

SUMMARY OF THE MINUTES

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PRESENT

Members:

The Honourable Burchell Whiteman, O.J. (*Chair*)
Professor Michael Omolewa (*Nigeria; Deputy Chair*)
Dr. Pauline Greaves Aylward (*representing H.E. Kamalesh Sharma, Commonwealth Secretary-General*)
Ms. Mia Mouelhi (*representing Canada*)
Mr. N.K. Sinha (*India; representing Ms. Vibha Puri Das*)
Dr. Linda Sissons, CNZM (*New Zealand*)
Ms. Jennifer (Jenny) Glennie (*South Africa*)
Mr. Andrew Preston (*representing the United Kingdom*)
Professor Akilagpa Sawyerr (*Africa*)
The Honourable (Mrs.) Zahiya Zareer (*Asia*)
Professor Clement Sankat (*Caribbean*)
The Honourable Dr. Dame Carol Kidu (*Pacific*)
Sir John Daniel (*Ex Officio; President & C.E.O.*)

Advisor:

Professor John Tarrant

Other COL Staff:

Professor Asha Kanwar, Vice President
Ms. Doris McEachern, Director – Finance, Administration & Human Resources
Mr. Dave Wilson, Communications Manager (*Meeting recorder*)

The meeting began at 2:50 p.m., Tuesday, 8 June, Pacific Daylight Time.

I. OPENING REMARKS BY THE CHAIR

The Chair welcomed all Board members and introduced the three new representatives (Dr. Greaves Aylward, Ms. Mouelhi and Mr. Preston), noting that Canada's and the U.K.'s appointments to the Board are still pending.

II. APPROVAL OF THE AGENDA

COL/BD/27-1

THE DRAFT AGENDA WAS APPROVED AS CIRCULATED.

III. MINUTES OF THE LAST MEETING OF THE BOARD OF GOVERNORS – JUNE 19 & 20, 2009 (KUALA LUMPUR)

COL/BD/27-MIN-2

A. Approval of the Minutes

THE DRAFT MINUTES OF THE PREVIOUS MEETING WERE APPROVED AS AMENDED.

B. Matters Arising from the Minutes

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1. Review of Action Items from the 26th Board of Governors' Meeting COL/BD/27-3

The Chair reviewed all of the listed Action Items as presented, which indicated those that have been completed and those that are ongoing. He noted that all outstanding items have either been done, will be addressed later in the meeting and/or are ongoing action items.

2. Revised Policy on Additional Contributions COL/BD/27-4

The Chair noted that the previously circulated paper includes some minor amendments that were suggested by the Board at its last meeting and subsequently approved by the Audit Committee in March.

There was some discussion on the wording of the policy and the Board agreed to two additional amendments:

II. (Purpose): insert the words “to sustain optimal levels of support for core activities” after “Therefore an appropriate level of costs must be recovered from these additional activities.”

III.B.2.a (Criteria for Providing Fee-based Services): insert the words “be consistent with COL’s approved three-year plans and” between “provided will” and “be within”. This then parallels the wording in III.A.2.a (Criteria for Seeking and Receiving Grants).

THE BOARD APPROVED THE REVISED POLICY ON ADDITIONAL CONTRIBUTIONS WITH AMENDMENTS.

3. Focussed Research Paper from Mr. Sinha, India COL/BD/27-5

Mr. Sinha reviewed his previously circulated paper that he had prepared at the request of the Chair in response to his suggestions at the last Board meeting about COL getting involved with focussed research. He noted how COL could help Commonwealth countries by conducting open access research in areas that could benefit several or all members.

Professor Kanwar provided an initial response noting that COL is already active in some of the suggested areas in limited ways.

The Chair proposed that, since the contents of Mr. Sinha’s paper are wide ranging and involve the issues of scale and cost, it would be best for the Board to request a documented response from COL management.

THE BOARD AGREED TO THANK MR. SINHA FOR HIS CONTRIBUTIONS AND REQUESTED THAT COL MANAGEMENT PREPARE A DOCUMENTED RESPONSE FOR FURTHER CONSIDERATION BY THE BOARD.

4. Management Response to External Evaluation COL/BD/27-6

The Chair reported that the management response to the external evaluation that was provided to the Board was prepared by COL staff at the request of one of COL’s major donors, the Canadian International Development Agency (CIDA).

