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BOARD OF GOVERNORS
Audit & Finance Committee

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Wednesday, April 14, 2021
2:00 p.m. to 4:15 p.m.
Videoconference
Toll-Free: +1.888.240.2560 Meeting ID: 887 022 931

Members: Laura Elliott (Chair), Stephanie Chow, Mitch Frazer, Dale MacMillan, Steven Murphy, Dietmar Reiner, Roger Thompson

Staff: Becky Dinwoodie, Cheryl Foy, Les Jacobs, Lori Livingston, Brad MacIsaac, Pamela Onsiong

AGENDA

No.	Topic	Lead	Allocated Time	Suggested Start Time
	PUBLIC SESSION			
1	**Call to Order**	Chair		
2	**Agenda (M)**	Chair		
3	**Conflict of Interest Declaration**	Chair		
4	**Chair's Remarks**	Chair	5	2:05 p.m.
5	**President's Remarks**	Steven Murphy	5	2:10 p.m.
6	**Strategic Discussion: Alternate Sources of Revenue***	Chair	20	2:15 p.m.
7	**Finance**			
7.1	2021-2022 Budget* (M)	Lori Livingston & Brad MacIsaac	40	2:35 p.m.
7.2	2021-2022 Tuition & Ancillary Fees* (M)	Brad MacIsaac	10	3:15 p.m.
8	**Project Updates**			
8.1	ACE Enhancement Project* (M)	Brad MacIsaac	15	3:25 p.m.
9	**Consent Agenda (M):**	Chair	5	3:40 p.m.
9.1	Controlled Goods Program Policy*			
9.2	Radiation Safety Policy*			
9.3	Minutes of Public Session of Meeting of February 17, 2021*			
10	**For Information:**			
10.1	Risk, Compliance & Policy Updates*			
10.2	New Building Project Update*			
10.3	AVIN Project Update*			
11	**Other Business**	Chair		

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

No.	Topic	Lead	Allocated Time	Suggested Start Time
12	**Adjournment (M)**	Chair		3:45 p.m.
	BREAK		**10**	
	NON-PUBLIC SESSION **(material not publicly available)**			**3:55 p.m.**
13	**Call to Order**	Chair		
14	**Conflict of Interest Declaration**	Chair		
15	**President's Remarks**	Steven Murphy	5	3:55 p.m.
	• Debenture Strategy	Steven Murphy & Cheryl Foy	5	4:00 p.m.
16	**Consent Agenda (M):**	Chair	5	4:05 p.m.
16.1	Minutes of Non-Public Session of Meeting of February 17, 2021*			
17	**Other Business**			
18	***In Camera* Session (M)**		5	4:10 p.m.
19	**Termination (M)**			4:15 p.m.

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

Uncertain enrollments, upheaval in global enrollment patterns due to COVID-19 and other shifting trends in the higher education space mean that institutions are increasingly seeking alternative modes of generating revenue. Traditionally, most institutions have relied on tuition and related fees as a primary revenue stream.

Strategic Question: In a world where the revenue generated by degree programs is not likely going to cover increasing costs, what are some alternative ideas institutions can turn to diversify their revenue streams?

The availability of government funding is limited and predominantly based on enrolments. With enrolments expected to remain static over the upcoming years and the uncertainty of what government may have in store Ontario Tech needs to continue to explore areas that can provide perennial revenue through other means. In areas that we are already involved there may be opportunities to increase revenues by altering or finding efficiencies within the endeavor. In order to generate significant revenue streams a multi-diversified strategy should be employed. However, it is also important to ensure we do not lose focus on our core mission.

In 2015 Ontario Tech held internal consultations and presented a number of options to the Board of Governors. Numerous opportunities were discussed based on the EAB revenue poster 200+ Ideas from the Frontier (attached, current activities are highlighted). At that time the decision was to focus on the creation of our own English for Academic Purposes (EAP) program, centralization of continuing education and the retrofit of a new campus fieldhouse. As we look to the next round of ideas the following should be taken into consideration.

Many institutions are attracting non-traditional students and bringing in new forms of revenue through workforce training and enrichment opportunities. Though universities have traditionally focused on for-credit academic programs, educational leaders are expanding their entrepreneurial mind set to continuing education, lifelong learning, corporate training, and other not-for-academic credit programs, seminars, workshops, and courses. Delivery mode, subject/skill of focus, and other considerations should respond to workforce skills gaps, labor market indicators, and other factors that contribute to demand.

Institutions can sell products and services to enhance and diversify their revenue streams …. But at what cost. Products and services may be targeted to current students, the broader community, and other populations. Examples include dining options on campus (e.g., fine dining, coffee shops), convenience services (e.g. textbook and IT equipment sales), retailer partnerships and subscriptions (e.g., athletic events). However, we need to really examine the effort put into these verses the revenue received. For example, for

food services we may forecast $4M in revenues but to create a sticky campus we want to provide high quality at good prices and the net result is a break even. Even a very successful idea may only bring in $2M net revenues (~1% of current budget). For example when PricewaterhouseCoopers worked with management on scenarios for growing continuing education they noted a realistic case would include an upfront investment of $500K with a growth to $2M net revenues in three years.

Strategic partnerships with community members, other educational institutions, and private entities are common in the higher education landscape and can drive revenue .. But carry risks. Institutions of all types have opened or explored establishing innovation and entrepreneurial labs, hubs, and centers. For Ontario Tech this could mean expansion of our Brilliant Program or other new research/ innovation opportunities. Partnerships carry significant benefits (e.g. supporting research grants, institutional recognition, expanded partnership opportunities) as well as potential risks (e.g. high start-up costs, possibility expenditures may outweigh revenue) based on partnership type, legal obligations, and policy considerations.

TOP REASONS CITED FOR *NOT CREATING TRAINING PROGRAMS*

Source: Adecco (above and right)
Note: From Adecco's 2018 survey of more than 500 senior executives

Cost of development	42%
Not a priority for the executive team	30%
Lack of interest from employees	18%
Insufficient personnel to conduct training	10%

The following are the Principles for Successful Partnerships in Higher Education adapted from AASCU Making Partnerships Work:

•Develop a clear understanding of goals for the partnership	•Understand partner motivations/optics and conduct due diligence
•Involve stakeholders early and often	•Develop a monitoring and evaluation plan
•Plan for and adequately allocate resources	•Remain flexible
•Ensure the partnership aligns with the institution's mission	•Have an exit strategy

Institutions should select alternative revenue strategies based on financial return, resource and operational needs and most important - fit with the mission. A s Earnest and Young note in their document: "Can institutions of Higher Education Balance Mission and Financial goals", the programs that leverage the institution's core assets tend to generate the most operating surplus. Practical considerations include developing a mix of larger and smaller, conservative and risker initiatives – a 'portfolio' approach.

200 Ideas from the Frontier

Alternative Revenues in Higher Education

NEW EDUCATIONAL REVENUES

📋 *Capturing High-Growth Student Populations and Instructional Services*

Internal Student Recruitment
1. Third-Party Recruiting Agents
2. Master's by Coursework
3. Expedited Admissions Decisions
4. Student Onboarding Pathway Programs
5. Young Professional Condensed ESL Programs
6. International Prepaid Phone Plans
7. Community College Recruiting Teams
8. Foreign-Born Faculty Recruitment Trips

Summer and Intersession Blended Learning
9. Extended Stay Summer Terms
10. Oversubscribed Course Summer Sessions
11. High-Demand Major Prerequisite Fulfillment
12. Independent Study Summer Sessions
13. Open Enrollment Intersession Courses
14. Summer and Intersession Financial Aid
15. Gen Ed Requirement Blended Courses
16. Study Abroad Makeup Courses

Distance Learning Articulation Agreements
17. Out-of-State Community College Online Programs
18. Blended Honors 2+2 Programs
19. Online Dual Enrollment Programs

Applied and Professional Master's
20. On-Demand New Cohort Programs
21. Professional Science Master's
22. Interdisciplinary Terminal Master's
23. Weekend Course Master's
24. Applied Liberal Arts Master's
25. Stackable Certificates
26. Cross-Country Satellite Campuses
27. New Regulatory Requirement Certificates

Customized Corporate Training
28. Corporate Memberships
29. Career Path Maps
30. Onsite Professional Master's
31. After-Hours Course Scheduling
32. Rapid-Cycle Customized Curriculum
33. Templatized Company Policies
34. Corporate Advisory Committees

Seniors Enrichment Programs
35. Couples' Memberships
36. Expanded Course Audit Catalogs
37. Mark-to-Market Course Audit Fees
38. Local Excursion Weekends
39. Faculty-Led Destination Travel
40. Osher Lifelong Learning Grants
41. College-Affiliated Retirement Communities

Distance Learning Course Licensing
42. Recreational Learning Brand Licensing
43. Turnkey Homeschool Curriculum
44. Capstone Case Study Sales
45. International Course Sales

Testing and Certification
46. Professional Society Testing Partnerships
47. ESL Testing and Certification
48. Distance Learning Proctoring Services
49. Placement Test Fee
50. For-Profit Educator Testing Site Rental
51. Online Remedial Programs

Faculty Consulting
52. International University Curriculum Consulting
53. Faculty Expertise Databases
54. Industry-Sponsored Capstone Projects
55. Nurse Practitioner Practices

ACADEMIC ENTREPRENEURSHIP INFRASTRUCTURE

🔧 *Critical Capabilities for Identifying, Launching, and Scaling Viable Programs*

Business Planning Support
56. Self-Service Faculty Business Plans
57. Program Approval Maps
58. Segment Managers
59. Tech Support Demand Trials
60. Distance Program Business Development Office
61. Faculty Entrepreneurship Boot Camps

Fast-Cycle Program Launch
62. Program Launch Incubators
63. Expedited Degree Specialization Approval
64. Customized Training Viability Review

Cost-Effective Marketing
65. Community of Interest Portals
66. Affinity Population Partnerships
67. Private Institution Distance Learning Consortia
68. Employer of Choice Co-branding
69. Turnkey Veterans Programs
70. Military Physicians Accreditation Partnerships

Curriculum Development
71. Research Outreach Product Suites
72. Modular Mini-Lectures
73. Instructional Design Shared Services
74. Team-Teaching Templates

Enrollment Management
75. Dynamic Enrollment Forecasting
76. Enrollment-Triggered Staffing
77. Non-credit Course Registration Systems
78. Enrollment-Triggered Start Dates
79. Low Enrollment Contingency Budgets

Outsourcing and Joint Venture Models
80. Long-Term Profit-Sharing Partnership
81. Five-Year Insourcing Plans
82. Best-in-Breed Point Sourcing
83. Online M.Eds JVs
84. Online Degree Completion JVs

BRANDING, LICENSING AND AFFINITY

$ *Expanding Product Categories and Sellable Space*

Increasing Branded Merchandise Demand
85. School Color Days
86. Campus Event E-commerce Campaigns
87. Designer Label Co-branding
88. Campus-Grown Gourmet Foods
89. Campus Wineries
90. Branded Office Decor
91. University License Plates
92. Licensed Product Sales Consortia

Alumni, Parent, and Community Affinity Programs
93. University Columbaria
94. On-Campus Spending Loyalty Programs
95. Parent Orientation VIP Packages
96. Debit Card Affinity Programs
97. Alumni Peer-to-Peer Lending
98. Online Campus Bank
99. Insurance and Retirement Counseling Affinity Marketing

"Stealth" Advertising and Sponsorship
100. Exterior Micro-Signage
101. Flatscreen Advertising
102. Bundled Student Media Advertising Packages
103. Meal Plan Site Restaurant Guides
104. Orientation Sponsorship
105. Career Fair Sponsorship
106. Case Competition Sponsorship
107. Academic Department Sponsorships

Diversifying Athletics Revenues
108. Professional Team Stadium Home Games
109. Co-branded Exhibition Games
110. Lifetime Premier Stadium Seating
111. Sports Memorabilia Auctions
112. Athletics Website Sponsorships
113. Enrollment-Focused Sports Team Launch
114. Development-Focused Sports Team Launch
115. Student Athlete Likeness Rights
116. Stadium Beer Sales

AUXILIARY SERVICES

🛒 *Increasing Demand While Reducing Fixed Costs*

Premium-Priced Healthy and Convenient Foods
117. Organic Food Stations
118. Express Fine Dining
119. Rotating Guest Restaurant Days
120. Meal Plan Food Delivery Partnerships
121. Off-Campus Meal Plan
122. 24/7 Automats
123. Library Coffee Shops

Future Bookstore
124. Gaming Center Tournaments
125. Personal Training Clubs
126. Town-Gown Transportation Partnerships
127. Campus Trunk Shows
128. Laundry Services
129. Campus Salons
130. DVD Rental Kiosks

Shared-Cost Luxury Amenities
131. Textbook Rental Service
132. Online Ordering Kiosks
133. Small-Batch Custom Publishing
134. Exclusive Sales Publishing Partnership
135. Community Interest Bookstore

Favorable Vendor Rebates
136. Exclusive Vending Rights
137. Small-School Exclusive Rights Consortia
138. Prompt Payment Rebates
139. Payment in Kind Advertising

STUDENT FEES

👤 *Charging for Convenience and Choice*

Convenience Fees
140. Credit Card Convenience Fee
141. Tuition Installment Plan Service Fee
142. Early Move-In Fee
143. Early Registration Fee
144. Lifetime Transcript Fee
145. Lifetime Alumni Fee
146. Landline Fee
147. Latin Diploma Fee
148. Peak-Hour Course Fee
149. One-Click Registration and Text Purchase Fee

Sharing Costs of Inefficient Scheduling
150. Course Drop Fee
151. Late Registration Fee
152. Retroactive Course Add Fee

Differential Instructional Cost
153. Distance Learning Fee
154. Lab-Intensive Major Fee
155. International Student Fee

CAMPUS OPERATIONS

👤 *Turning Cost Centers into Revenue Producers*

Campus Health Center
156. Student Insurance Carrier Billing
157. Outsourced Third-Party Billing
158. University Employee Clinics
159. University-Owned Lab Services
160. Health and Wellness Center Fee

Selling Administrative Services
161. IT Hosting
162. Bandwidth Leasing
163. Temporary Agencies
164. Library Services
165. Child Care Centers
166. Research Equipment User Fees
167. Domain Space Rentals

Surplus Goods Disposal
168. Centralized Surplus Goods Sales
169. Online Surplus Goods Auctions
170. Donated Items Garage Sales

Sustainable Energy Purchase Power Agreements
171. Rooftop Solar Panels
172. Parking Lot Solar Trees
173. Wind Farm Contracts
174. Regional Biomass Waste Sourcing
175. Landfill Methane Pipeline Partnerships
176. Geothermal Heat Pumps
177. Local Cogeneration Partnerships
178. Renewable Energy Credit Hedges

FACILITIES AND REAL ESTATE

📖 *Generating Cash Flow from Underutilized Space*

Events Rentals
179. Centralized Facilities Availability Database
180. Outsourced Facilities Marketing
181. Local Hotel and Conference Space Partnerships
182. SMART Classroom Rental
183. Farmers' Markets
184. Flea Markets
185. Outdoor Movies

Development Joint Ventures
186. City-Funded Satellite Campus Development
187. Student Residence Build-Leasebacks
188. Faculty Housing Co-development Projects
189. Corporate Research Facility Joint Ventures

Long-Term Leasing
190. Exterior Cellular Antenna Stealthing
191. Interior Cellular Distributed Antennas
192. Tutoring and Test Preparation Leasing
193. For-Profit Educator Leasing
194. Corporate Research Facility Leasing
195. Private Sector Office Space
196. Off-Peak Parking Lot Rental
197. Retail Ground Leasing

Asset Acquisition and Disposal
198. Real Estate Gift Specialists
199. Charitable Remainder Trust Specialists
200. Underutilized Real Estate Audits

Thumbnail descriptions of these ideas and an essay on compelling strategies for alternative revenue capture can be viewed on our website at eab.com

2021-22 Draft Operating Budget:

Audit & Finance Committee
April 14, 2021

Brad MacIsaac, Vice-President Administration
Lori Livingston, Provost and Vice-President, Academic

Presentation Overview

➢ Future Years Planning
- ➢ Budget Approach
- ➢ Strategic Planning – Medium Term Integrated Academic Research Plan (IARP)
- ➢ Budget Planning (3 year scenarios)
- ➢ What's not in budget (aka Risk/ Risk Mitigation)

➢ Budget 2021-2022:
- ➢ Setting the Stage - Principles
- ➢ Process/ 2020-2021 Q3 results
- ➢ Assumptions
- ➢ Expenses
- ➢ 2020-2021 Update on strategies
- ➢ 2021-2022 IARP Strategies

➢ Appendix

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Budget Approach

➢We are approaching all of our recommendations in a principled manner, consistent with the following values:

- ➢**Students:** We are committed to providing an excellent learning environment and student experience
- ➢**Faculty and staff:** We are committed to minimizing the impact on people by finding efficiencies
- ➢**Access**: We are committed to maintaining and enhancing a diverse and inclusive campus community
- ➢**Communication:** We are committed to communicating regularly with our campus community about the budget process as it progresses

➢Through our strategic priorities we have started on a path that will help solidify our university as a remarkable and recognized place of scholarly endeavor, phenomenal student experiences and tight-knit community

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2021-2024 Strategic Response: Positioning for the Future

➤ **Tech with a Conscience and Learning Re-imagined**
  ➤ Leverage our "tech" advantage and nimbleness while also growing our virtual assets
  ➤ Be leaders in re-imagining the pedagogy-technology interface
  ➤ Create a dynamic learning environment by combining face-to-face and online instruction
 ➤ Reimagine how we deliver learning (e.g., stackable, flexible micro-credentials)

➤ **Sticky Campus**
  ➤ Imagine our campus locations as community hubs
  ➤ Assess our existing spaces, redefine how we use space
 ➤ Reduce building lease commitments (e.g., 11 Simcoe, St. Gregory's)

