



Legislative Assembly of Alberta

The 28th Legislature
First Session

Standing Committee
on
Public Accounts

Medicine Hat College
Enterprise and Advanced Education

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**Legislative Assembly of Alberta
The 28th Legislature
First Session**

Standing Committee on Public Accounts

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Standing Committee on Public Accounts

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Kevin Burton, Public Member, Board of Governors	
Robert McCulloch, Interim President and Chief Executive Officer	
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Gord Johnston, Assistant Deputy Minister, Advanced Learning and Community Partnerships	
David Morhart, Deputy Minister	

8:32 a.m. Wednesday, November 20, 2013

[Mr. Anderson in the chair]

The Chair: Good morning, everyone. I'd like to call this meeting of the Standing Committee on Public Accounts to order. I'm Rob Anderson, the committee chair and MLA for Airdrie, and I would like to welcome everyone in attendance here and via teleconference.

We'll first start by going around the table to introduce ourselves, starting on my left this time with the clerk. Please indicate if you are sitting in on the committee as a substitute for another member.

Mr. Tyrell: Chris Tyrell, committee clerk.

Dr. Massolin: Good morning. Philip Massolin, manager of research services.

Mrs. Sarich: Good morning. Janice Sarich, MLA for Edmonton-Decore.

Mr. McAllister: Good morning. Bruce McAllister, MLA for Chestermere-Rocky View and advanced ed critic with the Official Opposition. I'm sitting today on the committee on behalf of Ian Donovan.

Mr. Anglin: Joe Anglin, MLA for Rimbey-Rocky Mountain House-Sundre.

Mr. Barnes: Drew Barnes, MLA, Cypress-Medicine Hat.

Mr. Hale: Jason Hale, MLA, Strathmore-Brooks.

Mr. Saher: Merwan Saher, Auditor General.

Mr. Driesen: Rob Driesen, Assistant Auditor General.

Mr. Bruce: Good morning. Don Bruce, public member and chair of the Medicine Hat College board of governors.

Mr. Morhart: Good morning. David Morhart, Deputy Minister of Alberta Enterprise and Advanced Education.

Mr. Burton: Good morning. Kevin Burton. I'm a public member of the Medicine Hat College board of governors.

Dr. McCulloch: Good morning, everyone. I'm Bob McCulloch, interim president, Medicine Hat College.

Mr. Stier: Good morning. Pat Stier, MLA, Livingstone-Macleod.

Mr. Luan: Good morning, everyone. Jason Luan, MLA, Calgary-Hawkwood.

Ms Pastoor: Good morning. Bridget Pastoor, MLA, Lethbridge-East.

Mr. McDonald: Good morning. Everett McDonald, Grande Prairie-Smoky, sitting in for Matt Jeneroux.

Mr. Webber: Len Webber, MLA, Calgary-Foothills.

Ms Fenske: Hello. Jacquie Fenske, MLA, Fort Saskatchewan-Vegreville.

Mr. Rogers: George Rogers, MLA, Leduc-Beaumont, sitting in for Dave Quest.

Mr. Dorward: Thanks, everybody, for being here. I'm David Dorward. I'm the deputy chair, and I'm the MLA for Edmonton-Gold Bar.

The Chair: Thank you.

Before we begin, the microphones are operated by *Hansard* staff. Audio of committee proceedings is streamed live on the Internet and recorded by *Alberta Hansard*. Audio access and meeting transcripts are attained via the Leg. Assembly website. If everyone can make sure to speak directly into your microphones to help out the folks at *Hansard*, that would be great, and also please remember to turn off or put your cellphones on vibrate or silent.

First, we'd like to approve the agenda that's circulated to the committee membership. Do we have a mover that the agenda for the November 20, 2013, Standing Committee on Public Accounts meeting be approved as distributed? Mr. Rogers. Those in favour? Any opposed? Carried.

The minutes of the last meeting were also distributed to the committee, and we would hope that someone would like to move to approve those minutes. Do we have a mover that the minutes for the November 6, 2013, Standing Committee on Public Accounts meeting be approved as distributed? Mr. Luan. Those in favour? Any opposed? Carried.

The reports today that are the subject of review are the Medicine Hat College annual report 2011-12, the Enterprise and Advanced Education annual report 2012-13, the reports of the Auditor General of Alberta for February, July, and October 2013 as well as the 2012-13 annual report of the government of Alberta, consolidated financial statements, and the Measuring Up progress report. Members should all have a copy of the briefing document prepared by committee research services as well as the Auditor General.

Joining us today are representatives from Medicine Hat College and Alberta Enterprise and Advanced Education. Welcome.

What we'll do this morning is that we are going to actually start with David Morhart, who is, of course, the Deputy Minister of Enterprise and Advanced Education, who's at the table with the representative from Medicine Hat College, for the first 20 or so minutes of the meeting. Then we're going to split that time between the four caucuses.

Since we're going to start with Medicine Hat College, what we'll do is that we'll actually get Don Bruce to speak – if you could just take five to six minutes, that would be great – and then we'll open up the floor for 20 minutes of questioning split evenly between the caucuses, about 20 minutes between the four caucuses. Then we'll move on to advanced education and talk more globally about Campus Alberta. Okay?

Mr. Bruce, go ahead.

Medicine Hat College

Mr. Bruce: Thank you, Mr. Chairman. As chair of the board of governors it is a pleasure to be here on behalf of the many people who strive to make Medicine Hat College the outstanding institution it is today. Joining me are Kevin Burton, public member of the board and newly appointed chair of our audit committee, and Bob McCulloch, our interim president and CEO.

Bob, would you please lead us off.

Dr. McCulloch: Yes. Thank you, Don. Ladies and gentlemen, I'm honoured to be here on behalf of Medicine Hat College, a student-focused, comprehensive community institution which annually serves nearly 9,000 learners in southeastern Alberta and well beyond. Our institution has a well-earned reputation for putting students first. When our graduates respond to provincial

surveys, they say that our college is doing an outstanding job. Our graduates are employed, they are contributing members of our communities, and in fact we ace the test when graded on student satisfaction from Medicine Hat College.

Now, the word “comprehensive” defines our college well. Our programs touch every sector of the provincial economy and reflect the global outlook that is so important to success. Medicine Hat College enhances opportunities for students by collaborating within Campus Alberta, a great model, and we do this very well. I’m pleased to report to the committee that over 84 per cent of our programs transfer fully to another institution in Alberta, and students also benefit from nine collaborative programs that provide regional access to skills that are critical to our province.

Now, we also embrace and support our local communities. For example, ladies and gentlemen, this summer our campus served as an emergency centre during the flooding by providing infrastructure that was critical to the well-being of hundreds of our citizens. Overall, it’s been estimated that the activities of Medicine Hat College generate an ongoing regional economic impact of over \$145 million each and every year.

In summary, we focus on students, our alignment to provincial priorities is strong, and the outcomes we achieve are outstanding.

Now, I’m very pleased to report to you that the ethic responsible for these outcomes has been applied to our response to the audit that was released in July of this year. This is the first time that the Auditor General of our province has found cause to be critical of our college, and I can assure the committee members that we are addressing the issues identified in the report.

