

Wednesday, October 5, 2016

4:20 p.m. to 6:00 p.m.

North Campus, ERC 3023

Toll-Free: 1-877-385-4099 Participant Passcode: 1028954#

Members: Miles Goacher (Chair), Nigel Allen, Doug Allingham, Jeremy Bradbury, Adele Imrie, Tim McTiernan, Mary Simpson, Laurie Swami

Staff: Kay Ali, Becky Dinwoodie, Craig Elliott, Cheryl Foy, Susan McGovern, Pamela Onsiong, Michael Owen, Deborah Saucier, Christine White-Yeung

AGENDA

No.	Topic	Lead	Allocated Time	Suggested End Time
1	Call to Order	Chair	1	
2	Agenda (M)	Chair	1	
3	Conflict of Interest Declaration	Chair	1	
4	Approval of Minutes of Meeting of June 20, 2016* (M)	Chair	2	
5	Chair's Remarks	Chair	5	4:30 p.m.
6	Finance		30	
6.1	First Quarter Financial Reports* (U)	P. Onsiong		
6.2	Enrolment* (U)(P)	C. Elliott/ B. Maclsaac		
6.3	Banner Payroll Project* (U)	C. White-Yeung		
6.4	Travel & Expense Management Project* (U)	K. Ali		5:00 p.m.
7	Investment Committee Oversight			
7.1	Investment Committee Quarterly Report (U)	N. Allen	10	5:10 p.m.
8	Compliance & Policy			
8.1	Risk Management (U)(P)	C. Foy	10	5:20 p.m.
8.2	Compliance (U)(P)	C. Foy	10	5:30 p.m.
8.3	Policy Against Violence, Sexual Violence, Harassment and Discrimination* (U)	C. Foy	10	5:40 p.m.
9	SIRC Building Construction Project (U)(P)		15	5:55 p.m.
10	Other Business	Chair	3	
11	Termination (M)	Chair	2	6:00 p.m.
	M - Motion			
	P - Presentation			
	U - Update			
	* Documents attached			



**BOARD OF GOVERNORS
AUDIT & FINANCE COMMITTEE**

**MINUTES OF THE MEETING OF JUNE 20, 2016
3:55 p.m. to 5:00 p.m., ERC 3023
PUBLIC SESSION**

Attendees: Adele Imrie (Chair), Nigel Allen (*via teleconference*), Doug Allingham, Jeremy Bradbury, Miles Goacher, Tim McTiernan, Glenna Raymond, Mary Simpson, Laurie Swami

Staff: Becky Dinwoodie, Greg Edwards, Craig Elliott, Susan McGovern, Pamela Onsiang, Deb Saucier, Elaine Wannamaker

1. Call to Order

The Chair called the meeting to order at 3:57 p.m.

2. Agenda

The Agenda was approved as presented.

3. Conflict of Interest Declaration

There were none.

4. Chair's Remarks

The Chair confirmed that the fourth quarter management statements would be presented at the meeting, including a comparison to the GAAP financial statements. She remarked that the University showed strong results for the year.

5. Approval of Minutes of Meetings of April 6 & 13, 2016

Upon a motion duly made by D. Allingham and seconded by M. Simpson, the Minutes were approved as presented.

6. Financial

6.1 Fourth Quarter Management Reporting

The Chair introduced P. Onsiong to review the fourth quarter management reports. She highlighted the upside of nearly \$800,000 on the revenue side and general underspending on the administrative side. She explained the reconciliation of management reporting to GAAP reporting and identified the items for which they adjust. A. Imrie thanked P. Onsiong for the comprehensive notes included in the financials.

7. Investment Committee Oversight

7.1 Investment Committee Quarterly Report

M. Goacher delivered the Investment Committee's quarterly report. As of March 31st, the University had approximately \$19.8M in endowed funds. The return is sitting at 6.2% for the past 5 years. He confirmed that the asset allocation is in line with where the Committee wants it to be. He also reported on the PH&N Investor Seminar. The seminar helped confirm that the University is on the right track with respect to its portfolio.

7.2 Responsible Investment Policy

M. Goacher discussed the recent media attention given to university ESG (Environmental, Social, and Governance) policies, including the policy implemented by the University of Toronto. He presented the proposed amendments to the University's Statement of Investment Policies, which incorporate ESG investing principles.

There was a discussion regarding what ESG actually means and how it is guiding institutions' investing. C. Foy clarified that ESG differs from divestment – it ensures that the University takes ESG factors into consideration in their investment decisions. She confirmed that PH&N is in compliance with the proposed amendments to the SIP as they are UNPRI signatories.