➤ **Partnerships**
  ➤ Combine our expertise with public need in developing new programs, research priorities
  ➤ Use skills training, our expertise, and knowledge mobilization to support economic recovery
  ➤ Continue to increase research and industry partnerships, experiential learning opportunities

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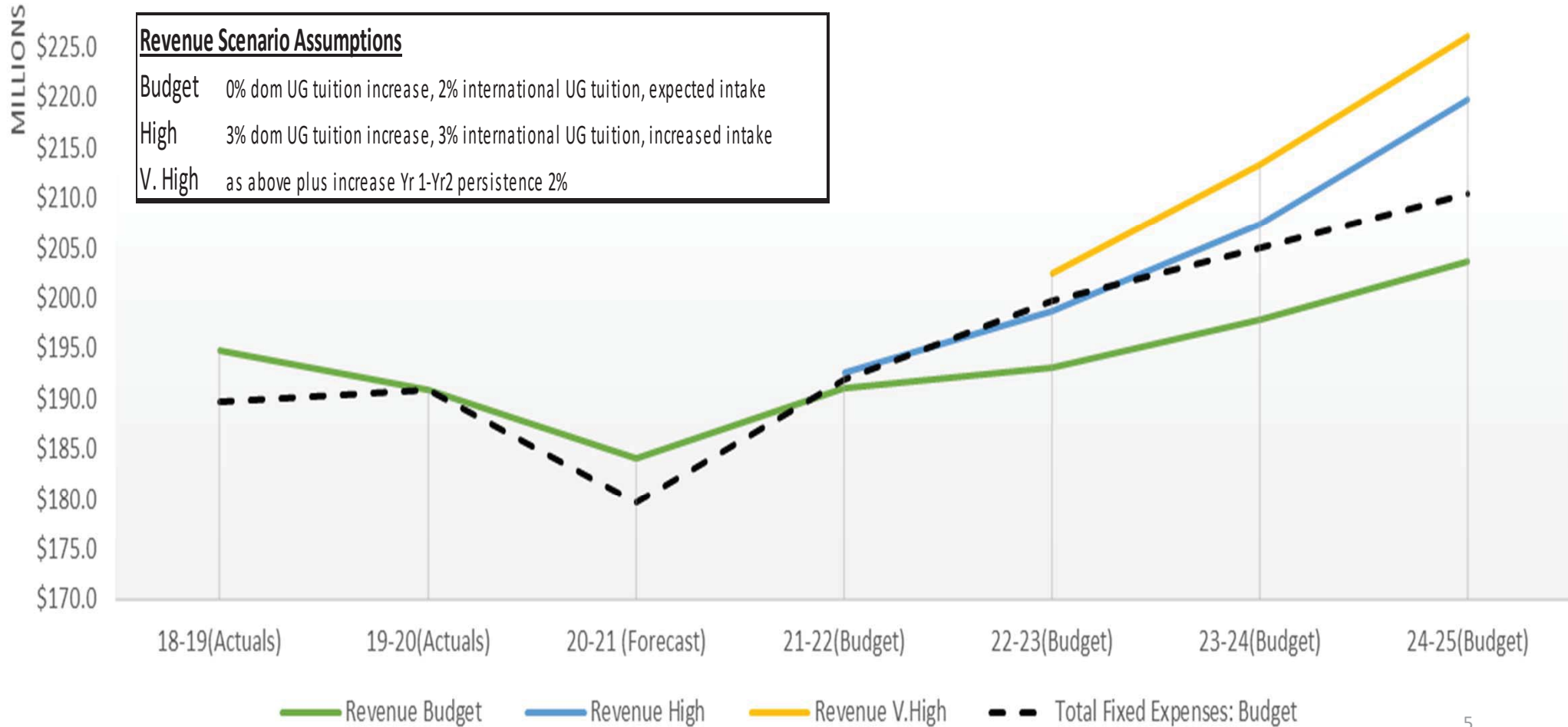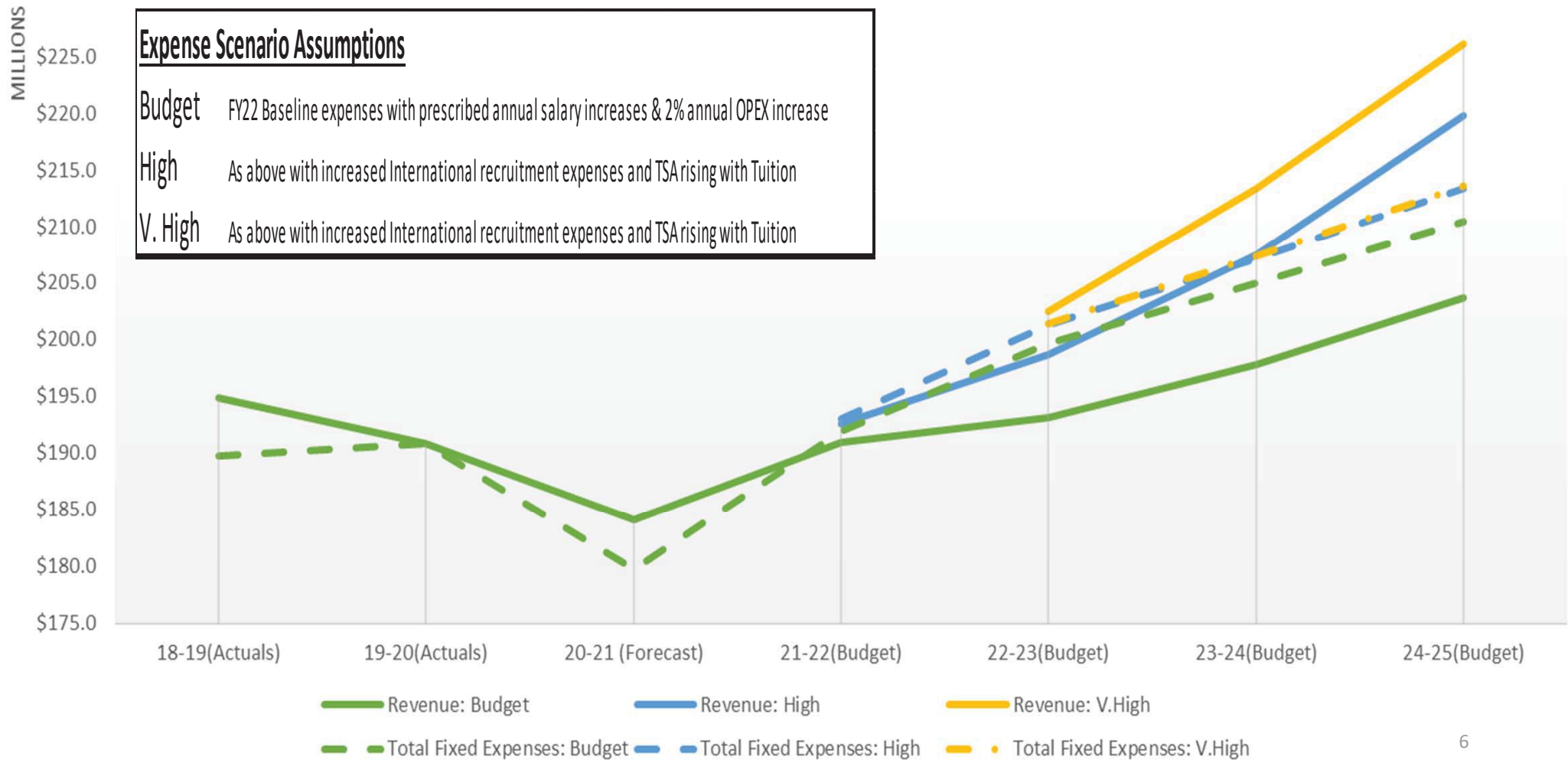
Future Years … Labour Summary (Filled Positions)

FTE's	2018-19 Actual	2019-20 Actual	2020-21 Budget	2020-21 Forecast	2021-22 Budget	2022-23 Budget	2023-24 Budget	2024-25 Budget
Filled	1-Oct	1-Oct		1-Oct				
Tenured/ Tenure-Track	207	221	217	220	226	227	227	227
Teaching Faculty	77	84	82	83	84	86	86	86
Staff	417	427	421	423	433	438	438	438
Total	701	732	720	725	743	751	751	751

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Strategic Risk / Risk Mitigation

Stakeholder Relations/ Campus Experience/ Culture	**Strong participation of students in the design and delivery of programming aimed at promoting skills development** **Increased funds for PD focused on internal offerings** **Learning reimagined discussions – building on $2.4M eCampus grant**
Campus Wellbeing	**Priority funding for EDI & Indigenous plan implementations, step care approach for students, focus funding for return to campus & work from home ~500k**
Research/ Innovation	**Focus on seed funding: early research award support, phasing in ~$750K for research based graduate student support, virtual learning internal grant**
Brand	**Focus on earned "main stream" media strategies and funded digital media ~400K**
Physical/ Virtual Infrastructure	**Created a long term deferred maintenance and 2030 space management plan. Delay normal maintenance but contingency in place**
Virtual Infrastructure	**Piloting projects for streaming capability for Fall 2021. Hire new director for Cyber-security**

Foundational Risks – Financial Sustainability & Compliance

One of a number of data points is Reserves
Last 3 years to March 31, 2020

	2017/18 Reserves	2018/19 Reserves	2019/20		
			Contractual/ Committed Reserves	Other Discretionary Reserves	Total Reserves
	$'000s	$'000s	$'000s	$'000s	$'000s
Research Start-up and PD	(4,987)	(5,206)	(4,700)		(4,700)
Capital Reserve	(12,339)	(14,501)		(2,409)	(2,409)
Student Awards	(1,000)	(1,000)		(222)	(222)
Working Capital	(6,000)	(6,000)	(6,000)		(6,000)
Faculty c/fwd	(1,708)	(1,155)		(1,155)	(1,155)
Other Reserves	(3,778)	(3,925)	(2,602)	(501)	(3,103)
Total Restricted Reserves	($29,812)	($31,786)	($13,302)	($4,287)	($17,589)

MOTION for CONSIDERATION

WHEREAS the budget has been prepared based on a forecast using the best information available at this time;

WHEREAS the COVID-19 pandemic necessitated the effective closure of most of the university's physical operations in 2020-2021 and we are working on numerous scenarios for 2021-2022; and

WHEREAS there is additional risk to the budget this year because of the economic uncertainty precipitated by the COVID-19 pandemic (i.e. international travel) and the expenses required to offer safe partial return to campus in compliance with safety protocols;

NOW THEREFORE, pursuant to the recommendation of management, the Audit and Finance Committee hereby recommends that the Board of Governors approves the 2021-2022 budget, as presented.

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2020-2021 Strategic Response: Surviving the Short-Term

➢ **Tech with a Conscience**
   ➢ Engaged in research for the greater good (e.g., COVID-19 wastewater surveillance)
   ➢ Donated and manufactured PPE for use by frontline essential workers

➢ **Learning Re-imagined**
   ➢ Leveraged our tech advantage to transition to emergency online remote learning
   ➢ Established an OER Lab and activated peer-learning support groups for students
   ➢ Introduced new degree programs, experiential learning opportunities

➢ **Sticky Campus**
   ➢ Focused on student recruitment, retention and support (e.g., mental health) initiatives
   ➢ Received the PET Report and laid the groundwork for EDI initiatives
   ➢ Continued with new academic building construction

➢ **Partnerships**
   ➢ Established new partnerships to offer microcredentials and upskilling opportunities

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2021-2022 Strategic Response: Positioning for the Future

➢ **Learning Re-imagined**

  ➢ **Investing in:**

   ➢ Technology to add to, enhance, and re-imagine our technological assets

   ➢ Enhance the "pedagogy-technology" interface by providing skilled supports for our students, staff, and faculty

➢ **Sticky Campus**

  ➢ **Investing in enhanced:**

   ➢ Student recruitment (e.g. recruitment staff, new digital media platforms) initiatives

   ➢ Student success and retention (e.g. advising transformation, graduate scholarship program) initiatives
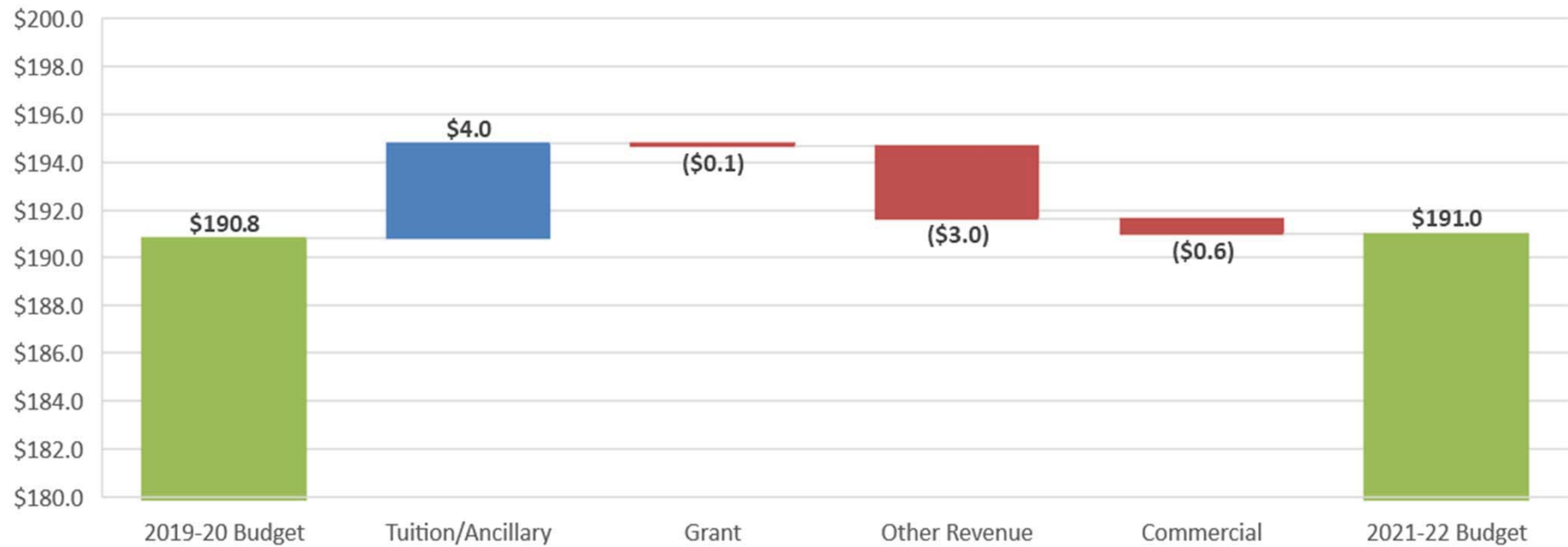
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2020-2021 Budget Summary

➢November 2019 **total revenue projection ~$194M** by June 2020 **~$174.6M** and a **deficit of $2.2M**

➢Budget holders committed to **strategically reduce unit** operating budget by 10%... out of the $14.9M submitted for reduction, **$12.6M were approved**

  ➢ **Budget reductions of $6.9M** (Building Reserves $2.5M, MGP $2.1M, Labour, Capital and OPEX $2.3M) were **presented to the Board in April 2020**.

➢Q3 report: $4.2M of which half is reserved. Other half is proposed as contingency until we see September enrolment

  ➢COVID-19 Relief Fund of $4.8M Announced March 19th

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2021 – 2022 Budget Summary - Revenue

Total Revenue Trending: FY19-20 v FY21-22

Legend: Increase (blue), Decrease (red), Total (green)

Category	Value
2019-20 Budget	$190.8
Tuition/Ancillary	$4.0
Grant	($0.1)
Other Revenue	($3.0)
Commercial	($0.6)
2021-22 Budget	$191.0

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2021 – 2022 Budget Summary - Expense

Total Expense Trending: FY19-20 v FY21-22

Legend: ■ Increase ■ Decrease ■ Total

- 2019-20 Budget: $190.8
- FT Labour: $6.7
- PT Labour: ($0.4)
- OPEX: ($5.9)
- Capital: $0.7
- 2021-22 Budget: $191.9

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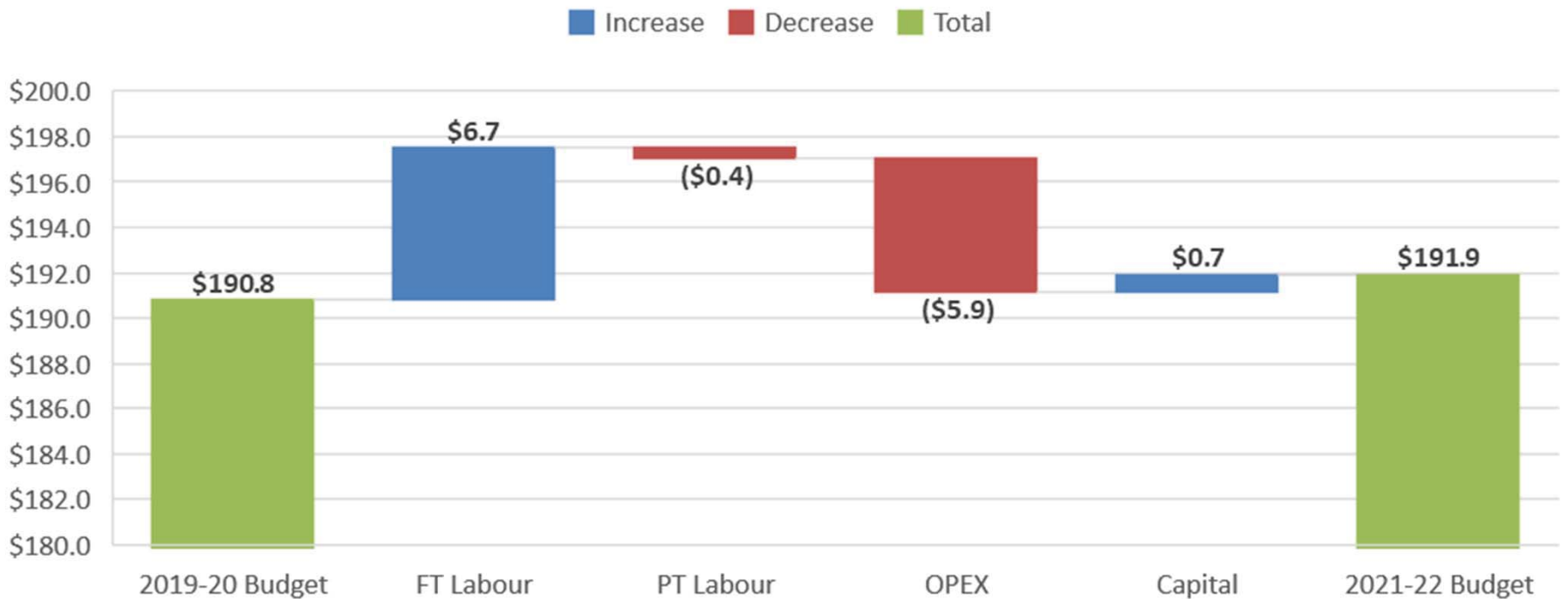
Total Expenses by Functional Area

