



UNIVERSITY OF  
CALGARY

**BOARD OF GOVERNORS**  
**SPECIAL MEETING**  
Approved Minutes

June 26, 2020, 8:10 a.m.

by Zoom Platform

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***Members***

Geeta Sankappanavar, Chair  
Joule Bergerson  
Tavis Campbell  
Heather Christie-Burns  
Cody Church  
Frank Finley  
Beverley Foy  
Nancy Foster  
Alisha Gordon  
Mark Herman  
Pam Krause  
Fauzia Lalani  
Allan Lyons  
Ed McCauley  
Mary Ellen Neilson  
Tanille Shandro  
Helen Sunderland  
Elaine Wong  
Deborah Yedlin

***Secretary***

Susan Belcher

***Scribe***

Rebecca Kenny

***Staff***

Tasha Hodzic, Executive Assistant, Secretariat

***Observers***

Kate Hamilton, Executive Director and Chief of Staff,  
President's Office  
Lorinda Hammond, Media Technician, UCalgary  
Tasha Hodzic, Executive Assistant, Secretariat Office  
Jason Morgan, Assistant General Manager, Students Union  
Jyoti Myers, Governance Coordinator

***Management***

Bart Becker, Vice-President (Facilities)  
Linda Dalgetty, Vice-President (Finance and  
Services)  
William Ghali, Vice-President (Research)  
Karen Jackson, General Counsel  
Dru Marshall, Provost and Vice-President  
(Academic)

***Regrets***

Nuvyn Peters, Vice-President (Advancement)

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The Chair called the meeting to order at 8:10 a.m. and confirmed quorum.

**1. Approval of the Agenda**

The Chair reported that Item 6 will be dealt with before Item 5 and that an item entitled “Waiver of the Student Athletics Fee for Fall 2020 Term” has been added to the Other Business section.

**Moved/Seconded**

That the Agenda for the June 26, 2020 Board of Governors special meeting be approved.

**Carried****2. Conflict of Interest Declaration**

There were no conflicts declared.

**3. Chair’s Remarks**

The Chair thanked retiring member, Allan Lyons, for his service and commitment to the Board.

**4. Approval of the Proposed Name Change of the West Campus Development Corporation**

Documentation for this item was circulated with the Agenda. Bart Becker presented this item.

Highlights:

- Management provided an overview of the proposed name change of the West Campus Development Corporation (WCDC), noting that the proposed name change is part of an overall reorganization and re-branding to facilitate the launch of the University Innovation Quarter Trust (UIQT)
- Management reported that the renaming of the corporation provides a clear linkage of the University District and University Innovation Quarter developments to the University of Calgary
- In response to a question, it was explained that it is the same trustee for both the West Campus Development Trust and the UIQT

**Moved/Seconded**

That the Board of Governors approve the name change of the West Campus Development Corporation to the University of Calgary Properties Group Ltd.

**Carried****5. Approval of the Annual Consolidated Financial Statements & Management Discussion & Analysis**

Documentation for this item was circulated with the Agenda. Linda Dalgetty presented this item.

Highlights:

- Management provided an overview of the annual consolidated financial statements and Management Discussion & Analysis (MD&A), highlighting that the financial statements follow a government template and public sector accounting standards noting that the auditors have signed off on the financial statements

- Management highlighted that:
  - The year ended with a \$29 million deficit due primarily to an in-year funding cut and costs associated with severance packages and the voluntary retirement program
  - Salary increases relate to current collective agreements with certain staff groups
  - The difference in the donations and other grants category is due to the fact that two large donation-in-kind gifts, the W.A. Ranches and the Life Sciences Innovation Hub, were received in 2019 and similar donations have not been received in 2020
  - The financial statements include Internal Restriction of Net Assets (IRNA) transfers
- The Chair of the Audit Committee advised that the Audit Committee recommends the approval of the consolidated financial statements and the MD&A
- There were no questions

**Moved/Seconded**

That the Board of Governors approve the Consolidated Financial Statements and the Management Discussion and Analysis of the University of Calgary for the year ended March 31, 2020, in the form provided to the Board, and as recommended by the Audit Committee.

**Carried**

**6. Approval of the Internal Restriction of Net Assets (IRNA)**

Documentation for this item was circulated with the Agenda. Linda Dalgetty presented this item.

Highlights:

- Management provided an overview of the IRNA process, highlighting the active management of these funds by the Executive Leadership Team (ELT) and noting that the Board approves changes to IRNA annually and that these funds are sourced from accumulated surplus
- Management reported that:
  - IRNA is used to fund research projects, future capital and IT improvement projects, and strategic initiatives and once the funds are restricted, they are not available for other purposes without approval of the Board
  - Funds that were temporarily directed to capital initiatives to address funding timing differences are being re-directed to specific academic and research initiatives
- The Chair of the Audit Committee advised that the Committee engaged in a thorough discussion about this and recommends this proposal for approval by the Board
- There were no questions

**Moved/Seconded**

That the Board of Governors approve:

1. the redirection of \$6.2 million of internally restricted net assets to return balances to specific academic and research internally restricted net asset funding sources; and
2. the internal restriction of \$65.2 million of net assets in support of research, operating, and capital renewal and building initiatives,

as recommended by the Audit Committee.

**Carried**

**7. Authorization to Spend Past June 30, 2020 under the University's 2020-2021 Consolidated and Capital Budgets**

Documentation for this item was circulated with the Agenda. Ed McCauley and Linda Dalgetty presented this item.

