

BOARD OF GOVERNORS' 112th REGULAR MEETING & ANNUAL GENERAL MEETING

AGENDA
Wednesday, June 26, 2019
8:30 a.m. to 12:00 p.m.
55 Bond Street, DTB 524

No.		Topic	Lead	Allocated Time	Suggested End Time
		PUBLIC SESSION			
1		Call to Order	Chair		
2		Agenda (M)	Chair		
3		Conflict of Interest Declaration	Chair		
4		Chair's Remarks	Chair	10	8:40 a.m.
5		President's Report	Steven Murphy	20	9:00 a.m.
	5.1	Strategic Retreat Debrief (D)			
6		Academic Council	Ferdinand Jones	5	9:05 a.m.
	6.1	Annual Report* (U)			
7		Co-Propuluous Report	Jim Wilson	5	9:10 a.m.
		Committee Reports			
8		Audit & Finance Committee (A&F):	Nigel Allen	40	9:50 a.m.
		Finance			
	8.1	2018-2019 Audited Financial Statements* (M)			
	8.2	Internally Restricted Funds* (M)			
	8.3	Fourth Quarter Financial Reports* (U)			
		Project Updates			
	8.4	New Building* (U)			
		Risk, Compliance & Policy			
	8.5	Annual University Risk Management Report* (U)			
	8.6	A&F Annual Report* (U)			
9		Investment Committee:	Stephanie Chow	10	10:00 a.m.
	9.1	Quarterly Report			

No.		Topic	Lead	Allocated Time	Suggested End Time
	9.2	Investment Annual Report* (U)			
10		Governance Nominations & Human Resources Committee (GNHR) Report	Francis Garwe	5	10:05 a.m.
	10.1	2019-2020 Board Leadership & Committee Assignments (U)			
	10.2	Annual Board Practices Assessment Results* (U)	Cheryl Foy	15	10:20 a.m.
	10.3	GNHR Annual Report* (U)	Francis Garwe	5	10:25 a.m.
11		Strategy & Planning Committee Report (S&P)			
	11.1	Alumni Engagement Strategy (P)	Angelo Pineda	5	10:30 a.m.
	11.2	Annual S&P Report* (U)	Thorsten Koseck	5	10:35 a.m.
12		Consent Agenda: (M)	Chair	5	10:40 a.m.
	12.1	Undergraduate Studies Committee Terms of Reference* (M)			
	12.2	Dissolution of Admissions & Scholarships Committee* (M)			
	12.3	Change of Gender Policy (Student)*			
	12.4	Pension Plan Amendments*			
	12.5	2019-2020 Board Schedule*			
	12.6	Appointment of Board Secretary 2019-2020*			
	12.7	Minutes of Public Session of Board Meeting of April 24, 2019*			
	12.8	Minutes of Public Session of Audit & Finance Committee Meeting of April 17, 2019*			
	12.9	Minutes of Public Session of Governance, Nominations & Human Resources Committee Meeting of March 28, 2019*			
13		Information Items (also available on the Board portal):			
	13.1	Institutional Quality Assurance Process Policy Documents*			
	13.2	Annual Policy Review & Compliance Update*			
	13.3	Annual Insurance Report*			
	13.4	Annual CURIE Report*			
	13.5	ACE Enhancement Project*			
	13.6	Campus Recreation & Wellness Centre Expansion*			
	13.7	AVIN*			
	13.8	Annual Report on Student Sexual Violence Policy & Procedures*			
	13.9	Annual Board Chair Report*			
14		Other Business	Chair		
15		Adjournment (M)	Chair	5	10:45 a.m.

D – Discussion

M – Motion

P – Presentation

U – Update

* Documents attached

No.		Topic	Lead	Allocated Time	Suggested End Time
		BREAK		15	
		NON-PUBLIC SESSION (material not publicly available)			11:00 a.m.
16		Call to Order	Chair		
17		Conflict of Interest Declaration	Chair		
18		Chair's Remarks	Chair	5	11:05 a.m.
19		President's Report	Steven Murphy	5	11:10 a.m.
	19.1	Appointment, Tenure & Promotion* (M)			
		Committee Reports (confidential items only)			
20		Audit & Finance Committee (A&F) Report			
	20.1	Debenture Check-in (U)	Steven Murphy	5	11:15 a.m.
21		Governance Nominations & Human Resources Committee (GNHR)	Francis Garwe	10	11:25 a.m.
	21.1	Chancellor Search Committee Appointments* (M)			
	21.2	LGIC Appointment Update			
	21.3	Annual Board Practices Assessment Results (confidential aspects) (D)	Cheryl Foy	5	11:30 a.m.
22		Consent Agenda (M):	Chair	5	11:35 a.m.
	22.1	Minutes of Non-Public Session of Board Meeting of April 24, 2019* (M)			
	22.2	Minutes of Non-Public Session of Audit & Finance Committee Meeting of April 17, 2019*			
	22.3	Minutes of Non-Public Session of Governance, Nominations & Human Resources Committee Meeting of March 28, 2019*			
23		For Information:			
	23.1	Annual Debenture Governance Checklist*			
	23.2	University Risk Management Annual Report – Confidential Attachments*			
24		Other Business	Chair		
25		<i>In Camera</i> Session	Chair		
		<ul style="list-style-type: none"> President's Objectives 2018-2019 & Board Feedback 			
26		Termination (M)	Chair		12:00 p.m.

Becky Dinwoodie, Secretary

Consent Agenda: To allow the Board to complete a number of matters quickly and devote more of its attention to major items of business, the Agenda has been divided between items that are to be presented individually for discussion and/or information and those that are approved and/or received by consent. A Consent Agenda is not intended to prevent discussion of any matter by the Board, but items listed under the consent sections will not be discussed at the meeting unless a Governor so requests. Governors are supplied with the appropriate documentation for each item, and all items on the Consent Agenda will be approved by means of one omnibus motion.

D – Discussion M – Motion P – Presentation U – Update * Documents attached



ACADEMIC COUNCIL

ANNUAL REPORT TO BOARD OF GOVERNORS 2018-2019

As the governor member of Academic Council, I am pleased to report on the great work done by Council this year and provide a summary of Academic Council's accomplishments.

Recommendations to Board of Governors

Academic Council recommended the following for approval by the Board of Governors:

- a) Establishment of a Bachelor of Arts (Honours) and Bachelor of Science (Honours) in Psychology
- b) Establishment of a Bachelor of Science (Honours) in Integrative Neuroscience

Curriculum & Program Changes

Academic Council approved the following:

- (a) Cyclical Program Review Final Assessment Summary Reports
 - (i) Bachelor of Engineering in Manufacturing Engineering
 - (ii) Bachelor of Engineering in Mechanical Engineering
- (b) Definition of Experiential Learning & Amendments to Course Nomenclature
- (c) Major Program Modification: Bachelor of Commerce Finance - Transfer to University Embedded Bridge Program
- (d) Major Program Modification: Bachelor of Commerce in Technology Management
- (e) Major Program Modification: Bachelor of Information Technology in Technology Management
- (f) Major Program Modification: Bachelor of Arts in Criminology and Justice + Advanced Entry
- (g) Major Program Modification: Remove Program or Program Component – General Science (BSc) & Advanced Entry
- (h) Major Program Modification: Bachelor of Commerce - Minor in International Business
- (i) Major Program Modification: Bachelor of Engineering in Mechanical Engineering - Energy Engineering Specialization
- (j) Major Program Modification: Bachelor of Arts in Communication and Digital Media Studies, Forensic Psychology + Advanced Entry, Legal Studies + Advanced Entry, Political Science + Advanced Entry
- (k) New Graduate Academic Calendar Regulations:
 - (i) Academic accommodations for students with disabilities

- (ii) Conflict of interest in supervision
- (l) Amended Graduate Academic Calendar Regulations:
 - (i) Appeal of unsatisfactory research progress evaluation
 - (ii) Student supervision
 - (iii) Supervisory committee
 - (iv) Grade appeals
 - (v) PhD candidacy examinations
 - (vi) External & university examiners
- (m) Graduate External Scholarship Selection Working Group Interim Report
- (n) Equity Admissions procedure statement for use in the Undergraduate Academic Calendar.

Conferral of Degrees & Student Medal Winners

Academic Council confirmed the eligibility for graduation of those students who fulfilled all degree requirements at the end of the Summer and Fall Terms 2018 and Winter Term 2019 and who were recommended for graduation by their Faculty. There were 2165 degrees awarded at the 2019 Convocation.

The following are the student medal winners for 2019:

Medal Winners	First Name	Last Name	Major
Gold Medal	Leanne	Elliott	Health Sciences
Silver Medal	Jonathan	Fischer	Software Engineering
FESNS	Nicole	Allison	Nuclear Engineering
FHSc	Soroush	Vahdati-Shams	Kinesiology
FHSc	Dylan	Chau	Kinesiology
FSSH	Katrina-Ray	Villeneuve	Forensic Psychology
FED	Muna	Muasher-Marji	Education (Consecutive)
FEAS	Jonathan	Fischer	Software Engineering
FBIT	Emily	Flim	Accounting
FBIT	Dawn	Haw	Accounting
FSCI	Gabrielle	Caron	B.SC.FORS.
Master's Thesis	Leanne	Elliott	Health Sciences
Doctoral Thesis	Shady	El-Batawy	Electrical and Computer Engineering

Scholarships

The Admissions and Scholarships Committee finalized the selection of recipients for the major scholarship awards for 2019-20, and the following is the status of their application and scholarship:

Chancellor's Scholarship: Claire Knowles - Comox, BC (Highland SS)
Offer of admission to Medical Laboratory Science
Scholarship offer *accepted*

President's Scholarship: Carter Metcalf - Orillia, ON (Patrick Fogarty CSS)
Offer of admission to Mechatronics Engineering
Scholarship offer *accepted*

Muhammad Rana - Pickering, ON (Dunbarton HS)
Offer of admission to Kinesiology
Scholarship offer *accepted*

Founder's Scholarship: Jessica Leishman - Burlington, ON (Aldershot HS)
Offer of admission to Software Engineering
Scholarship offer *accepted*

Zachary Wood - Lindsay, ON (I.E. Weldon SS)
Offer of admission to Mechatronics Engineering
Scholarship offer *accepted*

FIRST Robotics Scholarship: Thomas Dick - Toronto, ON (Mary Ward CSS)
Offer of admission to Mechatronics Engineering
Scholarship offer *accepted*

Global Leadership Scholarship: Dominique Gibson- Nassau, Bahamas
Offer of admission to Kinesiology
Scholarship offer *in progress*

The Chancellor's, President's, and Founder's Scholarships are given to applicants who demonstrate outstanding academic achievement (minimum 85 percent average) and exceptional leadership and community involvement. The Global Leadership Scholarship is one of UOIT's most prestigious entrance awards and recognizes international secondary school applicants with strong academic and leadership abilities.

Honorary Degree Recipients

The Honorary Degrees Committee awarded honorary doctorates to the following recipients:

- Kathryn Beirness
- The Right Honourable Beverley McLachlin
- Al Libfeld
- Annette Verschuren

Colleagues' Exchange

Academic Council coordinated strategic discussions on the following topics:

- Freedom of Expression – Scenario Review (January 2019)
- Safety and Freedom of Expression (February 2019)

Establishment of Governance & Nominations Committee

At the recommendation of Academic Council, the Board of Governors approved the establishment of a Governance & Nominations Committee of Academic Council in June 2018. The committee met seven (7) times during the 2018-2019 academic year and has made great progress implementing By-law No. 2.

Academic Council Elections

Academic Council held elections in September 2018 and February 2019 to fill the vacant positions for 2018-2019 and 2019-2020. The elections were held in accordance with the Academic Council Procedures for the Election of Teaching, Non-Academic Staff and Student Representatives instituted in 2015 by Council. The elections ran smoothly and no complaints were received regarding the conduct of the elections.

Governance Education

Academic Council members were invited to attend a joint orientation session with the Board of Governors on September 25, 2018 and focused on the new By-laws. Governance information sessions were conducted for all student candidates prior to the election.

Policy Consultation

Academic Council was consulted on or approved the following policy instruments:

- University Continuity Policy
- Freedom of Expression Policy
- Administrative Guidelines for Academic Scheduling Use of Medical Cannabis by Students Procedure
- Student Sexual Violence Policy & Procedures
- Approved an Equity Admissions procedure statement for use in the Undergraduate Academic Calendar

Draft Consolidated Financial Statements of

**UNIVERSITY OF ONTARIO
INSTITUTE OF TECHNOLOGY**
(operating as: Ontario Tech University)

For the year ended March 31, 2019

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Draft Consolidated Financial Statements
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For the year ended March 31, 2019

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UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Consolidated Statement of Financial Position
As at March 31, 2019

	<u>March 31, 2019</u>	<u>March 31, 2018</u>	<u>Variance</u>
ASSETS			
CURRENT			
Cash and cash equivalents (Note 2)	\$ 45,236,989	\$ 35,569,460	\$ 9,667,529
Short-term investments (Note 3)	16,924,256	16,625,200	299,056
Grant receivable	8,669,628	7,547,294	1,122,334
Other accounts receivable (allowance for doubtful accounts - \$196,860; 2018 - \$364,977)	7,231,096	8,157,805	(926,709)
Prepaid expenses and deposits	2,166,750	1,619,047	547,703
Inventories	133,344	241,633	(108,289)
	80,362,063	69,760,439	10,601,624
INVESTMENTS (Note 4)	26,809,201	25,681,555	1,127,646
CAPITAL ASSETS (Note 5)	392,097,220	399,587,698	(7,490,478)
TOTAL ASSETS	\$ 499,268,484	\$ 495,029,692	\$ 4,238,792
LIABILITIES			
CURRENT AND LONG-TERM LIABILITIES			
Accounts payable and accrued liabilities (Notes 6 and 13)	\$ 29,614,038	\$ 25,821,233	3,792,805
Deferred revenue (Note 7)	20,299,865	19,579,647	720,218
Current portion of other long-term debt (Note 8)	124,140	132,672	(8,532)
Current portion of obligations under capital lease (Note 9)	642,338	571,000	71,338
Current portion of long-term debenture debt (Note 10)	6,164,545	5,790,925	373,620
	56,844,926	51,895,477	4,949,449
OTHER LONG-TERM DEBT (Note 8)	425,923	550,064	(124,141)
LONG-TERM OBLIGATIONS UNDER CAPITAL LEASES (Note 9)	36,954,011	37,596,349	(642,338)
LONG-TERM DEBENTURE DEBT (Note 10)	158,105,762	164,270,307	(6,164,545)
DEFERRED CAPITAL CONTRIBUTIONS (Note 11)	161,099,203	162,548,903	(1,449,700)
	413,429,825	416,861,100	(3,431,275)
NET ASSETS			
UNRESTRICTED	3,264,048	(1,296,442)	4,560,490
INVESTED IN CAPITAL ASSETS (Note 14)	28,945,688	28,613,331	332,357
INTERNALLY RESTRICTED (Note 15)	31,785,635	29,811,275	1,974,360
ENDOWMENTS (Note 16)	21,843,288	21,040,428	802,860
	85,838,659	78,168,592	7,670,067
Contingencies and Contractual Commitments (Note 18)			
TOTAL LIABILITIES AND NET ASSETS	\$ 499,268,484	\$ 495,029,692	4,238,792

See accompanying notes to the consolidated financial statements

Approved by:

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Consolidated Statement of Operations
For the year ended March 31, 2019

	<u>2019</u>	<u>2018</u>	<u>Variance</u>
REVENUE			
Grants - operating and research (Note 12)	\$ 74,211,269	\$ 72,253,326	\$1,957,943
Grants - debenture (Note 10)	13,500,000	13,500,000	-
Donations	1,573,007	1,933,629	(360,622)
Student tuition fees	80,152,124	78,265,879	1,886,245
Student ancillary fees	12,545,649	13,466,274	(920,625)
Revenues from purchased services (Note 13)	3,733,661	3,600,331	133,330
Other income	14,393,649	18,640,579	(4,246,930)
Amortization of deferred capital contributions	9,238,378	9,035,624	202,754
Interest revenue	1,519,946	1,165,813	354,133
Unrealized gain on investments	585,167	286,873	298,294
Gain on disposal of assets	157,306	179,371	(22,065)
	<u>211,610,156</u>	<u>212,327,699</u>	<u>(717,543)</u>
EXPENSES			
Salaries and benefits	106,246,121	97,530,222	8,715,899
Student aid, financial assistance and awards	12,478,785	11,477,943	1,000,842
Supplies and expenses	31,080,802	31,607,929	(527,127)
Purchased services (Note 13)	15,614,695	14,914,760	699,935
Interest expense - debt obligations	13,734,615	14,179,648	(445,033)
Interest expense - other	127,880	137,630	(9,750)
Amortization of capital assets	23,676,465	23,729,724	(53,259)
Professional fees	1,783,586	3,353,472	(1,569,886)
	<u>204,742,949</u>	<u>196,931,328</u>	<u>7,811,622</u>
Excess of revenue over expenses	\$ 6,867,207	\$ 15,396,371	\$ (8,529,164)

See accompanying notes to the consolidated financial statements

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as Ontario Tech University)
Consolidated Statement of Changes in Net Assets
As at March 31, 2019

	<u>Unrestricted</u>	<u>Invested in Capital Assets</u> (Note 14)	<u>Internally Restricted</u> (Note 15)	<u>Endowments</u> (Note 16)	<u>Total 2019</u>	<u>Total 2018</u>
Balance - Beginning of Year	\$ (1,296,442)	\$ 28,613,331	\$ 29,811,275	\$ 21,040,428	\$ 78,168,592	\$ 61,348,513
Excess / (deficiency)						
Revenue over Expenses	21,305,294	(14,438,087)	-	-	6,867,207	15,396,371
Interfund Transfer	(1,974,360)	-	1,974,360	-	-	-
Investment in Capital Assets	(14,770,444)	14,770,444	-	-	-	-
Endowment Contributions	-	-	-	802,860	802,860	1,423,708
Net changes during the year	4,560,490	332,357	1,974,360	802,860	7,670,067	16,820,079
Balance - End of Year	\$ 3,264,048	\$ 28,945,688	\$ 31,785,635	\$ 21,843,288	\$ 85,838,659	\$ 78,168,592

See accompanying notes to the consolidated financial statements

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Consolidated Statement of Cash Flows
As at March 31, 2019

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of revenue over expenses	\$ 6,867,207	\$ 15,396,371
Items not affecting cash:		
Amortization of capital assets	23,676,465	23,729,724
Amortization of deferred capital contributions	(9,238,378)	(9,035,624)
Unrealized gain on investments	(585,167)	(286,873)
Gain on disposal of assets	(157,306)	(179,371)
	20,562,821	29,624,227
Working capital:		
Grant and other accounts receivable	(195,625)	(1,928,468)
Prepaid expenses and deposits	(547,703)	70,823
Inventories	108,289	(69,119)
Accounts payable and accrued liabilities	3,792,805	(8,812,716)
Deferred revenue	720,218	(1,299,072)
	24,440,805	17,585,675
INVESTING		
Purchase of capital assets	(16,350,967)	(25,138,745)
Proceeds on disposal of capital assets	322,286	1,940,320
Investments	(841,535)	(12,387,071)
	(16,870,216)	(35,585,496)
FINANCING		
Repayment of long-term debt	(5,923,598)	(11,147,256)
Endowment contributions	802,860	1,423,708
Repayment of obligations under capital leases	(571,000)	(505,413)
Deferred capital contributions	7,788,678	7,002,703
	2,096,940	(3,226,258)
NET CASH INFLOW / (OUTFLOW)	9,667,529	(21,226,079)
CASH & CASH EQUIVALENTS BALANCE, BEGINNING OF YEAR	35,569,460	56,795,539
CASH & CASH EQUIVALENTS BALANCE, END OF YEAR	\$ 45,236,989	\$ 35,569,460
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 13,903,748	\$ 14,424,308

See accompanying notes to the consolidated financial statements

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Draft Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

University of Ontario Institute of Technology (the “University”) was incorporated without share capital under the University of Ontario Institute of Technology Act which received Royal assent on June 27, 2002. The objectives of the University, as well as the powers of the Board of Governors and the Academic Council, are defined in the Act.

The University is a market-oriented University integrating inquiry, discovery and application through excellence in teaching, learning and value-added research. The University is a degree granting and research organization offering graduate and undergraduate education. The University is a registered charity under Section 149 of the Income Tax Act and is, therefore, exempt from income taxes.

On March 27, 2019, the University launched its brand name “Ontario Tech University”.

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

(a) Basis of presentation

The University follows Canadian Accounting Standards for Not-for-Profit Organizations (“ASNPO”) in Part III of the Chartered Professional Accountants of Canada (“CPA”) Handbook. These consolidated financial statements reflect the assets, liabilities, net assets, revenue and expenses of all the operations controlled by the University.

On November 1, 2009, the Campus Childcare Centre Inc. (“CCC”) was incorporated as a separate legal entity with a fiscal year ended April 30. Its purpose is to provide daycare facilities to the children of faculty, staff and students of the University and Durham College, as its first priority, and community families. CCC is controlled by the University and its financial results to March 31, 2019 are included in the Consolidated Financial Statements of the University.

On February 1, 2012, the Automotive Center of Excellence (“ACE”) commenced its operations as a test facility for General Motors of Canada and other commercial customers who are seeking to create, test and validate paradigm-shifting innovations with a focus on bringing them to market as rapidly as possible. ACE is a wholly owned department of the University and its financial results to March 31, 2019 are included in the Consolidated Financial Statements of the University.

These consolidated financial statements do not reflect the assets, liabilities, and results of operations of the various student organizations as they are not controlled by the University.

(b) Revenue recognition

The University follows the deferral method of accounting for contributions, which includes donations and government grants.

Operating grants are recorded as revenue in the year to which they relate. Grants earned but not received at the end of an accounting year are accrued. When a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Student fees are recognized as revenue when courses are provided.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Draft Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

Student tuition fees are deferred to the extent that related courses extend beyond the fiscal year of the University.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions for purposes other than endowment are deferred and recognized as revenue in the year in which the related expenses are incurred. Pledged donations are not recorded until received due to the uncertainty involved in their collection.

Endowment contributions are reported as direct increases in net assets when received.

Other operating revenues are deferred to the extent that related services provided, or goods sold, are rendered/delivered subsequent to the end of the University's fiscal year.

Investment income related to restricted spending is deferred. Investment income without restrictions is recognized when earned.

(c) Cash and cash equivalents

Cash equivalents consist of highly liquid investments having terms to maturity on acquisition of three months or less, and are readily convertible to cash on short notice and are recorded at market value.

(d) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the University determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the University expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Draft Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

(e) Long-term debt

The University carries long-term debt at amortized cost.

(f) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(g) Capital assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution when fair value is reasonably determinable. Otherwise, contributed assets are recorded at a nominal amount. Betterments, which extend the estimated useful life of an asset, are capitalized. When a capital asset no longer contributes to the University's ability to provide services, its carrying amount is written down to its residual value. Capital assets are amortized on a straight-line basis over their useful lives, which have been estimated to be as follows:

Buildings	15 – 40 years
Building renovations and major equipment	10 years
Leasehold improvements	over lease term
Parking	20 years
Furniture and fixtures	5 years
Laptops	2 – 3 years
Computer equipment and vehicles	3 years
Capital leases	over economic life of assets

Capital assets acquired during the financial year are amortized at half of the applicable rate. Construction-in-progress represents assets not yet available for use, therefore amortization commences when the project is complete.

(h) Deferred capital contributions

Contributions received for capital assets are deferred and amortized over the same term and on the same basis as the related capital assets.

(i) Contributed services

The University receives a number of contributed services from individuals, corporations and community partners. Because of the difficulty in determining the fair value, contributed services are not recognized in the Consolidated Financial Statements.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)
Draft Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

(j) Use of estimates

The preparation of Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements, and the reported amounts of revenue and expenses during the year. Significant estimates includes the carrying value of capital assets. Actual results could differ from these estimates.

2. CASH AND CASH EQUIVALENTS

	2019	2018
Bank of Montreal, cash balances	\$ 36,920,330	\$ 33,696,648
BMO Nesbitt Burns GICs	8,000,000	1,161,624
IBM, credit facility drawn	(10,000)	(10,000)
Royal Bank of Canada, cash balances	37,288	33,908
Harris Bank, cash balances	(36,524)	471,717
Other, balances	325,895	215,563
	\$ 45,236,989	\$ 35,569,460

The University has a credit facility agreement with a Canadian chartered bank, which provides for a revolving operating line of credit up to \$17,000,000, bearing interest at prime plus 0.25%. At March 31, 2019, the University utilized, on a cash consolidated basis, nil (2018 - nil) of the operating line of credit.

The University also had a credit facility agreement with IBM Global Financing, which provides for a revolving operating line of credit up to \$5,000,000 bearing interest at prime plus 0.25%. At March 31, 2019, the University utilized \$10,000 (2018 - \$10,000) of the operating line of credit.

Guaranteed Investment Certificates ("GICs") which mature within 90 days of fiscal year-end are accounted for as cash and cash equivalents. These include \$8,000,000 of annual GICs (2018 - \$1,161,624) which mature on April 25, 2019.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of \$16,924,256 (2018 - \$16,625,200) 30-day cashable annual Guaranteed Investment Certificates with maturity dates ranging from September 30, 2019 to October 11, 2019 (2018 - September 21, 2018).