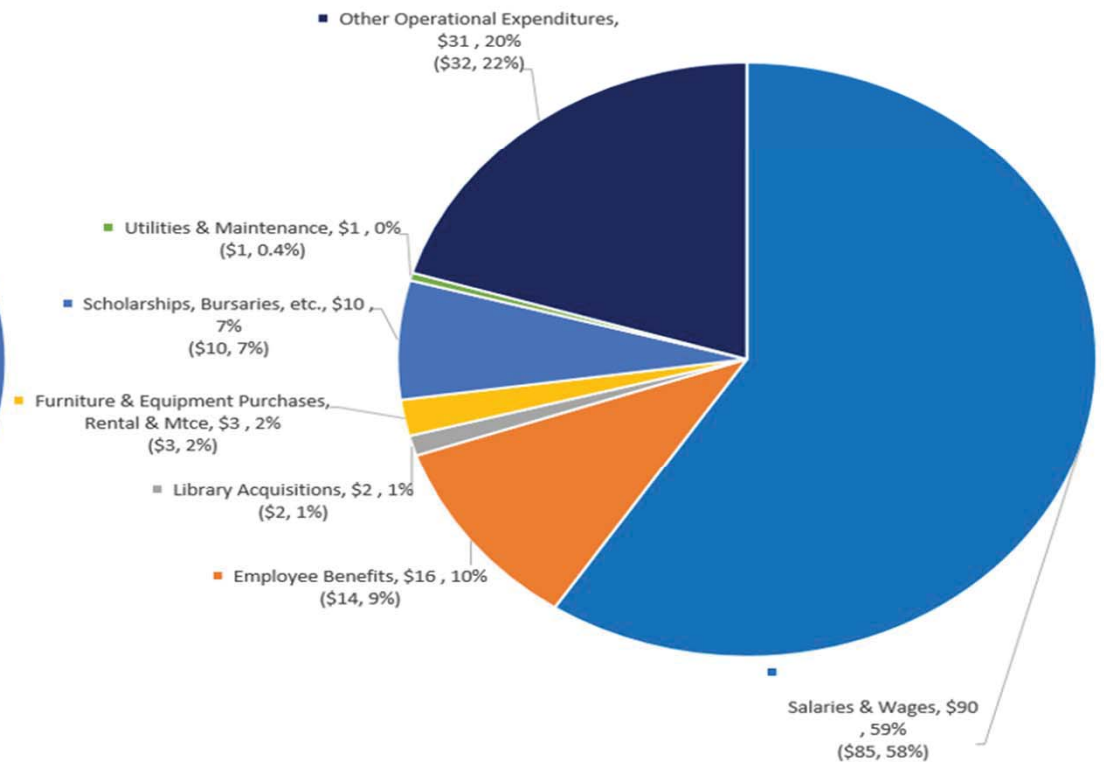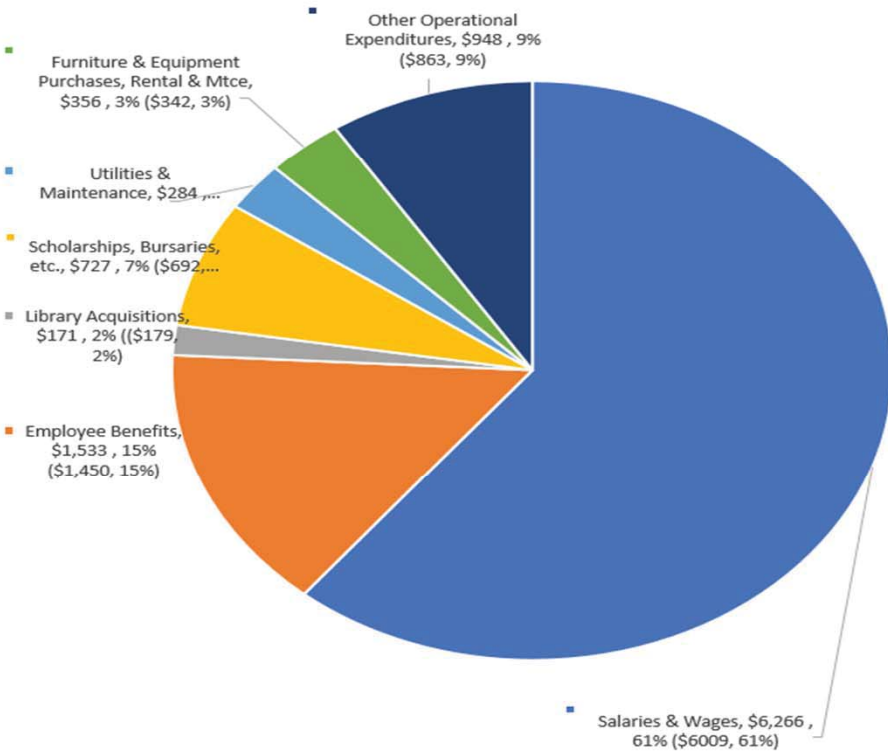| Expense Summary	2019-20 Budget	2020-21 Budget	2021-22 Budget	Budget Variance 2021-22 v 2019-20	Budget Variance 2021-22 v 2020-21
	$'000's	$'000's	$'000's	$'000's	$'000's
Academic	75,803	74,575	79,398	3,595	4,823
Academic Support	37,894	34,597	38,808	914	4,210
Administration	50,802	43,368	46,825	(3,977)	3,456
Ancillary/Commercial	9,810	9,008	10,371	561	1,363
Debenture	16,501	16,501	16,501	0	0
Total Expenses	$190,810	$178,051	$191,903	$1,093	$13,853

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Questions??

Appendix

➢ Total Expenses by Object of Expense

➢ Total Expenses by Functional Area

➢ % of Total Budgeted Expenses by Functional Area

➢ Capital Budget

➢ Budget Process – Enrolment Targets
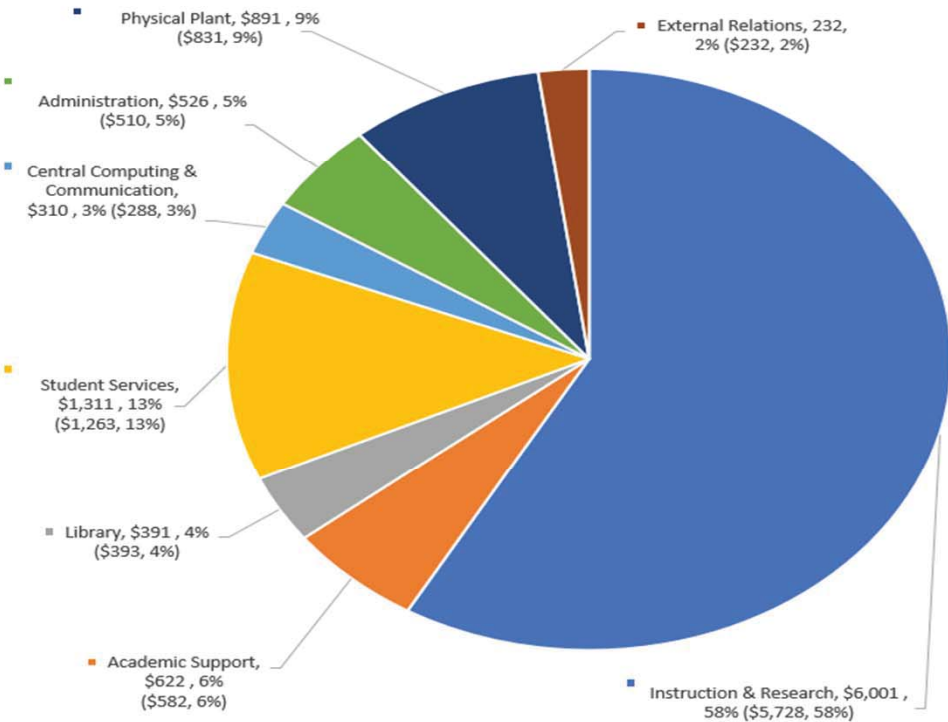
Total Expenses by Object of Expense

**Ontario Universities Operating Fund Expenses
- by Object of Expense (in $millions)
Total FY19-20 $10,285m (FY18-19 $9,829m)**

Other Operational Expenditures, $948 , 9% ($863, 9%)

Furniture & Equipment Purchases, Rental & Mtce, $356 , 3% ($342, 3%)

Utilities & Maintenance, $284 ,...

Scholarships, Bursaries, etc., $727 , 7% ($692,...

Library Acquisitions, $171 , 2% (($179, 2%)

Employee Benefits, $1,533 , 15% ($1,450, 15%)

Salaries & Wages, $6,266 , 61% ($6009, 61%)

**Ontario Tech University Operating Fund Expenses
- by Object of Expense (in $millions)
Total FY19-20 $151m (FY18-19 $146m)**

Other Operational Expenditures, $31 , 20% ($32, 22%)

Utilities & Maintenance, $1 , 0% ($1, 0.4%)

Scholarships, Bursaries, etc., $10 , 7% ($10, 7%)

Furniture & Equipment Purchases, Rental & Mtce, $3 , 2% ($3, 2%)

Library Acquisitions, $2 , 1% ($2, 1%)

Employee Benefits, $16 , 10% ($14, 9%)

Salaries & Wages, $90 , 59% ($85, 58%)

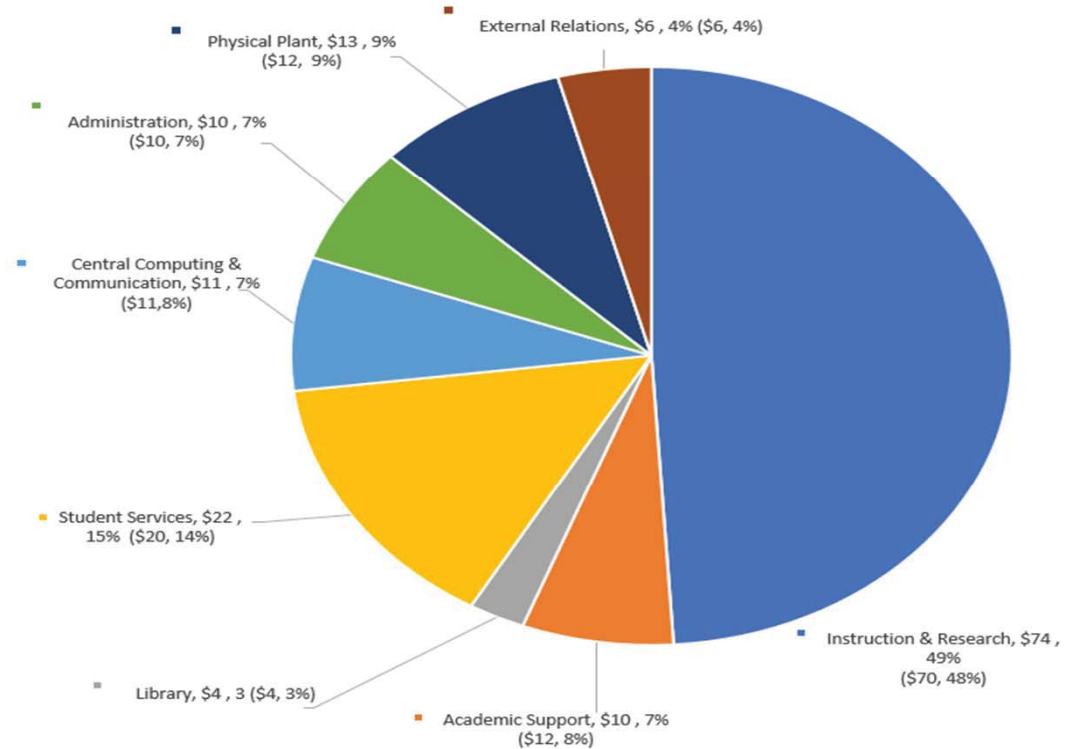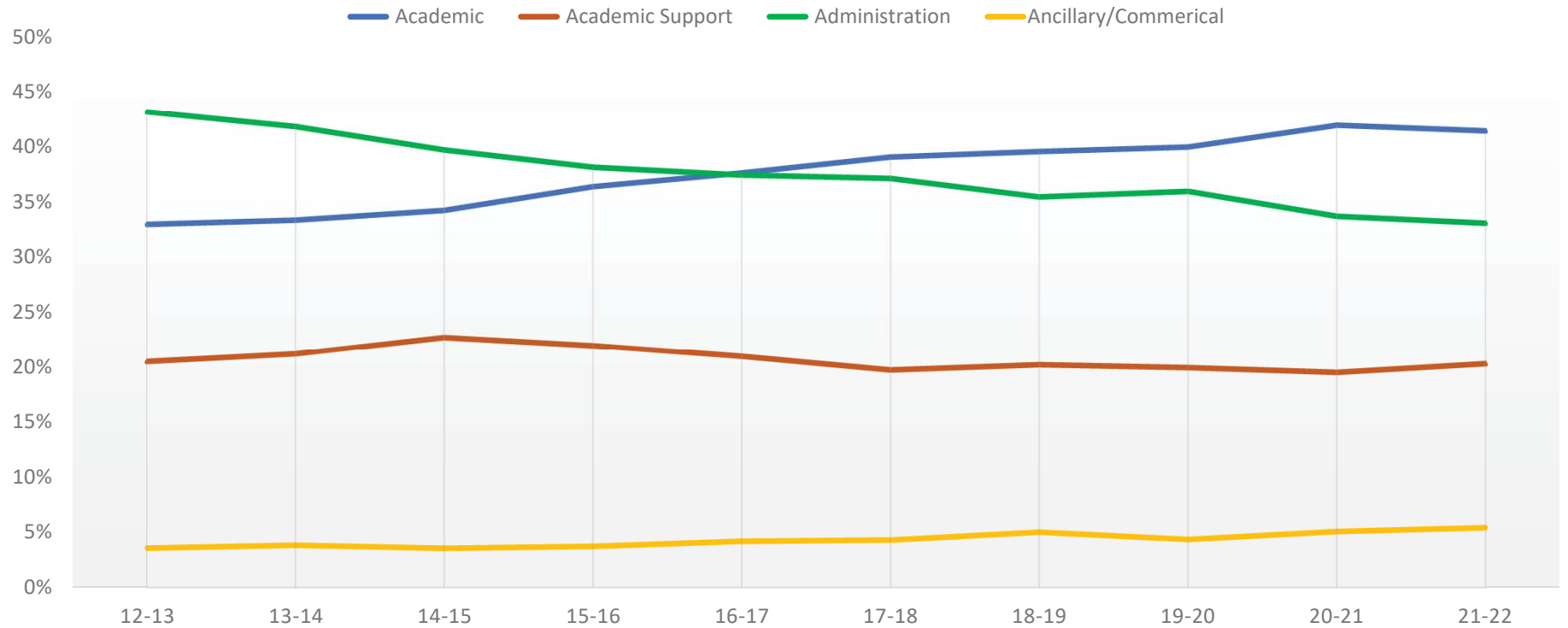OntarioTech
UNIVERSITY

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Total Expenses by Functional Area

Ontario Universities Operating Fund Expenses
- by Functional Area(in $millions)
Total FY19-20 $10,285m (FY18-19 $9,829m)

- Physical Plant, $891 , 9% ($831, 9%)
- External Relations, 232, 2% ($232, 2%)
- Administration, $526 , 5% ($510, 5%)
- Central Computing & Communication, $310 , 3% ($288, 3%)
- Student Services, $1,311 , 13% ($1,263, 13%)
- Library, $391 , 4% ($393, 4%)
- Academic Support, $622 , 6% ($582, 6%)
- Instruction & Research, $6,001 , 58% ($5,728, 58%)

