

The following Motions and Documents were considered by the Board of Governors during the Open Session of its Friday, June 18, 2021 meeting:

Agenda Title: **2022-2023 International Tuition Fee Proposal for Incoming Students**

APPROVED MOTION 1: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve tuition fees for new international students for all programs to take effect for the Fall 2022 intakes, with the exception of the Master of Arts in Communications Technology, as set forth in attachment 1.

APPROVED MOTION 2: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve tuition fees for new international students for the Master of Arts in Communications Technology, to take effect for the Spring 2022 intake as set forth in attachment 2.

Final Item: 3c.

Agenda Title: **Proposed Exceptions to Domestic Tuition Rates for 2021/22 - Master of Science in Internetworking, and Master of Science with Specialization in Multimedia**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the following exceptions to the approved 2021-22 domestic tuition fees proposal:

- the Master of Science in Internetworking, and
- the Master of Science with Specialization in Multimedia programs,

as set forth in Attachment 1, to take effect for Fall 2021.

Final Item: 3d.

Agenda Title: **Proposed Tuition Rates: New Graduate Certificates in Adapted Physical Activity; Coaching; and Educational Studies**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the tuition proposal for new graduate certificates in Adapted Physical Activity; Coaching; and Educational Studies, as described in Attachment 1, and including:

- 2021-22 Domestic tuition to take effect in July 2021;
- 2021-22 International tuition to take effect in July 2021; and
- 2022-23 International tuition to take effect in Fall 2022.

Final Item: 3e.

Agenda Title: **Land Dispositions – Long-Term Lease / Right of Way**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve, on terms and conditions acceptable to the Vice-President (Facilities and Operations):

- a) the disposition via long-term lease of approximately 0.28 acres of land contained within a parcel legally described as Lot D, Plan 7722357 located in the County of Parkland within the University of Alberta Botanic Garden;
- b) the disposition via long-term lease of approximately 3.65 acres of land contained within the parcel legally described as L.S. 6 Sec. 18 Twp, 22 Rge 14 W4M located in the county of Newell, Alberta within the University of Alberta's Mattheis Ranch; and
- c) the disposition via Right of Way of less than one (1) acre of land contained within parcels legally described as the NW & SW ¼ Sec 18 Twp, 22 Rge, 14 W4M located in the county of Newell, Alberta within the University of Alberta's Mattheis Ranch.

Final Item: 3f.

Agenda Title: **University of Alberta Annual Report, 2020-21**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Reputation and Public Affairs Committee, approve and adopt the University of Alberta Annual Report 2020-21, as set forth in Attachment 1, and empower the Executive Director (Performance, Analytics and Institutional Research) to make any editorial changes to the Report, as needed, as long as the changes do not have the force of policy.

Final Item: 3g.

Agenda Title: **Metrics Associated with Academic Restructuring (UAT/College Metrics)**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, the Board Learning, Research and Student Experience Committee, and General Faculties Council, approve the proposed metrics associated with academic restructuring, as set forth in Attachment 1.

Final Item: 4.

Agenda Title: **Board of Governors Bylaws**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Governance Committee, approve and confirm the Board Bylaws as set forth in Attachment 1 as the bylaws of the Board of Governors, and rescind the "University of Alberta Standing and other Committees of the Board of Governors General Terms of Reference" as set forth in Attachment 2, all to take effect September 15, 2021.

Final Item: 5.

Item No. 3c

Governance Executive Summary
Action Item

Agenda Title	2022-2023 International Tuition Fee Proposal for Incoming Students
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Motion 1

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve tuition fees for new international students for all programs to take effect for the Fall 2022 intakes, with the exception of the Master of Arts in Communications Technology, as set forth in attachment 1.

Motion 2

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve tuition fees for new international students for the Master of Arts in Communications Technology, to take effect for the Spring 2022 intake as set forth in attachment 2.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
Presenter(s)	Steven Dew, Provost and Vice-President (Academic) and Todd Gilchrist, Vice-President (University Services and Finance)

Details

Responsibility	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
The Purpose of the Proposal is <i>(please be specific)</i>	To propose tuition fees for the Fall 2022 intake of new international students, compliant with the requirements imposed by Bill 19 and associated Alberta Tuition Framework and Guidelines.
Executive Summary <i>(outline the specific item – and remember your audience)</i>	<p>In 2019, the Board of Governors, on the recommendation of APC, approved a new program-based tuition model for incoming international students. The new model was implemented for the Fall 2020 intake of international students.</p> <p>Fees were not increased for the Fall 2021 intake. We are proposing a 2% increase to program-based tuition for Fall 2022 to cover increased costs for the entire 5-year guarantee for international tuition for this group.</p> <p>The motion applies only to international students admitted for the Fall 2022 term. Current international students admitted prior to Fall 2020 (the first intake in the program-based model) will continue to be assessed tuition based on their registration and are subject to annual increases approved by the Board of Governors.</p> <p>Note that the proposal for MACT takes effect for the Spring 2022 intake to reflect the start date for that program. MACT is also not proposed to increase by 2%, but rather proposes aligning the tuition rate with standard course based Master programs. This applies to their thesis program as well.</p>
Supplementary Notes / context	

Item No. 3c

Engagement and Routing (Include meeting dates)

<p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p> <p><For information on the protocol see the Governance Resources section Student Participation Protocol></p>	<p><u>Those who are actively participating:</u></p> <ul style="list-style-type: none"> ● Office of the Provost and Vice-President (Academic) ● Office of the Vice-President (University Services and Finance) ● Strategic Analysis and Data Warehouse ● Office of the Registrar ● Faculty of Graduate Studies and Research ● Office of Resource Planning ● University of Alberta International
<p>Approval Route (Governance) (including meeting dates)</p>	<p><u>Those who have been consulted:</u></p> <ul style="list-style-type: none"> ● Tuition Budget Advisory Committee (including representatives of the Students' Union and the Graduate Students' Association) ● Deans' Council ● President's Executive Committee <p>APC - May 5, 2021 BFPC - May 25, 2021 Board of Governors - June 18, 2021 (for final approval)</p>

Strategic Alignment

<p>Alignment with <i>For the Public Good</i></p>	<p><i>Build</i> a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada, and the world. <i>Sustain</i> our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p>			
<p>Alignment with Institutional Risk Indicator</p>	<p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success </td> </tr> </table>		<input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
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<p>Legislative Compliance and jurisdiction</p>	<p><i>Post-Secondary Learning Act</i> of Alberta APC Terms of Reference BFPC Terms of Reference</p>			

Attachments

1. Proposed Tuition Rates for Incoming International Student 2022/23 (5 pages)
2. Proposed Tuition Rates for MACT Program (1 page)

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

**Proposed Tuition Rates for Incoming International Student 2022/23
Attachment 1**

1. Undergraduate Program Based Tuition Bands

International Undergraduate Cohort	2021 -22 Program Total	2022 -23 Program Total	Percent change	Credits
Faculty of Engineering Degree Programs*	Program Total \$158,000 Annual Rate \$39,500	Program Total \$161,160 Annual Rate \$40,290	2.00%	Varies*
Faculty of Business Degree Programs (As of Fall 2022, this is a 4 year program)	Program Total \$105,000 Annual Rate \$35,000	Program Total \$142,800 Annual Rate \$35,700	2.00%	120
Degree Programs in: Faculty of Arts, Faculty of Agricultural Life and Environmental Sciences, Faculty of Kinesiology Sport and Recreation, Faculty of Science, Faculty of Open Studies	Program Total \$118,000 Annual Rate \$29,500	Program Total \$120,360 Annual Rate \$30,090	2.00%	120
Degree Programs in: Augustana Faculty, Faculte Saint Jean, Faculty of Education, Faculty of Native Studies, Faculty of Nursing	Program Total \$108,000 Annual Rate \$27,000	Program Total \$110,160 Annual Rate \$27,540	2.00%	120
BSc in Radiation Therapy	Program Total \$147,500 Annual Rate \$36,875	Program Total \$150,449.92 Annual Rate \$37,612.48	2.00%	150
BSc in Medical Laboratory Science	Program Total \$92,430 Annual Rate \$30,810	Program Total \$94,278.24 Annual Rate \$31,426.08	2.00%	94
Doctor of Pharmacy (Pharm D) (4 yrs)	Program Total \$200,000 Annual Rate \$50,000	Program Total \$204,000 Annual Rate \$51,000	2.00%	141

Juris Doctors (JD) Program (3 yrs)	Program Total \$141,942.78 Annual Rate \$47,314.26	Program Total \$144,781.68 Annual Rate \$48,260.56	2.00%	92
Doctor of Dental Surgery (4 yrs)	Program Total \$357,045.80 Annual Rate \$89,261.44	Program Total \$364,186.56 Annual Rate \$91,046.64	2.00%	214
Bachelor of Science in Dental Hygiene (3 yrs)	Program Total \$101,968.92 Annual Rate \$33,989.64	Program Total \$104,008.20 Annual Rate \$34,669.40	2.00%	99.5

Notes:

*Engineering programs vary slightly in credits pending students' choice in registrations.

**Undergraduate Certificate rates, unless otherwise stated, will be prorated based on the Undergraduate Faculty rate

***Course loads may change and Tuition Rates will always be prorated based on the approved rate.

2. Tuition for Specific Undergraduate Programs or courses not covered by the standard Undergraduate grid.

International Undergraduate Cohort	2021-22 Payment Per Course(Indexed to 3 units of course weight)	2022-23 Payment Per Course(Indexed to 3 units of course weight)	Percent change
English Language School – All courses taken by Undergraduate or Graduate Students (includes Bridging Program)	\$2,950	\$3,009	2.00%
Rehabilitation Medicine – Undergraduate Special and Visiting Students only	\$2,950	\$3,009	2.00%
Medicine and Dentistry – Undergraduate Special and Visiting Students only	\$2,950	\$3,009	2.00%

3. Centre collégial de l'Alberta

2021 -22 Program				
International College	Total	2022 -23 Program Total	Percent change	Credit
Centre collégial de l'Alberta – Diploma (2 yrs)	Program Total \$25,000 Annual Rate \$12,500	Program Total \$25,500 Annual Rate \$12,750	2.00%	60
Centre collégial de l'Alberta – Certificate (1 yrs)	Program Total \$12,500 Annual Rate \$12,500	Program Total \$12,750 Annual Rate \$12,750	2.00%	30

4. Thesis based tuition for PhD and Masters Programs

2021-22 International Graduate Cohort	2021-22	2022-23	Percent change
Thesis Based Masters (All Specializations) - 4 Years	Program Total \$34,800 Annual Rate \$8700	Program Total \$35,496 Annual Rate \$8874	2.00%
PhD (All Specializations) - 6 Years	Program Total \$52,200 Annual Rate \$8700	Program Total \$53,244 Annual Rate \$8874	2.00%
All Programs – International Graduate Tuition Increases (offset by equivalent financial support)	\$4,000	\$4,000	0%

5. Standard International Graduate Course Based rates

2021-22 International Graduate Cohort	2021-22 Per 3 Credits	2022-23 Per 3 Credits	Percent change
Standard Course Based Master's or Graduate Certificates	\$1,864.30	\$1,901.52	2.00%
All Course Based Master Programs – International Graduate Tuition Increase (offset by equivalent financial support)	\$4,000	\$4,000	0%

Notes:

* Includes most Master and Certificate programs and excludes non-standard rates described below

6. Non-Standard International Graduate Course Based Rates (includes Master and Certificate Programs)

Per Course Rate	2021-22 Per 3 credit Course Rate	2022-22 Per 3 credit Course Rate	Percent change
Master of Science – Integrated Petroleum Geosciences (Course Based)	\$3,099.24	\$3,161.22	2.00%
Master of Science in Internetworking	\$2,200.00	\$2,244.00	2.00%
Master of Science Specialization Program in Multimedia, Post-Baccalaureate Certificate in Indigenous Sport and Recreation, Post-Baccalaureate in Sports and Recreation	\$2,000.00	\$2,040.00	2.00%

Management			
Master of Science in Urban and Regional Planning	\$2,713.72	\$2,767.98	2.00%
Master of Accounting	\$4,200.00	\$4,284.00	2.00%

7. Non-Standard International Graduate Program Rates

2021-22 International Graduate Cohort	2021-22 Program Total	2022-23 Program Total	Percent change
Master's in Engineering (All Specializations)	\$39,500	\$40,290.00	2.00%
Master's in Business Administration	\$56,563.20	\$57,694.40	2.00%
Executive Master of Business Administration	\$67,000	\$68,340.00	2.00%
Master of Business Administration – Fort McMurray	\$45,000	\$45,900.00	2.00%
Master of Science in Orthodontics, Master of Science in Periodontology	\$16,126.28	\$16,448.80	2.00%
Doctor of Philosophy in Orthodontics, Doctor of Philosophy in Periodontology	\$11,162.40	\$11,385.64	2.00%

Proposed Tuition Rate for Incoming International Students - MACT Program 2022/2023

Per Course Rate	2021-22 Per 3 credit Course Rate	2022-22 Per 3 credit Course Rate	Percent change
Master of Arts in Communication and Technology* (Includes MACT Thesis)	\$3,250	\$1,901.52	-41.49%

* Note: Master of Arts in Communication Technology - On June 19, 2020 MACT was approved to increase to \$3250 per 3 credit course. Since that time the MACT program determined that price increase was too high and we are bringing the international rate in alignment with standard course based Master programs. This applies to their Thesis program as well. Also MACT has an early implementation for Spring 2022 as their programming starts in the Spring term.

Item No. 3d

**Governance Executive Summary
Action Item**

Agenda Title	Proposed Exceptions to Domestic Tuition Rates for 2021/22 - Master of Science in Internetworking, and Master of Science with Specialization in Multimedia
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Motion

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the following exceptions to the approved 2021-22 domestic tuition fees proposal:

- the Master of Science in Internetworking, and
- the Master of Science with Specialization in Multimedia programs,

as set forth in Attachment 1, to take effect for Fall 2021.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
Presenter(s)	Steven Dew, Provost and Vice-President (Academic) and Todd Gilchrist, Vice-President (University Services and Finance)

Details

Responsibility	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
The Purpose of the Proposal is <i>(please be specific)</i>	To propose reversing the 7% increase for domestic tuition that was approved for Fall 2021 for these two programs.
Executive Summary <i>(outline the specific item – and remember your audience)</i>	On March 12, 2021, the Board approved a domestic tuition increase of 7% for course based graduate programs, including these two programs, for Fall 2021. Domestic and international tuition for these two programs has traditionally been the same. Reversing the 7% increase for domestic students for the Fall 2021 term will maintain the same rates for domestic and international students. This has been the approved approach for these programs since their inception.
Supplementary Notes / context	

Engagement and Routing (Include meeting dates)

Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)	<u>Those who are actively participating:</u> <ul style="list-style-type: none"> • Office of the Provost and Vice-President (Academic) • Office of the Vice-President (University Services and Finance) • Office of the Registrar • Faculty of Graduate Studies and Research • Office of Resource Planning
<For information on the protocol see the Governance Resources section Student Participation Protocol >	<u>Those who have been consulted:</u>
Approval Route (Governance) (including meeting dates)	APC - May 19, 2021 BFPC - May 25, 2021 Board of Governors - June 18, 2021 (for final approval)

Item No. 3d

Strategic Alignment

Alignment with <i>For the Public Good</i>	<p>Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada, and the world. Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p>			
Alignment with Institutional Risk Indicator	<p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="1" data-bbox="570 415 1547 625"> <tr> <td data-bbox="570 415 1089 625"> <input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure </td> <td data-bbox="1089 415 1547 625"> <input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success </td> </tr> </table>		<input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
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Legislative Compliance and jurisdiction	<p><i>Post-Secondary Learning Act of Alberta</i> APC Terms of Reference BFPC Terms of Reference</p>			

Attachments

1. Proposed Tuition Adjustment to Domestic Rates for 2021/22 (1 page)

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

Proposed Tuition Adjustment to Domestic Rates for 2021/22
Attachment 1

Program	2020-21	2021-22*
Master of Science in Internetworking	\$2200 per 3 credits	\$2200 per 3 credits
Master of Science with Specialization in Multimedia	\$2000 per 3 credits	\$2000 per 3 credits

* On March 12, 2021, the Board approved a domestic tuition increase of 7% for course based graduate programs, including these two programs, for Fall 2021. This would have resulted in a rate of \$2,354 for the MSc in Internetworking and a rate of \$2,140 for the MSc with Specialization in Multimedia. Domestic and international tuition for these two programs has traditionally been the same. Removing the 7% increase for domestic students for the Fall 2021 term will maintain the same rates for domestic and international students. This has been the approved approach for these programs since their inception.

Item No. 3e

**Governance Executive Summary
Action Item**

Agenda Title	Proposed Tuition Rates: New Graduate Certificates in Adapted Physical Activity; Coaching; and Educational Studies
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Motion

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee and the General Faculties Council Academic Planning Committee, approve the tuition proposal for new graduate certificates in Adapted Physical Activity; Coaching; and Educational Studies, as described in Attachment 1, and including:

- 2021-22 Domestic tuition to take effect in July 2021;
- 2021-22 International tuition to take effect in July 2021; and
- 2022-23 International tuition to take effect in Fall 2022.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
Presenter(s)	Steven Dew, Provost and Vice-President (Academic) and Todd Gilchrist, Vice-President (University Services and Finance)

Details

Responsibility	Provost and Vice-President (Academic) and Vice-President (University Services and Finance)
The Purpose of the Proposal is <i>(please be specific)</i>	To propose tuition rates for three recently approved graduate certificates.
Executive Summary <i>(outline the specific item – and remember your audience)</i>	<p>The University has recently proposed three new graduate certificates in Adapted Physical Activity; Coaching; and Educational Studies. The certificates in Adapted Physical Activity and Coaching have been approved by the Minister of Advanced Education; the certificate in Educational Studies is pending Minister approval.</p> <p>All three programs were approved through the University's governance committees without tuition rates, so proposed tuition is now being brought forward for approval. All three programs are scheduled to take effect in July, 2021. At this time, we are proposing domestic and international rates for 2021, and a 2% increase for new international students for Fall 2022 (in alignment with the broad proposal for Fall 2022 international tuition.)</p>
Supplementary Notes / context	

Engagement and Routing (Include meeting dates)

Consultation and Stakeholder Participation <i>(parties who have seen the proposal and in what capacity)</i>	<p><u><i>Those who are actively participating:</i></u></p> <ul style="list-style-type: none"> ● Office of the Provost and Vice-President (Academic) ● Office of the Vice-President (University Services and Finance) ● Office of the Registrar ● Faculty of Graduate Studies and Research
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Item No. 3e

<For information on the protocol see the Governance Resources section Student Participation Protocol >	<u><i>Those who have been consulted:</i></u>
Approval Route (Governance) (including meeting dates)	APC - May 19, 2021 BFPC - May 25, 2021 Board of Governors - June 18, 2021 (for final approval)

Strategic Alignment

Alignment with <i>For the Public Good</i>	Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada, and the world. Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.			
Alignment with Institutional Risk Indicator	Please note below the specific institutional risk(s) this proposal is addressing. <table border="0" data-bbox="568 688 1546 898"> <tr> <td data-bbox="568 688 1088 898"> <input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure </td> <td data-bbox="1088 688 1546 898"> <input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success </td> </tr> </table>		<input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
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Legislative Compliance and jurisdiction	<i>Post-Secondary Learning Act of Alberta</i> APC Terms of Reference BFPC Terms of Reference			

Attachments

1. Proposed Tuition Rates for New Graduate Certificates (1 page)

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

Proposed Tuition Rates for New Graduate Certificates

Attachment 1

New Tuition Proposals

Graduate Certificate	2021-22 Domestic Per Course Rate	2021-22 International Per Course Rate	2022-2023 International Per Course Rate (new students only)
Graduate Certificate in Adapted Physical Activity	\$1,600	\$2,000	\$2,040
Graduate Certificate in Coaching	\$1,600	\$2,000	\$2,040
Graduate Certificate in Educational Studies	\$1,400	\$1,864.30*	\$1,901.52

*Indexed to the standard international graduate course based master rate

**Governance Executive Summary
Action Item**

Agenda Title	Land Dispositions – Long-Term Lease / Right of Way
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Motion

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve, on terms and conditions acceptable to the Vice-President (Facilities and Operations):

- a) the disposition via long-term lease of approximately 0.28 acres of land contained within a parcel legally described as Lot D, Plan 7722357 located in the County of Parkland within the University of Alberta Botanic Garden;
- b) the disposition via long-term lease of approximately 3.65 acres of land contained within the parcel legally described as L.S. 6 Sec. 18 Twp, 22 Rge 14 W4M located in the county of Newell, Alberta within the University of Alberta's Mattheis Ranch; and
- c) the disposition via Right of Way of less than one (1) acre of land contained within parcels legally described as the NW & SW ¼ Sec 18 Twp, 22 Rge, 14 W4M located in the county of Newell, Alberta within the University of Alberta's Mattheis Ranch.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Andrew Sharman, Vice-President (Facilities and Operations)
Presenter(s)	Andrew Sharman, Vice-President (Facilities and Operations)

Details

Office of Administrative Responsibility	Office of the Vice-President (Facilities and Operations)
The Purpose of the Proposal is <i>(please be specific)</i>	The proposal is before the Board to seek approval to dispose of land in support of commercial operations on or adjacent to university lands.
Executive Summary <i>(outline the specific item – and remember your audience)</i>	<p>As legislated, under certain conditions, the university is required to secure government approval to dispose of land whether it be by sale or lease. While government's approval mechanism recently shifted from an Order in Council to Ministerial Order, the process for the university remains mostly unchanged.</p> <p>In October 2018, the Board of Governors approved the disposition of two land parcels:</p> <ul style="list-style-type: none"> • 0.28 acres (University of Alberta Botanic Garden) to ATCO Pipelines to install above-ground valves to monitor an underground pipeline contained in their existing right-of-way • 3.65 acres (Mattheis Ranch) to Torxen Energy to drill a gas well <p>In October 2019, the Board of Governors approved the disposition of one land parcel:</p> <ul style="list-style-type: none"> • >1 acre (Mattheis Ranch) to Fortis Alberta for the installation of six power poles to service a surface lease <p>All three were subsequently submitted to the Government of Alberta for approval.</p>

Item No. 3f

	<p>Rather than approving what is normally a standard request, the Minister of Infrastructure indicated government was not prepared to approve the requests as submitted (industry-standard 25 years) and asked the university to resubmit for a period not to exceed 15 years.</p> <p>Rather than resubmit, in December 2019 the Board of Governors officially rescinded the three motions and the Chair of the Board of Governors wrote to the Minister to formally withdraw all three disposition requests. Curiously, without warning or explanation, in October 2020 the university was notified that Ministerial Orders had, in fact, been issued for all three dispositions as previously submitted.</p> <p>The unprecedented spot the university finds itself in is that the Government of Alberta has granted approval for these land dispositions although the Board of Governors rescinded its approval of same. As such, this item is before the committee to formally seek the Board of Governors' approval to dispose of these lands. Because the Ministerial Orders have already been issued, subsequent applications to government are not required.</p> <p>Each of these leases generates modest revenue for the institution either in the form of annual lease payments or, in the case of utility rights-of-way, a one-time upfront payment. Revenue generated on the Mattheis Ranch support the operations of the Rangelands Research Institute while those at the U of A Botanic Garden support the gardens' operations.</p>
Supplementary Notes / context	

Engagement and Routing (Include meeting dates)

<p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p>	<p><u><i>Those who are actively participating:</i></u></p> <ul style="list-style-type: none"> • Vice-President (Facilities and Operations) • General Counsel and University Secretary <p><u><i>Those who have been consulted:</i></u></p> <ul style="list-style-type: none"> • <p><u><i>Those who have been informed:</i></u></p> <ul style="list-style-type: none"> • Director, Real Estate Services
<p>Approval Route (Governance) (including meeting dates)</p>	<p>Board Finance and Property Committee – May 25, 2021 (for recommendation) Board of Governors – June 18, 2021 (for approval)</p>

Strategic Alignment

<p>Alignment with <i>For the Public Good</i></p>	<p><i>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</i></p> <p>23. OBJECTIVE: <i>Ensure that the University of Alberta's campuses, facilities, utility, and information technology infrastructure can continue to meet the needs and strategic goals of the university.</i></p> <p><i>i. Strategy: Secure and sustain funding to plan, operate, expand, renew, and optimize the use of campus infrastructure to meet evolving teaching and research priorities.</i></p>
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Item No. 3f

Alignment with Core Risk Area	Please note below the specific institutional risk(s) this proposal is addressing.	
	<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input checked="" type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
Legislative Compliance and jurisdiction	<ul style="list-style-type: none"> • Post-secondary Learning Act (PSLA) - Section 67(1)(b) • BFPC Terms of Reference – Section 2p 	

Prepared by: Gordon Weighell
 Chief of Staff
 Facilities and Operations
 Gordon.Weighell@ualberta.ca

Item No. 3g

Governance Executive Summary
Action Item

Agenda Title	University of Alberta Annual Report, 2020-21
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Motion

THAT the Board of Governors, on the recommendation of the Board Reputation and Public Affairs Committee, approve and adopt the University of Alberta Annual Report 2020-21, as set forth in Attachment 1, and empower the Executive Director (Performance, Analytics and Institutional Research) to make any editorial changes to the Report, as needed, as long as the changes do not have the force of policy.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Todd Gilchrist, Vice-President (University Services and Finance)
Presenter(s)	Deborah Williams, Executive Director, Performance, Analytics and Institutional Research

Details

Responsibility	Vice-President (University Services and Finance)
The Purpose of the Proposal is	To approve and adopt the University of Alberta Annual Report 2020-2021
Executive Summary	<ul style="list-style-type: none"> ● A retrospective document, the Annual Report presents accomplishments and progress made during the period of April 1, 2020 to March 31, 2021. ● Development and submission of an Annual Report is a legislative requirement of the Government of Alberta, and it is prepared in accordance with annual reporting guidelines from Advanced Education. ● The Annual Report is also intended to function as a report to the university community. Accordingly, the document reports on the five goals articulated in For the Public Good, and also demonstrates how these contribute to advancing government's principles for the adult learning system (accessibility, affordability, quality, coordination, accountability). ● Financial components follow a separate approval route and are incorporated into the Annual Report following their approval by the Board (on May 31, 2021) ● Following Board approval, the Annual Report is to be submitted to Alberta Advanced Education by September 30, 2021. ● This document then will be distributed primarily within the University and Government of Alberta offices, though it will be publicly available as well, as required by legislation.
Supplementary Notes and context	<p>The Annual Report includes a government-required statement indicating that the report has been developed under the oversight of the institution's audit committee, as well as approved by the Board of Governors and is prepared in accordance with the <i>Fiscal Planning and Transparency Act</i> and the <i>Post-secondary Learning Act</i>.</p> <p>Attachment 1 has been updated since the May 28, 2021 BRPAC meeting to include:</p> <ol style="list-style-type: none"> 1. an alphabetical order of the board members; 2. the addition of treaty/land statement to the first page; and 3. the addition of the financial statements.

Item No. 3g

Engagement and Routing

<p>Consultation and Stakeholder Participation</p>	<p>Actively participating:</p> <ul style="list-style-type: none"> ● Office of the President ● PEC-O ● GFC Academic Planning Committee (APC) – for information only. ● Board Audit and Risk Committee – to review and approve an excerpt of the financial information contained in the report, i.e., financial statement portion only. ● Board Reputation and Public Affairs Committee – to review and recommend Board of Governors’ approval and adoption of the <i>2020-2021 Annual Report to the Government of Alberta</i>. ● Board of Governors – to review and provide final approval. <p>Consulted:</p> <ul style="list-style-type: none"> ● U of A business areas to develop respective sections of the report. ● The Annual Report Advisory Committee, whose membership comprises representatives from the President’s Office, the Provost’s Office and University Relations, to ensure the report comprehensively reflects the breadth of the institution and supports consistent messaging. ● Advanced Education staff <p>Informed:</p> <ul style="list-style-type: none"> ● N/A
<p>Approval Route (Governance)</p>	<ul style="list-style-type: none"> ● Office of the President to review and provide approval. ● PEC-O to review and provide input for revisions. ● GFC Academic Planning Committee (APC) for information ● Board Reputation and Public Affairs Committee to review and recommend Board of Governors’ approval and adoption of the 2020-21 Annual Report to the Government of Alberta – May 28, 2021 ● Board Audit and Risk Committee to review and approve an excerpt of the financial information contained in the report. (financial statement portion only) – May 31, 2021 ● Board of Governors to review and provide final approval – June 18, 2021

Strategic Alignment

<p>Alignment with <i>For the Public Good</i></p>	<p><i>For the Public Good</i> goals (and respective objectives and strategies) are all directly aligned with the adult learning system principles; specific references are noted throughout the Annual Report</p>			
<p>Alignment with Institutional Risk Indicator</p>	<p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success </td> </tr> </table>		<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success			
<p>Legislative Compliance and Jurisdiction</p>	<p><i>Post-Secondary Learning Act (PSLA)</i> Terms of Reference for the Board Reputation and Public Affairs Committee</p>			

Attachments

1. University of Alberta Annual Report, 2020-21 (71 pages) – **for approval**
2. Alberta Advanced Education Annual Report Guidelines, 2020-21 (13 pages)

Prepared by: Deborah Williams, Executive Director, Performance, Analytics and Institutional Research
deborah.williams@ualberta.ca

ANNUAL REPORT 2020-2021

The University of Alberta respectfully acknowledges that we are located on Treaty 6 territory, a traditional gathering place for diverse Indigenous peoples including the Cree, Blackfoot, Métis, Nakota Sioux, Iroquois, Dene, Ojibway/Saulteaux/Anishinaabe, Inuit, and many others whose histories, languages, and cultures continue to influence our vibrant community.