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4. INVESTMENTS

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Equities	\$ 15,634,889	\$ 17,315,009	\$ 15,455,938	\$ 16,385,244
Fixed income	8,992,229	9,084,206	8,482,767	8,433,366
Money Market/Cash	409,987	409,986	862,945	862,945
	\$ 25,037,105	\$ 26,809,201	\$ 24,801,650	\$ 25,681,555

(a) Credit, interest rate and maturity risk

The value of fixed income securities will generally increase if interest rates fall and decrease if interest rates rise. Changes in interest rates may also affect the value of equity securities. The fixed income investments consist of various Canadian government and corporate bonds and individual mortgage holdings. The fixed income investments bear coupon rates ranging from 0.0% to 24.4% (2018 – 0.0% to 18.2%) and have maturity dates ranging from April 1, 2019 to December 31, 2099 (2018 - April 1, 2018 to December 31, 2099).

(b) Foreign currency risk

The University is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. The University, through its investment management advisors, hedges against foreign exchange risks. There has been no change in the University's hedging policy from 2018.

(c) Market price risk

Market price risk arises as a result of trading fixed income securities and equities. The value of equity securities change with stock market conditions which are affected by general economic and market conditions. Changes in interest rates may also affect the value of equity securities. Fluctuation in the market exposes the University to a risk of loss.

(d) Liquidity risk

Money market investments represent instruments in highly liquid investments that are readily converted into known amounts of cash. The University invested in equity and fixed income investments that are traded in an active market.

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5. CAPITAL ASSETS

Capital assets consist of:

	2019			2018
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 8,131,815	\$ -	\$ 8,131,815	\$ 8,131,815
Buildings	419,159,447	120,779,319	298,380,128	308,982,492
Building renovations	28,375,082	18,256,572	10,118,510	9,175,323
Leasehold improvements	3,541,889	1,607,216	1,934,673	1,898,224
Parking	982,495	122,771	859,724	908,308
Furniture and fixtures	19,267,278	15,996,649	3,270,629	3,463,397
Laptops	14,526,786	12,158,952	2,367,834	2,179,908
Computer equipment	18,730,007	15,896,134	2,833,873	2,819,843
Vehicles	249,648	157,203	92,445	155,201
Major equipment	75,182,961	51,890,415	23,292,546	26,308,064
Construction-in-progress	8,566,131	-	8,566,131	2,640,884
	\$ 596,713,539	\$ 236,865,231	\$ 359,848,308	\$ 366,663,459
Assets under capital leases:				
Land	2,300,000	-	2,300,000	2,300,000
Buildings	35,689,192	5,740,280	29,948,912	30,624,239
Total	\$ 634,702,731	\$ 242,605,511	\$ 392,097,220	\$ 399,587,698

Included in land and buildings is the donation of a specific asset to the University in 2010 (Land \$300,000 and Buildings \$1,550,000).

Amortization of assets under capital leases for the current year totaled \$675,327 (2018 - \$675,327).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of nil (2018 – nil).

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7. DEFERRED REVENUE

Deferred revenue represents revenues related to expenses of future periods. The balance comprised the following:

	2019	2018
Tuition	\$ 8,456,847	\$ 8,184,705
Research	5,959,593	5,446,327
Donations	2,672,006	2,729,219
Ancillary fees	1,312,546	1,285,891
Other	1,898,873	1,933,505
	\$ 20,299,865	\$ 19,579,647

8. OTHER LONG-TERM DEBT

The University has incurred debts in the amount of \$550,063 through third parties related to improvements in our downtown locations. Other long-term debt comprised the following:

	2019	2018
Unsecured loans, payable monthly / annually over a period of 3 - 22 years and at interest rates ranging from 0% to 9.3%	\$ 550,063	\$ 682,736
	\$ 550,063	\$ 682,736

Total principal repayments in each of the next five years and thereafter for other long-term debt are as follows:

2020	\$ 124,140
2021	124,398
2022	124,683
2023	3,535
2024	3,876
Thereafter, through 2042	169,431
	550,063
Less: current portion	124,140
	\$ 425,923

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8. OTHER LONG-TERM DEBT (continued)

The fair value of the other long-term debt is approximately \$680,000 (2018 - \$787,000). Fair value has been calculated using the future cash flows of the actual outstanding debt instrument, discounted at current market rates available to the University.

9. OBLIGATIONS UNDER CAPITAL LEASES

The University entered into capital leasing arrangements on two properties in downtown Oshawa to accommodate the growth in student population. Capital lease repayments are due as follows:

2020	\$ 3,774,388
2021	3,861,463
2022	3,931,876
2023	3,960,219
2024	3,988,846
Thereafter, through 2041	61,489,678
Total minimum lease payments	81,006,470
Less: amount representing interest at rates ranging from 6.50% to 9.30%	43,410,121
Present value of net minimum capital lease payments	37,596,349
Less: current portion of principal obligations	642,338
	<u>\$ 36,954,011</u>

Interest of \$3,175,878 (2018 - \$3,214,228) relating to capital lease obligations has been included in interest expense. The total cost of assets under capital leases is \$37,989,192 (2018 - \$37,989,192) with related accumulated amortization of \$5,740,280 (2018 - \$5,064,953).

The fair value of the capital leases is approximately \$39,437,000 (2018 - \$40,116,000). Fair value has been calculated using the future cash flows of the actual outstanding debt instrument, discounted at current market rates available to the University.

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10. LONG-TERM DEBENTURE DEBT

On October 8, 2004, the University issued Series A Debentures in the aggregate principal amount of \$220,000,000. These debentures bear interest at 6.351%, payable semi-annually on April 15 and October 15, with the principal due in 2034. The proceeds of the issuance were used to finance capital projects including the construction of three Academic Buildings, a Library and related infrastructure. These debentures are secured by all assets of the University and are guaranteed by Durham College.

The debt is funded through special one-time grants from the Ministry of Training, Colleges and Universities ("MTCU"), and by the University's operating funds.

On August 12, 2011, an agreement was signed between the University and MTCU whereby the Ministry shall pay the University \$13,500,000 each year in equal semi-annual payments of \$6,750,000 in April and October to fund the repayment of the debentures. The agreement took effect on April 1, 2011 and the grant will continue until the maturity of the debentures in October 2034.

Total principal and interest paid on the debenture to March 31, 2019 is \$231,014,082 (2018 - \$214,513,076), \$182,987,712 funded by MTCU and \$48,026,370 funded by the University.

As at March 31, 2019, \$217,431,043 (2018 - \$217,431,043) had been used to finance capital assets.

Total principal repayments for debenture debt are as follows:

2020	\$ 6,164,545
2021	6,562,273
2022	6,985,660
2023	7,436,364
2024	7,916,146
Thereafter, through 2034	129,205,319
Total minimum payments	164,270,307
Less: current portion	6,164,545
	<u>\$ 158,105,762</u>

The fair value of the long-term debenture debt is approximately \$205,695,000 (2018 - \$200,746,000). Fair value has been calculated using the future cash flows of the actual outstanding debt instrument, discounted at current market rates available to the University.

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11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of grants and donations for the purchase of capital assets.

The changes in the balance consist of the following:

	<u>2019</u>	<u>2018</u>
Balance - beginning of year	\$ 162,548,903	\$ 164,581,824
Contributions	7,788,678	7,002,703
Recognized as revenue during the year	(9,238,378)	(9,035,624)
Balance - end of year	<u>\$ 161,099,203</u>	<u>\$ 162,548,903</u>

12. GRANT REVENUES – OPERATING AND RESEARCH

Grant revenues consist of the following:

	<u>2019</u>	<u>2018</u>
Operating	\$ 63,767,696	\$ 61,786,160
Externally funded research	10,443,573	10,467,166
Total grant revenues	<u>\$ 74,211,269</u>	<u>\$ 72,253,326</u>

13. PURCHASED SERVICE COSTS

Under a shared service agreement, the University purchases certain administrative services from Durham College. The cost of salaries, benefits and operating expenses purchased by the University are calculated based on a combination of individual percentage and actual cost by service area.

The ancillary operations are managed by Durham College and a portion of the net contribution is allocated to the University based on agreed metrics.

Amounts invoiced from Durham College for purchased services expense, including expense from ancillary operations, are recorded as expenses under “Purchased services” in the consolidated financial statements. Revenues from ancillary operations are recorded as revenues and are included under “Revenues from purchased services” in the consolidated financial statements.

On March 11, 2015, the University and Durham College signed a Service Level Agreement (“SLA”) covering Facilities and Ancillary, Information Technology Services and Student Services. This SLA outlines the guiding principles, work description documents to be adopted by both institutions and the methodology to determine administrative overhead costs.

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13. PURCHASED SERVICE COSTS (continued)

On February 19, 2016, the University and Durham College amended the SLA signed on March 11, 2015 only to the extent of a change in the monthly payment schedule to Durham College.

The balance owing to Durham College for their share of the Collaborative Nursing program, included in accounts payable and accrued liabilities, is non-interest bearing, and will be paid at the end of the next fiscal year.

14. INVESTED IN CAPITAL ASSETS

Investment in capital assets represents the following:

	2019	2018
Capital assets - net book value	\$ 392,097,220	\$ 399,587,698
Less amount financed by deferred capital contributions	(161,099,202)	(162,548,903)
Less amount financed by long-term debt (Notes 8, 9 and 10)	(202,052,330)	(208,425,464)
Total investment in capital assets	\$ 28,945,688	\$ 28,613,331

	2019	2018
Net change in investment in capital assets:		
Purchases of capital assets	\$ 16,350,967	\$ 25,138,745
Amounts funded by:		
Deferred capital contributions	(7,788,678)	(7,002,703)
Repayment of long-term debt	6,208,155	4,269,076
	\$ 14,770,444	\$ 22,405,118

	2019	2018
Amortization of deferred capital contributions related to capital assets	\$ 9,238,378	\$ 9,035,624
Less amortization of capital assets	(23,676,465)	(23,729,724)
	\$ (14,438,087)	\$ (14,694,100)
Net change during the year	\$ 332,357	\$ 7,711,018

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15. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets are funds restricted by the University and approved by the Board for future commitments for the appropriation of internally-funded research and for projects to improve and invest in the University's campus facilities, working capital and student aid. Re-purposing or increasing such restrictions is subject to Board approval.

Details of the internally restricted net assets are as follows:

	<u>2019</u>	<u>2018</u>
Balance comprised of the following:		
Research related activities	\$ 5,205,581	\$ 4,986,682
Capital related activities	14,810,642	12,338,531
Student awards	1,000,000	1,000,000
Working capital	6,000,000	6,000,000
Faculty carry-forwards	1,154,500	1,708,000
Fundraising campaign	1,453,321	1,453,321
Other	2,161,591	2,324,741
	<u>\$ 31,785,635</u>	<u>\$ 29,811,275</u>

16. ENDOWMENTS

Endowment funds are restricted donations received by the University where the endowment principal is required to be maintained intact. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The University ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

Investment income on endowments is deferred and recorded in the Consolidated Statement of Operations when the donors' conditions have been met and the related expenses are recognized.

Endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Support ("OTSS"). Under these programs, the government matches funds raised by the University. The purpose of these programs is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend University. On January 5, 2012, the Minister of Education announced that the OTSS would be discontinued as of the end of Fiscal 2012 fundraising year.

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16. ENDOWMENTS (continued)

The balance of endowments consists of the following:

	<u>2019</u>	<u>2018</u>
OSOTF	\$ 1,983,628	\$ 1,991,980
OTSS	16,929,645	16,243,355
Other	2,930,015	2,805,093
	<u>\$ 21,843,288</u>	<u>\$ 21,040,428</u>

The change in the balance of endowments is as follows:

	<u>2019</u>	<u>2018</u>
Endowment fund balance, beginning of year	\$ 21,040,428	\$ 19,616,720
Donations	739,279	366,458
Realized gains	278,298	999,930
Realized investment income	401,943	531,680
Income distributions	(616,660)	(474,360)
Endowment fund balance, end of year	<u>\$ 21,843,288</u>	<u>\$ 21,040,428</u>

As per the Ministry of Training, Colleges and Universities policies, the transactions related to OSOTF and OTTS should be presented in these financial statements, for the year ended March 31, 2019.

OSOTF	OTTS	Total 2019	Total 2018
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Schedule of Changes in Endowment Fund Balance

Endowment balance, beginning of year	\$ 1,629,559	\$ 14,134,275	\$ 15,763,834	\$ 15,228,925
Eligible cash donations	-	617,708	617,708	349,937
Preservation of capital	17,664	175,326	192,990	184,972
Endowment fund balance, end of year	<u>\$ 1,647,223</u>	<u>\$ 14,927,309</u>	<u>\$ 16,574,532</u>	<u>\$ 15,763,834</u>

Schedule of Changes in Expendable Funds

Available for Awards	OSOTF	OTTS	Total 2019	Total 2018
Expendable balance, beginning of year	\$ 362,421	\$ 2,109,080	\$ 2,471,501	\$ 1,728,113
Realized investment income	54,148	546,842	600,990	1,352,220
Less: Preservation of capital	(17,664)	(175,326)	(192,990)	(184,972)
Bursaries awarded	(62,500)	(478,260)	(540,760)	(423,860)
Expendable balance, end of year	<u>\$ 336,405</u>	<u>\$ 2,002,336</u>	<u>\$ 2,338,741</u>	<u>\$ 2,471,501</u>
Total funds, end of year	<u>\$ 1,983,628</u>	<u>\$ 16,929,645</u>	<u>\$ 18,913,273</u>	<u>\$ 18,235,335</u>

In the current year, 309 bursaries valued at \$616,660 were disbursed from the total endowed funds (2018 – 261 bursaries valued at \$474,360).

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17. PENSION PLAN

All employees of the University are members of a defined contribution pension plan. Employees must contribute a minimum of 3% of their earnings to this plan with the option at the employee's discretion, to increase these contributions to a total of 6% of contributory earnings. The University must contribute a minimum of 6% and may contribute a maximum of 8% of contributory earnings should the employee elect to contribute an additional 2% to this plan. Contributions made by the University to the pension plan during the year were \$5,407,509 (2017 - \$5,052,366).

18. CONTINGENCIES AND CONTRACTUAL COMMITMENTS

(a) Contingencies

The University has been named as the defendant in certain legal actions, in which damages have been sought. The outcome of these actions is not determinable as at March 31, 2019 and, accordingly, no provision has been made in these consolidated financial statements for any liability which may result.

(b) Contractual Commitments

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2019 are as follows:

2020	\$	1,718,561
2021		1,724,304
2022		1,728,406
2023		1,712,583
2024		1,226,820
Thereafter		3,804,752
	\$	<u>11,915,426</u>

19. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

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Draft Financial Statements – Year-over-year Analysis
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

Cash and short-term investments increased \$10.0m is mainly attributable to underspending in the current year, and includes \$4.0m savings on open positions, \$3.5m of planned capital and operational reserves, and \$1.8m grant received for the ACE Expansion project for capital invoices paid after year-end.

Grant receivable balance of \$8.7m includes \$5.1m Collaborative Nursing (CN) grant funded on a slip-year basis and therefore received in the next fiscal year, \$2.8m of externally funded research grants (of which \$1.5m relates to the new AVIN project) and \$0.8m of miscellaneous grants, all of which are current.

Increase in grant receivable of \$1.1m relates to research grants and includes \$1.5m receivable for the new AVIN project for Feb and March 2019 expenses incurred and for which funding was received from FedEv in April and May 2019 respectively, offset by other immaterial variances.

Other accounts receivable includes student and trade receivables. Year-end balance of \$7.2m includes \$2.4m of student receivables (\$1.0m for winter 2019 fees and \$1.4m for fall 2018 and prior), current receivables of \$2.1m (\$0.8m COU application fees, \$0.7m ACE receivables, \$0.6m sales tax recoverable), net \$0.9m due from Durham College for overpayment of shared services in the fiscal year and refunded to the University in April 2019, and other balances, none exceeding \$0.5m.

Accounts receivable decrease of \$0.9m includes \$1.4m decrease in receivable from Durham College (DC) as the prior year monthly fixed instalments for shared services were relatively higher than actual costs for these services, offset by other variances, none exceeding \$0.5m.

Investment balance of \$26.8m relates to endowed funds held at PH&N. The net increase of \$1.1m is comprised of \$0.7 in-year donations, \$0.7m net investment income, \$0.6m M2M unrealized gain, offset by \$0.9m bursary disbursements.

Capital assets includes net additions of \$14.4m, offset by accumulated amortization of \$21.9m in the current year. Net additions comprise \$5.9m of construction-in-progress (Moving Ground Plane \$2.5m, AVIN \$1.8m, new student building \$1.6m), \$3.7m major equipment and FF&E, \$3.2m building and lab renovations and net \$1.6m computer equipment and laptops.

Liabilities

Accounts payable and accrued liabilities increased \$3.8m and includes \$2.5m increase in trade accounts payable due to timing of recording and payment of invoices (\$1.8m relates to payables for the new building and other capital projects), \$0.8m increase in payroll accruals for retroactive adjustment as per faculty collective agreement and one-time staff exit incentives, offset by other variances, none of which exceeds \$0.5m.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

Deferred Revenue relate to revenues deferred to subsequent periods as these have not yet been earned at the end of the reporting quarter or will be recognized as revenue in the period in which related expenses are incurred.

Balance of \$20.3m comprises \$8.5m deferred tuition representing 1 month of winter term fees not earned at the end of the fiscal year, and \$11.8m of revenues billed or received and not yet spent at the end of the year (\$6.0m of externally funded research revenues, \$2.6m of expendable donations, \$1.3m of student ancillary fees, and \$1.9m of miscellaneous deferred revenues).

Increase of \$0.7m in deferred revenues relates primarily to new Tri-Council research funding not spent at the end of the year.

Decrease in current and long-term obligations under capital leases represents the principal lease repayments for 61 Charles and 55 Bond in the current year.

Decrease in current and long-term debenture debt of \$5.8m relates to the principal repayment and resulting drawdown of the debt in the current year. This debt is fully payable in October 2034.

Deferred capital contributions decreased \$1.4m. This includes \$7.8m of new grants and donations received for capital projects in the current year (\$2.9m moving ground plane, \$1.8m AVIN, \$1.4m facilities renewal grant, \$1.1m campus retrofit grant, \$0.3m research grants, and \$0.3m donations for buildings), offset by \$9.2m amortization into revenues of all capital grants received since inception of the University.

CONSOLIDATED STATEMENT OF OPERATIONS

Revenue

Total Revenue decreased \$0.7m (-0.3%) over the prior year. Significant variances include:

Grant Revenue increase of \$2.0m includes \$1.4m in miscellaneous grants from MTCU (\$0.7m Career Ready Fund and \$0.4m Student Success Fund and \$0.3m for partnership with OCADU), and \$0.6m increase in miscellaneous research grants.

Student tuition fees increased \$1.9m, of which \$2.5m is due to the 3% YOY average increase in tuition fees offset by \$0.4m increase in tuition flow-through to Durham College for its share of Nursing tuition attributable to growth, and decrease of \$0.2m to reflect a net decrease of 22 FTE over the prior year.

Student ancillary fees decrease of \$0.9m includes \$1.3m decrease in revenue recognition of the Technology-Enriched Learning Environment (TELE) surplus due to lower expenses in the current year, offset by \$0.4m increase for the recognition of prior year reserves to fund for the new soccer field renovations.

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CONSOLIDATED STATEMENT OF OPERATIONS (continued)

Other income decrease of \$4.2m includes the one-time receipt in the prior year of \$4.9m of retail sales tax rebates on construction costs for the period January 2003 to December 2005 (**see note under Expenses “Professional fees” below for associated consulting costs**), offset by other immaterial variances.

Expenses

Total Expenses increased \$7.8m (4.0%) over the prior year. Significant variances include:

Salaries & Benefits increase of \$8.7m includes \$3.6m for faculty and staff salary increases effective July 1, 2018, \$1.5m annualization of prior year hires and promotions, \$1.2m net new full-time hires, \$1.1m increase in limited term contracts to back fill for open faculty positions and cover the reduced course load of teaching faculty, \$0.7m reversal of accrued administrative leave in the prior year as these were not paid out, and \$0.6m for one-time staff incentive and current year administrative leave.

Student aid, financial assistance and awards increase of \$1.0m includes \$0.5 increase in entrance scholarships as more students are meeting the minimum eligibility requirements, coupled with an increase in financial aid funding for students with a greater need under the Ontario “Student Access Guarantee” program, and \$0.5m increase in externally funded research and graduate awards.

Purchased Services increase of \$0.7m includes \$0.6m increase in bookstore expenses as the prior year included lower expenses as a result of the utilization and draw-down of large amount of bookstore credit notes, \$0.5m increase in building maintenance and contract services, \$0.3m increase in labour as open positions in the prior year have now been filled, offset by \$0.8m decrease in electricity costs due to the rebate associated with The Fair Hydro Act 2017, offset by other immaterial variances.

Professional fees decrease of \$1.6m includes \$1.7m of consulting fees with respect to the settlement of the retail sales tax rebate dispute on construction costs (**see note under Revenue “Other Income” above**), and other immaterial variances.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY**(operating as: Ontario Tech University)****Financial Update – Report to Audit and Finance Committee – June 10, 2019****For the year ended March 31, 2019**

II. FINANCIAL METRICS

The Ministry has adopted 5 financial metrics to assist with assessing university financial health and sustainability.

The table below shows Ontario Tech University's actual metrics for the 3 fiscal years March 31, 2019, 2018 and 2017. Also included is the latest published data for 2017 – 18 for the average comparator and average sector. The average comparator includes the data for what are considered as “small” universities based on student FTE (‘Full-time equivalents’), and includes seven universities: Algoma, Lakehead, Laurentian, Nipissing, OCADU, Trent and Ontario Tech University.

Financial Metrics	Actual	Actual	Actual	Average comparator	Average sector
	2018 - 19	2017 - 18	2016 - 17	2017 - 18	2017 - 18
Net Income/Loss Ratio (1)	3.3%	7.2%	6.2%	1.8%	5.4%
Net Operating Revenues Ratio (2)	11.6%	8.3%	18.1%	2.6%	8.3%
Primary Reserve Ratio (days) (3)	62	53	40	31	115
Interest Burden Ratio (4)	7.6%	8.2%	8.9%	3.0%	2.2%
(b) IBR w MTCU funding	1.7%	1.8%	2.0%	n/a	n/a
Viability Ratio (5)	17.9%	14.1%	10.0%	15.1%	4204.6%

Financial Metrics Analysis**1. Net Income / Loss ratio - tracks the trend in the University's net earnings.**

The University continues to show positive net earnings ratio in 2018 – 19 due to its surplus operating revenues over expenses as a result of unused planned capital and contingency reserves and savings from open positions. The current ratio is less favourable than in the prior year as there were significant revenue upsides (e.g. one-time sales tax rebate, tuition growth and additional final adjustment to core operating grant) that we are not experiencing this year.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY**(operating as: Ontario Tech University)****Financial Update – Report to Audit and Finance Committee – June 10, 2019****For the year ended March 31, 2019**

II. FINANCIAL METRICS (continued)

2. Net Operating Revenues ratio – indicates the extent to which Ontario Tech University is generating positive cash flows in the long-run to be financially sustainable.

Our net operating ratio continues to be positive and reflects the University's operating surplus and positive working capital. The current year ratio is relatively higher than in the prior year due to a higher working capital balance primarily attributable to the timing of payment of large construction invoices for the new building and the ACE expansion project.

3. Primary Reserve ratio – indicates Ontario Tech University's financial strength and flexibility by determining the number of days the University could function using its resources that are can be expended without restrictions.

Primary reserve ratio improvement over the prior year is due to the University's increase in its expendable net assets (unrestricted and internally restricted net assets), resulting from the current year operating surplus.

4. Interest Burden ratio ("IBR") – indicates Ontario Tech's debt affordability and the cost of servicing debt

The University's interest burden continues to improve as it pays back its long-term debt obligations without entering into any new debt. The cost of servicing the debt is above the comparator due to its much higher debt obligations.

4b. Interest Burden with MTCU funding ratio – the "IBR" has been re-stated to reflect an annual "institution-specific" grant of \$13.5m from the Ministry to fund the University's debenture debt. Therefore, interest expense on the debenture has been removed from the total interest expense, used in the calculation of "IBR".

Including the impact of the Ministry funding, the interest burden ratio is more in line with the average comparator and average sector ratios.

5. Viability ratio - determines the University's financial health, as it indicates the funds on hand to settle its long-term obligations.

This ratio has improved as the University continues to experience operating surplus, and hence improved expendable net assets, coupled with reduced debt obligations.

