in a format required by the Ministry that complies with standards set by the Canadian Institute of Chartered Accountants, whereas the 4th Quarter Report is prepared in a format that reflects the College's approach to budget management.

Governor Leroux asked why the Ministry would want the College to report on non-vested sick-leave? N. Cheng replied that the future cost (outlay) associated with this benefit needs to be taken into consideration as a liability because this has been earned during the current period, and has to be reported to comply with PSAS.

Governor Kasyanenko asked what expenses are included in the Expense line in the Statement of Operations on page 2? D. McNair reported that these include items such as municipal taxes, office supplies, text book charges outside Woodroffe campus etc.

Governor Leroux asked for clarification of the significant variance in Food Services budget. D. McNair responded that the construction of the Student Commons negatively impacted the banquet business, but noted that this has already begun to pick up again. In addition, the opening of the Starbucks outlet by the Students Association did reduce the College's coffee sales. The planned opening of the new Tim Horton's outlet is anticipated to help increase revenues next year.

RESOLUTION

MOVED & SECONDED F. Blackstein & N. Cheng

That the Board of Governors approve the 2012/13 Audited Financial Statements.

CARRIED

4th Quarter Financial Report

D. McNair reported that the 2012/2013 Q4 Year-End Actuals have several variances from the approved budget. While both the audited financial statements and the 4th Quarter Financial Report disclose a \$6.1 million net contribution, there are differences in the revenue and expenditure line items between these two reports. The audited financial statements are prepared in a format required by the Ministry, whereas, the 4th Quarter Financial Report is prepared in a format that reflects the College's approach to budget management.

Governor Dunlop noted that contract revenues appear to be under-performing – is the College considering a change to contract reports? D. McNair advised that contracts are being reviewed, however some don't provide revenues but do strengthen relationships and partnerships in the community.

Governor Orendorff asked a question regarding page 10 of 13, related to the variance for Business Plan Priorities – a 57% variance against the budget – is this due to the project not being completed? Do the funds move into next year's budget? D. McNair advised that much of this variance is due to timing – the budget is set before the books are closed for 2011/12, then the budget is adjusted after the books are closed. By Quarter 2 – it was identified that there was more of a surplus of funds than anticipated.

Governor Orendorff requested clarification of the budgets 2012/13, 2013/14 related to internally restricted budget increases. D. McNair advised that the 2 budgets must be reviewed along with the budget actuals, to get an accurate picture. The College is continually identifying ways of balancing the budget and/or creating a surplus, by finding new revenue streams or by implementing cost savings through efficiencies. Governor Orendorff complimented management staff on the very strong financial management of the College. The 4th Quarter Financial Report was accepted as presented.

RESOLUTION

MOVED & SECONDED F. Blackstein & N. Cheng

That the Board of Governors approve the transfer of \$4,868,417 from internally restricted net assets to unrestricted net assets.

CARRIED.

5.3 Audit & Risk Management Committee

Endowment Fund Investment Results

Governor Blackstein, Chair of the ARM Committee briefed members on the Endowment Fund performance results. The College's Endowment Fund (approximately \$18 M) was managed by Doherty & Associates who report that the Fund had a very good year compared to the previous year. The quarterly report indicates that the portfolio was up 5.79%, outperforming the benchmark of 5.40%. For the fiscal year ending March 31, 2013, the portfolio achieved a gross return of 10.69% against a benchmark of 9.33%. The report was accepted as presented.

Governor Leroux asked where the performance benchmarks come from? F. Blackstein advised that these are standardized benchmarks used by all fund management firms and not benchmarks set by the fund manager.

Appointment of the Auditors

F. Blackstein advised that part of ARM Committee's role is to recommend to the Board of Governors the annual appointment of the auditors for the coming year.

RESOLUTION

MOVED & SECONDED F. Blackstein & N. Cheng

That the Board of Governors approve the appointment of Deloitte as the audit firm for Algonquin College for the 2013-2014 fiscal year.

CARRIED.

Capital Projects Summary Report

F. Blackstein briefed members on the Capital Projects Report that was submitted and reviewed by the ARM Committee on June 7, 2013. The report provides a financial overview and highlights key information regarding the 5 major capital project undertaken since 2009. The Board of Governors accepted the Report as presented.