8:40

Now, our first step was to gather an action team. That team included public, faculty, and student board members; senior administration, of course; as well as expertise hired for the project. We did this to ensure that oversight was applied to our international operations. I’m pleased to report to you today that we have made excellent progress. For example, we immediately stopped intakes of new students in our programs in-country in China. Our next step was to ensure that we could appropriately meet the obligations to our current overseas students. Through the work of the action team we have developed and enhanced our oversight procedures, we have engaged legal support, and we have re-established direct contact with our joint venture partners.

Now, the Auditor General’s report confirms – and I quote – that Medicine Hat College does have academic regulations, policies, and procedures that are well in place to ensure that academic and financial integrity of the institution are maintained. Unfortunately, decisions made by our international unit were not always consistent with these policies. I can assure the committee that these gaps are being closed.

Reporting structures have changed at our college. Now programmatic decisions will flow through appropriate bodies such as our general academic council and our board as required. Academic oversight has been redoubled whereby deans and program co-ordinators in relevant areas monitor our program delivery, our curriculum, and our course outlines.

Flaws in the relationship between the board and the college were also noted in the audit, and we are addressing these issues. For example, our board has enacted a revised code of conduct and developed a safe disclosure policy to ensure that our college community and others can report concerns. Under direction of our board our response team has developed and implemented an action authorization model that completely shares and documents risks and benefits before decisions are made.

Also, ladies and gentlemen, the future holds promise of a revised governance model for our board. This will take time and attention, but the process was launched this month at a board retreat, where the public Agency Governance Secretariat provided a helpful session to improve our board governance procedures. The steps beyond all of the aforementioned include a full review of the strategic direction for internationalization at Medicine Hat College. The process will engage broad participation across the college and our wider community, and the planning cycle will begin this academic year.

The Chair: Dr. McCulloch, thank you very much for that introduction.

Dr. McCulloch: May I wrap up with a comment very quickly?

The Chair: Sure. Real quick.

Dr. McCulloch: Thank you, Mr. Chairman. One word that I omitted, ladies and gentlemen, in my opening description of Medicine Hat College is “accountable.” We are here today in part to reinforce our belief that our operations must stand the test of government oversight and of public expectation. We have a history of frank and open co-operation with the Auditor General, and our past audits have always been clean, as I am sure the Auditor General and his team can attest.

The Chair: All right. Thank you, Doctor.

Dr. McCulloch: Thank you, sir.

The Chair: All right. We will move on to Dr. Saher.

Mr. Saher: Again you’ve elevated me.

Mr. Chairman, I’ll simply say that the results of our audit of the Medicine Hat College international education division start at page 55 of our July 2013 report, and I’ll leave it at that.

Thank you.

The Chair: Okay. Thank you very much.

Now we’ll start with the government five minutes. Mr. Dorward will look after that.

Mr. Dorward: Yeah. I’m just going to soon pass the microphone over to MLA Sarich, but I firstly wanted to thank you for coming, Medicine Hat College. You might say: ah, we’re going to be here talking for about 25 minutes, and we travelled a long way. But it’s way more than that for us and, hopefully, for you, certainly for Albertans.

You know, as we go through our process of deciding who we should visit, we definitely do want to pay emphasis to advanced education because we see how important it is, as our committee has decided to do that. Calling you before the committee emphasizes how important it is to the Assembly that we pay attention to the Auditor General’s report. When the Auditor General says something, the Assembly cares, and this is the committee that asks the tough questions respecting that report. The preparatory work that you’ve had to do in order to get ready to come and the preparatory work that we’ve done in order to have you here is way more than the 25 minutes or half an hour that you may be here, so we’re very thankful that you came.

Mrs. Sarich, please go ahead.

Mrs. Sarich: Thank you very much. I’d like to just welcome you once again to today’s meeting, and I’d like to thank you for the

brief update and insight as well into some of the things that have been identified and shedding a little bit of light on the progress.

Many of the things that have been brought to your attention through the July report of the Auditor General speak of a specific area, and that's, you know, the international aspect. That's only one example of perhaps maybe something a little bit more systemic in the organization. I really appreciate learning a little bit more about where you are today. So using good organizational practices: let's start with the tone at the top, governance. You had mentioned oversight, and you're taking steps and measures on the oversight.

According to the Auditor General – and maybe if I just shed this little bit of a definition around that. Oversight: meaning watchful care on all of the happenings within the organization, from the CEO's lens as well as the chair and the board, and checking that the systems are working effectively, efficiently and asking for the evidence pieces. That's very important as you move forward. Also, the tone at the top is signalling for the changes that you expect to overcome and you are trying to transpose throughout the organization that things have to change and people have to step up and help you make those changes as the CEO and as the chairman of the board.

I'd just like to ask if you could talk a little bit about steps and measures that you're taking on the oversight piece. I'd like to know a little bit more about the audit committee and when that was established. Do you have hired to your organization an internal auditor? If you do or do not, for the benefit of the committee, I'd like to know why as well as how long this type of function has been in place, the point being that if you had something like this structured, then it's supposed to help the CEO and the chairman of the board and the board members catch things that have been identified by the Auditor General if you catch where I'm going with that.

I'm going to stop there and allow you very briefly – because we're trying to get in as many questions as possible.

Mr. Dorward: If I can just interject for a second. I meant to say this, and I apologize. We will be asking more questions than we have time for answers. Certainly, this is all on *Hansard* and available on the broadcast. We welcome groups to send us a written response where the chair cuts you off and you're not able to give us a fulsome answer. So through the committee clerk please get answers back to the ones that you're not able to hit. We're about to move on here, but we'll get some answers.

Mrs. Sarich: I thank the deputy chair for mentioning that. If you could answer very succinctly, and if you need more opportunity for explanation, I'd leave this open on my questions so that you are able to provide anything further on the questions that I would ask today in writing back to the committee.

Go ahead.

Mr. Burton: Thank you very much. That's a very important and a very good question. If I may, I'd like to answer that. I think there are a number of things that we've recognized as we've looked back on the Auditor General's report and our own performance. I think if we could summarize very briefly, where the failings took place is not so much that the policies and procedures weren't in place. In hindsight we believe that those policies and procedures were in place. What our feeling was is that, I think, we failed to recognize soon enough that our president was largely non-compliant, and we failed to identify that.

8:50

We have had an audit committee going back in time. Going back in time as well, the board chair was also the chair of that

audit committee. We've done a number of things to restructure this and, to get to the governance aspect, we've spent a lot of time recently, including the retreat that Dr. McCulloch referred to, in better knowing our role as governors and attempting to improve that. We have segregated the role of the board chair and the audit committee chair, to which I was newly appointed. What we've done at the audit committee is that we have started the process of reviewing all of our monitoring information.

It was, I guess, extremely difficult even in hindsight to identify the things that the Auditor General identified because largely it was a relatively small piece of the institution. It doesn't make us any less responsible for not planning that in advance, but it is a relatively small piece. The international education department of the institution is approximately 3 per cent of expenditures. That said, I think the report largely addresses the overseas campuses, or the bulk of the report addresses that, and that is a fraction of 1 per cent.

Again, not that it makes it any less important, but in addition to that, a number of the items were also nonfinancial. There were academic oversight things which as an audit committee, you know, I will admit that we were simply not prepared to find.