Ontario Tech University Operating Fund Expenses
- by Functional Area (in $millions)
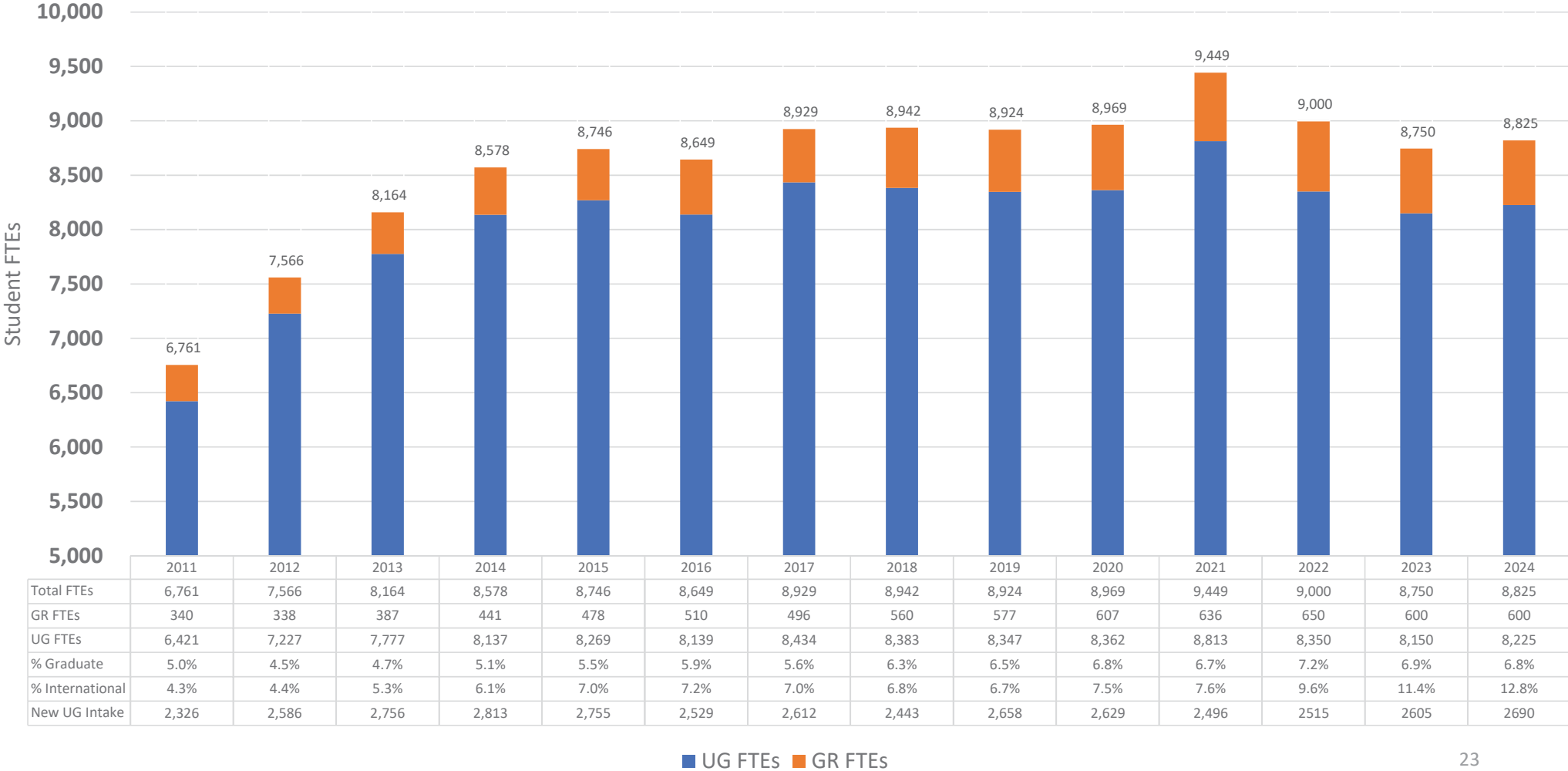**Total FY19-20 $151m (FY18-19 $146m)**

- Physical Plant, $13 , 9% ($12, 9%)
- External Relations, $6 , 4% ($6, 4%)
- Administration, $10 , 7% ($10, 7%)
- Central Computing & Communication, $11 , 7% ($11,8%)
- Student Services, $22 , 15% ($20, 14%)
- Library, $4 , 3 ($4, 3%)
- Academic Support, $10 , 7% ($12, 8%)
- Instruction & Research, $74 , 49% ($70, 48%)

OntarioTech
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% of Total Budgeted Expenses by Functional Area

Legend: Academic, Academic Support, Administration, Ancillary/Commerical

Capital Budget

Capital Expenditures	2021/22 $M's	2020/21 $M's	2019/20 $M's
Athletic Capital Investment	0.8	-	-
IT Services	0.8	1.0	1.4
Office of Campus Infrastructure and Safety (OCIS)	2.8	1.2	1.3
Other Equipment	0.2	0.3	0.4
Technology Enriched Learning Environment (TELE)	0.0	0.1	0.8
Total	$ 4.6	$ 2.6	$ 3.9

Budget Process – Enrolment Targets

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total FTEs	6,761	7,566	8,164	8,578	8,746	8,649	8,929	8,942	8,924	8,969	9,449	9,000	8,750	8,825
GR FTEs	340	338	387	441	478	510	496	560	577	607	636	650	600	600
UG FTEs	6,421	7,227	7,777	8,137	8,269	8,139	8,434	8,383	8,347	8,362	8,813	8,350	8,150	8,225
% Graduate	5.0%	4.5%	4.7%	5.1%	5.5%	5.9%	5.6%	6.3%	6.5%	6.8%	6.7%	7.2%	6.9%	6.8%
% International	4.3%	4.4%	5.3%	6.1%	7.0%	7.2%	7.0%	6.8%	6.7%	7.5%	7.6%	9.6%	11.4%	12.8%
New UG Intake	2,326	2,586	2,756	2,813	2,755	2,529	2,612	2,443	2,658	2,629	2,496	2515	2605	2690

■ UG FTEs ■ GR FTEs

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COMMITTEE/BOARD REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☒
Non-Public	☐	**Discussion/Direction**	☐
		Information	☐

TO: Audit & Finance Committee

DATE: April 14, 2021

PRESENTED BY: Brad MacIsaac, VP Administration

SUBJECT: 2021-22 Tuition Fees

COMMITTEE/BOARD MANDATE:
The committee is responsible for overseeing the financial affairs of the university including reviewing and recommending approval of the tuition fees and ancillary fees. We are seeking the committee's recommendation of the proposed 2021-22 tuition fees for approval by the Board of Governors.

BACKGROUND/CONTEXT & RATIONALE:
The tuition fee framework, released by the provincial government in December 2018, regulates all publically funded programs and allows for domestic tuition fee differentiation based on program and program year. The 2018 framework outlined a 10% decrease in 2019-20 domestic tuition rates and a freeze for 2020-21.

A revised framework has not been released. This document assumes that rates will remain frozen. Should a revision be required due to a change in government framework we will report back to Audit & Finance.

International and cost recovery programs are not included in the limits imposed by the provincial framework. The university guiding principle has been to be close to the Ontario System mean or median for our rates. This document proposes increases that will keep the university below the mean/ median 2020-21 rates. After careful consideration, the decision has been made not to adjust international research based graduate tuition fees for next year.

RESOURCES REQUIRED:
N/A

IMPLICATIONS:
The rates proposed in this document have been made to remain compliant with the provincial government's tuition framework. These are the figures used in the drafting of the 2021-22 Budget. If there are reductions to the rates we would need to explore further reductions to expenses to offset the change.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:
The fees recommended will allow Ontario Tech to continue to provide quality undergraduate and graduate programs.

ALTERNATIVES CONSIDERED:
Various options were considered for international students. The fees presented below allow Ontario Tech to remain at or below system mean/ median fees for all programs and levels.

CONSULTATION:
These rates were present to deans and Academic Council. Both groups noted concerns with increasing international rates. Members of Academic Council asked for decrease to graduate fees. In lieu of an across the board decrease there was a reduction for certain programs and an increase for the scholarship budget. After a comparative review of fees charged by competing programs offered by universities in Ontario, we recommend increases as permitted by the latest framework in all programs as outlined in the accompanying appendix table.

COMPLIANCE WITH POLICY/LEGISLATION:
The current fees are in compliance with the existing tuition fee framework.

NEXT STEPS:
Update tuition within Ontario Tech's student information system and website.

MOTION FOR CONSIDERATION:

That the Audit & Finance Committee hereby recommends the 2021-2022 tuition fees, as presented, for approval by the Board of Governors.

SUPPORTING REFERENCE MATERIALS:
- Appendix 1: Ontario Tech 2021-22 tuition fees

Appendix 1: Recommendations for Ontario Tech 2021-2022 tuition fees

Undergraduate Domestic

			Rate of Increase
	2020-2021	**2021-2022**	**20/21 to 21/22**
BA, BASc, BEd, BHSc, BSc & Mgt, UG Diploma			
First Year	$5,982.80	$5,982.80	0.0%
Second Year	$5,956.38	$5,956.38	0.0%
Third Year	$5,926.62	$5,926.62	0.0%
Fourth Year	$5,920.76	$5,920.76	0.0%
Fifth Year	$5,914.98	$5,914.98	0.0%
BCom			
First Year	$8,088.28	$8,088.28	0.0%
Second Year	$8,049.76	$8,049.76	0.0%
Third Year	$8,011.44	$8,011.44	0.0%
Fourth Year	$8,003.52	$8,003.52	0.0%
BIT			
First Year	$9,031.18	$9,031.18	0.0%
Second Year	$9,022.42	$9,022.42	0.0%
Third Year	$9,013.68	$9,013.68	0.0%
Fourth Year	$8,991.78	$8,991.78	0.0%
BEng, BEng & Mgmt, BTech			
First Year	$9,390.18	$9,390.18	0.0%
Second Year	$9,381.24	$9,381.24	0.0%
Third Year	$9,372.30	$9,372.30	0.0%
Fourth Year	$9,283.04	$9,283.04	0.0%
Fifth Year	$9,159.26	$9,159.26	0.0%
BSc, BSc & Mgt (Computer Science)			
First Year	$6,339.90	$6,339.90	0.0%
Second Year	$6,333.84	$6,333.84	0.0%
Third Year	$6,327.84	$6,327.84	0.0%
Fourth Year	$6,321.78	$6,321.78	0.0%
Fifth Year	$6,321.64	$6,321.64	0.0%
BScN			
First Year	$6,100.68	$6,100.68	0.0%
Second Year	$6,094.76	$6,094.76	0.0%
Third Year	$6,088.84	$6,088.84	0.0%
Fourth Year	$6,082.92	$6,082.92	0.0%

Undergraduate International

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
BA, BASc, BEd, BHSc, BSc & Mgt, UG Diploma			
First Year	$24,128.54	$26,541.38	10.00%
Second Year	$21,984.90	$23,084.14	5.00%
Third Year	$21,887.92	$22,982.30	5.00%
Fourth Year	$21,778.46	$22,867.38	5.00%
Fifth Year	$21,757.00	$22,844.84	5.00%
BCom			
First Year	$26,763.52	$29,439.86	10.00%
Second Year	$24,385.76	$25,605.04	5.00%
Third Year	$24,269.64	$25,483.12	5.00%
Fourth Year	$24,177.18	$25,386.02	5.00%
BIT			
First Year	$27,940.34	$30,734.36	10.00%
Second Year	$25,458.04	$26,730.94	5.00%
Third Year	$25,433.34	$26,705.00	5.00%
Fourth Year	$25,408.64	$26,679.06	5.00%
BEng, BEng & Mgmt, BTech			
First Year	$31,468.96	$34,615.84	10.00%
Second Year	$28,673.16	$30,106.80	5.00%
Third Year	$28,645.86	$30,078.14	5.00%
Fourth Year	$28,618.58	$30,049.50	5.00%
Fifth Year	$28,346.00	$29,763.30	5.00%
BSc, Computer Science			
First Year	$25,568.76	$28,125.62	10.00%
Second Year	$23,297.16	$24,462.00	5.00%
Third Year	$23,274.96	$24,438.70	5.00%
Fourth Year	$23,252.80	$24,415.44	5.00%
Fifth Year	$23,230.64	$24,392.16	5.00%
BScN			
First Year	$24,603.98	$27,064.36	10.00%
Second Year	$22,418.08	$23,538.98	5.00%
Third Year	$22,396.32	$23,516.12	5.00%
Fourth Year	$22,374.58	$23,492.84	5.00%

Graduate Domestic

Program Based

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
MA (SSH), MHSc, MSc, PhD			
First Year	$7,579.30	$7,579.30	0.0%
Upper Year	$7,579.30	$7,579.30	0.0%
MASc, MEng, MEngM			
First Year	$8,859.94	$7,859.94	-11.3%
Upper Year	$8,859.94	$7,859.94	-11.3%
MSc in Nursing			
First Year	$8,761.50	$8,761.50	0.0%
Upper Year	$8,761.50	$8,761.50	0.0%
Graduate Diploma			
Diploma in Accounting	$7,717.50	$8,103.06	5.0%
Diploma in Nuclear Technology	$5,906.62	$5,906.62	0.0%
Diploma in Nuclear Design Engineering	$5,906.62	$5,906.62	0.0%

Credit Based (per 3-credit course)

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
MEd, MA in Education			
All Years	$1,576.47	$1,576.47	0.0%
Graduate Diploma			
Education & Digital Technology	$1,576.47	$1,576.47	0.0%
Work Disability Prevention	$1,576.47	$1,576.47	0.0%
MITS			
First Year	$1,257.52	$1,257.52	0.0%
Upper Year	$1,257.52	$1,257.52	0.0%

Graduate International

Program Based

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
MA (SSH), MHSc, MSc, PhD			
First Year	$19,166.00	$19,166.00	0.00%
Upper Year	$19,166.00	$19,166.00	0.00%
MASc			
First Year	$23,250.60	$21,250.60	0.00%
Upper Year	$23,250.60	$21,250.60	0.00%
MEng, MEngM			
First Year	$25,074.18	$27,581.58	10.00%
Upper Year	$25,074.18	$26,327.88	5.00%
MSc in Nursing*			
First Year	$21,076.50	$22,130.32	5.00%
Upper Year	$21,076.50	$22,130.32	5.00%
Graduate Diploma			
Diploma in Accounting		$12,154.59	
Diploma in Nuclear Technology	$16,716.10	$18,387.70	10.00%
Diploma in Nuclear Design Engineering	$16,716.10	$18,387.70	10.00%

*This is a collaborative program with Trent University, we work with Trent to ensure alignment of rates.

Credit Based (per 3-credit course)

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
MEd, MA in Education			
All Years	$2,057.31	$2,263.04	10.00%
Graduate Diploma			
Education & Digital Technology	$2,057.31	$2,263.04	10.00%
Work Disability Prevention	$2,057.31	$2,263.04	10.00%
MITS			
First Year	$3,287.12	$3,451.46	5.00%
Upper Year	$3,287.12	$3,451.46	5.00%

English for Academic Purposes (EAP) Program

	2020-2021	2021-2022	Rate of Increase 20/21 to 21/22
All Levels	$3,005.54	$3,041.29	1.19%

OntarioTech UNIVERSITY

COMMITTEE/BOARD REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☒
Non-Public	☐	**Discussion/Direction**	☐
		Information	☐

TO: **Audit & Finance Committee**

DATE: **April 14, 2021**

PRESENTED BY: **Brad MacIsaac, VP Administration**

SUBJECT: **2021-2022 Ancillary Fees**

COMMITTEE/BOARD MANDATE:

The committee is responsible for overseeing the financial affairs of the university including reviewing and recommending approval of the tuition fees and ancillary fees. We are seeking the committee's recommendation of the proposed 2021-22 ancillary fees for approval by the Board of Governors.

BACKGROUND/CONTEXT & RATIONALE:

Provincial policy requires that a negotiated Compulsory Ancillary Fees protocol exists between the board of governors of each university and their student association. The committee consists of three student and three administrative representatives. Under the terms of the current Ontario Tech University protocol, signed in 2010, the Board of Governors is required to approve the ancillary fees in the spring of each year. Fees under the Bank of Canada, Consumer Price Index average of 12 months do not require committee approval. This year' CPI is 1.9%.

As we have the highest ancillary fees in the province, we have been watching this rate carefully and make any adjustments with this in mind. Our rates are higher than others due to our smaller size, the fact that we have two capital projects (~$350) funded through student referendum and our dedication to providing Technology Enhanced Learning Environment to our students rather than having them go out and buy the materials independently.

Some of the categories that increased were those mandated by outside vendors (i.e. health plans, UPASS) or offered in conjunction with Durham College (i.e. Campus Recreation and Wellness).

RESOURCES REQUIRED:

N/A

IMPLICATIONS:

Altering the fees will alter our ability to provide specific services.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:
The fees recommended will allow Ontario Tech to continue to provide quality undergraduate and graduate services and experiences to its students.

ALTERNATIVES CONSIDERED:
Each fee change was reviewed by the Ancillary fee Committee.

CONSULTATION:
A request for fees was sent out to all unit leads and Ontario Tech Student Union in December. The committee met to evaluate and decide on changes. Instead of applying the CPI to all fees the Student Union and management discussed, and agreed to, reallocating the increase to a new student success fee that would enhance academic advising services.

COMPLIANCE WITH POLICY/LEGISLATION:
The increases are compliant with provincial policy and Ontario Tech's ancillary fee protocol.

NEXT STEPS:
Update ancillary fees within Ontario Tech's student information system and website.

MOTION FOR CONSIDERATION:

That the Audit and Finance Committee hereby recommends the 2021-22 ancillary fees as presented, for approval by the Board of Governors.