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The representative of the Government of Canada reported that the documentation was welcomed and appreciated by CIDA and a Board member noted that the document demonstrates COL's commitment to quality and integrity.

5. Outline of Prudent Measures Taken in the Year COL/BD/27-7

The President reviewed the paper on "prudent measures". This had been requested by the Board in light of the recent downturn in the economy.

The Board noted the paper with appreciation.

6. Ethics (Protocols) of Partnership COL/BD/27-8

The President noted that this paper on the ethics of partnership arose out of a concern expressed by a Board member at the previous meeting of the Board. He commented that some partnerships are difficult to manage, some need to be dropped and others pay off on a large scale. He asked the Board if they were satisfied with the paper. One suggestion was to change 'ethics' to 'the protocols of partnership'. There was some discussion.

In answer to questions, the President responded that 1) there is no sharp distinction between formal and informal contracts but for all involving the transfer of money COL requires formal contracts and that different types of partnerships are inevitable, 2) COL is open to private/public partnerships and is engaged in such already through mobile phone companies and the "Lives" programme, and 3) COL does build on its experience in partnerships.

The Chair summarised the discussion, noting that there was agreement that 1) COL shouldn't become too formal and structured in setting rules for partnership, but that COL would benefit from a more in-depth analysis of its strategic partnerships, 2) the Board has confidence in COL's management of partnerships and potential partnerships and 3) COL should ensure that important knowledge gained through partnership activity be institutionalised so that corporate memory is not lost.

THE BOARD REQUESTED COL MANAGEMENT TO FURTHER DEVELOP ITS VIEWS ON THE "PROTOCOLS OF PARTNERSHIPS" WITH THE VIEW TO INCLUDING ITS ESSENTIALS IN THE NEXT THREE-YEAR PLAN.

- IV. MINUTES OF THE EXECUTIVE COMMITTEE MEETING – COL/EX/32/MIN-9
FEBRUARY 23 & 24, 2009

1. Review of Action Items from the COL/BD/27-10
32nd Meeting of the Executive Committee (February 2010)

The Chair asked members to note the Executive Committee minutes and to note that listed action items have been completed.

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V. PRESIDENT'S REPORT

A. Sixth Pan-Commonwealth Forum on Open Learning (PCF6), India COL/BD/27-11

The President referred to the Board paper and noted that COL's PCFs are becoming one of the premier conferences in the field, thematically positioned at the nexus of learning and development. The programme integrates discussion of COL's initiatives with contributions submitted from around the Commonwealth. COL seeks sponsorship funds that ensure significant participation from developing countries. PCF6 will be held in November in Kochi, Kerala, hosted in partnership with the Indira Gandhi National Open University.

B. President's Commentary on COL's Longer-Term Prospects COL/BD/27-12

The President reviewed his paper on Longer-Term Prospects for COL and the three main topics:

- COL and the global economy: while there was apprehension at the last Board meeting that the global economy might effect contributions (voluntary) from Commonwealth member governments, this has not materialised. The "politics" of governments are often more determinant for COL than the "economics" of governments.
- The changing technological landscape: COL is taking advantage of and exploring new technologies, as appropriate.
- COL's evolving staff profile: COL's senior staff *does* evolve. The rotation policy is being applied and is working. COL has a lean staff structure where senior people have to operate at many levels of activity and protocol.

There was comment and discussion among Board members, including the prospects of Australia becoming a donor again. The next CHOGM will be held in Perth. COL has nurtured a supportive network within the country with hopes that its major donors, Canada in particular, will encourage Australia to return. The Board again expressed its support for the President by giving him latitude to seek an expansion of COL's funding base.

VI. FINANCIAL MATTERS – 2008-2009

A. Minutes of the Audit Committee Meetings – COL/AU/15/MIN &
November 2009; March 2010 & COL/AU/16/MIN-13
Oral Report from the June 2010 Meeting

The Chair of the Audit Committee reviewed the outcomes of the three Audit Committee meetings that have been held since the last Board meeting and noted that the Financial Statements for 2009/10 were approved subject to ratification by the Board.

The Board noted the minutes and noted that the Audit Committee had suggested substantial changes to the section about the Committee Terms of Reference in the Governance Manual, which would be dealt with later in the meeting.