Mrs. Sarich: Let me just interject.

The Chair: No. We're going to have to move on. Sorry, Mrs. Sarich.

Mrs. Sarich: Oh, okay. Sorry. All right. Thank you.

The Chair: We're going to go to the Wildrose caucus now. We'll start with Mr. Barnes for a couple of minutes, and then, Mr. Hale, I understand you have a question.

Mr. Barnes.

Mr. Barnes: Thank you, Chairperson Anderson, and thanks to everybody from Medicine Hat for coming the distance to meet with us and help us. Dr. McCulloch, you mentioned that reputation is hard earned and well earned, and that is absolutely true. Medicine Hat College has an excellent reputation in our whole area and has had for years for being stewards of our money and good providers of quality education for all of our students.

That was one of the things that made this a little bit of a surprise. It's also a surprise because in a smaller community it's sometimes noted, as there can be a little bit of talk, I suppose, how everybody viewed the college to be so well run. So it was a surprise that this had happened. That makes me want to ask the question – I like what I've seen so far from the board and from the college where you guys confronted it head-on. You've been open and transparent about what's been happening. But if there is a bit of damage to the college's reputation, I'd like to hear what you also have, ideas you have going forward to maybe minimize that.

Secondly, I have a little bit of concern with the culture that developed over the years and if the board has recognized ways – sometimes we're just so independent down in Medicine Hat. Do we have ways to have some proper oversight to make sure that our culture at the top doesn't let the oversight get away from them again?

The Chair: Okay. We'll allow an answer to that in a second. I just want to get Mr. Hale's question on the record as well, and then you can answer them all at once.

Mr. Hale.

Mr. Hale: Sure. Thank you. I'd also like to thank you guys for coming. You know, when this first came out in the Auditor

General's report, I think it was maybe a day later that Mr. Bruce, the board chair, contacted me through e-mails. As Mr. Barnes was saying: very, very open and transparent. I've been in attendance at the meeting with Mr. Bruce and the search committee for the new president. I believe that they are taking every step possible to right this oversight.

You'd mentioned that 3 per cent of the expenditures were in this international program, and I know in the Brooks community we were very, very pleased and honoured to have a part of the Medicine Hat campus in our city. It does great work. We know that with the financial restraints put on you last year, many of the programs were cut, so looking forward, you know, with the small expenditures for this international program will you be looking forward in international programs, or will you be concentrating more at home to recover some of the programs that had to be cut because of last year's budget?

The Chair: Okay. If we could start with answering Mr. Barnes's questions and then go from there. Thanks.

Dr. McCulloch: Thank you very much. I'll begin by reaffirming – and I've only been at the campus for a couple of months now, but I've known of Medicine Hat College for years and years, and I can assure everyone here that the quality of our programs continues. As I said, the graduates are being employed, and the success of all of the programs, with the one exception, continues.

Now, of course, we need, quite frankly, to build the confidence of the people back up. But what we've really tried to focus on internally is making sure that from the internationalization perspective – maybe I can combine my answers – we are of the view, as I am personally of the view, that internationalization is important for every modern postsecondary institution. I think, obviously, that in the world we live in now, we must be cognizant of that. Internationalization must be well integrated within our operations. Quite frankly, that was the missing part, in my view.

We now have international reporting to our dean of business and enterprise, which people may say: well, now you've got reporting at a lower level. I suggest that we've got them reporting at the right level so that there can be integration across the piece and the programs can be linked with all of the other programs because that's where the opportunities always are in education, I think, around integration, working together. That'll be the direction that we'll go.

I look forward to connecting with the community around those big-picture questions because we're also at a great opportunity. It's time for a renewal of our strategic plan. So, trying to answer quickly all of those things, I really see a chance to move forward, get everything integrated, consult with our community, consult with our friends in Brooks – I was delighted to be at the Brooks campus the other day – and see about new opportunities, talk about regional stewardship and so on.

Mr. Burton: If I could just follow that up briefly as well. One of the questions that was asked was about the culture and the culture change and how we're addressing that. I think there are a number of things that we've done as a board and as an administration to attempt to address that. The first thing we did is that we actually – you know, when there's something of this magnitude that comes forward, there has been a lot more interaction between the board and administration, and it gave us as a board that opportunity to stress things like ethical leadership, experienced leadership, and accountable leadership. What it's done is that it's allowed us to refresh our commitment to those things.

You know, as we can see by the fellow to my left, we have a change in leadership, and he's been taken on. We know he's got an extremely good reputation, and we're very fortunate to have him. It just gave us an opportunity to recommit to those principles.

The Chair: All right. Thank you very much for that.

We're going to move on to the NDP caucus.

Mr. Bilous: You know what, Chair? I've got an interesting request, and that's to come back to us if that's possible.

The Chair: Okay. One of the caucuses isn't here, so what we'll do is – Mr. McAllister, we used eight minutes for our PC colleagues. We have a couple of minutes left.

Mr. McAllister: Sure. For Medicine Hat specifically?

The Chair: For Medicine Hat, yeah. Go ahead.

Mr. McAllister: Sure. I'd be happy to take a couple of minutes. It's great to see you all, gentlemen. Thanks for making the trek up, as so many have said. Medicine Hat is my hometown, so I know very well what that college means to the city of Medicine Hat. Many good friends have gone through the doors of it and moved on in their lives because of it.

You know, I guess specifically I would ask: from a board perspective, it was a student, was it not, that found the problems that we're discussing today? Was it a student that uncovered what had gone wrong?

9:00

Mr. Burton: I can address that. I think the answer to that would be no. I think what you're referring to may be some of the questions around travel expenditures. The people that have uncovered exactly what was transpiring in international education were the office of the Auditor General. Quite frankly, as a board member, when they had offered to come down to do their work on international education, I can say unequivocally that our board was excited and interested to have them look through it.

Mr. McAllister: Okay. Thanks, Kevin, for the clarity.

Obviously, the student played a role in it, and that sort of leads me to the question that I really want to ask you today, and that is just that representation on the board is key. You know, I would put and will put to Advanced Education eventually here today that I think students are underrepresented on boards across the province. As it relates to this topic, what specifically are you going to change about the board? We mentioned the word "oversight" so much here this morning. But what specifically are you going to change about that to make sure, you know, that students are more involved in the process and everything passes the smell test?

Mr. Burton: Again, a very interesting question. We have been extremely fortunate over the years to have a number of just incredible young people that have sat on our board, particularly in the time that I've been there. We have, I guess, always tried to fully involve them in as many decisions as possible at that board level, so in that regard I'm not sure that that changes. I think that by the students coming forward and being comfortable and being supported, we actually achieve exactly what you were indicating, that they were comfortable enough to go forward and say: we think this is a problem; we think you ought to listen to us. I feel confident that as a board we sat back and we said: "You're right. You know, we've looked at that, and we agree with you. Let's deal with it."

The Chair: Okay. Mr. Bilous, is the ND caucus ready?

Mr. Bilous: Sure. Yeah. I just have a couple of questions, and forgive me if you've touched on this already. I know you're talking about improving your oversight as far as international education. But can you in greater detail outline how you propose to do that?