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BOARD OF GOVERNORS

(Membership list as of March 31, 2021)

MEMBER / ROLE	RELATIONSHIP
<i>Voting – Appointed Members</i>	
Kate Chisholm, QC, Chair (Term end: August 14, 2022)	General Public
Joel Agarwal, Member (Term end: April 30, 2021)	President, Students' Union
Zarina Bhambhani, Member (Term end: July 7, 2023)	Additional Member
Ayaz Bhanji, Member (Term end: June 2, 2023)	University of Alberta Alumni Association Representative
Guy Bridgeman, Vice-Chair (Term end: November 25, 2022)	General Public
Charlene Butler, Member (Term end: July 15, 2023)	General Public
Daniel Eggert, Member (Term end: August 14, 2022)	General Public
William Flanagan, Member (Term end: June 30, 2025)	President and Vice-Chancellor, University of Alberta
Peggy Garritty, Member (Term end: June 2024)	Chancellor, University of Alberta
Mona Hale, Member (Term end: April 21, 2023)	General Public
Dave Konrad, Member (Term end: April 30, 2021)	Undergraduate Board of Governors Representative
Janice MacKinnon, Member (Term end: March 6, 2023)	General Public
Sett Policicchio, Member (Term end: September 27, 2023)	General Public
Thomas (Tom) Ross, Member (Term end: August 14, 2022)	General Public
Margot Ross-Graham, Member (Term end: July 15, 2023)	University of Alberta Senate Representative

Rakesh Saraf, Member (Term end: August 14, 2022)	General Public
Andrei Tabirca, Member (Term end: March 29, 2024)	Non-Academic Staff Representative (NASA Appointee)
Robert Ryan Thompson, Member (Term end: September 16, 2022)	University of Alberta Alumni Association Representative
Dilini Vethanayagam, Member (Term end: July 12, 2023)	Academic Staff Representative (General Faculties Council Appointee)
Marc Waddingham, Member (Term end: April 30, 2021)	President, Graduate Students' Association
Paul Whittaker, Member (Term end: March 6, 2023)	General Public
Donna Wilson, Member (Term end: November 25, 2021)	Academic Staff Representative (AASUA Appointee)
Lillian Zenari, Member (Term end: July 7, 2023)	Additional Member

Non-Voting – Appointed Members

Steven Dew, Official (Term end: June 30, 2025)	Provost and Vice-President (Academic) (Appointed by President)
Walter Dixon, Official	Interim Vice-President (Research and Innovation) (Appointed by President)
Todd Gilchrist, Official (Term end: October 31, 2025)	Vice-President (University Services and Finance) (Appointed by President)
Brad Hamdon, Official	General Counsel and University Secretary (Appointed by President)
Elan MacDonald, Official (Term end: December 31, 2025)	Vice-President (External Relations) (Appointed by President)
Andrew Sharman, Official (Term end: June 30, 2026)	Vice-President (Facilities and Operations) (Appointed by President)
Catherine Swindlehurst, Official	Chief Strategy Officer (President's Office) (Appointed by President)
Juli Zinken, Official	Board Secretary and Manager, Board Services (University Governance)

ACCOUNTABILITY STATEMENT

The University of Alberta's Annual Report for the year ended March 31, 2021, was prepared under the Board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Kate Chisholm, QC
Chair, Board of Governors

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

University of Alberta's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution's audit committee, as well as approved by the Board of Governors and is prepared in accordance with the Fiscal Planning and Transparency Act and the Post-Secondary Learning Act.

The Auditor General of the Province of Alberta, the institution's external auditor appointed under the Post-Secondary Learning Act, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

William Flanagan
President and Vice-Chancellor

Todd Gilchrist
Vice-President (University Services and Finance)

PRESIDENT'S MESSAGE

The University of Alberta recognizes that this is a time of challenge and uncertainty for all Albertans. Over the past year, we have responded quickly to both fiscal challenges and a global public health emergency, initiating both short- and long-term transformational change to ensure that the U of A can drive even greater social and economic growth, innovation, and creativity for the public good of the province and beyond.

Through the changing realities of this year's global pandemic, the University of Alberta was proud to provide critical support to the diverse communities we serve. Quickly developing a safe, remote teaching and learning environment that retained a high quality of instruction and student supports, our students continued to succeed and enrolment in September 2020 was up 4.3%. U of A researchers were also integral to Alberta and Canada's pandemic response, with 89 research projects attracting external funding.

We were ready to respond in part because of our world-renowned strength in health sciences research. The highlight of 2020 was the awarding of the Nobel Prize in Physiology or Medicine to virologist Dr. Michael Houghton. With \$20 million in new funding from the Government of Alberta, Houghton and the Li Ka Shing Institute of Virology will amplify their capacity to play a lead role in the development of Alberta biotech sector through the discovery and commercialization of antiviral drugs and vaccines.

Over the past year, student demand for our programs grew rapidly, with applications from high school students increasing by 10% this year alone. There is a clear opportunity for us to serve a growing demographic of K-12 students and prepare more of them with the education, skills, and training they need to join the workforce and build the Alberta of tomorrow. Guided by the Government of Alberta's *Alberta 2030: Building Skills for Jobs* strategy, the U of A will also boost capacity to translate and commercialize research, and facilitate greater collaboration and connection with community, industry, and post-secondary partners.

For more than a century, the University of Alberta has been an engine of innovation, driving social, cultural, and economic prosperity within the province and across the country. Today, we are transforming our administrative and academic structures, strengthening our core mission and enriching the student experience while addressing fiscal challenges. Setting a bold new direction, the U of A will unleash a new era of innovation, training the creative, entrepreneurial workforce of tomorrow, and supporting the economic recovery and diversification of our province.

William Flanagan
President and Vice-Chancellor

OPERATIONAL OVERVIEW

The University of Alberta's story is one of opening doors and building opportunity for the people of this province. Home to 40,000 students, the U of A is the province's largest, comprehensive research-intensive institution. The U of A gives graduates the skills and intellectual curiosity that will build Alberta's economy of the future--dynamic, innovative, inclusive and global. The U of A's leadership in research, innovation, entrepreneurship and knowledge translation in areas ranging from artificial intelligence and new energy systems to biotechnology and public health will play a key role in Alberta's recovery.

This year, several factors had a major impact on the U of A's operations. The most pressing was the emergence of COVID-19 which fundamentally changed how we delivered our core mission of teaching and research and how our staff provided administrative services to support that mission. In March 2020, the university responded quickly to protect the health and safety of our students, faculty, and staff, as well as the broader community. In a matter of days, faculty, staff and students pivoted from learning and working in-person to learning and working remotely. Leading researchers across the university pivoted to focus attention on COVID-related research, ranging from vaccine development, to rapid testing, to minimizing the spread of misinformation. In total 89 projects were funded. In spite of the challenges posed by such a quick move to remote learning, the U of A continued to be a destination of choice for thousands of students; enrolment in September 2020 was up 4.3%

In addition to the changes and uncertainty associated with the global pandemic, the U of A also faced serious financial challenges in 2020-21, with a reduction of provincial funding of \$110M. The scale of the challenge and the speed at which we had to achieve savings was unprecedented among Canadian universities and demanded a bold response. In response, we began a program of reducing our administrative costs; we looked to international peers and benchmarks, and in June 2020, launched University of Alberta for Tomorrow a major initiative to rethink and reimagine our academic and administrative structure.

In Fall 2020, we began implementing a new administrative operating model that centralizes and streamlines many administration services and functions, which will result in annual savings of \$95M. We are reviewing and reducing our footprint and maintenance costs, and ensuring that our physical assets serve our core mission. In addition, the University initiated a procurement spend review that identified significant potential savings.

In December 2020, the General Faculties Council and Board of Governors approved three new colleges which bring together 13 of our 18 faculties into the College of Health Sciences, the College of Natural and Applied Sciences, and the College of Social Sciences and Humanities . With economies of scale, the colleges will provide high-quality administrative services at a much lower cost. Launching July 1, 2021, the new colleges will more importantly form the foundation for increased university-wide collaboration, facilitating enhanced interdisciplinary and multidisciplinary teaching and research programs. These will be relevant, forward-thinking and entrepreneurial, engaged with the questions, challenges, and movements reshaping societies and economies.

The U of A is changing in response to other factors as well, particularly to Alberta's demographic opportunity. Alberta is in the enviable position of being a young province with annual increases in K-12 populations nearing 1.5%. Increasingly, Alberta's students will need access to educational experiences rich with work-integrated learning, interdisciplinary programming, micro-credentials, and flexible options of in-person and online learning. They will need access to post-secondary learning opportunities that are responsive and relevant to business, industries, public services, and community organizations that are themselves in constant transition and transformation. As this annual report shows, the U of A continues to respond to this changing environment.

Post-COVID, excellence in education, research, and community engagement is more important than ever in our communities. The U of A will play an essential role in that recovery, and we are making the operational changes needed to focus maximum resources on our student learning environment and world-class research, preparing for future growth that will enable us to continue to drive economic and social change in Alberta and beyond.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES, AND PERFORMANCE MEASURES

The focus of the university's strategic plan, *For the Public Good* is to "inspire the human spirit through outstanding achievements in learning, discovery, and citizenship in a creative community, building one of the world's great university's for the public good." *For the Public Good* goals directly support the principles of Alberta's adult learning system, as seen in the table below.

<u>Adult Learning System Principles</u>	<u>For the Public Good Goals</u>
Accessibility , which means that every Albertan should have the same opportunity to get a post-secondary education.	<p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p> <p>Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.</p> <p>Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.</p>
Affordability , which means that every Albertan should have the same opportunity to get a post-secondary education, regardless of financial circumstances.	<p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p>
Quality , which means that Albertans should get the best education possible here at home.	<p>Excel as individuals, and together, sustain a culture that fosters and champions distinction and distinctiveness in teaching, learning, research and service.</p> <p>Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.</p> <p>Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.</p> <p>Engage communities across our campuses, city and region, province, nation, and the world to create reciprocal, mutually beneficial learning experiences, research projects, partnerships and collaborations.</p>
Coordination , which means that Albertans should get full advantage from a diverse post-secondary system.	<p>Engage communities across our campuses, city and region, province, nation, and the world to create reciprocal, mutually beneficial learning experiences, research projects, partnerships and collaborations.</p> <p>Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.</p> <p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p> <p>Excel as individuals, and together, sustain a culture that fosters and champions distinction and distinctiveness in teaching, learning, research and service.</p>
Accountability , which means that post-secondary education providers must be accountable to students, the government, and Albertans.	<p>Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.</p> <p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p>

This section speaks to key accomplishments and progress made in the 2020-21 fiscal year in alignment with principles of Alberta's adult learning system and goals of *For the Public Good*.

Adult Learning System Principle: Accessibility

Every Albertan should have the same opportunity to get a post-secondary education.

Related For the Public Good Goals: Sustain, Build, Experience

Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.

Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.

Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.

Key Accomplishments

The University of Alberta is the province's leading educator, the largest Comprehensive Academic and Research University in the province, and one of the leading medical and research universities in Canada. The university endeavours to ensure that all Albertans have access to the institution's high-quality post-secondary offerings.

- The university has increased both domestic and international student enrolment when compared to the previous reporting year.
- The university responded to the pandemic by delivering online classes for the fall 2020 and winter 2021 semesters. Approximately 88% of students participated in their fall 2020 classes online. The students accessed their classes from locations across Canada and around the world. Instructors utilized a variety of techniques including asynchronous course components and re-evaluation of assessment methods to ensure course materials were accessible to all students regardless of their geographical location.
- The university continued to be a leader in supporting students through remote learning by sharing scientific data with students unable to complete field experiences.
- The university continued its offering of Massive Open Online Courses (MOOC). These free online courses with no prerequisites are available to everyone. The Indigenous Canada online course saw an enrolment spike by 50,000 students when Dan Levy announced his enrolment in the course.
- The University of Alberta program, WISEST, was recognized with a 2020 Community Connections Leader Award. The program, founded in 1982 by then vice-president of research, J. Gordin Kaplan, has introduced tens of thousands of science students to career opportunities that would once have seemed impossible. It has also built a sterling reputation of battling inequality through education, a model that has been duplicated across Canada.

Enrollment

Accessible education allows Albertans to realize their full potential and contribute to Alberta's economy. At an institution level, access can be measured as incremental changes in student enrolment. Specifically:

1. Total domestic student full-load equivalent (FLE) from Alberta.
2. Total domestic student FLE from Canada, outside of Alberta.
3. Total domestic student FLE (Total of #1 and #2, above).
4. Number of students self-identifying as Status First Nations, Non-Status First Nations, Métis, or Inuit while attending the U of A.
5. Number of international students (international student visa status) at the U of A.

Table 1: Student Enrollment

	2017-18	2018-19	2019-20	2020-21
<i>Domestic Enrollment from Alberta</i>	22,406	22,750	23,177	24,480
<i>Domestic Enrollment from Canada (outside Alberta)</i>	5,215	5,116	5,038	5,066
<i>Overall Domestic Enrollment</i>	27,621	27,865	28,215	29,546
<i>Number of Self-Identified Indigenous Students</i>	1,484	1,629	1,758	1,878
<i>International Students</i>	8,133	8,584	9,033	8,892

Source: Acorn Institutional Data Warehouse, Student Headcount and FLE

Notes: 2020-21 data are preliminary. Domestic enrolment is reported as FLE. Indigenous and International data are reported in headcount. Numbers of Indigenous students include those who have ever self-identified as Indigenous. Excludes PGME.

Adult Learning System Principle: Affordability

Every Albertan should have the same opportunity to get a post-secondary education, regardless of financial circumstances.

Related For the Public Good Goal: Sustain

Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.

Key Accomplishments

Affordability is underpinned by the university's ability to attract and steward resources which enable excellence in teaching, learning, research, and service.

- Philanthropic contributions from individuals, corporations, and foundations totaled \$138.1 million, supporting research, teaching, experiential learning, student financial support, and facilities.
- Through tragedy comes an outpouring of community. This was evident when the University of Alberta community supported those families affected by the crash of Flight 752. The Faculty of Engineering announced the creation of a new scholarship funds in honor of the victims, with the ambitious goal to sustain two \$20,000-per-year scholarships through a \$1-million endowment.

Student Financial Support

Recognizing the importance of student financial support to student well-being and our ability to build a diverse and qualified class, the University of Alberta continues to prioritize the provision of funding to students on the basis of both merit and need.

The following table provides an overview of the financial supports available to University of Alberta students.

Table 2: Undergraduate Financial Supports (2019-20 Fiscal Year)

	Need-based	Merit-based	Total Amount
<i>Donor</i>	\$2,689,671	\$8,323,015	\$11,012,686
<i>Government</i>	\$131,420,631	\$7,398,600	\$138,819,231
<i>University</i>	\$3,958,028	\$9,908,521	\$13,866,548
<i>External Funding</i>			\$904,387
Total	\$138,068,330	\$25,630,135	\$164,602,853

Source: Data source used for government loan information reported includes the remitted government loans to student accounts and the cost of living values provided directly to students for those students receiving Alberta government loans. This is new for the 2019/20 report.

Notes: External funding cannot be parsed into the categories of need-based or merit-based. Of the \$164.6M, the RO administered \$32.3M in financial supports. The additional amount (\$132.3M) includes government need-based funding and externally selected financial supports.

Graduate Employment

Graduate employment is regarded as a key outcome indicator. The U of A's graduate employment rate remained strong over the reported period, even with a slight decline. This indicator is also sensitive to economic factors beyond the university's control, however, and will rise or fall with Alberta's employment rate.

Table 3: Proportion of graduates indicating they are employed

	2012	2014	2016	2018	2020
<i>Graduates employed</i>	97%	97%	94%	94%	93%

Source: Alberta Graduate Outcomes Survey (GOS)

Notes: Includes degree recipients, two years post-graduation. The GOS survey instrument was slightly modified for each administration year, possibly contributing to deviations in the graduate employment rates.

Table 4: Proportion of graduates indicating they are employed in a related field

	2012	2014	2016	2018	2020
<i>Graduates employed in a related field</i>	82%	86%	82%	84%	87%

Source: Alberta Graduate Outcomes Survey (GOS)

Notes: Includes degree recipients, two years post-graduation. GOS question: Overall, how related is your current main job to the program from which you graduated from? Percentage includes those respondents that answered 'Somewhat Related' and 'Very Related'.

Adult Learning System Principle: Quality

Albertans should have the best education possible here at home.

Related For the Public Good Goals: Excel, Build, Experience, Engage

Excel as individuals, and together, sustain a culture that fosters and champions distinction and distinctiveness in teaching, learning, research and service.

Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.

Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.

Engage communities across our campuses, city and region, province, nation, and the world to create reciprocal, mutually beneficial learning experiences, research projects, partnerships and collaborations.

Key Accomplishments

The University of Alberta is ranked within the top five universities in Canada, and has an international reputation for excellence with both world-class teaching and research. It attracts top academic talent to Alberta, connects students with exceptional experiences that enable their success, and empowers leading researchers to generate widespread social and economic benefits.

- University of Alberta virologist, Michael Houghton, was awarded the Nobel Prize in Physiology or Medicine for his discovery of the hepatitis C virus. His discovery with colleagues Qui-Lim Choo and George Kuo in 1989 opened a new field of viral hepatitis research that led to improved blood safety, and hepatitis C treatment to the point where the viral infection can now be cured in virtually all patients. Houghton was recruited to the University of Alberta in 2010 as the Canada Excellence Research Chair in Virology in the Li Ka Shing Institute of Virology. Two years later, he and his team created hope with the development of a vaccine for the virus that is known to cause cirrhosis, end-stage liver disease, and liver cancer. The vaccine is now in the late pre-clinical stage of testing.
- The Li Ka Shing Institute of Virology and Nobel laureate Michael Houghton received \$20 million in new funding from the Government of Alberta. This funding will support the research and commercialization of antiviral drugs and vaccines.

- Edmonton-based investors have contributed \$5 million in new funding to support clinical trials of cancer drugs developed at the university.
- Lori West, a pioneering University of Alberta heart transplant expert, was named to the Order of Canada for her research revolutionizing organ transplants for infants. Lori West is joined by Bob Steadward, former chancellor, Douglas Stollery and 9 other university alumni as the newest recipients of Canada's highest honour.
- University of Alberta researchers developed a machine learning tool to analyze brain scans to identify risk and make earlier diagnosis of schizophrenia. The evidence-based tool looks at the neural signature in the brain and has the potential to be more accurate than diagnosis by the subjective assessment of symptoms.
- Brass Dome Ventures and the university launched the imYEG accelerator to increase commercialization of research-driven innovations. imYEG bridges the gap between academic research and industry commercialization by providing university innovators with the knowledge and support to bring their ideas to commercial fruition.
- Five University of Alberta researchers were named to the Royal Society of Canada. Leading experts in chemistry, elder care, space physics, behavioural epidemiology and design join the ranks of Canada's most prestigious scholarly institute.
- This year, the University of Alberta celebrated the appointment of 27 students, fellows, and academics recognized with a Killam award for their outstanding work.

High-Impact Practices

Due to their positive associations with student learning and retention, certain undergraduate opportunities are designated as *high-impact*. High-Impact Practices (HIPs) share several traits: *demand considerable time and effort; facilitate learning outside of the classroom; require meaningful interactions with faculty and students; encourage collaboration with other diverse groups of people; and provide frequent and substantive feedback.*

From the National Survey of Student Engagement (NSSE), Table 5 shows that the proportion of U of A Senior Students with HIP participation is consistently higher than the U15 average.

Table 5: Experiential Learning, Senior Students, High-Impact Practices

	2014	2017	2020
<i>Proportion of students participating in one or more HIP</i>	84.0%	83.9%	85.8%
<i>U15 average</i>	79.3%	81.4%	81.9%

Source: National Survey of Student Engagement (NSSE)

Notes: Figures include participation in a learning community, service-learning, research with faculty, participation in an internship or field experience, study abroad, and culminating senior experience. NSSE is conducted every three years.

Completion Rates

Completion rates are a key student outcome measure. This measure is complementary to access measures; increasing enrolment will be more successful if students stay in, and complete their programs.

In the following table, the percentage of students completing on-time, reflects students who completed within a prescribed number of years after beginning their degree.

Table 6: Completion Rates

	2017-18	2018-19	2019-20
<i>% of U of A Students Completing On-time</i>	78.3%	79.7%	80.6%
<i>% of U15 Students Completing On-time</i>	77.9%	78.4%	Unavailable

Source: Acorn Data Warehouse, Student Completion Rates.

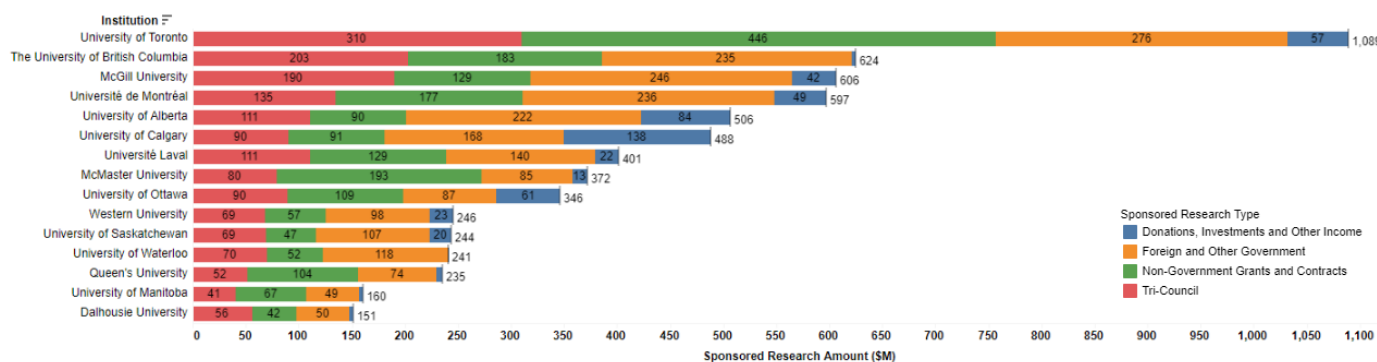
Notes: On-time is six years for Undergraduates, five for Master's and nine for PhDs. U15 completion rates are calculated by excluding the U of A.

Sponsored Research Funding Received

Federal funding through the Canadian Institutes of Health Research, the Natural Sciences and Engineering Research Council, and the Social Sciences and Humanities Research Council (collectively termed Tri-Council funding) supports both basic and applied research. In addition, the university attracts substantial research funding support from other international, regional, and private sector partners. This measure demonstrates the U of A's success in attracting all types of research relative to Canada's other U15 universities.

The University of Alberta was ranked in fifth place (as of 2018-19) amongst U15 peers for total sponsored research funding as seen below.

Figure 1: 2018-19 Sponsored Research Revenue (in thousands of dollars)



Source: Canadian Association of University Business Officers (CAUBO): Financial Information of Universities and Colleges, Report 3.1

Notes: Income from Tri-Council includes the following: Social Sciences and Humanities Research Council (SSHRC); Natural Sciences and Engineering Research Council (NSERC); and Canadian Institutes of Health Research (CIHR). Other Government income reflects income from all government departments and agencies; grants and contracts (less Tri-Council support), and includes foreign government income. Donations, Investment and Other income and Non-Government Grants and Contracts, are reported in each respective category on the CAUBO report. Université de Montréal includes HEC Montréal and École Polytechnique de Montréal. Data are the most recent available.

Adult Learning System Principle: Coordination

Albertans should get full advantage from a diverse post-secondary system.

Related For the Public Good Goals: Engage, Experience, Sustain, Excel

Engage communities across our campuses, city and region, province, nation, and the world to create reciprocal, mutually beneficial learning experiences, research projects, partnerships and collaborations.

Experience diverse and rewarding learning opportunities that inspire us, nurture our talents, expand our knowledge and skills, and enable our success.

Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.

Excel as individuals, and together, sustain a culture that fosters and champions distinction and distinctiveness in teaching, learning, research and service.

Key Accomplishments including Community Outreach Collaborations:

The University of Alberta engages post-secondary and industry partners, non-profit organizations, communities and government to create reciprocal and mutually beneficial collaborations. These connections promote joint solutions to shared problems, facilitate knowledge translation, and magnify the reach and impact of Alberta's world-class research-intensive university.

- A new collaboration between the University of Alberta libraries and other post-secondary institutions across Alberta provided students and instructors with the ability to access and create digital learning

materials for free. The service, Open Education Alberta, is a platform that enables the adaptation, creation, and use of open education resources in post-secondary courses.

- Cathy Adams, a university of Alberta professor, developed, in collaboration with 11 other experts across the country, a new Canada-wide framework for K-12 computer science curriculum aligning with the Canada Learning Code. The framework highlights five focus areas: programming, computing networks, data, technology and society, and design.
- The university launched a new criminology think tank aimed at bringing together scholars and community partners to examine some of the most pressing issues facing the criminal justice system. The centre will initially focus on police and prisons, but will eventually expand to consider other institutions and social determinants affecting the justice system.
- The university secured funding advances for research aimed at strengthening Canada's pork industry. The \$1.025M support is part of \$15.4M in funding announced by Innovation, Science, and Economic Development Canada for genomics research across Canada. This funding will move fundamental lab research to the next stage of real-world application.
- University professor, Shalene Jobin, received a Community Scholar Award for her work connecting with Indigenous communities to help build on traditional governance structures. Throughout Jobin's career, her work in the area of Indigenous governance has been about connecting with Indigenous communities and organizations, responding to the needs they express, and facilitating others to do the same.
- A investment of \$30 million from Shell helps a University of Alberta biofuel spin-off company, Forge Hydrocarbons, build a industrial-scale renewable biofuel production plant. The plant is expected to produce at least 25 million litres of renewable biofuel each year and create 45 full-time jobs.

Collaborative Degree Programs and Transfer Agreements

The university has several collaborative degree programs with other Alberta post-secondary institutions.

- Nursing (BScN): Red Deer College, Keyano College, Grande Prairie Regional College
- Education (BEd): Red Deer College, Keyano College, Grande Prairie Regional College
- CSJ Education (BEd and BEd After-Degree): Red Deer College, Grande Prairie Regional College
- Education Alberta Teacher Education Program (ATEP) (BEd): Red Deer College, Grande Prairie Regional College, Blue Quills First Nations College, Northern Lakes College, Maskwachees Cultural College, Portage College
- Engineering (BSc): Red Deer College, Keyano College, MacEwan University, University of Lethbridge

The University of Alberta welcomes students from other Alberta PSIs and has a total of 5,794 active course agreements, as a receiving institution¹.

During the 2019-20 academic year, the University of Alberta accepted 3,864 undergraduate students from other post-secondary institutions.

Campus Alberta Information Technology Collaboration

The University of Alberta Information Services and Technology collaborates with Alberta post-secondary as well as, in some cases, K-12 school divisions on the following topics:

- Cybera: A not-for-profit non-governmental organization that provides connectivity within the province, nationally, and internationally via the research & education network.
- CANARIE: The University of Alberta is a member of the national research and education collaborative, which connects our researchers to others across Canada and around the world.

¹ Per the Alberta Council on Admissions and Transfer (ACAT)

- ShareIT: A provincial post-secondary procurement collaborative garnering savings of over \$18M since inception in 2017-18. This collaboration also extends to the K-12 sector.
- SecureIT: This is a provincial cybersecurity collaboration sharing of best practices, and information on current threats.
- CanSSOC: The national cybersecurity collaboration includes active sharing of threat-analysis data.
- Learning Management Consortium: The University of Alberta provides and manages a cloud-based platform for the learning management systems at the University of Lethbridge, NAIT, Norquest, in addition to here at the University of Alberta.
- Compute Canada: This national collaboration provides access to national high-performance computing resources and storage for research data in Alberta.

Campus Alberta Facilities and Operation Collaboration

The University of Alberta Facilities and Operations collaborates with Alberta post-secondary as well as, in some cases, K-12 school divisions on the following topics:

- The university collaborated with the University of Calgary and the University of Lethbridge regarding COVID-19 planning and delivery of classes and research.
- The university partnered with the University of Calgary's School of Social Work to provide 3,500 square feet of space in Enterprise Square.
- The university continues to actively explore opportunities with Edmonton-based school boards to provide space for a collegiate high school on North Campus.

Adult Learning System Principle: Accountability

Post-secondary education providers must be accountable to students, the government, and Albertans.

Related For the Public Good Goals: Build, Sustain

Build a diverse, inclusive community of exceptional students, faculty and staff from Alberta, Canada and the world.

Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.

Key Accomplishments:

As a proud public institution, the University of Alberta not only serves Albertans and Canadians, but also receives their steadfast support. It maintains that support and trust by taking seriously the responsibility to steward and sustain public investments in its people, operations, infrastructure, and systems.

- The university's Butterdome served as an Alberta Health Services (AHS) secondary treatment and assessment center during the spring 2020 wave of the COVID-19 pandemic. Through the second wave of the pandemic, the Butterdome was converted into an AHS alternate care centre providing 100 beds. There have historically been close linkages between the university and AHS, and the university is always ready to help out!
- A University of Alberta infectious disease expert helps bridge the COVID-19 knowledge gap. Lynora Saxinger, co-chair of the scientific advisory group for the COVID-19 Emergency Coordination Centre, has been a near-daily presence in media since the pandemic began sharing new research, answering questions, and countering misinformation.
- The university was named one of Canada's greenest employers for the 12th year in a row and has a long history of sustainability combined with its new and evolving green initiatives. The university was recognized in part for its energy management program, which has been in place since 1975 allowing

the university to reduce utility costs by more than \$390 million, avoid over 2.3 million tonnes of greenhouse gas emissions, and reduce the energy its buildings use by approximately 31 percent.