5.4 Banking Officers Resolution

RESOLUTION

MOVED & SECONDED B. Farber & L. Lamontagne

That the Board of Governors approve that for banking purposes, the following are the officers of Algonquin College of Applied Arts and Technology, effective September 1, 2013:

THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

POSITION	CURRENT INCUMBENT
Chair	James McIntosh
Vice Chair	Doug Orendorff
Secretary	Kent MacDonald
Treasurer	Duane McNair

SENIOR OFFICIALS OF THE COLLEGE

POSITION	CURRENT INCUMBENT
President	Kent MacDonald
Vice President, Academic	Claude Brulé
Vice President, Finance & Administration	Duane McNair
Vice President, Human Resources	Gerry Barker
Vice President, Student Services	Laura Stanbra
Director, Finance and Administrative Services	Cathy Dempsey
Manager, Financial Services	Sally Clarke

CARRIED.

5.5 New Program Approval

C. Brulé, Vice President Academic introduced M. Tosh, Acting Chair, School of Health & Community Studies and N. Lada, Professor Nursing Studies who presented the new program entitled Registered Nurse – Perinatal Nursing.

Governor Cheng asked why the application was for a full-time program, but will be run on a part-time basis and a question around the lab work? Members were advised that submissions are usually completed as a full-time program to ensure maximum flexibility. The laboratory work is a part of the theory portion of the program.

Governor Leroux asked what the enrollment was, when the program was run by the University of Ottawa? M. Tosh advised that the enrolment was approximately 35 students, however it was part of a larger program.

Governor Dunlop asked why the development costs of \$50,000 in the first year are so high, considering the program is being adapted from the University of Ottawa program and not being developed from scratch. M. Tosh advised that the development costs are associated with adapting the traditional 3-hour university lecture-like classes to a more mobile, flexible program.

Governor Orendorff asked if this program assists in preparing students for the Canadian Nurses Association Certification? M. Tosh advised that yes, and in fact graduates of this program are able to reduce the amount of time they must work before being certified.

In answer to a question from Governor Blackstein, J. Aubut advised that the Nurse Practitioner Program is offered to the Masters Level.

RESOLUTION**MOVED & SECONDED J. Chiasson & D. Orendorff**

That the Board of Governors approve the Registered Nurse - Perinatal Nursing Ontario College Graduate Certificate Program as presented.

CARRIED.5.6 2012/2013 Algonquin College Annual Report

D. Wotherspoon, Executive Director of Advancement introduced E. Hollebhone, Director Marketing who presented the draft 2012/2013 Algonquin College Annual Report. The College will submit the draft Annual Report to the MTCU in July and will return to the Board in the Fall with the final report for approval.

Governor Orendorff commented that he thought the Annual Report was an excellent document.

Governor Leroux noted that the student satisfaction rate was high, but the graduation rate did not reflect the high satisfaction rate. C. Brulé noted that some of the small sample sizes are small, and the timing of the survey is often an issue.

Governor Blackstein suggested that the employer sample size needs to be increased. Governor Orendorff commented that the Business Plan identifies a component specifically aimed at communication with the employer.

Governor Cheng stated that she found the report comprehensive, but not easy to read. She suggested adding an Executive Summary to highlight key accomplishments achieved throughout the year as well as adding some risks and challenges associated with the coming year. She found the definition of the core values unclear, and suggested the imbedded reports be removed and attached as appendices to the Report. Governor Orendorff concurred with Governor Cheng and suggested moving the "College at a Glance" forward in the Report. D. Wotherspoon advised members that the Ministry's report template could not be changed and the reports had to be imbedded in the main report.

Governor Kasyanenko asked a question around the graduation rate. D. Wotherspoon advised that a third party contacts the student and employer for information – the College provides the third-party with the name of the graduate, but not the contact information. This year, communication was sent to students to advise them that they would be contacted by a third-party – this proactive approach achieved a higher level of engagement with students and employers.

The final 20102/2013 Annual Report will be submitted for approval at the October Board meeting.

5.7 2012-2013 Business Plan – 4th Quarter Update

President MacDonald provided members with an overview of the 2012/2013 Business Plan 4th Quarter Update.

Governor McBride had a question about the progress of Online Graduation Validation. L. Stanbra advised that the functionality of “autograd” has progressed through Phase 1, but the process is not yet “in production”.

