

We respectfully acknowledge that we are on Treaty No. 8 Territory, the traditional meeting grounds and gathering places of Canada's First Nations, Métis, and Inuit peoples.

Board of Governors:

Shelley Powell, Chair
Tyrone Brass, 1st Vice Chair
Christian Matte, 2nd Vice Chair
Regrets Joe MacNeil, Public Member
Margaret Ziolecki, Public Member
Kim Farwell, Public Member
Staci Millard, Public Member
Adele Thomson, Public Member
Dr. Nermin Zukic, Academic Staff
Leon Bevans, CUPE Representative
Bilsen Xavier, Student Representative
Kayla Wandowich, Student Representative
Jay Notay, President & CEO

Administration:

Dale Mountain, Vice President Corporate Services & CFO
Tracy Boyde, Vice President Infrastructure & CIO
Regrets Fred Russell, Vice President Academic
Suzie Johnson, Executive Director – Human Resources
Judy Best, Executive Assistant (RS)

Guests:

Susie Bowles, Registrar
Kerry Ferguson, Manager, Advancement

1. Call to Order

S. Powell, Board Chair called the Public Board of Governors meeting to order at 5:30 p.m.

2. Declarations

2.1. Declaration of Conflict of Interest: There was no declaration of conflict of interest. Following the meeting, College Administration will re-send the "Acknowledgment and Undertaking Regarding Confidentiality and Conflict of Interest" form distributed at the September 29 Board meeting.

Completed forms were due back by October 13, but this has now been extended to November 12. Administration requested Board members who already submitted their completed declaration form to re-submit to the attention of J. Best.

2.2. Declaration of Fraud & Irregularities: There was no declaration of fraud or irregularities.

3. Adoption of Consent Agenda

Moved by L. Bevins and seconded by K. Farwell **that**, the Consent Agenda for the October 27, 2021 meeting of the Board of Governors be approved as presented.

Carried Unanimously

4. Adoption of Regular Agenda

In the absence of J. MacNeil, 5.3 Public Interest Commissioners Report Recommendation Update will be deferred to the next meeting.

Moved by Stacey and seconded by **that**, Adele the Regular Agenda for the October 27, 2021 meeting of the Board of Governors be approved as amended.

Carried Unanimously

5. Governance & HR Update

5.1. Board of Governors Bylaws and Policies

D. Mountain presented an updated version of the Board of Governors Bylaws and Policies as part of an annual review conducted by the Governance and HR Committee in October. Most of the revisions were housekeeping in nature. Article 11 Remuneration of the Board was revised due to the fact that no endowment was ever created subsequent to the 2014 Board motion, and removing reference to the Keyano College Foundation which ceased operations on June 16, 2021.

C. Matte requested that it be noted in the by-law to change the wording to reflect that no income tax slips (i.e. T4A) and no charitable donation tax receipt be issued to those waiving remuneration and directing monies to a Board funded scholarship.

In response to a question from B. Xavier, D. Mountain advised that all student Board representatives would continue to receive remuneration.

Moved by L. Bevans and seconded by A. Thompson **that**, the Governance & HR Committee recommends the Board of Governors rescind the motion approved on May 30, 2014, "The Board hereby moved that effective January 1, 2014, all honoraria to be paid to members of the Keyano College Board of Governors, with the exception of the student representatives, be instead directed to the Keyano College Foundation for the purpose of endowing a scholarship for students, who demonstrate both academic excellence and a high degree of community engagement, and that this direction of funds continue for all future years until reversed by the Board motion", and adopt and approve the revised Bylaw Article 11 Remuneration of the Board as amended"

Carried Unanimously

Moved by L. Bevans and seconded by C. Matte **that**, the Governance & HR Committee recommends the board of Governors receive and approve the Board Bylaws and Policies of the Board as presented and amended."

Carried Unanimously

5.2. Board of Governors Evaluation

D. Mountain presented the results of the Board of Governors Evaluation conducted in May-June and discussed at the September 8, 2021 Governance and HR Committee meeting. Of note, the survey consisted of thirty-one questions, of which twenty-three received favorable responses and

eight unfavorable responses. D. Mountain walked through the eight questions with unfavorable responses.

S. Powell suggested that we be purposeful and intentionally focus our energy in areas that we want to improve. It was noted by M. Ziolecki that the Board Evaluation Survey was intended to be more of a check-in and practice of good board governance.

Action: Governance and HR Committee to break down the survey results into actionable items, prioritize and bring their recommendations back to the Board for review at a future meeting.

5.3. Public Interest Commissioners Report Recommendations Update

Item deferred to the next meeting.

5.4. Board of Governors Awards Options for Discussion

D. Mountain presented a briefing note on options on how Board remuneration could be directed to meet different student scholarship needs. S. Bowles provided an overview of award criteria as well as a breakdown by demographics and program.

Areas of opportunity for consideration include the following:

- Ensure award criteria is not too narrow in scope.
- Support for refugee students and international students would align with the initiatives of the International Education strategy.
- Support for students with financial need.
- Support for underrepresented learners.