- A University of Alberta psychiatrist led project, Text4Hope, is a daily text message service aiming to help overcome mental health issues during the COVID-19 pandemic. The service sends a daily positive message to subscribers aiming to relieve stress and anxiety by breaking patterns of negative thoughts and emotions. More than 40,000 signed up for the service within a month of its spring 2020 launch.
- Established through the Faculty of Agriculture, Life and Environmental Sciences, the University of Alberta Endowed Chair in Forest Growth & Yield, will help strengthen the sustainability of Alberta's forest industries, contributing to the value of Alberta's timber resources.
- Philomina Okeke-Ihejirika, a professor in the Department of Women's and Gender Studies and director of the Pan African Collaboration for Excellence at the U of A, is leading a new, multidisciplinary research exchange project in partnership with three West African universities. The program will be piloted through a new Gender Institute for Capacity Building hosted by the U of A, with a focus on feminist, Afrocentric and Canadian Indigenous perspectives on research, leadership and community engagement.
- *Alberta's Public Interest Disclosure Act (PIDA)* – no disclosures were reported this past year.

Administrative Expense Ratio

The Administrative Expense Ratio reflects the proportion of U of As expenditures directed towards administration. As shown in the following table, the U of A is administratively efficient.

Table 7: Administrative Expense Ratio

	2017-18	2018-19	2019-20
<i>Administrative Expense Ratio ('000s)</i>	4.38%	4.53%	3.81%

Source: Financial Services, University of Alberta FIRS submission

Notes: The measure is calculated as administrative (institutional support) expenses divided by the total expenses, less ancillary service expenses.

CAPITAL PLAN

Introduction

The University of Alberta's 2020-23 Capital Plan established a strong foundation that aligned to the institution's strategic plan, For the Public Good; its Integrated Asset Management Strategy, Taking Care of our Campuses; and a series of cascading academic and research plans across the U of A. The top capital priorities identified in the capital plan focused exclusively on existing buildings with the aim of reducing deferred maintenance, upgrading access to meet current code requirements, as well as focusing on student experience and capacity demands. Through a strategic program of renewal, maintenance, operations, and disposition, we will have success in reducing the institution's physical footprint and commensurate operating costs. This driver must not come at the expense of a clear alignment between infrastructure and the academic and research environment for students, faculty, staff, and visitors.

The U of A recognizes that it competes in a global market for the best and brightest students, researchers, and faculty and that the supporting infrastructure capable of meeting 21st century expectations must remain a part of the U of A's competitive advantage. Capital investments, both scheduled and aspirational, remain strategically linked to the institution's goals and are aligned with Alberta's adult learning system principles of accessibility, accountability, affordability, coordination, and quality.

Capital Projects

Top Three

The three highest priority projects identified in the Capital Plan remained aspirational throughout 2020-21 in that the absence of the requisite funding has not allowed for progress to occur.

Faculty of Education – Education Complex					
Type	Description	Total Cost	Funding		
			Sources	Received	Revised
Preservation	Renew and redevelop (functional renewal) the Education Complex to meet the requirements of modern academic teaching and learning pedagogy, renewing and upgrading the existing electrical building systems, as well as bringing the building up to modern standards for student learning, study space, and well-being. Based on comprehensive utilization studies and growth projections, the two education towers have a capacity to be repurposed to accommodate large decant and the closure of other buildings. The primary outcomes will be improved building service reliability (renewed and upgraded existing mechanical systems), expanded infrastructure capacity for building renewal, and to reduce deferred maintenance in the building.	\$21.95 million	100% GoA	\$0	

Faculty of Arts					
Type	Description	Total Cost	Funding		
			Sources	Received	Revised
Preservation	Based on the programming and functional assessment of the Faculty of Arts, several	\$72.8 million	100% GoA	\$0	

	<p>initiatives have been identified as an alternative to a new development. A multi-year phased renewal and replacement program will address program pressures, deferred maintenance, and functionality.</p> <p>Through a multi-year building renewal program, several buildings including Fine Arts, Industrial Design, HUB, and select other buildings would be renewed to accommodate changing program objectives. This would also permit several buildings to be better utilized to decrease operational costs and reduce deferred maintenance while aligning with the Integrated Asset Management Strategy. This project will permit low-quality, expensive-to-maintain buildings to be decommissioned.</p>				
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Biological Sciences					
Type	Description	Total Cost	Funding		
			Sources	Received	Revised
Preservation	A renewal program for a 60-year-old facility focusing on mechanical and electrical base building infrastructure. As aged infrastructure is starting to fail, the ability to continue teaching and research in this space is at risk. There are significant challenges in upgrading the systems in this building as each wing is cross-linked meaning the renewal is most feasibly undertaken for the entire building. As planned, mechanical and electrical system renewals will also support internal architectural renewals..	\$59.6 million	100% GoA	\$0	

Other Priorities

Recognizing the uniqueness of operating multiple distinct and unique campuses, beyond the top three priorities identified above, numerous other projects were identified in our Capital Plan as priorities. For ease of presentation, these projects have been grouped by campus and, as with the “top three” above, have all undergone significant planning to the point that each is ready to proceed pending the emergence of the requisite funding.

Augustana Campus					
Type	Project	Total Cost	Funding		
			Sources	Received	Revised
Expansion	Science (phase 1 and 2 renewal)	\$7.1 million	\$5M GoA \$2.1M UofA	\$0	

Campus Saint-Jean					
Type	Project	Total Cost	Funding		
			Sources	Received	Revised
Expansion	Science (expansion and classroom upgrades)	\$7.85 million	\$2.621M GoA \$5.229M UofA	\$0	

Minor Preservation	Campus electrical	\$4.8 million	100% GoA	\$0	\$8.7 million
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North Campus					
Type	Project	Total Cost	Funding		
			Sources	Received	Revised
New	Diwan Pavilion at the University of Alberta Botanical Gardens	\$5.17 million	100% philanthropic	\$0	
New	Plant Based Research and Innovation Centre Greenhouse Facility	\$45.6 million	\$44.594M GoA \$1.006M UofA	\$0	
Expansion	Earth Sciences Building (Central Systems)	\$14 million	100% GoA	\$0	
Expansion	Mechanical Engineering Building	\$94 million	100% GoA	\$0	
Expansion	Asset Reduction Impacts (Enterprise Square, University Terrace, North Power Plant)	\$8 million	\$4.5M GoA \$3.5M UofA	\$0	\$6.2 million
Expansion	Heating Plant - Diesel Generators and Controls Replacement and Modernization	\$4.128 million	100% GoA	\$0	
Expansion	Utilities Civil Infrastructure Upgrades	\$14.491 million	100% GoA	\$0	
Preservation	I.F. Morrison Structures Engineering Laboratory Renewal	\$15 million	\$5M GoA \$10M UofA		\$14.3 million
Preservation	Cameron Library (Building Envelope)	\$24.79 million	100% GoA	\$0	\$10 million
Preservation	Cameron Library Student Study Area Redevelopment - Phase 3	\$10.979 million	100% GoA	\$0	
Preservation	Chemistry East Teaching Laboratories Renewal and Modernization	\$10 million	\$9M GoA \$1M UofA	\$0	
Preservation	Chemistry West Renewal (Level 1 and Basement)	\$15.5 million	100% GoA	\$0	
Preservation	Humanities Building Exterior Building Envelope Renewal	\$2 million	100% GoA	\$1.9 million	\$1.9 million
Preservation	Universiade Pavilion (Building Envelope)	\$17 million	100% GoA	\$0	\$17 million
Preservation	Clinical Sciences (Building Envelope)	\$18 million	100% GoA	\$0	
Preservation	Convocation Hall	\$9.94 million	\$7.94M GoA \$2M UofA	\$0	
Preservation	Medical Sciences Building Renewal	\$12 million	100% GoA	\$0	\$33.6 million
Preservation	Medical Sciences Building – select wet laboratory renewal	\$10 million	\$8M GoA \$2M UofA	\$0	\$82.3M for all floors
Preservation	E-Learning and Group Pedagogical Space Renewal	\$4 million	100% GoA	\$0	
Preservation	Fine Arts Building Mechanical and Electrical System Renewal	\$3 million	100% GoA	\$3 million	
Preservation	Heating Plant - Turbine Generator #3	\$89.2 million	\$47.5M GoA \$41.7M DES	\$0	
Preservation	RE Philips Interior Renewal	\$3.5 million	\$100 GoA	\$0.93 million	
Preservation	Brain Aging & Research Building System Infrastructure Renewal	\$9.5 million	\$8M GoA \$1.5M UofA	\$8M GoA	\$8M GoA
Preservation	Brain Aging & Research Building Third Floor Wet Lab Renewal	\$6 million	100% GoA	\$0	

Preservation and Minor Preservation	Tory (Mechanical)	\$8 million	100% GoA	\$0	
Preservation and Minor Preservation	Heritage Medical Research Building (Ventilation)	\$4 million	\$3M GoA \$1M UofA	\$0	
Minor Preservation	Animal Research (Heritage Medical Research, Medical Sciences, and Biological Sciences)	\$7.2 million	\$6.2M GoA \$1M UofA	\$0	
Programming	Asset Reduction Program (Phase 1)	\$0.7 million	100% GoA	\$0	\$0.85M

South Campus					
Type	Project	Total Cost	Funding		
			Sources	Received	Revised
New	High Performance Training and Research Facility and Community Arenas	\$65 million	\$25M GoA/GoC \$20M CoE \$20M philanthropic	\$0	
New	South Campus Basic Infrastructure	\$15.6 million	100% GoA	\$0	

Other					
Type	Project	Total Cost	Funding		
			Sources	Received	Revised
Expansion	Enterprise Square Densification	\$11.5 million	\$7.2M GoA \$4.3M UofA	\$3.2M	\$7M UofA

Project Timelines and Status

2020-21 began with great uncertainty due to the unknowns associated with COVID-19, particularly in how it would impact the ability to perform in-person work on campus. However, as the institution acclimatized to the public health restrictions, it was actually able to move more quickly in some renewal activities due to the reduced numbers of students, faculty, and staff on campus. The \$34.9 million in infrastructure maintenance program (IMP) grant went a long way in advancing many of the projects listed below. It is only with targeted funding to address current deferred maintenance that we are able to protect operating funds which can then be maximized to support current and preventative maintenance activities in order to not incur new deferred maintenance liabilities.

Current Projects - Timelines and Status					
Description	Start	Completion	Status	Progress in 2020-21	
Brain Aging and Research Building - mechanical ventilation and exhaust renewal	September 2019	October 2021	Construction	<ul style="list-style-type: none"> Tendered and awarded Commenced electrical upgrade 	
Central Academic Building – main level renewal	October 2019	August 2021	Construction	<ul style="list-style-type: none"> Project on hold in 2020 - re-engaged in 2021 Demolition tendered 	
Campus Utility Building – electrical (CUBE)	April 2018	March 2021	Construction	<ul style="list-style-type: none"> Construction complete Awaiting connection from EPCOR and final commissioning 	
Food Outlets – campus wide refresh				<ul style="list-style-type: none"> Deferred until 2024 	
Chemistry West Level 1 and 2 (South Wing) – renewal	May 2019	June 2021	Construction	<ul style="list-style-type: none"> With the exception of shelled labs, construction completed in 2020 Level 1 shelled lab construction started in 2021 	
Electrical Vault Replacement – Chemistry	April 2018	September 2020	Complete	<ul style="list-style-type: none"> Project Completed 	

Dentistry-Pharmacy Building Renewal	August 2018	July 2023	Construction	<ul style="list-style-type: none"> Structure for new tower Mechanical and electrical rough-ins Retained prime consultant for fit out scope Selective demolition and structural work within 1922 building
Energy Management Upgrades (Envision) - Phase 4 and 5	April 2019	March 2023	Construction	<ul style="list-style-type: none"> Several distributed renewable and alternative energy projects implemented Partner funding with major capital programs to enhance efficiency and optimization Multiple LED retrofits across campus Demand-based ventilation controls deployed in labs
Garneau Switchgear Upgrade and North Campus Electrical Feed Expansion	January 2019	December 2024	Construction	<ul style="list-style-type: none"> U of A is in the process of upgrading its substations EPCOR is currently building the new Garneau substation
HUB Mall Residence Renewal	May 2015	August 2024	Phased Construction	<ul style="list-style-type: none"> Phase 6 of 9 deferred to Summer 2021
Integrated Asset Management Strategy – Space Utilization/Reduction/Consolidation	April 2019	April 2024	In progress	<ul style="list-style-type: none"> North Power Plant, Enterprise Square, and University Terrace – reconfigured for Campus Tower decant Numerous land holdings and buildings have been sold or are on the market Alumni House removed from inventory Ring Houses have been decanted and decommissioned – removal and/or demolition scheduled
Lister Classic – Tower Renewal	February 2019	August 2022	Construction	<ul style="list-style-type: none"> MacKenzie Tower is complete Henday Tower underway Kelsey Tower tender closed
Lister and CAB Kitchen Upgrades				<ul style="list-style-type: none"> Deferred to 2024
Lister Hall – The Ship and The Marina Renovation				<ul style="list-style-type: none"> Deferred to 2024
Morrison Structures Engineering Lab	July 2019	December 2021	In Progress	<ul style="list-style-type: none"> Design complete Tender issued and pending award
NREF Renewal and Renovation	May 2019	August 2020	Complete	<ul style="list-style-type: none"> Complete
R.E. Phillips Building Functional Renewal – Tower Portion	April 2018	August 2020	Design	<ul style="list-style-type: none"> Tower portion complete Renewal of existing building in design
University of Alberta Botanic Garden Entry Pavillion	April 2019	July 2020	Complete	<ul style="list-style-type: none"> Complete
Van Vliet Centre – Electrical Vault Replacement	September 2018	August 2020	Complete	<ul style="list-style-type: none"> Complete
Van Vliet Centre – Men’s and Women’s Locker Room Renewal	January 2019	June 2020	Complete	<ul style="list-style-type: none"> Complete

Priority Projects

Other than the “in progress” projects detailed above, there are no projects commencing in 2021/22 that meet the GoA threshold for reporting here. In fact, once the renewal projects for Dentistry/Pharmacy and Lister are complete, spending on capital projects is projected to fall precipitously. However, the University of Alberta continues to rely heavily on its Buildings and Land Information Management System submission to highlight to the

Government of Alberta its infrastructure needs ranging from critical building fixes to renewals to address aged building inventories.

APPENDIX A: AUDITED FINANCIAL STATEMENTS



Consolidated Financial Statements

**For the Year Ended
March 31, 2021**

(in millions of dollars)

The consolidated financial statement discussion and analysis should be read in conjunction with the University of Alberta audited financial statements. The university's financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. For more in-depth discussion and analysis of the university's goals and objectives please refer to the following documents:

For the Public Good, Investment Reports, Annual Report, UofA for Tomorrow.

<https://www.ualberta.ca/reporting>

<https://www.ualberta.ca/uofa-tomorrow/index.html>

The consolidated financial statement discussion and analysis provides an overview of the university's:

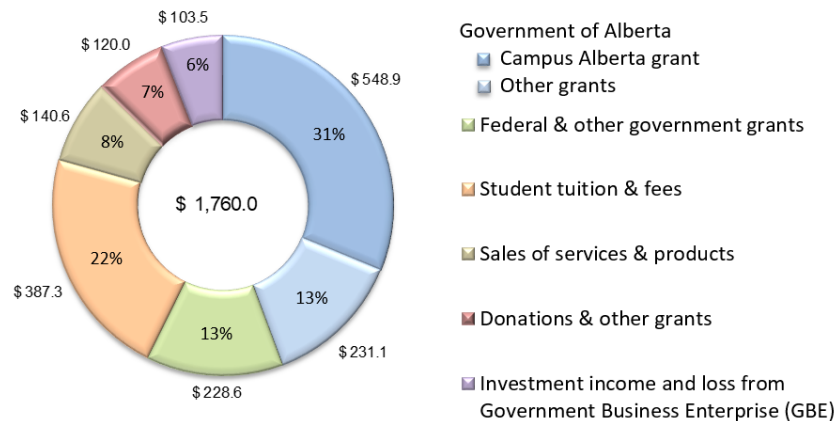
- Summary of Financial Results
- Revenue and Expense
- Capital Acquisitions
- Net Assets and Net Debt
- Areas of Significant Financial Risk

Summary of Financial Results

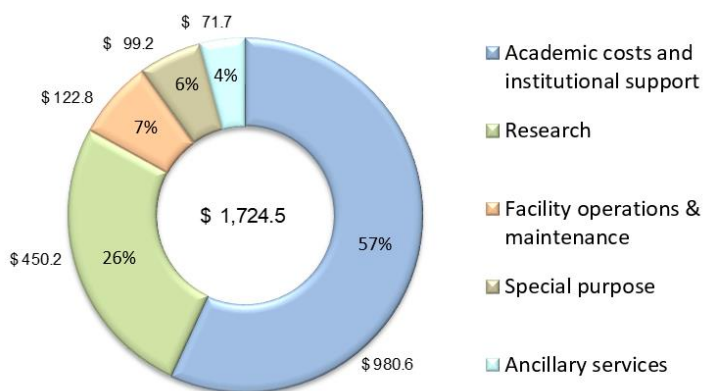
The university ended the year with an annual surplus of \$53.7 million. Of this amount \$18.2 million are donations directed to endowments and endowment capitalized investment income and therefore are not available for spending. The annual operating surplus was \$35.5 million; 2.0% of total revenue (budget annual operating surplus: \$1.0 million; 0.1% of total revenue). The increase of \$75.7 million from the prior year annual operating deficit of \$40.2 million was primarily due to an increase in investment income earned, lower salary expense due to a decrease in the number of support and temporary staff and lower materials and supplies expense due to staff working remotely. The decrease in these operating expenses can be attributed to both the Service Excellence Transformation (SET) administrative restructuring that the university has begun under the UofA for Tomorrow initiative, and the impact of the COVID-19 pandemic. These favorable results were partially offset by a reduction in the campus Alberta operating grant and lower sales revenue from parking and student residences due to the impact of the COVID-19 pandemic.

Net assets of \$2,407.9 million increased from the prior year (2020: \$1,982.8). The increase is mainly due to an increase in the fair value of endowments along with the increase in the annual surplus.

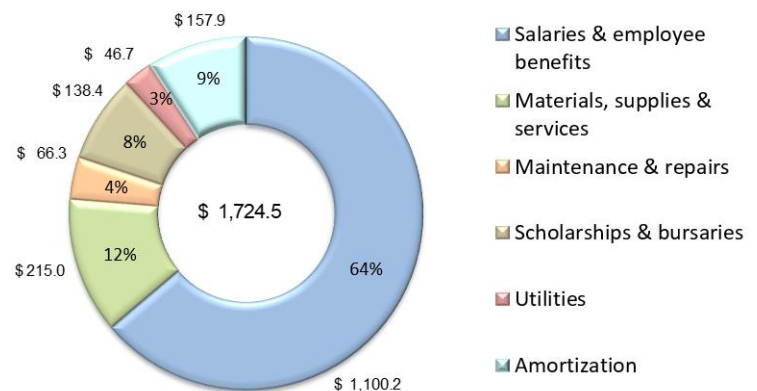
Revenue



Expense by Function



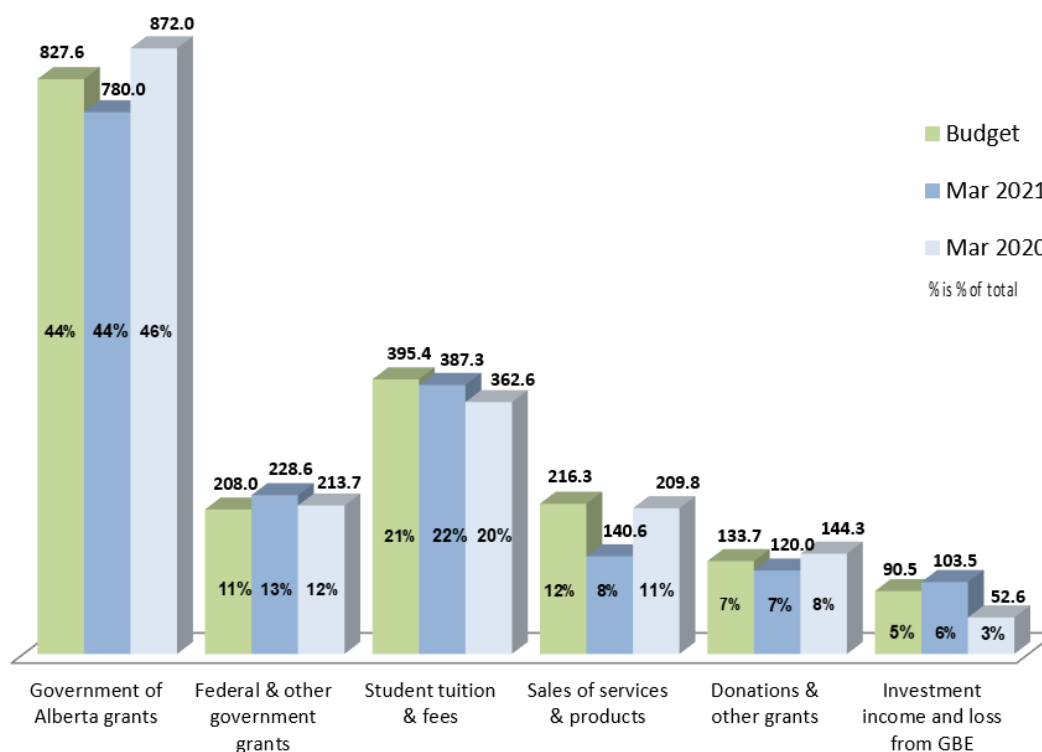
Expense by Object



(in millions of dollars)

Revenue

Total revenue for the year was \$1,760.0 million, a decrease of \$95.0 million over the prior year and \$111.5 million (6.0%) less than budget.



Government of Alberta grants

Government of Alberta grants (GoA) represent the single largest source of funding for university activities at 44% of total revenue. GoA grant revenue of \$780.0 million was \$92.0 million lower than prior year and \$47.6 million lower than budget. The decrease over prior year is mainly due to a 10.5 percent reduction in the Campus Alberta operating grant (\$65.9 million) and lower spending on restricted funded projects due to the COVID-19 pandemic (\$68.3 million), partially offset by the resumption of the Infrastructure Maintenance Program grant (\$34.9 million) and new restricted capital funding (\$16.0 million). The decrease compared to budget is mainly due to lower spending on restricted funded projects due to the COVID-19 pandemic (\$50.1 million), lower restricted grant project funding (\$14.4 million) partially offset by unbudgeted new restricted capital funding (\$16.0 million).

Federal and other government grants

Federal and other government grants primarily support the university's research activities. Federal and other government grants revenue of \$228.6 million was \$15.4 million higher than prior year and \$20.6 million higher than budget. The increase over prior year and the budget is due to increased research funding from the Government of Canada, mainly funding for research on COVID-19.

Student tuition and fees

Student tuition and fees includes instructional fees, market modifiers, program differential fees, international student fees, and mandatory non-instructional fees. Student tuition and other fees revenue of \$387.3 million was \$24.7 million higher than prior year but \$8.1 million lower than budget. The increase over prior year was mainly due to an increase of 7.0% in domestic tuition along with an increase of 4.0% in international differential tuition fees. The decrease compared to budget is mainly due to an increase in the tuition deferral due to the winter term starting one week later in January resulting in an increase in the number of teaching days for the winter term occurring in fiscal year 2022.

Sales of services and products

Sales of services and products revenues are generated by ancillary services and faculties and administrative units to both individuals and external organizations to support university activities. Sales of services and products revenue of \$140.6 million was \$69.2 million lower than prior year and \$75.7 million lower than budget. The decrease over prior year and to the budget was mainly due to lower revenues from parking and student residences as a result of the COVID-19 pandemic.

(in millions of dollars)

Donations and other grants

Donations and other grants support many university activities. Donations and other grants revenue of \$120.0 million was \$24.3 million less than prior year and \$13.7 million less than budget. The decrease over prior year and when compared to budget is mainly due to lower spending on restricted funding projects due to the COVID-19 pandemic, and therefore less revenue recognized.

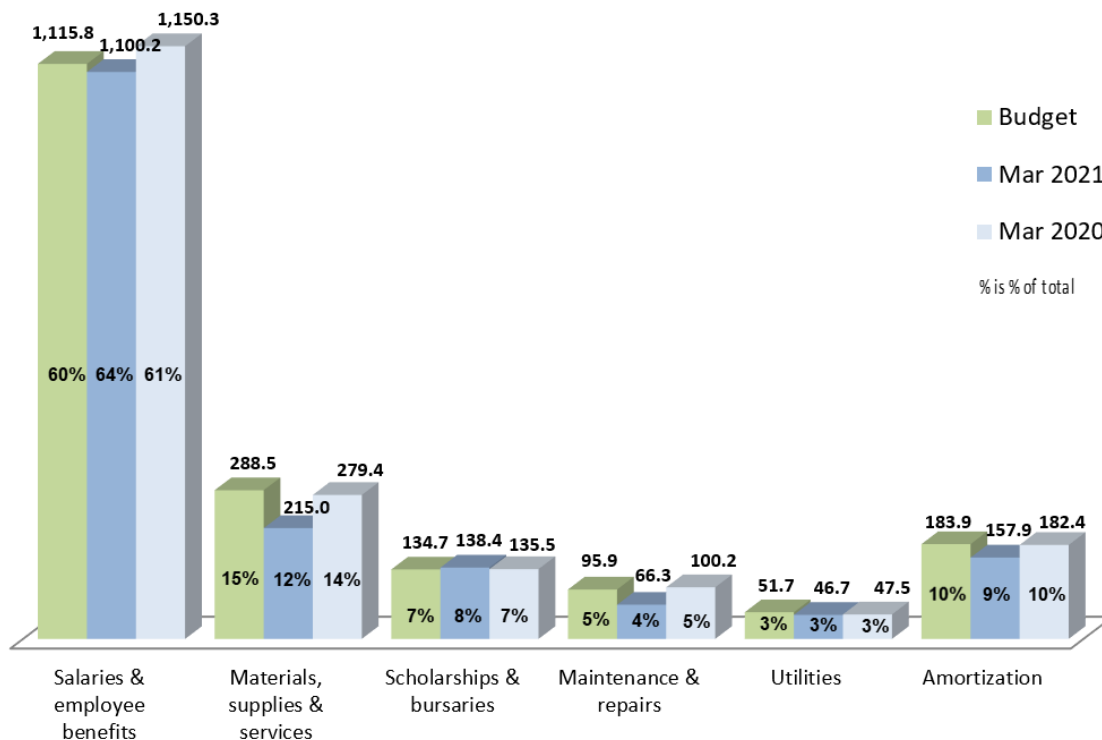
Investment income and loss from Government Business Enterprises (GBE)

Investment income supports many university activities. Investment income revenue, including the loss from GBE, of \$103.5 million was \$50.9 million higher than prior year and \$13.0 million higher than budget. The increase over prior year and the favorable to budget was due to higher realized gains on disposal of investments and higher bond returns. Investments fall into two categories, the University Endowment Pool (UEP) and the Non-Endowed Investment Pool (NEIP). The UEP had a return of 27.7% (2020: 10.2% loss) and represents the majority of the university’s long-term investment strategy. The NEIP investments which are allocated to short-term, mid-term and long-term investment strategies had a return of 12.4% (2020: 1.3% loss). In 2015 the university established a wholly owned government business enterprise, University of Alberta Properties Trust Inc. (UAPTI) to act as trustee for the University of Alberta Properties Trust. During the year, the trust commenced operations and recorded a loss of \$0.2 million.

Expense

Total expense for the year was \$1,724.5 million, a decrease of \$170.8 million over the prior year and \$146.0 million (7.8%) less than budget. Salaries and employee benefits are the single largest expense representing 64% of total expense. Overall, the decrease in expenses can be attributed to administrative changes under the SET program of the UofA for Tomorrow initiative along with the COVID-19 pandemic.

Expense by Object



Salaries and employee benefits

Salaries and employee benefits of \$1,100.2 million was \$50.1 million less than prior year and \$15.6 million less than budget. The decrease over prior year is mainly due to a decrease in the number of support staff and temporary academic staff can be attributed to the funding cut in the Campus Alberta base operating grant. The decrease compared to budget is mainly due to lower than budgeted severance costs.

(in millions of dollars)

Materials, supplies and services

Materials, supplies and services of \$215.0 million was \$64.4 million less than prior year and \$73.5 million less than budget. The decrease over prior year and when compared to budget is mainly due to lower travel and lower supplies required due to staff working remotely due to the COVID-19 pandemic.

Maintenance and repairs

Maintenance and repairs of \$66.3 million was \$33.9 million less than prior year and \$29.6 million less than budget. The decrease over prior year was mainly due to a reduction in the environmental liability for the remediation of the Ellerslie Waste Management site along with reduced janitorial and cleaning costs due to staff working remotely and lower residence occupancy. Maintenance and repairs was less than budget due to lower maintenance work on parking and residence facilities and the reduction in the environmental liability on the Ellerslie Waste Management site, which was not budgeted.

Scholarships and bursaries

Scholarships and bursaries of \$138.4 million was \$2.9 million more than prior year and \$3.7 million more than budget. The increase over prior year and increase over budget was due to funding from endowments and GoA grants for both undergraduate and graduate awards. It needs to be noted that while other areas of the university faced significant cost reductions due to the decrease in the Campus Alberta grant, scholarships to students saw a slight increase. This aligns with the University's goal to attract and support undergraduate and graduate students.