The 2017 - 18 viability ratio for the sector is abnormally high at 4204.6% as this includes University of Waterloo, which has zero debt. Excluding Waterloo, the viability ratio for the sector is 115.0%.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY**(operating as: Ontario Tech University)****Financial Update – Report to Audit and Finance Committee – June 10, 2019****For the year ended March 31, 2019**

II. FINANCIAL METRICS (continued)**(1) Net Income/Loss Ratio**

$$\frac{\text{Total Revenues less Total Expenses}}{\text{Total Revenues}}$$

Measures the percentage of OnTechU's revenues that contribute to its net assets. The objective is to track trends in net earnings

(4) Interest Burden Ratio

$$\frac{\text{Interest Expense}}{\text{Total Expenses - Depreciation}}$$

Indicates debt affordability as it examines the percentage of total expenses used to cover the University's cost of servicing debt

(2) Net Operating Revenues Ratio

$$\frac{\text{Cash flow from Operating Activities}}{\text{Total Revenues}}$$

Indicates the extent to which OnTechU is generating positive cash flow in the long-run to be financially sustainable.

(5) Viability Ratio

$$\frac{\text{Expendable Net Assets}}{\text{Long-Term Debt}}$$

Determines OnTechU's financial health as it indicates the funds on hand to settle its long-term obligations. Long-Term Debt is total external long-term debt, excluding the current portion of debt.

(3) Primary Reserve Ratio

$$\frac{\text{Expendable Net Assets}}{\text{Total Expenses}} \times 365 \text{ days}$$

Indicates OnTechU's financial strength and flexibility by determining the number of days it can function using only its resources that can be expended without restrictions. Expendable net assets include: Unrestricted surplus (deficit), internally restricted net assets and endowments.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
(operating as: Ontario Tech University)

DRAFT SUMMARY OF INTERNALLY RESTRICTED RESERVES FOR THE YEAR ENDED MARCH 31, 2019

			2018 - 19 Recommendation		
	Opening balance as at April 1, 2018 (\$'000) C1.	Reserves used in 2018 - 19 (\$'000) C2.	Planned / per policy (\$'000) C3.	Additional (\$'000) C4.	Closing balance as at March 31, 2019 (\$'000) C5.
Internally restricted assets					
Research related activities	4,987	0	219	0	5,206
Capital related activities	12,339	(1,688)	2,500	1,350	14,501
Student awards	1,000	(143)	0	143	1,000
Working capital	6,000	0	0	0	6,000
Faculty budget carry-forward	1,708	(958)	404	0	1,154
Fundraising campaign	1,453	0	0	0	1,453
Other - N2.	2,324	(137)	285	0	2,472
Total internally restricted assets	\$ 29,811	\$ (2,926)	\$ 3,408	\$ 1,493	\$ 31,786

**Financial Update
Report to Board of Governors
For the year ended March 31, 2019**

June 26, 2019

Ontario Tech University

2018 - 19 Operating Analysis (in '000 s) For the year ended March 31, 2019

April 1, 2018 - March 31, 2019									
Total Annual Budget	3rd Quarter Y/E Forecast	Actuals	Fav. (Unfav.) Actuals vs. Budget \$ / %		Fav. (Unfav.) Forecast vs. Budget \$ / %		Fav. (Unfav.) Actuals vs. Forecast \$ / %		
Revenue									
Grants	80,486	82,245	82,375	1,889	2%	1,759	2%	130	0%
Tuition	83,993	82,495	82,247	(1,746)	-2%	(1,498)	-2%	(248)	0%
Student Ancillary	12,163	12,981	12,541	378	3%	818	7%	(440)	-3%
Other	17,613	18,076	17,713	100	1%	463	3%	(363)	-2%
Total Revenue	\$ 194,254	\$ 195,796	\$ 194,876	\$ 621	0%	\$ 1,542	1%	(920)	0%
Expenditures									
Academic	76,295	74,685	74,203	2,093	3%	1,610	2%	483	1%
Academic Support	36,967	37,833	37,751	(785)	-2%	(867)	-2%	82	0%
Administrative	32,914	28,852	28,578	4,336	13%	4,063	12%	274	1%
Sub-total	\$ 146,176	\$ 141,370	\$ 140,532	\$ 5,644	4%	\$ 4,806	3%	\$ 838	1%
Purchased Services	13,686	13,032	12,787	898	7%	654	5%	244	2%
Total Ancillary/Commercial	10,292	9,941	9,740	552	5%	351	3%	201	2%
Debt Interest Expense	10,541	10,541	10,541	-	0%	-	0%	(0)	0%
Total Expenses	\$ 180,695	\$ 174,884	\$ 173,600	\$ 7,095	4%	\$ 5,811	3%	\$ 1,283	1%
Operating Contribution	\$ 13,559	\$ 20,912	\$ 21,275	\$ 7,716	57%	\$ 7,353	54%	\$ 363	2%

Expenses disclosed on the Balance Sheet

Capital Expenses funded from Operations
Principal Repayments - debenture/leases

7,028	9,685	9,623	(2,595)	-37%	(2,657)	-38%	62	1%
6,531	6,531	6,531	(0)	0%	0	0%	(0)	0%

Net Surplus

0	4,696	5,121	5,121	N/A	4,696	N/A	425	9%
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Other Disclosure: New Building

Funded by: PY reserves

0	945	1,688	(1,688)	N/A	(945)	N/A	(743)	-79%
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Reconciliation to Y/E audited FS:

Operating Contribution	\$ 21,275
Items not budgeted:	
Externally funded research donations and revenues	11,104
Externally funded research expenses	(9,225)
Non-cash transactions:	
Amortization of capital assets	(23,676)
Amortization of deferred capital contributions	9,238
Unrealized gain on investments	585
Capital grants accounted as deferred capital contributions on the Balance Sheet	(2,435)
Excess revenues over expenses - as per audited financial statements	\$ 6,867

ONTARIO TECH UNIVERSITY
Financial Update – 2018 – 19 Operating Analysis
For the year ended March 31, 2019

2018 – 19 Year-End Operating Analysis

The year-end surplus, after capital expenses, debenture and lease payments, is \$5.1m against a \$4.7m year-end forecast surplus reported at the end of the 3rd Quarter for a net upside of \$0.4m

The operating budget does not include the start-up costs of the new A5 building and this is disclosed separately.

2018 – 19 Enrolment Update

FTE's	Annual Budget	3rd Quarter Forecast *	Actual **	Actual vs. Budget		Forecast vs. Budget	Actual vs. Forecast
Undergraduate							
Domestic	7,834	7,933	7,920	86		99	(13)
International	468	408	407	(61)		(60)	(1)
Graduate							
Domestic	379	430	430	51		51	0
International	172	148	148	(24)		(24)	0
Total FTE's	8,853	8,919	8,905	52		66	(14)

* 3rd Quarter Forecast is based on preliminary Feb 1, 2019 enrolment projection

** 2018 – 19 Actual is based on Final Feb 1, 2019 official enrolment count to MTCU

Actual enrolment shows a positive net variance of 52 FTE against an original budget of 8,853 FTE. Current eligible undergraduate and graduate enrolment projection is within the + / - 3% of Ontario Tech University's corridor midpoint.

Domestic undergraduate and graduate increased 137 FTE resulting in additional tuition of \$0.6m. All faculties experienced growth above budget, except for the Faculty of Health Science (-48 FTE).

International undergraduate and graduate decreased 85 FTE with associated tuition decrease of \$2.0m mostly attributable to the Saudi impact. The overall result is a net \$1.4m decrease in actual tuition revenue, across all faculties, except for Faculty of Social Science and Humanities which is favourable to budget (7 FTE)

ONTARIO TECH UNIVERSITY
Financial Update – 2018 – 19 Operating Analysis
For the year ended March 31, 2019

2018 – 19 Year-End Operating Analysis (continued)

Core operating grant remains flat as under the new funding formula implemented by the Ministry in 2017 – 18, the funding for domestic students for the current year remains as at the 2016 – 17 level.

Revenues

Grants are favourable \$1.9m to budget and include \$1.1m of unbudgeted grant for the Greenhouse Gas Campus Retrofit Program (see offsetting Capital Expenses under **Expenses** section below), \$0.5m higher than budgeted Career Ready Fund grant, and other immaterial variances.

Tuition fees for the year are unfavourable \$1.7m against an original budget of \$84.0m due to the shortfall in international graduate and undergraduate students.

Student Ancillary fees are \$0.4m favourable to budget and includes:

- (i) \$0.8m favourable variance as reported in the Q3 forecast, pertaining to the accounting recognition of prior year deferred revenues to fund for the renovations of the soccer field. This is offset by,
- (ii) \$0.4m unfavourable actual variance to forecast due to lower than planned Technology Enriched Learning Environment (TELE) expenses leading to lower recognition of prior year revenues in the current year.

Expenses

Academic units are showing a positive variance of \$2.0m against budget, and includes:

- (i) \$1.6m favourable variance as reported in the Q3 forecast. This includes \$3.9m of full-time labour savings from open positions across all faculties, offset by \$1.4m increase in definite term contracts to backfill the full-time open positions, and \$0.9 m increase in operating expenses, funded by faculty carry forward funds. The increase in operating expenses includes start-up and professional funds and relocation costs for new faculty hires and investment in new instructional software.
- (ii) In addition, there is an additional \$0.4m positive actual variance to forecast due to lower than anticipated operating expense for 2 faculties.

ONTARIO TECH UNIVERSITY
Financial Update – 2018 – 19 Operating Analysis
For the year ended March 31, 2019

2018 – 19 Year-End Operating Analysis (continued)

Academic Support units are unfavorable to budget \$0.8m, and includes an additional \$0.6m of higher than expected entrance scholarships and student access guarantee (“SAG”) funding as mandated by the Ministry and other variances none exceeding \$0.5m.

Administrative units are showing a favourable variance of \$4.3m and includes \$3.5m release of planned operational and building reserves, \$0.8m electricity rebate for the prior year resulting from the introduction of The Fair Hydro Act 2017 on June 1, 2017, and \$0.5m labour savings to reflect open IT positions and the impact of Bill 148 repeal. These favourable variances are offset by \$0.7m additional investment in university branding initiatives, \$0.6m higher than anticipated legal fees and other immaterial variances.

Purchased Services is favourable \$0.9m primarily due to lower utilities rates in the current year associated with The Fair Hydro Act 2017.

Capital Expenses funded from Operations are unfavourable \$2.6m to budget, and includes \$1.1m of campus projects to reduce the University’s greenhouse gas emission, fully funded by the Campus Retrofit Grant (see Grants under **Revenue** section above), \$0.8m investment in artificial turf for the soccer field (see Student Ancillary fees under **Revenue** section above) and other projects none exceeding \$0.5m.

Other disclosure: New Building

The start-up construction costs incurred for the project in 2018 – 19 are \$1.7m, all of which is funded through prior year internally restricted capital reserves.

ONTARIO TECH UNIVERSITY
Financial Update – Cash Flow Summary
For the year ended March 31, 2019

CASH FLOW

The University administration uses a cash management forecasting model to manage its operating cash balances and operating short-term investment portfolios.

University cash balances are cyclical in nature with higher operating balances in September – November and January - March due to tuition fee collection from the fall and winter semester registration, and lower balances in December and during the early summer months.

The University has:

- A revolving operating LOC of up to \$17.0m, bearing interest at prime plus 0.25% with a Canadian chartered bank.
- A revolving operating LOC up to \$5.0m, bearing interest at prime plus 0.25% with IBM.

Cash Flow Update

- The University has not utilized its available line of credit at the end of the fiscal year.
- Short-term investments amounting to \$24.9m, are currently invested in 30-day cashable annual GIC's at BMO Nesbitt Burns.
- **Operating cash balance**, including short-term investments of \$24.9m, is **\$49.7m** at the end of the fiscal year.
- **Externally and internally restricted cash balances** (including Research, Advancement, Campus Childcare, Regent Theatre, and ACE) is **\$12.2m** at the end of the fiscal year.

ONTARIO TECH UNIVERSITY

Cash Flow Summary for the year ended March 31, 2019

		Actual			Actual			Total Actual
		Apr - Jun 2018	Jul - Sep 2018	Oct - Dec 2018	Jan 2019	Feb 2019	Mar 2019	FY 2018-19
		\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s
Operating Beginning Cash Balance	A	24,570	4,617	28,803	11,385	33,404	28,937	24,570
Total Operating Inflows	B	38,467	67,781	33,283	38,452	9,114	11,780	198,877
Total Operating Outflows	C	(50,420)	(44,774)	(50,409)	(16,342)	(13,420)	(15,906)	(191,271)
Net Operating Cash Flows	D=B+C	(11,953)	23,007	(17,126)	22,110	(4,306)	(4,126)	7,606
Total Operating Cash Available	E=A+D	12,617	27,624	11,677	33,495	29,098	24,811	32,176
New Building Outflows	F	0	0	(292)	(91)	(161)	(35)	(579)
Transfer (to) / from Short-term investments	G	(8,000)	1,179					(6,821)
Operating Ending Cash Balance after New Building and transfer to STI	H=E+F+G	4,617	28,803	11,385	33,404	28,937	24,776	24,776
Total Internally and Externally Restricted Cash	I	11,831	10,828	12,041	12,273	12,361	12,212	12,212
Total Consolidated Cash Position	J=H+I	16,448	39,631	23,426	45,677	41,298	36,988	36,988

Total Cash Forecast as at MAR 31, 2019

Total Operating Cash after new building	24,776
Add: Short-term investments in GIC's	24,924
Total Operating Cash and ST investments	<u>\$ 49,700</u>
Total Restricted Cash	<u>\$ 12,212</u>

New Building Project



**Monthly Project Update
30 May 2019**

New Building Update

This Period Achievements

- Construction drawings and documentations at 70% progress
- Site Plan Approval comments issued by City Planning and under review
- Building Permit application under review with the City planning
- Tower Crane permit application under review with NAV Canada
- Design Assist Tenders (electrical, mechanical, curtain wall, forming and precast) awarded
- Procurement for elevators, concrete supply, roof anchors and site servicing bids received and under evaluation
- RFQs for other sub-trades and specialist suppliers issued
- Audio-Visual Bill of Material established and detailed design progressing
- Furniture value engineering exercise on going

Sub-projects Update

Agenda Item 8.4

Portable Relocation

- Site servicing remaining works - walkway and green space repair completed
- U5 & U6 portable decommissioning completed
- U6 portable and 11 modules of U5 were moved to staging area at F2 parking lot
- Footing works at F2 new location under construction
- Demolition and relocation permit issued from the City
- Portable relocation is track to substantial completion on 2 August
- Building occupancy planed from August 5 – 14 2019



F5 Parking Lot Extension

- Construction scope awarded to Boyle Excavating Ltd.
- PO and contract being processed

PROJECT FINANCIAL SUMMARY REPORT FOR MONTH ENDING			May 2019				
Sources of Funds - Cash flow							
Description	Total Funding	Committed Todate	Actual YTD May 2019	May 2019	Estimate at Completion	See Notes	
UOIT							
SIF							
Advancement							
Totals	\$ -	\$ -	\$ -	\$ -	\$ -		
Uses of Funds - Cash flow							
Description	Total Budget	Committed Todate	Actual YTD May 2019	May 2019	Estimate at Completion		
GMP Contract	\$ 39,996,403	\$ 39,996,403	\$ 868,735	\$ -			\$ 39,996,403
FF&E	\$ 3,246,505	\$ -	\$ -	\$ -			\$ 3,246,505
Soft Cost	\$ 1,940,732	\$ 1,400,327	\$ 626,960	\$ 17,355			\$ 1,940,732
Portable Relocation	\$ 1,738,512	\$ 1,521,054	\$ 229,297	\$ 3,692	\$ 1,738,512		
New Parking (50% sharing)	\$ 327,848	\$327,848.16	\$ 31,783	\$ -	\$ 327,848	1	
Contingencies	\$ 750,000		\$ -	\$ -	\$ 750,000		
	\$ -		\$ -				
Totals	\$48,000,000	\$43,245,632	\$ 1,756,776	\$ 21,047	\$ 48,000,000		
Notes:							
1. Construction cost for the F5 parking lot extension is equally shared with the College							



OFFICE OF THE UNIVERSITY
SECRETARY AND GENERAL COUNSEL

June 26, 2019

Dear Governors,

Re: 2019 Annual Risk Management Report to the Board

This letter is a cover letter written by the Chief Risk Officer and is intended to summarize and highlight elements of the Annual Risk Management Report (“**Report**”).

The Board of Governors is responsible to ensure that Ontario Tech University engages in effective risk management. With a view to enabling the Board and Audit and Finance Committee to assess the University’s progress, we are pleased to present this fourth Annual Report on University Risk Management (URM) first in draft to the Audit and Finance Committee of the Board and then to the Board of Governors, as a whole.

WHAT ONTARIO TECH URM SUCCESS LOOKS LIKE

A risk culture is a culture in which risks are taken to advance the strategic, academic, and administrative goals of Ontario Tech. The University risk management program supports risk-taking by integrating analysis, planning, and risk mitigation into university decision-making processes. This exercise is a long-term change management exercise involving a change in Ontario Tech culture.

The Report confirms that President Murphy demonstrates sincere commitment to risk management. As the Board considers Ontario Tech’s progress in implementing a university risk management program, it’s important to include a quotation from Dr. Murphy. This quotation is an indicator that Dr. Murphy understands the value of the University’s risk work and is a champion for URM:

At Ontario Tech we are building a culture where strategy is informed by external and internal risk and opportunity. Successful risk management means executing on projects aligned with strategy after careful consideration of risk, and weighing out consequences of inaction or delay on other less mission critical risks. Risk must inform everything we do from core strategy, to daily tactical execution. Such a goal requires cultural change and a deep appreciation and commitment to risk management as a tool for executing upon strategy.

PROGRESS IN 2018-19

In this report, we are pleased to report that Ontario Tech University continues to make progress toward the integration of risk into its decision-making and planning processes. The following is a

OFFICE OF THE UNIVERSITY SECRETARY AND GENERAL COUNSEL

summary of the positive developments in the risk management culture in the period July, 2018 to June, 2019:

- The Board remains committed to the development of a risk culture at Ontario Tech University and the Audit and Finance Committee received several reports on the progress of risk management this year;
- Dr. Steven Murphy continues to make risk management an important priority by devoting time to it at Senior Leadership Team (SLT) meetings and retreats. It is noteworthy that Dr. Murphy clearly communicates the importance of good risk management both in the tone and content of his communication to SLT making it clear that this is not just a “check the box exercise”;
- Dr. Murphy supports having clear risk owners and SLT engaged in substantive discussions of risk assignment for the Extreme, High, Foundational and Strategic Risks;
- The University has continued to evolve and develop risk processes and tools, and has engaged in significant training to new Risk owners. The Risk Management website continues to be improved and represents a valuable source of information and guidance to the community. Included in the list of tools and processes: 1) Annual process for risk owners; 2) Strategic Risk Register Tool, and; 3) Risk Owner Reporting Tool for Extreme, High, Foundational and Strategic Risks;
- A list of risk management metrics was finalized in 2018. Confidential Attachment 2 indicates the comparison between 2017/18 and 2018/19. This is a worthwhile read. There is more work to do to make these metrics and the data we collect meaningful. The focus in 2019-20 will be on improving our ability to measure risk management activity and present succinct meaningful reports to the SLT and Board. In the future, we will look to benchmark against other institutions;
- As we continue to identify how best to manage risk and where responsibility should sit, we have identified four new risk registers. The University risk register now includes twenty-four (24) functional area registers;
- In the context of the budgeting process, key decisions are made about what should be funded and what goes unfunded. Risk considerations are included within the strategic planning approach to budgeting. There is always work to be done to more fully understand the risks associated with budgeting decisions in changing contexts;
- The Risk Management Committee has met regularly and continues to be an important contributor to the University Risk Management process. With support and guidance from this Committee, a significant amount of policy work to support risk management and risk processes has been completed in the year;
- The Risk Management website continues to be improved with a view to providing tools to assist the Ontario Tech University community to better manage risk;

OFFICE OF THE UNIVERSITY SECRETARY AND GENERAL COUNSEL

- The development of an Insurance Work Plan is an important one. Appropriate insurance coverage is an essential overarching risk mitigation strategy. Ensuring insurance coverage for a complex entity like the University requires expertise and focus.

AREAS FOR FOCUS IN 2019 AND BEYOND

The specific goals and objectives for next year are set out in Part III of the Report. The following areas will be important for the Board of Governors to monitor:

Resourcing: Although there is one full-time person supporting the University to implement and sustain the URM process, employees throughout the rest of the University are supporting URM as yet one more thing on the list. When compliance and policy work are added to these to-do lists, it is easy to see that the University is constrained as to how far the yardstick can be moved each year. As reported last year, while URM-related goals and objectives are embedded within the goals and objectives of some employees, this is not a widespread practice. This needs the continued focus of the President and SLT to ensure that URM goals are added to the responsibilities of those employees assigned by SLT to carry them out.

Strategic Risks: This is good news story. As Dr. Murphy has brought clarity and focus to Ontario Tech University's five strategic pillars, there have also been good discussions about those risks that have the potential to interfere with the University's ability to execute against its strategic plan. Just as Rome wasn't built in a day, clarifying the risks associated with the strategy and then properly mitigating or managing those risks requires continued discussion.

Foundational Risks: Two foundational risks were identified in the 2019 risk review process: 1) Financial Sustainability, and; 2) Compliance and Controls – increased regulatory accountability and scrutiny, contracting and related processes, and increasing litigation. Financial Sustainability continues to be a focus of the budgeting process. In this year, SLT has had further discussion about what Sustainability is and we look forward to more discussion on this risk in the coming year.

At the same time, we hope to see a more comprehensive consideration of risks associated with budget decisions. On the compliance side, we continue to see increased compliance requirements, and we have made progress toward mitigating this risk with the hiring of a compliance-focused resource.

Conclusion: Ontario Tech University continues to move the University Risk Management yardstick forward. The “tone at the top” remains stronger. Sustained focus is required to successfully implement and most importantly to build a university that integrates effective risk assessment and management into its decision-making and planning processes.



OFFICE OF THE UNIVERSITY
SECRETARY AND GENERAL COUNSEL

I'll finish again with the line - "We know that creating change in risk management culture can take up to fifteen years". In our fifth year, we continue to progress and in an environment of constrained budget and resources, where steady progress is a very positive thing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cheryl Foy'.

Cheryl Foy
University Secretary and General Counsel
Chief Risk Officer



ANNUAL UNIVERSITY RISK MANAGEMENT REPORT

June 26, 2019

Prepared by:
Cheryl A. Foy, Chief Risk Officer
Jackie Dupuis, Director of Risk Management
Reviewed by the Risk Management Committee

2019 UNIVERSITY RISK MANAGEMENT REPORT

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Appendices:

- A. Risk Management Policy
- B. Annual Repeatable Risk Register Process for Risk Owners – Narrative
- C. Annual Repeatable Risk Register Process for Risk Owners – Process Flow
- D. Assignment and Mitigation Tool for High, Extreme, Foundational and Strategic Risk Reporting
- E. 2019 Strategic Risk Register Tool – Final
- F. 2018-19 High, Extreme, Foundational and Strategic Risk Owners
- G. 2018-19 Operational Risk Owners
- H. Operational Risk Themes

Confidential Attachments (Board Only):

- 1. Confidential – Strategic Risk Register 2018-19
- 2. Confidential – Progress against Metrics
- 3. Confidential – Audit & Finance Committee 2018-19 Annual Work Plan

PART I - INTRODUCTION

The university Board asked the President to develop and implement a University Risk Management (URM) program at Ontario Tech. The President has assigned this responsibility to the University Secretary and General Counsel (USGC). Pursuant to the University ***Risk Management Policy*** (“RM Policy”, Appendix A), the USGC is designated as the Chief Risk Officer.

The long-term goal for risk management is that Ontario Tech develop a culture of Risk Ownership. The RM Policy states:

The university is committed to fostering a culture of risk-ownership throughout the University. This does not mean that we avoid engaging in activities that have risks or that we avoid risk in our teaching and research and other activities we undertake for the University. It is recognized that both strategic and operational decisions and the work undertaken by faculty, staff and employees, all inherently involve risk.

To Ontario Tech, having a culture of Risk Ownership means that:

- i) Strategic and operational decisions are made with full awareness of the risks relevant to those decisions;
- ii) All members of the University community are aware of the organization’s emphasis on URM and incorporate a proactive approach and awareness to managing risk in their individual roles¹.

As of June, 2019, Ontario Tech has engaged in a number of activities designed to continue to lay the foundation for the development of a culture of Risk Ownership.

¹ ONTARIO TECH Risk Management Policy, section 7, “Statements of Principle”.

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PART II – PROCESS AND STATUS UPDATE**1. HISTORICAL OVERVIEW**

Ontario Tech is in its fourth year of developing and implementing a risk management program. The table below summarizes the key milestones achieved.