It was clarified that the proposed amendments do not affect the University's donation policy. It was suggested that the donation policy be reviewed, as well. T. McTiernan advised that there are research activities in which the University would not engage.

Upon a motion duly made by M. Goacher and seconded by T. McTiernan, pursuant to the recommendation of the Investment Committee, the Audit & Finance Committee recommended the Statement of Investment Policies, as presented, to the Board of Governors for approval.

Upon a motion duly made by M. Goacher and seconded by A. Imrie, pursuant to the recommendation of the Investment Committee, the Audit & Finance Committee recommended the Investment Committee Terms of Reference, as presented, to the Board of Governors for approval.

8. Governance

8.1 Violence, Harassment and Related Policies Framework

The Chair invited C. Foy to speak to the Violence, Harassment and related policies framework. C. Foy advised that the legislative deadlines have been pushed back. This will provide the University with an opportunity to create one overarching anti-violence policy that will guide the underlying policies and procedures. There was a discussion as to whether the policy should refer explicitly to sexual violence in its title.

8.2 Annual Policy Review and Compliance Update

C. Foy presented the third annual policy review and compliance update. The University is a year into the implementation of the Policy Framework and it has been a very busy year. She provided an overview of the policy instruments that her team has been involved with during the past year. There is a lot of activity within the framework.

She advised that work is continuing on the By-law Review Project, which falls under the jurisdiction of the Governance, Nominations & Human Resources Committee. Also, the University is transitioning from an Administrative Code to a Policy Library and developing online resources to help the University community navigate the policies. In the upcoming year, a review will be undertaken to assess how the Policy Framework is working.

There has been an increase in the number of access to information requests. C. Foy confirmed that the University can charge third parties for their requests, but cannot charge students for access to their own information. She reviewed the privacy compliance objectives for the next year. We are in good shape with respect to educating people with respect to privacy compliance.

C. Foy updated the Committee with respect to the Records Management developments over the past year. Her team has started training sessions on the retention schedule and 43 individuals have been trained, so far. She also presented the objectives for Records Management in 2016-17. Legal Suite, contract management software, is being rolled out and the process started with Research Services, being the biggest generator of contracts. There are close to 300 instruments in the data base, so far. Her team also continues to develop contract templates for use by the University community.

She advised that there is no formal process in place for ensuring compliance with the other regulatory requirements not listed in the presentation. Compliance data was collected during the risk register process and will be used as the foundation for a compliance project. C. Foy advised that there will be a delay in implementing a formal compliance project due to a lack of resources. There was a discussion regarding which area will be the focus for 2016-17 (e.g. Sexual Violence Policy). T. McTiernan advised that there is a host of other items for which the University must report on compliance but the information is not aggregated in one place. G. Raymond noted the reporting requirements for other sectors and their need to obtain the Board's sign off on compliance attestations.

9. Other Business

There was none.

10. Termination (M)

Upon a motion duly made by D. Allingham and seconded by A. Imrie, the public session of the meeting terminated at 4:39 p.m.

DRAFT

**Financial Update
Report to the Audit and Finance Committee
For the quarter ending June 30, 2016**

October 5, 2016

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Financial Update – Report to Audit and Finance Committee – Oct 5, 2016
For the quarter ending June 30, 2016
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Consolidated Financial Statements of

**UNIVERSITY OF ONTARIO
INSTITUTE OF TECHNOLOGY**

For the quarter ending June 30, 2016

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Financial Position
As at June 30, 2016