Compulsory Ancillary Fees

Flat Fees. FT and PT students.	2020-21	2021-22	% Inc
Career Readiness	70.14	70.14	0.0%
Health Services (general)	26.80	27.31	1.9%
Mental Health Services	66.86	66.86	0.0%
Health and Wellness	15.28	15.28	0.0%
Sport and Recreation	91.68	91.68	0.0%
Campus Open Access	33.80	33.80	0.0%
Student Safety and Accessibility	86.18	86.18	0.0%
Student Success Support		31.70	NEW
Physical and Virtual Infrastructure Enhancements	154.06	154.06	0.0%
Student ID	19.14	19.14	0.0%
Charged to FT each term	**2020-21**	**2021-22**	**% Inc**
U-Pass	283.50	288.90	1.9%
Flat Fees Paid half Fall and half Winter. FT and PT students.	**2020-21**	**2021-22**	**% Inc**
Community and Social Programming	10.86	10.86	0.0%
Wellness and Support Services	11.44	11.44	0.0%
Student Representation and Leadership	9.10	9.10	0.0%
World University Services of Canada	2.76	2.76	0.0%
Campus Clubs	4.90	4.90	0.0%
Student Societies	3.34	3.34	0.0%

	2020-21	2021-22	% Inc
Student Society Fee FBIT	13.56	13.56	0.0%
Student Society Fee FEAS/FESNS	18.68	18.68	0.0%
Flat Fees Paid half Fall and half Winter. FT and PT students.	**2020-21**	**2021-22**	**% Inc**
Student Society Fee FSCI	15.00	15.00	0.0%
Student Society Fee FHSc	10.00	10.00	0.0%
Campus Life and Events	11.42	11.42	0.0%
Student Engagement	68.82	68.82	0.0%
Student Learning	118.46	118.46	0.0%
Convocation	6.77	6.77	0.0%
Instructional Resource	144.52	144.52	0.0%
Georgian Engagement Services	204.74	204.74	0.0%
Technology-enriched Learning FEAS	236.08	236.08	0.0%
Technology-enriched Learning FESNS	225.86	225.86	0.0%
Technology-enriched Learning FSCI	184.08	184.08	0.0%
Technology-enriched Learning FHSc	161.32	161.32	0.0%
Technology-enriched Learning FBIT Non-Gaming	154.38	154.38	0.0%
Technology-enriched Learning FBIT -Gaming	488.52	488.52	0.0%
Technology-enriched Learning FSSH	133.56	133.56	0.0%
Technology-enriched Learning FEDU	224.10	224.10	0.0%
Technology-enriched Learning FEDU	112.00	112.00	0.0%
Technology-enriched Learning Undeclared	157.38	157.38	0.0%
Flat Fees Paid half Fall and half Winter. FT only	**2020-21**	**2021-22**	**% Inc**
Benefit Plan Coordination	24.38	24.38	0.0%
USU Building	101.06	101.06	0.0%
Campus Recreation and Wellness Centre	176.04	176.04	0.0%
Varsity Sports	78.90	78.90	0.0%
Flat Fees Paid once per yr. (Fall or as admitted). FT only.	**2020-21**	**2021-22**	**% Inc**
Health & Dental - Fall	275.64	275.64	0.0%
Health & Dental - Winter	222.60	222.60	0.0%
Health & Dental -Summer	169.56	169.56	0.0%
Legal Protection Program	28.00	31.64	13.0%
International Health Insurance - Fall	720.00	720.00	0.0%
International Health Insurance - Winter	480.00	480.00	0.0%
International Health Ins.UHIP - Summer	240.00	240.00	0.0%
Flat Fees Paid once per yr. (Fall or as admitted). FT and PT students.	**2020-21**	**2021-22**	**% Inc**
Nursing Mask fee	10.00	45.00	350.0%
Nursing Levey for CNSA	10.00	10.00	0.0%
Nursing Association Membership with RNAO and NSO	16.00		-100.0%
Graduate Diploma in Accounting	250.00	250.00	0.0%

Flat Fees Paid at time of Course Registration	2020-21	2021-22	% Inc
Internship/Coop	624.24	624.24	0.0%
Business - INFR 2421U	10.00	10.00	0.0%
Business - BUSI 4701U		5.00	NEW
Medical Laboratory Fee - MLSC 1010U	60.00	61.14	1.9%
Medical Laboratory Mask Fee - MLSC 4400U	20.00	45.00	125.0%
Nursing Lab Supply Fee - NURS 1003U	50.00	50.94	1.9%
Nursing Lab Supply Fee - NURS 2810U	30.00	30.56	1.9%
Nursing Lab Supply Fee - NURS 2820U	50.00	50.94	1.9%
Kinesiology Lab Supply Fee - HLSC 3476U	20.00	20.38	1.9%
Kinesiology Lab Supply Fee - HLSC 3475U	10.00	10.18	1.8%
Flat Fee Paid Per Term (4 Terms)	2020-21	2021-22	% Inc
Education Placement Fee	76.66	78.12	1.9%

SUPPORTING REFERENCE MATERIALS:
Appendix A: 2020-21 Comparison (sorted by total tuition & ancillary)

UG Arts and Sciences Tuition and Ancillary rates.

	Tuition Fees	Total Ancillary	Tuition plus Ancillary Fees	Ancillary Without TELE
OntarioTech	$5,983	$2,032	$8,015	$1,874
Toronto	$6,100	$1,651	$7,751	$1,651
Waterloo	$6,128	$1,432	$7,560	$1,432
Trent	$6,118	$1,437	$7,555	$1,437
Western	$6,050	$1,504	$7,554	$1,504
Guelph	$6,091	$1,446	$7,537	$1,446
WLU	$6,059	$1,387	$7,446	$1,387
McMaster	$6,043	$1,335	$7,378	$1,335
Ottawa	$6,088	$1,249	$7,337	$1,249
Queen's	$6,083	$1,231	$7,315	$1,231
York	$6,118	$1,182	$7,300	$1,182
Carleton	$6,067	$1,206	$7,273	$1,206
Brock	$6,089	$1,152	$7,241	$1,152
Nipissing	$5,781	$1,458	$7,239	$1,458
Laurentian	$6,000	$1,233	$7,233	$1,233
Lakehead	$5,985	$1,208	$7,192	$1,208
OCAD	$6,052	$1,079	$7,131	$1,079
Ryerson	$6,110	$951	$7,062	$951
Windsor	$5,800	$1,119	$6,918	$1,119
Algoma	$5,865	$974	$6,839	$974
Mean			**$7,344**	**$1,305**
Median			**$7,307**	**$1,241**

UG Engineering Tuition and Ancillary rates.

UG Engineering	Tuition Fees	Total Ancillary	Tuition plus Ancillary Fees	Without Tele
Toronto	$14,180	$1,779	$15,959	$1,779
Guelph	$11,286	$1,578	$12,864	$1,578
Western	$12,294	$1,504	$13,798	$1,504
McMaster	$12,446	$1,466	$13,912	$1,466
Waterloo	$13,970	$1,448	$15,418	$1,448
Ontario Tech	$9,390	$2,125	$11,515	$1,395
Queen's	$11,915	$1,343	$13,257	$1,343
Lakehead	$7,702	$1,308	$9,010	$1,308
Carleton	$10,522	$1,285	$11,807	$1,285
Ottawa	$9,421	$1,274	$10,696	$1,274
Laurentian	$8,069	$1,233	$9,301	$1,233
Windsor	$9,509	$1,158	$11,678	$1,158
Ryerson	$10,189	$960	$11,149	$960
Mean			**$12,336**	**$1,312**
Median			**$11,807**	**$1,302**

COMMITTEE/BOARD REPORT

SESSION:		**ACTION REQUESTED:**	
Public	☒	**Decision**	☒
Non-Public	☐	**Discussion/Direction**	☐
		Information	☐

TO: Audit & Finance Committee

DATE: April 14, 2021

PRESENTED BY: Brad MacIsaac, VP Administration

SUBJECT: ACE Enhancement Project – Project Budget Increase

COMMITTEE/BOARD MANDATE:

The committee is responsible for overseeing the financial affairs of the university with respect to all financial reporting/ internal control functions, budget approvals, risk management and other internal/ external audit functions at the university.

Pursuant to the Signing Authority Procedures, the Board has the sole authority to approve contracts valued at three million dollars ($3MCDN) or greater.

We are seeking the committee's recommendation to increase the total ACE Enhancement project budget in part due to COVID delays.

BACKGROUND/CONTEXT & RATIONALE:

About ACE:

- The Ontario Tech Automotive Centre of Excellence (ACE) is a research and testing facility offering chambers and technology for climatic, structural durability and life-cycle testing. Facilities include one of the largest and most sophisticated climatic wind tunnels (CWT) on the planet. In the CWT, wind speeds can reach 300 kilometers per hour with temperatures that range from -40 to +60°C. With solar arrays and storm generators ACE can create any weather conditions imaginable, from sweltering jungle downpours to the paralyzing cold of an arctic storm. ACE uses these chambers to test automotive and aerospace products, to improve the performance of elite athletes and to provide services to many other markets, including the Unmanned Aerial Vehicle industry, film and television, and motorsports.

Overview of the ACE Enhancement Project:

- A moving ground plane, or rolling road, was envisaged as part of the original operational parameters of the wind tunnel, but never acquired. The moving ground plane allows for extremely precise (peer reviewed publication level) aeroacoustics measurements significant to the high value auto sector and of importance to researchers from a number of universities across Ontario and other provinces.

- In 2014, while working with an auto industry client, the operating team at ACE learned about a moving ground plane acquired by Old Dominion University (Old Dominion) in Virginia, which was never used because of shifting research priorities. Old Dominion was more than willing to transfer the equipment out of its storage to a new owner. The equipment was funded by NASA and the Commonwealth of Virginia, the latter contributing $2 million.

- In 2016 after multiple discussions with government and industry partners about funding the university was notified the MGP was going to go to auction. Ontario Tech worked with partners to put together about $15M ($2.5M purchase and $12.465M for installation) to secure the rolling road. The University spearheaded an industry-university proposal to Fed Dev to obtain $9.465M in funding to install the rolling road. The province committed $4M and Magna approved $1 million toward the project. Multimatic Inc. of Markham, a very high end OEM (original equipment manufacturer) committed to partner to obtain the equipment and to work on project managing its installation.

- In November 2019 the RFP process was complete and the Board approve $14.5M towards the full project. The project was broken into two stages: modifications of the building and integration of the equipment. Substantial completion planned for September, 2020.

- In March/April 2020 the provincial government ordered non-essential business to close. Due to COVID restrictions technical expertise required for integration was not able to cross the border for the planned September and then revised December 2020 installation. Discussion ensued on the preparations that can be done virtually.

- As of April 2021 the ACE team has completed the assembly of the machine thanks to a virtual walk through with technical leaders, the hiring of a local mechanical company and the staff at ACE facility. June/ July will focus on the controls, wiring and integration. A plan for commissioning is set for the start of August assuming technical team can travel from the states.

IMPLICATIONS:

These delays have added ten months of labour costs to the project.

NEXT STEPS:

Phase II: Controls/integration & Debug - June 21 to July 31, 2021
Phase III: Commissioning and Acceptance - Aug. 1 to 7, 2021
Note: March 6 to June 20, 2021 includes wiring, piping, programming, testing

MOTION for CONSIDERATION:

WHEREAS the university's ACE Enhancement Project (AEP) is being funded through FedDev Ontario (up to $9.465M), a provincial grant ($1.5M), a contribution from Magna ($1M), and the remainder form the institution unless other gifts are received;

WHEREAS the AEP is being conducted in two stages and the first stage of modifications of the ACE building to accommodate the installation of the moving ground plane (MGP) is complete;

WHEREAS the second stage of the AEP has begun, which involves the integration of the MGP into ACE's current technical systems and is targeted for completion by March 31, 2020;

WHEREAS on November 29, 2018, the Board of Governors approved the award of the ACE Building modification contract in an amount not to exceed $4.1M and multiple MGP integration contracts in a sum not to exceed $10.4M;

WHEREAS on February 20, 2019 A&F was presented with an information update that the forecast costs to completion are $14.86M, which have increased $360K from last report. The increase was based on initial quotes received for MGP Integration component, where inflation, tariffs, and obsolete controls on MGP have increased costs;

WHEREAS on November 28, 2019 the Board of Governors approved increasing the sum of the multiple MGP integration contracts by $575,000 to a total of $10.975M which included a two percent reserve or $215,000 (a total project budget of $15.075M);

WHEREAS the administration has reviewed the revised timelines due to COVID restrictions and is anticipating an additional $1.45M of expenses;

WHEREAS the additional project expenses include ten months of additional labour (including internal project management and US company), a new contract for a local mechanical company, and repairs to the existing flooring and turntable equipment;

WHEREAS these additional expenses will be offset by $390K of earned revenues for a total net ask of $1.06M;

NOW THEREFORE, pursuant to the recommendation of management, the Audit and Finance Committee hereby recommends:

- *that the Board of Governors approves increasing the total project budget from $15.075M to $16.525M; and*

- *that the Board of Governors authorizes and directs the President and/or the Vice-President, Administration, for and in the name of the university, to execute and deliver (under the corporate seal or otherwise) all such other documents and do all such other acts as may be necessary or desirable to give effect to this resolution.*

SUPPORTING REFERENCE MATERIALS:

ACE MGP update – March 2021

ACE Enhancement Project

Monthly Project Update
MARCH 2021

Progress Update (31 March 2021) :

Moving Ground Plane Integration into CWT

- Turntable modification and MGP installation 90% completed
- Ride height control and drag links fabrication completed

Forecast Schedule

Next Period Target

- Turntable modification and repair full completion, next shutdown July 2021
- System Calibration, commissioning and full integration by July 2021

Forecast: Completion by September 2021

MGP Implementation

- Phase I
  - February 3 –March 14, 2021
  - Assembly and functional operation and fitting of machine

- Phase II
  - Controls/integration & Debug
  - June 21 –July 31, 2021

- Phase III
  - Commissioning and Acceptance
  - Aug. 1-7, 2021
  - Offline Activities

Note: March 6 –June 20, 2021
  - Includes wiring, piping, programming, testing

Health & Safety

❑ H&S measures were in place in compliance to the new norm

❑ Mandatory use of face mask implemented

❑ MTS personnel was not granted with quarantine exemption, hence, work plan re-scheduled.

❑ **No covid-19 case identified this period**

Change Control:

- Turntable modification and repair works cost increase

Procurement Summary:

- Nothing to report this period

Financial Summary:

- FedDev 75% of holdback amount $709K received this period
- Total Actual Cash Flow to date $15.06 M
- Project estimated cost at completion $16.525M
- New ask for funding increase from Nov 2019 BOG approval, $1.45M
- Cash flow Breakdown of Sources and Uses of funds next slide.

A&F Roll up Financial Report as of 31 March 2021

ACE ENHANCEMENT PROJECT	MARCH 2021					
Sources of Funds - Cash Flow						
Description	**2019 Nov Funding**	**Actual Total Todate**	**Mar 2021**	**Funding at Completion**	**Increase Funding Requirement**	**Remarks**
		.				
FEDDEV	$ 9,465,000	$ 9,228,383	$ 709,883	$ 9,465,000		75% HB amount was released this period
PROVINCIAL	$ 1,500,000	$ 1,350,000	$ -	$ 1,500,000		10% to be released upon project completion
MAGNA	$ 1,000,000	$ 1,000,000	$ 341,467	$ 1,000,000		
ONTARIO TECH (Announce Contribution)	$ 500,000	$ 500,000	$ -	$ 500,000		
ONTARIO TECH (Loan to ACE)	$ 2,510,000	$ 2,285,957	$ (996,352)	$ 2,510,000		
THE GREENBRIAR FOUNDATION	$ 100,000	$ 100,000	$ -	$ 100,000		
GA HAYBALL FOUNDATION		$ 225,000	$ -		$ 225,000	Extreme Classroom events
ACE INTERNAL (ERF/Research Fund)		$ 165,000	$ -		$ 165,000	ACE Operation budget for ERF & research
ONTARIO TECH (Additional Loan to ACE)		$ 209,354	$ -		**$ 1,060,595**	**Request for additional funding**
Totals	$ 15,075,000	$ 15,063,694	$ 54,998	$ 15,075,000	**$ 1,450,595**	
Uses of Funds - Cash Flow						
Description	**Original Budget**	**Actual Total Todate**	**Mar 2021**	**Estimate at Completion****	**Variance / Cost Increase**	**Remarks**
Moving Ground Plane Integration into CWT	$ 3,350,000	$ 5,446,189	$ 17,930	$ 6,331,276	$ 2,981,276	More complex turntable integration design and build. Repair to MGP & Turntable.
Aerodynamic Enhancements Required for MGP	$ 2,540,000	$ 2,152,939	$ 13,154	$ 2,316,795	$ (223,205)	Value engineered design
Acoustics	$ 845,000	$ 706,113	$ 945	$ 782,225	$ (62,775)	
Precision Measurement Capability	$ 1,850,000	$ 1,086,588	$ 155	$ 1,086,588	$ (763,412)	In-house design and build
Chamber Modifications	$ 630,000	$ 706,655	$ -	$ 706,655	$ 76,655	System requires more process air and vacuum
Base Building Modifications	$ 3,645,000	$ 3,417,298	$ 292	$ 3,418,756	$ (226,244)	No Storage Building
Engineering and Project Management	$ 2,000,000	$ 1,547,911	$ 22,522	$ 1,883,300	$ (116,700)	Contigency & commissioning move to MGP Integration
				$ -		
Totals	$ 14,860,000	$ 15,063,694	$ 54,998	$ 16,525,595	$ 1,665,595	Unforeseen full integration and covid-19 effect

COMMITTEE REPORT

SESSION:			ACTION REQUESTED:	
Public	☒		**Decision**	☒
			Discussion/Direction	☐
			Information	☐

TO: Audit & Finance Committee

DATE: April 14, 2021

PRESENTED BY: Cheryl Foy, University Secretary & General Counsel (USGC)

SUBJECT: Controlled Goods Policy

ACADEMIC COUNCIL MANDATE:
- In accordance with committee's Terms of Reference, the committee is responsible for overseeing risk management at the university, which includes ensuring that appropriate processes are in place to identify, report and control areas of significant risk to the university and ensuring that appropriate mitigative actions are taken or planned in areas where material risk is identified and receiving regular reports from management on areas of significant risk to the university.
- The Office of Research Services (ORS) and the Office of the University Secretary and General Counsel (USGC) are presenting the draft Controlled Goods Policy for the committee's recommendation for approval by the Board of Governors.

BACKGROUND/CONTEXT & RATIONALE:
- The Controlled Goods Policy is being established to demonstrate compliance with Canada's Controlled Goods Program, a Federal Government program administered by the Controlled Goods Directorate.
- The Controlled Goods governance framework will define the University's management plan for Controlled Goods and/or Controlled Technology to prevent the proliferation of weapons of mass destruction, conventional weapons, and goods that have military or national security significance.
- The Controlled Goods Policy applies to all University Members (e.g. University employees, students, and those holding appointments, such as, adjunct status).
- The accountability framework identifies the roles and responsibilities of University Members and defines the requirements associated with the University's registration in the Controlled Goods Program.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

- This policy supports the university's values of integrity and respect by demonstrating the institution's commitment to ethical conduct through adherence with all laws and compliance obligations.
- By establishing a Controlled Goods compliance program at Ontario Tech University, this policy will support the strategic pillar of "partnerships". The university will be strategically positioning itself as an effective industry partner to niche client groups.