DATE	MILESTONES ACHIEVED
JUNE 2014	<ul style="list-style-type: none"> • Board of Governors approved ONTARIO TECH's first Risk Management Policy after extensive consultation and discussion
JUNE 2015	<ul style="list-style-type: none"> • Clarified risk roles and responsibilities • Consultation process with University academic and administrative leaders • Established Terms of Reference for Risk Management Committee • Developed Risk Tools • Approved a Risk Management Work Plan
JUNE 2016	<ul style="list-style-type: none"> • University-wide consultation process (>100 employees) to develop a grass roots and top down preliminary view of University risks • Twenty-four (24) first draft Risk Registers prepared • Developed five risk categories and identified twenty-one risk drivers • First Annual Risk Management Report presented to the Board
JUNE 2017	<ul style="list-style-type: none"> • Developed a set of draft Risk Registers for the University • Analyzed, synthesized and organized all risks resulting in a lower number of risks • Clarified the process for Risk Owners and developed a reporting structure • Integrated URM into strategic and planning processes • Second Annual Risk Management Report presented to the Board
JUNE 2018	<ul style="list-style-type: none"> • Developed a Risk Register process document • Facilitated risk management training sessions to new Risk Owners and members of the university • Finalized twenty (20) Risk Registers • Developed a draft set of strategic risks • Finalized risk management metrics and presented first set of tracked metrics for risk management • Defined a clear High and Extreme risk process and a list of High and Extreme Risks • Third Annual Risk Management Report presented to Board
JUNE 2019	<ul style="list-style-type: none"> • Developed a Repeatable Annual Risk Register process for Risk Owners

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	<ul style="list-style-type: none"> • Developed a Strategic Risks Risk Register Tool • Developed a Risk Owner Reporting Tool for established High, Extreme, Foundational and Strategic Risks • Assigned Risk Owners to the University High, Extreme, Foundational and Strategic Risks • Completed eighteen (18) interim operational Risk Register reviews • Finalized twenty-four (24) annual operational Risk Registers • Finalized the Strategic Risk Register and presented first set of mitigation and treatment plans • Finalized the University Continuity Policy (UCP) and developed a UCP Work Plan • Updated and finalized the Risk Management Policy • Drafted a University-Hosted Event Risk Management and Approval Directive • Drafted a University Field Trip Risk Management and Approval Directive • Drafted an Air Vehicles Directive • Enhanced the Risk Management and Insurance website • Facilitated risk management training sessions to new Risk Owners and members of the university • Finalized an Insurance Work Plan • Tracked risk management and insurance metrics and presented second set of metrics for risk management • Fourth Annual Risk Management Report presented to Board
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2. HOW DOES THE BOARD MEASURE URM PROGRESS?

As established in the university's first Annual Risk Report dated June, 2016, and as approved by the Board, Ontario Tech committed to providing this report annually to assist the Board in assessing the progress of the University Risk Management process. To that end, the Board adopted the following six measures of progress as recommended by The Association of Governing Boards, in partnership with United Educators²:

Measure 1: Each year the university should be able to demonstrate to the Board how the university has sustained URM as a priority.

Measure 2: Each year the Board should check on the leadership of URM and verify that URM is an important objective for that leader.

² From "A Wake-up Call: Enterprise Risk Management at Colleges and Universities Today", A Survey by the Association of Governing Boards of Universities and Colleges and United Educators, 2014, pp. 3 to 10 (Much of the language above is directly quoted from this document).

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Measure 3: Each year the Board should engage in a discussion of the top strategic and operational risks facing the University and should understand how they are managed and monitored.

Measure 4: The Audit & Finance Committee should include risk management discussions on its work plan. The Board should devote time at one meeting annually to discuss the major risks facing the institution.

Measure 5: The University should continue to engage in ongoing orientation and Board training sessions including information about risks to the institution.

Measure 6: Each year the Board should be asked to comment on and assess the URM and the success (or not) of the stated URM goals and objectives. Generally, the Board should be satisfied that the URM is effectively identifying and enabling the management and mitigation of the major risks facing the university.

The remainder of this Report is intended to allow the Board to assess the university's 2018-19 progress in University Risk Management as against the adopted measures described above.

3. MEASURING 2018-2019 PROGRESS:

a. Measure 1 – How has the university sustained URM as a Priority?

The university has made good efforts to sustain URM in the current resource-constrained environment: Success in embedding URM into Ontario Tech's culture is evidenced by the integration of URM into strategic and planning processes. Integrated URM fosters the desired risk-informed culture across the University. Clearly defined structure, roles and accountability are critical to the success of the implementation.

In 2018-19, Ontario Tech has made progress against the goals assigned in 2018-2019.

i. Develop and Implement an Annual Repeatable Risk Register Process for Risk Owners

The Annual Repeatable Risk Register process for Risk Owners was drafted in consultation with the Risk Management Committee. The process was tested with Risk Owner feedback during the first proposed interim review which took place in October and November 2018. The Annual Repeatable Risk Register process has been established to support the Risk Owners in their mitigation strategies and engage additional oversight and communication where there is opportunity, facilitate those discussions, and brainstorm additional strategies or methods of mitigation and treatment. The Annual Repeatable Risk Register process supports the SLT High, Extreme, Risk Review Cycle process flow identified and established in 2017-18.

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Nineteen (19) Risk Registers were reviewed as part of the first interim review under the newly established Annual Repeatable Risk Register Process for Risk Owners. The interim review generated additional discussions and communication across operations regarding risk.

A final draft of the Annual Repeatable Risk Register process is attached as Appendix B and Appendix C collectively.

ii. Education and Training

Risk Management has made great progress in education and training. During the interim Risk Register review, all Risk Owners and SLT members were trained on the defined Annual Repeatable Risk Register Process, new to the Risk Register review for 2018-19. Risk Register training and education was facilitated by the risk management team to new Risk Owners and new leadership authorities of the University. In addition, those charged with supporting risk within their respective areas received additional training on risk identification and assessment on activities such as travel, on/off campus events, and placement injury process, and insurance.

Risk Management developed an International Travel Risks and Insurance presentation which shared common travel risks, possible insurance sources, pre-travel recommendations and risk assessment on countries abroad and University members' abilities while travelling. Education videos on risk have been made available to all members of the university in addition to information resources including a mobile app to support during travel. The presentation has been shared with faculty council and will continue as a method of education and training for international travel in the 2019-2020 academic year.

Great progress was made in enhancing the risk management portion of the Ontario Tech web page. A major focus of education and training continues to be around the development and enhancement of the risk management and insurance section. The objective of the website is to provide the University community with information and tools to support their engagement in URM. The website is populated with information about risk management and insurance, has links to tools and resources, and will continue to grow with additional resources and information.

There are two (2) projects currently underway to build efficiencies and streamline risk work and insurance requests by developing online reporting functionality.

This measurement will continue to be a priority focus in 2019-20. The site address is: <https://usgc.uoit.ca/risk-management/index.php>.

The Director of Risk Management supported the University in 2018-19 by providing risk assessment advice on 159 requests, attended 219 risk management specific meetings, and facilitated 30 risk management training sessions across the University.

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iii. Support SLT and Board on Next Steps with Strategic Risks

There has been great progress with continuing to engage SLT in the discussion of Strategic Risks and Strategic Risk Management through the identification of Risk Owners, and mitigation activities, in order to finalize the Strategic Risk Plan.

The members of SLT met in November 2018, to propose the assignment of Risk Owners to the Strategic Risks finalized by SLT which were shared and discussed in detail with the Board of Governors during its Annual Retreat in May 2018. Each Risk Owner was charged with identifying mitigation strategies for each risk under their purview and reporting on the risk using the established Risk Owner Reporting Tool attached hereto as Appendix D. During the first quarter of 2019, members of SLT and delegated Risk Owners met with Risk Management with the objective of reporting on mitigation strategies and completing the Risk Owner Reporting Tool for each assigned risk.

In April 2019, each SLT member that was assigned risk ownership participated in an open discussion regarding the current and future mitigation strategies proposed for their assigned Strategic Risk. The Strategic Risk Register tool established for ongoing reporting is attached hereto as Appendix E. The updated tool reflecting these discussions is found as Confidential Attachment 1.

Strategic Risk work will continue as a priority in 2019-20.

iv. Develop Policies Identified as Foundational Risks

In 2017-18, there were two (2) Foundational Risks identified as facing the University. They were determined as **Compliance**, owned by the University Secretary and General Counsel, as well as **Financial Sustainability**, owned by Finance. SLT has determined these risks remain Foundational Risks in the 2018-19 academic year.

The University Secretary and General Counsel recently employed a Compliance and Copyright Officer who has been charged with developing a Work Plan for compliance and copyright risks challenging the University. The Work Plan will include mitigation strategies and treatment plans as well as the development of compliance and copyright related policies.

The development of policies for both the foundational risks will maintain as priority in 2019-20.

v. Annual Risk Management Report

This Annual University Risk Management Report dated June 26, 2019, fulfils this objective.

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vi. Insurance Work Plan

An Insurance Work Plan was developed and embedded into the risk plan to make up the Risk Management and Insurance Work Plan, which was approved by the Audit and Finance Committee in February 2019.

The Insurance Work Plan focused on the areas of:

- *Reviewing the current University insurance landscape, identifying insurance gaps and opportunities for additional and/or reducing coverage;*

The University property insurance policy carries a deductible for contents while in transit which is typically higher than the value of the university goods being shipped. This has resulted in the university procuring six (6) cargo policies for temporary transportation that occurred from the university to around the world.

The University's property policy carries a specified limit regarding new construction and renovations to already established university property. Due to the number of new construction projects taking place over the 2018-19 academic term, the University procured three (3) Builders All Risks policies and three (3) Wrap-Up Liability policies for these construction projects.

The student placement policy was reviewed with changes made to increase coverage to Ontario Tech students while participating in placement, experiential learning, research initiatives, and other such activities while on or off campus, anywhere in the world. The coverage also extends to include travel to and from the students placement location which is supplementary to their automotive insurance policy. This policy supports the students by providing enhanced coverage and increasing the availability of coverage to travel risks.

- *Developing procedures surrounding the use of University vehicles;*

The development of the Use of University Vehicles Policy is currently underway. In the absence of an approved policy, the risk management website has been enhanced to support drivers of University vehicles with tips and resources on how to report a claim and risk considerations prior to travelling.

- *Developing education surrounding travel insurance policies and eligibility of insurance while abroad;*

The risk management team has been involved in several international travel meetings with other University operations charged to manage travel by students, staff and faculty. These discussions were surrounding available insurance coverage, insurance limitations, and risks associated with insurance limitations while traveling abroad. Risk

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Management developed an international travel presentation which has been shared at faculty council meetings to educate the university community on insurance and risk.

The risk management website relating to international travel has been enhanced to show pre-travel registration and risk assessment considerations.

- *Enhancing the insurance section of the risk management website;*

The insurance section of the website has received several notable changes such as a dedicated page to student placement programs, examples of policies available through the university, and the process of reporting an insurance claim. A resource page has been developed to assist University members in understanding the different types of insurance forms and documents required when planning events on and off campus.

- *Enhancing documentation, follow up, and storage of certificates of insurance on contract agreements and campus events;*

The office of Risk Management has identified and developed a formalized process for tracking all certificates of insurance through an application already established at the University called Legal Suite.

Additional insurance projects identified will be added to the Work Plan for action.

vii. Monitor and Record Risk Management Metrics

Metrics for risk and insurance were tracked over the 2018-19 academic year and are shared herein as Confidential Attachment 2.

Two additional metrics were added to the 2018-19 reported metrics to capture the frequency in which the risk management website received traffic or “hits” as well as questions received by the Office of Risk Management related to University risk management and insurance processes.

viii. Work with Academic Council on its Role with Risk Management

One of the priorities identified for 2018-2019 was to work with Academic Council regarding their role in risk. As part of the university’s By-laws Implementation Plan, Academic Council has established a new Governance and Nominations Committee, which will be responsible for overseeing Academic Council’s implementation of the new By-law No. 2. Given the importance of the development of Academic Council governance and the volume of work that will be required to implement the new By-law, the Academic risk work plan was deferred and will be considered as a priority in the 2019-20 academic year.

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ix. Ontario Tech Operational Risk Register

Twenty-four (24) Risk Registers were finalized for 2018-19. The Provost register is currently on pause, pending the incoming Provost. Changes to risk ownership took place in some of the operational areas which led to opportunities of education and awareness on Risk Register related processes.

Two (2) new operational Risk Registers were introduced in 2018-19 for the University Ice Centre and Field House, and Learning and Innovation. In 2017-18 recent changes to risk ownership in the Office of Human Resources led to the deferral of the four (4) Risk Registers assigned to that area. In 2018-19 a thorough review of these registers was completed and three (3) were integrated into one (1) in order to simplify the process of reporting. The remaining register for Health and Safety in Research, was integrated with the Office of Research Risk Register. The International Travel Risk Register was integrated into the Student Life Risk Register due to structural changes to the operation. These changes in ownership assign the risk work to the appropriate Risk Owners at the University.

Continued Simplification and Synthesis: Since the risk team first cast a wide net to identify operational risks in 2015, work has been done to identify risk patterns, categories and overlaps. This has resulted in fewer listed risks. In continuation of the simplified exercise developed in 2016-17, the risks in 2018-19 are categorized as follows:

Risk Domain	Reported Risks 2015-16	Risks after Synthesis and Reorganization	2017-18 Synthesized Risks	2018-19 Synthesized Risks
Operational	165 draft risks	57 draft risks	39 Risks	41 Risks
Financial	36 draft risks	13 draft risks	7 Risks	7 Risks
Reputational	12 draft risks	3 draft risks	3 Risks	3 Risks
Compliance	40 draft risks	18 draft risks	10 Risks	12 Risks
Total:	253	91	59	63

Of the sixty-three (63) risks identified, fifty (53) of these risks were calculated as Medium, and ten (10) as High or Extreme. Low risks are considered local to the operation and, therefore, not included in the Annual Risk Management Report for 2018-19. It should be noted, eight (8) local risks were retired across the institution due to successful mitigation and preventative controls in place. A summary of the themes arising from the Medium Operational Risks identified by Risk Owners is attached as Appendix H.

Over the 2018-19 term, thirteen control (13) strategies and thirty (30) mitigation strategies were added to the registers in an effort to prevent, reduce, mitigate, or resolve risk at the University. The reported mitigation strategies and controls do not include those identified under new and emerging risks.

New and Emerging Risks: Collectively, there were twenty-one (21) new risks assigned to operational registers by Risk Owners across the University. Of these twenty-one (21), eleven

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(11) are considered local to the operation, four (4) are new to a specific operational Risk Register however identified in other areas of the University and therefore not considered new institutional risks, and the remaining new risks for 2018-19 are listed as follows:

- Risks associated with payment processing and security;
- Risks associated with securing data and University equipment while travelling abroad;
- Risks associated with controlled goods;
- Risks associated with traveling between campus buildings and across intersections. This risk was identified by three (3) separate Risk Owners.

Each of these risks has been assigned a Risk Owner and mitigation strategies are currently underway.

The Risk Register for High, Extreme, and Foundational Risks: No Extreme Risks were identified. Of the seven (7) High risks identified in 2017-18, six (6) maintained their level of High risk in 2018-19. The risk associated with effective Partnership Management was reduced to a medium risk level as a result of the implementation of successful risk mitigation.

Three (3) additional High risks were identified and added to the High, Extreme, and Foundational Risk Register. Of these nine (9) risks, each risk level was calculated and determined to be equal at a risk factor of twelve (12). The nine (9) High risks were captured as follows:

Risk Owner: University Secretary and General Counsel

- Risks associated with information governance;
- Risks associated with an increasingly litigious environment;
- Risks associated with disruption causing impairment to the University's operation and Information Technology's (IT) infrastructure;
- Risks associated with failing to negotiate, manage, and implement contracts;
- Risks associated with failing to manage controlled goods.

Risk Owner: Human Resources

- Risks associated with a lack of training and support for front line staff addressing mental health issues.
- Risks associated with the failure to maintain effective labour relations;
- Risks associated with the failure to implement, monitor, and maintain infrastructure enabled to prevent or mitigate workplace accidents and injuries.

Risk Owner: All Faculties and ACE

- Risks associated with equipment failure, requiring replacement or repair.

Foundational Risks: In addition, the two (2) Foundational risks facing the University established in 2017-18 were maintained in 2018-19 as **Compliance**, owned by the University Secretary and General Counsel, as well as **Financial Sustainability**, owned by Finance.

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x. Senior Leadership Team

The SLT is charged with setting the appropriate “tone at the top” to support risk management, and continue to oversee the implementation of risk management within their areas and ensure commitment to reporting risk activity.

The news here continues to be very positive. SLT engaged in discussions of risk assignment and mitigations strategies for the High, Extreme, Foundational, and Strategic risks charged against Ontario Tech.

The Provost (Interim) alongside the University Deans, carried out a meeting with the risk management team in an effort to share knowledge and identify institutional risks common across their operations to support the establishment of a Provostial Risk Register into the 2019-20 academic term. The assignment, mitigation, and treatment strategies of these assigned risks will be deferred until the appointment of the incoming University Provost which takes place later this year. The incoming Provost and risk management team have had positive discussions about supporting the URM within the academic leadership team which is crucial to the success of URM.

xi. Risk Management Committee

The Risk Management Committee (RMC) was struck to oversee the successful integration and execution of URM with direct reporting responsibility to the Board of Governors. Committee members are chosen based on their skill set and functional knowledge. In the 2018-19 academic year, the RMC was charged with conducting regular meetings to discuss risk and risk management with a focus on the integration of risk management best practices, and in this regard, they have fulfilled this objective.

In 2018-19, the Risk Management Committee has provided input on a series of risk management directives and policies such as the University-Hosted Event Directive, University Field Trip Directive, Air Vehicles Directive, the University Continuity Policy, and Risk Management Policy renewal.

The Risk Management Committee has finalized an effective Annual Repeatable Risk Register Review Process for Risk Owners.

The RMC is composed of the following individuals from across the University:

Cheryl Foy (Chair) , Jacquelyn Dupuis (Risk Management), Paul Bignell (IT), Matthew Mackenzie (External Relations), Alison Burgess (Research), Alison Baulk (Finance), Stephen Thickett (Student Life), Tyler Frederick (FSSH), Connie Thurber (FHS), Lori May (F.Ed), Tanya Mayorga (OCIS), and Maureen Calhoun (Health and Safety).

In 2018-19, the RMC met five times.

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b. Measure 2: Does URM have an Assigned Leader?

URM is assigned to the University Secretary and General Counsel, a vice president who reports to the President. Advancing URM was a primary objective in 2018-19 and will continue as a priority for the University Secretary and General Counsel.

c. Measure 3: Has the Board discussed the top strategic and operational risks facing the University?

At the AGM in May 2018, the Board spent a day and a half discussing strategic and foundational risks facing the University. Over this past year there has been excellent progress made in moving the strategic plan forward. The Board has received regular progress updates to the status of the plan.

d. Measure 4: URM is a part of A&F work plan and Board annual discussion

URM is part of the 2018-19 Audit and Finance Work Plan. There are regular discussions and reports presented on risk management and insurance as noted in the attached Confidential Attachment 3.

The Audit and Finance Committee received reports on risk on November 19, 2018 and February 20, April 17, and June 10, 2019. The Board has received reports and has been involved in risk management discussions on November 29, 2018, and February 28 and April 24, 2019.

e. Measure 5: Has Ontario Tech provided Board training sessions about University risk?

In addition to the general discussions about risk, Board professional development sessions typically focus on risk areas for the University. In the 2018-19 year, the Chief Risk Officer conducted an orientation specifically focused on risk management for the recently appointed Board members.

f. Measure 6: Board assessment of URM Activity

At the Annual General Meeting (AGM) each year, the Board receives an annual report and is asked to comment on the progress of URM. The purpose of this 2019 report is to secure the Board's comment and direction on URM progress in 2018-19.

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PART III – GOING FORWARD**4. 2019 – 2020 GOALS AND OBJECTIVES**

Advancement of the goal of embedding URM into a higher education culture is evidenced by the integration into strategic and planning processes. Integrated URM will foster the desired risk-informed culture across the University. Clearly defined structure defines accountability and is critical to the success of the implementation. In order to have clearly defined structure, there needs to be clearly defined responsibilities.

The focus in for 2019-20 objectives is in three areas:

1. Strategic and Foundational Risks:
 - a. Clarifying strategic risks definitions and aligning them with the President's five strategic pillars;
 - b. The development of a process to map operational risks to strategic risks.
2. Risk Management Implementation:
 - a. Continue to support and train Risk Owners in the management and mitigation of risk;
 - b. Continue to support Risk Owners reporting on risk work; and
 - c. Design and implement additional processes and tools to assist Risk Owners.
3. Insurance Implementation:
 - a. Support the University community by developing insurance related tools and applications.

Office of Risk Management (Chief Risk Officer and Director of Risk Management)
Support SLT and the Board in developing a plan to assess the University's risk appetite
Continue with Education and Training through maintenance and enhancement of the Risk Management Website; Continue to facilitate risk management training sessions related to implementation of URM; Develop Frequently Asked Questions and procedural documents to increase support, risk understanding and expectations
Continue to enhance and push the strategic risk plan forward
Continue to support SLT and Board with connecting the strategic risks to those identified within the operational risk register
Develop policies for Foundational Risks to the University through the Risk Register review process
Prepare the 2019-20 Annual Risk Report to the Board and Audit and Finance Committee
Develop new and innovative ways to report, communicate, analyze data, and track metrics.
Work with Academic Council to scope its potential role in risk management

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Senior Leadership Team
Set the Tone at the Top – Continue to demonstrate support for the implementation of URM
Continue to oversee the implementation of risk management within their areas and ensure commitment to reporting risk activity
Continue to engage in discussion of Strategic Risks and Strategic Risk Management through alignment of risks to risks identified at the operational level
Support the development and establishment of a University risk appetite
Continue to report to the Board on the Management of the Strategic and Operational Risk Plan

Risk Management Committee
Conduct regular meetings to discuss risk and risk management, and focus on the integration of risk management best practices
Research risk appetite processes and procedures currently available in the PSE against the operational areas of Ontario Tech
Establish risk education and awareness training, and identify areas within the committee members peer groups to attend these training sessions
Serve as a focus group for metrics work.

5. CONCLUSION

Please refer to the letter of the Chief Risk Officer for the summary and highlights of this Report.

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Appendix A. - Risk Management Policy



Classification	LCG 1116
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	University Secretary
Approval Date	June 18, 2014; Editorial amendment January 17, 2019
Review Date	January 2022
Supersedes	

RISK MANAGEMENT POLICY**PURPOSE**

1. The purpose of this Policy is to establish the foundation for a University Risk Management (“URM”) program which ensures that Risk management is an integral part of the University’s core strategy and integrated into all key activities and/or functions. The URM program establishes a Risk management framework which will provide a proactive and consistent approach to ensuring that Risk is considered when decisions are made at all levels of the organization and, in turn, assists the University to operate within its capacity and willingness to take Risk. The URM program further establishes a commitment to raise awareness surrounding Risk management and provide guidance to all levels of the University.
2. **Objectives:** The overall objectives of the Risk Management Policy are to:
 - 2.1. Formalize a consistent approach to identifying, assessing, measuring, managing communicating and mitigating Risks to the University’s strategic plan and priorities and to the University’s operations in an effort to reduce uncertainty; and
 - 2.2. Assist the University to make better informed decisions and promote accountability for Risk management with stakeholders and University Members at all levels.

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DEFINITIONS

3. For the purposes of this Policy the following definitions apply:

“University Risk Management (“URM”)” means a consistent, coordinated, integrated approach to identify, assess, measure, manage, communicate and mitigate significant and material Risks to the University achieving its strategic objectives

“Risk” means the uncertainty of outcomes against planned objectives. This concept can be applied to strategic objectives as well as all operational activities within the University. While the application of the definition may change with different University Members, the concept should not change.

“Risk Assessment” means a formalized, systematic ranking and prioritizing of identified Risks, using a likelihood/consequence framework.

“Risk Appetite” means the University’s willingness to accept Risk. Risk Appetite may also be viewed as the acceptable deviation from expected outcomes.

“University Member” means any individual who is:

- Employed by the University;
- Registered as a student, in accordance with the academic regulations of the University;
- Holding an appointment with the University, including paid, unpaid and/or honorific appointments; and/or
- Otherwise subject to University policies by virtue of the requirements of a specific policy (e.g. Booking and Use of University Space) and/or the terms of an agreement or contract.

SCOPE AND AUTHORITY

4. This Policy applies to all University Members and extends to all functions and activities.
5. The University Secretary, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

POLICY

This Policy and the associated documents will describe the specific responsibilities for those groups and individuals expected to support the implementation and maintenance of the URM program. In addition, all University Members are expected to support the management of Risk and the success of the URM program at the University.

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6. Risk Framework

- 6.1. Effective Risk management across the institution will result in increased stability, safety and security and prosperity for University Members. This Policy and the associated documents create the Risk management framework developed specifically to fit the governance structure and culture of the University. The framework is aligned with the strategic priorities of the University and incorporates leading practices, tailored to the University's needs and culture.
- 6.2. The framework is intended to support the University in identifying, assessing, measuring, managing, reporting and mitigating significant and material Risks. The ultimate goal of the framework is to assist the University in achieving its strategic priorities and operational objectives through better management and understanding of Risk.
- 6.3. The framework provides:
 - Formalized process and approach to executing URM;
 - Clearly defined accountabilities for execution of URM;
 - Improved Risk management communication; and
 - Consistency in Risk management.