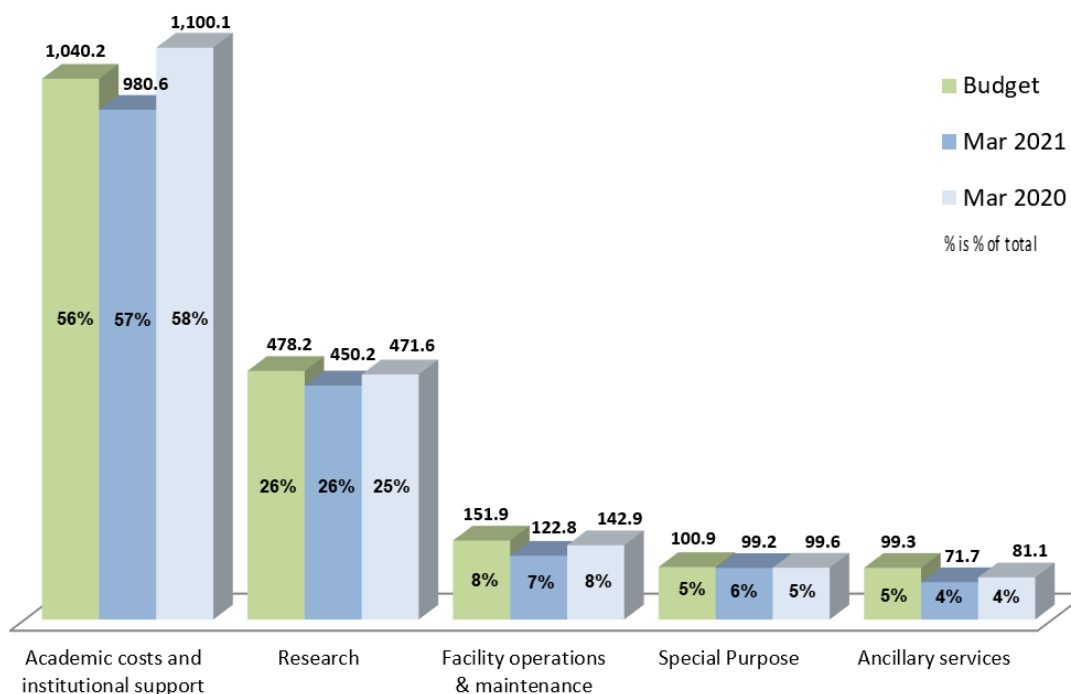
Utilities

Utilities of \$46.7 million was \$0.8 million less than prior year and \$5.0 less than budget. The decrease over prior year and the decrease over budget was due to lower heating and cooling costs of buildings due to staff working remotely.

Amortization

Amortization of \$157.9 million was \$24.5 million less than prior year and \$26.0 million less than budget. The decrease over prior year and the decrease over budget was due to a change in the assessment of the useful life of buildings from 40 years to 50 years.

Expense by Function



Academic costs and institutional support

Academic costs and institutional support expenses effectively represents the operating activities of the university. A significant component of this category is salary and employee benefit costs. Expenses for this category of \$980.6 million was \$119.5 million less than prior year and \$59.6 million less than budget. The decrease over prior year and the decrease over budget can be contributed to a decrease in salaries due to a funding cut in the Campus Alberta base operating grant, a decrease in travel due to the COVID-19 pandemic, and a decrease in amortization expense due to the change in the useful life of buildings from 40 to 50 years.

(in millions of dollars)

Research

Research expenses are funded by restricted grants and donations along with internal funds designated for research related activities. Research expenses of \$450.2 was \$21.4 million less than prior year and was \$28.0 million less than budget. The decrease over prior year and the decrease over budget is mainly due to reduced travel due to the COVID-19 pandemic.

Facility operations and maintenance

Facility operations and maintenance represents the cost of maintaining university facilities and grounds. Facility operations and maintenance expense of \$122.8 million was \$20.1 million less than prior year and \$21.9 million less than budget. The decrease over prior year is mainly due to a decrease in environmental liabilities. The decrease over budget was mainly due the decrease in environmental liabilities (which was not budgeted) along with lower maintenance and repairs due to the COVID-19 pandemic.

Special purpose

Special purpose expenses are for student awards and bursaries and other programs involving teaching and learning, and community service specifically funded by restricted grants and donations. Special purpose expense of \$99.2 million was \$0.4 million less than prior year and \$1.7 million less than budget. No one individually significant item is accountable for these variances.

Ancillary services

Ancillary services include the university bookstore, parking services, utilities and student residences. Ancillary services expense of \$71.7 million was \$9.4 million less than prior year and was \$27.6 million less than budget. The decrease over prior year is mainly due to lower maintenance costs for residences due to the COVID-19 pandemic. The decrease over budget can also be attributed to lower maintenance costs for residences, along with lower maintenance costs in parking services.

Capital Acquisitions

The university expended \$187.7 million (2020: \$157.6) on construction and other tangible capital asset acquisitions.

The most significant construction and capital asset acquisitions in 2021 are:

- Dentistry and Pharmacy Renewal and Repurpose - a multi-year project to renovate the Dentistry Pharmacy building.
- Lister Centre renewal – a multi-year project to upgrade three residence towers in the Lister Centre complex.

Net Assets and Net Debt

Net assets

The net asset balance is an important indicator of financial health for the university. The net assets measure provides the economic position of the university from all years of operations. The university's net assets include endowments of \$1,574.0 million. Endowments represent contributions from donors that are required to be maintained in perpetuity, as well as capitalized investment income that is also required to be maintained in perpetuity to protect the economic value of the endowment. Endowments are not available for spending. Of the remaining \$833.9 million in net assets, \$566.7 million represents funds invested in tangible capital assets.



CONSOLIDATED FINANCIAL STATEMENT DISCUSSION AND ANALYSIS – DRAFT
YEAR ENDED MARCH 31, 2021

Attachment 1

(in millions of dollars)

	Unrestricted	Internally restricted	Investment in tangible capital assets	Endowments	Total
Net assets, beginning of year	\$ 89.1	\$ 40.1	\$ 569.1	\$ 1,284.5	\$ 1,982.8
Annual operating surplus	35.5	-	-	-	35.5
Endowments contributions and capitalized income	-	-	-	18.3	18.3
Transfer to endowment	(1.3)	-	-	1.3	-
Transfer from endowments	0.7	-	-	(0.7)	-
Tangible capital assets	2.4	-	(2.4)	-	-
Transfer to internally restricted	(14.9)	14.9	-	-	-
Change in accumulated remeasurement gains	100.7	-	-	270.6	371.3
Increase (decrease)	123.1	14.9	(2.4)	289.5	425.1
Net assets, end of year	\$ 212.2	\$ 55.0	\$ 566.7	\$ 1,574.0	\$ 2,407.9

The increase in accumulated surplus from operations is mainly due to the annual operating surplus (\$35.5) and to an increase in the fair value of portfolio investments causing an increase in the unrealized remeasurement gains (\$100.7). The university also transferred \$1.3 million from accumulated surplus to endowments for capitalization of unrestricted income and transferred \$0.7 million from endowments to accumulated surplus for unfunded endowment expenditures.

The university has an internally restricted investment income reserve (\$55.0). The purpose of the reserve is to create a buffer for risk management purposes; that is, to ensure that future financial obligations can be fulfilled in the event of significant investment losses. The reserve target is 17% of the underlying obligations (investment cost), currently \$132 million, which allows for fluctuations in capital and equity markets to the degree experienced during the financial crisis in 2008-09. As at March 31, 2021 the market value of the yield and return seeking investments exceed their underlying obligations (cost) by \$153 million. Of this amount, \$55 million in realized gains have been set aside in an internally restricted investment reserve, the remainder represents unrealized investment gains. Once the reserve target is met, allocations will be made to a Strategic Initiatives Fund that will be used to support long-term institutional goals.

The decrease in investment in tangible capital assets of \$2.4 million consists of additions (\$76.9) and debt repayments (\$16.2), less financing allocation (\$34.1) and amortization (\$61.4). These additions include construction projects, equipment, furnishings, computer hardware/software and library resources.

The university's endowment spending policy provides for an annual spending allocation (2021: \$55.8; 2020: \$53.0) to support a variety of key initiatives in the areas of academic programs, chairs and professorships, scholarships, bursaries and research. The increase in endowments of \$289.5 million is due to an increase in fair value (\$270.6), new contributions (\$18.3) and a transfer of miscellaneous sales revenue from unrestricted net assets (\$1.3), partially offset by a transfer of endowment principal to unrestricted net assets to cover unfunded endowment expenditures (\$0.7). During the year the university's investment income earned from endowment investments was not sufficient to fund the annual spending allocation of \$55.8 million (2020 - \$53.0) along with the investment management and administration fees of \$19.4 million (2020 - \$18.8). Total investment income was \$70.7 million (2020 - \$13.8) leaving an unfunded allocation of \$4.5 million (2020 - \$58.0). Of this amount, \$0.7 million (2020 - \$30.5) was spent by the endowment holders and was funded by a transfer from endowments net assets to unrestricted net assets. The remaining \$3.8 million (2020 - \$27.5) represents unspent allocation per the University Endowment Pool (UEP) Spending policy and is being managed by the university as a future commitment. This brings the total unspent allocation to \$31.3 million.

Net debt

The university's liquidity needs are met primarily through operating cash flows, working capital balances and capital expansion funding received through grants or long-term debt. Net financial assets (net debt) is a measure of an organization's ability to use its financial assets to cover liabilities and fund future operations.

The net debt (excluding portfolio investments restricted for endowments) indicates that the university has a \$48.8 million deficiency (2020: \$168.6). The deficiency can be attributed to the incurrence of prepaid expenses \$9.6 (2020 - \$9.3), tangible capital assets acquired by debt financing \$306.3 (2020 - \$288.5), partially offset by the accumulated operating surplus \$267.1 (2020 - \$129.2). Net debt has decreased mainly due to the annual surplus and unrealized gains on investments.

(in millions of dollars)

Areas of Significant Financial Risk

Fiscal Uncertainty

The Campus Alberta grant is the primary source of funding for the university's day-to-day operating activities. Government support continues to be under pressure given the impacts of COVID-19, the drop in oil prices and the province's fiscal outlook. Grants, tuition and other revenue generation initiatives are largely under government control, which puts significant pressure on university finances. The impact to university revenue of a 1% change to the Campus Alberta base operating grant is \$5.5 million and a 1% change to domestic tuition is \$2.0 million.

In response to the pressures on provincial funding, during the year the university started the implementation of a major structural reorganization under the U of A for Tomorrow initiative. This two pronged reorganization strategy consists of both academic and administrative restructuring. It is anticipated that once restructuring has been completed overall cost savings of approximately \$130 million will be realized.

The COVID-19 pandemic has a large impact in how the university conducts its operations. The major operational change was the change to on-line delivery of instructional courses to students and the majority of staff working remotely. The university saw significant negative impact on its ancillary revenues – mainly in residences and parking services. This reduction in revenue was partially offset by a reduction in travel, materials and supplies, and reduced maintenance due to health restrictions in place. The university is planning and hopeful to be able to return to in-person learning and to have staff working on campus in the fall of 2021. The liquidity position of the university remains strong so there are no immediate cash flow concerns.

Unfunded Pension Liability

The university participates with other Alberta post-secondary institutions in the Universities Academic Pension Plan (UAPP) to provide pensions for the university's participating employees. The unfunded deficiency in the UAPP is currently being funded by a combination of employee and employer contributions and the Government of Alberta. The deficiency is required to be eliminated by 2043. At March 31, 2021, based on actuarial assumptions, the university has recorded a UAPP employee future benefit liability of approximately \$127 million.

The impact to the university's share of the unfunded liability of a 1% increase in the inflation rate assumption would be an increase of approximately \$76 million, a 1% increase in the salary escalation assumption would be an increase of approximately \$17 million, while a decrease of 1% in the discount rate assumption would lead to an increase of approximately \$169 million.

Deferred Maintenance

As the largest and oldest post-secondary institution in the province, the university's deferred maintenance obligations continue to increase. As of December 2020, the liability stood at \$385 million and is estimated to increase to approximately \$1.038 billion over the next five years. As part of the fiscal 2021 budget, the government re-established the Infrastructure Maintenance Program (IMP) grant (\$35 million) which is a main source of funding in dealing with the deferred maintenance issue. The university continues to identify and address priority deferred maintenance issues through joint renewal and repurposing projects to maintain the functionality of our building inventory.

(in millions of dollars)

The consolidated financial statement discussion and analysis should be read in conjunction with the University of Alberta audited financial statements. The university's financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. For more in-depth discussion and analysis of the university's goals and objectives please refer to the following documents:

For the Public Good, Investment Reports, Annual Report, UofA for Tomorrow.

<https://www.ualberta.ca/reporting>

<https://www.ualberta.ca/uofa-tomorrow/index.html>

The consolidated financial statement discussion and analysis provides an overview of the university's:

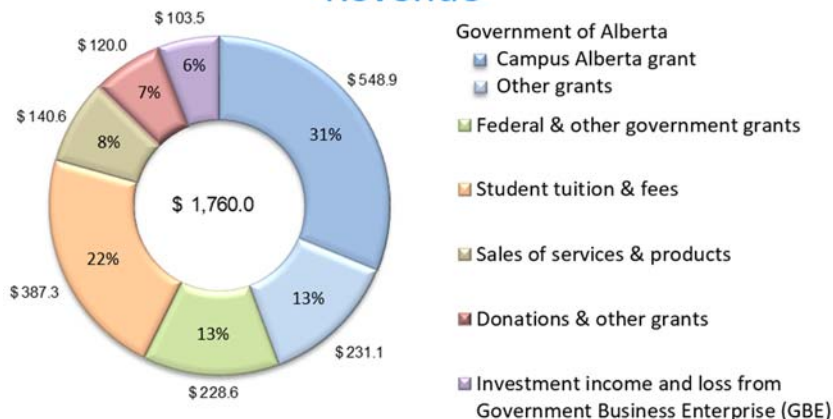
- Summary of Financial Results
- Revenue and Expense
- Capital Acquisitions
- Net Assets and Net Debt
- Areas of Significant Financial Risk

Summary of Financial Results

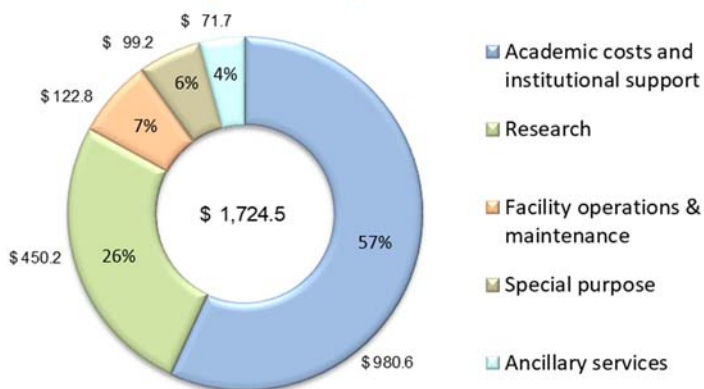
The university ended the year with an annual surplus of \$53.7 million. Of this amount \$18.2 million are donations directed to endowments and endowment capitalized investment income and therefore are not available for spending. The annual operating surplus was \$35.5 million; 2.0% of total revenue (budget annual operating surplus: \$1.0 million; 0.1% of total revenue). The increase of \$75.7 million from the prior year annual operating deficit of \$40.2 million was primarily due to an increase in investment income earned, lower salary expense due to a decrease in the number of support and temporary staff and lower materials and supplies expense due to staff working remotely. The decrease in these operating expenses can be attributed to both the Service Excellence Transformation (SET) administrative restructuring that the university has begun under the UofA for Tomorrow initiative, and the impact of the COVID-19 pandemic. These favorable results were partially offset by a reduction in the campus Alberta operating grant and lower sales revenue from parking and student residences due to the impact of the COVID-19 pandemic.

Net assets of \$2,407.9 million increased from the prior year (2020: \$1,982.8). The increase is mainly due to an increase in the fair value of endowments along with the increase in the annual surplus.

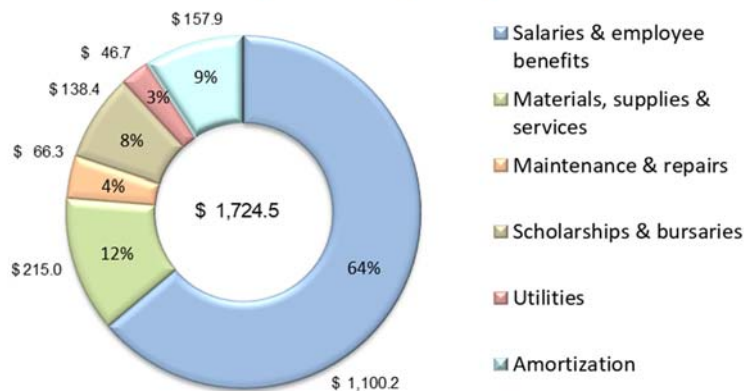
Revenue



Expense by Function



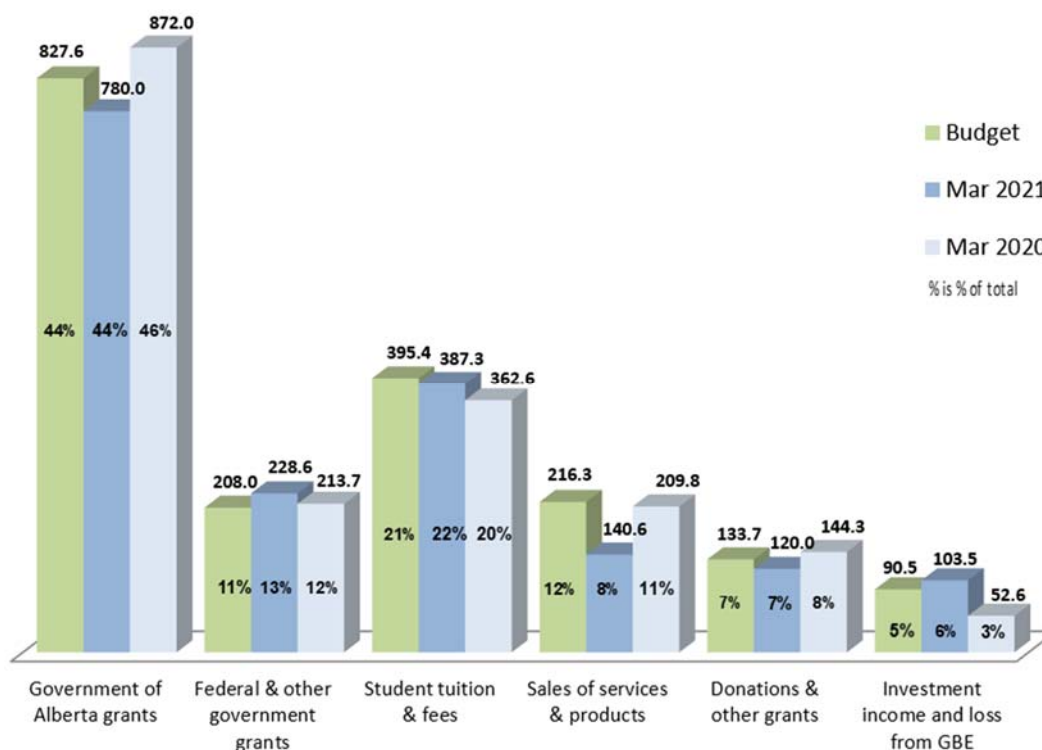
Expense by Object



(in millions of dollars)

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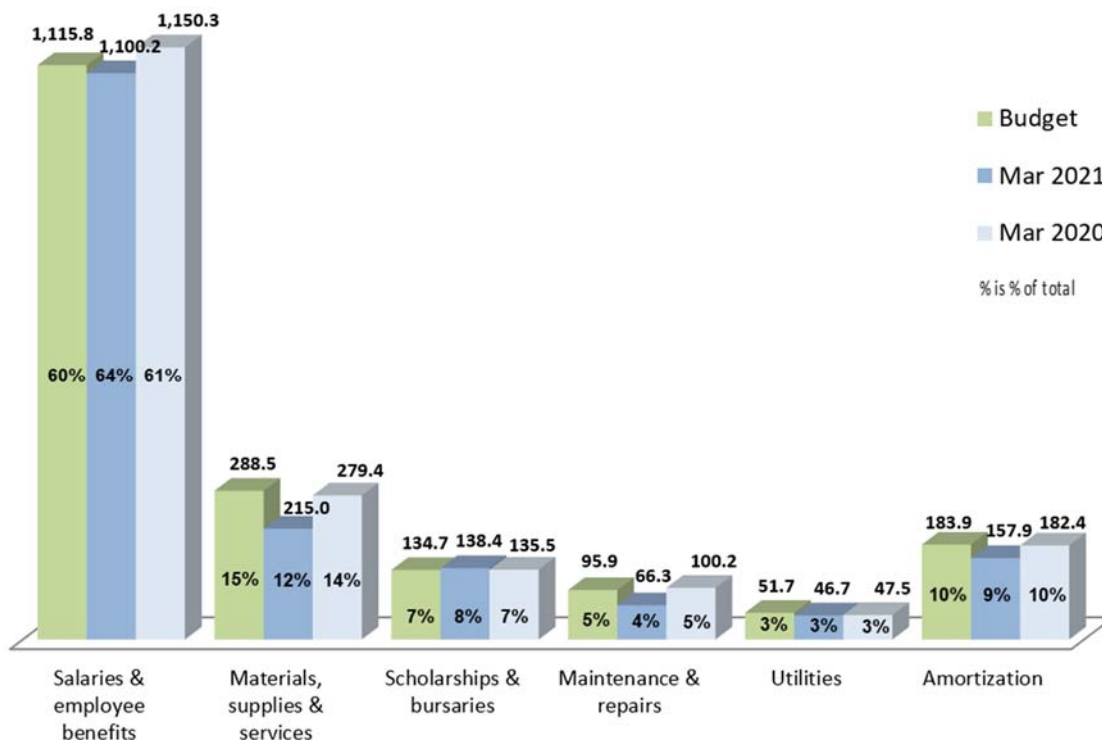
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Expense by Object



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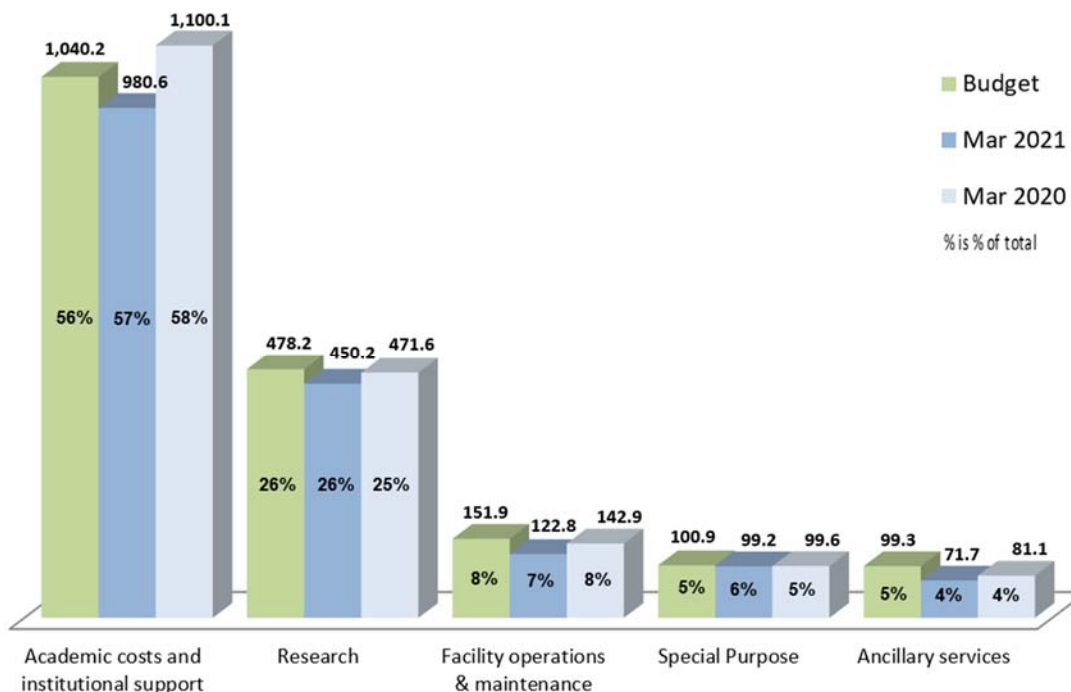
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(in millions of dollars)

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Capital Acquisitions

The university expended \$187.7 million (2020: \$157.6) on construction and other tangible capital asset acquisitions.

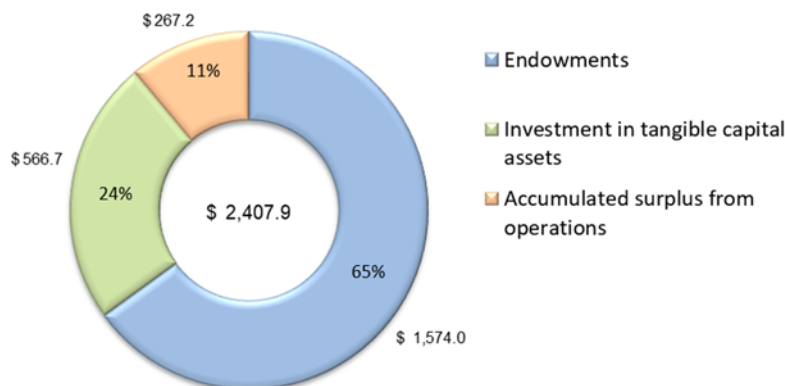
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Net Assets and Net Debt

Net assets

The net asset balance is an important indicator of financial health for the university. The net assets measure provides the economic position of the university from all years of operations. The university’s net assets include endowments of \$1,574.0 million. Endowments represent contributions from donors that are required to be maintained in perpetuity, as well as capitalized investment income that is also required to be maintained in perpetuity to protect the economic value of the endowment. Endowments are not available for spending. Of the remaining \$833.9 million in net assets, \$566.7 million represents funds invested in tangible capital assets.



CONSOLIDATED FINANCIAL STATEMENT DISCUSSION AND ANALYSIS
YEAR ENDED MARCH 31, 2021

Attachment 1

(in millions of dollars)

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Transfer to endowment	(1.3)	-	-	1.3	-
Transfer from endowments	0.7	-	-	(0.7)	-
Tangible capital assets	2.4	-	(2.4)	-	-
Transfer to internally restricted	(14.9)	14.9	-	-	-
Change in accumulated remeasurement gains	100.7	-	-	270.6	371.3
Increase (decrease)	123.1	14.9	(2.4)	289.5	425.1
Net assets, end of year	\$ 212.2	\$ 55.0	\$ 566.7	\$ 1,574.0	\$ 2,407.9

The increase in accumulated surplus from operations is mainly due to the annual operating surplus (\$35.5) and to an increase in the fair value of portfolio investments causing an increase in the unrealized remeasurement gains (\$100.7). The university also transferred \$1.3 million from accumulated surplus to endowments for capitalization of unrestricted income and transferred \$0.7 million from endowments to accumulated surplus for unfunded endowment expenditures.

The university has an internally restricted investment income reserve (\$55.0). The purpose of the reserve is to create a buffer for risk management purposes; that is, to ensure that future financial obligations can be fulfilled in the event of significant investment losses. The reserve target is 17% of the underlying obligations (investment cost), currently \$132 million, which allows for fluctuations in capital and equity markets to the degree experienced during the financial crisis in 2008-09. As at March 31, 2021 the market value of the yield and return seeking investments exceed their underlying obligations (cost) by \$153 million. Of this amount, \$55 million in realized gains have been set aside in an internally restricted investment reserve, the remainder represents unrealized investment gains. Once the reserve target is met, allocations will be made to a Strategic Initiatives Fund that will be used to support long-term institutional goals.

The decrease in investment in tangible capital assets of \$2.4 million consists of additions (\$76.9) and debt repayments (\$16.2), less financing allocation (\$34.1) and amortization (\$61.4). These additions include construction projects, equipment, furnishings, computer hardware/software and library resources.

The university's endowment spending policy provides for an annual spending allocation (2021: \$55.8; 2020: \$53.0) to support a variety of key initiatives in the areas of academic programs, chairs and professorships, scholarships, bursaries and research. The increase in endowments of \$289.5 million is due to an increase in fair value (\$270.6), new contributions (\$18.3) and a transfer of miscellaneous sales revenue from unrestricted net assets (\$1.3), partially offset by a transfer of endowment principal to unrestricted net assets to cover unfunded endowment expenditures (\$0.7). During the year the university's investment income earned from endowment investments was not sufficient to fund the annual spending allocation of \$55.8 million (2020 - \$53.0) along with the investment management and administration fees of \$19.4 million (2020 - \$18.8). Total investment income was \$70.7 million (2020 - \$13.8) leaving an unfunded allocation of \$4.5 million (2020 - \$58.0). Of this amount, \$0.7 million (2020 - \$30.5) was spent by the endowment holders and was funded by a transfer from endowments net assets to unrestricted net assets. The remaining \$3.8 million (2020 - \$27.5) represents unspent allocation per the University Endowment Pool (UEP) Spending policy and is being managed by the university as a future commitment. This brings the total unspent allocation to \$31.3 million.

Net debt

The university's liquidity needs are met primarily through operating cash flows, working capital balances and capital expansion funding received through grants or long-term debt. Net financial assets (net debt) is a measure of an organization's ability to use its financial assets to cover liabilities and fund future operations.

The net debt (excluding portfolio investments restricted for endowments) indicates that the university has a \$48.8 million deficiency (2020: \$168.6). The deficiency can be attributed to the incurrence of prepaid expenses \$9.6 (2020 - \$9.3), tangible capital assets acquired by debt financing \$306.3 (2020 - \$288.5), partially offset by the accumulated operating surplus \$267.1 (2020 - \$129.2). Net debt has decreased mainly due to the annual surplus and unrealized gains on investments.

(in millions of dollars)

Areas of Significant Financial Risk

Fiscal Uncertainty

The Campus Alberta grant is the primary source of funding for the university's day-to-day operating activities. Government support continues to be under pressure given the impacts of COVID-19, the drop in oil prices and the province's fiscal outlook. Grants, tuition and other revenue generation initiatives are largely under government control, which puts significant pressure on university finances. The impact to university revenue of a 1% change to the Campus Alberta base operating grant is \$5.5 million and a 1% change to domestic tuition is \$2.0 million.

In response to the pressures on provincial funding, during the year the university started the implementation of a major structural reorganization under the U of A for Tomorrow initiative. This two pronged reorganization strategy consists of both academic and administrative restructuring. It is anticipated that once restructuring has been completed overall cost savings of approximately \$130 million will be realized.

