

APPROVED

MINUTES OF MEETING NUMBER FOUR HUNDRED AND NINETY FOUR OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE, HELD ON **MONDAY, DECEMBER 14, 2015 AT 4:00 PM**, IN SALON D, MARKETPLACE FOOD COURT, WOODROFFE CAMPUS.

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

Observers: A list of observers is provided in Appendix 1.

1. CONSTITUTION OF THE MEETING

Chair Leroux constituted the meeting at 4:05 pm.

Celebrating Success – Applied Research & Innovation – TEDx Algonquin College

C. Brulé, Senior Vice President Academic introduced C. Doré, Professor from the School of Business, C. Dowell, Coordinator for the Business Management program, K. Holmes, Acting Director, Applied Research and Innovation and students D. Paré, L. Wiseman, C. Peever and G. Spero who presented on the TEDx event at Algonquin College in November. A brief video of the event was played and members were briefed on the planning and preparations that occurred for the event. The Board of Governors congratulated the team on the very successful event that engaged students, faculty, staff and community partners.

2. CONFLICT OF INTEREST DECLARATION

Members were asked to declare conflicts of interest with items on the agenda. No conflicts were declared.

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. Chair Leroux briefed members on the Colleges Ontario 2015 Higher Education Summit that was held in November in Toronto. New Governors S. Fournier, S. Heckbert and S. Bawa, as well as several other Governors attended the Summit. Attendees were given the opportunity to share highlights from the Summit. With no changes to the consent agenda:

RESOLUTION

**MOVED & SECONDED Governor Cheng & Governor Tremblay
THAT the Board of Governors approves the Consent Agenda items.
CARRIED.**

3.1 Minutes of the October 13, 2015 Board of Governors meeting

RESOLUTION

THAT the Board of Governors approves the Minutes of the October 13, 2015 meeting.

3.2 Executive Committee Report

Chair Leroux provided a verbal update to members.

3.3 Academic & Student Affairs Committee Report

Governor Brockbank, Chair of the Academic & Student Affairs Committee provided a verbal report on the meeting that was held on November 19, 2015.

3.4 Audit & Risk Management Committee

Governor Cheng, Chair, Audit & Risk Management Committee provided a verbal report on the meetings that were held on October 8, and December 3, 2015.

3.5 Governance Committee Report

Chair Leroux, on behalf of Governor Nadeau, Chair of the Governance Committee provided a verbal report on the meeting that was held on November 23, 2015.

3.6 Foundation Board Report

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

3.7 Second Quarter 2015/2016 Business Plan Update

RESOLUTION

THAT the Board of Governors accepts the Second Quarter 2015/2016 Business Plan report.

3.8 Second Quarter 2015/2016 Financial Report

RESOLUTION

THAT the Board of Governors approves the Second Quarter 2015/16 Financial report.

3.9 2017-2022 Strategic Plan Update

RESOLUTION

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

4. BUSINESS ARISING

4.1 International Update

1) Overseas Opportunities

D. Wotherspoon, Vice President, International, Communications and Strategic Priorities provided an update on the College's International activities. Members were advised of a twelve percent increase in onshore enrolments, seven percent above target, as a result of growth primarily from China and India. In contrast, onshore Language Training is projecting a 25% decrease in enrolments year over year, resulting from fewer students from Brazil, Japan, Libya and Saudi Arabia.

In an effort to mitigate the impact of fluctuating enrolments, and changes in international events over which the College has no control, staff employ several partnership models internationally, to partner and engage with organizations abroad. These partnership models include:

- regional campuses;
- branch campuses;
- affiliated campuses; and
- program pathways and licensing.

Supporting this direction, Algonquin College management signed four new partnerships, three in China and one in the United Arab Emirates.

The Kuwait branch campus opened on September 29, 2015, with 77 full-time students enrolled in the Fall term. All students entered into one of three levels of the preparatory year program. Those students who started in Level three will begin their diploma studies in January 2016.

The Student Volunteer Club at the Kuwait campus is active. Students hosted a healthy living outreach day and participated in a Rehabilitation Centre fundraising run. Students are encouraged to join student councils and participate in community service to learn the value of being engaged citizens.