	<u>Jun 30, 2016</u>	<u>Jun 30, 2015</u>	<u>YOY Variance</u>
ASSETS			
CURRENT			
Cash and cash equivalents	\$ 20,719,267	\$ 8,920,821	\$ 11,798,446
Short-Term Investments	10,170,000	10,000,000	170,000
Grant receivable	5,669,802	7,131,271	(1,461,468)
Other accounts receivable	18,521,121	14,798,849	3,722,273
Bookstore Inventories	217,987	383,770	(165,784)
Prepaid expenses and deposits	1,952,990	2,164,570	(211,580)
	<u>57,251,166</u>	<u>43,399,280</u>	<u>13,851,887</u>
INVESTMENTS	28,991,512	33,908,530	(4,917,018)
CAPITAL ASSETS	391,815,726	409,304,427	(17,488,701)
TOTAL ASSETS	<u>\$ 478,058,405</u>	<u>\$ 486,612,237</u>	<u>\$ (8,553,832)</u>
LIABILITIES			
CURRENT AND LONG-TERM LIABILITIES			
Accounts payable and accrued liabilities	15,623,845	14,796,608	827,238
Deferred revenue	28,825,923	26,498,630	2,327,293
	<u>44,449,768</u>	<u>41,295,238</u>	<u>3,154,531</u>
LONG TERM DEBT	9,294,442	14,602,300	(5,307,858)
OBLIGATIONS UNDER CAPITAL LEASE	39,011,172	39,132,515	(121,344)
DEBENTURE DEBT	178,096,238	183,049,200	(4,952,962)
DEFERRED CAPITAL CONTRIBUTIONS	160,130,000	167,897,123	(7,767,123)
	<u>430,981,620</u>	<u>445,976,378</u>	<u>(14,994,758)</u>
Net Assets			
NET ASSETS, excluding current year surplus	29,128,143	26,645,443	2,482,701
ENDOWMENTS	18,265,640	16,292,473	1,973,168
CURRENT YEAR (DEFICIT) / SURPLUS	(316,999)	(2,302,057)	1,985,058
	<u>47,076,785</u>	<u>40,635,859</u>	<u>6,440,926</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 478,058,405</u>	<u>\$ 486,612,237</u>	<u>\$ (8,553,832)</u>

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Operations
For the 3 months ending June 30, 2016

	<u>Jun 30, 2016</u>	<u>Jun 30, 2015</u>	<u>YOY Variance</u>
REVENUE			
Grants - operating & research	\$ 16,634,508	\$ 16,180,768	\$ 453,740
Grant - debenture	6,750,000	6,750,000	-
Donations - operating & research	215,922	355,303	(139,381)
Student tuition fees	11,804,381	10,906,952	897,429
Student ancillary fees	1,521,488	1,430,208	91,281
Revenue from purchased services	475,724	400,889	74,836
Other income	2,269,803	2,079,726	190,077
Amortization of deferred capital contributions	2,155,684	2,195,722	(40,038)
Interest revenue	134,998	41,170	93,828
Unrealized gain/(loss) on investments	465,061	(189,991)	655,052
	42,427,570	40,150,747	2,276,823
EXPENSES			
Salaries and benefits	23,889,892	23,141,590	748,302
Supplies and expenses	6,225,959	6,417,274	(191,315)
Purchased Services	2,433,449	2,418,175	15,273
Professional fees	152,103	356,906	(204,803)
Interest expense	3,732,647	3,823,589	(90,942)
Amortization of capital assets	5,986,016	6,296,012	(309,996)
Loss/(gain) on disposal of assets	324,504	(743)	325,247
	42,744,569	42,452,803	291,766
Excess of expenses over revenues	\$ (316,999)	\$ (2,302,057)	\$ 1,985,057

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Cash Flows
For the 3 months ending June 30, 2016

	<u>Jun 30, 2016</u>	<u>June 30, 2015</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of expenses over revenues	(316,999)	(2,302,057)
Items not affecting cash:		
Amortization of capital assets	5,986,016	6,296,012
Amortization of deferred capital contributions	(2,155,684)	(2,195,722)
Gain on disposal of assets	324,504	(743)
Unrealized gain/ (loss) on investments	465,061	189,991
	<u>4,302,898</u>	<u>1,987,481</u>
Working Capital		
Grant and other accounts receivable	(11,550,906)	(8,158,554)
Prepaid expenses and deposits	(251,312)	(574,206)
Inventories	(63,725)	(93,286)
Accounts payable and accrued liabilities	(8,316,695)	(10,466,510)
Deferred revenue	8,467,645	5,721,211
	<u>(7,412,095)</u>	<u>(11,583,864)</u>
INVESTING		
Purchase of capital assets	(615,022)	(813,208)
Investments	1,511,010	2,336,165
Endowment contributions	93,981	65,967
	<u>989,968</u>	<u>1,588,924</u>
FINANCING		
Repayment of long term debt	(5,088,446)	(4,782,124)
Repayment of obligations under capital leases	(79,154)	14,444
Deferred capital contributions	(0)	-
	<u>(5,167,600)</u>	<u>(4,767,681)</u>
NET CASH (OUTFLOW)	(11,589,727)	(14,762,621)
CASH BALANCE, BEGINNING OF YEAR	32,308,994	23,683,442
CASH BALANCE, END OF PERIOD	\$ 20,719,267	\$ 8,920,821

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

Cash and short-term investments increased \$12.0m over last year and is primarily due to under-spending of \$9.6m in the last budget year 2015 – 16 coupled with the transfer of \$1.1m of investments at BNY to GIC's at RBC Wealth Management.