7. Risk Governance Structure

- 7.1. **Oversight:** The responsibility to oversee the University's URM program resides with the University's Board of Governors ("Board"). The Audit and Finance Committee is delegated to carry out this oversight responsibility on the part of the Board and to report annually to the Board on the status of the URM.
- 7.2. **Direction:** The University's President and Vice-Chancellor is responsible to provide direction to ensure the University's strategic priorities remain the ultimate focus of all University Members.
- 7.3. **Risk Parameters:** The Risk Appetite will be determined by the University's President and Vice-Chancellor along with the Senior Leadership Team ("SLT") and ultimately approved by the Board. The Risk Appetite will be reviewed no less than once annually.
- 7.4. **Risk Owners:**
 - a) **Chief Risk Officer:** The University's President will designate a member of SLT to serve as Chief Risk Officer. The Chief Risk Officer will, among the members of the SLT, have responsibility for the coordination of SLT's Risk management activities. The Chief Risk Officer will act as primary advisor on Risk to the Board and to the President and Vice-Chancellor. The Chief Risk Officer will serve as Chair of the University's Risk Management Committee ("RMC") and will have accountability for that Committee's work.

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- b) **Senior Leadership Team (“SLT”):** SLT as a group is responsible for the management of all institutional and operational Risks, the overall success of URM, and the integration of the URM program into the core operational and strategic decision framework of the University. Individual members of the SLT will act as the primary owners of Risks and Risk management at the University. Each SLT member will delegate responsibility for Risk management to functional leaders within that SLT member’s area of responsibility.
- c) **Administrative Leadership Team (ALT):** ALT will act in an advisory role in respect of various aspects of the URM program. ALT will work to ensure that the URM program is integrated into the planning work of the University.

8. Risk Management Committee (“RMC”)

- 8.1. The Risk Management Committee will hold responsibility for the successful integration and execution of the URM framework. Operational implementation and maintenance of the URM program will be conducted with oversight and guidance from SLT. The Committee will also be responsible for facilitating the Risk identification and Risk Assessment process at the Senior Leadership Team and functional leadership levels, consolidating that information and finalizing the institutional Risk profile for the Board. This committee will be a skills-based committee comprised of individuals who are best able to help the University fulfil its URM objectives.

9. Statements of Principle

The University adopts the following statements of principle for application in the implementation of this Policy:

- 9.1. **Risk Culture:** The University is committed to fostering a culture of Risk ownership throughout the University. This does not mean that we avoid engaging in activities that have Risk or that we avoid Risk in our teaching and research and other activities we undertake for the University. It is recognized that both strategic and operational decisions and the work undertaken by University Members, all inherently involve Risk.

To the University, having a culture of Risk ownership means that:

- a) Strategic and operational decisions are made with full awareness of the Risks relevant to those decisions;
- b) All University Members are aware of the organization’s emphasis on URM incorporate a proactive approach and awareness to managing Risk in their individual roles.

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- 9.2. Communication:** A key principle of a successful URM program is regular communication. The Board and Senior Leadership Team are committed to developing a communication plan to ensure that those who require information to support the URM program receive it. The University's Risk Management Policy, goals and objectives will be made available to all University Members and it will be expected that each member reads and understands the Risk management philosophy and outlined framework.
- 9.3. No Reprisal:** The University will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any officer or employee based on any good faith and lawful actions of such employee to responsibly and carefully report Risk issues using the channels provided by the University.
- 9.4.** The University is committed to academic freedom.

MONITORING AND REVIEW

- 10.** This Policy will be reviewed as necessary and at least every three years. The Risk Management Committee, or successor thereof, is responsible to monitor and review this Policy.

RELEVANT LEGISLATION

- 11.** This section intentionally left blank.

RELATED POLICIES, PROCEDURES & DOCUMENTS

- 12.** University-Hosted Event Risk Management and Approval Directive
Field Trip Risk Management and Approval Directive
Risk Management Committee Terms of Reference

2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix B. – Annual Repeatable Risk Register Process for Risk Owners - Narrative

2019 UNIVERSITY RISK MANAGEMENT REPORT

Risk Register – Risk Owner and Risk Management Annual Repeatable Review Process

Individual Departmental/Faculty
Risk Register
Annual Repeatable Process for Risk Owners

This document is to assist Risk Owners of the University understand the annual repeatable risk process for the Risk Registers.

1. Risk Management connects with each Risk Owner immediately following the Annual Board report. The purpose of this discussion is to:
 - I. Share the finalized Risk Registers and outline any changes to risk;
 - II. Encourage ongoing conversations between the local Risk Owner and institutional oversight Risk Owner(s);
 - III. Encourage ongoing review of local risks;
 - IV. Set expectations for the upcoming interim review.
2. Risk Management initiates with each Risk Owner an interim review of the medium / high / extreme institutional risks, to capture any changes and/or additions in the risk landscape. The purpose of the interim review is to:
 - I. Support Risk Owner's in their mitigation strategies and engage additional oversight and/or communication where there is opportunity;
 - II. Brainstorm additional strategies or methods of control/and/or mitigation;
 - III. Update changes to the Risk Register, which may include new risks identified without action from the previous year;
 - IV. Local risks are not included in the interim review unless the calculated risk level(s) is increased.
3. Details of the Interim Risk Register review are shared with the Senior Leadership team for their comments, and completion of the Mid-Year Review on High / Extreme Risks*.
 - I. Each Risk Owner will receive an updated version of their operational Risk Register for the upcoming Annual Risk Register review.
4. Risk Management initiates the Annual Risk Register review with each Risk Owner. The purpose of the Annual Risk Register review is to:
 - I. Update all risks associated with each Risk Owner's functional area, in preparation for the Annual Risk Report;
 - II. Support Risk Owners in their mitigation strategies and engage additional oversight and/or communication where there is opportunity;
 - II. Drafted Risk Registers for current term follow outlined process of approval after Risk Management/Risk Owner review.
5. Final Risk Registers presented to key stakeholders for comment.
6. Annual Risk Management Report presented to Board.

*Aligns with SLT High and Extreme Review Process

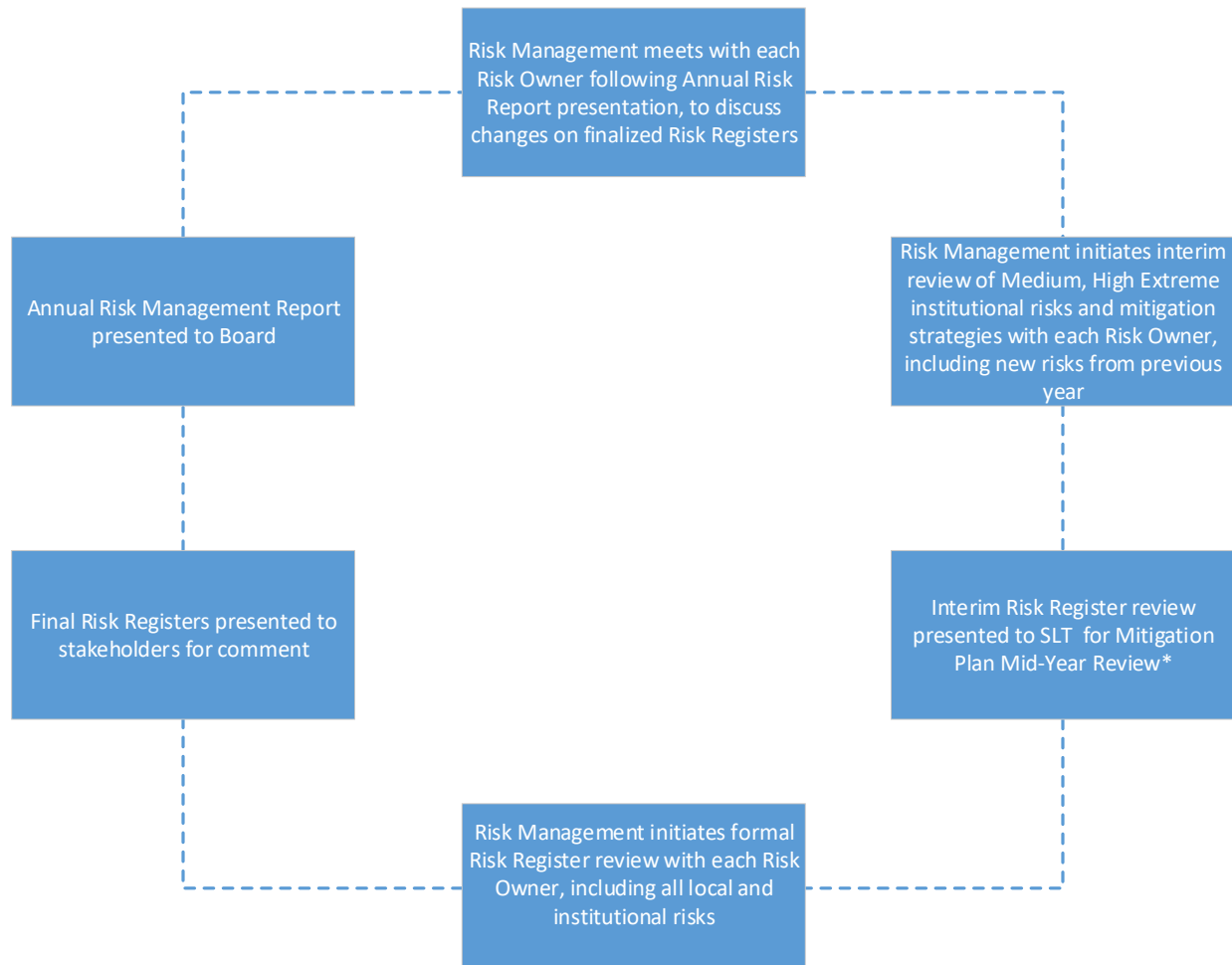
2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix C. – Annual Repeatable Risk Register Process for Risk Owners - Narrative – Process Flow

Risk Register – Risk Owner and Risk Management Annual Repeatable Review Process

Individual Departmental/Faculty Risk Register Annual Repeatable Process for Risk Owners

This document is to assist Risk Owners of the University understand the annual repeatable risk process for the Risk Registers.



*Aligns with SLT High and Extreme Review Process

2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix D. – Assignment and Mitigation Tool for High, Extreme, Foundational and Strategic Risk Reporting



Date: _____

Identified Risk: _____		Reference No.: _____
Risk Owner: _____		
Risk Level: High <input type="checkbox"/> Extreme <input type="checkbox"/> Foundational <input type="checkbox"/> Strategic <input type="checkbox"/>		Risk Register Calculated Risk Level: _____
Risk Description:		

Drivers:
Potential Impacts:
Current Risk Mitigation Plan:
Strategic Pillars and Priorities Impacted
Priorities:
Pillars:
Future Risk Mitigation Strategies:
Signature of Risk Owner

2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix E. – Strategic Risk Register Tool – Final

[illegible]

2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix F. – 2018-19 High, Extreme, Foundational and Strategic Risk Owners

	Strategic Risks	Proposed Risk Owner
1.a	Stakeholder Relations / Engagement – Internal – Students	AVP – Student Life
1.b	Stakeholder Relations / Engagement – Internal – Employees	AVP – Human Resources
2.	Stakeholder Relations / Engagement - External	VP – External Relations and Advancement
3.	Academic and Non-academic Staff Engagement	AVP – Human Resources
4.	Student Experience / Culture	AVP – Student Life
5.	Leadership	President
6.	Campus Wellbeing	AVP – Human Resources
7.	Brand	VP – External Relations and Advancement
8.	Innovation	VPRII
9.a	Physical Infrastructure	CFO
9.b	Virtual Infrastructure	Provost
10.	Partnership Success with Durham College	President
11.	Disruption – From within PSE sector	President
12.	Disruption – From outside PSE sector	President
	High Risks	Proposed Risk Owner
1.	Information Governance	University Secretary and General Counsel
2.	Increasing Litigious Environment	University Secretary and General Counsel
3.	Disruption (UCP) to operations and IT infrastructure	University Secretary and General Counsel
4.	Failure to Negotiate, Manage, Implement Contracts	University Secretary and General Counsel
5.	Partnerships	VP – External Relations and Advancement
6.	Lack of Training Associated with Mental Health Issues	AVP – Human Resources
7.	Equipment Failure, Requiring Replacement / Repair	CFO (Budget Working Group)
	Foundational Risks	Proposed Risk Owner
1.	Compliance	University Secretary and General Counsel
2.	Financial Sustainability	CFO

2019 UNIVERSITY RISK MANAGEMENT REPORT

Appendix G. – 2018-19 Operational Risk Owners

SLT Member	Department Risk Registers	Risk Owner
Steven Murphy	ACE	John Komar
Craig Elliott	Finance	Craig Elliott
	Office of Campus Infrastructure and Sustainability	Ken Bright
	Regent Theatre	Kevin Arbour
Cheryl Foy	University Secretary and General Counsel	Cheryl Foy
Susan McGovern	External Relations and Advancement	Susan McGovern
Doug Holdway	Research	Jennifer Freeman
Robert Bailey	*Provost's Office	Robert Bailey
	Office of Campus Safety	Tom Lynch
	Student Life	Olivia Petrie
	**Ice Centre and Soccer Field House	Scott Barker
	Library	Catherine Davidson
Brad MacIsaac	Registrar	Joe Stokes
	Learning and Innovation	Catherine Drea
	Teaching and Learning	Susan Forbes
	Information Technology	Paul Bignell
Jamie Bruno	Human Resources	Jamie Bruno
ALT Members	Faculty Risk Registers	Risk Owner
	School of Graduate and Postdoctoral Studies	Langis Roy
	Business and Information Technology	Michael Bliemel
	Education	Maurice DiGiuseppe
	Energy Systems and Nuclear Science	Akira Tokuhiko
	Engineering and Applied Science	Tarlochan Sidhu
	Health Sciences	Lori Livingston
	Science	Greg Crawford
	Social Science and Humanities	Peter Stoett

*Foundation for register captured in March 19, 2019 SAT meeting, deferred until new incoming Provost takes office

**Restructured reporting channel: for integration into Student Life Risk Register

Appendix H. – Operational Risk Themes

In keeping with the Board’s direction and mandate to oversee risk, the Board’s role regarding operational risk is to ensure that there is a process for identifying and managing those risks. In the Annual Report, the annual processes are described. The Senior Leadership Team and the Audit & Finance Committee requested that the Board also be apprised of the themes arising from the operational risks identified by the Risk Owners. This Appendix H provides a summary of those themes with examples of the nature of the risks included within each theme.

Theme: Stakeholder Success/ Management

1. Student Experience
2. Effective management of student mental health
3. Effective management of student misconduct
4. Students – financial incentives and support
5. Attraction and retention of employees
6. Government
7. Community relations
8. Partner relations

Theme: Financial

1. Asset management
2. Fund raising
3. Failure to fund key initiatives: Entrepreneurship
4. Government funding
5. Technology – maintaining and staying up to date
6. Enrolment and competition
7. Tuition
8. Research Revenue

Theme: Academic

1. Programming mix
2. Quality research
3. Adequate support for researchers
4. Maintaining academic standards
5. Academic Integrity (Faculty and Student)
6. Faculty workload management
7. Quality Assurance processes
8. Changing standards/expectations

2019 UNIVERSITY RISK MANAGEMENT REPORT

Theme: Organizational Effectiveness

1. Effective and engaged board
2. Contract compliance
3. Regulatory compliance
4. Administrative law compliance
5. Policy and process gaps
6. Communication
7. Effective use of internal resources

Theme: Ancillary operations

1. Financial impact
2. Liability

Theme: Culture

1. Maintaining collegiality and civility

Theme: Disruption

1. Lack of Business Continuity plan
2. Equipment or Technology Failure

Theme: Safety and Security

1. Workplace safety
2. Information Technology security
3. International Travel
4. Campus travel between buildings

Theme: Shared Campus Model

Audit & Finance Committee

2018-2019 Annual Report

2018-2019 Work Plan

MANDATE-DRIVEN PRIORITIES

Financial Statements 2018-19

- Quarterly reporting & year-end financial reporting
- Credit rating update

Audited Financial Statements 2018-19

- Engagement Audit Plan
- Receipt of Pension Plan Audit Report
- Audited financial statements
- Receipt of Audit Findings Report
- Debenture overview & updates

Investment Committee Oversight

- Receipt of quarterly reports

Budget for 2019-20

- Update on assumptions, targets & outcomes
- 10-year financial model & forecasting
- Recommendation of 2019-2020 budget
- Recommendation of endowment disbursement

Student fees

- Recommendation of tuition & ancillary fees for 2020-2021

2018-2019 Work Plan

Risk Management & Compliance

- Progress updates for Risk Management, Privacy Compliance & Pension Governance
- URM Annual Report
- Annual governance review
- Annual Insurance Report
- Annual policy & compliance review

Capital Projects & Acquisitions

- New building project – business case & contract for approval
- MGP updates
- Vaso's Field upgrade updates
- AVIN updates
- Laptop procurement approval 2019-2020
- TELE program updates

Policy Development & Review

- Statement of Investment Policies (SIP) review
- Contract Management & Signing Authority Policy review
- Use of External Auditor for Non-Audit Services Policy review
- Continuity Policy
- University Code of Ethics
- President Expenses Approval Policy

Accomplishments

Terms of Reference

- Recommended updates to committee Terms of Reference

Financial

- Committee reviewed & discussed quarterly reports, allowing for ongoing assessment of opportunities & risks
- Recommended Audited Financial Statements for approval
- Audited financial statements for the university's Pension Plan were presented to the committee by KPMG
- Recommended disbursement of up to \$600,000 from the Endowment Funds to be distributed as student awards in 2019-20

Policy

- Recommended Freedom of Expression Policy for approval by the Board of Governors
- Approved Procedure For On-Campus Medical Cannabis Use By Students

Accomplishments

Policy

- Recommended the university's Continuity Policy for approval by the Board of Governors
- Reviewed Use of External Auditor for Non-Audit Services Policy
- Reviewed Expendable Funds Policy
- recommended Gender Change Policy for approval by the Board of Governors

Investment Committee Oversight

- Received a quarterly report from the Investment Committee
- Recommended amendments to the Statement of Investment Policies & Asset Class Management Procedures to allow implementation of a market neutral strategy

Budget for 2018-19

- Recommended the 2019-20 budget for approval by the Board

Student Fees

- recommended the 2019-20 tuition & ancillary fees amendments for approval by the Board

Accomplishments

Risk Management & Compliance

- Oversight of the continued development of the University Risk Management (URM) framework
- Recommended the annual URM Report for receipt by the Board
- Oversight of privacy and contract compliance

Capital Projects, Acquisitions, & Divestments

- Recommended approval of the design and construction of the New Building
- Oversight of completion of Vaso's Field project

In Progress

Budget

- Cash management & forecasting

Financial

- Transition of TELE program from laptops to bring your own device (BYOD)

Risk Management & Compliance

- Continued development of URM program
- Implementation of University Continuity Management Policy & program

Contracts

- Implementation of the Contract Management & Legal Suite systems

In Progress

Policy Development & Review

- Oversight of the Contract Management & Signing Authority Policy review
- Continued oversight of policy development & implementation of Policy Framework

Records Management

- Continued oversight of implementation & development of Records Management System

Future Planning

Capital Projects

- Continued oversight of the ACE Enhancement project
- Continued oversight of the New Building project
- Continued oversight of CRWC expansion project
- Continued oversight of AVIN project

Risk Management & Compliance

Legal Suite

- Oversight of:
 - continued expansion of functionality of Legal Suite
 - monitoring policy development and review through the database

Policy

- Development of University Code of Ethics
- Development of President Expenses Approval Policy

Future Planning

Risk Management & Compliance

Privacy

- Oversight of the development of the University's privacy policies, procedures, assessment & education

Legislative Compliance

- Oversight of University's AODA & CASL compliance initiatives

Records Management

- Oversight of implementation & development of Records Management System

Investment Committee

2018-2019 Annual Report

2018-2019 Work Plan

MANDATE-DRIVEN PRIORITIES

Investment

- Quarterly investment reviews
- Investment learning on topical subjects
- PH&N annual report on ESG
- Statement of Investment Policies & Asset Class Management Procedures (annual review)
- Annual Investment Manager performance review
- Endowment disbursement recommendation & receipt of annual Endowment Report
- Review of Endowment Policy

Accomplishments

Terms of Reference

- Recommended updates to committee Terms of Reference

Investment Reviews

- PH&N Investment Manager (“PH&N”) provided the Committee with detailed reporting & review on a quarterly basis

Investment

- Reviewed & recommended amendments to Statement of Investment Policies & Asset Class Management Procedures to allow for investment in low volatility strategy

Responsible Investment Policy

- the Committee received & reviewed PH&N’s annual report on ESG

Accomplishments

Endowment

- Recommended disbursement of up to \$600,000 from the Endowment Funds to be distributed as student awards in 2019-20

Investment Learning

- PH&N delivered educational presentations on several topics, including:
 - Cannabis & Canadian Market Implication
 - ESG
 - Normalizing Central Bank Policy

Investment Manager Performance Review

- Completed fifth annual quantitative & qualitative review of PH&N

Future Planning

Review of Quarterly Investment Reports

- Continue to analyse investment reports, and make timely reallocations to maximize portfolio effectiveness

Investment

- Conduct annual performance review of Investment Manager
- Continued educational sessions for the Committee

2018-2019 Board Practices Assessment Results Summary

Presented to: Board of Governors

**Presented by: Cheryl Foy, University Secretary & General
Counsel**

Date: June 26, 2019

Agenda

- Assessment Format
- Results
- Next Steps

Assessment Format

- as directed by GNHR, the 2018-2019 Board Practices Assessment was conducted primarily through the OnBoard portal (13/18), with 5 governors sending their completed assessment by e-mail
- **18/20** governors completed the assessment - 90% compared to the response rate of 87% for 2017-2018
- the response rate was 83% for 2016-2017 (conducted by e-mail), 90% for 2014-2015 (conducted by online poll immediately prior to a Board meeting) and 46% for 2013-2014
- the 2015-2016 online poll assessment was not conducted due to timing constraints at meetings

Board Effectiveness

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
1. The Board as a whole has a clear understanding of the University's mission.	11/8 61/40	7/9 39/45	0/3 0/15	0	0	0
2. The Board as a whole has a clear understanding of the University's strategic plan.	8/3 44/15	9/14 50/70	1/3 6/15	0	0	0
3. The University's strategic goals are clear.	11/4 61/20	6/11 33/55	1/3 6/15	0/2 0/10	0	0
4. The University's strategic goals serve as a useful guide to the Board in the deliberations and policy making decisions.	12/8 67/40	5/7 28/35	1/2 5/10	0/1 0/5	0	0/2 0/10
5. The Board is provided with adequate information at meetings for effective decision-making.	10/2 56/10	8/17 44/85	0/1 0/5	0	0	0

Board Effectiveness

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
6. The Board is provided with adequate resources prior to meetings for effective decision-making.	8/2 44/10	10/16 56/80	0/2 0/10	0	0	0
7. The Board has sufficient engagement with Academic Council.	1/0 6/0	7/7 39/35	6/4 33/20	2/5 11/25	0	2/4 11/20
8. The Board has effective engagement with Academic Council.	0	7/6 39/30	7/5 39/25	2/3 11/15	0/1 0/5	2/5 11/25
9. The Board understands the distinction between the responsibilities of its role and the role of the administration.	10/7 55/35	7/10 39/50	1/3 6/15	0	0	0
10. The Board has the opportunity to discuss matters of critical importance before decisions are made.	10/4 56/20	8/13 44/65	0/3 0/15	0	0	0

Board Effectiveness

Question	Strongly Agree 2019/2018 %	Agree 2019/2018 %	Neither Agree nor Disagree 2019/2018 %	Disagree 2019/2018 %	Strongly Disagree 2019/2018 %	No Response 2019/2018 %
11. The Board has the opportunity to ask questions of critical importance before decisions are made.	11/6 61/30	7/12 39/60	0/2 0/10	0	0	0
12. The Board ensures that members receive reports on how our organization has used its financial resources.	10/6 55/30	7/13 39/65	1/1 6/5	0	0	0
13. The Board knows the major challenges facing this university.	10/6 55/30	7/12 39/60	0/1 0/5	1/1 6/5	0	0
14. The Board knows the major opportunities facing this university.	6/4 33/20	10/12 55/60	1/4 6/20	1/0 6/0	0	0
15. The Board schedules sufficient time to discuss long term strategic issues.	5/0 28/0	9/14 50/70	4/3 22/15	0/2 0/10	0	0/1 0/5
16. Evaluation and reporting of Board performance is useful in improving the practices of the Board.	10/13 55/65	7/6 39/30	1/1 6/5	0	0	0

Board's Most Significant Achievement in Past Year – Key Themes

- Overseeing successful Presidential transition
- Recruitment process and onboarding of new governors
- New branding of the university
- Implementation of new By-laws
- Board's focus on university's strategic vision and priorities when making decisions

Most Important Thing Board Could Do to Improve Effectiveness – Key Themes

- Continue to reduce amount of meeting material, highlight key matters for discussion & ensure sufficient time given to review material
- Allocate time at each meeting for strategic discussion
- Continue to increase engagement with students & faculty – increase Board involvement in university events
- Continue to assess effectiveness following meetings
- Consider setting goals & developing performance metrics for the Board

Board Structure

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
1. The Board has an effective committee structure for its needs.	9/9 50/45	8/7 44/35	1/3 6/15	0/1 0/5	0	0
2. The Board makes good use of its committees.	11/10 61/50	6/7 33/35	1/2 6/10	0	0/1 0/5	0
3. The level of delegation of authority to the Board Committees is appropriate.	11/7 61/35	6/10 33/50	0/1 0/5	0	0	1/2 6/10
4. Board committees act appropriately within the delegation of authority (i.e. routine matters are resolved and significant matters are properly recommended to the Board).	9/8 50/40	9/11 50/55	0	0	0	0/1 0/5
5. Work done at the committee level can be relied on when considering items brought forward to the Board for review and approval.	9/12 50/60	9/7 50/35	0/1 0/5	0	0	0

Board Structure

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
6. The Board has an effective orientation program for newly elected Board members.	8/7 44/35	10/7 56/35	0/3 0/15	0	0	0/3 0/15
7. The Board has a diversity of representation (gender, ethnicity, profession).	9/4 50/20	8/10 44/50	1/3 6/15	0/2 0/10	0/1 0/5	0
8. The Board has effective recruitment strategies to assess needs for, identify and attract new Board members.	9/1 50/5	7/9 39/45	0/2 0/10	0/1 0/5	0/1 0/5	2/6 11/30

Additional Comments on Board Structure – Key Themes

- Recent governor recruitment process was successful & it improved diversity of the Board
- Orientation for new Board members this year was exceptionally done
- Board structure is generally acceptable
- Effective use of consent agenda
- Would a policy committee be helpful?