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1. Gender and Diversity COL/BD/27-14

The President reviewed the paper on gender and diversity, that had been prepared at the Board's request. He noted that the contents reference various COL documents and show that gender and diversity is woven into COL's operations, both through programme activity and administration. He asked if the provisions outlined were adequate.

There was some discussion and the Board agreed that it was completely satisfied with the provisions outlined in the report but suggested that there could be benefit from the matter receiving a higher profile in COL's main external evaluation report.

B. Ratification of the audited Consolidated Financial Statements, COL/BD/27-15
June 30, 2009

Ms. McEachern reviewed the audited Financial Statements for 2008/09 and answered questions, noting that detailed explanations are highlighted in the Audit Committee minutes of November 2009. She also noted that as per the Board's request, the format now includes a comparison of actual vs. budget (but this schedule is not part of the audit).

The Chair of the Audit Committee reported that the Committee interacts with the auditors in consideration of matters such as risk, allocation of expenses, controls and cash levels. She confirmed the Audit Committee's assessment that the statements are a true reflection of COL's financial position at year end, 30 June 2009.

The potential benefit of COL purchasing its own premises, possibly through the support of a host government, was raised again. No immediate action was suggested and the Chair requested that the matter be noted in the minutes.

THE AUDIT COMMITTEE'S APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2009 WAS RATIFIED BY THE BOARD.

C. Interim Consolidated Financial Statements, COL/BD/27-16
to March 31, 2010

Ms. McEachern presented the interim financial statements for 2009/10 and noted that 67% of the budget had been spent or committed as at this three-quarter mark in the year and that projected government funding and additional contributions are both close to being realised. Projecting to year-end, she predicted a modest surplus of revenues over expenditures, even after significant adjustments for foreign exchange liability (assessed book losses that may or may not be realised) and asset amortisation.

There was some discussion as the Board noted the statements.

VII. HUMAN RESOURCES AND ADMINISTRATIVE MATTERS

A. Human Resource Matters COL/BD/27-17

The President introduced the paper on human resource matters and the latest version of the Human Resources Framework and Compensation Plan, which matches the current

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Three-Year Plan and incorporates recently approved modifications to the salary grades structure.

He noted that the paper included reporting and discussions on performance management, cost of living adjustments, training and development, recruitment and succession planning, job evaluations and recommendations. He also pointed out a typographical error in the paper – in the penultimate paragraph under section 2.0 (Cost of Living Adjustment), the words, “reduce” and “below” should be replaced with the words, “increase” and “above”, respectively so that the second sentence reads, “Any further cost of living adjustments made for this post based on current salary range in COL and at CEMCA will increase the factor above .65.”

THE BOARD NOTED THE ONGOING WORK ON THE HUMAN RESOURCES FRAMEWORK AND COMPENSATION PLAN AND APPROVED THE SPECIFIC REQUESTS FOR THIS YEAR CONTAINED WITHIN.

The Chair added specific mention that implicit in these recommendations was the recommendation that no cost-of-living adjustment be applied to Vancouver-based salaries this year.

- B. Staff List COL/BD/27-18

The Board noted the staff list.

VIII. PROGRAMME REPORT FOR 2009-2010 AND APPROVAL OF BUDGET FOR 2010-2011

- A. Three-Year Plan, 2009-2012 – Progress Report COL/BD/27-19

Professor Kanwar introduced the progress report on programme activity and explained that it covers the first nine months of the year 2009-2010 which are also the first nine months of the current Three-Year Plan. Using COL’s Six-Rs filter – Relevance, Results, Reach, Regions, Resources and Relationships – the document reports on achieved outputs, lessons learned and challenges, but it is too early in the Plan cycle to report meaningfully on outcomes. She noted that two-year tracer studies are being conducted on one initiative in each programme and for CEMCA, as well as to cross-cutting themes. Stakeholder surveys will also be conducted in conjunction with PCF6 which takes place mid way through the current Three-Year Plan.

In noting the report, there was considerable comment and discussion, including several very favourable statements and congratulations on the impressive work and the quality and clearness of the Results Based Management-focussed reporting – although it was acknowledged that there is always room for improvement. Discussion also included questions and answers and a few suggestions for consideration, including:

- Headlines" could be added that would highlight outcomes achieved.
- Performance indicators could include both outputs and outcomes.
- How is COL addressing the challenge to “scale up”? In response, Professor Kanwar described COL’s working through partnerships and technologies, including open educational resources. Sir John noted that an important aspect of

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COL's work is the extent to which its work is replicable by others, and self-replicable. Some Board members added that COL is small and needs to keep "scaling up" in perspective; often this is very dependent on governments and other agencies, is very long-term and not entirely COL's responsibility.