The COVID-19 pandemic has a large impact in how the university conducts its operations. The major operational change was the change to on-line delivery of instructional courses to students and the majority of staff working remotely. The university saw significant negative impact on its ancillary revenues – mainly in residences and parking services. This reduction in revenue was partially offset by a reduction in travel, materials and supplies, and reduced maintenance due to health restrictions in place. The university is planning and hopeful to be able to return to in-person learning and to have staff working on campus in the fall of 2021. The liquidity position of the university remains strong so there are no immediate cash flow concerns.

Unfunded Pension Liability

The university participates with other Alberta post-secondary institutions in the Universities Academic Pension Plan (UAPP) to provide pensions for the university's participating employees. The unfunded deficiency in the UAPP is currently being funded by a combination of employee and employer contributions and the Government of Alberta. The deficiency is required to be eliminated by 2043. At March 31, 2021, based on actuarial assumptions, the university has recorded a UAPP employee future benefit liability of approximately \$127 million.

The impact to the university's share of the unfunded liability of a 1% increase in the inflation rate assumption would be an increase of approximately \$76 million, a 1% increase in the salary escalation assumption would be an increase of approximately \$17 million, while a decrease of 1% in the discount rate assumption would lead to an increase of approximately \$169 million.

Deferred Maintenance

As the largest and oldest post-secondary institution in the province, the university's deferred maintenance obligations continue to increase. As of December 2020, the liability stood at \$385 million and is estimated to increase to approximately \$1.038 billion over the next five years. As part of the fiscal 2021 budget, the government re-established the Infrastructure Maintenance Program (IMP) grant (\$35 million) which is a main source of funding in dealing with the deferred maintenance issue. The university continues to identify and address priority deferred maintenance issues through joint renewal and repurposing projects to maintain the functionality of our building inventory.

**STATEMENT OF MANAGEMENT RESPONSIBILITY
YEAR ENDED MARCH 31, 2021**

The consolidated financial statements of the University of Alberta have been prepared by management in accordance with Canadian public sector accounting standards. The consolidated financial statements present fairly the financial position of the university as at March 31, 2021 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal control designed to provide reasonable assurance that university assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Board of Governors is responsible for reviewing and approving the consolidated financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Audit and Risk Committee. With the exception of the President, all members of the Audit and Risk Committee are not employees of the university. The Audit and Risk Committee meets with management and the external auditors and internal auditors to discuss the results of audit examinations and financial reporting matters. The external and internal auditors have full access to the Audit and Risk Committee, with and without the presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

Original signed by Bill Flanagan

President and Vice-Chancellor

Original signed by Todd Gilchrist

Vice-President (University Services and Finance)

DRAFT

Independent Auditor's Report

To the Board of Governors of University of Alberta

Report on the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of University of Alberta (the Group), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, change in net financial assets, remeasurement gains and losses, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the consolidated financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit

evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

W. Doug Wylie FCPA, FCMA, ICD.D
Auditor General

May 31, 2021
Edmonton, Alberta

OAG DRAFT

UNIVERSITY OF ALBERTA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021
(thousands of dollars)

	Note	2021	2020
Financial assets excluding portfolio investments restricted for endowments			
Cash and cash equivalents	3	\$ 96,308	\$ 75,343
Portfolio investments - non-endowment	4	1,220,291	989,681
Accounts receivable		136,446	145,435
Inventories held for sale		3,325	1,994
Investment in government business enterprise	7	(214)	-
		1,456,156	1,212,453
Liabilities			
Accounts payable and accrued liabilities	8	190,626	188,720
Employee future benefit liabilities	9	233,669	219,057
Debt	10	386,084	403,550
Deferred revenue	11	694,549	569,742
		1,504,928	1,381,069
Net debt excluding portfolio investments restricted for endowments			
		(48,772)	(168,616)
Portfolio investments - restricted for endowments	4	1,573,993	1,284,568
Net financial assets			
		1,525,221	1,115,952
Non-financial assets			
Tangible capital assets	12	2,680,949	2,657,080
Prepaid expenses		9,614	9,287
		2,690,563	2,666,367
Net assets before spent deferred capital contributions			
		4,215,784	3,782,319
Spent deferred capital contributions	13	1,807,927	1,799,471
Net assets			
	14	\$ 2,407,857	\$ 1,982,848
Net assets is comprised of:			
Accumulated surplus		\$ 1,967,594	\$ 1,913,944
Accumulated remeasurement gains		440,263	68,904
		\$ 2,407,857	\$ 1,982,848

Contingent assets and contractual rights (note 16 and 18)

Contingent liabilities and contractual obligations (note 17 and 19)

UNIVERSITY OF ALBERTA
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

	Note	Budget (Note 21)	2021	2020
Revenue				
Government of Alberta grants	22	\$ 827,563	\$ 779,987	\$ 872,029
Federal and other government grants	22	208,037	228,655	213,653
Student tuition and fees		395,417	387,315	362,593
Sales of services and products		216,284	140,635	209,786
Donations and other grants		133,676	119,957	144,367
Investment income		90,519	103,685	52,596
Investment loss from government business enterprise	7		(214)	-
		1,871,496	1,760,020	1,855,024
Expense				
Academic costs and institutional support		1,040,163	980,618	1,100,086
Research		478,245	450,162	471,604
Facility operations and maintenance		151,877	122,764	142,927
Special purpose		100,914	99,235	99,546
Ancillary services		99,312	71,748	81,107
		1,870,511	1,724,527	1,895,270
Annual operating surplus (deficit)		\$ 985	35,493	(40,246)
Endowment contributions	14		18,059	25,506
Endowment capitalized investment income	14		98	84
			18,157	25,590
Annual surplus (deficit)		\$ 985	53,650	(14,656)
Accumulated surplus, beginning of year			1,913,944	1,928,600
Accumulated surplus, end of year	14		\$ 1,967,594	\$ 1,913,944

UNIVERSITY OF ALBERTA
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

	Budget (Note 21)	2021	2020
Annual surplus (deficit)	\$ 985	\$ 53,650	\$ (14,656)
Acquisition of tangible capital assets	(225,201)	(187,659)	(157,590)
Proceeds on disposal of tangible capital assets		5,159	257
Amortization of tangible capital assets	183,871	157,883	182,376
Loss on disposal of tangible capital assets	-	748	1,967
Change in prepaid expenses	(166)	(327)	(1,169)
Change in spent deferred capital contributions	4,550	8,456	(47,716)
Change in accumulated remeasurement gains	58,788	371,359	(182,010)
Increase (decrease) in net financial assets	22,827	409,269	(218,541)
Net financial assets, beginning of year	1,115,952	1,115,952	1,334,493
Net financial assets, end of year	\$ 1,138,779	\$ 1,525,221	\$ 1,115,952

UNIVERSITY OF ALBERTA
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

	Note	2021	2020
Accumulated remeasurement gains, beginning of year		\$ 68,904	\$ 250,914
Unrealized gains (losses) attributable to:			
Portfolio investments - non-endowment:			
Quoted in an active market		70,446	(15,794)
Designated at fair value		48,092	(25,427)
Portfolio investments - restricted for endowments:			
Quoted in an active market		273,632	(38,002)
Designated at fair value		43,483	(123,096)
Amounts reclassified to consolidated statement of operations:			
Portfolio investments - non-endowment:			
Quoted in an active market		(15,058)	683
Designated at fair value		(2,747)	3,659
Portfolio investments - restricted for endowments:			
Quoted in an active market		(40,114)	3,767
Designated at fair value		(6,375)	12,200
Net change for the year		371,359	(182,010)
Accumulated remeasurement gains, end of year	14	\$ 440,263	\$ 68,904
Accumulated remeasurement gains is comprised of:			
Portfolio investments - non-endowment		\$ 105,734	\$ 5,001
Portfolio investments - restricted for endowments		334,529	63,903
		\$ 440,263	\$ 68,904

UNIVERSITY OF ALBERTA
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

	2021	2020
Operating transactions		
Annual surplus (deficit)	\$ 53,650	\$ (14,656)
Add (deduct) non-cash items:		
Amortization of tangible capital assets	157,883	182,376
Expended capital recognized as revenue	(96,455)	(115,828)
Investment loss from government business enterprise	214	-
(Gain) loss on sale of portfolio investments	(64,294)	20,309
Loss on disposal of tangible capital assets	748	1,967
Increase in employee future benefit liabilities	14,612	1,283
Change in non-cash items	12,708	90,107
Decrease (increase) in accounts receivable	12,524	(341)
(Increase) decrease in inventories held for sale	(1,331)	139
Increase in accounts payable and accrued liabilities	802	17,177
Increase (decrease) in deferred revenue	124,807	(9,016)
Increase in prepaid expenses	(327)	(1,169)
Cash provided by operating transactions	202,833	82,241
Capital transactions		
Acquisition of tangible capital assets, less in-kind donations	(183,746)	(150,112)
Proceeds on disposal of tangible capital assets	5,159	257
Cash applied to capital transactions	(178,587)	(149,855)
Investing transactions		
Purchases of portfolio investments	(343,403)	(403,015)
Proceeds on sale of portfolio investments	256,590	398,004
Cash applied to investing transactions	(86,813)	(5,011)
Financing transactions		
Debt repayment	(17,466)	(15,747)
Debt - new financing		83,500
Increase in spent deferred capital contributions, less in-kind donations	100,998	60,634
Cash provided by financing transactions	83,532	128,387
Increase in cash and cash equivalents	20,965	55,762
Cash and cash equivalents, beginning of year	75,343	19,581
Cash and cash equivalents, end of year	\$ 96,308	\$ 75,343

UNIVERSITY OF ALBERTA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

1. Authority and purpose

The Governors of The University of Alberta is a corporation that manages and operates the University of Alberta (the university) under the *Post-secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the Chancellor and President, who are *ex officio* members. Under the *Post-secondary Learning Act*, the university is a comprehensive academic and research institution offering undergraduate and graduate degree programs as well as a full range of continuing education programs and activities. The university is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax. This tax exemption does not extend to its wholly-owned subsidiary, University of Alberta Properties Trust Inc.

2. Summary of significant accounting policies and reporting practices

(a) General – Canadian public sector accounting standards (PSAS) and use of estimates

These consolidated financial statements have been prepared in accordance with PSAS. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. Management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of tangible capital assets, and valuation of level 3 portfolio investments are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

(b) Valuation of financial assets and liabilities

The university's financial assets and liabilities are generally measured as follows:

- Cash and cash equivalents - cost
- Portfolio investments - fair value and amortized cost
- Accounts receivable - lower of cost and net recoverable value
- Inventories held for sale - lower of cost and expected net realizable value
- Accounts payable and accrued liabilities- cost
- Debt - amortized cost
- Derivatives - fair value

Unrealized gains and losses from changes in the fair value of financial assets and liabilities are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

All financial assets are assessed annually for impairment. Impairment losses are recognized in the consolidated statement of operations. A write-down of a financial asset to reflect a loss that is other than temporary in value is not reversed for a subsequent increase in value.

For financial assets and liabilities measured at amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial assets and liabilities that are measured at amortized cost and expensed when measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and portfolio investments are accounted for using trade-date accounting.

Derivatives are recorded at fair value in the consolidated statement of financial position. Derivatives with a positive or negative fair value are recognized as financial assets or liabilities. Unrealized gains and losses from changes in the fair value of derivatives are recognized in the consolidated statement of remeasurement gains and losses. Upon settlement, the realized gains and losses are reclassified as revenue or expense in the consolidated statement of operations.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either measure the entire contract at fair value or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the university's normal course of business are not recognized as financial assets or liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

2. Summary of significant accounting policies and reporting practices (continued)

(c) Revenue recognition

All revenue is reported on an accrual basis. Cash received for which services and products have not been provided is recognized as deferred revenue.

Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for use, or the terms along with the university's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue when the terms are met. If the grants and donations are used to acquire or construct tangible capital assets, revenue will be recognized over the useful life of the tangible capital assets.

Government grants without terms for the use of the grant are recognized as revenue when the university is eligible to receive the funds. Non-government grants and donations with no restrictions are recognized as revenue in the year received or in the year the funds are committed to the university if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials, and tangible capital assets are recognized at fair value when a fair value can be reasonably determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received and recognized as revenue when the land is purchased. An in-kind grant or donation of land is recognized as revenue at the fair value of the land when a fair value can be reasonably determined. When the fair value cannot be reasonably determined, the in-kind grant or donation is recognized at nominal value.

Endowment contributions

Endowment contributions are recognized as revenue in the consolidated statement of operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity.

Investment income

Investment income includes dividends, interest income and realized gains and losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as revenue when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for use by the endowment create a liability. Investment income earned by endowments in excess of the endowment spending allocation is recognized as revenue in the consolidated statement of operations (realized income) and the consolidated statement of remeasurement gains and losses (unrealized gains and losses), and is capitalized and maintained intact in perpetuity.

(d) Endowments

Endowments consist of:

- Externally restricted contributions received by the university and internal allocations by the university's Board of Governors, the principal of which is required to be maintained intact in perpetuity.
- Investment income earned (excluding unrealized income) by the endowments in excess of the amount required for spending allocation, which is capitalized to maintain and grow the real value of the endowments. Benefactors as well as university policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and by reinvesting unexpended income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

2. Summary of significant accounting policies and reporting practices (continued)

(d) Endowments (continued)

Under the *Post-secondary Learning Act*, the university has the authority to alter the terms and conditions of endowments to enable:

- Investment income earned by the endowments to be withheld from distribution to avoid fluctuations in the amounts distributed, generally to regulate the distribution of income earned by the endowments.
- Encroachment on the capital of the endowments to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowments if, in the opinion of the Board of Governors, the encroachment benefits the university and does not impair the long-term value of the fund.

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the accumulated capitalized investment income. However, for individual endowments without sufficient accumulated capitalized investment income, endowment principal is used in that year and is expected to be recovered by future investment income.

(e) Inventories held for sale

Inventories held for sale are measured using the weighted average method.

(f) Tangible capital assets

Tangible capital asset acquisitions are recognized at cost, which includes amounts that are directly related, such as design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development. Construction in progress is not amortized until after the project is complete and the asset is in service.

The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

Buildings and utilities	10 - 50 years
Equipment, furnishings and systems	5 - 10 years
Learning resources	10 years

In accordance with PSAS, the university reviews on a regular basis the estimated useful life of the remaining unamortized portion of tangible capital assets. During the year the university conducted a review of the estimated useful life of its core buildings and parkades. The review concluded that the useful life for buildings and parkades can be extended from 40 to 50 years and from 18 to 30 years respectively. This change in estimate was applied prospectively and resulted in an approximate \$19.7 million reduction in amortization expense in the current year.

Tangible capital asset write-downs are recognized when conditions indicate the asset no longer contributes to the university's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. Net write-downs are recognized as expense.

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

(g) Foreign currency translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the consolidated statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the consolidated statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the consolidated statement of remeasurement gains and losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Summary of significant accounting policies and reporting practices (continued)

(h) Employee future benefits

Pension

The university participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the university's participating employees based on years of service and earnings.

Pension expense for the UAPP is actuarially determined using the projected benefit method prorated on service. The UAPP activity and financial position are allocated to each participating employer based on their respective percentage of employer contributions. Actuarial gains and losses on the accrued benefit obligation are amortized over the expected average remaining service life of the related employee group.

The university does not have sufficient plan information on the PSPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the PSPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected, along with investment income, to provide the plan's future benefits.

Long-term disability

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the university's long-term disability plan is charged to expense in full when the event occurs which obligates the university to provide the benefits. The cost of this benefit is actuarially determined using the accumulated benefit method, a discount rate based on the university's cost of borrowing and management's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. Actuarial gains and losses on the accrued benefit obligation are amortized over the average expected period the benefit will be paid.

Early retirement

The cost of providing accumulating post-employment benefits under the university's early retirement plans is charged to expense over the period of service provided by the employee. The cost of these benefits is actuarially determined using the projected benefit method prorated on services, a discount rate based on the university's cost of borrowing and management's best estimate of expected health care, dental care, life insurance costs and the period of benefit coverage. Actuarial gains and losses on the accrued benefit obligation are amortized over the expected average remaining service life of the related employee group.

Supplementary retirement plans

The university provides non-contributory defined benefit supplementary retirement benefits to the executive staff based on years of service and earnings. The expense for this plan is actuarially determined using the projected benefit method prorated on service. Actuarial gains and losses on the accrued benefit obligation are amortized over the expected average remaining service life of the related employee group.

The university provides non-contributory defined contribution supplementary retirement benefits to eligible executive, academic, and management and professional staff based on years of service and earnings. The expense for these plans is the employer's current year contribution to the plan as calculated in accordance with the plan rules.

Administrative/professional leave

The university provides for certain executive staff to accrue a paid leave of absence at the end of their executive appointment. The expense for this plan is actuarially determined using the projected benefit method prorated on service. Actuarial gains and losses on the accrued benefit obligation are amortized over the expected average remaining service life of the related employee group.

General illness

The cost of providing non-vesting and non-accumulating compensated absences to a maximum of 26 weeks (academic staff) or 120 days (support staff) under the university's general illness plan is charged to expense in full when the event occurs which obligates the university to provide the benefit. The cost of this benefit is actuarially determined using the accumulated benefit method and management's best estimate of the period of employee disability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Summary of significant accounting policies and reporting practices (continued)

(i) Investment in government partnerships

Proportionate consolidation is used to recognize the university's share of the following government partnerships:

- Northern Alberta Clinical Trials and Research Centre (50% interest) - a joint venture with Alberta Health Services to support the shared missions of Alberta Health Services and the university for collaborative clinical research.
- TEC Edmonton (50% interest) - a joint venture with Edmonton Economic Development Corporation to stimulate entrepreneurialism, advance corporate development and accelerate commercialization of new ideas and technologies that benefit society.
- Tri-University Meson Facility (TRIUMF) (7.14% interest) - a joint venture with thirteen other universities to operate a sub-atomic physics research facility.
- Western Canadian Universities Marine Sciences Society (20% interest) - provides research infrastructure in the marine sciences for member universities and the world-wide scientific community.

These government partnerships are not material to the university's consolidated financial statements; therefore, separate condensed financial information is not presented.

(j) Investment in government business enterprises

Effective March 11, 2015, the university established the University of Alberta Properties Trust Inc. (UAPTI), a wholly-owned government business enterprise (GBE). During the year, UAPTI commenced operations. GBEs are included in the consolidated financial statements using the modified equity method, with equity being computed in accordance with accounting standards applicable to those entities. Under the modified equity method, the accounting policies of the GBEs are not adjusted to conform to those of the university. Thus, the university's investment in the entity is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

(k) Liability for contaminated sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material, or live organism that exceeds an environmental standard being introduced into soil, water or sediment. Contaminated sites occur when an environmental standard exists and contamination exceeds the environmental standard.

A liability for remediation of contaminated sites from an operation in productive use is recognized net of any expected recoveries when all of the following criteria are met:

- the university has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- the transaction or events obligating the institution have already occurred.

A liability for remediation of contaminated sites from an operation no longer in productive use, and/or an unexpected event occurs resulting in contamination, is recognized net of any expected recoveries when all of the following criteria are met:

- the university is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
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2. Summary of significant accounting policies and reporting practices (continued)

(l) Expense by function

The university uses the following categories of functions on its consolidated statement of operations:

Academic costs and institutional support

Expenses relating to support for the academic functions of the university both directly and indirectly. This function includes expenses incurred by faculties for their scholarly activities and learning administrative services.

Research

Expenses for research activities funded by externally sponsored research funds intended for specific research purposes as well as internal funds designated for research related spending. Other expenses associated with this function include costs such as research administration and research related amortization.

Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the university. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

Special purpose

Expenses for student awards and bursaries and other programs involving teaching and learning, and community service specifically funded by restricted grants and donations.

Ancillary services

Expenses relating to services and products provided to the university community and to external individuals and organizations. Services include the university bookstore, parking services, utilities and student residences.

(m) Funds and reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

(n) Future accounting changes

In August 2018, the Public Sector Accounting Board (PSAB) issued PS 3280 Asset retirement obligations. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2022. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, PSAB issued PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2023. Revenue provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

In November 2020, PSAB issued PSG-8 Purchased intangibles. This accounting guideline is effective for fiscal years starting on or after April 1, 2023. Purchased intangibles provides guidance on how to recognize intangibles as non-financial assets.

Management has not yet adopted these standards, and is currently assessing the impact of these new standards on the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. Cash and cash equivalents

	2021	2020
Cash	\$ 3,271	\$ 26,917
Money market holdings	93,037	48,426
	\$ 96,308	\$ 75,343

Money market holdings also include short-term notes and treasury bills with a maturity less than three months from the date of acquisition.

4. Portfolio investments

	2021	2020
Portfolio investments - non-endowment	\$ 1,220,291	\$ 989,681
Portfolio investments - restricted for endowments	1,573,993	1,284,568
	\$ 2,794,284	\$ 2,274,249

The composition of portfolio investments measured at fair value is as follows:

	2021				2020			
	Level 1 ⁽¹⁾	Level 2 ⁽²⁾	Level 3 ⁽³⁾	Total	Level 1 ⁽¹⁾	Level 2 ⁽²⁾	Level 3 ⁽³⁾	Total
Cash and money market holdings	\$ 98,086	\$ 309,478	\$ -	\$ 407,564	\$ 81,686	\$ 469,590	\$ -	\$ 551,276
Canadian bonds	-	110,120	-	110,120	-	120,910	-	120,910
Foreign bonds	-	274,499	-	274,499	-	253,630	-	253,630
Canadian equity	357,794	-	-	357,794	204,758	-	-	204,758
Foreign equity	1,074,053	-	-	1,074,053	776,892	-	-	776,892
Hedge funds	-	270,654	-	270,654	-	179,703	-	179,703
Private equity	-	-	156,772	156,772	-	-	92,085	92,085
Private credit	-	-	42,149	42,149	-	-	9,190	9,190
Private real estate	-	-	100,637	100,637	-	-	84,772	84,772
	1,529,933	964,751	299,558	2,794,242	1,063,336	1,023,833	186,047	2,273,216
Other at amortized cost				42				1,033
	\$ 1,529,933	\$ 964,751	\$ 299,558	\$ 2,794,284	\$ 1,063,336	\$ 1,023,833	\$ 186,047	\$ 2,274,249

The fair value measurements are those derived from:

- ⁽¹⁾ Quoted prices in active markets for identical assets.
- ⁽²⁾ Inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- ⁽³⁾ Valuation techniques that include inputs for the assets that are not based on observable market data.

The changes in fair value of level 3 portfolio investments are as follows:

	2021	2020
Balance, beginning of year	\$ 186,047	\$ 166,803
Unrealized gains (losses)	12,034	(14,008)
Purchases	112,905	52,250
Proceeds on sale	(11,428)	(18,998)
	\$ 299,558	\$ 186,047

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
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5. Derivatives

Derivative financial instruments are used by the university to manage its commodity exposure with respect to portfolio investments. All outstanding contracts have a remaining term to maturity of one year or less. As at March 31, 2021, the university held commodity futures contracts for settlement between May 2021 and March 2022, with a notional amount of \$38,845 (2020 - no contracts). The fair value of outstanding commodity futures contracts receivable is \$3,535 (2020 - \$nil) and of commodity futures contracts payables is \$1,104 (2020 - \$nil).

6. Financial risk management

The university is exposed to the following risks:

Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the university has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement. The university's Investment Committee, a standing committee of the Board of Governors, has the delegated authority for oversight of the university's portfolio investments. The university's management of this risk has not changed from prior year.

The university assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total University Endowment Pool over a five year period as determined by the university's investment performance measurement service provider. At March 31, 2021, if market prices had a 9.0% (2020 - 8.4%) increase or decrease, with all other variables held constant, the increase or decrease in accumulated remeasurement gains for the year would be \$176,819 (2020 - \$127,531). The economic uncertainty experienced in March 2020 with regards to markets surrounding COVID-19 has abated. Most markets, as measured by major capital market indices, have recovered. Management continues to monitor the situation as uncertainties related to the pandemic and economy continue.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The university is exposed to foreign exchange risk on portfolio investments that are denominated in foreign currencies. The university does not hedge its foreign currency exposure with currency forward contracts or any other type of derivative financial instruments. Approximately 82% of the university's foreign currency exposure is in USD (2020 - 77%).

The impact of a change in value of the Canadian dollar against foreign currencies is as follows:

Currency	Fair Value	2.5% decrease	1.0% decrease	1.0% increase	2.5% increase
Foreign currency exposure	\$ 1,265,664	\$ (31,642)	\$ (12,657)	\$ 12,657	\$ 31,642

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty, debtor or issuer to fully honor its financial obligations with the university. The university is exposed to credit risk on investments and has established an investment policy with required minimum credit quality standards and issuer limits to manage this risk. The university's exposure, based on the risk rating of money market holdings and bonds, has not changed significantly year over year.

The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors with small amounts due from students and various vendors. Management has established a provision for receivables and assesses it annually to address any new concerns that may arise. Given the nature of the university's accounts receivable balances, management has assessed that, based on current economic outlook and the impact of COVID-19 over the past year, the change to expected credit losses is not considered material. Management continues to monitor the situation.

The distribution of money market holdings and bonds by risk rating is as follows:

- Money market holdings: R-1(high) 80.4% (2020 - 72.9%); R-1(mid) 16.4% (2020 - 27.1%); R-1(low) 3.2% (2020 - 0.0%).
- Bonds: AAA 46.8% (2020 - 54.3%); AA 6.2% (2020 - 5.2%); A 10.8% (2020 - 10.3%); BBB 18.8% (2020 - 19.9%); below BBB and not rated 17.4% (2020 - 10.3%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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6. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the university will encounter difficulty in meeting obligations associated with its financial liabilities. The university maintains a portfolio of short-term investments with rolling maturity dates to manage short-term cash requirements. The university maintains a short-term line of credit of \$20,000 (2020 - \$20,000) to ensure that funds are available to meet current and forecasted financial requirements. In 2021, the line of credit was not drawn upon (2020 - not drawn upon). The university believes, based on its assessment of future cash flows that have incorporated the effects of COVID-19, it will have access to sufficient capital through internally generated cash flows, external sources and the undrawn short-term line of credit to meet current spending forecasts. Management continues to monitor the university's liquidity position on a regular basis.

Interest rate risk

Interest rate risk is the risk that the university's earnings will be affected by the fluctuation and degree of volatility in interest rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income instruments that the university holds. If interest rates increase by 0.25% (2020 - 0.25%), and all variables are held constant, the potential loss in fair value to the university would be approximately \$5,053 (2020 - \$5,420). Interest rate risk on the university's debt is managed through fixed rate agreements with the Department of Treasury Board and Finance (note 10).

The maturity and effective market yield of interest bearing investments are as follows:

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
	%	%	%	%
Money market holdings	100.0	-	-	0.5
Canadian government, corporate and foreign bonds	21.5	33.5	45.0	2.4

7. Investment in government business enterprises

UAPTI is a wholly-owned subsidiary of the university. UAPTI operates as a trustee of the University of Alberta Properties Trust ("the trust"), which will lease land to developers for the purpose of residential and commercial development. The university is the beneficiary of the trust and will receive distributions from the trust once leases are in place with developers and net proceeds are available.

The following table provides condensed supplementary financial information for the investment in government business enterprise owned by the university as at December 31.

Statement of Financial Position:

	2020	2019
Liabilities		
Accounts payable and accrued liabilities	\$ 7	\$ -
Amount due to the University of Alberta	207	-
	214	-
Equity		
Deficit	(214)	-
	\$ -	\$ -

Statement of Operations:

	2020	2019
Revenue	\$ -	\$ -
Expense	214	-
Net loss	\$ (214)	\$ -

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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8. Accounts payable and accrued liabilities

	2021	2020
Trade payables	\$ 85,877	\$ 89,555
Accrued liabilities	64,672	55,381
Vacation liability	32,534	30,510
Environmental liability	6,500	13,274
Contaminated sites	1,043	-
	\$ 190,626	\$ 188,720

9. Employee future benefit liabilities

	2021			2020		
	Academic staff	Support staff	Total	Academic staff	Support staff	Total
Universities Academic Pension Plan	\$ 127,066	\$ -	\$ 127,066	\$ 115,671	\$ -	\$ 115,671
Long-term disability	10,814	27,419	38,233	10,708	27,203	37,911
Early retirement	-	26,924	26,924	-	26,728	26,728
SRP (defined contribution)	33,829	-	33,829	29,688	-	29,688
SRP (defined benefit)	5,615	-	5,615	6,328	-	6,328
Administrative/professional leave	914	-	914	1,194	-	1,194
General illness	560	528	1,088	716	821	1,537
	\$ 178,798	\$ 54,871	\$ 233,669	\$ 164,305	\$ 54,752	\$ 219,057

(a) Defined benefit plans accounted for on a defined benefit basis

Universities Academic Pension Plan (UAPP)

The UAPP is a multi-employer contributory joint defined benefit pension plan for academic staff members. An actuarial valuation of the UAPP was carried out as at December 31, 2018 and was then extrapolated to March 31, 2021, resulting in a UAPP deficit of \$817,447 (2020 - \$1,304,243) consisting of a pre-1992 deficit of \$832,342 (2020 - \$885,533) and a post-1991 surplus of \$14,895 (2020 - deficit of \$418,710). The university's portion of the UAPP deficit has been allocated based on its percentage of the plan's total employer contributions for the year.

The unfunded deficiency for service prior to January 1, 1992 is financed by additional contributions of 1.25% (2020 - 1.25%) of salaries by the Government of Alberta. Employees and employers equally share the balance of the contributions of 3.04% (2020 - 2.90%) of salaries required to eliminate the unfunded deficiency by December 31, 2043. The Government of Alberta's obligation for the future additional contributions is \$249,339 (2020 - \$267,201) at March 31, 2021.