Mr. Burton: Okay. This will be, obviously, an ongoing topic for us. Some of the things that we have done: since the time of the Auditor General's report we've actually had three sessions to review our role as the board of governors, attempt to develop best practices, and, quite frankly, just attempt to do a better job of using the resources that are available to us to be the best governors that we can be.

As I did mention briefly earlier, we have now separated the role of board chair and audit committee chair, and what we've started doing as an audit committee is that we are being, I guess, more regimented in how we're performing that audit committee function. We now have quarterly meetings, and lately they've been much more than quarterly. One of the agenda items that we are attempting to address, which is a really significant project, is to review all of the board monitoring information. I think we've looked internally, and we've suggested that that's probably the part that needs the quickest addressing. That's probably one of the biggest things that we're looking to do.

Mr. Bilous: Previous to the AG's report how often were you auditing this department? Like, was it quarterly as well, or was it yearly, or was it a lack of audits?

Mr. Burton: This particular department was never specifically audited before. The Auditor General comes down and they do an audit of our financial statements annually. As well, occasionally they would do systems audits or value-for-money audits in a particular area. So this is the first time that a very in-depth look was given to international education.

To follow up on your question as well, part of what was alluded to previously was the discussion of internal audit, and that's one area in particular that our institution is having a really good look at. As a relatively small institution what we like to say is that we have all the problems that the large institutions have; we just don't have the people to deal with them. So it is common for institutions our size in Alberta to not have an internal audit function, but recently the senior business officers have been looking at that, and they've acknowledged that weakness. They've said: okay; is there any way that we can work together as a group of smaller institutions to be able to access internal audit expertise that we could have coming to each of our smaller institutions? That's something that we are actively looking at as well.

Mr. Bilous: I'm a little surprised to hear – I mean, first of all, you know, the concern is that if many other institutions of your size don't have the capacity to do internal audits, I think that poses some concerns, and hopefully the government members are taking note of this. But can you answer: why was the program never audited prior to the AG? You had said that the international education program was not audited prior to the AG's report coming out, and I'm just curious as to if there's a reason why.

Mr. Burton: It was not audited in depth. It was part of the entire institution that was audited. So it simply was not audited in the depth that it was on this occasion.

Mr. Bilous: Okay.

Dr. McCulloch: Mr. Bilous, if I may comment. Certainly, we undertake all of our full audit processes, and as an organization the audit covers all of our programs in detail. But specific subunits like international education: you know, there's not an annual audit on each of those units. So we have a responsibility from an administrative perspective as well to make sure that necessary reviews are undertaken. As the Auditor reports, some of our internal control systems must be and have been changed, so we have ensured that all of the necessary controls of our other programs now match up with international education. Quite frankly, that was as much an internal control problem as it was a board governance problem.

The Chair: All right. Thanks very much.

Before we move on, if anybody has questions that they would like to get on the record right now, because our time is short with our Medicine Hat College friends, if you could put those on the record. Just be short. No statements. Questions. Thanks.

Mr. Barnes.

Mr. Barnes: Thank you, Mr. Chairman. I'd just be curious to hear from the board and the new executive what the expectations and goals are for international education going forward.

The Chair: Okay. Mrs. Sarich.

Mrs. Sarich: Yes. Thank you very much, Mr. Chair. What I need answered is: do you have somebody with the expertise certified in internal audit hired to your audit committee for that independent lens? Certainly, do you have the expertise and training for not only the board but for all the senior executive management in place to educate people as to compliance, monitoring, and oversight so people have skills and abilities in the area of governance to really look at what you're supposed to be governing over? So from the training aspect.

In terms of strategic planning, it's beyond comprehension. This is one area of my expertise, that strategic plans and planning function is a living entity within an organization, and I just am stumbling trying to comprehend how an organization really lacked in this particular area and also in the audit function.

Thank you.

The Chair: Okay. Deputy chair.

Mr. Dorward: Go ahead, MLA Webber. Do you have a question?
9:10

Mr. Webber: I would just like to know what the role of the Ministry of Enterprise and Advanced Education is in ensuring that not only Medicine Hat College but all Alberta postsecondary institutions represent Alberta well when operating overseas.

The Chair: Thank you very much.

Mr. Bilous?

Mr. Bilous: I'd just follow up on Mrs. Sarich's comments. You talked about three sessions to review the role of governors, and I'm just wondering: for governors, especially people that are newer to the position, what training do you provide or is provided for them to be able to do their job?

Thank you.

The Chair: Okay. Are there any others?

If not, thank you very much to the representatives from Medicine Hat College for coming today. We really appreciate your making the trip up here, and please be safe on the roads or

the flight. I don't know which . . . [interjection] The drive? Oh boy, be careful out there, okay? Thanks for coming.

All right. We're now going to move on to the portion with Enterprise and Advanced Education, so if they could come to the table. I know Mr. Morhart is already here, but if there are any others that are joining him, please come to the table. We'll get you, Mr. Morhart, to make a statement of no more than five minutes, if you could, so that we can speed along here.

If we can have a little bit of quiet in the room, that would be great. Go ahead, Mr. Morhart.

Enterprise and Advanced Education

Mr. Morhart: Good morning, and thank you very much. It's my pleasure to speak with the committee again on the work that we're doing within Enterprise and Advanced Education.

I want to start off by introducing the gentlemen who joined me at the table. I have Gord Johnston, our ADM of advanced learning and community partnerships, on my left. On my right is Darrell Dancause, our senior financial officer.

I also want to thank as well our Medicine Hat colleagues. They are a true testament to what the Campus Alberta model is all about.

Also, I want to thank the Auditor General and his staff, Rob Driesen and others, for a very constructive relationship. We meet with them regularly on a number of topics, and we have some very informed discussions about the way that we're working through the priorities that we have. So we thank them for their continued support and encouragement to continually improve.

I will focus today some comments on what we're doing on the Campus Alberta strategic plan and moving forward. We're very pleased with the Auditor General's report. It actually came at a very good time for us. We've been working for over a year at revamping a lot of what we're doing within Campus Alberta, starting with some meetings with various presidents last fall. This was well before budget and other things that came up over the last 12 months.

We have been working hard to really build off successes that we have within our system. We believe we have some exceptional institutions within our system, but we knew full well that they don't necessarily achieve all of the objectives that they would like to. That's why we want to work as Campus Alberta to help move the system forward. We have been meeting diligently with senior leadership across the system, and we now have quarterly meetings and have had since the spring with the presidents, with the board chairs, and with student leaders. This has been very constructive in helping us inform what the system is working towards but also to get a variety of views in how we actually move that forward.

We have also struck a number of working groups that are working on specific items that result out of the work we're doing strategically. These include looking at future funding models, looking at tuition frameworks, and looking at the way that we encourage student access and transfers within our system. We're trying to really reach across the system and bring the key leaders together to get a very broad view.

We've also been doing a lot of work through results-based budgeting and looking at our results chain. It's really important for us to know that students not only have a good experience in going through the system but actually are able to meet the needs of the labour market as they come out and that where they want to continue their education, they have a number of different pathways to do that.