Professor Kanwar assured the Board that, with more details available, next year's report will include a tracking of outcomes. The President reminded the Board that it is hard for COL to claim credit for results that result from collaboration with partners.

The Chair thanked the staff for the report and the Board for the useful discussion.

B. Virtual University for Small States of the Commonwealth (VUSSC) – COL/BD/27-20 Update

The President summarised the VUSSC report noting that substantial sets of course materials are now, or soon will be, available. He also informed the Board that following the Commonwealth Secretary-General's discussions with the Government of India it may be ready to contribute some \$1 million to the VUSSC over the next five years. This would substantively replace the CFTC funding that has now ended. Sir John also noted that VUSSC is approaching charitable foundations and the VUSSC Management Committee is coordinating applications to regional agencies and development banks. Contributions in-kind, such as the support for meetings provided by Singapore and Malaysia, are a helpful part of the funding structure.

Professor Kanwar noted that VUSSC is an integral part of the programme but has been reported on separately in the past. She suggested that separate reporting at Board meetings may no longer be warranted and the Board agreed.

The Board noted the VUSSC report.

C. Gender Update COL/BD/27-21

Professor Kanwar highlighted the progress report on gender and noted that it is in a new format that will be updated for the Board each year. It includes a table specifically outlining programme-level gender indicators, which the Board had requested for this meeting. She also reported that, additionally, COL had committed to including one gender-specific activity in each initiative. The representative of the Government of Canada commented favourably on the report, noting that gender continues to be a very important area for CIDA to track. She congratulated COL on the inclusion of gender-specific initiatives in each programme area, but suggested, however, that there could still be room for strengthening COL's contributions to gender issues and for more gender presence in COL's three-year plans.

The Board noted the gender update with appreciation for the care with which COL is approaching and reporting on this important issue.

D. Critical Success Factors and Risk Management COL/BD/27-22

The President reviewed the tabular reporting document and noted that it has now been updated to reflect the new Three-Year Plan and that the additional risk posed by more significant foreign exchange rate fluctuations will be added for the next update.

The Board noted the report on critical success factors and risk management

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E. Approval of Budget for 2010-2011 COL/BD/27-23

Ms. McEachern reviewed the presentation of the draft budget figures and supporting notes. She reported that as cash reserves were higher than necessary (citing COL's policy on cash reserves) the budget proposes the application of some cash reserves to augment projected revenue. This would only occur if expenditures match budget, but historically there has usually been some under-spend.

Total expenditures for 2010-2011 are budgeted at \$11.5 million, including forecasted lower organisational management costs. Projections to fund the budget are: member governments – \$7.8 million (down somewhat primarily due to unfavourable foreign exchange rates); additional contributions – \$2 million (roughly 20%); and other sources and cash reserves to make up the balance.

There was some discussion, especially in regard to a balanced budget based on revenues, COL's cash reserve policy and the pattern of historical under-spend from budget at year-end. The Chair of the Audit Committee suggested that a review of the policy might be prudent during the coming year and other Board members agreed.

THE PROPOSED BUDGET FOR 2010-2011 AS CIRCULATED, AT A LEVEL OF \$11,505,000 WAS APPROVED BY THE BOARD. THE BOARD ALSO REQUESTED THAT THE AUDIT COMMITTEE REVIEW COL'S CASH RESERVE POLICY.

IX. GOVERNANCE MATTERS

A. Review Governance Manual COL/BD/27-24

Ms. McEachern presented the Governance Manual and the latest proposed amendments that were indicated in the circulated document through Microsoft Word Track Changes. Included in this was the Audit Committee's substantial re-draft of its terms of reference. The Chair of the Audit Committee reviewed these changes noting that they brought standards up to generally accepted international practice.

There was some discussion on the Audit Committee's suggested provision that "a formal search for a new auditor will be conducted at least once in every five-year period." (Section B.3.g) It was agreed that the wording of this provision should be made clearer and include a ten-year cap; that is that the Audit Committee must conduct a formal search for a new auditor every five to ten years (which could result in the reappointment of the same auditor).