Board Meetings

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
1. Board meetings are strategic.	3/6 17/30	12/8 67/40	3/4 17/20	0/1 0/5	0	0/1 0/5
2. Board meetings focus on priority issues.	7/7 39/35	9/9 50/45	2/2 11/10	0/1 0/5	0	0/1 0/5
3. Discussions are informative.	9/6 50/30	9/14 50/70	0	0	0	0
4. Discussions are productive.	7/7 39/35	10/11 55/55	0/2 0/10	1/0 6/0	0	0
5. Discussions occur in a respectful manner.	15/15 83/75	3/5 17/25	0	0	0	0

Board Meetings

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
6. The meeting documentation provides adequate information for preparation prior to a meeting.	9/8 50/40	9/9 50/45	0/2 0/10	0/1 0/5	0	0
7. The agenda is well-planned so that the Board is able to get through all necessary business.	8/7 44/35	9/11 50/55	1/1 6/5	0/1 0/5	0	0
8. Board members are well apprised of issues prior to making a decision.	4/3 22/15	14/13 78/65	0/3 0/15	0	0	0/1 0/5

Additional Comments on Board Meetings – Key Themes

- Consider having a staff-facilitated strategic discussion at each meeting
- Briefing notes on the Board material would be helpful
- Ensure governors have sufficient time to review material
- The new Board portal is effective
- Remote participation options for meetings work well
- Enjoy hearing from students and/or faculty for continued education

Individual Board Involvement

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
1. My abilities fit well with the strategic demands facing the University.	4/6 22/30	14/11 78/55	0/1 0/5	0	0	0/2 0/10
2. My abilities are being used effectively in my role(s) on the Board.	2/2 11/10	12/13 67/65	4/3 22/15	0	0	0/2 0/10
3. My abilities are being used effectively in my role(s) on the Board's committees.	5/3 28/15	10/14 55/70	3/2 17/10	0	0	0/1 0/5
4. My abilities are being used effectively to support the University's government relations strategy.	2/1 11/5	9/6 50/30	6/6 33/30	0/3 0/15	0	1/4 6/20
5. My abilities are being used effectively to support the University's advancement strategy.	3/2 17/10	11/9 61/45	3/5 17/25	0	0	1/4 6/20
6. My time is well-utilized at Board and committee meetings.	8/7 44/35	10/11 56/55	0/1 0/5	0/1 0/5	0	0
7. I read the minutes, reports and other materials in advance of Board and Committee meetings.	11/10 61/50	7/9 39/45	0/1 0/5	0	0	0

Individual Board Involvement

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	No Response
	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %	2019/2018 %
8. I am familiar with what is in University of Ontario Institute of Technology's Act, By-Laws and governing policies.	4/3 22/15	14/11 78/55	0/2 0/10	0/4 0/20	0	0
9. When I have a different opinion than the majority, I raise it.	6/11 33/55	11/8 61/40	1/1 6/5	0	0	0
10. I support Board decisions once they are made even if I do not agree with them.	9/14 50/70	9/5 50/25	0/1 0/5	0	0	0
11. I have taken advantage of opportunities made available to Governors to interact with faculty and students during my term.	3/6 17/30	11/6 61/30	3/2 17/10	0/3 0/15	0	1/3 6/15
12. I believe that I am able to contribute effectively to the Board's work.	5/6 28/30	13/13 72/65	0	0	0	0/1 0/5
13. I believe that I am able to contribute effectively to the University of Ontario Institute of Technology University.	10/7 55/35	7/13 39/65	1/0 6/0	0	0	0
14. Overall my experience as a Board member has been positive.	12/14 67/70	6/6 33/30	0	0	0	0

Additional Comments on Individual Board Involvement – Key Themes

- Interested in increasing involvement in campus activities
- Support provided from the Office of the University Secretary and General Counsel is of the highest quality
- Keep the Board informed of how they can continue to support the university in different ways
- The Board members respect the sharing of different opinions
- Governor orientation is sector leading

Next Steps

- More detailed analysis with Chair, Executive Committee, and GNHR
- Obtain the Board's feedback on the annual Board Practices Assessment process and tool
- Identification of governance priorities
- Assignment of specific objectives to Committees as part of Committee work plans

Governance, Nominations & Human Resources Committee (GNHR)

2018-2019 Annual Report

2018-2019 Work Plan

MANDATE-DRIVEN PRIORITIES

Board Nominations & Recruitment

- Board Recruitment Project – governor appointment & committee assignment recommendations & orientation plan
- LGIC appointments
- Board & leadership succession planning
- Annual elections
- Board leadership & committee composition for 2019-2020

Board Professional Development & Education

- New governor orientation
- Committee-specific orientation

Human Resources

- Annual Pension Plan Report
- Collective bargaining
- Pension Plan amendments
- Continued monitoring of Executive Compensation Plan status

2018-2019 Work Plan

MANDATE-DRIVEN PRIORITIES

Governance

- Terms of Reference review
- By-laws Implementation oversight
- Oversight of Presidential Transition Committee
- Oversight of Faculty Governor Working Group & related recommendations
- Annual Governance Checklist
- Annual Board Practices Assessment 2018-2019
- Annual Report on Student Sexual Violence Policy implementation
- Policy work:
 - Workplace Violence Policy 2017-2018 review
 - Board of Governors Procedures for Election of Faculty, Non-Academic Staff & Student Governors review
 - Board of Governors Meeting Policy & Procedures review
 - Board of Governors Recruitment, Appointment & Leadership Policy review
 - Policy on Recognition of Student Organizations review
- Bicameral governance & community engagement

Accomplishments

Board Recruitment

- Completed a new recruitment process during summer 2018 & recommended appointment of 7 new external governors to the Board
- Election of 1 student governor for 2019-2020

Board Professional Development & Education

- Developed structured Orientation Plan for onboarding of new governors
- Conducted joint Board & Academic Council orientation session in September 2018 as part of new By-laws implementation
- Conducted full Board orientation session in October 2018
- Conducted committee-specific orientation session prior to the first meeting of each committee in 2018

Accomplishments

Board Professional Development & Education

- Retreat focused on strategic priorities prior to Board meeting in November 2018
- Attendance at CCOU Conference in November 2018
- Board tour of ACE Facility in February 2019
- Retreat focused on design-thinking and the future of Durham Region & the university in May 2019

Accomplishments

Governance

- Recommended changes to Board of Governors Recruitment, Appointment and Leadership Policy, as proposed by the Faculty Governor Working Group
- Recommended update to GNHR Terms of Reference
- Conducted annual Board Practices Assessment in May 2019
- Oversight of implementation of the Student Sexual Violence Policy and Procedures
- Oversight of Presidential transition
- Oversight of Workplace Violence Policy 2017-2018 Review
- Completed review & recommended changes to Board of Governors Procedures for Election of Faculty, Non-Academic Staff & Student Governors
- Completed reviews of Board of Governors Meeting Policy & Procedures and Board of Governors Attendance Policy

Accomplishments

Board Engagement

- Use of BlueJeans videoconferencing to improve virtual participation by governors
- Implementation of OnBoard portal application for Board & committee meetings
- Increased allocation of time during meetings for strategic discussion

Accomplishments

Human Resources

- Ratification of the Faculty Association Collective Agreement
- Amendment to Pension Plan Statement of Investment Policies & Procedures
- Amendments to university's Pension Plan
- Oversight of university's labour relations & human resources

In Progress

Governance

- Continued implementation of By-law Nos. 1 & 2, which came into effect in September 2018
- Continued improvement of Board engagement
- Continued focus on Board meeting efficiency, materials preparation & professional development
- Monitoring implementation & use of Board portal

Human Resources

- Collective Bargaining with Postdoctoral Fellows

Future Planning

Board Composition & Succession

- Develop strategic succession plan

Board Professional Development & Education

- Further development of strategies to encourage Board engagement
- Update & implement standardized governor orientation & educational material for new governors
- Continued incorporation of technology into Board meeting participation & educational material

General Governance

- Develop & implement Committee Assessment Form
- Continue to strengthen bicameral governance
- Strengthen community engagement

Strategy & Planning Committee (S&P)

2018-2019 Annual Report

2018-2019 Work Plan

MANDATE-DRIVEN PRIORITIES

Strategic & Planning Oversight

- Integrated Planning
- Strategic risk
- Transformation of Technology Enabled Learning (TELE)
- Student Success
- International strategy
- Research Plan
- Standard & strategic performance indicators
- COU/UC strategic initiatives
- Board Retreat planning

Advancement

- Million Dollar Matching Fund & Board Pathways Awards Program
- Endowment disbursement
- Campaign planning
- Alumni engagement strategy

Accomplishments

STRATEGIC OVERSIGHT

- Recommended amendments to committee's Terms of Reference
- Oversight of advancement of university's strategic priorities
- Oversight of the university'
- Oversight of identification & assignment of university's key strategic risks
- Oversight of university's student success strategies
- Engaged in strategic discussions regarding: strategic priorities, advancing strategic priorities in times of fiscal restraint, and living the brand
- Oversight of implementation of student ancillary fees opt-out

Accomplishments

PLANNING OVERSIGHT

Board Retreats

- Planning & oversight of the retreat held November 29, 2018 - focused on defining and executing the university's strategic priorities
- Planning & oversight of the retreat held May 28-29, 2019 - focused on developing better understanding of the new SMA metrics & identifying aspects of the role Ontario Tech can play in advancing Durham Region

ADVANCEMENT

- Recommended the disbursement of up to \$600,000 from the endowment funds to distribute as student awards for the 2019-2020 year
- Oversight & encouragement of governor engagement in advancement and campaign planning activities

In Progress

Strategy & Planning

- Continued oversight of Alumni engagement strategy
- Continued oversight of international strategy

Advancement

- Continued oversight of campaign planning
- Continued oversight of Board of Governors' Pathways Awards & Million Dollar Matching Fund programs

Future Planning

Planning Oversight

- Strategic Mandate Agreement 3
- Strategic Plan – Oversight of Rolling Plan and Annual Metrics
 - Academic Plan
 - Research Plan
 - Capital Plan
- Student success strategies
- Strategic Risk Management

Strategic Enrolment Management

- Growth Strategy
- Environmental & Competitive Scanning

Campaign Planning

External Opportunities Oversight

- Outcomes Indicators

Board Retreats



BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Consultation ☐
Information ☐

TO: Board of Governors

DATE: June 26, 2019

FROM: Academic Council

SUBJECT: Terms of Reference Review – Curriculum & Program Review Committee (CPRC)

BOARD MANDATE:

Section 9(1)(i) of the *University of Ontario Institute of Technology Act, 2002* authorizes the Board of Governors to appoint committees and assign or delegate to them such duties and responsibilities as may be provided in the by-laws of the university.

Article 1.4 of By-law No. 2 provides that Academic Council will make recommendations to the Board on the terms of reference of committees to exercise Council's delegated authority under that Article. The CPRC Terms of Reference includes authority over several matters delegated to Academic Council under Article 1 of By-law No. 2. Accordingly, Board approval is required.

BACKGROUND/CONTEXT:

In accordance with the By-law No. 2 Implementation Plan presented to Academic Council in October 2018, the Governance and Nominations Committee (GNC) of Academic Council has started reviewing the terms of reference for the standing committees of Academic Council. The review of the CPRC Terms of Reference has been completed. Academic Council recommends the attached updated CPRC Terms of Reference for approval by the Board of Governors.

The proposed Terms of Reference (ToR) for CPRC reflect consultation with current CPRC, the Associate Dean of Quality Enhancement, Centre for Institutional Quality

Enhancement (CIQE), and Academic Council. The updated ToR includes CPRC assuming some of the responsibilities of the Admissions and Scholarship Committee.

The ToR were presented to Academic Council for consultation at the April meeting. A summary of the comments received from Academic Council are:

- would like to see greater representation of Academic Council members on the standing committees
- consider electing a faculty member of the committee to serve as chair

The GNC considered the feedback at their meeting on May 21 and recommended the addition of two (2) members of Academic Council (AC) to the updated CPRC, to be nominated from among the elected faculty members of AC using the same expression of interest and nomination process used for the other standing committees. This will allow the AC members to serve as a conduit between the bodies and provide for consistency between CPRC and the updated Graduate Studies Committee Terms of Reference.

After further discussion, the GNC recommended that the senior academic administrator responsible for Quality Enhancement (or designate) serve as chair of the updated CPRC. The role of chair is to conduct the meetings and to preserve order and fairness throughout the meetings. The chair should be impartial and should generally not participate in discussions except to guide them. The GNC was concerned that by selecting a general faculty member of the CPRC to serve as chair, it would minimize that individual's contributions to the committee by removing them from the discussions.

Key Recommended Changes & Rationale reflected in updated Terms of Reference:

COMMITTEE NAME –

- Recommend changing the name of the committee to clarify the committee's mandate

MEETING DATE AND TIMES -

Proposed:

- Removal of prescribed date and time.

Rationale:

- CPRC has not been meeting at the time in the ToR for the past two years. We recommend removing the prescribed date and time to allow flexibility for CPRC to base dates and times of meetings on an annual basis based upon operational needs. Additionally, when reviewing Terms of Reference from other Ontario universities, very few had meeting dates and times in their ToR.

MEMBERSHIP -

- It is suggested that the Chair be the Senior Administrator responsible for Quality Enhancement as this will ensure consistency if titles may change.
- The number of students be increased by one to two students. As undergraduates makes up the largest portion of the student body this will allow for greater

- representation on the committee and an opportunity to engage students in governance.
- To reduce the amount of turnover on the committee and to ensure adequate representation each year we suggest that the Chair of the undergraduate curriculum committee in each Faculty hold membership on CPRC.
- A manager from the RO was also added to act as a resource due to the items relating to admissions and scholarship coming under the purview of this committee.

TERMS OF REFERENCE -

Rationale:

- The updates to the ToR reflect changes in procedures relating to our IQAP.
- We removed reference to resource approval, as it is not within CPRCs purview to approve resources and funding.
- Annual reports of Faculty Councils are no longer required and Faculties report monthly to CPRC.
- 'Undergraduate' has also been added in areas to make this clearer.
- In addition, areas relating to admissions and scholarship have also been included to reflect the migration of these roles to CPRC from the Admissions and Scholarship Committee.

Proposed:

- Delegation of authority to CPRC to establish, oversee, review and revise academic, admissions, and scholarship procedures.

Rationale:

- Align the governance processes of Academic Council and Board of Governors - Board committees have the delegated authority to approve procedures under the Policy Framework.
- Align with Academic Council's Governance & Nominations Committee, which has the delegated authority to establish, oversee, and periodically review the governance procedures, guidelines, and directives of Academic Council and revise when appropriate.
- Improve efficiency of Academic Council & focus Academic Council discussions on higher-level strategic academic matters.

MOTION:

That pursuant to the recommendation of the Academic Council, the Board of Governors hereby approves the Terms of Reference for the Undergraduate Studies Committee (formerly Curriculum & Program Review Committee), as presented.

SUPPORTING REFERENCE MATERIALS:

- blacklined version of proposed Terms of Reference
- clean version of proposed Terms of Reference

CURRICULUM AND PROGRAM REVIEW COMMITTEE

I. MEETING DATES AND TIMES

- Meetings shall be held on the last Wednesday of each month throughout the year from 9:00 – 11:00 am unless otherwise determined by the Chair.

II. ACADEMIC COUNCIL **Undergraduate Studies Committee**

MEMBERSHIP

- Associate Provost, Academic (Chair)
- Seven (7) core faculty members
- Associate Registrar, Records and Registration
- One (1) student representative, elected from study body at large

1. III. TERMS OF REFERENCE

1. — The Undergraduate Studies Committee (“Committee”) is a standing committee of the university’s Academic Council whose mandate is to consider and make recommendations to Academic Council on matters pertaining to the appropriateness, merit and quality of the university’s undergraduate academic programs. The context for the Committee’s mandate is provided by the university’s strategic and academic plans as these may from time to time be established by the Academic Council and/or the university’s Board of Governors.

Specifically, the Committee will have the following responsibilities:

- a) to examine proposals for new undergraduate degree and non-degree programs and major changes to existing programs and to recommend their approval, as appropriate, to the Executive Committee and then to Academic Council;
- b) a. — to approve minor program adjustments and report them to Academic Council for information;
- c) to be informed of changes to individual undergraduate courses;
- d) in reviewing the proposals, the Committee takes responsibility for ensuring:
 - will ensure the academic quality of the proposal and the adequacy of the plan for resources to support it;
 - b. — The Committee should look for evidence will ensure that the proposal has emerged from unit planning processes and will meet the standards established by relevant external bodies including the Quality Assurance Framework;
 - c. — The Committee should encourage, wherever possible, cooperation and consultation among academic units including the promotion of complementary programming; and

- ~~d. The Committee should flag for the Executive Committee's~~ Academic Council's attention matters bearing on academic policy.
- ~~2. To receive and review annual summaries prepared by Faculty Curriculum Committees of the each Faculty Council's deliberations and actions in relation to curricular changes including all new undergraduate courses, the deletion of undergraduate courses, and changes to existing undergraduate courses and programs;~~
- ~~b)e)~~ 3. To receive and review reports, recommendations to approve Final Assessment Reports (FARs) and action plans arising out of the cyclical review of undergraduate programs and report to Academic Council on the outcomes of reviews conducted during the academic year, the implementation of recommendations from previous reviews, and the schedule of reviews for the next academic year;
- ~~4. To formulate policy and make recommendations to Academic Council on all matters concerning the improvement of teaching and learning in the University;~~
- ~~e)f)~~ 5. To to coordinate and oversee all matters in the Universityuniversity relating to undergraduate academic standards; and
- ~~d)g)~~ 6. To explore to examine policy issues related to undergraduate curriculum and instructional development;
- ~~h) to establish, oversee, and periodically review the undergraduate academic, admissions, and scholarship procedures, guidelines, and directives, and revise when appropriate, and provide regular updates to Academic Council; and~~
- ~~i) to review and recommend to Academic Council changes to undergraduate academic, admissions, and scholarship policy, including terms of reference for all undergraduate scholarships, bursaries, and awards.~~

2. MEETINGS

Meetings will be held monthly from September to June unless otherwise determined by the Chair.

3. MEMBERSHIP

The Committee will be composed of:

Ex-officio (voting)

- Senior academic administrator responsible for Quality Enhancement (or designate) as Chair (voting only in the event of a tie)
- Chair of the undergraduate curriculum committee for each Faculty (or equivalent)
- Registrar (or designate)

Academic Council members (voting)

- Two (2) members from among elected faculty members of Academic Council

Elected (voting)

-
- Two (2) undergraduate students elected from the student body

Non-Voting

- Representative from the School of Graduate and Postdoctoral Studies (or successor)
- Manager from the Office of the Registrar, as designated by the Registrar
- Manager of the Centre for Institutional Quality Enhancement (or designate)
- Secretary of Academic Council (or designate)

4. QUORUM

Quorum requires that a majority of the Committee members entitled to vote be present.



ACADEMIC COUNCIL Undergraduate Studies Committee

1. TERMS OF REFERENCE

The Undergraduate Studies Committee (“Committee”) is a standing committee of the university’s Academic Council whose mandate is to consider and make recommendations to Academic Council on matters pertaining to the appropriateness, merit and quality of the university’s undergraduate academic programs. The context for the Committee’s mandate is provided by the university’s strategic and academic plans as these may from time to time be established by the Academic Council and/or the university’s Board of Governors.

Specifically, the Committee will have the following responsibilities:

- a) to examine proposals for new undergraduate degree programs and major changes to existing programs and to recommend their approval, as appropriate, to the Academic Council;
- b) to approve minor program adjustments and report them to Academic Council for information;
- c) to be informed of changes to individual undergraduate courses;
- d) in reviewing the proposals, the Committee:
 - will ensure the academic quality of the proposal;
 - will ensure that the proposal has emerged from unit planning processes and will meet the standards established by relevant external bodies including the Quality Assurance Framework;
 - should encourage cooperation and consultation among academic units including the promotion of complementary programming; and
 - should flag for the Academic Council’s attention matters bearing on academic policy.
- e) to approve Final Assessment Reports (FARs) and action plans arising out of the cyclical review of undergraduate programs and report to Academic Council on the outcomes of reviews conducted during the academic year, the implementation of recommendations from previous reviews, and the schedule of reviews for the next academic year;
- f) to coordinate and oversee matters in the university relating to undergraduate academic standards;
- g) to examine policy issues related to undergraduate curriculum and instructional development;
- h) to establish, oversee, and periodically review the undergraduate academic, admissions, and scholarship procedures, guidelines, and directives, and revise when appropriate, and provide regular updates to Academic Council; and



- i) to review and recommend to Academic Council changes to undergraduate academic, admissions, and scholarship policy, including terms of reference for all undergraduate scholarships, bursaries, and awards.

2. MEETINGS

Meetings will be held monthly from September to June unless otherwise determined by the Chair.

3. MEMBERSHIP

The Committee will be composed of:

Ex-officio (voting)

- Senior academic administrator responsible for Quality Enhancement (or designate) as Chair (voting only in the event of a tie)
- Chair of the undergraduate curriculum committee for each Faculty (or equivalent)
- Registrar (or designate)

Academic Council members (voting)

- Two (2) members from among elected faculty members of Academic Council

Elected (voting)

- Two (2) undergraduate students elected from the student body

Non-Voting

- Representative from the School of Graduate and Postdoctoral Studies (or successor)
- Manager from the Office of the Registrar, as designated by the Registrar
- Manager of the Centre for Institutional Quality Enhancement (or designate)
- Secretary of Academic Council (or designate)

4. QUORUM

Quorum requires that a majority of the Committee members entitled to vote be present.



BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Consultation ☐
Information ☐

TO: Board of Governors

DATE: June 26, 2019

FROM: Academic Council

SUBJECT: Terms of Reference Review – Admissions and Scholarship Committee

COMMITTEE MANDATE:

Section 9(1)(i) of the *University of Ontario Institute of Technology Act, 2002* authorizes the Board of Governors to appoint committees and assign or delegate to them such duties and responsibilities as may be provided in the by-laws of the university. Article 1.4 of By-law No. 2 provides that Academic Council will make recommendations to the Board on the terms of reference of committees to exercise Council's delegated authority under that Article. The Admissions and Scholarship Committee was delegated authority of Academic Council; therefore, its dissolution requires Board approval.

BACKGROUND/RATIONALE:

In accordance with the By-law No. 2 Implementation Plan presented to Academic Council in October 2018, the Governance and Nominations Committee (GNC) of Academic Council has started reviewing the terms of reference for the standing committees of Academic Council. The review of the Admissions and Scholarship Committee's Terms of Reference has been completed and Academic Council recommends that the Board of Governors dissolve the committee since its responsibilities are going to be assumed by the updated Undergraduate Studies Committee (formerly Curriculum and Program Review Committee).

The proposal to dissolve the Admissions and Scholarship Committee (ASC) was also recommended by the Registrar (Chair of the ASC), and the GNC.

Current Practice

The ASC is a standing committee of Academic Council. The committee recommends changes to admissions and scholarship policy as outlined in its Terms of Reference. The ASC has largely been dormant over the last few years as the Curriculum and Program Review Committee has provided the academic oversight for changes to admissions policy, and there have been minimal changes to the university's scholarship policies.

Proposed Practice

The Curriculum and Program Review Committee maintains academic oversight for academic programs and recommends modifications to Academic Council. Admissions and scholarships policies affect program enrolments, reputation and possible program outcomes. The proposed changes to the CPRC Terms of Reference have included responsibility for academic oversight on these portfolios to ensure the continuity between registrarial practices and academic programming. This would result in the disbanding of the ASC.

MOTION:

That pursuant to the recommendation of the Academic Council, the Board of Governors hereby dissolves the Admissions and Scholarship Committee.