A lot of the work that we've done with our presidents and with our board chairs and student leaders has resulted in our letters of expectation that were signed by the Deputy Premier and the board

chairs on November 7. These letters of expectation provide clarity on the roles and the expectations of the institutions and on behalf of government as to how we're going to work together and how we're going to move forward as a system. These outcomes include enhancing learner access to advanced education opportunities; attracting researchers, learners, and entrepreneurs; promoting socially responsible values and attitudes; supporting a competitive and sustainable economy; promoting an entrepreneurial spirit that encourages risk taking and challenges the status quo; and leading within our communities. Our institutions are very important pillars of our community, and we need to promote and enhance cultural awareness and community economic development.

In order to achieve the various outcomes that we have within this, we have been working regularly and diligently with our institution leaders, students, and faculties. The current focus on this collaborative work is to develop indicators that will help show us how we're moving forward and, of course, developing and refining a broad Campus Alberta strategic plan that will measure our success going forward.

We have a number of planning documents in place already, a Campus Alberta planning resource. We've got a lot of directions around mandate letters, et cetera, that we've had for many years. What we're trying to do is coalesce those documents into a more understandable strategic plan for all of our system. This codevelopment model is really going to move us into a future that is relevant, sustainable, inspiring, and really attracts students and Albertans to our education system and helps promote a prosperous future.

With that, Chair, I'll hand it over for any questions.

The Chair: Thank you very much.

We'll start with the PC caucus for 10 or 12 minutes.

Mr. Dorward: Did our Auditor have any comments at all first?

Mr. Saher: Mr. Chairman, maybe I could just take one minute. Thank you.

My comments are on material included in our July 2013 public report. Starting on page 41 of that report, we reported on processes the Department of Enterprise and Advanced Education and the postsecondary institutions apply to collaboratively provide learning opportunities to Albertans in a cost-effective and sustainable way. We found that the department and postsecondary institutions didn't have a clear structure for collaboration. We couldn't find a collective business plan for collaboration, and we didn't find performance measures with targets to see if collaboration is working.

Essentially, we made two recommendations to the department, working with institutions to define the outcomes the department expects Campus Alberta to achieve and to develop relevant performance measures.

Thank you.

The Chair: All right. Go ahead.

Mr. Dorward: Yeah. Thanks for being here. I'm really excited about this area. I think that growth in advanced education in Alberta in the area of Campus Alberta is huge and is going to be really, really beneficial to Albertans when things really get pulled together in a good, fulsome way.

The Auditor General's work is a body – I'll call it a body of work because I found it to be fairly comprehensive in the sense of being a bit of a road map to be able to go forward.

Thank you, Mr. Morhart. You've emphasized some of the steps that you've already taken.

Ms Pastoor, did you want to take the first little bit of time?

Ms Pastoor: Sure. Thank you. Campus Alberta I think has, you know, been around for a long time, and it's a really, really exciting concept. But at this point in time it kind of still seems to be a concept as opposed to something really – I'm kind of a concrete thinker. How is this going to work, how do people work together, and what are the real aims of it? I'm not sure that that is terribly clear to the public. I think that's one of the things that is very important for Campus Alberta to be successful is that it isn't just the academics that understand it; it's the people on the street that understand it so that they know where to send their kids.

The mandate letters of expectations that you spoke of: how are you actually going to measure that? What are the parameters that you've put out for that? And the definitions. I mean, words are great, but what is the actual definition of a success? What does it look like?

9:20

One of the other things that I didn't quite hear in some of the things that you spoke of was something that would lean more toward the humanities. A lot of it sort of lends itself towards business, and I didn't hear the humanities in there in terms of learning. The reason I'm saying that is because we're in an international world, and some of the international needs of today are the social workers and the teachers and the people that would fall in under what we would sort of consider humanities. So I wonder if you could just talk about that for just a few minutes, about how all of that actually fits together. It seems so nebulous, I guess, at this point.

Mr. Morhart: Thank you very much for the question. Just as a broad overview Campus Alberta was created in name about 12 years ago, and the intention was to create a system within Alberta that puts us on the world stage by linking our institutions and building on a collective strength. Just as a quick summary we have six sectors. We have a group that focuses on the advanced research opportunities. Those are our highest level universities. We have some baccalaureate universities. We have polytechnics. We have comprehensive community institutions. We have some arts-related colleges, and we have some independent religious-based colleges. The opportunity in that structure is to really foster excellence at all levels.

What we're trying to do within our letters of expectation and our mandate is, number one – and we collectively did this with all of our institutions – to define system outcomes, sector outcomes, and institution outcomes. To your point about how we measure, this is the first attempt at trying to define indicators and outcomes that we're trying to get to. We will be meeting quarterly and reviewing where we're at in relation to this. Those come to student outcomes, student access, ability of students to navigate through the system. We will be watching and reporting on that as we move through our reporting exercise.

To your question specifically to the humanities, we've emphasized all along that Alberta's strength is in the broad cultural approach that we take. We have natural strengths in our natural resources and agriculture, et cetera, but it's not all about business. When we talk about entrepreneurship, we're talking about creativity and innovation. That is just as important in arts and history and English as it is in the way that we apply it in the business sense or in an environmental sense. We have really tried to emphasize that we want students to have access to a broad range of programs. We want to ensure that those programs are successful but also allow students to have pathways to proceed in further education or in doing research in many different areas – humanities, business, natural resources, environment, what have

you – to move forward. We're quite excited about what we've done to maintain that balance.

Ms Pastoor: If I could just follow up, do you have time frames on when you're going to review these different sections that you've just talked about like your system reviews, sector reviews, institutional reviews? Is there a time frame put on those?

Mr. Morhart: Yes, there is. You'll see that our mandate letters are all on the website. They're all publicly disclosed. We are meeting quarterly now with all of our presidents, chairs, and students to go through those measures, so you'll see a more fulsome reporting in both our business plan that comes out around the time of budget but also in our annual report. That will be the formal public reporting.

We are in the process of – the letters of expectation will be an evolving document. We'll get more and more specific as time goes on. So you'll see a quarterly discussion going on and reporting, then, at least twice a year.

Ms Pastoor: And that will be public each quarter?

Mr. Morhart: No. The discussions will be every quarter, but we'll be reporting around the time of budget in our business plan and then in our annual report. The institutions will also be reporting, though, through their own comprehensive institution plans, which come out different times of the year. I think if you look at the timing of the various reports, you will be seeing a quarterly update.

Ms Pastoor: Okay. Thank you.

Mr. Dorward: Thanks very much.

MLA Fenske.

Ms Fenske: Thank you. I'm going to ask two questions, and they're very different. I certainly can embrace the concept of Campus Alberta the way that I've heard it defined, of being able to move from one institution to another, but I really can't quite get my head around some of the things that are supposed to be done. I'd really like a list, a comprehensive list: these are the things. As you said in your opening remarks, we're trying to achieve all the objectives, but the institutions haven't been able to achieve all the objectives they want to. So I would imagine that that's what Campus Alberta set out to do is to achieve those objectives. Is there a comprehensive list of those objectives, or do we have to search through documents at all times of the year to try to figure it out?