The following special payments apply to the post-1991 period, and are shared equally between employees and employers:

- 3.24% of salaries until December 31, 2021 (2020 - 3.38% of salaries until June 30, 2020, then 3.24% of salaries until December 31, 2021)
- 1.71% (2020 - 1.71%) of salaries for 2022 and 2023
- 0.70% (2020 - 0.70%) of salaries for 2024 and 2025
- 0.25% (2020 - 0.25%) of salaries for 2026 and 2027

Long-term disability (LTD) and general illness (GI)

The university provides long-term disability and general illness defined benefits to its academic and support staff. An actuarial valuation of these benefits was carried out as at March 31, 2021. The long-term disability plan provides pension and non-pension benefits after employment, but before the employee's normal retirement date. The general illness plan provides similar benefits but for a maximum of 26 weeks (academic staff) or 120 days (support staff).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. Employee future benefit liabilities (continued)

(a) Defined benefit plans accounted for on a defined benefit basis (continued)

Early retirement

The early retirement benefits for support staff include a bridge benefit (2021 - \$19,117; 2020 - \$19,204) and a retirement allowance (2021 - \$7,807; 2020 - \$7,524). An actuarial valuation of these benefits was carried out as at March 31, 2021. The bridge benefit allows eligible employees who retire early to continue participating in several staff benefit programs between the date of early retirement and the end of the month in which the former employee turns 65. Benefits include group life insurance, employee family assistance program, supplementary health care and dental care. The support staff retirement allowance provides eligible employees (those with 20 years of pensionable service at retirement date) one week's base pay per full year of employment to a maximum 25 days pay.

Supplementary retirement plan (SRP)

The university provides a non-contributory defined benefit supplementary retirement benefit to executive. The SRP obligation is calculated based on assumptions, including inflation, which are prescribed each month by the Canadian Institute of Actuaries, which management has adopted as their best estimate. An actuarial valuation of these benefits was carried out as at March 31, 2021. The SRP was closed to new members effective June 30, 2014, as part of the approval of the new defined contribution SRP for executives.

Administrative/professional leave (leave)

The university provides for certain executive to accrue a paid leave at the end of their executive appointment. Upon completing their term of service, the individual's salary and benefits in effect at the end of the service are paid for the duration of the leave. The leave obligation is calculated based on assumptions, including inflation, which are prescribed each month by the Canadian Institute of Actuaries, which management has adopted as their best estimate. An actuarial valuation of these benefits was carried out as at March 31, 2021.

The expense and liability of these defined benefit plans are as follows:

	2021				2020			
	UAPP	LTD, GI ⁽¹⁾	Early retirement ⁽¹⁾	SRP, leave ⁽¹⁾	UAPP	LTD, GI ⁽¹⁾	Early retirement ⁽¹⁾	SRP, leave ⁽¹⁾
Expense								
Current service cost	\$ 48,434	\$ 15,384	\$ 969	\$ 184	\$ 48,489	\$ 17,815	\$ 929	\$ 349
Interest cost, net of earnings	15,198	1,881	771	252	10,955	1,812	749	317
Amortization of actuarial losses (gains)	13,207	794	(547)	(4)	6,019	328	(588)	79
	\$ 76,839	\$ 18,059	\$ 1,193	\$ 432	\$ 65,463	\$ 19,955	\$ 1,090	\$ 745
Liability								
Accrued benefit obligation								
Balance, beginning of year	\$ 1,396,194	\$ 42,653	\$ 19,618	\$ 7,034	\$ 1,327,412	\$ 38,136	\$ 19,095	\$ 9,564
Current service cost	48,434	15,384	969	184	48,489	17,815	929	349
Interest cost	79,065	1,881	771	252	75,406	1,812	749	317
Benefits paid	(65,516)	(18,186)	(997)	(1,425)	(58,743)	(17,854)	(1,110)	(3,162)
Actuarial losses (gains)	79,891	(210)	(3,609)	(36)	3,630	2,744	(45)	(34)
Balance, end of year	1,538,068	41,522	16,752	6,009	1,396,194	42,653	19,618	7,034
Plan assets	(1,398,043)	-	-	-	(1,140,526)	-	-	-
Plan deficit	140,025	41,522	16,752	6,009	255,668	42,653	19,618	7,034
Unamortized actuarial (losses) gains	(12,959)	(2,201)	10,172	520	(139,997)	(3,205)	7,110	488
Accrued benefit liability	\$ 127,066	\$ 39,321	\$ 26,924	\$ 6,529	\$ 115,671	\$ 39,448	\$ 26,728	\$ 7,522

⁽¹⁾ The university plans to use its working capital to finance these future obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. Employee future benefit liabilities (continued)

(a) Defined benefit plans accounted for on a defined benefit basis (continued)

The significant actuarial assumptions used to measure the accrued benefit obligation are as follows:

	2021			2020		
	UAPP	SRP, leave	LTD, GI, early retirement	UAPP	SRP, leave	LTD, GI, early retirement
	%	%	%	%	%	%
Accrued benefit obligation						
Discount rate	5.2	3.6	3.6	5.6	3.8	3.8
Long-term average compensation increase	3.0	2.0	2.0	3.0	3.0	3.0
Benefit cost						
Discount rate	5.6	3.8	3.6	5.6	3.9	3.8
Long-term average compensation increase	3.0	3.0	2.0	3.0	3.0	3.0
Alberta inflation (long-term)	2.0	2.0	2.0	2.0	2.0	2.0
Estimated average remaining service life	10.6 yrs	Note ⁽¹⁾	1 - 9 yrs	10.6 yrs	Note ⁽¹⁾	1 - 13 yrs

⁽¹⁾ SRP actuarial gains and losses are amortized over the remaining contract terms of the participants.

(b) Defined benefit plan accounted for on a defined contribution basis

Public Service Pension Plan (PSPP)

The PSPP is a multi-employer contributory defined benefit pension plan for support staff members. As the university does not have sufficient information to follow the accounting standards for defined benefit plans, it is accounted for on a defined contribution basis. The pension expense recognized in these consolidated financial statements is \$27,278 (2020 - \$29,602).

An actuarial valuation of the PSPP was carried out as at December 31, 2019 and was then extrapolated to December 31, 2020. At December 31, 2020, the PSPP reported an actuarial surplus of \$2,223,582 (2019 - surplus of \$2,759,320). For the year ended December 31, 2020 PSPP reported employer contributions of \$323,497 (2019 - \$321,306). For the 2020 calendar year, the university's employer contributions were \$27,932 (2019 calendar year - \$29,728).

(c) Defined contribution plans

Supplementary retirement plans (SRP)

The university provides non-contributory defined contribution supplementary retirement benefits to eligible executive and academic staff members. The expense recognized in these consolidated financial statements is \$6,685 (2020 - \$4,680).

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10. Debt

The following debt is with the Department of Treasury Board and Finance:

	Maturity Date	Weighted average interest rate %	2021	2020
Collateral				
Title to land, building	August 2024 - March 2048	3.726	\$ 178,689	\$ 185,918
Cash flows from facility	September 2028 - December 2047	5.011	39,194	41,988
General Security Agreement	December 2028 - June 2049	2.922	155,238	161,470
None	December 2025 - September 2036	4.733	12,963	14,174
Balance, end of year			\$ 386,084	\$ 403,550

Interest expense on debt recognized in these consolidated financial statements is \$13,199 (2020 - \$13,380).

Land and buildings pledged as collateral have a net book value of \$274,701 (2020 - \$283,262).

Principal and interest payments are as follows:

	Principal	Interest	Total
2022	\$ 16,678	\$ 13,650	\$ 30,328
2023	17,336	12,991	30,327
2024	18,024	12,304	30,328
2025	18,741	11,587	30,328
2026	18,024	10,839	28,863
Thereafter	297,281	97,732	395,013
	\$ 386,084	\$ 159,103	\$ 545,187

11. Deferred revenue

	2021			2020
	Unspent externally restricted grants and donations	Student tuition and other revenue	Total	Total
Balance, beginning of year	\$ 536,542	\$ 33,200	\$ 569,742	\$ 578,758
Net change for the year				
Grants, donations, endowment spending allocation and tuition	703,444	421,115	1,124,559	910,337
Transfers to spent deferred capital contributions	(104,911)	-	(104,911)	(68,112)
Recognized as revenue	(501,599)	(393,242)	(894,841)	(851,241)
Net change for the year	96,934	27,873	124,807	(9,016)
Balance, end of year	\$ 633,476	\$ 61,073	\$ 694,549	\$ 569,742

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12. Tangible capital assets

	2021					2020
	Buildings and utilities	Equipment, furnishings and systems	Learning resources	Land	Total	Total
Cost						
Beginning of year	\$ 3,701,957	\$ 1,339,177	\$ 490,165	\$ 84,027	\$ 5,615,326	\$ 5,493,009
Acquisitions	108,930	57,783	20,946	-	187,659	157,590
Disposals	(3,993)	(6,326)	(7,235)	(2,420)	(19,974)	(35,273)
	3,806,894	1,390,634	503,876	81,607	5,783,011	5,615,326
Accumulated amortization						
Beginning of year	1,511,283	1,075,069	371,894	-	2,958,246	2,808,919
Amortization expense	74,625	61,435	21,823	-	157,883	182,376
Disposals	(890)	(5,942)	(7,235)	-	(14,067)	(33,049)
	1,585,018	1,130,562	386,482	-	3,102,062	2,958,246
Net book value, March 31, 2021	\$ 2,221,876	\$ 260,072	\$ 117,394	\$ 81,607	\$ 2,680,949	\$ 2,657,080
Net book value, March 31, 2020	\$ 2,190,674	\$ 264,108	\$ 118,271	\$ 84,027	\$ 2,657,080	

Included in buildings and utilities is \$152,633 (2020 - \$68,683) recognized as construction-in-progress, which is not amortized as the assets are not in service.

Acquisitions include in-kind donations in the amount of \$3,913 (2020 - \$7,478).

The university holds library permanent collections and other permanent collections which include works of art, museum specimens, archival materials and maps. These collections are expensed and therefore are not included in tangible capital assets.

13. Spent deferred capital contributions

Spent deferred capital contributions is comprised of externally restricted grants and donations spent on tangible capital assets, less amortization recognized as revenue.

	2021	2020
Balance, beginning of year	\$ 1,799,471	\$ 1,847,187
Net change for the year		
Transfers from unspent externally restricted grants and donations	104,911	68,112
Expended capital recognized as revenue	(96,455)	(115,828)
Net change for the year	8,456	(47,716)
Balance, end of year	\$ 1,807,927	\$ 1,799,471

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

14. Net assets

	Unrestricted	Investment in tangible capital assets	Internally restricted	Endowments	Total
Net assets, March 31, 2019	\$ 138,328	\$ 553,831	\$ 55,051	\$ 1,432,304	\$ 2,179,514
Annual operating deficit	(40,246)	-	-	-	(40,246)
Transfer from internally restricted	15,000	-	(15,000)	-	-
Endowments					
New contributions	-	-	-	25,506	25,506
Capitalized investment income	-	-	-	84	84
Transfer to endowments	(2,327)	-	-	2,327	-
Transfer from endowments	30,522	-	-	(30,522)	-
Tangible capital assets					
Acquisitions	(87,313)	87,313	-	-	-
Debt repayment	(14,564)	14,564	-	-	-
Debt - financing allocation	20,024	(20,024)	-	-	-
Amortization	66,548	(66,548)	-	-	-
Change in accumulated remeasurement gains	(36,879)	-	-	(145,131)	(182,010)
Net assets, March 31, 2020	\$ 89,093	\$ 569,136	\$ 40,051	\$ 1,284,568	\$ 1,982,848
Annual operating surplus	35,493	-	-	-	35,493
Transfer to internally restricted	(14,949)	-	14,949	-	-
Endowments					
New contributions	-	-	-	18,059	18,059
Capitalized investment income	-	-	-	98	98
Transfer to endowments	(1,308)	-	-	1,308	-
Transfer from endowments	666	-	-	(666)	-
Tangible capital assets					
Acquisitions	(76,902)	76,902	-	-	-
Debt repayment	(16,233)	16,233	-	-	-
Debt - financing allocation	34,125	(34,125)	-	-	-
Amortization	61,428	(61,428)	-	-	-
Change in accumulated remeasurement gains	100,733	-	-	270,626	371,359
Net assets, March 31, 2021	\$ 212,146	\$ 566,718	\$ 55,000	\$ 1,573,993	\$ 2,407,857

Net assets is comprised of:

Accumulated surplus	\$ 106,412	\$ 566,718	\$ 55,000	\$ 1,239,464	\$ 1,967,594
Accumulated remeasurement gains ⁽¹⁾	105,734	-	-	334,529	440,263
	\$ 212,146	\$ 566,718	\$ 55,000	\$ 1,573,993	\$ 2,407,857

(1) Accumulated remeasurement gains are unrealized gains which are not recognized as revenue until realized.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

14. Net assets (continued)

Internally restricted net assets

Internally restricted net assets represent amounts set aside by the university's Board of Governors for an investment income reserve to ensure that future obligations can be fulfilled in the event of significant investment losses. This amount is not available for other purposes without the approval of the Board and does not have interest allocated to it.

	2021	2020
Investment income reserve	\$ 55,000	\$ 40,051

The university's investment income earned from endowment investments was not sufficient to fund the current year's endowment spending allocation. Investment income earned was \$70,682 (2020 - \$13,822) leaving an unfunded allocation of \$4,514 (2020 - \$58,044). Of that amount, \$666 (2020 - \$30,522) was spent by endowment holders. As such, the university recorded a temporary encroachment on its endowment net assets of \$666 (2020 - \$30,522). As at March 31, 2021, the university has a cumulative temporary encroachment balance of \$31,188 (2020 - \$30,522).

The university also has a cumulative future commitment of \$31,370 (2020 - \$27,522) representing the unspent allocation provided per the University Endowment Pool (UEP) Spending policy. Since this \$31,370 represents a future commitment at March 31, 2021, it has not been recorded in the consolidated financial statements.

15. Liability for contaminated sites

The university recognized an estimated liability of \$1,043 (2020 - \$nil) for the remediation and monitoring of hydrocarbon and salt contaminants on a contaminated site resulting from a liner leak in a wastewater pond. The estimate was determined based on professional assessment of the clean-up required for the site. The balance is recorded in accounts payable and accrued liabilities. The site's remediation cost was previously recorded as an environmental liability but during the current year was no longer considered to be in productive use. No additional contaminated sites were identified in the year.

16. Contingent assets

The university has initiated a number of insurance claims arising in the normal course of business in which the outcomes may result in assets in the future. While the outcomes of these claims cannot be reasonably estimated at this time, the university believes that any settlement will not have a material effect on the financial position or the results of operations of the university. These contingent assets are not recognized in the consolidated financial statements.

17. Contingent liabilities

- (a) The university is a defendant in a number of legal proceedings arising in the normal course of business. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated at this time, the university believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the university. Management has concluded that none of the claims meet the criteria for recognizing a liability.
- (b) The university has identified a potential liability related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the university may be required to take appropriate remediation procedures to remove the asbestos. As the university has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these facilities will be recognized in the period in which there is certainty that the renovation or demolition project will proceed and there is sufficient information to estimate fair value of the obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

18. Contractual rights

Contractual rights are rights of the university to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	Operating leases	Other contracts	Total
2022	\$ 1,793	\$ 2,863	\$ 4,656
2023	1,150	2,815	3,965
2024	697	2,761	3,458
2025	465	2,276	2,741
2026	204	742	946
Thereafter	159	3,776	3,935
	\$ 4,468	\$ 15,233	\$ 19,701
Total at March 31, 2020	\$ 4,896	\$ 15,244	\$ 20,140

In the prior year, the university entered into a 25 year lease to provide space to an entity under common control for a nominal amount. The remaining fair value over the lease term is estimated to be \$6,520 (2020 - \$6,797).

The university also has contractual rights which cannot be reasonably estimated due to the nature of the individual agreements. The total of these rights is not material.

19. Contractual obligations

(a) The university has contractual obligations that will result in liabilities in the future when the terms of the contracts are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations is as follows:

	Capital projects	Service contracts	Long-term leases	Total
2022	\$ 191,920	\$ 81,798	\$ 2,374	\$ 276,092
2023	83,677	23,841	2,080	109,598
2024	57,261	13,706	1,977	72,944
2025	-	12,129	1,324	13,453
2026	-	4,530	789	5,319
Thereafter	-	156	1,029	1,185
	\$ 332,858	\$ 136,160	\$ 9,573	\$ 478,591
Total at March 31, 2020	\$ 415,707	\$ 96,267	\$ 13,081	\$ 525,055

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

19. Contractual obligations (continued)

The significant service contracts are as follows:

- In order to manage its exposure to the volatility in the electrical industry, the university has entered into contracts to fix a portion of its electrical cost. The three contracts (2020 - two contracts) with expenditures totaling \$10,472 (2020 - \$7,199) expire over the next two years.
- Effective August 1, 2020, the university entered into an agreement with an external party for dining and catering services. The agreement has four years remaining with a total estimated cost of \$44,990 (2020 - \$3,467).
- The university entered into agreements with two external parties for information technology support. The first agreement, effective July 1, 2020 for infrastructure management services, has two months remaining with a cost of \$664 (2020 - \$934, three months remaining). The second agreement, effective July 1, 2019 for application management services, has three months remaining with a cost of \$734 (2020 - \$3,667). One external party will be used for infrastructure (renewal effective June 1, 2021) and application management services (new agreement is effective July 1, 2021).
- Effective August 1, 2019, the university entered into an agreement with an external party for custodial services. The agreement has four months remaining with a cost of \$2,373 (2020 - \$13,032). The agreement will be renewed effective August 1, 2021.

- (b) The university is one of 64 members of CURIE, the Canadian Universities Reciprocal Insurance Exchange, a self-insurance reciprocal established to share the insurable property, liability, and errors and omissions risks of member universities. The projected cost of claims against the exchange is based on actuarial projections and is funded through members' premiums. As at December 31, 2020, CURIE had an accumulated surplus of \$99,449 (2019 - \$90,185), of which the university's pro rata share is approximately 7.36% (2020 - 7.33%). This accumulated surplus is not recognized in the consolidated financial statements.

20. Related parties

The university is a related party to organizations within the Government of Alberta reporting entity. Related parties also include key management personnel, including the Board of Governors, and their close family members. Transactions with these entities and individuals are considered to be in the normal course of operations and are recorded at the exchange amount.

The university utilizes space provided by other related parties, mainly Alberta Health Services. This space is provided at a nominal cost. Due to the unique physical and operating arrangements in place, the specialized nature of the space and the integrated nature of operations, the fair value of these lease arrangements cannot be reasonably determined.

The university has debt with the Department of Treasury Board and Finance as described in note 10.

21. Budget

The university's 2020-21 budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

22. Government transfers

	2021	2020
Government of Alberta grants		
Advanced Education - Campus Alberta grant	\$ 560,964	\$ 626,861
Advanced Education - other grants	129,191	80,648
Alberta Health Services - Academic Medicine and Health Sciences Program	55,476	60,429
Alberta Health Services - other grants	5,320	6,642
Jobs, Economy, and Innovation	44,410	44,844
Health	25,331	25,081
Other departments and agencies	9,367	9,336
	830,059	853,841
Expended capital recognized as revenue	53,700	68,147
Deferred revenue	(103,772)	(49,959)
	\$ 779,987	\$ 872,029
Federal and other government grants		
Natural Sciences and Engineering Research Council	\$ 67,620	\$ 55,793
Canadian Institutes of Health Research	64,691	38,992
Social Sciences and Humanities Research Council	33,962	30,468
Tri-agency Institutional Programs Secretariat	18,257	2,953
Canada Research Chairs	17,352	15,497
Canadian Foundation for Innovation	16,888	13,156
Canada First Research Excellence Fund	12,139	12,264
Other	44,735	41,097
	275,644	210,220
Expended capital recognized as revenue	19,499	19,927
Deferred revenue	(66,488)	(16,494)
	\$ 228,655	\$ 213,653

The university currently holds \$11,500 (2020 - \$11,553) on behalf of federal and other government agencies. These amounts are not recognized in the university's consolidated financial statements.

23. Expense by object

	2021 Budget (Note 21)	2021	2020
Salaries	\$ 916,911	\$ 891,502	\$ 941,083
Employee benefits	198,992	208,711	209,241
Materials, supplies and services	288,450	215,026	279,345
Scholarships and bursaries	134,735	138,443	135,461
Maintenance and repairs	95,881	66,264	100,243
Utilities	51,671	46,698	47,521
Amortization of tangible capital assets	183,871	157,883	182,376
	\$ 1,870,511	\$ 1,724,527	\$ 1,895,270

Salaries and employee benefits include accrued termination benefits of \$4,331 (2020 - \$6,247) and \$212 (2020 - \$408) respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

24. Salaries and employee benefits

	2021						Total
	Base salary ⁽⁷⁾	Other cash benefits ⁽⁸⁾	Non-cash benefits ⁽⁹⁾	Non-cash benefits (DB SRP) ⁽¹⁰⁾	Non-cash benefits (DC SRP) ⁽¹¹⁾	Non-cash benefits (leave) ⁽¹²⁾	
Governance ⁽¹⁾							
Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Executive							
President ⁽²⁾	449	47	49	-	51	88	684
Provost and Vice-President (Academic) ⁽¹³⁾	415	(12)	44	-	52	-	499
Vice-President (Research and Innovation) ⁽³⁾	283	11	41	-	16	-	351
Vice-President (Facilities and Operations)	370	9	43	-	33	44	499
Vice-President (University Services and Finance) ⁽⁴⁾	402	13	57	-	22	59	553
Vice-President (External Relations)	83	1	14	-	3	10	111
Vice-President (University Relations) ⁽⁵⁾	105	59	22	-	5	-	191
Vice-President (Advancement) ⁽⁶⁾	154	44	27	-	11	-	236
2020							
	Base salary ⁽⁷⁾	Other cash benefits ⁽⁸⁾	Non-cash benefits ⁽⁹⁾	Non-cash benefits (DB SRP) ⁽¹⁰⁾	Non-cash benefits (DC SRP) ⁽¹¹⁾	Non-cash benefits (leave) ⁽¹²⁾	Total
Governance ⁽¹⁾							
Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Executive							
President	500	250	52	31	64	63	960
Provost and Vice-President (Academic) ⁽¹³⁾	415	-	44	-	50	-	509
Vice-President (Research and Innovation)	375	10	42	-	26	77	530
Vice-President (Facilities and Operations)	370	9	43	-	28	30	480
Vice-President (Finance and Administration)	375	9	52	-	30	32	498
Vice-President (University Relations) ⁽⁵⁾	230	476	34	-	15	13	768
Vice-President (Advancement)	206	74	39	-	16	-	335

During the year, as part of the university's overall U of A for Tomorrow reorganization strategy, changes were made to the senior leadership team. These changes were announced under the Service Excellence Transformation (SET) part of the U of A for Tomorrow strategy. Under this initiative the following changes were announced:

- On July 24, 2020, the university created the new role of Vice-President, External Relations. This role was filled on January 1, 2021.
- On November 3, 2020, the name of the role of Vice-President, Finance and Administration changed to Vice-President, University Services and Finance. During the year three individuals occupied this role, one for the first 6 months, a second for 1 month (in an acting capacity) and the third for the final 5 months of the year.
- On January 1, 2021, the roles of Vice-President, Advancement and Vice-President, University Relations were abolished. The accountabilities of these two positions were moved to the Vice-President, External Relations.

(1) The Chair and Members of the Board of Governors receive no remuneration for participation on the Board.

(2) In 2021, two individuals held this position for 3 months and 9 months respectively.

(3) In 2021, two individuals held this position, the current one on an interim basis for 11 months. The interim Vice-President did not participate in any executive benefit programs except the DC SRP.

(4) The acting Vice-President did not participate in any executive benefit programs except the DC SRP.

(5) The interim Vice-President, who served in this role on a part-time basis, did not participate in any executive benefit programs except the DC SRP. In 2020, two individuals held this position for 6 months and 4.5 months respectively.

(6) The interim Vice-President did not participate in any executive benefit programs except the DC SRP.

(7) Base salary includes pensionable base pay for all executive.

(8) Other cash benefits include academic executive allowances, salary supplements, performance pay, market supplements, vacation payouts, car allowances, mobile allowances, administrative supplements and personal leave plan. Other cash benefits in 2020 also includes severance payments (salary continuance and lump sum payment) and a vacation payout for the former Vice-President (University Relations).

(9) Non-cash benefits include the university's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, employee and family assistance program, critical illness, supplementary health care, short and long term disability plans, and dental plan. Benefits for some of the executive also include supplemental life insurance and forgivable housing loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

24. Salaries and employee benefits (continued)

⁽¹⁰⁾ Under the terms of the Defined Benefit Supplementary Retirement Plan (DB SRP), the executive may receive supplemental payments. Retirement arrangement costs as detailed below are not cash payments in the period but are period expenses for the rights to future compensation. Costs shown reflect the total estimated cost to provide supplementary retirement benefits. The DB SRP provides future benefits to participants based on years of service and earnings. The cost of these benefits is actuarially determined using the projected benefit method pro rated on service, a market interest rate, and other assumptions included in the Canadian Institute of Actuaries' lump sum commuted value standard. Net actuarial gains and losses of the benefit obligations are amortized over the remaining terms of the participants' contracts. Current service cost is the actuarial present value of the benefits earned in the current year. The DB SRP was closed to new members effective June 30, 2014.

The DB SRP current service cost and accrued benefit obligation is as follows:

	2020		2021			
	Years of eligible University of Alberta service	Accrued benefit obligation	Service costs	Interest and other costs ^(10b)	Actuarial (gain) loss	Accrued benefit obligation ^(10c)
Former President ^(10a)	5	\$ 124	\$ -	\$ (141)	\$ 17	\$ -

^(10a) Includes service to June 30, 2020 and the DB SRP obligation shown is at June 30, 2020. The DB SRP was closed to new members effective June 30, 2014. However, a portion of the supplementary retirement benefit for the former President is calculated on a defined benefit basis, and the liability will be disclosed on this basis as service is provided.

^(10b) On April 1, 2020, the balance of the DB SRP accrued benefit obligation was transferred to the former President's DC SRP.

^(10c) The significant actuarial assumptions used to measure the accrued benefit obligation are disclosed note 9.

⁽¹¹⁾ Under the terms of the executive Defined Contribution Supplementary Retirement Plan (DC SRP), the executive may receive supplemental payments. Retirement arrangement costs as detailed below are not cash payments in the period but are period expenses for the rights to future compensation. Costs shown reflect the total cost to provide supplementary retirement benefits. The DC SRP provides future benefits to participants based on the value of the contributions at the end of their service. The cost of these benefits is calculated based on pensionable salary multiplied by a factor based on age and service. The DC SRP was introduced effective July 1, 2014, for all executives commencing employment on or after that date.

The DC SRP current service cost and obligation is as follows:

	2020		2021		
	Years of eligible University of Alberta service	DC SRP obligation	Service costs ^(11f)	Interest and investment earnings ^(11g)	DC SRP obligation
Former President ^(11a)	5.0	\$ 244	\$ 150	\$ 17	\$ 411
President	0.8	-	25	-	25
Provost and Vice-President (Academic)	5.8	176	39	13	228
Former Vice-President (Research and Innovation) ^(11b)	2.0	50	2	(1)	51
Interim Vice-President (Research and Innovation)	1.7	13	13	2	28
Vice-President (Facilities and Operations)	4.6	82	24	9	115
Former Vice-President (Finance and Administration) ^(11c)	4.0	92	14	(1)	105
Acting Vice-President (Finance and Administration) ^(11d)	0.1	-	1	-	1
Vice-President (University Services and Finance)	0.4	-	8	-	8
Vice-President (External Relations)	0.3	-	3	-	3
Former Interim Vice-President (University Relations) ^(11e)	1.2	1	4	1	6
Former Interim Vice-President (Advancement) ^(11e)	2.2	22	8	3	33

^(11a) Includes service to June 30, 2020 and the DC SRP obligation shown is at June 30, 2020.

^(11b) Includes service to April 30, 2020 and the DC SRP obligation shown is at April 30, 2020.

^(11c) Includes service to October 31, 2020 and the DC SRP obligation shown is at October 31, 2020.

^(11d) Includes service from October 3 to October 25, 2020 and the DC SRP obligation shown is at October 25, 2020.

^(11e) Includes service to December 31, 2020 and the DC SRP obligation shown is at December 31, 2020.

^(11f) Service costs for the former President include the balance of the DB SRP accrued benefit obligation, which was transferred to the DC SRP on April 1, 2020. This amount is not a current year expense.

^(11g) Contributions are made on an annual basis at the end of the plan (calendar) year. Interest is paid in lieu of contributions being made every month. Investment earnings are distributed to each plan participant based on the overall return of the plan's investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2021
(thousands of dollars)

24. Salaries and employee benefits (continued)

⁽¹²⁾ The administrative/professional leave (leave) plan current service cost and accrued benefit obligation is as follows:

		2020		2021			
	Years of eligible University of Alberta service	Accrued benefit obligation	Service costs	Interest and other costs	Actuarial (gain) loss	Accrued benefit obligation ^(12c)	
Former President ^(12a)	5.0	\$ 445	\$ 23	\$ 5	\$ -	\$ 473	
President	0.8	-	59	1	1	61	
Vice-President (Facilities and Operations)	4.6	133	37	7	(5)	172	
Former Vice-President (Finance and Administration) ^(12b)	4.0	133	23	3	(159)	-	
Vice-President (University Services and Finance)	0.4	-	32	1	(1)	32	
Vice-President (External Relations)	0.3	-	10	-	-	10	

^(12a) Includes service to June 30, 2020 and the accrued benefit obligation shown is at June 30, 2020.

^(12b) Includes service to October 31, 2020 and the accrued benefit obligation shown is at October 31, 2020. Based on the relevant employment agreement, no leave benefit will need to be paid out, so the accrued benefit obligation has been reduced to \$0.

^(12c) The significant actuarial assumptions used to measure the accrued benefit obligation are disclosed in note 9.

