

## APPROVED

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MINUTES OF MEETING NUMBER FOUR HUNDRED AND NINETY THREE OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE, HELD ON **TUESDAY, OCTOBER 13, 2015 AT 4:00 PM**, IN CA105 ACCE BUILDING, WOODROFFE CAMPUS.

Present:	Kathryn Leroux, Chair Shubham Bawa Fred Blackstein Jim Brockbank Nancy Cheng Lynne Clark Shellee Fournier Sherryl Fraser Stephen Heckbert Cheryl Jensen, President Peter Nadeau Dr. Jim Robblee Kelly Sample Michael Tremblay Michael Waters	Regrets:	Pam Auchterlonie Mark Sutcliffe, Vice Chair
		Senior Management:	Claude Brulé, Academic Mark Fares, Digital Technologies & Innovation Cathy Frederick, Human Resources Duane McNair, Finance & Administration Laura Stanbra, Student Services Doug Wotherspoon, International, Communications & Strategic Priorities
		Recorder:	Suzannah DiMarco

Observers: A list of observers is given in Appendix 1

### **1. CONSTITUTION OF THE MEETING**

Chair Leroux constituted the meeting at 4:06 pm.

#### **Celebrating Success – Heritage Masonry Program**

C. Brulé, Senior Vice President Academic introduced Darrin MacDonald, Program Coordinator for the Heritage Masonry program, and alumni Ben Hendry, John Purcell and Mike Sobel. The students described their experiences at the Prince of Wales Fort in Churchill, Manitoba, where they assisted Parks Canada with conservation efforts at the site. The Board of Governors congratulated the Heritage Masonry Team for their conservation efforts and hard work at the Prince of Wales Fort.

#### **Board Education Session – Fiscal Realities**

D. McNair, Vice President Finance and Administration, presented on the fiscal challenges facing post-secondary education institutions in Ontario. Discussions occurred regarding the development of strategies to mitigate anticipated future funding shortfalls and declining enrolments, and members were advised that a dedicated resource has been hired to assist with these planning efforts. The College's overseas interests will be reviewed in light of potential changes in government policies as part of the planning exercise. President Jensen advised that the 24 Ontario colleges as a group, deferred signing their Strategic Mandate Agreements until the government addressed colleges'

deferred maintenance issue, demonstrating that joint action to focus on an important issue can be effective.

## **2. CONFLICT OF INTEREST DECLARATION**

Members were asked to declare conflicts of interest with items on the agenda. Governor Tremblay declared a potential conflict of interest with agenda item 4.1 Project Fusion Update and Budget Approval. Chair Leroux acknowledged the declaration and it was determined that it was not a conflict.

## **3. APPROVAL OF THE CONSENT AGENDA**

Chair Leroux asked whether any Governor wished to remove an item from the consent agenda. No items were removed.

### **RESOLUTION**

**MOVED & SECONDED M. Tremblay & J. Brockbank**

**THAT the Board of Governors approves the Consent Agenda items.**

**CARRIED.**

### **3.1 Minutes of the June 8, 2015 Board of Governors Meeting and Annual General Meeting**

#### **RESOLUTION**

**THAT the Board of Governors approves the Minutes of the June 8, 2015 meeting and annual general meeting as presented.**

### **3.2 Code of Ethical Conduct**

The Code of Ethical Conduct form that Governors are required to sign annually, was provided to the Board for signature.

### **3.3 Executive Committee**

Chair Leroux provided a verbal update to members.

### **3.4 Academic & Student Affairs Committee (ASAC) Report Program Review**

**a) Customer Experience Management – Ontario College Graduate Certificate (OCGC)**

#### **RESOLUTION**

**THAT the Board of Governors approves the Customer Experience Management, Ontario College Graduate Certificate program effective Spring, 2016.**

**CARRIED.**

### **3.5 Audit & Risk Management (ARM) Committee**

Governor Cheng, Chair, Audit & Risk Management Committee provided a verbal report on the Audit & Risk Management Committee meeting that was held on October 8, 2015.

3.6 Governance Committee Report

The Governance Committee report was provided for information.

3.7 Foundation Board Report

Governor Clark, Foundation Board representative, provided members with an update on the Foundation Board activities.