SUPPORTING REFERENCE MATERIALS:

- ASC Terms of Reference

I. MEETING DATES AND TIMES

Meetings shall be held bi-monthly throughout the year based on specific needs.

II. MEMBERSHIP

- Registrar (Chair)
- Three (3) core faculty members
- Associate Registrar, Recruitment and Admissions
- Director, Financial Aid and Awards
- Two (2) student representatives, elected from student body at large

III. TERMS OF REFERENCE

1. To formulate and recommend undergraduate scholarship policy to Academic Council;
2. To review and approve terms of reference for all undergraduate scholarships, bursaries and other academic awards and prizes and to report its decisions on these matters to Academic Council;
3. To select individual recipients of undergraduate awards and prizes where judgment is required in the selection process;
4. To recommend to Academic Council changes to undergraduate admissions policy;
5. To recommend to Academic Council the minimum standards for undergraduate admission to the University;
6. To act for Academic Council to consider appeals from undergraduate students who are refused admission or who are denied deferral of their admission.

Related policies and procedures:

- Academic Calendar, Section 4
- Admissions Appeals Procedures



BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Consultation ☐
Information ☐

TO: Board of Governors

DATE: June 26, 2019

FROM: Audit & Finance Committee

SUBJECT: Change of Gender Policy (Student)

COMMITTEE MANDATE:

- In accordance with the university's Policy Framework, the Board of Governors is responsible for approving Legal, Compliance and Governance (LCG) policies.
- The Change of Gender Policy (Student) falls in the LCG category.
- We are seeking the Board of Governors' approval of the Change of Gender Policy (Student).

PURPOSE OF POLICY INSTRUMENT:

- The Purpose of this policy is to provide guidelines for students who wish to change their gender identity on their official student record.

CONSULTATION:

- Academic Council
- President's Equity Task Force
- University Student Union
- Policy Advisory Committee
- Administrative Leadership Team
- Office of Student Life
- School of Graduate and Postdoctoral Studies
- Office of the Registrar
- University Secretariat

List of Consultation Dates:

- September 2018 – February 2019

Comments received and response:

- Initially this policy was presented to the President's Equity Task Force (PET), and it was suggested that the gender change procedures be recommendations for students who wish to change their gender identity. However, after consultation with the Policy Advisory Committee and the secretariat, it was decided that the university should not be recommending what a student can do with respect to their gender identity. The subsequent edits removed the language around recommendation, and moved to a procedure that follows the legal gender change process within the province of Ontario. This change was communicated back to PET and endorsed before coming to Academic Council.

COMPLIANCE WITH POLICY/LEGISLATION:

- This policy is in line with requirements of the Province of Ontario for changing sex designation on official documents, and provides a pathway for students to change their gender designation on all official University documents, including transcripts and OSAP.

MOTION:

That pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors hereby approves of the Change of Gender Policy (Student), as presented.

SUPPORTING REFERENCE MATERIALS:

- Change Of Gender Policy (Student)



CHANGE OF GENDER POLICY (STUDENT)

PURPOSE

1. The purpose of this Policy is to set out the requirements for Students who wish to change their Gender Designation on the official Student Record.

DEFINITIONS

2. For the purposes of this Policy the following definitions apply:

“Gender Identity” means the personal sense of one’s own gender.

“Student” means any individual registered as a student, in accordance with the academic regulations of the University.

“Student Record” means the official student record as recorded in the student information system.

“Gender Designation” means the demographic data within the Student Record relating to gender. Within the University’s student information system, gender may be recorded as F (female), M (male) or X (unspecified).

SCOPE AND AUTHORITY

3. This Policy applies to all Students enrolled, or who have been enrolled at the university.
4. The Registrar, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

POLICY

The University recognizes the need to support Students in changing their Student Record to conform to their Gender Identity. Changing Gender Designation at the University without a corresponding change in provincial records could result in negative impacts for a Student. Students wishing to change their Gender Designation may do so in one of two ways.

5. Changing Gender Designation with a legal change of gender

- 5.1. The University collects Gender Designation to fulfil statistical reporting requirements, and for document matching purposes. A legal Gender Designation change will ensure that a Student will not experience challenges in receiving

financial aid, that the student's transcript will reflect their Gender Identity and that the University's Student Record will match provincial educational records.

- 5.2. Students who have legally changed their gender with the province or other authority where their birth is registered may request to change their Gender Designation on their official Student Record through the office of the Registrar.
- 5.3. Upon completion of a Gender Designation change on the official Student Record, all records will be updated to reflect this change, and a notice will be sent to applicable staff on a need-to-know basis to ensure recognition of the change.

6. Limited Gender Designation change without a legal change of gender

- 6.1. Students who have not obtained a legal gender change may request a change to their preferred name and Gender Designation on their Student Record on an individual case basis. A limited Gender Designation change will not affect the student's official transcript, degree parchment or any submissions or statistical reporting to the government, and may impact payments through OSAP. A notice will be sent to applicable staff on a need-to-know basis to ensure recognition of the change.

7. Confidentiality

- 7.1. The University recognizes the sensitivity of requests related to Gender Identity under this Policy. The office of the Registrar will set out a procedure for making requests and designate a single point of contact to manage and fulfil requests under this policy to ensure confidentiality.

MONITORING AND REVIEW

- 8. This Policy will be reviewed as necessary and at least every three years. The Registrar, or successor thereof, is responsible to monitor and review this Policy.

RELEVANT LEGISLATION

- 9. This section intentionally left blank

RELATED POLICIES, PROCEDURES & DOCUMENTS

- 10. This section intentionally left blank



COMMITTEE REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Discussion/Direction ☐
Information ☐

Financial Impact ☒ Yes ☐ No

Included in Budget ☒ Yes ☐ No

TO: Board of Governors

DATE: June 26, 2019

FROM: Governance, Nominations & Human Resources Committee (GNHR)

SUBJECT: Amendments to the UOIT defined contribution pension plan (DCPP)-Faculty Association Members)

COMMITTEE/BOARD MANDATE:

As part of GNHR's oversight of the university's human resources policies, strategies and plans, the Senior Administration (Pension & Benefits) Sub-Committee (SASC) (*a sub-committee of SLT*) provides GNHR with recommendations with respect to the operation and administration of the university's defined contribution pension plan (DCPP).

GNHR recommends the proposed amendments to the DCCP, as set out in the attached resolution, for approval by the Board of Governors. The proposed amendments are pursuant to the 2018-2020 Faculty Association Collective Agreement (Agreement) and the increases to Member required pension contribution and the University basic pension contribution rate(s).

BACKGROUND/CONTEXT & RATIONALE:

The 2018-2020 Faculty Association Collective Agreement (Agreement) was ratified on March 4, 2019. Under the terms of this negotiated Agreement, pension contributions made by eligible Faculty Association members and the university will be amended as follows:

- Effective July 1, 2019 up to June 30, 2020, the Faculty Association Member's required pension contributions will increase by 0.5% from 3% to 3.5%; and
- Effective July 1, 2019 up to June 30, 2020, the University's basic pension contributions for each Faculty Association Member will increase by 1% from 6% to 7%; and
- Effective July 1, 2020, the Faculty Association Member's required pension contributions will increase from 3.5% to 3.75%; and
- Effective July 1, 2020, the University's basic pension contributions for each Faculty Association Member will increase from 7% to 7.5%.

RESOURCES REQUIRED:

- Banner(HR/payroll) systems
- HR Pension & Benefits Staff and Sun Life - employee communications
- Finance -prior budget approval obtained

IMPLICATIONS:

- In the event that the proposed pension plan amendments as set out in the attached Board resolutions were not approved, the University would be in breach of the Faculty Association Collective Agreement.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

- The aforementioned changes align with the University's strategic plan with respect to building lasting relationships to make UOIT a remarkable place for work and study.

ALTERNATIVES CONSIDERED:

- N/A

CONSULTATION:

- In accordance with the Pension Governance structure of the DCP (Plan), the Senior Administration Sub-Committee (SASC) of the Pension & Benefits Committee and Senior Leadership team have been consulted.

COMPLIANCE WITH POLICY/LEGISLATION:

- Under Section 9.01 of the DCP pension plan text, the university may amend the provisions of the Plan from time to time.
- Increases to pension contributions are not contrary to any applicable government policy or regulation.
- Mercer Canada and the University Secretary and General Counsel as a member of the SASC and SLT have been consulted.

NEXT STEPS:

1. Upon receiving Board approval, HR Pension & Benefits Staff to file the Board Resolution with the Financial Services Commission of Ontario and the Canada Revenue Agency for approval.

MOTION FOR CONSIDERATION:

That pursuant to the recommendation of the Governance, Nominations & Human Resources Committee, the Board of Governors hereby approves the attached resolution, as presented.

SUPPORTING REFERENCE MATERIALS:

- Resolution to amend the DCP.

**Resolution of the Board of Governors of
the University of Ontario Institute of Technology**

WHEREAS the University of Ontario Institute of Technology (the “University”) established the University of Ontario Institute of Technology Pension Plan, bearing registration number 1087808 (the “Plan”);

AND WHEREAS the University has reserved the right to amend the Plan pursuant to Section 9.01 thereof;

AND WHEREAS, the collective agreement between the University of Ontario Institute of Technology (UOIT) and the UOIT Faculty Association (the “Faculty Association”) was ratified effective March 4, 2019 (the “2018-2020 Collective Agreement”);

AND WHEREAS, pursuant to 2018-2020 Collective Agreement, both Member and the University contributions will increase effective July 1, 2019 and again effective July 1, 2020 in respect of Faculty Association members who are eligible to participate in the University of Ontario Institute of Technology defined contribution pension plan (UOIT DCP) as at the relevant time;

AND WHEREAS the Governance, Nominations and Human Resources Committee has recommended that the amendments set out herein be adopted in respect of the Plan.

NOW THEREFORE BE IT RESOLVED THAT, the Plan be amended as follows effective July 1, 2019:

1. By adding the following as Section 2.08.1:

“2.08.1 **Faculty Association Member** means a Member who is a member of the University of Ontario Institute of Technology Faculty Association as at the date a determination is required.”

2. By deleting Section 4.01(a) and replacing it with the following:

“(a) **Required Contributions**

- (i) Effective July 1, 2019 until June 30, 2020, a Faculty Association Member shall contribute an amount equal to 3.5% of his or her Earnings to the Plan;
- (ii) Effective July 1, 2020, a Faculty Association Member shall contribute an amount equal to 3.75% of his or her Earnings to the Plan; and

- (iii) a Member who is not a member of the Faculty Association Member shall contribute an amount equal to 3% of his or her Earnings to the Plan.

3. By deleting 4.03(a) and replacing it with the following:

“(a) Basic Contributions

- (i) Effective July 1, 2019 until June 30, 2020, the University shall contribute an amount equal to 7% of the Earnings of each Faculty Association Member;
- (ii) Effective July 1, 2020, the University shall contribute an amount equal to 7.5% of the Earnings of each Faculty Association Member; and
- (iii) the University shall contribute an amount equal to 6% of the Earnings of each Member who is not a member of the Faculty Association Member.”

4. The Chief Financial Officer of the University is authorized to sign and to file all related documents with the applicable federal and provincial regulatory authorities, including the making of any further Plan amendments as may be necessary or required to obtain and maintain such federal and provincial registrations.

Dated this the _____ day of _____, 2019.

University Ontario Institute of Technology.

Authorized Signature

Name and Title



BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Discussion/Direction ☐
Information ☐

TO: Board of Governors

DATE: June 26, 2019

PREPARED BY: Becky Dinwoodie, Assistant University Secretary

SUBJECT: 2019-2020 Board Schedule

BOARD MANDATE:

- We are seeking the Board's approval of the proposed 2019-2020 Board meeting schedule.

BACKGROUND/CONTEXT & RATIONALE:

- As part of the university's ongoing efforts to improve Board meeting efficiency and governor engagement, and with the continued support of the Governance, Nominations & Human Resources Committee, we will be keeping the number of committee and Board meetings at 4 per year and generally keeping the meeting times the same.

NEXT STEPS:

- If approved, the Office of the University Secretary will send out calendar invites to the returning governors and new elected governor.

MOTION FOR CONSIDERATION:

That the Board of Governors hereby approves the 2019-2020 Board Meeting Schedule, as presented.

SUPPORTING REFERENCE MATERIALS:

- Draft 2019-2020 Board meeting schedule

**ONTARIO TECH BOARD OF GOVERNORS
DRAFT MEETING SCHEDULE 2019 - 2020**

Agenda Item 12.5

COMMITTEE	DATE	TIME	ROOM
Audit & Finance Committee	November 20, 2019	2:00 - 5:00 p.m.	ERC 3023
Audit & Finance Committee	February 19, 2020	2:00 - 5:00 p.m.	ERC 3023
Audit & Finance Committee	April 15, 2020	2:00 - 5:00 p.m.	ERC 3023
Audit & Finance Committee	June 17, 2020	1:00 - 5:00 p.m.	ERC 3023
Board of Governors Retreat	tbd		
Board of Governors	November 28, 2019	12:00 - 5:00 p.m.	DTB 524
Board of Governors	February 27, 2020	12:00 - 5:00 p.m.	DTB 524
Board of Governors	April 23, 2020	12:00 - 5:00 p.m.	DTB 524
Board of Governors - AGM	June 25, 2020	9:00 a.m. - 3:00 p.m.	DTB 524
Governance, Nominations & Human Resources Committee	October 10, 2019	2:00 - 5:00 p.m.	ERC 3023
Governance, Nominations & Human Resources Committee	January 16, 2020	2:00 - 5:00 p.m.	ERC 3023
Governance, Nominations & Human Resources Committee	March 19, 2020	2:00 - 5:00 p.m.	ERC 3023
Governance, Nominations & Human Resources Committee	May 14, 2020	2:00 - 5:00 p.m.	ERC 3023
Investment Committee	November 20, 2019	11:30 a.m. - 1:30 p.m.	ERC 3023
Investment Committee	February 19, 2020	11:30 a.m. - 1:30 p.m.	ERC 3023
Investment Committee	June 1, 2020 (changed from June 4 due to conflict with Convocation)	11:30 a.m. - 1:30 p.m.	ERC 3023
Investment Committee	August 13, 2020	11:30 a.m. - 1:30 p.m.	ERC 3023
Strategy & Planning Committee	October 24, 2019	2:00 - 5:00 p.m.	ERC 3023
Strategy & Planning Committee	January 30, 2020	2:00 - 5:00 p.m.	ERC 3023
Strategy & Planning Committee	March 31, 2020 (date changed due to scheduling conflict)	2:00 - 5:00 p.m.	ERC 3023
Strategy & Planning Committee	May 28, 2020	2:00 - 5:00 p.m.	ERC 3023
OTHER DATES			
Orientation	September 24, 2019	4:30 - 6:30 p.m.	DTB 524
CCOU Conference	Spring 2020	tbd	tbd
Convocation	June 4 & 5, 2020		Tribute Communities Centre



BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☒
Discussion/Direction ☐
Information ☐

TO: Board of Governors

DATE: June 26, 2019

FROM: Doug Allingham, Board Chair

SLT LEAD: Cheryl Foy, University Secretary & General Counsel

SUBJECT: Appointment of Board Secretary for 2019-20

BOARD MANDATE:

- To appoint the Board Secretary in accordance with Article 5.3 of By-law No. 1.

BACKGROUND/CONTEXT & RATIONALE:

- It is a best practice to annually confirm the appointment of the Secretary of the Board.

MOTION FOR CONSIDERATION:

That the Board of Governors hereby reappoints Becky Dinwoodie as Secretary of the Board of Governors from July 1, 2019 until June 30, 2020.



BOARD OF GOVERNORS' 111th REGULAR MEETING

Minutes of the Public Session of Wednesday, April 24, 2019
55 Bond Street, DTB 524
Noon to 1:50 p.m.

GOVERNORS IN ATTENDANCE:

Doug Allingham, Board Chair
Nigel Allen, Chair of Audit & Finance Committee
Liquan Cao
Stephanie Chow, Chair of Investment Committee
Thorsten Koseck, Chair of Strategy & Planning Committee
Kevin Chan
Lisa Edgar
Laura Elliott
Ferdinand Jones
Kori Kingsbury
Thorsten Koseck
Dale MacMillan
Mark Neville
Jessica Nguyen
Maria Saros
Trevin Stratton
Jim Wilson
Lynne Zucker

REGRETS:

Dietmar Reiner
Noreen Taylor, Chancellor
Francis Garwe, Chair of Governance, Nominations & Human Resources Committee

BOARD SECRETARY:

Becky Dinwoodie, *Assistant University Secretary*

UOIT STAFF:

Robert Bailey, *Interim Provost & VP Academic*
Cheryl Foy, *University Secretary & General Counsel*
Doug Holdway, *Interim VP of Research, International and Innovation*
Barb Hamilton, *Assistant to the University Secretary & General Counsel*

Lori Livingston, *Dean of Health Sciences*
Brad MacIsaac, *Assistant Vice-President, Planning and Analysis, and Registrar*
Pamela Onsiong, *Acting Chief Financial Officer*
Susan McGovern, *VP External Relations & Advancement*

GUESTS:

Greg Crawford, *Dean of Faculty of Science*
Mike Eklund, *Faculty Association*
Akeisha Lari, *Administrative Staff*
Olga Marques, *Faculty*
Christine McLaughlin, *Faculty Association*
Kim Nugent, *Faculty*
Olivia Petrie, *Assistant Vice-President, Student Life*
Angelo Pineda, *Alumni Association*
Matthew Shane, *Faculty*
Peter Stoett, *Dean of Faculty of Social Science and Humanities*

1. Call to Order

The Chair called the meeting to order at 12:04 p.m.

2. Agenda

Upon a motion duly made by T. Koseck and seconded by K. Kingsbury, the Agenda was approved, as presented.

3. Conflict of Interest Declaration

There were no conflict of interest declarations.

4. Chair's Remarks

The Chair welcomed L. Livingston, the next Provost and VP, Academic, to the meeting. He reminded governors of the joint meeting with the Durham College Board of Governors scheduled for May 9. The Chair remarked on the excitement surrounding the new brand, which was launched at the end of March. He noted the significant items on the agenda for consideration, including two new programs and the 2019-2020 budget. He reminded the Board members that it is not their role to do the work, but to ensure the work is done in such a way as to come to a sound conclusion. He encouraged all members to engage and ask questions.

5. President's Report

The President formally introduced L. Livingston to the Board and provided an overview of her background. He remarked that she would be a tremendous addition to the university's senior leadership team. The President also discussed the positive reception of the university's new brand - positive comments have been received from colleagues around the world. The new brand will better position us to tell the university's story.

The President discussed the Brilliant Catalyst space, which is not another incubator but a space where we can help existing businesses with the entrepreneurship of our students. He used the example of Ontario Shores working with faculty and students in Brilliant Catalyst to examine

living with dementia. The President also discussed reinventing co-op education and referred to Lakeridge Health having a team of interdisciplinary students to examine the emergency room business model.

The President also noted the recent announcement of the university's unique partnership with OCAD University. The partnership will provide our students with greater flexibility. He also discussed the importance of continuous learning. We must change the model of learning where education ends at age 25 and consider models where individuals return for 1 day/1 weekend a month. The President responded to questions from the Board.

6. Academic Council Report

F. Jones delivered his first report as the governor member of Academic Council. He thanked the Board for appointing him as the Board representative on the university's Academic Council. The following business was accomplished at the March meeting of Academic Council:

- Council was consulted on the updated version of the Student Sexual Violence Policy & Procedures; Academic Council's feedback was considered & incorporated, where appropriate; the updated policy and procedures were being presented at the Board meeting for approval.
- An Equity Admissions procedure statement was approved for use in the Undergraduate Academic Calendar.
- Academic Council reviewed the spring election results & approved the following appointments:
 - Faculty members to Academic Council for a 3 year term:
 - Mehdi Hossein Nejad
 - Hossam Kishawy
 - Fedor Naumkin
 - Ramiro Liscano
 - Student Positions to Academic Council Committees for a 1-year term, renewable for an additional year:
 - Tudor Hociung & Farhin Mim - Academic Appeals Committee
 - Sushmitha Srinivasan - Admissions & Scholarship Committee
 - Isabelle Simard - Graduate Studies Committee (full-time)
- Council also appointed Ami Mamolo to the Research Board for a 2-year term.
- Council also authorized the granting of a posthumous degree to Mohamed Mohamedtaki, one of our Faculty of Business & Information Technology graduate students.

The President announced the 2019 Honorary Degree recipients:

- Al Libfeld - Thursday, June 6, 9:30 am ceremony - Faculty of Energy Systems and Nuclear Science & Faculty of Engineering and Applied Science
- Kate Beirness - Thursday, June 6, 2 pm ceremony - Faculty of Business & Information Technology & Faculty of Science
- The Honourable Beverley McLaughlin - Friday, June 7, 9:30 am ceremony - Faculty of Education & Faculty of Social Science and Humanities

- Annette Verschuren - Friday, June 7, 2 pm ceremony - Faculty of Health Sciences

The President provided a brief summary of each of the recipients' backgrounds. He thanked the Honorary Degrees Committee for their thoughtful consideration of the nomination packages.

6.1 Establishment of a Bachelor of Arts (Honours) and Bachelor of Science (Honours) in Psychology

S. Murphy provided an overview of the new program proposal and invited questions from the Board. M. Shane, an Associate Professor in the Faculty of Social Science and Humanities, responded to questions from the governors. M. Shane clarified how the Bachelor of Arts (Honours) program complements the STEM focus of the university. There was also a discussion of how the introduction of these new programs would affect other programs at the university. They anticipate synergies will exist with other programs and there will likely be opportunities for minors down the road. M. Shane explained the rationale for launching both programs at once. He clarified that they are not truly two distinct programs, as the course maps are very similar across years 2 - 4; accordingly, it would be more efficient to implement the programs concurrently. He also explained the need for having the two programs, despite the similarities between them.

M. Shane confirmed that students would be travelling between campuses for the programs, especially during third and fourth year. P. Stoett added that we lose many students as a result of not having a general psychology degree. This would allow us to offer it to local students. There was also a discussion regarding what benchmarks would be used to measure the success of the programs.

Upon a motion duly made by S. Murphy and seconded by L. Edgar, pursuant to the recommendation of the Academic Council, the Board of Governors approved the establishment of the proposed Bachelor of Arts (Honours) and Bachelor of Science (Honours) in Psychology programs, as presented.

6.2 Establishment of a Bachelor of Science (Honours) in Integrative Neuroscience

S. Murphy summarized the key aspects of the new program proposal. G. Crawford responded to questions from the Board. He advised that it is critical to promote new programs at the Ontario Universities Fair, as well as including them in the Ontario Universities' Application Centre.

Upon a motion duly made by S. Murphy and seconded by K. Kingsbury, pursuant to the recommendation of the Academic Council, the Board of Governors approved the establishment of the proposed Bachelor of Science (Honours) in Integrative Neuroscience, as presented.

(P. Stoett, G. Crawford and M. Shane left the meeting at 1:10 p.m.)

7. Co-Populous Report

J. Wilson reported that Durham College (DC) hosted its spring Open House on March 23 and approximately 3700 people attended. On April 2, DC had the grand opening of its Esports Gaming Arena. On the DC Board meeting on April 10, the Board approved a new program in

Tourism - Destination Marketing, which is scheduled to start in 2020. DC's annual Research Day took place on April 11. The Chair noted the good press coverage of the opening of the Esports Gaming Arena.

8. Student Union Report

J. Nguyen, the Student Union President, presented the Student Union (SU) report. She thanked S. Murphy, O. Petrie, B. MacIsaac, R. Bailey, and Scott Barker for their support throughout the year. She reviewed the accomplishments of the SU during 2018-2019, which included:

- UCHELLA;
- record attendance at the Campus Cup (sold out);
- Polonsky Commons Pumpkin Patch;
- skating rink on Polonsky Commons;
- hosted a hockey night, where students had an opportunity to win tuition;
- ended the year with the Annual Pangaea event with the DCSI - included cultural entertainment;
- broke attendance record for attendance at SU AGM;
- engaged in a lot of consultation & engagement through social media;

Although there will likely be changes as a result of the government's changes to the ancillary fees funding, the SU will not allow funding obstacles to distract them from their strategic priorities. The SU is focused on improving the student experience.

The Chair thanked J. Nguyen and the SU for all of their hard work this year. There was a discussion regarding connecting to students through Instagram, which highlighted the importance of giving people a voice.

Committee Reports

9. Audit & Finance Committee (A&F) Report:

N. Allen thanked the team who worked on developing the 2019-2020 budget, particularly in the context of the tuition reduction announced at the beginning of the year. At the last A&F meeting, the committee received updates on the ACE Enhancement project, Campus Recreation & Wellness Centre expansion and AVIN project, which have been included in the meeting material for information. He reminded the Board that they approved the updated 2019-2020 ancillary fees at the February meeting, accompanied by a commitment from the senior leadership team to provide a further breakdown once the Ministry guidelines were finalized. The ancillary fees breakdown is included in the meeting material for information.

A&F also received an update on the status of the land exchange with the City of Oshawa. The university has been continuing to work with the City on the land diligence and finalizing the agreement. The archaeological site conditions have been completed and as soon as an updated valuation is received, the university and City will be in a position to finalize the agreement and close the deal. The committee received a compliance and risk management update, which is also included in the meeting material.

