



NORQUEST COLLEGE

Board of Governors
Room 3-013, 10215 108 Street NW
Edmonton, Alberta, Canada T5J 1L6

February 23, 2018

Standing Committee on Resource Stewardship
c/o Committee Clerk, 3rd Floor
9820 – 107 St
Edmonton, AB T5K 1E7
Email: ResourceStewardship.Committee@assembly.ab.ca

Dear Standing Committee:

NorQuest College appreciates and welcomes the opportunity to submit a written response with respect to the *Conflicts of Interest Act*. Openness and accountability is a tremendously important value at NorQuest College. However, as a Comprehensive Community Institution (CCI), we have a different set of challenges when compared to other ABCs which we would like to address.

Designated Senior Officials (DSOs) not Required at CCIs like NorQuest College

We respectfully submit that there should be no Designated Senior Officials at NorQuest College. At a minimum, if the intent is to have Presidents named as DSOs, then we submit that Board Chair of NorQuest College should not be included in the DSO listing. The level of input and ability to make decisions on operational issues that would give rise to conflicts that the DSO provisions seek to address is minimal for Board of Governors at NorQuest College and adequately covered in the conflict of interest restrictions of the Code and legislation.

Excessive Financial Disclosure for DSOs at NorQuest College

While we fully support openness and transparency, there are several requirements for DSOs in the amendments to the *Conflicts of Interest Act* that we find unnecessary considering the size and complexity of our institution as compared to other post-secondary institutions, such as universities. For example, the extent of the financial disclosure and the requirements to place publicly traded securities in a blind trust by the President of a college goes beyond the intention of these amendments. We recommend a right sizing of the disclosure and trading limitations.

NorQuest College Donor Relationships are Different

We support and understand the clear conflicts of interest that the Act seeks to prohibit – as these existed in our Codes of Conduct before this legislation. Namely, that employees must not accept any gift, perk, benefit, or other favour which may be intended or would reasonably be perceived as being provided in exchange for a favour or advantage to a third party carrying on business with the college. However, we submit that Colleges like ours are in a unique circumstance compared to other agencies, boards and commissions, as we are not the ones offering the advantage, rather we are the ones seeking the support.

That is, with our current budget constraints, (where our costs are going up and on the revenue side, government funding cannot keep pace and tuition and fees are frozen), colleges have to find innovative ways to partner with industry and seek donor support now, more than ever. Limiting our ability to effectively interact with all stakeholders will hamper our ability to engage with

donors to build and sustain the necessary relationships. We already have a strict code of conduct that ensures timely and stringent reporting measures. These current procedures ensure accountability and transparency for our institution. The annual limits on cash value of events attended and gifts received should be higher for colleges than other ABCs and explicit exemptions for networking events, donor benefits, and other situations unique to colleges must be recognized to maintain our ability to attract and retain the donors that are so critical to our sustainability.

College Board Chair should not be DSOs

There are special obligations set out in the *Conflicts of Interest Act* that apply only to Designated Senior Officials. Where the Ethics Commissioner has the discretion, we would request that the regulations set out some guidance that will be exercised in a more accommodating and permissive way for the DSO of NorQuest College as opposed to other agencies, boards, and commissions, in recognition of the limited ability of a College's DSO to materially affect the issues that the limitations are seeking to protect against.

We also strongly urge the government to not include Chair of the Boards of Governors of NorQuest College as a DSO. These individuals are volunteers who give of their time and do not have the ability to influence decisions in the same way as the Chairs of commercial or regulatory ABCs would, nor even in the same way as the Chair of a University Board of Governors would. We are concerned about the impact this would have on our ability to recruit strong and effective Board Chairs and the excessive administration for a very low risk issue.

Finding the right-sized requirements

There is a wide-range of different ABCs throughout the province – they range from highly sophisticated and publicly-funded, complex commercial and self-funded, smaller and publicly-funded service institutions such as not-for-profits. Because the different types of ABCs are so vast, we would like to see consideration for a categorization of ABCs in Alberta, particularly as it relates to the *Conflict of Interest Act* more onerous provisions. We are seeing that one size does not fit all, and while transparency and accountability is absolutely vital, lumping every organization together creates unintended consequences for many. NorQuest College is not the same as large, privately funded commercial enterprises nor large regulatory entities, therefore compliance requirements should be right-sized for the requirements of the legislation to the complexity of the organizations.

Sincerely,



Alan Skoreyko
Chair, Board of Governors
NorQuest College