Highlights:

- Management provided the Board with an overview of the current state of the University's 2020-2021 Consolidated and Capital budgets, noting that, given the fiscal uncertainties, the Board previously authorized the President to approve and pay financial obligations to operate the University under the budgets up to June 30, 2020
- Management remains confident that the budgets are achievable and that they have the levers to manage expenditures within the budgets and not end the year in deficit position. With the combination of oversight by the Board, active management of the budget by Management and the levers available to Management to manage the budget, Management is asking the Board to authorize the President to approve and pay financial obligations up to March 31, 2021.
- Management then reported that:
  - University revenue may be at risk due to the COVID-19 pandemic and Management is continuously sourcing any available financial aid and COVID-19 relief funds
  - The University's biggest budget levers are the ability to slow, defer or reduce the scope of projects, controlling spend against IRNA and deferring hiring and temporary layoffs of staff. The University also budgets with the expectation that every position at the University is filled for 365 days, noting that any vacancies automatically result in cost savings. Historically the University has had \$30 million in savings annually due to position vacancies.
  - Other cost savings measures include event cancellations and travel reductions, and Management reviews and adjusts spending on a monthly basis
  - The Audit Committee receives a monthly financial forecast which is also submitted to the provincial government, and if the Audit Committee sees anything in their review that is of concern, this will be brought to the Board for consideration
- In response to a question, it was explained that it is unknown if there would be a penalty should the University end the year with a deficit, and the expectation of the provincial government is that the University end the year with a balanced budget
- The Executive Committee held a lengthy discussion on this matter and recommends it for approval of the Board

**Moved/Seconded**

That the Board of Governors authorize the President to approve and pay financial obligations to operate the University from July 1, 2020 up to and including March 31, 2021 in accordance with the approved 2020-2021 Consolidated and Capital Budgets, as recommended by the Executive Committee.

**Carried****8. Approval of the University's Three-Year Savings Plan**

Documentation for this item was circulated with the Agenda. Ed McCauley and Linda Dalgetty presented this item.

Highlights:

- Management provided an overview of the University's Three-Year Savings Plan (the Plan), required to be submitted to government by June 30, 2020
- Management reported that:
  - The Plan provides, at a high level, a breakdown of the proposed actions that the University will take to achieve the targeted reductions in its budget over the next three years
  - The Plan was developed based on savings assumptions primarily in the areas of salaries and benefits, and materials, supplies and services, and is forward looking
  - The Ministry is requiring balanced budgets from all PSI's and the University is confident in the 2020-2021 budget approved by the Board in March and its ability to remain within budget
- In response to questions, it was explained that:
  - The reduction in the Campus Alberta Grant and the anticipated savings do not completely align as there are anticipated increases in other revenue generating areas unrelated to the Campus Alberta Grant, such as research grants and funding
  - The savings highlighted in the 2022-2023 year is a negative amount based on anticipated revenue generation as Management believes it will be able to grow revenues and this will result in additional expenditures
- The Executive Committee held a lengthy discussion on this matter and recommends it for approval of the Board

**Moved/Seconded**

That the Board of Governors approve the Three-Year Savings Plan for the University of Calgary, in the form provided to the Board and as recommended by the Executive Committee.

**Carried**

## 9. Approval of the University's 2020 Capital Plan

Documentation for this item was circulated with the Agenda. Bart Becker presented this item.

Highlights:

- Management provided an overview of the Capital Plan and explained that the plan outlines the University's capital priorities and was previously submitted as a part of the Comprehensive Institutional Plan, but is now a standalone document
- Management reported that:
  - The Capital Plan is based on a government template and provides a clear picture of the long-term capital vision of the University and a detailed analysis of the University's deferred maintenance requirements
  - The Capital Plan articulates the University's highest priority projects targeted for completion over a three to five-year timeline, which have remained consistent year over year
  - The Capital Plan also includes any capital priorities that exceed \$10.5 million or 50% of the University's Infrastructure Maintenance Program grant
- Management noted that the briefing note should state that approximately half of the University's buildings are over 50 years old, not 40 years old
- The Executive Committee held a lengthy discussion on this matter and recommends it for approval of the Board

### **Moved/Seconded**

That the Board of Governors approve the 2020 University Capital Plan, in the form provided to the Board and as recommended by the Executive Committee.

**Carried**

## 10. Other Business

### Waiver of the Student Athletics Fee for Fall 2020 Term

Documentation for this item was circulated with the Agenda. Dru Marshall presented this item.

Highlights:

- Management provided an overview of the proposal to waive the student athletics fee for the Fall 2020 term, reporting that the University has been working closely with students on tuition and fees for the upcoming term, the recreation fee is pending as plans for re-opening campus are ongoing and the athletics fee for the Winter term has not yet been determined
- In response to questions, it was explained that:
  - Management is working with the Kinesiology department on areas of cost savings and funding re-allocation following the cancellation of athletic programs in the Fall and that it is anticipated that athletic training will still be active during the Fall term
  - The University has been advised that more information about the Winter term Team Conference competition will be provided in October

- The University of Alberta has made the decision to cancel athletic programs for the entire year which will impact the University of Calgary's Team Conference

**Moved/Seconded**

That the Board of Governors approve the waiver of the athletics fee for students for the Fall 2020 term.

**Carried**

**11. Adjournment**

**Moved/Seconded**

That the Board of Governors adjourn the June 26, 2020 special meeting.

**Carried**

The meeting was adjourned at 9:00 a.m.

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Susan Belcher  
University Secretary