The Governance and HR Committee is requesting guidance from the Board of Governors on the direction of the funds. In light that the Briefing Note was missing from the package, Administration will distribute it to the Board and request their response be forwarded to J. Best.

Action: J. Best to forward the briefing note to the Board for review and respond to J. Best with suggestions.

6. Finance & Audit Committee Update

6.1. Keyano College Audited Consolidated Financial Statements for Year Ending June 2021

K. Farwell provided an overview of the College Audited Consolidated Financial Statements for the year ending June 30, 2021. Although fiscal 2021 was complicated with the Covid-19 pandemic and the 2020 flood remediation, the College was able to accurately prepare the consolidated financial statements on time and report a moderate surplus.

Overview:

- The fiscal year ended with a surplus which was an improvement from the deficit reported in 2020.
- The consolidated financial statements were completed on time, partly due to the implementation of monthly financial reporting.
- Strong cash positions and portfolio investments improved over prior year.
- Income from the Land Trust improved over prior year.
- Three new notes in the Consolidated Financial Statements which are unique as follows:

- #11-First recording of a liability for contaminated sites.
- #25-Dissolution of the Keyano College Foundation
- # 26-Fort McMurray flood.
- Administration identified an instance of potential non-compliance with respect to the *Income Tax Act* which may impact the college's charitable status. Administration is working with Legal Counsel to remedy.
- Insurance has been obtained as of June 30, 2021, but the College is unable to secure overland flood coverage at this time.

Moved by K. Farwell and seconded by L. Bevans **that**, the Finance & Audit Committee recommends the Keyano College Board of Governors receive and approve the Keyano College Audited Consolidated Financial Statements for year ending June 30, 2021 as presented."

Carried Unanimously

6.2. Audit Exit Report

K. Farwell presented the Audit Exit Report to the Board. These consolidated financial statements have been reported on by the Office of the Auditor General of Alberta (OAG), the auditor appointed under the *Post-Secondary Learning Act*. There were only a couple significant matters which are as follows:

- Management has identified an instance of potential non-compliance with respect to the *Income Tax Act* which may impact the college's charitable status.
- Environmental Liabilities with contaminants in the Reidel apartments. They OAG did not identify any issues with the accrued liability, but did recommend that the College ensures clarity on how this will be estimated in the future

The OAG concluded that the College has successfully implemented the recommendation to improve compliance with legislation. Only one outstanding recommendation remains which is the 2019 internal controls testing and monitoring that was not tested in the recent audit.

D. Mountain reiterated that this is a clean audit with an unqualified audit opinion, no new recommendations and no audit observations or control issues were identified.

Moved by K. Farwell and seconded by L. Bevans **that**, the Finance and Audit Committee recommends the Keyano College Board of Governors receive as information the Audit Exit Report, prepared and presented by the Office of the Auditor General and MNP for the year ending June 30, 2021."

Carried Unanimously

6.3. Net Asset Guidance Proposal

K. Farwell presented the Net Asset Guidance proposal which recommends that unrestricted operating surplus being maintained at a minimum of 10% of budgeted operating revenues with the remainder being restricted for capital where funding is not available from external sources.

D. Mountain provided additional information regarding the policy on net assets. The current policy, which is not a good fit, was paused over the last two years due to concerns over the provision required for educational purposes.

Moved by K. Farwell and seconded by L. Bevans **that**, the Finance and Audit Committee recommends to the Keyano College Board of Governors unrestricted and restricted surplus be allocated as follows:

Carried Unanimously

6.4. Action Log, Monthly Financials, Scheduled Finance & Audit Reporting Update

K. Farwell provided an update on the on the work of the Finance and Audit Committee.

The update included the following:

- Gaining a better understanding of changes in cash flow.
- Monitoring of progress towards Work Integrated Learning KPI.
- Year-to-date revenue was \$7.5 million vs \$8.1 million budget.
- Infrastructure Maintenance Program grant is \$3.6 million.
- Insurance policies have been renewed, however the College was unable to secure overland insurance coverage at this time.

D. Mountain requested permission from K. Farwell and S. Powell to affix their signatures to the Audited Consolidated Financial Statements. Permission was granted.

6.5. Finance & Audit Committee Membership

Finance and Audit Committee specifies that a certain number of Board members must be part of the committee. New members must be appointed and approved by the Board. The Committee is seeking to add Dr. Nermin Zukic to the committee.

Moved by K. Farwell and seconded by B. Xavier that, the Finance & Audit Committee recommends the Board of Governors appoint Dr. Nermin Zukic to the Finance & Audit Committee."

Carried Unanimously

7. In-Camera

Moved by M. Ziolecki that, the Board of Governors move in-camera at 6:52 p.m.

Carried Unanimously

D. Mountain, T. Boyde, L. Bevans, N. Zukic, B. Xavier and K. Wandowich left the meeting at 6:52 p.m.

7.1. Bargaining / PCBO Update

College Administration provided an update.

Moved by K. Farwell that, the Board of Governors conclude the in-camera discussion at 6:58 p.m.

Carried Unanimously

8. Adjournment

There being no further business, **moved by K. Farwell** and seconded by T. Brass **that**, the meeting of the Board of Governors be adjourned at 7:00 p.m.

Carried Unanimously