Finance

9.1 2019-2020 Budget

N. Allen introduced the budget presentation. The budget is driven by strategy as opposed to numbers only. R. Bailey presented an overview of the 2018-2019 strategic initiatives. Given the significant change to the tuition environment, the university adopted a 2-year approach to budget development. There is \$3.7M more allocated to people in the 2019-2020 budget despite \$3.4M less in revenue than the 2018-2019 budget. In face of the revenue challenges, the university remains focused on strategy and its core values. R. Bailey noted the increased accountability and focus on metrics by the provincial government, which is becoming an increased priority across the country.

P. Onsiong presented the budget framework. The model is an incremental budget (2018-2019 budget rolled over as base for 2019-2020). All “asks” were considered in light of the university’s strategic priorities. P. Onsiong reviewed how the university bridged the gap of \$9M in 2019-2020 and \$12M in 2020-2021. She emphasized that cuts were strategically made as opposed to implemented across-the-board. P. Onsiong reviewed the key budget assumptions. She highlighted that the decrease in part-time labour was mostly attributed to a transition from part-time to full-time positions. Since the budget has been presented, the university has learned of a few more downsides and will be working to address those.

(F. Jones left the meeting at 1:55 p.m.)

R. Bailey and P. Onsiong responded to questions from the Board. They explained the reduction of outsourcing of electives - the university now has the capacity to deliver the electives on its own. There was a discussion regarding ensuring the culture of the university is not negatively affected by the budget cuts. The President advised that the university is focused on regular communication with the community. R. Bailey confirmed that there would be no lay-offs associated with the budget development. R. Bailey also confirmed that the new programs were included in the budget as part of academic planning. A question was raised about the increase in budget for the Office of the University Secretary and General Counsel (USGC). B. MacIsaac advised that the amount that had been set aside in the Planning Office for a compliance review was reallocated to the USGC to hire a Compliance Officer. Further, there is a need for a Dispute Resolution Officer and it makes sense to have that position situated in the USGC. These form part of the university’s strategic allocations.

The Board also discussed SMA3 and focusing on negotiating with the Ministry to establish appropriate metrics for the institution. A comment was made that if the correct metrics are established, they will make the university stronger.

Upon a motion duly made by N. Allen and seconded by T. Koseck, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the 2019-2020 budget, as presented.

9.2 10-Year Financial Plan

At the last A&F meeting, the committee also reviewed the 10-year forecast. The forecast process is more of a top-down process. A&F reviewed the common elements of the long-term forecast, as well as the variable factors. The committee was presented with the worst case,

best case, and most likely scenarios. These scenarios are in the context of a conservative envelope.

9.3 2019-2020 Tuition Fees Amendment

N. Allen provided an overview of the proposed tuition fees amendments. The tuition fee framework, released by the provincial government in December 2018, regulates all publically funded programs and allows for tuition fee differentiation based on program and program year. The verbal feedback from officials was that the decrease by 10% from the 2018-19 rates for all ministry eligible funded students would follow normal compliance process. Based on this feedback, the university updated the domestic tuition fees for 2019-2020 and presented them to the Board for approval at the meeting on February 28, 2019.

On March 29, 2019, the framework was released that provided for a new methodology in calculating the tuition decreases. This change only affects the domestic undergraduate rates. International or cost recovery programs are not included in the limits imposed by the provincial framework. The committee reviewed the updated tuition fees at the last meeting and recommended their approval.

Upon a motion duly made by N. Allen and seconded by J. Wilson, pursuant to the recommendation of the Audit & Finance Committee, the Board of Governors approved the updated 2019-2020 tuition fees, as presented.

(F. Jones returned at 2:07 p.m.)

Project Updates

9.4 New Building

N. Allen reminded the Board that at the February Board meeting, they were advised that Eastern had provided preliminary costing, which along with other institutional expenses, brought the total budget above the initial project target of \$48M. Eastern engaged vendors in a value engineering exercise by creating design-assist tender packages for major project components, such as, mechanical, electrical and form works, in an effort to bring the cost within the approved amount. N. Allen was pleased to report that through the design-assist process, the new building project was now within the \$48M budget. The university will be working hard to minimize changes once the project begins. The portables were beginning to be moved and the move was expected to be completed over the next two months.

Policy

9.5 Student Sexual Violence Policy & Procedures

N. Allen reminded the Board that under the Policy Framework, the Board is the approval authority for this category of policy. After considering the updated policy and procedures at the last meeting, A&F is recommending the Student Sexual Violence Policy and Procedures for approval as the deliberative body under the Policy Framework. A summary of the key changes were set out in the accompanying report.

O. Petrie answered questions from governors. She advised that the in-person training would be updated and there is also online training available. A. Lari listed some of the training conducted for students, including the RISE (Respecting Individuals and Supporting Equity) program, and training for student ambassadors and student leaders. A representative of the Durham Rape Crisis Centre was also brought in for training. The goal is to move past sexual violence training and focus education on healthy sexuality. A comment was made that when training is optional, individuals who are already supportive are the ones who participate. It was suggested that training should be mandatory. O. Petrie clarified that DC and Trent are referred to in the policy because we share a campus with them.

There was a brief discussion regarding the planned review for the following year. It was suggested that a longer time frame would allow the university to have a better idea of how the policy and procedures operate before conducting another review. The proposed review period was requested by the students in light of the updated policy instruments being tremendously different from what was previously in place.

Upon a motion duly made by N. Allen and seconded by L. Edgar, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the amended Student Sexual Violence Policy and Procedures, as presented.

The Chair thanked O. Petrie and the Advisory Committee for their work on the updated policy documents. He commended them for the extensive consultation process and the level of engagement.

10. Governance Nominations & Human Resources Committee (GNHR) Report

L. Elliott delivered the GNHR report in F. Garwe's absence. The committee was pleased to report that the new Board portal has been introduced to each committee for their most recent meetings. Each committee received an introductory session to the portal immediately before their meeting. So far, the feedback has been very positive and governors are excited about the portal's functionality. One of the portal's features is the option to conduct the annual Board practices assessment online. Rather than conducting the assessment by e-mail this year as has been done the past several years, we will be relying on the portal to complete the 2018-2019 assessment. The governors will receive a notification once the assessment form is uploaded and available for completion. L. Elliott asked the Board to make it a priority to complete the assessment by May 10, which would allow the results to be compiled and presented to the committee at its meeting on May 16.

The committee also allocated time for a strategic discussion, focusing on community and the Board, which was particularly relevant considering the launch of the new brand. It is important to think about ways in which management and the Board can work together to synergize opportunities for partnerships. As a result of the committee's discussion about the ways in which governors can connect the university with their communities and promote partnership opportunities, a template will be developed with questions that will assist governors with identifying how they can help further the university's strategic priorities. GNHR also received a policy activity update, which is included in the meeting material for information. The committee was pleased to learn that the university seems to have experienced a turning point in 2018 with

respect to policy, as the university community now understands the policy framework and people are more engaged in policy development.

10.1 2019-2020 Election Result

L. Elliott presented the 2019-2020 election result for approval.

Upon a motion duly made by L. Elliott and seconded by F. Jones, pursuant to the recommendation of the Governance, Nominations and Human Resources Committee, the Board of Governors approved the appointment of Owen Davis to the Board of Governors as the elected Student Governor for the term of September 1, 2019 until August 31, 2020.

11. Strategy & Planning Committee Report (S&P)

T. Koseck delivered the S&P report. At the last S&P meeting, the committee received a presentation on Student Success, which was included in the meeting material for information. The changes being implemented to improve student success are never made in isolation, so it is difficult to narrow down which factors are more effective than others. The university is focusing on creating connections (academic advisors, learning support centre, better communicating the services available).

The committee also received an update on the new brand launch - the roll out will be slow and methodical. The new brand has had a very positive reception. T. Koseck reminded the Board that the official name of the university remains the same. The committee also allocated time to having a strategic discussion focused on “living the brand” and the importance of people promoting the university itself. He encouraged Board members to live the brand. He also provided an update on retreat planning.

11.1 Endowment Disbursement

T. Koseck reviewed the endowment disbursement report. He advised that the committees considered the government cuts in OSAP funding when making the endowment disbursement recommendation.

Upon a motion duly made by T. Koseck and seconded by L. Zucker, pursuant to the recommendations of the Investment Committee, Audit & Finance Committee, and the Strategy & Planning Committee, the Board of Governors approved the disbursement of up to \$600,000 from Endowment Funds for distribution as student awards in 2019-20.

12. Consent Agenda

Upon a motion duly made by L. Elliott and seconded by D. MacMillan, the following items on the Consent Agenda were approved, as presented:

- 12.1 Minutes of Public Session of Board Meeting of February 28, 2019
- 12.2 Minutes of Public Session of Audit & Finance Committee Meeting of February 20, 2019
- 12.3 Minutes of Public Session of Governance, Nominations & Human Resources Committee Meeting of January 17, 2019
- 12.4 Minutes of Public Session of Strategy & Planning Committee Meeting of January 31, 2019

13. Information Items (also available on the Board portal)

The Chair noted the dates of the Board retreat and Convocation ceremonies. He strongly encouraged governors to attend both, as they are important aspects of service on the Board. The Chair also commented that given the government's focus on college and university collaborations, we have an opportunity to lead the league in terms of collaboration with DC. The joint Board meeting on May 9 will be a great opportunity to meet with the DC Board and learn more about the Presidents' visions for the future. J. Wilson shared that the DC Board is looking forward to the upcoming meeting and the timing is good to examine opportunities for additional synergies.

- 13.1 2019-2020 Ancillary Fees Breakdown
- 13.2 ACE Enhancement Project
- 13.3 Campus Recreation & Wellness Centre Expansion
- 13.4 AVIN
- 13.5 Compliance & Risk Management Update
- 13.6 Annual Pension Plan Governance Report
- 13.7 Policy Activity Update
- 13.8 Student Success
- 13.9 Joint Board Meeting with Durham College: May 9, 2019
- 13.10 Board Retreat: May 28-29, 2019

14. Other Business

A governor inquired as to whether campus life slows down over the summer months. The President advised that the university is busy with camps and educational programs over the summer. Graduate students also work throughout the summer months. It was suggested that governors could act as ambassadors at outreach events. A list of activities taking place over the next few months will be compiled and distributed to the Board, including alumni events.

15. Adjournment

Upon a motion duly made by F. Jones and seconded by L. Zucker, the public session adjourned at 2:37 p.m.

Becky Dinwoodie, Secretary



**BOARD OF GOVERNORS
AUDIT & FINANCE COMMITTEE**

**MINUTES OF THE MEETING OF APRIL 17, 2019
PUBLIC SESSION
2:00 p.m. – 4:10 p.m., ERC 3023**

Attendees: Nigel Allen (Chair), Doug Allingham, Stephanie Chow (via videoconference), Dale MacMillan (via teleconference), Steven Murphy

Staff: Kay Ali, Robert Bailey, Becky Dinwoodie, Cheryl Foy, Doug Holdway, Brad MacIsaac, Pamela Onsiong

Guest: Mike Eklund, Kimberly Nugent

1. Call to Order

The Chair called the meeting to order at 2:00 p.m.

2. Agenda

It was noted that P. Onsiong will be presenting for Craig Elliott and D. Holdway will be presenting for Justin Gammage.

Upon a motion duly made by D. Reiner and seconded by S. Murphy, the Agenda was approved as amended.

3. Conflict of Interest Declaration

There were no conflict of interest declarations.

4. Chair's Remarks

The Chair kept his remarks brief.

5. President's Remarks

The President shared that the launch of the new brand was well received internally and externally. Institutions from across the globe sent positive feedback. The launch was the first stage in a long process. The university also announced its partnership with OCAD that morning.

(D. Allingham & M. Eklund joined at 2:04 p.m.)

The institutions will work together to give our students the opportunity to study at both campus locations. The partnership is kicking off with six projects this summer. The partnership reflects the focus on continuing to develop a well-rounded tech university.

6. Finance

6.1 2019-2020 Budget

R. Bailey discussed the strategic focus of the budget presentation, which was included in the meeting material. The university budget is about strategy and planning as opposed to only numbers. He discussed the importance of maintaining focus on the university's values (e.g. additional \$3.7M allocated to people in 2019-2020 budget despite the budget cuts). R. Bailey presented the core performance targets defined in SMA2 and advised that the university is performing well against those metrics.

(C. Foy joined at 2:17 p.m.)

There was a discussion regarding how the number of students graduating with experiential learning is calculated. B. MacIsaac advised that it is easy to do for some programs, such as engineering and nursing.

Budget development is the outcome of the strategic planning process. Sustainable budget development is a key aspect of integrated academic and operational planning. Strategy drives budget as opposed to the other way around. P. Onsiong reviewed the budget development process. She highlighted the effect of the government's tuition reduction. It was emphasized that strategic reductions were made to the budget as opposed to across-the-board cuts. P. Onsiong reviewed the key budget assumptions and responded to questions from committee members.

It was clarified that there is approximately \$20M in reserve for deferred maintenance and it is restricted if not used in its entirety. It was also highlighted that the Regent Theatre is showing a surplus for the first time. A member commented that the graph was very helpful in reviewing the budget as it clearly identifies where the deficits lie. There is a \$3.6M increase in full-time labour. R. Bailey added that the \$900,000 decrease in part-time labour is primarily a result of conversion to full-time labour. There are significant fixed costs in operating expenses and carry-forward expenses.

B. MacIsaac responded to questions from committee members. A question was asked about the student ancillary fees opt-out and how the university will be responding. He informed the committee that when a student chooses to opt out of ancillary fees, the opt-out page will have a detailed explanation of what services those fees help provide. There was a discussion about the risk of not meeting the enrolment targets. There was also a discussion regarding the risk of any further government funding reductions.

The committee also discussed what the tuition framework might look like in year three. B. MacIsaac advised that they are anticipating an inflationary increase, at best.

Upon a motion duly made by D. Allingham and seconded by D. Reiner, the Audit and Finance Committee recommended the 2019-2020 budget, as presented, for approval by the Board of Governors.

D. Allingham thanked the university team who worked on the budget; the team did a great job under challenging circumstances. He expressed appreciation for the continued focus on students and the student experience.

6.2 10-Year Financial Plan

P. Onsiong delivered the 10-year forecast presentation, which was included in the meeting material. There was a discussion about the forecast process. P. Onsiong reviewed the common elements of the long-term forecast, as well as the variable factors. The committee was presented with the worst case, best case, and most likely scenarios. R. Bailey added that these scenarios are in the context of a conservative envelope.

6.3 2019-2020 Tuition Fees Amendment

B. MacIsaac presented the proposed amended tuition fees for 2019-2020. He explained the change in the government's framework for calculating the tuition reductions.

Upon a motion duly made by D. Allingham and seconded by D. Reiner, the Audit and Finance Committee recommended the updated 2019-2020 tuition fees for approval by the Board of Governors.

6.4 2019-2020 Ancillary Fees Breakdown

B. MacIsaac reviewed the 2019-2020 ancillary fees breakdown. He advised that approximately thirty dollars per student would be eligible for opt-out. Since most students register at the end of June and start of July, we will have a better sense of the percentage of students opting out around then. Before opting out, students will be given a description of the services those fees support.

7. Project Updates

7.1 New Building

B. MacIsaac advised the committee that through the design-assist process, the new building project budget is now within the \$48M budget. The university has a locked in price with the contractors as long we sign back by April 30. He reminded the committee that there was only one change-order with the SIRC building and they will be working to minimize the changes to the new building once the project begins. The portable move will be completed over the next 2 months and is expected to be complete by August 15. B. MacIsaac confirmed that Eastern would be responsible for the subcontractor budgets going forward. He also confirmed that no contingency was used for the SIRC project.

7.2 Land Exchange

C. Foy provided an update on the status of the land exchange with the City of Oshawa. The university has been working with the City on the land diligence and finalizing the agreement. The archaeological site conditions have been completed, as well as the title search. An

updated valuation must be completed before the transfer agreement can be finalized and the deal closed. She responded to questions from the committee.

7.3 ACE Enhancement

P. Onsiong reviewed the ACE Enhancement update, which was circulated as part of the meeting material.

7.4 Campus Recreation & Wellness Centre Expansion (CRWC)

P. Onsiong delivered an update on the status of the CRWC expansion project, which is on track for construction to start next month.

(D. MacMillan joined at 3:16 p.m. and O. Petrie arrived at 3:18 p.m.)

7.5 AVIN

D. Holdway delivered the AVIN project presentation, which was also included in the meeting material. The AVIN project is building momentum on research, outreach and marketing opportunities. We hosted an AVIN conference in March, which was a huge success. The focus moving forward will be on establishing new partnerships. D. Holdway discussed the challenge of meeting the 2018 spending plan and commended the work of Justin Gammage as Director of AVIN. He responded to questions from the committee. There was a discussion regarding staff training to respond to autonomous vehicle fires.

8. Risk, Compliance & Policy

8.1 Policy:

(a) Student Sexual Violence Policy & Procedures

O. Petrie discussed the extensive consultation process throughout the review of the policy. Based on the recommendations of the Advisory Committee on Student Sexual Violence Prevention and Support ("Advisory Committee"), they have come up with a fully redeveloped policy. R. Bailey commented that he was impressed with the level of engagement of the Advisory Committee and the amount of work done to arrive at the recommendations. The Advisory Committee's recommendations were accepted by the Provost. The feedback received on the redeveloped policy are set out in the accompanying report. O. Petrie confirmed that those students who expressed concern during the initial policy implementation were involved in the review process.

O. Petrie met with representatives from Durham College (DC), who are also conducting a review of their sexual violence policy. She shared our redeveloped policy with them to assist with their review. The Director of Campus Safety was also involved in the review process. O. Petrie responded to the committee's questions. There was a discussion regarding government's expectation of review. C. Foy referred the committee to the proposed change in Appendix A, which would be able to accommodate what the government might request. C. Foy also explained how the policy would apply if an incident involves an individual on campus who is not a member of the university or DC. Scenarios have been used to test how the policy would cover various situations. She also advised that the university does not have unrestricted jurisdiction over respondents, especially when they are no longer students of the university.

Upon a motion duly made by N. Allen and seconded by D. Reiner, the Audit and Finance Committee recommended the amended Student Sexual Violence Policy and Procedures for approval by the Board of Governors, as presented.

8.2 Compliance & Risk Management Update

C. Foy provided a risk management update. She advised the committee that the current focus is on high risks and strategic risks. Time is allocated at the upcoming meeting of the senior leadership team ("SLT") to review and confirm the high-risk register, which will be included in the annual report to the Board. SLT will also confirm who the risk owners are, who will then be responsible for mitigation plans.

C. Foy also provided a compliance update. The Board has been interested in establishing a compliance program over the past few years. She informed the committee that there is now a compliance person in place, whose initial focus will be on copyright compliance and a few other high priority projects. C. Foy responded to questions from the committee. She explained the process for identifying high risks.

9. Consent Agenda:

Upon a motion duly made by D. Allingham and seconded by S. Murphy, the Audit and Finance Committee approved the following items on the Consent Agenda:

9.1 Minutes of Public Session of Meeting of February 20, 2019

10. For Information:

10.1 Policy Activity Update

11. Other Business

12. Adjournment

There being no other business, upon a motion duly made, the public session of the meeting adjourned at 3:45 p.m.

Becky Dinwoodie, Secretary



**BOARD OF GOVERNORS
Governance, Nominations & Human
Resources Committee**

**Public Session Minutes for the Meeting of March 28, 2019
2:00 p.m. to 3:20 p.m., ERC 3023**

Members: Francis Garwe (Chair), Doug Allingham, Laura Elliott (*videoconference*), Steven Murphy, Trevin Stratton (*videoconference*)

Staff: Robert Bailey, Jamie Bruno, Becky Dinwoodie, Cheryl Foy

Regrets : Lisa Edgar, Kori Kingsbury

1. Call to Order

The Chair called the meeting to order at 2:02 p.m.

2. Agenda

Upon a motion duly made by T. Stratton and seconded by L. Elliott, the Agenda was approved as presented.

3. Conflict of Interest Declaration

There were no conflict of interest declarations.

4. Approval of Minutes of Public Session of Meeting of January 17, 2019

Upon a motion duly made by L. Elliott and seconded by T. Stratton, the Minutes were approved as presented.

5. Chair's Remarks

The Chair congratulated the university on its brand launch on March 27. He has heard positive feedback from several of his colleagues who attended the event. The Chair expressed his excitement about the rebrand, particularly because the acronym was challenging to say.

The Chair discussed the OnBoard training session that was held immediately before the meeting. The Chair tested out the application prior to the training session and was impressed with its capabilities. L. Elliott added that she was also impressed with how easy and intuitive it is. T. Stratton commented that it will be helpful to have everything available online.

6. President's Remarks

The President was pleased to report on the official brand launch. Serendipitously, he participated in a panel on TVO's "The Agenda" immediately after the brand launch. The President advised that the rebranding is receiving a lot of media coverage, which

sends a good message to the university community. He has received many positive comments from colleagues around the globe on the new brand and he appreciates what has been accomplished as a team.

The President also discussed this year's Pi Day, which was an enormous success. Every municipality within the Durham Region raised the university's flag in honour of Pi Day. The university recently celebrated our student athletes who have achieved academic success in addition to athletic success. The university is excited about the introduction of varsity basketball in the fall.

The university is also having ongoing discussions with the Region, as it considers its future in the context of GM's announcement regarding the plant closure. Energy is a theme that will be an increasing focus of the university (e.g. telecommuting, wearable technology, smart cities/smart grids, autonomous & electric vehicles).

The President provided an update on the search for the next VP Research. The search committee is at the short list stage and will be interviewing the final two candidates during the next week.

The President responded to questions from the committee. The rebrand transition will be completed in stages and will take time given the amount of work involved. The university will be dealing with dual brands for some time, but the campus will look very different in the fall.

7. Governance

7.1 Annual Board Practices Assessment

B. Dinwoodie reviewed the report, which set out the recommendation to use the new Board portal to conduct the 2018-2019 annual Board Practices Assessment. The committee supported the recommendation.

7.2 Board Engagement

(a) Board Portal

B. Dinwoodie provided a brief update on the implementation of OnBoard, the new Board portal.

(b) Strategic Discussion: Community & the Board

S. Murphy introduced the strategic discussion topic. He described the desire for increased interaction between the university's governing bodies. There was a suggestion to have at least one joint meeting a year.

He also asked the committee to consider how to build on the university's successes to achieve other wins. The Board is composed of diverse members, including geographic diversity. It is important for governors to think about how they can link the university to their local areas and beyond. It would be helpful to ask Board members to consider what we could be doing to connect with other partner organizations. The President

asked GNHR for direction as to where the Board should go in terms of its involvement in developing partnerships and to outline concrete steps. He asked the committee to think about ways in which management and the Board can work together to synergize opportunities that are available.

The committee suggested developing a list of specific questions/template that can be distributed to governors to guide their suggestions. Governors' ideas must be balanced with the university's strategic priorities.

NEXT STEP: Develop a questionnaire/template that can be distributed to governors, which sets out the university's strategic priorities and asks for specific suggestions as to how governors can assist.

Policy:

7.3 2018-2019 Policy Activity Update

C. Foy provided background to the policy activity update. She advised that the university has experienced a turning point in 2018, as the university community now understands the Policy Framework and people are more engaged. We are observing positive momentum in terms of policy development and identifying gaps in policies. The purpose of the policy activity update is to give GNHR a sense of the types of policies that are being approved. The categorization of policies is important as it dictates the approval pathway. D. Allingham commented on the thoroughness of the report and thanked C. Foy for all of the work done.

C. Foy advised that an extensive review has been undertaken of the Student Sexual Violence Policy and Procedures. They are also working on creating a policy dashboard that will show the risk level and changes required for policies. Policy and risk are integrated. C. Foy reviewed the list of policy projects in progress and confirmed that the senior leadership team is asked to review the list to help identify policy priorities. She responded to questions from the committee. She advised that there is no timeline established for completion of policy projects. There are very few people working exclusively on policy work and people work on policies as they have capacity. In response to a question about which policies are a priority, C. Foy identified development of a Volunteer Policy as a priority.

C. Foy informed the committee that when the university is faced with a scenario that is not covered by a policy, the scenario is handled using a principled approach in reference to existing policies, legal principles, etc. The university must continue to monitor the status of policy projects and if gaps begin to cause problems, additional resources may be required.

8. Nominations

8.1 2019-2020 Election Results

B. Dinwoodie presented the 2019-2020 student governor election result for the committee's consideration.

Upon a motion duly made by L. Elliott and seconded by T. Stratton, pursuant to the recommendation of the Chief Electoral Officer, the Governance, Nominations and Human Resources Committee recommended the appointment of Owen Davis to the Board of Governors as the elected Student Governor for the term of September 1, 2019 until August 31, 2020.

9. Human Resources

9.1 Annual Pension Plan Governance Report

C. Foy summarized the background to the development of the annual pension plan governance report and presented the report for the committee's review.

10. Other Business

11. Adjournment

There being no other business, upon a motion duly made by L. Elliott and seconded by S. Murphy, the public session of the meeting adjourned at 2:56 p.m.

Becky Dinwoodie, Secretary