Grant receivable balance of \$5.7m includes \$4.8m DC / UOIT Collaborative Nursing (CN) grant funded by the Ministry on a slip-year basis (PY bal. \$3.7m will be received in CY, and CY bal. \$1.1m received in next FY), and \$0.9m of external research grants, all of which are current. Decrease of \$1.5m over last year includes \$1.0m Georgian / UOIT CN grant which is now funded and received in-year (v/s slip-year funding in the PY) and \$0.5m decrease in research grants

Other accounts receivable includes student and trade receivables. The YOY increase of \$3.7m includes \$5.8m increase in student A/R due to the earlier start of registration in the current year, offset by decrease \$0.7m in bookstore credit notes due to more efficient ordering which has resulted in less books returned and hence less credit notes, and other variances none exceeding \$0.5m. Balance of \$18.5m includes \$17.0m of student A/R (of which \$2.5m relates to spring 2016 and prior and \$14.5m relates to the future fall 2016 and winter 2017 semesters).

Investment balance of \$29.0m is comprised of \$21.0m endowed funds held at PH&N and \$8.0m from MoF held in trust at BNY. The YOY decrease of \$4.9m since YE includes a decrease of \$6.0m investment at BNY (\$4.9m was used to repay the MoF loan in the last year, and \$1.1m transferred to RBC Wealth Management currently disclosed in cash and short-term investments), offset by an increase of \$1.0m in endowed funds (\$0.8m reclassified from internally restricted to endowed net assets in Q3 2015 relating to 2006 and 2007 graduate student fellowships, \$0.2m new donations, \$1.1m capital gains & investment income offset by \$0.7m in unrealised loss attributable to the deterioration in market conditions and \$0.4m bursary disbursements).

Capital assets decreased \$17.5m and include net new additions of \$2.0m in the last year (laptops \$4.2m offset by disposal \$7.0m, computer and other major equipment \$2.9m, building renovations \$1.5m, new SIRC building \$0.4m) offset by total accumulated depreciation of \$19.5m.

Liabilities

Deferred Revenue relate to revenues deferred to the following periods as these have not yet been earned at the end of the quarter, or will be recognised as revenue in the period in which related expenses are incurred. Increase of \$2.3m over last year includes \$3.5m of deferred tuition due to the earlier start of registration in the current year, offset by decrease of \$1.3m in deferred research relating to completion of research projects coupled with higher research capital expenses in the last 12 months and other immaterial variances.

Long term debt balance of \$9.3m includes \$8.1m of MoF loan. The YOY decrease of \$5.3m includes \$4.9m relating to the MoF loan repayment which is fully repayable in Oct 2017.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Contd.)

Debenture debt decrease of \$4.9m relates to the principal repayment and resulting draw-down of the debt in the last year. This debt will be fully paid in October 2034.

Deferred capital contributions decrease of \$7.8m includes grants received for capital projects of \$0.9m offset by total amortization expense of \$8.7m.

CONSOLIDATED STATEMENT OF OPERATIONS

Revenue

Total Revenue increased \$2.3m (5.6%) over last year, and includes \$0.9m increase in student tuition fees attributable to the YOY average increase of 3% in tuition fees, and \$0.7m increase in unrealized gain on investment due to improving equity market conditions in the current quarter.

Expenses

Total Expenses are flat over last year with offsetting increases / (decreases) in various expense lines. The most significant variance is a YOY increase of \$0.7m in salaries and benefits, mostly attributable to the impact of the annual salary increase on July 1, 2015.

FINANCIAL METRICS

The Ministry has adopted 5 financial metrics to assist with assessing university financial health and sustainability. These metrics will be included in the 2015 – 16 SMA (Strategic Mandate Agreement) report-back cycle to the Ministry in November 2016, at which time universities will be provided with the opportunity to comment on their respective 5 financial metrics.

The table below shows the financial metrics for the University for the last 3 fiscal years 2014, 2015, 2016 with a 2017 projection. Also included is the average comparator for fiscal year 2015 (latest published data). The average comparator includes the data for what is classified as “small” universities based on student FTE (‘Full-time equivalents’). The small sector universities comprise of 7 universities: Algoma, Lakehead, Laurentian, Nipissing, OCADU, Trent and UOIT.

FINANCIAL METRICS (Contd.)