⁽¹³⁾ The Provost and Vice-President (Academic) participates in the administrative leave program available to faculty members in eligible administrative positions. Under that administrative leave program, an individual must apply for and receive approval for a leave; therefore, there is no leave accrual.

25. Approval of financial statements

The consolidated financial statements were approved by the Board of Governors.

26. Comparative figures

Certain comparative figures have been reclassified to conform to the current year presentation.

2020-21 Annual Report Guidelines

December 7, 2020

Annual Report Guidelines

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INTRODUCTION

These guidelines describe the content, format, and submission process for annual reports of publicly funded post-secondary institutions.

CONTEXT

The *Post-Secondary Learning Act* requires public institutions submit an annual report to the Minister of Advanced Education (the Minister): it must include their audited financial statements and any other information required by the Minister.

Operating and Program Support Grant Agreements (Schedule A) reiterate that requirement, specifying that reports are due within six months after the institution's fiscal year end.

The *Fiscal Planning and Transparency Act* also provides for these documents in its accountability framework.

PURPOSE OF THE ANNUAL REPORT

Post-secondary institution annual reports facilitate accountability to Albertans, government, and other stakeholders by demonstrating how the institution has fulfilled its legislated mandate, progressed toward its own business or strategic plan goals, and advanced government priorities and desired outcomes. Reports should describe achievements, challenges, and factors affecting performance in that fiscal year to give a clear picture of an institution's overall direction and health.

HOW DOES ADVANCED EDUCATION USE ANNUAL REPORTS?

Advanced Education reviews institution annual reports to assess alignment with government direction, to monitor compliance with legislation and government policies, and to better understand factors affecting institution performance. This understanding helps inform department planning for the advanced education system.

Alignment with Government Priorities

Annual reports should highlight alignment with the following key government priorities:

1. contributions to Government economic recovery plan, particularly as it relates to talent and capital.
2. efforts to ensure learners and graduates have the education and skills required to get rewarding careers, including initiatives to increase work-integrated learning opportunities for students.
3. activities and initiatives designed to promote fiscal responsibility by effectively managing costs and realizing efficiencies.
4. activities and initiatives that diversify revenue sources and explore more entrepreneurial approaches to program funding and delivery.

Highlight this alignment anywhere in the annual report, in one or more sections as needed.

REQUIRED CONTENT

1. Accountability Statement

This required statement is signed by the institution's Board Chair on behalf of the Board and dated just prior to publication.

The following wording is prescribed:

Public Institutions

The [institution's] Annual Report for the year ended [e.g. March 31, 20XX] was prepared under the Board's direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Post-Secondary Learning Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Independent Academic Institutions

The [institution's] Annual Report for the year ended [e.g. March 31, 20XX] was prepared under the Board's direction in accordance with ministerial guidelines. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

2. Management's Responsibility for Reporting

This required overview, signed by the President/Chief Executive Officer and/or Senior Financial Officer, describes management's responsibility in providing the annual report.

The following wording is prescribed:

Public Institutions

[Institution's Name]'s management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution audit committee, as well as approved by the Board of Governors and is prepared in accordance with the Fiscal Planning and Transparency Act and the Post-Secondary Learning Act.

The Auditor General of the Province of Alberta, the institution's external auditor appointed under the Post-Secondary Learning Act, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards. (Note: This last paragraph does not apply to The Banff Centre.)

Independent Academic Institutions

[Institution's Name]'s management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, assets are properly accounted for and safeguarded.

The Annual Report has been approved by the Board of Governors and is prepared in accordance with Ministerial guidelines.

3. Message from the President and/or Board Chair

Highlight institution achievements including the following:

- Fulfillment of the institution's mandate as approved by the Minister
- Progress towards achievement of the institution's mission and/or vision
- Opportunities and challenges faced during the year
- Summary of institutional performance, tying together fiscal and non-fiscal information

4. Public Interest Disclosure (Whistleblower Protection) Act

Fulfill disclosure requirements under the *Public Interest Disclosure (Whistleblower Protection) Act* (the Act).

The Act applies to provincial government departments, offices of the Legislature and to public entities. Public entities include any agency, board, commission, Crown Corporation, or other entity designated in the Regulations.

The purposes of the Act are to:

- Facilitate the disclosure and investigation of significant and serious matters an employee believes may be unlawful, dangerous or injurious to the public interest
- Protect employees who make a disclosure
- Manage, investigate and make recommendations respecting disclosures or wrongdoings and reprisals
- Promote public confidence in the administration of the departments, Legislative offices and public entities

Section 32(1) requires every chief officer (see Public Interest Disclosure (Whistleblower Protection) Regulation) to prepare a report annually on all disclosures that have been made to the designated officer.

Annual Report Guidelines

Section 32(2) requires that the chief officer's report includes the number of disclosures received, acted on and not acted on, the number of investigations commenced, a description of any wrongdoing found and any recommendations made or corrective measures taken regarding the wrongdoing or the reasons why no corrective measure was taken.

Section 32(3) requires this information be included in public entities' annual reports.

For more information, please visit: <https://yourvoiceprotected.ca/chief-designated-officers/>

5. Operational Overview

Describe significant changes in factors affecting an institution's outcomes and performance: for example, demographic, social, economic, and workforce trends. How has the institution responded to these changes?

Additionally, describe any major changes to programming or enrolment.

6. Goals and Performance Measures

Describe progress made over the past year on the institution's goals and related performance measures. This discussion should link to relevant institution planning documents.

In speaking to institution goals and measures, this section should cover the following topics:

- a) fulfillment of legislated roles and mandates as outlined in the *Post-secondary Learning Act* and elaborated in the Roles and Mandates Policy Framework for Alberta's Adult Learning System.
- b) programming and student supports to meet the needs of both students and employers
- c) strategic research priorities (for research institutions), applied research, and scholarly activities
- d) collaborations with other learning providers, such as work with Community Adult Learning providers, other publicly-funded post-secondary institutions, First Nations Colleges, or Private Career Colleges.

Comprehensive Community Institutions should describe the impact and results of Regional Stewardship activities, and how the institution worked with community partners, particularly Community Adult Learning Program-funded organizations.

7. Financial Information

Using the budget submitted to Advanced Education at the beginning of the fiscal year, identify key variances between budgeted statement of operations and actual audited results. Provide a detailed explanation for all material variances so that issues affecting the institution's financial situation are clear.

Describe the institution's strategies to mitigate financial risk, and results achieved during the fiscal year.

Annual Report Guidelines

Include the institution's audited financial statements as an appendix to the annual report. The financial statements should be compliant and include the following Accounting Changes:

- PS 3280 Asset Retirement Obligations (effective April 1, 2021)
- PS 3450 Financial Instruments (effective April 1, 2021)
- The restructuring transactions can be removed effective April 1, 2018.

8. Capital Report

Provide an overview of the institution's capital plan, and describe progress on capital projects over the last half of the fiscal year.

Include a detailed review including all elements shown in the two exemplar charts on the following two pages. The chart format is not required as long as all elements are included: use any format that is clear and complete. **This detailed review may be included either in the published annual report or as an unpublished appendix only for Advanced Education.**

Priority projects are those that must proceed in the next three to five years to address critical infrastructure and capacity needs, and exceed \$2.5 million or 50 per cent of the institution's Infrastructure Maintenance Program grant, whichever is greater. Priority projects can include infrastructure to support high-demand programs, research goals, critical health and safety issues, or critical information technology needs.

While Independent Academic Institutions do not receive capital funds from the Government of Alberta, these institutions should describe capital expansion and renovation plans in this section.

Annual Report Guidelines

Type of Project and Funding Sources					
Type: Proposed New Expansion Maintenance	Project Description	Total Project Cost	Funding Sources: % GoA % GoC % PSI funds % donation % foundation % industry	Funding Received to Date and Source	Revised Funding Sources
Priority Projects (top 3 Capital Priorities)					
New	ABC Facility	\$35 million	40% GoA 40% GoC 10% industry 10% donation	\$5 million industry donation from Smith Construction Co. Ltd. Received in August 2018	Industry donation target added in April 2018 for 10% of project cost.
Expansion	Campus HUB	\$40 million	60% GoA 40% PSI	\$24 million from GoA received in June 2018	No change.
Maintenance	Utility Distribution Repairs		70% GoA Infrastructure Maintenance Program 30% PSI	No funds received to date	No change.
Other					
Proposed	Alberta Hall Student residence	\$70 million	50% internal 50% financing	PSI self-generated	No change.
New	Alternative Energy Demonstration Lab	\$100 million	30% GoA 30% GoC 30% municipality 10% industry donation	\$30 million from GoA received in July 2018; \$30 million from GoC received in August 2018; awaiting municipality and industry contributions	In April 2018, revised from 35% requested from each of GoA, GoC and municipality to current funding source.
Expansion	CDE Science Building	\$100 million	35% GoC 25% GoA 20% research foundation 20% PSI	\$350,000 received from GoC in August 2018; \$250,000 received from GoA in July 2018; and \$200,000 received from research foundation in September 2018	No change.
Maintenance	Administration Building envelope repairs	\$ 5 million	80% GoA 20% PSI	\$2.5 million in IMP funding approved; and \$2.5 million will be generated from capital fund campaign.	IMP funding approved (\$2.5 million) is less than requested at 50% of project. Funding source revised to 50% from capital fund campaign.

Annual Report Guidelines

Project Timelines and Status					
Project Description	Project Timelines	Expected Project Start	Expected Project Completion	Project Status	Progress Made in Lasts 12 Months
ABC Facility	estimated April 2019 – August 2021	estimated April 2019	estimated August 2021	project pending funding approval	project pending funding approval
Campus Hub	May 2018 – August 2022	May 2018	August 2022	project commenced in May 2018	site clearing, excavation and grading completed
Utility Distribution Repairs	estimated April 2019 – May 2024	estimated April 2019	estimated May 2024	IMP funding approved; project to commence in April 2019	IMP funding approved
Alberta Hall student residence	February 2018 – August 2021	February 2018	August 2021	in progress	excavation for utility trenches completed
Alternative Energy Demonstration Lab	May 2018 – August 2019	May 2018	August 2019	in progress	foundation concrete poured
CDE Science Building	September 2018 – August 2020	Sept 2018	August 2020	in progress	site clearing and excavation completed
Administration Building envelope repairs	May 2019 – July 2019	May 2019	July 2019	Capital fund campaign in progress	PSI's Capital fund campaign provided \$1 million towards project during 2017/2018

OPTIONAL CONTENT

9. Research, Applied Research, and Scholarly Activities

If there is valuable commentary beyond what was provided in Section 6 – Goals and Measures, include it here. Identify key research and innovation accomplishments, particularly those related to the [Alberta Research and Innovation Framework](#) and to attracting talent and capital in support of Alberta’s technology and innovation businesses and [Alberta’s Recovery Plan](#).

If no further discussion is needed beyond Section 6 content, omit this section.

10. Regional Stewardship, Foundational Learning, Underrepresented Learners

If there is valuable commentary beyond what was provided in Section 6 – Goals and Measures, include it here: identify progress made towards enhancing learner outcomes or increasing the efficiency and effectiveness of programs and services.

- Report progress towards specific initiatives for supporting foundational learners, Indigenous learners, learners with disabilities, rural learners, and learners from low-income backgrounds in this section.
- Highlight activities that supported collaboration and the creation of strong networks with community partners to enhance access and pathways into learning.

If no further discussion is needed beyond Section 6 content, omit this section.

11. Internationalization

If relevant, report international education activities

- that could affect access for Alberta learners or carry reputational and financial risk
- to increase access for Alberta learners through international student enrolment.
- to grow the international skills and competencies of students/faculty/staff
- that received institutional funding for staff located off-shore
- where institutions are supporting off-shore infrastructure, programs, or activities.

12. Transnational Education

If relevant, include core metrics for off-shore delivery using the following chart, as outlined in *Guidelines Transnational Education*.

Report on Transnational Programs						
Name of Program	Type of Credential	Principal Mode of Delivery (e.g. in-person)	Name of Partner Institution	Country	Number of Students Participants	Number of Graduates /Completers

Annual Report Guidelines

TIMING

Consistent with the submission of annual reports by other government entities, **institution annual reports are due six months after their fiscal year-end.**

If finalized key performance data or other information are not available in time for institutions to meet this timeline, preliminary information can be noted in the annual report and then updated with actual information in future annual reports.

In accordance with the terms set out in the Operating and Program Support Grant Agreements (Section 3.2), institutions are required to meet the timelines to avoid potentially having payments withheld. Institutions are encouraged to work with internal stakeholders to ensure that the documents are finalized and signed off in a timely manner.

COPIES

Format	Number	Recipient	Purpose
Printed	1	Submit under the Board Chair's signature to the Minister of Advanced Education, copying the Deputy Minister of Advanced Education.	The Board's official submission as required in legislation.
Electronic	1	Post on the Campus Alberta Project Site (CAPS)	Reference for <ul style="list-style-type: none"> • Infrastructure • Advanced Education
	1	Post on the institution website	Public information

Find mailing addresses in the Government of Alberta directory (www.alberta.ca/staff-directory.cfm).

CONTACTS

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Leila Williams, Manager
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leila.williams@gov.ab.ca

Item No. 4

**Governance Executive Summary
Action Item**

Agenda Title	Metrics Associated with Academic Restructuring (UAT/College Metrics)
---------------------	---

Motion

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, the Board Learning, Research and Student Experience Committee, and General Faculties Council, approve the proposed metrics associated with academic restructuring, as set forth in Attachment 1.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Steve Dew, Provost and Vice-President (Academic)
Presenter	Steve Dew, Provost and Vice-President (Academic)

Details

Office of Administrative Responsibility	Provost and Vice-President (Academic)
The Purpose of the Proposal is (please be specific)	The proposal is before the Board to consider a set of metrics to measure the success of the Colleges and academic restructuring.
Executive Summary (<i>outline the specific item – and remember your audience</i>)	<p><u>Current</u> On December 11, 2020, the Board of Governors passed a motion that approved a leadership model for the new colleges that includes leadership by a Council of Deans, with implementation led by a College Dean chosen from among the members of the Council. The motion noted that the structure would be reviewed in 18 months. Reporting requirements were described as follows:</p> <p><i>With clear metrics, including financial and quality of shared services (including clinical, excellence in interdisciplinary research, and education), to be developed by the Board of Governors, with progress to be reported monthly to GFC, the Board of Governors, and administration over the next 12 months.</i></p> <p><u>GFC Role in Recommendation</u> On February 8, 2021, GFC participated in a committee of the whole discussion on collegial governance. One of the motions passed during that session was: <i>That the Committee of the Whole adopt for inclusion in its report the recommendation that the agenda for the meeting of February 22nd include an item for GFC to determine a process for developing its position on metrics.</i> On February 22, GFC agreed that the Academic Planning Committee was an appropriate venue to develop a position on metrics associated with academic restructuring for GFC’s consideration.</p> <p>In considering GFC’s position on metrics, the Academic Planning Committee has focused on the following areas, which are priorities for the Board of Governors:</p> <ul style="list-style-type: none"> ● Cost-Reduction: One of the goals of the new structure is to reduce costs by realizing economies of scale in larger academic units. ● Quality Assurance: The new model must entrench high quality shared services.

Item No. 4

	<ul style="list-style-type: none"> • Interdisciplinarity: The new model is intended to enhance interdisciplinary program and research opportunities within and across Colleges.
<p>Supplementary Notes and context</p>	<p><u>May Board Committee Meetings</u> <i>The Board Finance and Property Committee (BFPC - May 25, 2021) and the Board Learning, Research and Student Experience Committee (BLRSEC - May 28, 2021) each received an update from the Provost on College Metrics and the latest round of consultations, particularly at APC, including refinements to the finance and quality of shared services metrics, concerns that any interdisciplinarity metric would be biased or weighted differently across the faculties, and that any interdisciplinarity measure should be developed over 18 months.</i></p> <p><i>BFPC members discussed: possibilities of a baseline on interdisciplinarity; tracking progress on interdisciplinarity individually, rather than across faculties or colleges; developing a comprehensive overview of interdisciplinarity definitions, benchmarks, and material concerns; and expanding the quality of shared services survey beyond key stakeholders.</i></p> <p><i>BLRSEC members discussed: the importance of interdisciplinarity as an outcome of the academic restructuring initiative; interdisciplinarity at the undergraduate level in addition to research; an understanding that the development of any interdisciplinarity metric takes time and that monthly reporting is unrealistic; the need for more information on the definition of interdisciplinarity, what is already being done, and what should be achieved; and possibilities of a developmental rather than a performance metric, and considering the wording of the metric to indicate that some qualitative information would be provided over the next few months.</i></p> <p><u>June Board Committee Meetings</u> <i>The Board Finance and Property Committee (BFPC special meeting – June 8, 2021) and the Board Learning, Research and Student Experience Committee (BLRSEC electronic vote – June 9-11, 2021) each considered and recommended the metrics that fall within their committee’s mandate.</i></p> <p><i>At the June 8, 2021 BFPC meeting, President Flanagan briefed the committee on the consideration of this item at the June 7, 2021 General Faculties Council (GFC) meeting, noting overall support from that body, and Provost and Vice-President (Academic) Steven Dew reminded members that that the proposal was unchanged from the May 25, 2021 BFPC meeting and that the Board Learning, Research and Student Experience Committee (BLRSEC) would consider the interdisciplinarity metric later in the week. In its consideration of the motion, a concern was noted that the proposed approach to the quality of shared services metric will not accurately portray the full picture.</i></p>

Item No. 4

Engagement and Routing (Include proposed plan)

<p>Consultation and Stakeholder Participation</p>	<p>General Faculties Council, Committee of the Whole, Feb 8, 2021 General Faculties Council, February 22, 2021 Academic Planning Committee (APC), March 17, 2021 APC Working Group on Metrics, March 29, April 9, May 11, 2021 GFC Executive - April 12, 2021 GFC APC- April 14, 2021 GFC - April 26, 2021 BFPC - April 27, 2021 (discussion of financial, service quality metric) BLRSEC - April 30, 2021 (discussion of interdisciplinarity metric) APC - May 5, 2021 BFPC - May 26, 2021 on financial and shared services metrics (discussion) BLRSEC - May 28, 2021 on interdisciplinary metric (discussion)</p>
<p>Approval Route (Governance) (including meeting dates)</p>	<p>APC - May 19, 2021 (recommendation) GFC - June 7, 2021 (recommendation) BFPC - June 8, 2021 - on financial and shared services metrics (recommendation) BLRSEC - June 9, 2021 - on interdisciplinary metric (recommendation) Board - June 18, 2021 (approval)</p>

Strategic Alignment

<p>Alignment with <i>For the Public Good</i></p>				
<p>Alignment with Core Risk Area</p>	<p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" data-bbox="570 1123 1541 1329"> <tr> <td data-bbox="570 1123 1089 1329"> <input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure </td> <td data-bbox="1089 1123 1541 1329"> <input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success </td> </tr> </table>		<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success			
<p>Legislative Compliance and jurisdiction</p>	<p>General Faculties Council Terms of Reference APC Terms of Reference Section 60(1) of the Post Secondary Learning Act (PSLA) The board of a public post-secondary institution shall (a) manage and operate the public post-secondary institution in accordance with its mandate Section 26(1) of the PLSA states that “Subject to the authority of the board, a general faculties council is responsible for the academic affairs of the university and, without restricting the generality of the foregoing, has the authority to(...): (o) make recommendations to the board with respect to (...) matters considered by the general faculties council to be of interest to the university” BFPC Terms of Reference BLRSEC Terms of Reference</p>			

Attachment 1: Metrics associated with academic restructuring (pages 1-2)

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

Metrics associated with academic restructuring

Background:

On December 11, 2020, the Board of Governors passed three motions that created the new College structure and its leadership model for the University. Reporting requirements were described as follows:

With clear metrics, including financial and quality of shared services (including clinical, excellence in interdisciplinary research, and education), to be developed by the Board of Governors, with progress to be reported monthly to GFC, the Board of Governors, and administration over the next 12 months.

The intent of this part of the motion is to provide a mechanism to monitor the effectiveness and progress of the college model through the first year of implementation. However, a major complication is that academic restructuring and SET are tightly integrated and complementary. Both are strategies (economies of scale vs workflow/workforce optimization) to mitigate the organizational impacts that result from the budget cuts so that the academic mission is sustained even as the number of people available to support it is significantly reduced. That they produce overlapping outcomes makes it virtually impossible on a month-by-month basis to separate the financial and service quality impacts resulting from the two strategies. For that reason, the financial and service metrics below are looking at outcomes that result from both elements of UAT.

1) Financial

The purpose of this metric is to track progress towards achieving the UAT goal for cost reduction.

Proposed metric: The annualized cost related to administrative staff and academic leader salaries and benefits (on an FTE basis) will be tracked separately with their sum intended to meet a reduction target of \$29M over the fiscal year ending March 31, 2022. These reductions are inclusive of Deans, College Deans, Vice Deans, Associate Deans, Chairs, Associate Chairs and all salaried administrative staff, excluding student employees.

2) Quality of Shared Services

The purpose of this measure is to provide reassurance that acceptable quality of service is being maintained despite the reduction in expenditure to provide those services.

Proposed Approach: Through a monthly survey of key stakeholders, shared service quality will be monitored at a high level through standardized questions using a 5 point Likert scale, recognizing that different services are being restructured at different times. This will be administered by the SET office to faculty, staff and students as part of its monthly pulse surveying.

Key stakeholders that will be surveyed include key client leaders such as College and Faculty General Managers and Academic Department Managers. For student-facing services, student leaders and a representative sample of users would be polled. For faculty-facing service, faculty leaders and a representative sample of users would be polled. These individuals will be asked to reflect on their personal experience with the services. Respondents will be asked about various aspects of the service including timeliness, whether their particular needs were met and overall satisfaction.

(Note that experience at other institutions indicates that service quality indicators generally initially fall before eventually recovering when restructuring occurs as both providers and users struggle to adjust to new processes. For that reason, a target is not proposed.)

3) Interdisciplinarity

The purpose of this measure is to validate that the college structure is successful at supporting interdisciplinary academic activities.

Proposed Approach: Interdisciplinary scholarship and learning occurs in diverse contexts across the university, making it difficult to quantify in a manner that reflects the different approaches to scholarly work across the academy. We propose that this is an area that is more appropriately assessed through qualitative means and narrative and is perhaps better assessed at the 18 month review rather than on a month by month basis.

Item No. 5

**Governance Executive Summary
Action Item**

Agenda Title	Board of Governors Bylaws
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Motion

THAT the Board of Governors, on the recommendation of the Board Governance Committee, approve and confirm the Board Bylaws as set forth in Attachment 1 as the bylaws of the Board of Governors, and rescind the “University of Alberta Standing and other Committees of the Board of Governors General Terms of Reference” as set forth in Attachment 2, all to take effect September 15, 2021.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation
Proposed by	Brad Hamdon, General Counsel and University Secretary
Presenter(s)	Brad Hamdon, General Counsel and University Secretary Juli Zinken, Board Secretary and Manager of Board Services

Details

Office of Admin Responsibility	University Governance
The Purpose of the Proposal is	To seek Board of Governors’ approval of Board Bylaws to guide its work.
Executive Summary <i>(outline the specific item – and remember your audience)</i>	<p>The Board of Governors does not currently have its own bylaws - it relies on language in the Post-secondary Learning Act (PSLA) and other Board-approved documents to guide its work. Based on feedback following discussion at the Board Governance Committee (BGC) meeting on April 28, 2021 and at the Board of Governors meeting on May 14, 2021, the attached bylaws were recommended by BGC on May 26 for approval by the Board of Governors.</p> <p>The following are changes made to the version of the bylaws provided to the Board on May 14, 2021, based on feedback from the Board and from BGC on May 26, 2021:</p> <ul style="list-style-type: none"> • A reference to “competence” was added to S. 2.3 – Recruitment • S. 3.1 (c) was revised to state that one of the Board’s responsibilities is to “approve and advance” the long term vision, rather than “set” the long term vision. • S. 5.4 (a)(iii) was revised to state that open sessions will be live-streamed subject to budget availability and “unavoidable” technical issues – it had previously referred to “unforeseen” technical issues. • S. 5.7 – additions to the agenda now require a majority of votes cast, rather than 2/3. • S. 7.9 – changed the reference from “invitation” of the Committee Chair, to “consent” of the Committee Chair. This relates to the ability of Governors to attend meetings of Committees that they are not a member of. • S. 11 – in the second paragraph, it now refers to a report of “an alleged breach of these Bylaws” by the Chair. It had referred to the “conduct” of the Chair. • S. 14 – The effective date is changed to the date specified in the approval motion (currently stated to be September 15, 2021). It had stated that the bylaws would be effective on the date they were approved by the Board, but we would like to give the Governance office a few months make changes to process and infrastructure. • The addition of a table of contents at the start of the document.

Item No. 5

Supplementary Notes context	Contents of the “University of Alberta Standing and other Committees of the Board of Governors General Terms of Reference” are now included within the proposed Board Bylaws. As such, the previous document is no longer required and can now be rescinded.
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Engagement and Routing (Include meeting dates)

<p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p> <p><For information on the protocol see the Governance Resources section Student Participation Protocol></p>	<p><u>Those who are actively participating:</u></p> <ul style="list-style-type: none"> • Brad Hamdon, General Counsel and University Secretary • Juli Zinken, Board Secretary and Manager of Board Services • Erin Plume, Assistant Board Secretary • Field LLP for external legal review <p><u>Those who have been consulted:</u></p> <ul style="list-style-type: none"> • Board Governance Committee <ul style="list-style-type: none"> ○ February 24, 2021 (table of contents) ○ April 28, 2021 (draft bylaws) • Board of Governors: May 14, 2021 (draft bylaws) • Bill Flanagan, President and Vice-Chancellor
Approval Route (Governance) (including meeting dates)	Board Governance Committee – May 26, 2021 (for recommendation) Board of Governors – June 18, 2021 (for approval)

Strategic Alignment

Alignment with For the Public Good	<i>Objective 21: Encourage continuous improvement in administrative, governance, planning, and stewardship systems, procedures, and policies that enable, students, faculty, staff, and the institution as a whole to achieve shared strategic goals.</i>	
Alignment with Core Risk Area	Please note below the specific institutional risk(s) this proposal is addressing.	
	<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input checked="" type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success
Legislative Compliance and jurisdiction	Post-Secondary Learning Act Alberta Public Agencies Governance Act University of Alberta Board of Governors Mandate and Roles Document Board Governance Committee Terms of Reference Sections 2(k) 3(b)	

Attachments:

1. Board of Governors Bylaws (21 pages) – **for approval**
2. University of Alberta Standing and other Committees of the Board of Governors General Terms of Reference (3 pages) – **for rescission**

Prepared by: Brad Hamdon, General Counsel and University Secretary, bhamdon@ualberta.ca

THE BOARD OF GOVERNORS OF THE UNIVERSITY OF ALBERTA BYLAWS

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THE BOARD OF GOVERNORS OF THE UNIVERSITY OF ALBERTA BYLAWS

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these Bylaws:

- a) **“Act”** means the *Post-Secondary Learning Act* (Alberta) and the regulations thereunder, as amended from time to time;
- b) **“APAGA”** means the *Alberta Public Agencies Governance Act* and the regulations thereunder, as amended from time to time;
- c) **“Board”** means the Board of Governors of the University of Alberta;
- d) **“BGC”** means the Board Governance Committee, or its successor Committee;
- e) **“Business Day”** means a day other than a day that the University is closed or a Saturday, Sunday, statutory or civic holiday in Edmonton, Alberta;
- f) **“Chair”** means the Chair of the Board;
- g) **“Committee”** means a standing or *ad-hoc* committee established by the Board;
- h) **“External Advisor”** means a person external to the University, who is neither a member of the Board nor a Committee, engaged to provide advice to the Board or a Committee;
- i) **“Ex-officio”** means a person who holds a role because of the office or position they have and who ceases to hold the role when the office or position terminates;
- j) **“FOIP”** means the *Freedom of Information and Protection of Privacy Act* (Alberta), as amended from time to time;
- k) **“Governor”** means a member of the Board;
- l) **“Internal Resource”** means a person from the University, who is neither a member of the Board nor a Committee, engaged to provide advice to the Board or a Committee;
- m) **“Mandate”** means the mandate of the University approved by the Minister that sets out the University’s authority to operate and specifies the types of activities that the University may engage in, including programs of study, scope of research, learner groups, and primary geographic service region;
- n) **“Meeting Year”** means the period from September to June in each year;

- o) “**Minister**” means the Minister responsible for the Act;
- p) “**Nominated Governor**” means a Governor of the Board as constituted in the Act, who is a nominated representative of a constituent group as set out in in the Act (currently comprised of Senate members, academic staff, non-academic staff, alumni and students) and appointed by Ministerial Order;
- q) “**Non-Governor Committee Member**” means a person who is not a Governor but who is a voting member of a Committee, appointed by the Board;
- r) “**President**” means the President and Vice-Chancellor of the University;
- s) “**Public Governor**” means a Governor of the Board as constituted in the Act, who has been appointed from the public-at-large by the Lieutenant Governor-in-Council;
- t) “**University**” means the University of Alberta; and
- u) “**Vice Chair**” means the Vice Chair of the Board.

All terms contained in these Bylaws which are not defined and which are defined in the Act have the meaning given in the Act.

1.2 Interpretation

Unless the context otherwise requires, words in the singular include the plural and references to one gender include all genders, as the case may be, and vice versa.

The Board is the sole authority for the interpretation of these Bylaws and the decision of the Board on any question of interpretation, or upon any matters affecting the University and provided for by these Bylaws, is final and binding.

1.3 Conflict with Bylaws

In the event of a conflict between the provisions of these Bylaws and the provisions of the Act, the provisions of the Act govern.

1.4 Invalidity of Provisions

The invalidity or unenforceability of any provision of these Bylaws does not affect the validity or enforceability of the remaining provisions.