Mr. Morhart: Thank you for the question. The comprehensive list, I think, will come out as we publish a Campus Alberta strategic plan. We wanted to have our letters of expectation completed with each of the institutions. We wanted them to be part of the development of our performance outcomes, and that would form the basis of our strategic plan. I think you'll see that comprehensive list in our Campus Alberta strategic plan as well as our regularly published Campus Alberta strategic planning resource. We're going to merge those documents. To your question, we're working on making that simpler to understand and much more comprehensive.

Ms Fenske: Okay. That also leads me, then, to my next question. When you're compiling all these lists, do you also have a list of all – I mean, we have a list of some of the institutions, and we also have a list of other postsecondary institutions, other colleges, private vocational schools; for example, Columbia College. Is

there also a list of committees or the Alberta Innovates committees? Are they all part of this whole process, and do you have that list?

Mr. Morhart: We can certainly provide that. To the chair I'd suggest maybe we could get that in writing, and we could do some follow-up for you. The Alberta Innovates system is at this point, you know, a separate system from our education one because it's focused on commercialization of research and technology, but we are looking to have greater co-operation and collaboration between that system and our Campus Alberta system. I'd be happy to address any specific questions you might have there in writing.

Ms Fenske: Thank you.

Mr. Dorward: Could we just do a little bit of maybe a case here? I'm just hypothetically making one up. Let's take one of the humanities. I think education would be one of the humanities. Let's take education. Education in the province of Alberta teaches K to 12 teachers, and I think there would probably be – I know of Concordia, University of Alberta, Lethbridge, Calgary – maybe five or six doing that in the province. I am aware of teachers who have come out of all of those systems. Recently I've been doing some work in that area, so I'm aware of the different strategies relative to things such as time spent in the classroom by teachers that are learning as they go through their schooling. So there you go. What comes to my mind is: is that a part of Campus Alberta? Is that something that you're going to have in Campus Alberta?

Where I'm coming to as well with this is that if it is, then you're going to maybe open a bit of a rat's nest. Then do you have the road map ahead and the resources to be able to put that together if we want to put it together? Or do you just sit back and say: "Actually, there's no Campus Alberta solution in education; they're just going to continue to develop and grow and do things with a different process, if you will, of educating the teachers that teach our students in the province?"

Mr. Morhart: Thank you very much for the question. Education is indeed part of our Campus Alberta model and one of the pre-eminent ones because we recognize that it's fundamental to growing our future learners and leaders. It is one where we're doing a lot of work with the Ministry of Education, looking at curricula development, looking at what it is we need for future education needs of students, and what it takes in developing teachers to move forward as well.

When you come to the question about Campus Alberta, what we're trying to do as a department is rationalize the delivery of programs across the province. We want to have as much access as we can, access through digital means, through distance means, access on campuses. We do have to ask the question: can every institution deliver those programs sustainably, and are there different ways that we can partner? There are groups like Medicine Hat College, Red Deer College, some of our universities that partner already with others in the system to deliver things collectively. We want to see more of that because rather than having a number of programs that may not be sustainable, we want to make sure that we've got very good programs that we can sustain over time through partnerships. So education is extremely important to us.

Part of what we'll be doing with our institutions is looking at: what are the demands for students coming in? Are there equivalent jobs as they're coming out? Are there opportunities for us to streamline and make those curricula very relevant? That's where we need to work with faculty and students and industry and school boards, et cetera, to define what that looks like going forward. So

we're working on the collaboration within the system, and it's really important for us to have those good, honest discussions with folks because the needs of the learner change over time. We need to adapt as well.

9:30

Mr. Dorward: Okay. Yes, Mrs. Sarich, but first I'm going to go to MLA Khan, and then we'll still have some time. We have about another 10 minutes or so. Seven minutes.

Mr. Khan: I'll be quick. Gentlemen, it's marvellous to see you. Thank you very much for the outstanding work that you do. I'm going to come quickly back to a question specific to the Campus Alberta model and some of the benefits that the Campus Alberta model is currently delivering to the students of Alberta. You know, one of the key components and key tenets that Deputy Minister Morhart spoke to was that Campus Alberta has come together to grant students the ability to navigate through the system, and specifically when we talk about the ability for students to navigate through the Campus Alberta system, we come to transferability of credits. We know now that some institutions are co-operating remarkably well. We also know that we have struggled in the past with the issue of transferability. At the risk of channelling my inner Irene Lewis, I can recall Irene saying to anybody that would listen: my students can get a science degree out of SAIT and have the majority of those credits accepted at Dalhousie, yet they can't cross the street to U of C and have as many of those credits transferred.

As we all know, up to 75 per cent of student tuition is funded, subsidized by the taxpayers of Alberta, so every time we're making students take courses over again because of lack of transferability, this is an enormous cost not just to the system but also to Albertans. I'm curious to know, in terms of if I can call it a re-emphasis of the Campus Alberta model: what specifically is the department doing in terms of emphasizing transferability of credits for students?

Mr. Morhart: Thank you very much for the question. Something that I certainly would encourage the members present to explore is a report that student leaders across the province have put together called Ignite. This was a central issue that they highlighted, and it's one where they are looking for more opportunities for learner pathways so that we can break down some of the silos that are there.

The member has highlighted, you know, a very real example of something that's happening between two institutions. That's exactly the type of issue that we're trying to get through in having a broader system discussion. It's really important to us that we recognize and develop credible programs, programs that have professional designations or professional credibility to them, but make sure that we've got as much transferability as possible. We don't want to create substandard programs and then guarantee students access into higher level without any review of the substance of what's there.

We're working with the Campus Alberta Quality Council and others to determine that we've got very solid programs and then looking at ways to break down some of the traditional silos and the traditional competition between our institutions to create more learner pathways. Our fear is that where students have fewer opportunities in Alberta and leave the province, they may not come back, and looking at the labour force needs that we have, we want to make sure that as many as possible stay within Alberta and receive the education and the job opportunities that are here for them.

Mr. Khan: Thank you.

Mr. Dorward: Mrs. Sarich.

Mrs. Sarich: Thank you very much. I'm just going to leave you a couple questions, and if you could write back to the committee. A lot of questions were on Campus Alberta. I would like a written response to the costs of the administration over the 12 years of existence, so that would be year by year, if you could break that down.

Also, could you describe the working relationship of Campus Alberta to the K-to-12 system? There's supposed to be one there.

Also, the total funding provided to postsecondary institutions by the department in 2012-13 was approximately \$2.4 billion, but for that same period approximately \$5 billion also went out. This was in reference to your financial statements. The expenses of the four postsecondary institutions over that same period was \$5 billion. How was the remaining \$2.6 billion used?

Columbia College is a private vocational school. Why did it receive \$94,000 in an operating grant from the ministry?

There are a number of other colleges, Yellowhead Tribal College, Blue Quills First Nations, and so forth. They had received funding but not grants for 2012-13. They had received a number of millions of dollars. Could you explain that?

I'll end it there. Thank you.

The Chair: Okay. I think we'll move on.

Anybody else on the PC side have questions that they would like to read into the record real quick? No.

Okay. We'll move on to the Wildrose caucus and our advanced education critic.

Mr. McAllister: How much time, Mr. Chair?

The Chair: Ten minutes.

Mr. McAllister: Ten minutes. Excellent. Well, I always believed that a good interviewer spent less time asking the question and more time listening to the answer. I'll try to endeavour to that concept.