Financial Metrics	Actual 2014	Actual 2015	Actual 2016	Forecast 2017	Average comparator 2015
Net Income/Loss Ratio (1)	6.0%	4.5%	1.7%	1.6%	-3.5%
Net Operating Revenues Ratio (2)	15.6%	11.1%	10.9%	10.8%	1.1%
Primary Reserve Ratio (days) (3)	-4	14	27	20	38
Interest Burden Ratio (4)	10.8%	10.0%	9.4%	9.1%	2.4%
(b) IBR w MTCU funding	2.7%	2.4%	2.2%	2.1%	n/a
Viability Ratio (5)	-0.9%	3.1%	6.4%	5.2%	23.3%

Financial Metrics Analysis

1. **Net Income / Loss** ratio - tracks the trend in UOIT’s net earnings.

UOIT continues to show a positive net earnings ratio and is favourable vis-à-vis the average comparator due to its surplus of revenues over expenses, mainly attributable to slight growth - stable enrolment coupled with savings as a result of open faculty positions and unused capital reserves that are subsequently internally-restricted at the end of the fiscal year.

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

UOIT continues to experience positive operating and working capital and this is reflected in a stable net operating revenues ratio. UOIT’s operating and working capital in fiscal year 2015 is \$21.4m versus an average of \$2.7m for the comparator universities.

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

This ratio has significantly improved over the last 3 fiscal years as Management continues to set aside and internally restrict operating surplus for future use (\$6.0m was internally restricted in FY 2015 and \$6.5m in FY 2016). The primary reserve ratio is forecast to decrease in 2016 – 17 as internally-restricted capital reserves are consumed to fund for the SIRC building.

4. **Interest Burden** ratio (“IBR”) – indicates UOIT debt affordability and the cost of servicing debt

UOIT’s interest burden is improving as it continues to pay back its long-term debt obligations without entering into any new debt. The cost of servicing UOIT’s debt is above the comparator due to its much higher debt obligations (\$51.9m average versus \$231.0 UOIT).

FINANCIAL METRICS (Contd.)

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

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

This ratio has improved as UOIT continues to show operating surplus coupled with reduced debt. UOIT is below the average comparator due to its much higher debt position (comparator average debt is \$51.9m versus \$231m for UOIT).

(1) Net Income/Loss Ratio

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

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

(2) Primary Reserve Ratio

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

Indicates UOIT’s financial strength and flexibility by determining how many days an institution could function using only its resources that can be expended without restrictions. Expendable Net Assets include: unrestricted surplus (deficit), internally restricted net assets and Endowments

(3) Net Operating Revenues Ratio

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

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

(4) Interest Burden Ratio

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

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

(5) Viability Ratio

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

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

II. 2016-17 Operating Summary (in '000 s) For the Quarter ending June 30, 2016

The table below shows the variance of actuals vs budget for the 3 months to June 30, 2016

April 1, 2016 - March 31, 2017				
	Total Quarterly Budget	Total Quarterly Actuals	Fav. (Unfav.) Variance to Budget \$ / %	
Revenue				
Grants	21,325	20,800	(525)	-2%
Tuitions	11,510	11,859	349	3%
Student Ancillary	1,962	1,534	(428)	-22%
Other	3,000	3,378	378	13%
Total Revenue	\$ 37,797	\$ 37,571	\$ (226)	-1%
Expenditures				
Academic/ACRU	15,258	15,164	93	1%
Academic Support	6,347	6,484	(137)	-2%
Administrative	6,672	5,782	890	13%
Total UOIT Pure	\$ 28,277	\$ 27,430	\$ 846	3%
Purchased Services	2,670	2,594	76	3%
Total Ancillary/Commercial	1,366	1,477	(111)	-8%
Total Other Expenses	2,969	2,822	148	5%
Total Operating Expenses	\$ 35,282	\$ 34,323	959	3%
Net Contribution from Operations	\$ 2,516	\$ 3,249	\$ 733	29%
Note Disclosure:				
Capital Expenses funded from Operations	540	224	316	59%
Lease & Debenture Principal Repayments	2,658	2,618	40	2%
(Gain) / Loss on sale of laptops	(129)	325	(454)	351%
Capital Expenses funded from Reserves	-	336	(336)	0%
Net Cash Inflow/(Outflow)	\$ (553)	\$ (252)	\$ (301)	54%

Reconciliation to Y/E GAAP FS:

Net contribution from Operations	\$ 3,249
Items not budgeted:	
Externally funded research revenues	\$ 2,520
Externally funded research expenses	\$ (2,396)
Non-cash transactions:	
Amortization of capital assets	\$ (5,986)
Amortization of deferred capital contributions	\$ 2,156
Unrealized loss on investments	\$ 465
(Gain) / Loss on sale of laptops	\$ (325)
Excess expenses over revenues - as per GAAP Financial Statements	\$ (317)

Notes:

- (1) We are not reporting the Y/E forecast as there are no events in Q1 that would significantly change the forecast.
(2) The Y/E forecast will be updated for Q2 and Q3 reporting to a/c for revised enrolment projections, faculty hires, etc. (see sample reporting on Pages 9 -11: Operating Forecast Summary for the year ending Mar 31, 2016 using Q3 forecast data).