2) Algonquin College-Saudi Arabia Business Plan & Budget

Board members were referred to the Algonquin College Saudi Arabia 2015/2016 Business Plan and Budget included in their meeting packages. Members were reminded that Algonquin College has faced significant challenges in the first two years of operation, related in part to the preparedness of students who are taught primarily in English, and the adoption of

Canadian systems and processes in a foreign setting. Staff at Algonquin College's Jazan campus implemented mitigation strategies in 2014/2015 that have resulted in increased student enrolments, and improved attendance and retention. Engagement with employers has resulted in student sponsorships and employment opportunities for graduates. Additional investments in student mentoring, renovations to the cafeteria and new technology in classrooms also created a more engaging campus experience for students.

The update to the Board in July, 2015 projected stronger revenues which materialized in part. However, an increase to the minimum guarantee by the Saudi Arabia Colleges of Excellence was offset by a lower than anticipated quality assessment revenue, the falling Canadian dollar, and business development expenses incurred in pursuit of the Jazan Consortium Contract that failed to materialize. This resulted in the final 2014/2015 year-end results bringing in a deficit \$1.486K versus the projected deficit of \$983K. The 2015/2016 Jazan Campus Business Plan and Budget seeks to continue the entrepreneurial work of building an exportable international education system, while returning the AC-Jazan campus to profitability. The updated five-year pro-forma projections are given in the business plan. Overall, College staff project a five-year net profit of slightly under \$4.4M.

Governors discussed the funding associated with Colleges of Excellence's quality assessment. Management confirmed that the 2015/2016 budget projects a "satisfactory" rating, a more conservative position than the "good" rating that was projected in last year's budget. Discussion occurred regarding viewing the Jazan campus investment over the five-year term of the contract, and accepting that entrepreneurial activities have inherent risks. Of note, the Audit and Risk Management Committee monitors all risks associated with Algonquin College operations and receives regular corporate risk updates from Management. Members were briefed on strategies contained in the Business Plan that were implemented last year and are beginning to show positive results related to improved student attendance, academic performance and employment. Recruitment efforts are being adjusted to attract students who are better prepared for college, and the program mix is being modified to better suit local needs. Consolidation of the building's footprint to save energy costs and implementation of efficiencies related to maintenance and building operations will result in savings. Employment contracts are being reviewed to ensure staff are being paid at market rates.

In answer to Governors' questions, Management advised that Algonquin College has developed detailed scenarios and strategies with supporting resources that will see operations continue until the close of the contract. The Saudi Arabian Colleges of Excellence is expressing support of Algonquin College's activities in the country. Staff is in regular contact with other providers, in particular Niagara College, exchanging information, sharing knowledge and offering support. Chair Leroux took the opportunity to commend D. Wotherspoon and the Management Team for their efforts.

RESOLUTION

MOVED & SECONDED: Governor Cheng & Governor Tremblay

THAT, on the recommendation of the Algonquin College-Saudi Arabia Shareholders, the Board of Governors approves the 2015-16 Algonquin College-Jazan Business Plan and Budget,

AND

THAT, on the recommendation of the Algonquin College-Saudi Arabia Shareholders, the Board of Governors approves the transfer of a maximum of \$1.6M to compensate for the financial loss incurred in 2014-15 and fund operations through to the end of the fiscal year dated August 31, 2016.

CARRIED.

3) AC-Saudi Arabia Audited Financial Statements

Members were referred to the materials included in their meeting packages. Discussion occurred regarding the strategies that have been put into place to improve the financial performance of the Jazan campus.

RESOLUTION

MOVED & SECONDED: Governor Fraser & Governor Brockbank

THAT the Board of Governors approves the audited Financial Statements for Algonquin College – Saudi Arabia for the year ended August 31, 2015.

CARRIED.

4.2 Healthy Living Education Update

C. Brulé briefed members on the progress of the Healthy Living Education initiative. Members were advised that the governance structure is in place and an advisory panel is being established with assistance from Governor Robblee. Letters of invitation to join the advisory panel will be sent to key stakeholders in the community and the first meeting will be scheduled in early 2016. Members were briefed on plans to create learning enterprises where students will have experiential learning opportunities. The Healthy Living Education update was accepted for information.