The Auditor General said in the report that more than two-thirds [of the executives from PSIs that responded] said it was unclear how they could achieve the Campus Alberta goals in a coordinated and cost-effective way... [and] 72 per cent said such a plan did not exist, or partly existed but needed significant improvements. We found that such a plan did not exist.

To reiterate the AG's finding: there's no clear strategic plan for Campus Alberta. With all of the fanfare that this was launched with, that is so troubling. How is that even possible, and what are you doing now clearly to define your strategic plan?

Mr. Morhart: Thank you for the question. We acknowledged in our response to the Auditor General that we didn't have at the time of the report a strategic plan that covered this. What the Auditor General's report did was highlight a number of key elements that are important to move forward. What we've laid out since the spring and, indeed, starting last fall were regular meetings with our various institution leaders, board chairs, and student leaders to actually map the path forward. That started with our letters of expectation. It started with the various committees that we've now got under way. What we will be doing is developing and publishing that strategic plan for Campus Alberta so that there is greater clarity going forward.

Mr. McAllister: The money that's being spent on Campus Alberta: \$33.8 million, something like that, for 2012-2013, I think,

was the line item in the budget. You can certainly correct me, David; I know you can. Maybe I'll just ask this, then. How much is Campus Alberta costing, where is the money going, and how is it being divided?

Mr. Morhart: Thank you for the question, similar to the previous member's. The Campus Alberta doesn't have an administration budget per se because it is something that's run through the department, so it's absorbed within our costs. What you're referring to is the Campus Alberta Innovations line. This is a pot of money that we use to encourage partnerships between institutions. So it's not an administrative expense. It's actually money that we use to help partner between institutions, for transfer programs, for the codelivery of programs. That's the type of stuff that falls within that line.

9:40

Mr. McAllister: Yeah. That's what I'm trying to get at. You know, where does it break down? Where does it go? How do we see value in the taxpayers' dollars that we're spending?

Mr. Morhart: Right. Well, we could certainly give you a breakdown of some of the examples of expenditures within that line if you like. A couple of examples that I can quote from our statements: \$10 million for the disability-related employment supports within institutions, \$9 million to fund new professors and priority research areas.

Mr. McAllister: But, David, with respect, that's like a headline saying: here's the title of, you know, \$10 million. What I think people really want to see in the public – and this is part of the problem of governance in general. You just see that column, and you don't see where the money is going and what the value is. This is what we're trying to get at. If it's \$33.8 million, who gets what? How much? Why do they get that much, and where are the results from that money?

Mr. Morhart: Okay. Well, a very good question, and our intention in publishing the Campus Alberta strategic plan is to get a lot more clarity on the high-level objectives and then the specifics as to where and how we're actually incenting those.

Mr. McAllister: Okay. Well, I think I'll look forward to some more defined answers. I think everybody would. Even members of, you know, the PC Party here just asked very similar questions.

I'd like to ask you about the mandate letters today, too. You know, one of the words that we've heard surrounding them is confusion. On one hand, you're providing institutional autonomy. On the other, you're trying to provide a road map. I think it's been described as sort of like: we're asking everybody to meet somewhere, but we haven't told them where we're meeting, and we don't really have a road map on how to get to where we're meeting. You know, obviously, that's very frustrating for everybody that I've talked to in the system and probably frustrating for your department, too. I know that if you could go back, you'd probably change that. How is this mandate different from the last one? What will be the defining difference that you seek in getting collaboration?

Mr. Morhart: I think what's important to note about the letters of expectation, our mandate letters, is that we have got a lot more clarity now about what we're expecting, and this is expectation on the part of government but also on the part of institutions for government support to support a system, to support a sector, and to support institutional outcomes. That is a document that will

evolve over time, but it is the basis of what we'll put into our Campus Alberta strategic plan.

Mr. McAllister: I started off the top, David, with sharing my interview time, and I know I've got some other colleagues here that might have a question or two. I can certainly come back and ask a few more, and I will if we have time here in a minute or so. I know that the Member for Rimbey-Rocky Mountain House-Sundre may have a question or the member from Brooks. They both look at me and say no. You're good? Okay.

Given the overall objective when Campus Alberta was launched – you know, every headline was: “This is great collaboration. We're going to save money in the end. We're going to bring these institutions together.” And everything you hear says: we're not really sure how to do that or how to get there. When you have your conversations with your presidents now, where are those conversations going so that they'll be coming out of those meetings saying, “We have a clear idea of what this department wants from us”?

Mr. Morhart: Thank you again for the question. I would challenge that Campus Alberta wasn't created to save money; it was really to leverage, you know, existing resources and investments, to actually build the best system that we can build. Our presidents and our board chairs and students are actually pretty excited about where we're at. We know that it's a path that we need to provide more clarity on going forward, but there is a lot more clarity of direction now. What we're really looking for from our institutions is to play as partners but also excel in the areas that they're best at. We need to differentiate. We need to encourage that. It's an opportunity for us to move forward. We're actually facing a very positive reception from our various stakeholders, and we're very excited about that.

Mr. Johnston: The other thing I would add, if I may, is that there has really been some significant positive momentum in terms of Campus Alberta-related conversations gained over the course of the last year. All 26 presidents are now meeting on a quarterly basis. All 26 chairs of boards are now meeting on a quarterly basis. That is new. We are meeting with student groups on a quarterly basis. We're having meaningful and timely conversations around transferability and accessibility and quality and new conversations around the sharing of governance expertise and training, e-learning directions for Alberta, lots of meaningful conversations specific to international ed and sharing of expertise. There's real, solid positive momentum.

Mr. McAllister: Gord, can I follow up, then?

Mr. Johnston: Sure you can.

Mr. McAllister: You mentioned international ed. I'm glad you did. It's a question that I think Calgary-Foothills asked on record today. You know, we've got some time. I'd love to hear the answer from you. What are you doing with international education, you know, specifically, and how do you monitor those programs to see that we're getting value for them?

Mr. Johnston: On the international ed front from a Campus Alberta perspective institutions have an opportunity to work together perhaps more closely than they ever have before specifically to international ed directions, risks, opportunities, making sure that they're not duplicating efforts both in terms of offshore delivery but also in the province. We are working very closely with institutions at the present time to create a new international

education framework for Alberta under the auspices of the overall Campus Alberta direction.

We have had an international education checklist, or tool kit, that has been available for use by all 26 postsecondary institutions for approximately the last five years. We meet on a regular and ongoing basis with international education representatives from all of the institutions as well, so there's lots of significant and timely work going on.

Mr. McAllister: Gord, thank you.

I think my time is up. I would just like to thank all three of you for taking the tough questions. I find this much more effective than QP for several reasons, which we could all agree on, I think. Thank you very much for taking the tough questions. I'm sure there will be more good questions coming forward.

The Chair: All right. Five minutes, Mr. Bilous.

Mr. Bilous: Excellent. Thank you, gentlemen, for coming. I'll try to make this quick because there's quite a bit I want to cover. David, earlier you talked about the strategic plan, but you didn't give a date or a timeline of when it'll be released. Can you give us an idea of when that strategic plan will be released?

Mr. Morhart: Sure. Thank you. Our target date is April.

Mr. Bilous: April. Okay. Thank you.