II. Q1 Operating Variance Analysis

Revenue

Grants for the quarter are unfavourable \$0.5m to budget mostly to the delay in the timing of receipt of graduate student grants. These were received in Q2.

Student ancillary revenue are recognized to the extent that related services provided, or goods sold, are rendered/delivered during the reporting period. Student ancillary revenue is unfavourable \$0.4m as less revenue has been recognized in Q1 due to the delay in spending in Student Life and TELE to the next reporting period.

Expenditures

The Administrative units are showing a favourable variance to budget of \$0.9m and includes \$0.3m relating to the delay of minor repairs at various locations, \$0.2m for the job evaluation reserve not yet utilized, and other variances, none exceeding \$0.1m.

Capital spending is favourable \$0.3m due to the delay of capital projects to Q2 such as the replacement of a defective compressor at 61 Charles and other small capital projects at the faculty level.

Gain / loss on sale of assets is unfavourable as the budget did not include the high volume of high performance laptops that became redundant as a result of the phase-in of the “BYOD” program for the Faculty of Social Sciences and Humanities. These laptops were disposed of in Q1 before they were fully amortized, hence giving rise to a loss on disposal.

II. 2015-16 Operating Forecast Summary (in '000 s)
For the Year ending March 31, 2016 (as at Dec 31, 2015)

SAMPLE ONLY

April 1, 2015 - March 31, 2016				
	Total Annual Budget	Y/E Forecast	Fav. (Unfav.) Variance of Forecast to Budget \$ / %	
Revenue				
Grants	76,872	76,300	(572)	-1%
Donations	1,276	1,146	(130)	-10%
Tuition	73,096	70,974	(2,122)	-3%
Student Ancillary	15,674	13,574	(2,100)	-13%
Other - UOIT	10,114	11,723	1,609	
Other - Purchased Services	4,231	3,546	(685)	-16%
Total Revenue	\$ 181,263	\$ 177,263	\$ (4,000)	-2%
Expenditures				
Academic/ACRU	65,730	61,645	4,085	6%
Academic Support	34,783	33,807	976	3%
Administrative	32,068	27,322	4,746	15%
Total UOIT Pure	\$ 132,581	\$ 122,774	\$ 9,807	7%
Purchased Services	13,913	14,020	(107)	-1%
Total Ancillary/Commercial	9,375	8,996	379	4%
Total Other Expenses	11,560	11,560	-	0%
Total Operating Expenses	\$ 167,429	\$ 157,350	\$ 10,079	6%
Net Contribution from Operations	\$ 13,834	\$ 19,913	\$ 6,079	44%

Note Disclosure:

Cash transactions

Capital Expenses funded from Operations

Capital - Purchased Services

Principal Repayments - debenture/leases

Realized gains on sale of laptops

8,418	7,389	1,029	12%
1,028	1,623	(595)	-58%
4,940	4,940	-	0%
(552)	(321)	(231)	42%

Net Cash Inflow/(Outflow)

\$ (0)	\$ 6,282	\$ (6,282)	0%
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Reconciliation to forecast GAAP FS:

Forecast net contribution from Operations

Items not budgeted:

Externally funded revenues (research, donations)

Externally funded expenses (research, donations)

Non-cash transactions:

Amortization of capital assets

Amortization of deferred capital contributions

Unrealized loss on investments

Excess revenues over expenses - as per GAAP Financial Statements

\$ 19,913
\$ 8,958
\$ (8,418)
\$ (26,178)
\$ 8,685
\$ (1,500)
\$ 1,459

II. 2016-17 Operating Forecast Analysis

SAMPLE ONLY

The latest projection of the 2015-16 operating budget, like the Q2 projection, is that we will have a surplus budget by the end of the fiscal year. This surplus is currently estimated at \$6.3m.

The budget variances relative to the projection in the approved budget are explained below.

Enrolment

FTE's	Approved 2015-16 Budget	2015-16 Projection	Variance to Approved Budget
Undergraduate			
Domestic	7,869	7,716	(153)
International	513	436	(77)
Graduate			
Domestic	352	362	10
International	161	148	(13)
Total FTE's	8,895	8,662	(233)

Latest enrolment data suggests that we are below target against our overall budgeted enrolment at both the undergraduate level (230 FTE) and the graduate level (3 FTE).