3.8 1<sup>st</sup> Quarter 2015/2016 Business Plan Update

**RESOLUTION**

**THAT the Board of Governors accepts the first quarter 2015/2016 Business Plan update for information.**

3.9 1<sup>st</sup> Quarter 2015/2016 Financial Report

**RESOLUTION**

**THAT the Board of Governors approves the 1st Quarter 2015/16 Financial Report.**

3.10 2017-2022 Strategic Plan Update

**RESOLUTION**

**THAT the Board of Governors accepts the 2017-2022 Strategic Plan update for information.**

**4. BUSINESS ARISING**

4.1 Project Fusion Update and Budget Approval

D. McNair introduced J. Bryan, Senior Project Manager, who presented on the Human Resources, Finance and Payroll enterprise resource planning initiative, better known as Project Fusion. Project Fusion is a major business transformation project to replace the current supporting systems with an integrated enterprise resource planning (ERP) solution, using a Software as a Service (SaaS) approach. Members were provided with an update on progress and upcoming activities to prepare for the launch of implementation, once the vendor has been selected.

Discussion occurred regarding the importance of assessing data privacy issues and the sovereignty of data in light of cloud-based solutions. Members were briefed on the discussions that have occurred at the Audit and Risk Management Committee regarding the importance of managing risks associated with projects such as this one. Project Fusion will be incorporated into the regular monitoring and reporting of corporate risks that are reviewed at ARM Committee. It was noted that a province-wide enterprise resource planning solution for colleges was considered, but is not an option at this time. A review of ERP implementations at other organizations, with lessons learned, will be integrated into the planning process.

**RESOLUTION**

**MOVED & SECONDED M. Waters & L. Clark**

**THAT the Board of Governors approves \$1.36M in funding to complete the planning and preparation phases of the Human Resources, Finance and Payroll enterprise resource planning (ERP) Project Fusion.**

**CARRIED.**

**ABSTENTION - Governor M. Tremblay**

#### 4.2 International Update

D. Wotherspoon, Vice President, International, Communications and Strategic Priorities presented an update on the College's International activities. A review of on-shore post-secondary enrolments, Language Institute enrolments, contract revenues, off-shore program licensing and off-shore campuses was provided. Discussion occurred regarding the differences between the Kuwait and the Jazan campus models. Members were briefed on the strategic recruitment initiatives being deployed overseas that are having a positive impact on domestic enrolments of international students. The Board of Governors congratulated the International Education Centre for their good work. The International Update was accepted for information.

#### 4.3 Energy Services Company Performance Contract 2 (ESCO2) Phase 4 Update

D. McNair briefed members on the final phase of the Energy Services Company Performance Contract (ESCO2) that includes additional conservation measures that will address the College's growing deferred maintenance challenge. An on-site power generation plant, the introduction of a power storage option as well as the integration of new electric vehicle charging technology are included in the work. A number of emerging education opportunities are under development to further leverage the ESCO2 program. The Province's post-secondary institutions along with key private sector partners are considering how they can work together in ways that will benefit a broader audience. Of note, members were advised that the new cap and trades requirements around college emission levels are not within the scope of this contract. Members were advised that all technical, financial and legal due diligence checks were completed before the contract was signed on July 14, 2015.

### **RESOLUTION**

**MOVED & SECONDED M. Tremblay & S. Fournier**

**THAT the Board of Governors formally approves the fourth and final phase of the Energy Services Company Performance Contract 2 (ESCO2) now that technical, financial and legal due diligence checks are completed, and the contracts were signed on July 14, 2015.**

**CARRIED.**

#### 4.4 Texidium Investment Update

D. McNair referred members to the materials in their packages. Members were updated on Algonquin College's equity investment in Texidium, in collaboration with Kivuto Solutions, Nelson Education and Pearson Canada. During the Spring of 2015, Algonquin College purchased 450,000 common shares of Texidium and held a seat on the Board of Directors of Texidium. Since the launch, several factors have been identified that heighten the risk profile of Texidium. The Texidium Board of Directors has agreed to restructure Texidium ownership so that Kivuto Solutions holds 100% of the common shares. Kivuto will buy back Algonquin College's 450,000 shares at the original price, and Algonquin College will be appointed to the Texidium Advisory

Committee as a Texidium Founding Partner. D. McNair will continue as a member of the Texidium Board of Directors and the College will provide input regarding refinement of the eText platform. The Texidium Investment Update was accepted for information.