Ms Pastoor: Sorry; I didn't get that.

Mr. Morhart: Our target is to release the strategic plan in April.

Mr. Bilous: Excellent. I'd like to read through a series of questions just because they're all on the same theme, and then we'll get you to respond. The ministry provides about \$24.6 million in funding to five different religious colleges. It provides \$1.9 million to seven different colleges dedicated to First Nations education. No First Nations institutions received infrastructure grants in 2012-13, and some First Nations institutions did not receive any funding from the ministry at all.

What oversight is there for the payment of these funds to the institutions called independent by the ministry but are schools dedicated to religious education in terms of how public tax funds are being used?

Why are the First Nations institutions provided with so much less funding than other colleges, particularly as compared to more specialized schools? How did funding decisions with respect to First Nations institutions get made? What are the guidelines in place to determine which get funding and which don't, how much funding they get, and how that funding will be delivered or dedicated? What plans are there for putting such guidelines in place if they don't already exist? Considering the underfunding of institutions which are specifically dedicated to First Nations education, what other plans does the ministry have to provide fulsome and adequate funding for the inclusion of First Nations issues into other institutional programs?

That's quite a lot, but I appreciate your answers.

Mr. Johnston: Okay. On the First Nation colleges side we are quite proud of our relationship with the six First Nation colleges across the province. The funding that we provide to them on an annualized basis is largely project based, so they generally will submit proposals to us for areas of focus that they would like to pursue on the advanced ed side on an annualized basis. Our conversations continue, though, with the First Nation colleges across the province to ensure that they are supported in timely and

appropriate ways related to the educational needs of First Nations individuals across the province.

9:50

On the faith-based side, as you've alluded to, there are five of those institutions across the province. Again, we're very, very, very proud of our relationships with those institutions. For the first time ever they are now present and accounted for in all of our Campus Alberta related conversations. We are of the opinion that they serve learners very, very, very well. They serve Albertans very well. The outcomes that our independent academic institutions achieve are very comparable to our other publicly funded institutions across the province.

I hope that answers your questions.

Mr. Morhart: If I may, one thing I would add on the First Nations front is that a lot of really wonderful programs within NorQuest College, Bow Valley College, a lot of our community institutions, and, indeed, our universities are related to specific aboriginal-related programs, so all of the support and encouragement within those communities comes through many institutions, not just through the project-based funding at the colleges.

Mr. Bilous: I just have, I think, 30 seconds, so I'm just going to read a couple of questions in if I could. I appreciate your answer, Gord, but I'd like a more full answer, especially looking at, you know, plans the ministry has when we're talking about First Nations education and assisting institutions with their programs.

The other question is: do religious colleges have to submit proposals for dollars allocated? As you said, First Nations colleges have to actually request dollars per project. I'm wondering if that's standard across the board. If it's not, then why not?

You also talked about Campus Alberta and how it's run out of the ministry, so there isn't a specific budget, but the question, then, is how much time are people and staff allocating to Campus Alberta so that we can get a sense of how much money is actually being spent within the ministry.

And I think I'm probably out of time. Thank you.

The Chair: Thanks a lot.

There was one other question that wanted to be read into the record, and then we need to move on.

Go ahead, Mr. McAllister. Read it into the record only.

Mr. McAllister: Thank you for indulging me, Mr. Chair. The reason I want to read this one: I think it's very important we get the answer to it. It comes from another example from the Auditor General in terms of financial information and funding.

An example of the issues raised by the lack of such financial information can be seen in the Campus Alberta south partnership. It's a collaboration in which Athabasca University, Olds College, and the University of Lethbridge jointly operate out of Bow Valley College's campus in Calgary. While the institutions involved in Campus Alberta south mention the existence of the project in their annual reports or comprehensive institutional plans, none of these documents appear to contain any detailed financial information on the initiative. Thus, a number of questions arise such as: are Athabasca University, Olds College, and the U of L paying Bow Valley College rent; how does it compare to other rents they might have been paying for previously; for Calgary satellite campuses what other costs have been reduced by sharing a common space; has the initiative eliminated the duplication of programs or administration; and what is the overall cost of implementing Campus Alberta south for each institution?

The answers are required to determine whether this initiative is effective and achieves value for money. Similar questions arise for many if not most of the Campus Alberta collaborative initiatives, and I'd love the answers to those questions and to consider questions like that going forward.

Thank you.

The Chair: Thank you.

We're going to stop it there. Thank you very much. There were a lot of questions that were read into the record. If you could give written replies to that sometime in the next few weeks, that would be great. Just submit them to the clerk, and we'll get them posted. Thank you very much for your time.

I'm turning to other business now. Last week we had discussed the template for the status report on outstanding Auditor General recommendations. You all should have had a chance to take a look at the revised version, which has been posted to the internal committee website as well as a sample department invitation letter. I've spoken with our deputy chair, who had to go to another meeting real quick. He has made it clear that he's happy with the template. He had direct input into some of the revisions that went into that, but I'd like to open it up for any comments if anyone has any comments or questions on that before we bring a motion forward to accept the template.

Mrs. Sarich.

Mrs. Sarich: Yes. Thank you very much, Mr. Chair. I would be very pleased to support that direction on the proviso that should there be any adjustments necessary in the future as we move in that direction, as I believe I mentioned at the last meeting of Public Accounts, then we would be very open to make those adjustments because it would be helpful.

The Chair: Absolutely. It's always subject to being changed if we can improve it. No doubt about it.

Any other comments on that?

Do we have a mover that

the proposed status report on outstanding recommendations from the Auditor General of Alberta template be approved as distributed and that the templates be sent out attached to the committee's formal correspondence with invitees on a go-forward basis.

Mr. Quadri. Those in favour? Any opposed? Carried.

Given the timing of our remaining meetings this year, we'll have our committee clerks send those out starting in the new year, okay?

Mrs. Sarich: If I may, Mr. Chair, if could bring up under other business, the report of the 2012 activities of the Standing Committee on Public Accounts was distributed in the House yesterday, and on page 6 there was a slight oversight. Mr. Jason Hale was identified as only a committee member. He is the MLA for Strathmore-Brooks, so I would like to know if we could explore if there's an addendum or some other process to make this correction.

The Chair: It was just a hint to that member that perhaps, you know, he should move on a little bit. No, thank you for pointing that out. We have talked a little bit with the research and the committee clerk about it. I don't think there's a need necessarily to resubmit the report to the House, but perhaps we could make a change online on that if that would be acceptable to the member. Or would he like us to make an entirely new report and make a public apology?

Mr. Hale: Mr. Chair, we will deal with the public apology later. I know there are some events we're going to be at. I'm fully confident that by now people should know who I am that are paying attention, and if they're not, they will.

The Chair: All right. There you go. Excellent. We'll make that change online.

Mr. Anglin: Rob Ford apologized. We won't make you.

The Chair: That's right. Let's not bring Rob Ford into this committee, please.

The date of the next meeting will be on Wednesday, November 27, 2013, with Alberta Energy.

Would a member like to move that the meeting be adjourned? Mr. Webber. Those in favour? Any opposed? Carried. Thank you very much, everyone.

[The committee adjourned at 9:59 a.m.]