Will provide a summary of the faculties that have seen the most decline and the reason for the decline (e.g. for 2015-16, the most significant decrease against budget was in the Faculty of Social Science and Humanities as students who had accepted offers at UOIT eventually enrolled at Ryerson U. when the latter lowered their entrance criteria to bridge their gap from decreasing enrolment.

Student Ancillary Revenue

Student ancillary revenue has an unfavourable variance of \$2.1m and includes \$1.8m TELE fees variance due to lower than projected student headcount coupled with a decrease in TELE compulsory fees of \$70 per student (as a result of lower unit cost of laptops) after the budget was approved by Board in April 2016. Additionally, less revenue is being recognized as capital purchases are significantly less than expected due to the decrease in program requirements and the FED no longer participating in the program.

Other Revenues, incl. Purchased Services

Other UOIT Revenue has a favourable variance of \$1.6m and includes \$0.3m additional TELE revenues from the sale of laptops and other additional revenues (such as AOOM, ONCAT, Hydro One funds), all of which have offsetting expenses.

II. 2016-17 Operating Forecast Analysis (Contd.)

SAMPLE ONLY

Other Revenue – Purchased Services is unfavourable \$0.6m and includes \$0.5m lower bookstore revenues as a result of more students buying books on-line and \$0.1m decrease in parking revenues for downtown Oshawa as passes sold were lower than anticipated.

Expenditures

The Academic/ACRU units are showing a positive variance of \$4.1m mostly relating to labour savings from open faculty positions. The most significant variance are in the Faculty of Engineering and Applied Science (\$1.4m), Faculty of Business and IT (\$1.0m) and Faculty of Science (\$0.5m). The Office of Graduate Studies is also favourable to budget (\$0.5m) due to a decrease in student awards attributable to lower than expected qualified recipients.

Under the resource allocation model (RAM) that was in force in the 2015-16 budget cycle, faculties would be allowed to carry-forward unspent budget funds to the following fiscal year, and this subject to approval by the Budget Working Group. In this light, faculties have requested to carry-forward \$1.7m of the current projected surplus of \$4.1m.

The Academic Support units are showing a favourable variance of \$1.0m relating to the release of unspent University Priorities Funds (UPF) to cover the shortfall in revenues resulting from the decline in enrolment.

The Administrative units are showing a favourable variance to budget of \$4.7m due to the release of \$4.5m in central reserves, of which \$1.0m will be used to cover the shortfall in enrolment revenues, and the remaining \$3.5m taken into income and internally restricted at year-end for the building and working capital reserves.

Operating Forecast Surplus (or Deficit)

Current projections continue to show a surplus budget of \$6.3m after capital expenses. The most significant risk to this projection is the final impact of the actual enrolment as per the Feb 1 count to the Ministry (currently projected at \$0.5m - \$1.0m negative variance). The unpredictability of winter weather continues to be a risk as it could impact the projected utilities (which have consistently increased over the years) if temperatures are colder than expected.

It is important to note that there are a number of accounting adjustments that are not included in the Board approved operating budget (such as the externally-funded research grants and amortization of capital assets and capital grants received). These accounting transactions impact the operating surplus (or deficit) on a GAAP (generally accepted accounting principles) or audited financial statements basis. Based on current projection and after adjusting for the items mentioned above, the projected surplus is \$1.5m on a GAAP basis.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Financial Update – Report to Audit and Finance Committee – Oct 5, 2016
For the quarter ended June 30, 2016

III. CAPITAL

The table below provides an overview of Board approved capital projects over \$1.0m.

A. Software and Informatics Research Centre (“SIRC”)

In March 2016, UOIT’s Board of Governors approved the award of the design and build of a new building (“SIRC”) to EllisDon Corporation, and also approved the completion of the preliminary design phase.

On June 29, 2016, the Board approved the construction and fit-out of the new 4-floor “SIRC” building at a total cost not to exceed \$26.3m for the first phase (construction and fit-out of the first 2 floors), and not to exceed a further \$7.0m for the fit-out of the remaining 2 floors, the latter being subject to approval of UOIT’s application for “SIF” (Strategic Investment Fund) funding.