CONSULTATION:

- Developed in consultation between the Compliance Office (USGC) and the Office of Research Services (ORS).
- Policy Advisory Committee – April 21, 2020 for consultation.
- Research Board – November 23, 2020 for consultation.
- Online Consultation – November 30 to December 11, 2020 for consultation.
- Academic Council – January 26, 2021 for consultation.
- Audit & Finance Committee – February 17, 2021 for written consultation.

Consultation Comments and Response To Date

- All feedback received to date has been related to clarification. No other feedback has been received.

COMPLIANCE WITH POLICY/LEGISLATION:

- The Controlled Goods Policy will create an institutional compliance program to ensure that the University can comply with the requirements under the *Defence Production Act* and the *Controlled Goods Regulations*.

NEXT STEPS:

- o Board of Governors: April 22, 2021 for approval.

MOTION for CONSIDERATION:

That the Audit & Finance Committee hereby recommends the Controlled Goods Program Policy, as presented, for approval by the Board of Governors.

SUPPORTING REFERENCE MATERIALS:

- Controlled Goods Program Policy

Classification Number	*To be assigned by Policy Office*
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	Vice-President, Research & Innovation
Approval Date	DRAFT FOR REVIEW
Review Date	
Supersedes	

CONTROLLED GOODS PROGRAM POLICY

PURPOSE

1.   The purpose of this Policy is to define the authority, obligations and procedures established and maintained by the University to achieve compliance with Canada's Controlled Goods Program which is a Federal Government program administered by the Controlled Goods Directorate under the Defence Production Act and the Controlled Goods Regulations.

2.   To provide a framework for the responsible management of Controlled Goods and/or Controlled Technology for the prevention of the proliferation of weapons of mass destruction, and conventional weapons, and goods that have military or national security significance.

DEFINITIONS

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

"Access" means to Possess, Transfer or Examine Controlled Goods and/or Controlled Technology. This may include the direct or indirect involvement in the acquisition, repair, modification, transfer or disposal of Controlled Goods and/or Controlled Technology, or the transmission, reception, interpretation, manipulation or safe keeping of Controlled Goods and/or Controlled Technology information.

"Authorized Individual" is an individual that is responsible for ensuring that a Designated Official is appointed for each University Work Site in Canada where Controlled Goods and/or Controlled Technology are examined, possessed or transferred; and has signing authority to approve any changes in any of the information contained in the application for registration.

"Controlled Goods" means as listed in the schedule to the *Defence Production Act. They are listed as Group 2, Group 5 (section 5504), and Group 6 of the Export Control List. These groups are described as follows:*

- **Group 2 Goods (Munitions List):** Includes, but is not limited to, automatic weapons, firearms, ammunition, components, projectors, bombs, fighter jets,

tanks, missiles, chemicals, explosives, and related equipment and components, etc.

- **Group 5 Goods-Item 5504 (Strategic Goods):** Includes but is not limited to, global navigation satellite systems, ground control stations, and nuclear weapon design and testing equipment.
- **Group 6 (Missile Technology Control Regime):** Includes but is not limited to, missile technology-rocket systems, unmanned air vehicle systems, propulsion components and equipment.

"**Controlled Goods Guide"** means the guide to the Controlled Goods List that provides a simplified listing of the items that are identified as Controlled Goods. The guide helps identify whether or not an item is included on the Controlled Goods List, but the detailed *Controlled Goods List* takes precedence over this guide.

"**Controlled Goods List**" means the list of goods set out in the schedule to the Defense Production Act as defined above in "Controlled Goods".

"**Controlled Goods Program**" is an industrial security program that is authorized by the *Defence Production Act*. The Canadian Government's Controlled Goods Directorate administers the Controlled Goods Program to prevent the proliferation of tactical and strategic assets and to build up Canada's defence trade controls. Public Services and Procurement Canada is the federal agency responsible for this program.

"**Controlled Technology**" technology necessary for the development, production or use of a Controlled Good. These technologies include information necessary for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance or modification of Controlled Goods. This information may take the form of Technical Data or Technical Assistance. Controlled Technology does not include general scientific, mathematical or engineering principles commonly taught in a school, college or university, information in the public domain, basic marketing information or general system descriptions.

"**Designated Official(s)**" means an official responsible for ensuring compliance with the Controlled Goods Program, with responsibility within a certain area of the University.

"**Examination**" means to investigate Controlled Goods and/or Controlled Technology by any means so as to provide a person with detailed knowledge of the Controlled Goods and/or Controlled Technology inherent properties and performance characteristics that would allow that person to use this knowledge so that the good could be reproduced or replicated, or the performance of a similar article could be improved.

"**Functional Units**" Means any Faculty, Department, Administrative Unit, Research Facility (e.g. ACE) or Third-Party Contractor in which the Controlled Goods Program applies.

"Unit Leads" means any University members in charge of a Functional Unit.

"ITAR" International Traffic in Arms Regulations. Individuals who are registered with ITAR may be exempt from registration with the Controlled Goods Program pending documentation is provided to the Designated Official in support of the exemption.

"Possession" means to actually possess, wherein the person has direct physical control over a Controlled Good at a given time, or constructive possession, where the person has the power and the intention at a given time to exercise control over a Controlled Good either directly or through another person or persons.

"Project Leads" means a University Member responsible for, or involved in, a project, research or otherwise, that the Controlled Goods Program applies.

"Security Assessment" is a risk assessment carried out by the Designated Official that is required by law for anyone Examining, Possessing or Transferring Controlled Goods and/or Controlled Technology. Through this assessment Designated Official determines the extent to which the individual poses a risk of Transferring a Controlled Good to a non-registered or exempt individual.

"Security Breach" means the unauthorized Examination, Possession or Transfer of Controlled Goods and/or Controlled Technology.

"Security Plan" is a written document that sets out the following:
- procedures to control the Examination, Possession and Transfer of Controlled Goods and/or Controlled Technology,
- individuals responsible for security,
- responsibilities of the security organization,
- procedures for reporting and investigating security breaches,
- contents of training programs and security briefings.

"**Security Briefings**" is the information provided to all visitors prior to the Examination of Controlled Goods.

"Technical Assistance" includes assistance provided in the form of instruction, skills, training, working knowledge or consulting services and may involve the transfer of Technical Data.

"Technical Data" includes Controlled Technology in the form of blueprints, plans, diagrams, models, formulae, tables, engineering designs and specifications, manuals and instructions.

"Transfer" means, in respect of a Controlled Good, to dispose of it or disclose its content in any manner. This would include sharing or giving access (physical, verbal or electronic) to Controlled Technology, which includes but is not limited to, Technical Data, software or providing Technical Assistance in respect of a Controlled Good.

"University" or "Ontario Tech University" means the University of Ontario Institute of Technology (operating as Ontario Tech University).

"University Member" means any individual who is:
- Employed by the University (including temporary workers, research personnel);
- Registered as a student, in accordance with the academic regulations of the University (including international students);
- 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 (including contractors and subcontractors).

"**Work Site**" means each physical place of business in Canada where Controlled Goods and/or Controlled Technology are examined, possessed or transferred by the Controlled Goods registrant.

SCOPE AND AUTHORITY

4. This Policy applies to all University Members who may be involved in the Examination, Possession or Transfer of; or, may have any form of Access to any Controlled Good at, related to, on behalf of or in connection with Ontario Tech University.

5. The Vice-President responsible for Research and Innovation, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

POLICY

6. Ontario Tech University is committed to managing and safeguarding Controlled Goods used in research, scholarly work and other University activities. This Policy is intended to manage the University's obligations in accordance with applicable statutes, regulations, directives, policies and instructions, including Canada's Controlled Goods Program. This Policy applies to the entire life cycle (from acquisition/creation through to disposal/destruction) for any Controlled Goods and/or Controlled Technology that the University may have Access to, Examine, Transfer or have in its Possession.

7. The University is registered in Canada's Controlled Goods Program. Any addition of Controlled Goods and/or Controlled Technology, individuals, or Work Sites requires prior review, a Security Assessment and authorization by a Designated Official.

8. If any University Member wishes to Examine, Possess or Transfer Controlled Goods and/or Controlled Technology must contact a Designated Official prior to any activity falling under the Controlled Goods Program.

ROLES AND RESPONSIBILITIES

9. **Roles and Responsibilities**
   9.1 **Office of the Vice-President Research and Innovation** will:
   a) Act as the primary authority for the Controlled Goods Program at the University.
   b) Designate at least one individual to be the Authorized Individual registered with Canada's Controlled Goods Directorate.
   c) Oversee the implementation, administration and interpretation of this Policy.
   d) Maintain the University's registration in the Controlled Goods Program.
   e) Coordinate the monitoring and review of this Policy with the Research Board, or successor thereof.
   f) Coordinate the development of supporting procedures and training materials to support compliance with this Policy.
   g) Designate at least one individual to serve as Designated Official for the University.
   h) Arrange training and retraining for Designated Officials.
   i) Maintain a register of Designated Officials along with proof of training and certification to serve as a Designated Official under the Controlled Goods Program.
   j) Maintain a register of activities, Work Sites and Controlled Goods and/or Controlled Technology that are authorized and registered under the Controlled Goods Program.
   k) Support a University website with links to relevant legislation, training materials and list of Designated Officials to support compliance with this Policy.
   l) Support the development of the supporting procedures, guidance and training materials.
   m) Cooperate with the University Secretary and General Counsel in the performance of the University Secretary and General Counsel.

   9.2 **Designated Official(s)** will carry out the duties prescribed in the Controlled Goods Regulations and the Defence Productions Act which include, but are not limited to:
   a) Be certified under the Controlled Goods Program by completing the Designated Official Certification Program;

b) Answer questions about export controls for their area of responsibility;

c) Conduct Security Assessments and Security Briefings for all University Members who wish to Examine, Possess or Transfer any Controlled Goods;

d) Submit applications for exemptions to the Minister in respect of temporary workers or visitors in accordance with Section 18 of the Controlled Goods Regulations;

e) Develop and implement a Security Plan for every Work Site where Controlled Goods and/or Controlled Technology are Examined, Possessed or Transferred;

f) Authorize Work Sites, individuals and new uses of Controlled Goods and/or Controlled Technology;

g) Keep and maintain a record of Controlled Goods, Security Assessments and supporting documentation, information on the identity of exempt individuals and evidence regarding the classes of exempt individuals;

h) In conjunction with the Office of the General Counsel, develop a report of all Security Breaches;

i) Advise the Canada Controlled Goods Directorate of any Security Breaches in relation to Controlled Goods and/or Controlled Technology;

j) Conduct training or make training available for University Members seeking to use Controlled Goods and/or Controlled Technology;

k) Maintain recordkeeping obligations required under the Controlled Goods Program; and

l) Maintain compliance with the Controlled Goods Program and allow for inspections of the University to ensure conformity with the legislation.

m) Cooperate with the University Secretary and General Counsel in the performance of the University Secretary and General Counsel.

9.3 Office of the University Secretary and General Counsel will:

a) Audit and report on Controlled Goods Program compliance, and in this regard will be given such access to files and information as is required to fulfil this role.

b) Designate at least one individual to serve as Designated Official for the University's Faculties and Researchers as backup to the Designated Official in the Office of the Vice-President Research and Innovation.

c) Monitor legislative changes and recommend revisions and/or updates to supporting policies and procedures to maintain the effectiveness of the Controlled Goods Program.

d) Investigate and respond to the Controlled Goods Directorate in an appropriate manner to any charges related to Controlled Goods offenses under the Defence Production Act and the Controlled Goods Regulations.

9.4   Office of Research Services will:
a) Assist with the execution of the roles and responsibilities of the Office of the Vice-President Research and Innovation.

9.5   Functional Units will:
a) If decided upon by the Authorized Individual, designate one or more individuals to serve as Designated Official for the Unit
b) Establish and implement Security Documentation to add to the site Security Plan once it is established that the Controlled Good Program applies to the Functional Unit

9.6   Unit Leads will:
a) Administrative structures, programs and resources are in place and demonstrate due diligence in complying with the Controlled Goods Program;
b) Orders and requirements of regulatory inspectors and directors are complied with;
c) Orders of the Public Services and Procurement Canada, as legislated by the Defence Production Act and the Controlled Goods Regulations are complied with;
d) The resources and direction necessary are provided to support their departments in developing and implementing programs and practices that ensure compliance with the Controlled Goods Program.
e) Assist the Project Lead in the performance of the Project Lead roles and responsibilities.
f) Cooperate with the Designated Official in the performance of the Designated Official duties.
g) Cooperate with the University Secretary and General Counsel in the performance of the University Secretary and General Counsel.

9.7   University Members will:
a) Refrain from the use of Controlled Goods and/or Controlled Technology without prior authorization from a Designated Official;
b) Follow all prescribed practices and procedures related to the Controlled Goods Program.

c) Avoid circumventing any technical or administrative safeguards in the use of Controlled Goods and/or Controlled Technology.

d) Completed the Controlled Goods training; either, if you, your faculty or department have been identified as a mandatory participant;

e) Report changes related to the handling of Controlled Goods or Controlled Technology at the University, Security Breaches and personnel background changes to the applicable Designated Official.

f) Cooperate with the Designated Official(s) in the performance of the Designated Official duties.

9.8 Project Leads will:

a) Perform all the roles and responsibilities of a University Member.

b) Ensure and enforce the compliance of this Policy by all University Members under their supervision.

c) Identify new University Members under their supervision who fall under this Policy and immediately inform the Designated Official.

d) Promptly correct any identified Policy non-compliances and immediately advise the Designated Official(s).

e) Inform the Designated Official(s) of his/her anticipated, current Examination, Possession or Transfer of Controlled Goods and/or Controlled Technology. Submission of registration/application to the Designated Official is recommended at least two months prior to receiving Controlled Goods and/or Controlled Technology;

f) Complete a Security Assessment with the Designated Official and provide same to the Designated Official in accordance with section 15 of the Defence Production Act and the Controlled Goods Regulations. Where applicable, provide the Designated Official with the information necessary for registration exemptions as identified under the legislation;

g) Cooperate with the Unit Leads in the performance of the Unit Leads roles and responsibilities; and

h) Cooperate with the Designated Official in the performance of the Designated Official's roles and responsibilities.

10. Identifying Controlled Goods

10.1 It is the responsibility of each University Member to understand the requirements and restrictions of Canada's Controlled Goods Program;

10.2 It is also the responsibility of each University Member to assess the goods, including components, parts, technology, technical data or technical assistance that they may examine, possess or transfer to determine whether it is a Controlled Good. This assessment must be conducted prior to any Examination, Possession or Transfer of a Controlled Good and/or Technology;

10.3 The Controlled Goods List and the Controlled Goods Guide will be used by the University Member for the purposes of this assessment; and

10.4 If the University Member identifies a Controlled Good and/or Controlled Technology, they are required to contact the Designated Official to commence a Security Assessment before the Examination, Possession or Transfer of any Controlled Good.

11. Security Assessments

11.1 Any University Member wishing to Examine, Possess or Transfer Controlled Goods for any purpose, including research or study, must first undergo a Security Assessment, successfully complete Controlled Goods training and be authorized by a Designated Official to Examine, Possess and/or Transfer the identified Controlled Goods.

11.2 Security Assessments will be conducted in accordance with the process set out by the Controlled Goods Program.

11.3 Security Assessments can be valid for up to five years, as long as the individual remains a University Member and/or the Designated Official determines that a new Security Assessment is not required prior to the end of the five-year period.

11.4 Security Assessments conducted by the Designated Official are subject to inspection by the Controlled Goods Directorate at any time over the period of registration and for a period of two years after the day on which the person ceases to be a University Member.

11.5 A University Member is not permitted to share or provide Access to Controlled Goods to any person, within or outside of the University (including visitors, research partners or contractors) unless that person has an approved Security Assessment, registered or exempt under, and is in full compliance with the requirements of Canada's Controlled Goods Program and the University's Controlled Goods Policy and related procedures.

12. Security Plan

12.1 For each Work Site where Controlled Goods are Examined, Possessed or Transferred, a Security Plan must be developed. A Security Plan is a written document that must include the following information:

a) Procedures to control the Examination, Possession and Transfer of Controlled Goods at each applicable worksite;

b) Procedures for reporting and investigating Security Breaches;

    c)   Descriptions of the responsibilities of the University's administrative structure, and identification of individuals responsible for the security of Controlled Goods and/or Controlled Technology;

    d)   Contents of training programs given to University Members, and

    e)   Contents of Security Briefings given to visitors.

13.   **Security Breach Reporting**

    13.1   A Security Breach is the unauthorized Examination, Possession or Transfer of Controlled Goods and/or Controlled Technology. All breaches, suspected or confirmed, must be reported immediately to a Designated Official. The University is required to report any such breach to the Canada Controlled Goods Directorate within three (3) days upon discovery. The Designated Official will coordinate with the Office of the General Counsel to deliver the required report.

    13.2   Security Breaches involving Controlled Goods include:

    a)   Loss of Controlled Goods, such as by theft or disappearance, including a breach of controlled Technical Data as a result of computer hacking or cyber attack or the theft of a device on which Controlled Goods and/or Controlled Technology are stored;

    b)   Unauthorized Examination, Possession or Transfer of Controlled Goods and/or Controlled Technology, including its controlled Technical Data, or software by anyone, including unauthorized University Members;

    c)   Appearance of willful damage or tampering to Controlled Goods/Technology; and

    d)   Witness of unauthorized persons Examining Controlled Goods and/or Controlled Technology.

14.   **Controlled Goods Training**

    14.1   Every University Member who will Examine, Possess or Transfer Controlled Goods for any purpose is required to successfully complete the applicable Controlled Goods Program training.