1.5 Application of Bylaws

These Bylaws apply to Governors, any Committee of the Board and other such individuals as may engage with the Board from time to time.

1.6 Authority of Bylaws

These Bylaws take precedence over any policies, procedures, standards, protocols, or terms of reference adopted by the Board, except where expressly indicated in these Bylaws.

2.0 THE BOARD

2.1 Composition

In accordance with the Act, the Board is comprised of:

- The Chair;
- The Chancellor of the University;
- The President;
- Nominated Governors; and
- Public Governors.

2.2 Term of Office

The term of office for Governors, including the Chair, is for a fixed term as prescribed in the Act.

2.3 Recruitment

As part of the Government of Alberta appointment process, the Board can identify skill and competence areas and potential candidates that are reflective of the Board's goal to achieve an equitable, diverse and inclusive membership consistent with the objectives set out in the University's Strategic Plan for Equity, Diversity, and Inclusivity.

The recruitment of Nominated Governors is carried out by each nominating group, which follows its own process and makes a recommendation to the Minister for appointment.

2.4 Resignation, Removal and Vacancies

Any Governor may resign from the Board by sending written notice to the Minister and the Chair. Nominated Governors' terms automatically expire when they cease to meet the qualification of their position. The Chancellor and the President are members of the Board until they cease to hold their position. Otherwise, the term of office of a Governor concludes when the Order-in-Council or Ministerial Order that appointed them is no longer valid, which occurs upon the earlier of the person's successor being appointed or the elapse of 3 months after the end of the appointment term.

The Chair will advise the Minister if, for any reason, a Governor is no longer capable of acting or of fulfilling the duties of a Governor.

The Board may continue to act notwithstanding one or more vacancies.

2.5 Remuneration

Governors will not be remunerated for their service. The University will reimburse Governors for reasonable expenses incurred in the performance of their duties in accordance with University policies in effect from time to time.

3.0 ROLE, POWERS AND RESPONSIBILITIES

3.1 Role, Powers, Duties, and Responsibilities of the Board

The Board is the governing body established by the Act and has the powers, duties, and authority set out in the Act. The Board has the capacity and, subject to the Act, the rights, powers, and privileges of a natural person.

The Board is legislated by the Act to manage and operate the University in accordance with the University's Mandate and to act in the best interests of the University. The principal role and legal duty of the Board is to oversee the management and operation of the University's business and affairs. Except for those matters where final authority is assigned by the Act to other bodies or persons, the governance of the University, the control of its property and revenues, and the conduct of its business affairs are vested in the Board.

Subject to the Act, the major responsibilities of the Board include:

- a) To act in the best interests of the University;
- b) To ensure that, where any other decision-making body within the University makes recommendations or decisions, the Board exercises its ultimate authority, wherever necessary;
- c) To approve and advance the long-term vision, mission, and strategic direction of the University;
- d) To monitor the achievement of the University's goals;
- e) To establish a framework for the conduct of the Board and to assess the Board's effectiveness;
- f) To recruit, appoint, evaluate and make decisions regarding the President;

- g) To provide the University administration with the support, authority, and responsibility required to lead and manage its affairs successfully;
- h) To approve an annual budget and to approve the allocation of resources consistent with the achievement of the University's Mandate;
- i) To approve and ensure policies are in place in areas of mandated responsibility;
- j) To support the University's autonomy; and
- k) To advocate on behalf of the University to the external community.

3.2 Delegation

The Board may delegate in writing any of its powers, duties or functions to any person or Committee, except the power to make bylaws. The Board has the right to revoke or alter any delegation at any time.

3.3 Responsibilities of Governors

Governors have a fiduciary responsibility and are required to act honestly, in good faith, and in the best interests of the University.

Although Governors bring special expertise and points of view to the Board's deliberations, the best interests of the University remain paramount in all Board activities. Governors must be conscientious in contributing to and helping the Board fulfill its responsibilities. Governors are prohibited from acting in self-interest or furthering their private interests by virtue of their position or through carrying out their duties. Governors will adhere to the Board's Bylaws, the Board Code of Conduct, the University's policies, and other applicable laws.

Specific responsibilities of a Governor include:

- a) come to meetings prepared to engage in respectful, meaningful discussion and provide considered, constructive and thoughtful feedback and commentary, express opinions and ask questions to enable the Board to exercise its best judgment in decision making and advising; and
- b) ensure that they are able to devote sufficient time and energy to carrying out their duties effectively.

3.4 Code of Conduct

As required by the *Conflict of Interest Act*, the Board will establish a Code of Conduct that provides guidance and structure to the Board in fulfilling its obligations and duties

under the Act, including addressing conflicts of interest and ethical conduct. The Code of Conduct applies to all Governors, who will carry out the duties of their office in accordance with the Code of Conduct.

3.5 Confidential Information

Each Governor owes a duty of confidence to the University and will undertake to keep all confidential or proprietary information in strictest confidence.

Except where disclosure is authorized by University policy, required by law, or otherwise determined by the Board, Governors, Non-Governor Committee Members, Internal Resources, External Advisors and other permitted resources to the Board will protect confidential information and respect the confidentiality of proceedings at closed and in-camera sessions of the Board, its Committees, and other internal and external meetings. It is the responsibility of all individuals who receive confidential information to ensure the security of all confidential information entrusted to them at all times. All Board records provided to Governors for individual use or created by a Governor remain the property of the Board and will be returned to the Board at the request of the Board.

This duty of confidence and obligation to not disclose confidential or proprietary information remains binding on Governors after the expiration of their appointment and continues indefinitely.

4.0 BOARD OFFICERS

4.1 Chair

The Chair is appointed by the Lieutenant Governor in Council and is the presiding officer of the Board.

The Chair leads the Board in all aspects of its work and is responsible for effectively managing the affairs of the Board and ensuring the Board is properly organized, functions effectively, and meets its obligations and responsibilities. The Chair will foster and promote the integrity of the Board and a culture where the Board works ethically and cohesively in the best interests of the University.

The Chair is the official spokesperson of the Board, an official signatory of the University, and serves as a link between the Board and the President. With direction from the Board, the Chair represents the Board and its interests in dealing with government officials, the President, stakeholders, and the community.

4.2 Vice Chair

The Board will appoint a Vice Chair for a designated period. The Vice Chair will carry out any or all of the Chair's responsibilities at the request of the Chair or in the event that

the Chair is absent or unable to carry out the Chair’s responsibilities, and will have those additional powers and duties assigned by the Chair and the Board from time to time.

4.3 President

The President is appointed by the Board and is the Chief Executive Officer of the University. The President reports to and is accountable to the Board for the successful operation of the University, development and implementation of a Board-approved strategic plan, advancing and executing policy recommendations and ensuring adherence to the institution’s approved Mandate. The President has all the powers required for the discharge of these duties, as well as such other powers and duties as may be assigned to them by the Board.

4.4 University Secretary

The University Secretary plays a central role in the guidance and support of good governance at the University, reporting administratively to the President and functionally to the Chair in that role.

4.5 Board Secretary

The Board Secretary guides and supports Board governance and is responsible for the records and minutes of the Board. The Board Secretary has the powers, duties and responsibilities as assigned by the University Secretary or that are incidental to the role of the Board Secretary.

5.0 MEETINGS

5.1 Schedule & Notice

In each Meeting Year, the Board will meet in accordance with the meeting calendar. Additional regular or special meetings may be called by the Chair as necessary and may occur outside of the Meeting Year. Additional regular or special meetings may also be called upon the written request of at least two-thirds ($\frac{2}{3}$) of the Governors. A Board meeting may be postponed or cancelled by agreement of the Chair and the President (or delegate).

Governors will be provided with a calendar of meeting dates for regularly scheduled Board meetings in advance of each Meeting Year, which is deemed to be sufficient notice to all Governors of any meeting shown in the calendar. Except in the case of an emergency meeting, notice of meetings that do not appear in the calendar will be provided at least two Business Days in advance of the meeting date. No minimum notice is required for an emergency meeting.

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at a meeting.

Notice to the public will be sufficiently given when posted on the University's website, and will include the agenda, location, and time.

5.2 Quorum

The quorum for all Board meetings is a simple majority of the Governors currently on the Board.

5.3 Conduct of Meetings

Meetings will be conducted in accordance with applicable laws and these Bylaws or, where applicable laws or these Bylaws are silent on the matter, as determined by a ruling of the Chair, acting reasonably. The Chair is responsible for the orderly conduct of Board meetings and will maintain order and decorum and exercise the authority to exclude, or cause to be removed from the meeting any person whose improper conduct impedes the orderly transaction of business of the Board.

The Chair may consult the University Secretary and Board Secretary for guidance on the conduct of meetings, and the Chair retains the discretion to make a final and binding determination on the matter, subject to a challenge as provided below.

A Chair's determination may be nullified where a motion challenging the determination has been duly moved, seconded and approved by at least two-thirds ($\frac{2}{3}$) of the votes cast by the Governors present and voting at the meeting.

In the event that the Chair is unable to attend a specific meeting, the Vice Chair will act as Chair for that meeting. In order for a meeting to be validly constituted for the transaction of business, either the Chair or the Vice-Chair must be present.

Except as otherwise set out in these Bylaws, the Board Secretary or designate will act as the Secretary at meetings of the Board.

5.4 Open, Closed and In Camera Sessions

The Board may hold open, closed and in camera meetings or sessions of the Board in compliance with the FOIP Act and all other applicable laws.

a) Open session: The regular meetings of the Board will include a session that is open to the public.

i) Attendance: Any individual may attend as an observer with notice to the Board Secretary, subject to the limitation of space and good conduct

as determined by the Chair. No observer may be permitted to address the Board in an open session, except with the permission of the Chair.

ii) Documents: Minutes summarizing the discussion and decision of an open session will be taken, provided to the Board for approval at the subsequent meeting, and filed with the Board Secretary.

iii) Broadcast: Approved minutes of open sessions of Board meetings may be posted on the University website at the discretion of the University Secretary.

Subject to budget availability and unavoidable technical issues, open session portions of regular meetings of the Board are broadcast on the internet via live video stream. The broadcast is not recorded and is not accessible to the public after the meeting. Video broadcasting and recording outside of the University Secretariat webcast are not permitted.

b) Closed session: The Board may at any time determine that a meeting, or part of a meeting, be designated as a closed session to deal with confidential matters.

i) Attendance: The University Secretary and/or the Board Secretary or delegate will attend closed sessions. The Chair, in consultation with the President, may designate Internal Resources, External Advisors, or guests to attend the closed session, or the Chair, in consultation with the President, may designate the closed session to be without Internal Resources, External Advisors, or guests.

ii) Documents: Minutes summarizing the discussion and decisions of a closed session will be taken, provided to the Board for approval at the subsequent meeting, and filed confidentially with the Board Secretary.

iii) Confidentiality: Closed session matters, including all discussion, action, and documentation will be kept in confidence by every Governor and attendee.

c) In camera session: The Board may at any time determine that a meeting, or part of a meeting, be designated as an in-camera session to deal with confidential matters.

i) Attendance: Only Governors and those invited by the Chair, may attend.

ii) Documents: There is no agenda and minutes are not typically taken at an in camera session. No decisions are made in camera. Recommendations or actions from an in camera session may be moved

to an open or closed meeting for a decision to be made by the Governors and for such decision to be entered into the minutes. If the President is not in attendance, the Chair or a delegate will convey to the President, as necessary, matters from an in camera meeting for the information and/or action of administration.

iii) Confidentiality: In camera session matters, including all discussion, action, and documentation will be kept in confidence by every Governor and attendee.

5.5 Internal Resources and External Advisors

Internal Resources and External Advisors may be engaged to provide advice to the Board. Internal Resources and External Advisors may be invited to Board meetings on a regular or ad hoc basis and attend and participate in discussion at Board meetings to provide input, make presentations, and update the Board on activities related to the Board.

5.6 Guests and Observers

Guests may be invited to attend and speak at a Board meeting with the approval of the Chair given in advance of the meeting or, in the sole discretion of the Chair of the meeting, during the meeting.

Observers in attendance at an open session of a Board meeting may speak only if expressly invited to do so by the Chair. All observers are expected to maintain decorum. Attendees are expected to respect the rulings of the Chair. In the event of a breach of these rules or a disturbance, the Chair may eject individuals from the meeting or adjourn the meeting.

5.7 Agendas

Agendas will be developed by the Chair and the President (or delegate), produced and reviewed in accordance with University Secretariat procedures, and approved by the Board at the commencement of the meeting.

Additions to the agenda during a Board meeting require approval by a majority of the votes cast by the Governors present and voting at the meeting to be considered.

5.8 Board Meeting Materials

Whenever possible, meeting materials will be provided to Governors one week in advance of a scheduled meeting and will be provided electronically through the Board portal.

Material related to an open session of a Board meeting may be available to the public through the Board Secretary upon request, and subject to the discretion of the Board Secretary or the direction of the Board.

5.9 Minutes

Minutes of meetings of the Board will be summaries of decisions made and discussions held. The Board Secretary will ensure that, with the exception of in-camera sessions, minutes are recorded, approved, and distributed, for all Board meetings.

5.10 Remote Meeting Attendance

The Board may meet by other means of communication that allow all individuals participating to communicate adequately with each other simultaneously and instantaneously, such as a video conference or teleconference. The Chair can decide to hold a meeting entirely via such means, or to allow a Governor to participate in an in-person meeting remotely. The same rights and responsibilities apply to Governors participating in video conference or teleconference meetings as applied to in-person meetings. In such circumstances, Governors are deemed to be present, counted to determine the presence of a quorum and have the ability to vote on motions.

5.11 Attendance of Governors

Regular attendance of Governors at Board meetings is required to ensure a quorum and to expedite the carrying out of the business of the Board. Governors who find themselves unable to attend a regular meeting of the Board will notify the Board Secretary at least twenty-four hours in advance of the meeting. The Board Secretary will advise the Chair of all such notices of absence.

If a Governor is absent from three or more meetings of the Board within a Meeting Year, the Chair may contact the Governor to determine the reason for the absence and the Governor's interest in continuing to serve as a Governor. In the case of a Governor absent from three or more meetings of the Board within a Meeting Year without sufficient reason or without having made satisfactory arrangements with the Chair, the Chair may refer the matter to the BGC for handling, which may include a request for the Governor's resignation from the Board or advising the Lieutenant Governor in Council of Alberta that the Governor is no longer capable of acting as a Governor or of fulfilling the Governor's duties, and requesting that the Lieutenant Governor in Council terminate the appointment of the Governor.

6.0 VOTING

6.1 General

Subject to a conflict of interest, including the conflicts of interest identified in the Code of Conduct, each present Governor may move, second, and vote on motions presented

at Board meetings. Governors declaring a conflict of interest must recuse themselves from voting on motions involving the conflict. Voting by proxy is not allowed. Each Governor is entitled to one vote and the Chair does not have a second vote in the event of a tie. If there is a tie vote, the motion is defeated.

Motions will be passed by a majority of the votes cast by the Governors present and voting at the meeting and such motions are binding on all Governors. Abstentions will not be counted. The Chair will declare that a motion has been carried and an entry to that effect will be recorded in the minutes.

6.2 Electronic or Written Voting

The Board may use an electronic or written process for voting on motions outside of its regular meeting schedule. The Chair may designate matters that may be decided by electronic or written vote of the voting Governors. The outcome of an electronic or written vote will be reported at the next regular meeting of the Board and a record contained in the minutes of that meeting. A motion passed in this manner will be of the same force and effect as if it had been duly passed at a meeting.

7.0 COMMITTEES

7.1 Establishment

The Board may establish standing Committees or *ad hoc* Committees with such responsibilities, authorities, memberships, and operational rules as the Board considers appropriate to assist the Board in its work. The Board may dissolve any Committee at any time.

7.2 Authority

A Committee may establish a sub-committee, with the membership it deems necessary, to be responsible for specific aspects of the Committee's work. A Committee may delegate its powers, duties, and functions to sub-committees or individuals.

7.3 Procedural Rules

Unless otherwise specified in these Bylaws or the Committee's Terms of Reference, Committees will be subject to the same procedural rules as the Board, modified as necessary to fit the circumstances.

7.4 Committee Terms of Reference

Each Committee must operate under Board approved Terms of Reference. The Committee Terms of Reference will:

- a) set out the functions, powers, responsibilities, delegated authorities, and operation of the Committee;
- b) specify the number of members and conditions the Board determines are appropriate regarding the composition of the Committee’s membership; and
- c) include any further terms the Board determines is necessary.

Committees will review their Terms of Reference annually and when necessary recommend revisions to the Board. The Board may approve revisions to the Terms of Reference at any time.

7.5 Membership

Composition of standing Committees will be set out in each Committee’s Terms of Reference. With the exception of ex-officio members, all Committee members will be appointed by the Board.

Members of Committees may be Governors or Non-Governor Committee Members, as may be provided in the Committee's Terms of Reference. All Governors are eligible to serve on Board standing Committees except in those circumstances where a Committee’s mandate requires independence of its members, meaning that a Governor does not have a direct or indirect relationship arising from their status as a Nominated Governor or Public Governor that could, in the view of the Board, reasonably be expected to interfere with or influence the exercise of a Governor’s independent judgment as outlined in the Code of Conduct, and/or where a Governor may have a conflict of interest.

With the exception of ex-officio members, Committee members will be appointed for a three (3) year term. A Committee member may be re-appointed for two (2) additional three (3) year terms, up to a maximum term of nine (9) years. In exceptional circumstances, the Board, in its sole discretion, may appoint a Committee member even if the appointment will result in a total term that exceeds nine (9) years. .

The Chair, the Chancellor, and the President are ex-officio members of each Standing Committee. Ex-officio members have the same rights as other Committee members for all Standing Committees, with the exception the Board Audit and Risk Committee, of which the President is not entitled to vote.

A Committee Chair will be recommended by the Chair for approval and appointment by the Board. A Committee Vice-Chair will be elected by the Committee from its appointed voting members. In addition to meeting the obligations as a Governor, the Committee Chair will provide effective leadership to the Committee so as to fulfil its duties as outlined in its Terms of Reference.

7.6 Internal Resources and External Advisors

If the Committee determines that an individual with particular expertise is needed on a Committee, the President or Committee may choose to engage Internal Resources or External Advisors to provide advice to the Committee.

7.7 Meetings and Reporting

Committees will generally meet cyclically in the weeks leading up to a Board meeting and may call additional meetings as required. The Committee Chair is responsible for calling meetings and setting the draft agenda for each meeting of that Committee.

Subject to these Bylaws and the Committee Terms of References, a Committee Chair may establish rules of procedure to be followed at each meeting of that Committee. The Committee Chair is empowered to adjudicate rules of order and procedures for Committee meetings, if and when necessary. If the Committee Chair is not present, the Committee Vice-Chairs acts as the Committee Chair.

Each Committee will regularly report to the Board on the deliberations and actions of that Committee. In making such reports, the Chair will be prepared to provide such additional information and detail to the Board as may reasonably be required for the Board to be properly informed as to the activities and decisions of the Committee.

7.8 Quorum

Quorum for Committee meetings is a majority of the current members on the Committee other than ex-officio members. For clarity, ex-officio members will not be included in the calculation of the number of voting members when determining quorum.

In order for a meeting to be validly constituted for the transaction of business, either the Committee Chair or the Committee Vice-Chair must be present.

7.9 Non-Committee Members at Committee Meetings

Governors who are not a member of a Committee but who are interested in observing a Committee meeting may do so at the expressed consent of the Committee Chair.

7.10 Board Standing Committees

The Board's Standing Committees are:

- a) Audit and Risk Committee;
- b) Finance and Property Committee;

- c) Governance Committee;
- d) Human Resources and Compensation Committee;
- e) Investment Committee;
- f) Learning, Research, and Student Experience Committee; and
- g) Reputation and Public Affairs Committee.

8.0 RECORDS

Agendas and minutes of proceedings of all Board and Committee meetings, as well as records of all decisions of the Board and Committees made outside of a meeting, will be maintained. A register of Governors, including mailing addresses, telephone numbers, and other contact information will also be maintained. The Board Secretary will be the custodian of these records and the Board may instruct the Board Secretary to keep additional records from time to time.

Access to the records of the Board by individuals other than Governors will be determined in accordance with applicable legislation and University policies in effect from time to time.

9.0 BOARD ORIENTATION, DEVELOPMENT, AND ASSESSMENT

9.1 Orientation

Upon joining the Board, Governors will be provided with an orientation to the Board, the University, and the context in which they operate.

9.2 Development

Where possible, the Board will facilitate ongoing training for Governors to enhance the function and capacity of the Board.

9.3 Assessment

The Board will carry out an annual assessment of its performance and operations in accordance with a process approved by the BGC or its delegate.

10.0 EXECUTION OF DOCUMENTS AND UNIVERSITY OPERATIONAL SEAL

10.1 Execution

All documents or instruments in writing requiring execution on behalf of the Board will be signed by the Chair, the Vice Chair, or those authorized signatories specified in, and

in accordance with, applicable University policies approved by the Board or an authorization of the Board.

All transactions, arrangements, documents or instruments authorized and signed on behalf of the Board as provided above will be valid and binding on the Board.

10.2 University Operational Seal

The University Operational Seal will be kept in the custody of the University Secretary, or with such other person as the University Secretary may designate from time to time. The University Operational Seal will be affixed to documents in accordance with the University Operational and Academic Seal Procedure.

11.0 BREACH OF BYLAWS

Governors must report all material potential or actual breaches of these Bylaws to the Chair or the University Secretary for handling as soon as possible.

Upon notification of a potential or actual breach, the Chair will review the circumstance and details and will notify the Governor involved and seek a response. The Chair will make a determination regarding compliance and will notify the Governor, the notifier (if applicable and if appropriate/permitted), the University Secretary, and the Audit and Risk Committee if the conduct is a potential breach of the Code of Conduct or the BGC if the conduct is not a potential breach of the Code of Conduct. The identity of the notifier will not be disclosed unless required by law or in a legal proceeding. The Audit and Risk Committee or BGC, as appropriate, will assess the non-compliance and will decide on an appropriate action. A breach of an obligation under these Bylaws may result in disciplinary action, up to and including a request for a Governor's resignation or a request for the termination of their appointment. The Audit and Risk Committee, BGC or the Chair will provide the Board with a summary report regarding breach notifications at least annually.

A report of a potential or actual breach of these Bylaws committed by the Chair should be made to the Chair of the Audit and Risk Committee. In the event of a report of an alleged breach of these Bylaws by the Chair, the Chair of the Audit and Risk Committee will perform all of the duties normally performed by the Chair as outlined above.

12.0 PROTECTION FROM LIABILITY AND INDEMNITY

12.1 Protection from Liability

Governors are afforded the following protection from liability under the Act:

- a) neither the Board nor the Governors are liable for any act or omission of an academic staff association, a student organization or a student; and

- b) a Governor is not personally liable for anything done by the Board or for anything done by the Governor in good faith in the purported exercise or performance of the Governor’s powers, duties and functions under the Act.

12.2 Indemnity

Subject to any restrictions or conditions imposed on the University under applicable laws, the University will indemnify a Governor, a former Governor or a voting member of a Committee of the Board (collectively, the “Covered Persons”), and their heirs and legal representatives, from and against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by such individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved by reason of being a Covered Person, if:

- a) they acted honestly and in good faith with a view to the best interests of the University; and
- b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.

Notwithstanding the above, the University’s obligation to indemnify and save harmless will not apply with respect to any costs, charges or expenses, including any amount paid to settle an action or satisfy a judgment relating to an action by or on behalf of the University against the Governor.

As part of the above indemnity, Covered Persons will:

- a) provide written notice to the University as soon as reasonably possible upon becoming aware of any claim, demand, action, or proceeding;
- b) cooperate continuously and fully with the University and legal counsel approved or appointed by the University, including attending hearings and trials, assisting in securing and giving evidence, and assisting in obtaining the attendance of witnesses;
- c) upon the University’s request, assist in settling legal proceedings and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Covered Persons; and
- d) not, without the University’s prior written approval, make any admission of liability nor voluntarily make any payment, assume any obligation, or incur any expenses.

12.3 Insurance

The University will maintain Directors & Officers Insurance to protect the Governors and will provide Governors with a Certificate of Insurance and/or a summary of the policy terms upon request.

13.0 REVIEW AND CHANGES TO BYLAWS

These Bylaws will be reviewed by the BGC at least once every three years and the BGC will recommend revisions to the Board for approval as necessary.

Subject to the applicable laws, these Bylaws may be amended, replaced or repealed by resolution of the Board, effective on the date specified in the resolution or, if no date is specified, on the date the resolution was passed. Anything done pursuant to, or in reliance on, these Bylaws before they were amended, replaced or repealed is conclusively deemed to be valid for all purposes.

14.0 EFFECTIVE DATE

These Bylaws will be effective on the date specified in the approval Motion by the Board. All prior or existing Bylaws of the Board are repealed as of the effective date of these Bylaws.

**UNIVERSITY OF ALBERTA
STANDING AND OTHER COMMITTEES
OF THE BOARD OF GOVERNORS
GENERAL TERMS OF REFERENCE**

1. (a) There are seven Standing Committees (each of which is a "Committee") established by the Board of Governors (the "Board") of the University of Alberta (the "University") pursuant to s.16 of the *Post-Secondary Learning Act*.
 - (i) Audit;
 - (ii) Finance and Property;
 - (iii) Human Resources and Compensation
 - (iv) Investment;
 - (v) Learning and Discovery;
 - (vi) Safety, Health and Environment; and
 - (vii) University Relations.

- (b) The Board has delegated to each Committee responsibility and authority to make decisions on behalf of the Board in the Committees defined area of responsibility except to the extent that such authority has been specifically limited by the Board in the Terms of Reference for the Committee.

For greater certainty the delegation of authority to the Committees is intended to permit the Board to pursue major policy and strategic issues. In particular the delegation of authority to the Committees is intended to be sufficiently broad so that as a result the issues which remain with the Board or which would be referred by a Committee to the Board would generally be in the nature of the following:

- (i) high level strategic, budgetary and stewardship policy issues or matters of significant risk to the University;
 - (ii) any matter involving an alteration in the mandate, terms of reference, membership, or structure of a Committee;
 - (iii) those things which a Committee considers to be of major strategic significance to or long-term impact on the University;
 - (iv) those matters on which, in the opinion of a Committee chair, there has been a strong division of opinion within the Committee;
 - (v) issues involving benchmarking and performance; and
 - (vi) issues in which there is a lack of clarity as to which Committee is responsible.
2. The Board may create other committees (each of which is a "Committee") and establish the terms of reference of such committees.

 3. A member of a Committee shall be appointed by the Board for a term commencing on a date selected by the Board and expiring on the earliest of:

- (i) the effective date of the resignation of that member from the Board;
- (ii) the effective date of the resignation of that member from that Committee;
- (iii) a date selected by the Board;
- (iv) the expiry date of the term of the appointment of a non-Board member to the Committee; and
- (v) the effective date of a general appointment of all members to that committee (normally the Board meeting in June).

A member of a Committee is eligible to be reappointed to that Committee.

4. There shall be members of each Committee who are Board members; non-Board members may be drawn from the University Senate and elsewhere within the University or from the community as the Board considers may be appropriate or as may be provided in the Committee's terms of reference. Where the terms of reference of a Committee provide for a number of members in excess of those specifically required to be represented on the Committee, additional members may, subject to the foregoing, be appointed from any constituency.
5. The Chair of the Board, the Chancellor, and the President of the University are ex-officio voting members of each Committee.
6. The Chair of a Committee is responsible for calling meetings and setting or approving the agenda for each meeting of that Committee. Subject to these Terms of Reference and the terms of reference of the Committee, the Chair of a Committee may establish rules of procedure to be followed at each meeting of that Committee.
7. The Vice-Chair, serves as the Acting Chair in the absence of the Board Chair, or when the position of Chair is vacant.
8. Each Committee will appoint a person to act as the secretary of that Committee. That person need not be a member of that Board or of the Committee and may be an employee of the University.
9. A quorum for the transaction of business at any meeting of a Committee is a number equal to a majority of the voting members of the Committee present in person or by telephone or other communication means/media which permit all persons participating in the meeting to communicate with each other. For purposes of determining the quorum for meetings of a Committee, the ex-officio members shall not be included in the calculation of the number of voting members. In order for a meeting to be validly constituted for the transaction of business, either the Chair or the Vice-Chair shall be present. Business will be conducted by resolutions. Resolutions shall be decided by a majority of members voting on the question. In the case of a tied vote the person acting as Chair of the Committee shall be entitled to a second or casting vote.

10. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee (other than the ex-officio members) is as valid as one passed at a Committee meeting and shall be effective from the date specified therefore in the resolution.
11. Each Committee has the power to refer or delegate specific matters under its authority to another Board Committee to a Sub-Committee or to a Vice-President unless the Board expressly restricts referral or delegation or that other Board Committee, Sub-Committee or Vice-President refuses to accept the referral or delegation.
12. Meetings or a portion thereof of a Committee or Sub-Committee may be held in the absence of the public only if the whole of the meeting or the portion from which the public is excluded concerns:
 - a) the security of the property of the University;
 - b) personal information of an individual, including an employee of the University;
 - c) a proposed or pending acquisition or disposition of property by or for the University;
 - d) labour relations or employee negotiations;
 - e) a law enforcement matter, litigation or potential litigation, including matters before administrative tribunals affecting the University, or
 - f) the consideration of a request for access for information under the Freedom of Information and Protection of Privacy Act if the Committee is itself designated as the head of the University for the purposes of the Freedom of Information and Protection of Privacy Act.

Except as specifically permitted by applicable law, no other matters may be considered in the absence of the public.

13. Through the Chair of the Committee, or such other members as the Committee or Chair may appoint, each Committee will regularly report to the Board on the business conducted and duties discharged by that Committee. In making such reports, the person making the report shall be prepared to provide such additional information and detail to the Board as may reasonably be required for the Board to be properly informed as to the activities and decisions of the Committee.