THE BOARD APPROVED THE REVISED GOVERNANCE MANUAL AS PRESENTED WITH THE PROVISION THAT SECTION B.3.G BE AMENDED TO MORE CLEARLY REFLECT A PROVISION FOR A FIVE- TO 10-YEAR WINDOW FOR CONDUCTING FORMAL SEARCHES FOR AUDITORS.

B. Update on Orientation for new Board and Committee Members

New Board members/representatives reported that they appreciated the orientation session that was provided by the Chair and senior staff on the day prior to the start of the Board meeting. They said that it was well organised, as was the Board meeting itself and all related arrangements. They also expressed their appreciation for the

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presentations by COL Education Specialists prior to the official start of the Board meeting.

Professor Kanwar noted that there would be a planning retreat in conjunction with the Board's meeting next year, as part of the consultative process for COL's next Three-Year Plan.

C. Terms of Office and Appointments for Board of Governors and Committee Membership COL/BD/27-25

The Chair asked Board members to note the previously circulated paper that outlines terms of office and appointments to the Board of Governors and Committee membership – and that an appointment of a Deputy Chair and the setting of memberships for Committees is required.

Noting the need for rotation in Deputy Chair and Committee membership as well as geographical and representation balance, that Committees can exercise the option to add to their membership and that appointments to Committees are for three-years and Performance Sub-Committee is for two years unless specified, the Chair proposed the following:

1. That Dr. Linda Sissons succeed Professor Michael Omolewa as Deputy Chair.
2. That the Executive Committee be comprised of the Board Chair and the representatives for Canada, India, New Zealand, Africa and Asia.
 - a. That the Performance Sub-Committee be comprised of the Board Chair and the representatives for New Zealand and Africa.
3. That the Audit Committee be comprised of the representatives for the Caribbean (Chair), Nigeria, the U.K. and the Pacific.

On behalf of Board members and Commonwealth member Governments, the Chair expressed appreciation for the previous service by Board members on Committees and especially for Ms. Glennie for her service as Chair of the Audit Committee and Professor Omolewa for his service as Deputy Chair of the Board.

THE BOARD APPOINTED DR. LINDA SISSONS AS ITS DEPUTY CHAIR FOR THE ENSUING YEAR AND AGREED TO COMMITTEE AND SUB-COMMITTEE MEMBERSHIP AS PROPOSED BY THE CHAIR.

D. Self-assessment Mechanism COL/BD/27-26

There was some discussion regarding a self-assessment mechanism for the Board. A background paper had been provided as this had been requested by the Board at its last meeting. It was generally agreed that a self-assessment mechanism for the COL Board should be pursued but that it be somewhat "lighter" than the provisions suggested in the background paper and that there need not be an assessment of individual Board members at this time.

THE CHAIR REQUESTED MS. GLENNIE AND MR. PRESTON TO PREPARE A DRAFT SELF-ASSESSMENT TOOL FOR THE COL BOARD.

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X. IN-CAMERA SESSION

- A. Approval of the In-Camera Minutes COL/BD/26/MIN-27
- B. Matters Arising from the Minutes
- C. Report of the Performance Sub-Committee

THE BOARD MET IN-CAMERA TO DISCUSS THESE AGENDA ITEMS.

XI. ANY OTHER BUSINESS

The representative of the Government of Canada enquired about the possibility of making all Board papers available electronically and that, for revised documents, that Microsoft Word Track Changes be employed more often (as had been done with the Governance Manual). The President responded affirmatively, but explained that in many cases, Track Changes are not practicable as they can cause more confusion than clarity, especially where committees have already approved revisions.

The Chair noted that this would be the last meeting attended by Professor Omolewa, as the Government of Nigeria is expected to soon name a new representative to the Board, and by Professor Tarrant, as he is retiring as Secretary General of the Association of Commonwealth Universities at the end of the month. He thanked them both for their years of service and valuable contributions.

XII. NEXT MEETING OF THE BOARD

IT WAS AGREED THAT THE NEXT MEETING OF THE BOARD WOULD TAKE PLACE IN VANCOUVER IN JUNE 2011.

The meeting concluded at 3:00 p.m., Wednesday, 9 June, Pacific Daylight Time.