MONITORING AND REVIEW

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

RELEVANT LEGISLATION

16. Defence Production Act, R.S.C., 1985, c. D-1

Controlled Goods Regulations, SOR/2001-32

Controlled Goods List (Schedule 35 of Defence Production Act)

Guide to the schedule to the Defence Production Act

Export and Import Permits Act, R.S.C., 1985 c. E-19

A Guide to Canada's Export Controls

International Traffic in Arms Regulations, 22 CFR 120-130

RELATED POLICIES, PROCEDURES & DOCUMENTS

17. Access Control policy and procedure

Adjunct Professors Policy

Biosafety Program Manual

Booking and Use of University Space

Contract Management Policy

Cotutelle Policy

Creation of Research Entities Procedure

Document Imaging Policy

Information Security

International Agreements Procedure

International Travel, High Risk

International Travel, Student

Personal Use of University Resources

Procurement of Goods and Services

Technology Use

Radiation Safety Manual

Records Disposition

Records Management

Responsible Conduct of Research and Scholarship

Risk Management Policy

Student Conduct Policy

Safe Disclosure Policy

COMMITTEE REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☒
		Discussion/Direction	☐
		Information	☐

TO: **Audit & Finance Committee**

DATE: **April 14, 2021**

PREPARED BY: **Jennifer Freeman (ORS) and Francis Arnaldo (ORS)**

SUBJECT: **Radiation Safety Policy**

COMMITTEE MANDATE:
- In accordance with committee's Terms of Reference, the committee is responsible for overseeing risk management at the university, which includes ensuring that appropriate processes are in place to identify, report and control areas of significant risk to the university and ensuring that appropriate mitigative actions are taken or planned in areas where material risk is identified and receiving regular reports from management on areas of significant risk to the university.
- The Office of Research Services (ORS) is presenting the draft Radiation Safety Policy for the committee's recommendation for approval by the Board of Governors.

BACKGROUND/CONTEXT & RATIONALE:
- The University is a leader in Nuclear Science teaching and research.
- The University does not have a Radiation Safety Policy, but has been functioning with a strong compliance program outlined in the Radiation Safety Manual.
- A Radiation Safety Policy strengthens the University's commitment to providing a safe work environment that are in line with the applicable regulatory requirements.

RESOURCES REQUIRED:
- The University is mandated to appoint a Radiation Safety Officer (RSO) on all CNSC Licenses issued to the University. The RSO ensures the requirements of the legislation are met.
- The University must have a radiation safety program in place – some aspects of the program requires monetary resources to function (e.g. dosimetry, annual leak testing, annual device calibration, etc.). The costs are shared between ORS, the faculties/departments, and the workers/students.

- Compliance measures and practices are currently in place, as such, the University is already allocating resources.

IMPLICATIONS:
- Compliance with the applicable regulatory requirements is currently administered by the Radiation Safety Program, which is reviewed by the Radiation Safety Committee every 3 years. The Radiation Safety Policy makes clear policy statements and ensures that the policy statements found in the Radiation Safety Manual are governed by the Policy Framework and are available in the Policy Library.
- Research, teaching and other activities involving ionizing and non-ionizing radiation and radiation emitting devices will fall under the policy. Faculty and staff involved in those activities will fall under the policy.
- A radiation safety policy will put Ontario Tech in line with other Canadian Universities

CONSULTATION:

June 9, 2015 (Radiation Safety Committee): Radiation Safety Committee determined that a stand-alone Radiation Safety Policy would further strengthen compliance framework at the university.

Dec 18, 2015 (Radiation Safety Committee): Discussed suggested revisions submitted by the committee members. RSO to revise and circulate revised version to committee for approval.

Feb 22, 2016 (Research Board): reviewed revised copy and requested changes.

July 5, 2016 (Research Board): reviewed and modified the policy.

November 7, 2016 (Policy Advisory Committee): Recommended revisions. Rrevisions made by ORS.

October 8, 2020 (Radiation Safety Committee): Discussions resume on Radiation Safety Policy and finalized for submission to University Secretary and General Counsel's Office.

February 23, 2021 (Academic Council)

April 13, 2021 (Administrative Leadership Team)

COMPLIANCE WITH POLICY/LEGISLATION:
- A Radiation Safety Policy will complement the University's Health and Safety Policy and the Radiation Safety Manual by capturing the additional requisites for radiation safety.
- A Radiation Safety Policy is in compliance with the applicable legislation:

• Legislation	Administered by
Nuclear Safety and Control Act, and all applicable regulations under the Act.	Canadian Nuclear Safety Commission (CNSC)
Occupational Health and Safety Act	Ontario Ministry of Labour (MOL)
R.R.O. 1990, Reg. 861 X-Ray Safety	Ontario Ministry of Labour
Healing Arts and Radiation Protection Act and Regulations	Ontario Ministry of Health and Long-Term Care (MOHLTC)
R.R.O 1990, Reg. 543 X-Ray Safety Code	Ontario Ministry of Health and Long-Term Care

Radiation Emitting Devices Act	Health Canada
Radiation Emitting Devices Regulations	Health Canada

MOTION for CONSIDERATION:

That the Audit and Finance Committee hereby recommends the Radiation Safety Policy, as presented, for approval by the Board of Governors.

SUPPORTING REFERENCE MATERIALS:

- Radiation Safety Policy

Classification	LCG XXXX
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	VP Research and Innovation
Approval Date	DRAFT FOR REVIEW
Review Date	
Supersedes	

RADIATION SAFETY POLICY

PURPOSE

1. This policy sets out the standards, requirements and responsibilities that apply to research and scholarly activities involving ionizing and non-ionizing radiation, including nuclear substances and radiation emitting devices at the University of Ontario Institute of Technology (Ontario Tech).

DEFINITIONS

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

"Action Level" means a specific dose or other parameter that, if exceeded, may indicate a loss of control of part of the radiation safety program.

"Authorized Users" means any University Member who has been authorized to handle ionizing or non-ionizing radiation in accordance with the requirements set out in the Radiation Safety Program.

"ALARA" (as low as reasonably achievable) means an optimization tool in radiation protection used to keep individual, workplace and public dose limits as low as reasonably achievable, social and economic factors being taken into account. ALARA is not a dose limit; it is a practice that aims to keep dose levels as far as possible below regulatory limits. (ALARA)

"CNSC" means the Canadian Nuclear Safety Commission, the federal regulatory agency whose mandate is to establish and enforce the Nuclear Safety and Control Act and Regulations. The CNSC regulates the use of nuclear energy and materials to protect health, safety, security and the environment, and to implement Canada's international commitments on the peaceful use of nuclear energy.

"Ionizing Radiation" means particles, X-rays, or gamma rays with sufficient energy to cause ionization in the medium through which it passes.

"MOL" means the Ontario Ministry of Labour, the provincial regulatory agency whose mandate is to establish and enforce the Occupational Health and Safety Act, which includes the X-ray Safety regulation and takes into consideration the American National Standards Institute (ANSI) Z136 series of laser safety standards (the "ANSI" Standards).

"Non-Ionizing Radiation" means any type of electromagnetic radiation that does not carry enough energy to ionize atoms or molecules.

"Nuclear Substance" means:

a) deuterium, thorium, uranium or an element with an atomic number greater than 92;
b) a derivative or compound of deuterium, thorium, uranium or of an element with an atomic number greater than 92;
c) a radioactive nuclide;
d) a substance that is prescribed as being capable of releasing nuclear energy or as being required for the production or use of nuclear energy;
e) a radioactive by-product of the development, production or use of nuclear energy; and
f) a radioactive substance or radioactive thing that was used for the development or production, or in connection with the use, of nuclear energy.

"Radiation" means, for the purpose of this policy:

a) energy in the form of electromagnetic waves or acoustical waves with the potential to harm;
b) the emission by a nuclear substance, the production using a nuclear substance, or the production at a nuclear facility of an atomic or subatomic particle or electromagnetic wave with sufficient energy for ionization.

"Radiation device" means any device that contains more than the exemption quantity of a nuclear substance and that enables the nuclear substance to be used for its radiation properties.

"Radiation emitting device" means any device that is capable of producing and emitting radiation.

"Radioisotope Laboratory" means a conventional laboratory that is permitted to house radioactive materials and all activates within the laboratory are prescribed by a radioisotope permit.

"Radiation Safety Program" means the documented policies and procedures developed to control the risks and hazards associated with ionizing and non-ionizing radiation. The radiation safety program includes x-ray safety and for the purposes of this policy includes the laser safety program. These programs are documented as the Radiation Safety Manual and the Laser Safety Manual and outline the university's responsibility and oversight for the protection of personnel against the harmful effects of radiation.

"University Member" means any member of the Ontario Tech community who teaches, conducts research or works at or under the auspices of the University and includes any of the following:

• A person who is an employee of the university;
• Any person who is an appointee (including adjunct faculty, emeritus, a volunteer on research related committees and boards) of the University , or
• Student, post-doctoral fellows, visiting scholars, contractors, and any other research personnel while they are engaged in research or scholarly activities under supervision of a Member.

SCOPE AND AUTHORITY

3. This policy applies to all activities at the University involving ionizing and non-ionizing radiation and radiation emitting devices defined under this Policy.

4. The Vice-President Research and Innovation, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

5. On behalf of the Vice-President, Research and Innovation, the Radiation Safety Officer and the Radiation Safety Committee have the authority to immediately stop any use of ionizing and non-ionizing radiation sources and radiation emitting devices which deviates from the approved conditions set out in a Permit or is deemed to be in non-compliance with the applicable legislation and regulations and/or university policy or procedures as described under the Radiation Safety Program.

POLICY

The University is committed to protecting all University Members and the environment from any adverse effects resulting from the use of ionizing and non-ionizing radiation for research and scholarly activities at the University. To this end, the University will maintain a radiation safety program to ensure the safe use, storage, transfer and disposal of radiation and radioactive materials in compliance with all legislated requirements, University Policies and Procedures.

6. General

6.1. The University holds Licences from the Canadian Nuclear Safety Commission for the use of nuclear substances and radiation devices.

6.2. The University is registered with the Ministry of Labour for the use of x-ray devices on campus.

6.3. All procurement, use, storage, transfers, and disposal of these material/devices by a University Member under the auspices of the University is governed by the terms of the CNSC Licence(s) or MOL approval letter.

6.4. The University adheres to the safety standards outlined in the ANSI Standard for the Safe Use of Lasers for all laser equipment.

6.5. The University shall establish a Radiation Safety Program for workplace safety and regulatory compliance in accordance with CNSC requirements, the ANSI Standard and the X-Ray Safety Regulation. The internal responsibility system shall be fundamental to the effective operation of the Radiation Safety Program.

6.6. All research and scholarly activities at the University involving ionizing, non-ionizing and radiation emitting devices must be approved by the Radiation Safety Committee prior to any activities commencing.

6.7. Authorized Users are accountable for ensuring compliance with all relevant legislation, regulations, guidelines and University policies and procedures.

6.8. The University recognizes its responsibility to act with due diligence where ionizing, non-ionizing materials and radiation emitting devices are concerned.

6.9. The University shall only support work for which it is licensed to by the CNSC or approved for by the MOL.

6.10. All occupational exposures shall be limited in accordance with the ALARA (as Low As Reasonably Achievable) principle and within CNSC and MOL prescribed dose limits.

6.11. University Members who, on reasonable grounds, believe that a University place or vehicle is contaminated in excess of the prescribed limit by a radioactive prescribed substance, or an event has occurred that is likely to result in the exposure of persons or the environment to a dose of radiation in excess of prescribed limits, shall immediately notify the Radiation Safety Officer and appropriate authorities about the location and circumstances of the contamination or event.

7. Non-Compliance

7.1. All members of the University community are subject to the requirements of this policy. Violations place the University at significant risk and are subject to appropriate corrective administrative, academic or non-academic discipline and could result in disciplinary action up to and including termination of the member's position with the University, or in the case of a student, an academic suspension. Any disciplinary action arising from a violation of this policy will be conducted in accordance with the collective agreement that governs the member, if applicable. Significant legal penalties may also be assessed by the Canadian Nuclear Safety Commission under the authority of the Nuclear Safety and Control Act and Regulations or the Ontario Ministry of labour under the authority of the Ontario Occupational Health and Safety Act and X-Ray Safety Regulation.

MONITORING AND REVIEW

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

RELEVANT LEGISLATION

9. Nuclear Safety and Control Act

Regulations under the Nuclear Safety and Control Act

Occupational Health and Safety Act

R.R.O. 1990, Reg. 861 X-Ray Safety

Healing Arts and Radiation Protection Act and Regulations

R.R.O 1990, Reg. 543 X-Ray Safety Code

Radiation Emitting Devices Act

RELATED POLICIES, PROCEDURES & DOCUMENTS

10. Ontario Tech Health and Safety Policy

Ontario Tech Radiation Safety Manual

Procurement Policy and Procedures

CNSC Licenses issued to the University Of Ontario Institute Of Technology

CNSC Regulatory Guidance Documents

ANSI Standard for the Safe Use of Lasers

MOL X-Ray Permits issued to the University Of Ontario Institute Of Technology

Safety Code 34. Radiation Protection and Safety for Industrial X-Ray Equipment

OntarioTech
UNIVERSITY

BOARD OF GOVERNORS
Audit & Finance Committee

Minutes of the Public Session of the Meeting of Wednesday, February 17, 2021
2:00 – 3:15 p.m., Videoconference

Members:	Laura Elliott (Chair), Stephanie Chow, Mitch Frazer, Dale MacMillan, Steven Murphy, Dietmar Reiner, Roger Thompson
Staff:	Jamie Bruno, Becky Dinwoodie, Cheryl Foy, Lori Livingston, Brad MacIsaac, Susan McGovern, Pamela Onsiong, Les Jacobs
Guests:	Shay Babb, Chelsea Bauer (FA), Mike Eklund (FA), Jenn Freeman, Christine McLaughlin (FA), Niall O'Halloran

1. Call to Order

The Chair called the meeting to order at 2:05 p.m.

2. Agenda

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

3. Conflict of Interest Declaration

None.

4. Chair's Remarks

The Chair noted that this is the time of year that people normally struggle with mental health due to the ongoing cold weather and dark days, which has been heightened by the pandemic. She encouraged everyone to prioritize their mental health, perhaps by participating in the Chancellor's Challenge. The Chair thanked the Chancellor for raising funds for our students while also promoting being active. The Chair also noted that the Agenda was structured to make time for strategic discussion and encouraged committee members to actively participate in the discussions.

5. President's Remarks

The President advised that members of the senior leadership team have been paired with a specific Board committee, which will help with the development of committee meeting agendas, with an increased focus on strategic priorities.

The President discussed the limited levers available to increase revenue for universities. He reminded the committee that in terms of real dollars, the amount of government grant has been declining since the early 2000's. The provincial government implemented a 10% tuition cut, followed by a tuition freeze. This leaves the university with little flexibility to handle increased costs. Further, the university has incurred increased costs transitioning due to COVID and has lost revenue from ancillary services. When we think about the future, the focus will be on two key priorities:

1. enhancing our technological platforms and infrastructure/learning reimagined; and

2. student recruitment.

The President shared that they are observing a robust interest in postsecondary education, but a nuanced one. Students are being drawn to the more well known institutions (e.g. Western, Queen's, Waterloo, UofT). Over the past year, several of the larger, more established insitutions have been lowering their entrance averages in order to accept more students, which has had a negative effect on the enrolment at smaller, lesser known institutions. This highlights the importance of differentiating the university from other institutions and emphasizing our value proposition.

The President reminded the committee that the university's revenues are increasing at a lower rate than labour costs. He confirmed that the senior leadership team has been examining the facts of the Laurentian situation, from which there are valuable lessons to be learned by the sector. There is also some concern about third and fourth waves of the pandemic and the repercussions on employment across the GTA, which can cause challenges for our students.

The Chair noted that Laurentian is top of mind since it has been in the media the past few weeks.

6. Strategic Discussion: Fiscal Sustainability

The Chair started the discussion by referencing the two priorities identified by the President. She commented that when money is tight, it is important to focus on the institution's priorities. In response to a question about whether learning reimagined would be program based, L. Livingston responded that learning reimagined involves considering the future of learning. The university is already considering tech pilots. We understand that there will be a portion of students that would like to be on campus and others who will continue to stay home. We are looking at bringing both of those groups to the classroom. With respect to creating a sticky campus, the university will also be investing in increasing advising resources, restructuring advising teams, professional development of advisors, and student success programming of LEAP and UPrep programs.

Overall, the university's financial picture is looking healthy. A committee member commended the senior leadership team for the actions that were taken - great planning has kept the university in a good place. B. MacIsaac noted that the 2021-2022 budget is being developed based on the assumption that the university's buildings will be fully occupied in September. If there are savings there, the funds will be used to offset those places that are being run.

There was a discussion regarding the effects of the pandemic on enrolment in community colleges. Based on the news, colleges have generally taken a larger hit than universities. People in college are not seeing job prospects right away and are considering furthering their education. It is anticipated that there will be an increase in mature students and college graduates next year.

A member asked what keeps the VP, Administration up at night. B. MacIsaac responded that it is the difficult choices that must be made. He noted that the university's revenues are $2m less than 2019 and salaries are $6m more. It is difficult to balance competing priorities, while helping make things happen.

In the context of the SMA3, there was a discussion about the impact of the new funding model. B. MacIsaac confirmed that the SMA3 will have ten indicators, each one having its own formula for setting a target. He advised that when looking at most of the indicators, he is comfortable with 70% of them when looking two-years out. Work is continuing on how to count in-course experiential learning. They are also continuing to look at new programmings, offering shorter courses (undergraduate diplomas), and innovative ways to improve graduation rates.

There was a discussion about the opportunities for national and international partnerships. There was also a discussion about what steps the senior leadership is taking to "pandemic proof" the university. B. MacIsaac advised that improvements to technology and supporting the community in becoming more adept at technology platforms will help the university going forward. He also noted that the Registrar is in tune with domestic and international recruitment opportunities and is ensuring there is rigour attached to international opportunities. The univeristy is looking to increase the number of international students next year.