Governor McBride asked about FS1 - aligning our provincial funding with operations is identified as being yellow – delayed. D. McNair clarified that the “suitability of the RCM model” needs to be confirmed before moving forward.

Governor Cheng asked questions around FS1.6 “graduation rate achieved” and FS2.1 “increase revenue from international activities” both of which are at risk (red). What plans are in place for these two items? President MacDonald advised that the graduation rate measure has a lag time, therefore, to improve the rate, initiatives that enhance retention need to be implemented now to help the graduation rate in a few years’ time. In some cases, students are only 1 or 2 credits short, and strategies are being developed to help those students complete their missing credits in order to graduate. The Student Success Committee will be reviewing this issue in detail – monitoring of students who register for their final semester to ensure they have the supports they need to get to graduation will be essential.

Governor Leroux suggested informing the Board of retention rates mid-year, to gain a better understanding of the trends and the strategies being used by the College to retain students.

C. Brulé advised that recruitment strategies are being refined in an effort to increase enrolment of international students. India and China continue to be the College’s biggest draw.

Governor Orendorff commended Management on the excellent progress achieved this year. The Report was accepted as presented.

5.8 Strategic Plan Process Map

President MacDonald referred members to the materials included in their packages. The report identifies the Board’s key priorities and provides a status update on progress against those priorities.

Governor Orendorff acknowledged the importance of this report, and, with the Annual Report, represents a complete picture for the Board to assess the College’s progress against its goals. The report was accepted as presented.

6. OTHER BUSINESS

Chair McIntosh took the opportunity to recognize retiring Governors Denise Amyot and Michael Dunlop. Governor Dunlop was recognized for his role as Board Chair from 2010 to 2012 which included many philanthropic volunteer efforts, leading the Board through the development a strong governance model as well as initiating the search for a new College President.

Governor Amyot was thanked for her dedicated service to the College and the time and efforts spent as Chair of Governance Committee.

7. REPORT FROM THE CHAIR

- Chair McIntosh reminded members of the invitation to dinner at President MacDonald’s home immediately following the meeting.

- Governors will be invited to the President's Breakfast scheduled on Thursday, August 22, 2013 in Marketplace Food Court on the Woodroffe Campus from 8:30 to 11:00 am.
- Meeting feedback was received from 5 Governors as a result of the May meeting. Feedback was overall very positive.
- Governors were reminded to return their completed Board Evaluation Surveys by the due date.
- Members were reminded of the Board Retreat in Pembroke, September 15 and 16.
- Correspondence from MTCU was received providing the College with support and approval for the Saudi Arabia Project. A similar letter of support from Ministry of Finance is anticipated.
- Members were reminded of the Ottawa convocations to be held on June 24, 25 and 26 at Scotiabank Place.
- Meeting dates for the remainder of 2013 and into 2014 will be circulated shortly.

8. REPORT FROM THE PRESIDENT

- The President's BBQ will be held on May 16 and provides an opportunity to celebrate the College's many successes and congratulates staff and faculty on various awards and prizes.
- Algonquin Centre for Construction Excellence received the 2013 Award for Commercial Green Architecture. Accepting the award were Zofia Jurewicz of Edward J Cuhaci and Associates Architects, Claude Brulé, Vice President, Academic, and Dan Gallivan of Diamond Schmitt Architects.
- The New Technology Store received first place in four of the five award categories including Top Sales to Student Ratio 2012, Top Partner Sales for 2012, Largest Partner Sales increase by %, and Largest Partner Sales increase by \$ in the Campus Retail Canada awards.
- The grand opening of the new Pembroke Campus received a 2012 Canadian Council for the Advancement of Education Silver Award for Best Special Event.

9. MANAGEMENT SUMMARY REPORT

The Management Summary report for May, 2013 was received and is available online at www3.algonquincollege.com/bog/.

10. IN CAMERA SESSION

An In Camera Session followed. President's Council members and P. Nadeau remained in the room.

RESOLUTION

MOVED & SECONDED N. Cheng & K. Kasyanenko

That the Board of Governors move to an In Camera session for the purposes of discussing matters of a confidential nature.

CARRIED.

11. MEETING ADJOURNMENT

There being no further business, the meeting was adjourned at 5:55 pm.

James McIntosh, Chair

Suzannah DiMarco, Recorder