5. DECISION ITEMS & REPORTS

5.1 2016/2017 Budget Assumptions and 3-Year Pro Forma

D. McNair referred members to the materials included in their meeting packages. Management has developed estimates and assumptions supporting the three year pro forma budget forecast. Budget details are currently being updated by budget holders in the College's budget system. These will be used to develop the final 2016/17 annual budget that will be presented to the Board of Governors at the February 8, 2016 meeting. Discussion occurred regarding government funding projections, and the College moving to a different accounting model. Governors made no changes to the report and accepted it for information.

6. ITEMS FOR INFORMATION

Members were referred to the items for information included in their materials. Discussion occurred regarding the influx of Syrian refugees that will be landing in Canada and opportunities for Algonquin College to be of assistance. Members were advised that Management has reached out to municipal and provincial agencies to see where the College can be of assistance to the

Syrian refugees, and plans are underway to support local efforts to provide educational opportunities and support. Discussion also occurred regarding the Climate Change Accord, and whether there would be an impact on any capital projects being planned at Algonquin College. Management advised that sustainability is a guiding principle for the College and is an integral part of decision-making. Management will report back on these two important issues in due course.

6.1 Board of Governors Winter 2015 Key Messages

The report was accepted for information.

6.2 Board Chair's Report

The report was accepted for information.

6.3 President's Report

The report was accepted for information.

6.4 Management Summary

The report was accepted for information.

7. IN CAMERA SESSION

An in camera session was held at the close of the regular meeting.

8. MEETING ADJOURNMENT

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

IN CAMERA SESSION

The in camera session began at 6:07 pm.

RESOLUTION

MOVED & SECONDED: Governor Tremblay & Governor Fournier

THAT the Board of Governors move to an in camera session for the purposes of discussing procurement negotiations.

CARRIED.

The in camera session closed at 6:49 pm.

RECONSTITUTION OF THE BOARD MEETING

RESOLUTION

MOVED & SECONDED: Governor Cheng & Governor Tremblay

THAT the Board of Governors reconstitutes the Board meeting at 6:50 pm.

CARRIED.

RESOLUTION

MOVED & SECONDED: Governor Robblee & Governor Fraser

THAT the Board of Governors approves \$10.7M in funding to complete the implementation phases of the Human Resources, Finance and Payroll enterprise resource planning (ERP) Project Fusion.

AND

THAT the Board approves entering into the implementation services contract and five-year Software as a Service subscription services contract.

CARRIED.

MEETING ADJOURNMENT

There being no further business, the meeting was adjourned at 6:55 pm.

Kathryn Leroux, Chair

Suzannah DiMarco, Recorder

APPENDIX 1

Observers:

Sherry Aske, CBC reporter
Jo-Ann Aubut, Dean, Academic Development
Shaun Baron, Manager, International Programs and Projects
Ginette Belair, Executive Assistant, Finance & Administration
Jill Bryan, Senior Project Manager, Project Fusion
Brent Brownlee, Director, Ancillary Services
Craig Delmage, Sr. Manager, Information Security
Cathy Dempsey, Director Finance & Administration
Amy Desjardins, Executive Director, Algonquin College Foundation
Christopher Doré, Professor, School of Business
Cheryl Dowell, Coordinator, School of Business
Barbara Foulds, Dean, Faculty of Health, Public Safety and Community Studies
Phil Gaudreau, Communications Officer
Michael Gawargy, Director, Information Technology Services
Robyn Heaton, Dean, Faculty of Arts, Media and Design
Mark Hoddenbagh, Executive Director, Partnerships & Applied Research
Eric Hollebhone, Director, Marketing and Recruitment
Kevin Holmes, Acting Director, Applied Research
Jodi Jaffray, Manager, Centre for Continuing and Online Learning
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
Eric Marois, Chair, Architecture, Civil and Building Science
Jacquie Millar, The Citizen reporter
Tracy McDougall, Executive Assistant to the President
Jim Panchuk, Professor, Dental, School of Health and Community Studies
David Paré, student
Krista Pearson, Registrar
Christine Peever, student
Andrew Pridham, Chair, Information & Communications Technology
Joe Ranieri, Director, Business Development
Graham Spero, student
Don Sproule, member of the public
Shelley Styles, Director, Student Services
Claire Tortolo, Acting Coordinator, ESL International, Language Institute
Jack Wilson, Professor, Police and Public Safety Institute
Lucas Wiseman, student