A member commented that this is the best time to be part of Ontario Tech as the rebranding has put the university in a position to take advantage of these opportunities and has accelerated the university's mission. There was also support expressed for focusing on key priorities. The member also commented that lowering entrance averages and accepting more students is not a winning strategy. Our university will be the university that every institution aspires to be in about 10 years.

The committee also had a discussion about the reserves set aside for deferred maintenance. It is important to think about the quality of the university's facilities in light

of the sticky campus priority. The university is in a good position to weather lesser investment in deferred maintenance at this time. It will be important for the Board to continue to monitor the costs of deferred maintenance every year. B. MacIsaac confirmed that last year there was no money set aside for reserves and they are not planning to do so next year. They will come to the board with a pro-rated increase to reestablish reserves in 2023 and onward. The investment in students will pay large dividends in the end.

7.   Finance

7.1.   Third Quarter Financial Reports & 2021-2022 Budget Update

P. Onsiong reviewed the third quarter financial reports, which were included in the meeting material. She highlighted the investments made in technology, student recruitment, and ACE. Any surplus will be reviewed and a recommendation will be made with respect to whether to set aside reserves at the committee's April meeting. P. Onsiong responded to questions from the committee.

8.   Investment Committee Oversight

8.1.   Quarterly Report

S. Chow delivered the Investment Committee's quarterly report. The portfolio's performance was 1% above benchmark for the last quarter and is just above $31m. She reported on PH&N's annual ESG report and provided an overview of PH&N's ESG approach to investment. S. Chow advised that the Investment Committee had a robust discussion regarding the investment strategy, including the structure of the Statement of Investment Policies and Asset Class Management Strategy. The Investment Committee will continue their review with the goal of providing additional flexibility to the university's investment manager.

9.   Project Updates – questions only

Written project updates were included in the committee's meeting material and B. MacIsaac responded to questions from the committee. He advised that with the anticipated ACE overrun, there will be some increase to the project costs. He informed the committee that instead of having the integration team from the US come up to complete the work, they are working on an innovative approach to do a virtual integration with the assistance of a local company. They are also looking at other ways of addressing the increased costs and will return to the committee with a better estimate of costs at the next meeting.

10.   Consent Agenda:

Upon a motion duly made by D. Reiner and seconded by S. Chow, the Consent Agenda was approved as presented.

    10.1.   **Minutes of Public Session of Meeting of June 19, 2020**

    10.2.   **Compliance Policy**

11.   **Written Consultation**

The Chair thanked C. Foy and the senior leadership team for working to streamline committee meetings by including items for written consultation. The Chair asked the committee members to review the policy documents from an oversight perspective as opposed to wordsmithing. She encouraged members to send their feedback to B. Dinwoodie, who will forward their comments on to the policy owners.

    11.1.   **Controlled Goods Policy**

    11.2.   **Radiation Safety Policy**

12.   **For Information:**

    12.1.   **Credit Rating Update**

    12.2.   **Risk, Compliance & Policy Updates**

    12.3.   **Fiscal Blueprint 2021-2022**

13.   **Other Business**

14.   **Adjournment**

Upon a motion duly made by D. Reiner, the meeting adjourned at 3:07 p.m.

Becky Dinwoodie, Secretary

COMMITTEE REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☐
Non-Public	☐	**Discussion/Direction**	☐
		Information	☒

TO: **Audit & Finance Committee**

DATE: **April 14, 2021**

FROM: **Cheryl Foy, University Secretary and General Counsel**

SUBJECT: **Risk Management Update**

Risk Management Update

The Annual Risk Register review is underway. Common themes arising from these discussions with Risk Owners include risks associated with the management of employee and student mental health, international travel, and cybersecurity. Our observation is that COVID-19 is a key factor in elevating these risks.

While the previous Provost elected not to create a separate risk register at her level, recognizing that there are risks common across academic units, Dr. Livingston sees value in a separate Provost's risk register. A 2019 Risk Management survey of the Deans identified operational risks that should have oversight by the Provost. The results of this survey have been used to draft the Provost's first draft Operational Risk Register.

The Director of Risk Management is actively involved in COVID-19 risk management activities.

Insurance:

As previously reported, the insurance industry has entered a challenging market, which has resulted in premium increases, coverage limitations, exclusions, and increased restrictions. The University is currently working through the 2021-22 insurance policy renewal. The policy quotes received over the last few weeks are beginning to paint a clear picture of the university's degree of financial risk. We will have a better understanding of our total exposure after the May renewal has concluded.

Insurers are actively limiting their liability arising from COVID-19. This means that the university, like all other organizations, has virtually no coverage for liability arising from COVID-19. This is understood within our community and we are taking measures to manage risk associated with COVID-19.

COMMITTEE REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☐
Non-Public	☐	**Discussion/Direction**	☐
		Information	☒

TO: **Audit & Finance Committee**

DATE: **April 14, 2021**

FROM: **Cheryl Foy, University Secretary and General Counsel**

SUBJECT: **Compliance Update**

COMMITTEE MANDATE:
- The Audit and Finance Committee is responsible for overseeing university compliance, risk management, and other internal control functions at the university.
- This oversight includes receiving regular reports from management on areas of significant risk to the university including regulatory matters, as well as policy development and approvals at the university, in accordance with the Policy Framework.

BACKGROUND/CONTEXT & RATIONALE:

- The purpose of this report is to provide the committee with an update on the status of compliance, risk and policy development activity being undertaken by the Office of the University Secretary and General Counsel (USGC).

Compliance Update

Ethics & Compliance:

The Compliance Office is developing tools and procedures to support the roll out of the Ethical Conduct Policy and Compliance Policy, both of which were approved by the Board earlier this year.

Accessibility:

The Compliance Office is leading a cross-functional compliance initiative with the *Accessibility for Ontarians with Disabilities Act* (AODA). The Accessibility Working Group members have established subcommittees to address and meet the accessibility commitments outlined in the University's Multi-Year Accessibility Plan 2020-2025. The Teaching & Learning Centre is leading a training subcommittee to identify and address opportunities to enhance employee and educator accessibility training. Provincial grant funding has been sought and received to support the development and implementation of institutional e-training initiatives.

As a designated public sector institution, the University is required to report on its progress in relation to the Ontario Tech University Multi-Year Accessibility Plan 2020-2025. The university's Annual Status Report will be reporting on the period from May 1, 2020-April 30, 2021. A draft of the Annual Status Report has been sent to the Accessibility Working Group for review and feedback.

The university will be required to report on its compliance with *the Accessibility for Ontarians with Disabilities Act* and regulations on or before December 31 2021. Check-ins have been scheduled with various stakeholders to commence the completion of same.

Copyright:

The Compliance Office has established a multi-year plan to enhance copyright compliance and awareness. The Copyright Advisory Committee is addressing copyright compliance through three (3) subcommittees including the copyright policy, copyright training and intellectual property protection committees.

Information Governance:

The University Secretary and General Counsel has undertaken to lead a cross-functional project to address the governance of information at the university. This exercise supports Tech with a Conscience. A road map is currently under development that will address information management, privacy, cybersecurity and information security risks.

Occupational Health & Safety Act Compliance Review:

The internal review of the university's compliance with the *Occupational Health & Safety Act* is continuing.

Controlled Goods:

The Controlled Goods Policy is being presented to the Audit and Finance Committee for recommendation at today's meeting and will be presented to the Board for approval on April 22. Compliance, ORS and ACE are continuing to work together to build out the institutional controlled goods program.

COMMITTEE REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	Decision	☐
Non-Public	☐	Discussion/Direction	☐
		Information	☒

TO: **Audit & Finance Committee**

DATE: **April 6, 2021**

FROM: **Cheryl Foy, University Secretary and General Counsel**

SUBJECT: **Policy and Privacy Update**

COMMITTEE MANDATE:
- The Audit and Finance Committee is responsible for overseeing risk management, and other internal systems and control functions at the university.
- This oversight includes receiving regular reports from management on areas of significant risk to the university including regulatory matters, as well as policy development and approvals at the university, in accordance with the Policy Framework.

BACKGROUND/CONTEXT & RATIONALE:
- The purpose of this report is to provide the committee with an update on the status of policy development and privacy compliance activity being undertaken by the Office of the University Secretary and General Counsel (USGC).

Policy Update

- The USGC continues to support a variety of policy projects, including supporting the amendment of the Signing Authority Policy and Register. The USGC has developed draft policy instruments to give direction around signing authorities for agreements that do not involve expenditures. Consultation on the draft documents is ongoing and we expect modifications to the drafts to reflect community comments.
- The USGC will be undertaking a review of the Policy Framework over the next several months. We will identify any lessons learned in the previous six years of the Policy Framework. We will also examine approval paths to ensure they

continue to support the framework's goals of effective and consistent practice in the development and administration of university policy instruments.

- The USGC expects the following instruments to advance to deliberation and approval steps before the end of this board year:
  - Accommodation Policy
  - Respectful Campus Policy and Harassment and Discrimination Procedures
  - Controlled Goods Policy
- A total of 7 Policy Instruments have been approved from February 1, 2021 to April 1, 2021. A complete list of Policy Instrument approvals has been included as Schedule A.

Privacy Update

- The USGC is reviewing processes around privacy breach handling and the intersection with cybersecurity incidents. The goal is to formalize the process that the Privacy Office undertakes to support any FIPPA compliance obligations related to privacy breaches and/or cybersecurity incidents.
- The USGC is developing a written process around Privacy Impact Assessments of new technology/software projects at the university. This will help ensure a consistent project review and allow the Privacy Office to better support the university in maintaining FIPPA compliance.
- We are providing updated reporting on FIPPA compliance activities for the Calendar year 2021 to date with a comparison to the previous three years:

TABLE 3: Privacy Activity by year, calendar year 2018-2020

Category	Calendar year 2018	Calendar year 2019	Calendar year 2020	Calendar year 2021 YTD
Requests for personal information	11	9	4	3
Requests for general information	3	3	3	0
Informal Requests resolved by USGC	3	9	7	5
3rd party notifications	2	1	3	1
Privacy Impact Assessments	-	-	9	1 *complete* 6 *requested*

Breaches investigated	11	16	8	6

SUPPORTING DOCUMENTS:

- Schedule A List of Policy Instrument approvals

Schedule A: Policy Instrument Approvals

February 1 to April 1, 2021

- Compliance Policy (Board approved February 25, 2021)
- COVID-19 Face Coverings Directive (Provost approved March 22, 2021)
- Doctoral Candidacy Examination Policy (AC approved February 23, 2021)
- Graduate Project or Major Paper Evaluation Policy (AC approved February 23, 2021)
- Graduate Student Supervisory Committee Policy (AC approved February 23, 2021)
- Graduate Submission of Thesis, Project or Major Paper Policy (AC approved February 23, 2021)
- Thesis Oral Examination for Master's and Doctoral Candidates (AC February 23, 2021)

New Building Project

Monthly Project Update
MARCH 2021

New Building Update

Construction Achievements (31 March 2021)

- Building Energized

- Chiller units delivered and installed

- Boarding and taping works at 1F-2F completed, on going at 3F

- First coat painting at 1F completed, on-going at 2F

- Fire protection system at 2F-3F completed, on-going at 4F

- Electro-mechanical rough-in at LL-2F completed, on-going 3F-5F

- Partition framing progressing at 4F

- Spray foam insulation at 3F-4F completed, on-going at 5F

- Curtain wall caulking and capping in progress

- Mechanical equipment installation at LL & 5F on going

- Waterproofing at 2F & upper roof completed, on going at main roof

- Exterior insulation & metal cladding on going

- Elevator installation commenced

Northeast Elevation

South Elevation

East Elevation

← Above ceiling installation at 3F

Electrical Room at 3F →

← Chiller installed at LL

Drywall at 2F →

← Roof waterproofing

Staircases at atrium 1F-2F →

← Metal cladding at cooling tower

Classroom ceiling at LL →

Forecast Schedule

April 2021 Plan

- Equipment and piping installation continues at LL & 5F mechanical rooms
- Electro-mechanical installation continues
- Partition and painting works continues
- Exterior metal wall cladding continues
- Curtain wall accessories installation continues
- Elevator installation continues
- Roof waterproofing works completion
- Procurement of owner's furnishing & equipment
- Continue samples and shop drawings submittals and RFI responses
- Re-submit SPA amendments related to landscaping

Overview

- Building occupancy anticipated to be end August 2021
- Baseline schedule is currently on track
- Productivity are being monitored during this covid-19 situation

Health & Safety Report

❑ MOL conducted site inspection on 15 June 2020 reported no non-compliance with the new norm

❑ Mandatory wearing of face mask implemented inside enclosed space

❑ On December 15, 2020, accident occurred at the construction site resulting to one fatality from the precast erection team. Police & MOL conducted investigations on December 15, 16, 17 & 18, 2020. The site was closed down in the afternoon of December 15 and the day of Dec 16. The work was resumed on Dec 17 under the MOL approval. **MOL still conducting its investigation.**

❑ **No covid-19 case identified and incident to report this period**
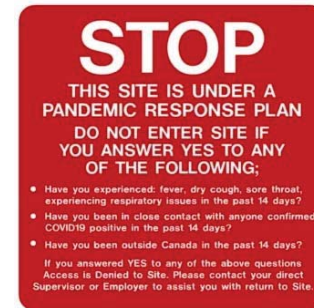
Change Control:

- Change Order #3 cash allowance increase for inspection and testing, $14K
- 4 potential change orders under evaluation

Procurement Summary:

- Exterior illuminated signage, award process on going
- Furniture, cost established per end user selection, purchase order on going
- White boards, quotes under evaluation
- Telephone and IT procurement commenced

Financial Summary:

- Total committed donations to date $498,180
- Total committed amount to date $45.06M
- Total project cash outflow to date $27.75M
- Breakdown of Sources and Uses of funds next slide

A&F Roll up Financial Summary as of 31 March 2021

PROJECT FINANCIAL SUMMARY REPORT FOR MONTH ENDING	**MARCH 2021**					
Sources of Funds - Cash flow						
	Total Funding	**Commited Todate**	**Actual YTD Mar 2021**	**Mar 2021**	**Required Funding till Completion**	**See Notes**
Ontario Tech	$ 48,000,000	$ 47,501,820	$ 27,291,068	$ 1,552,760	$ 47,501,820	
Business Enterprises		$ 250,000	$ 217,500	$ 32,500	$ 250,000	
Foundations		$ 195,000	$ 195,000	$ -	$ 195,000	
Individuals		$ 53,180	$ 51,620	$ 120	$ 53,180	
		$ -	$ -		$ -	
Totals	$ 48,000,000	$ 48,000,000	$ 27,755,188	$ 1,585,380	$ 48,000,000	
Uses of Funds - Cash flow						
Description	**Total Budget**	**Commited Todate**	**Actual YTD Mar 2021**	**Mar 2021**	**Estimate at Completion**	
GMP Contract	$ 39,996,403	$ 40,187,366	$ 24,432,446	$ 1,565,416	$ 40,187,366	
FF&E	$ 3,246,505	$ 758,929	$ 506	$ -	$ 3,246,505	
Soft Cost	$ 1,940,732	$ 1,690,527	$ 1,284,364	19,964	$ 1,865,477	
Portable Relocation	$ 1,738,512	$ 1,739,350	$ 1,721,058	$ -	$ 2,326,758	
New Parking (50% sharing)	$ 327,848	$ 327,848	$ 316,815	$ -	$ 316,815	
Contingencies	$ 750,000	$ 353,313	$ 353,313		$ 57,080.14	
Totals	$ 48,000,000	$ 45,057,333	$ 27,755,188	$ 1,585,380	$ 48,000,000	

OntarioTech
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COMMITTEE/BOARD REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	Decision	☐
Non-Public	☐	Discussion/Direction	☐
		Information	☒

Financial Impact ☐ Yes ☒ No   **Included in Budget** ☒ Yes ☐ No

TO: Audit and Finance Committee (A&F)

DATE: April 9, 2021

PRESENTED BY: Les Jacobs, VP, Research and Innovation

SUBJECT: Autonomous Vehicle Innovation Network (AVIN) Update

COMMITTEE/BOARD MANDATE:

In accordance with its Terms of Reference, A&F is responsible for overseeing the financial affairs of the university, which includes ensuring fiscal responsibility and providing oversight for major capital projects, auxiliary operations, and structures.

We are providing the committee with an update on the status of the AVIN Program at Ontario Tech University

BACKGROUND/CONTEXT & RATIONALE:

Announced in the 2017 Ontario Budget, AVIN is an $80-million, five-year investment, delivered by the Ontario Centre of Innovation (previously the Ontario Centres of Excellence) to support Ontario's continued leadership in Autonomous Vehicle Innovation.

The AVIN program is proceeding as planned. All of the planned infrastructure investments were completed in calendar year 2019.

Investments in new Autonomous Vehicle R&D Capabilities through $5M in AVIN Funding for Technology Development Site:
Infrastructure
- EV Charging/Microgrid Test Bed

- Simulated Automotive Wireless Environment
- Software Validation and Certification
- Data Storage, Real Time Analysis and Visualization
- Fabrication Space
- ACE Innovation Garage

Services
- Business and Technical Advisory Services
- Programming for Entrepreneurs and SMEs
- Full time technical staff

The project remains on track to meet the forecast budget ("Services") for the remaining year of the AVIN project which concludes March 31, 2022.

The Province announced the launch of a new program called the Ontario Vehicle Innovation Network (OVIN) to replace AVIN with a commitment of $56 million in the 2021 Budget. The focus of OVIN is on electric vehicles. The opportunities for Ontario Tech through this new program will be communicated once the Province releases more information and details.

RESOURCES REQUIRED:

No additional resources required. We will closely monitor any changes to each project due to COVID restrictions.

CONSULTATION:

Ongoing consultations take place with VP Research and Innovation, ACE Management, the partners in AVIN's Durham activities (SPARK Centre and Durham College) along with the Ontario Centre of Innovation who administer the AVIN funding program.

NEXT STEPS:

An update will be provided at the next meeting of A&F.

SUPPORTING REFERENCE MATERIALS:
- None attached for this update