#### 4.5 Healthy Living Education Update

C. Brulé briefed members on the progress of the Healthy Living Education initiative. A new governance model has been established that includes supporting committees and an advisory group of which Governor Jim Robblee is a founding member. Current activities include refining the scope of the project, securing external funding and developing the functional programming. Algonquin College is building government and community support for the Healthy Living Initiative by hosting a speakers' series where subject matter experts from healthcare present to invited guests from the health care community, local and provincial government and the College community. The Healthy Living Education update was accepted as presented.

### 5. **DECISION ITEMS & REPORTS**

#### 5.1 Corporate Risk Profile & Enterprise Risk Management (ERM) Update

Governor Cheng, Chair of the Board's Audit and Risk Management (ARM) Committee introduced members to the College Corporate Risk Profile and Enterprise Risk Management Update. D. McNair and P. Leland, Coordinator, Risk Management, Safety and Security presented an overview of the College's corporate risks and the enterprise risk management framework that was developed to monitor those risks. The College risk profile incorporates six corporate risk categories that include strategic, reputational, financial, international, legal/compliance and operational/hazards. This provides a new, sustainable process for risk-reporting, involving regular reports to the Audit and Risk Management (ARM) Committee on high-risk mitigation plans by high-risk owners. Members were advised that this will be an iterative process that will be refined to ensure monitoring and reporting to the ARM Committee is sufficient. Members discussed integrating existing and future projects into the monitoring and reporting process to ensure that risk mitigation strategies are deployed early, if necessary. Members also discussed the development of a risk tolerance/risk appetite statement that the Board could endorse. Members concurred that this would be a valuable generative discussion for the February Board Retreat. Governors commended management on the development of the corporate risk profile, noting that it had all the elements of a textbook model. The corporate risk profile and update was accepted as presented.

### 6. **ITEMS FOR INFORMATION**

The items for information were accepted as presented and no changes were made.

#### 6.1 Endowment Fund Report

#### 6.2 Board of Governors Fall Key Messages

#### 6.3 Board Chair's Report

#### 6.4 President's Report

#### 6.5 Management Summary

### 7. **IN CAMERA SESSION**

An in camera session was not required.

**8. MEETING ADJOURNMENT**

There being no further business, the meeting was adjourned at 6:00 pm.

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Kathyrn Leroux, Chair

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Suzannah DiMarco, Recorder

## **APPENDIX 1**

### **Observers:**

Scott Anderson, Director Communications  
Ginette Belair, Executive Assistant, Finance & Administration  
Jill Bryan, Senior Project Manager, Project Fusion  
Brent Brownlee, Director, Ancillary Services  
John Dalziel, Associate Director Physical Resources  
Cathy Dempsey, Director Finance & Administration  
Amy Desjardins, Executive Director, Algonquin College Foundation  
James File, Associate Registrar  
Barbara Foulds, Dean, Faculty of Health, Public Safety and Community Studies  
Michael Gawargy, Director, Information Technology Services  
Ben Hendry, Alumnus, Heritage Masonry  
Lindsay Hinds, Administrator, Centre for Continuing and Online Learning  
Eric Hollebhone, Director, Marketing and Recruitment  
Chris Janzen, Dean, Faculty of Technology & Trades  
Daniel Kelly, Professor, Heritage Masonry  
Sandra Larwell, Acting Dean, Centre for Continuing & Online Learning  
Mark Leduc, Executive Director Academic Operations and Planning  
Peter Leland, Coordinator, Risk Management, Safety & Security  
Chris Lowrey, student, Algonquin Times  
Darrin MacDonald, Professor, Heritage Masonry  
Diane McCutcheon, Director Labour Relations  
Tracy McDougall, Executive Assistant to the President  
Ernest Mulvey, Director, International Education Centre  
Andrew Pridham, Chair, Information & Communications Technology  
Hank Purcell, Alumnus, Heritage Masonry  
Joe Ranieri, Director, Business Development  
Katherine Root, Labour Relations Specialist  
Michael Savard, Contractor  
Mike Sobel, Alumnus, Heritage Masonry  
Don Sproule, member of the public  
Shelley Styles, Director, Student Services  
Jack Wilson, Professor, Police and Public Safety Institute