SIRC Project Funding and Cash Flow Requirements

Cash Flow	FY 2016 \$ 000's	FY 2017 \$ 000's	FY 2018 \$ 000's	FY 2019 \$ 000's	Total Project Cost \$ 000's
Project Cost					
Design Build Preliminary Phase	\$ -	\$ 310			\$ 310
Parking	-	1,021	17		1,038
Guaranteed Maximum Price (Note 1)	-	9,963	14,920	512	25,395
Owner's Cost (Note 2)	31	753	3,325	-	4,109
Contingency (Note 3)	-	1,863	585	-	2,448
Total Project Cost	31	13,910	18,847	512	33,300
Funding					
Requested "SIF" Funding (Note 4)		5,280	6,245	1,476	13,001
Internally-restricted Reserves	31	8,630	12,602	-964	20,299
Net	\$ -	\$ -	\$ -	\$ -	\$ -

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III. CAPITAL (Contd.)

Note 1: Guaranteed Maximum Price (“GMP”) is the sum of the price of the services and the price of the work that are guaranteed by the Construction Manager (Ellis Don) not to be exceeded.

Note 2: Owner’s costs are not included in the GMP where the Owner has engaged a 3rd party, e.g. Project Manager, Payment Certifier, etc.

Note 3: Contingency are funds set aside to cover for unforeseen events during the construction phase.

Note 4: Total requested “SIF” Funding amounts to \$13.0m.

SIRC Financial Update

	FY 2016 and 2017		
	Budget \$ 000'S	Actual \$ 000'S	Actual vs Budget \$ 000'S
Design Building Preliminary Phase	\$ 310	\$ 232	\$ 78
Parking	1,021	56	965
Guaranteed Maximum Price	9,963	-	9,963
Owner's cost	784	171	613
Contingency	1,863	-	1,863
Total costs	\$ 13,941	\$ 459	\$ 13,482

SIRC Progress Update

See separate presentation

III. CAPITAL (Contd.)

B. Moving Ground Plane (“MGP”)

In June 2016, UOIT’s Board of Governors approved the completion of an agreement of purchase and sale with the Old Dominion University (“ODU”) for the acquisition of a moving ground plane (“MGP”) at a cost of no more than \$2.5m in accordance with the terms of a grant of \$2.5m funded by the Ministry of Economic Development and Growth (“MEDG”).

UOIT has also submitted an application to FedDev for additional funding of approximately \$10.2m and is working with industry partners (e.g. Magna and Multimatic) to complete the funding requirements for the installation and integration of the MGP into the ACE facility. This project does not include the use of the University’s operational funds.

It is anticipated that installation of the MGP at the ACE facility will be completed in late 2017 and become operational as of early 2018.

MGP Progress Update

The process of dismantling and shipping the MGP commenced on September 21, 2016 and will be at Multimatic’s (one of the ACE industry partners) location by October 7, 2016.

The University has paid ODU USD 2.0m in settlement for the equipment in September 2016, and is awaiting receipt of CAD 2.5m from MEDG.

IV. CASH FLOW

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

University cash balances are cyclical in nature with higher balances in September & October and January & February due to tuition fee collection from the fall and winter semester registration, and lower balances during the late spring and early summer months.

In September 2014, and as approved by the Board, the University invested \$16.0m surplus operating cash in short-term GIC's at BMO Nestbitt Burns, of which \$6.0m has a renewable maturity date of 30 days and \$10.0m has a maturity date of 1 year.

In April 2015, the University transferred \$1.1m from BNY to RBC Wealth Management and these were invested in annual GIC's.

The University has the following line of credit (LOC) facility agreements:

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

Cash Flow Update

- UOIT has not utilized its available line of credit at the end of the reporting quarter.
- To provide flexibility for major capital project funding, Management will re-invest the \$10.0m annual GIC's at BMO Nesbitt Burns which mature in Sep 2016, plus all interest earned to date, in 30-day cashable GIC's.
- **Operating cash balance** including short-term investments is forecast to be at \$26.4m at the end of the fiscal year.
- **Externally and internally restricted cash balances** (including, Research, Advancement, Campus Childcare, Regent Theater, ACE) is forecast to be at \$13.3m at the end of the fiscal year.

V. LONG-TERM FORECAST

In April 2016, the Board approved a balanced budget for 2016 – 17. At that time, a long-term forecast was also presented for the budget years 2016 – 17 to 2020 – 2021.

In August 2016, the long-term plan was re-cast to include revised enrolment targets as a result of the upcoming construction of the new SIRC building and revised labor costs relating to the new job evaluation system (JES)

Assumptions on Aug 2016 forecast model

- New SIRC building at a cost of \$33.3m
- Enrolment targets revised to take into account occupancy of SIRC in Jan 2018
- Grant funding as per the current funding formula (funding formula currently under review by the Ministry).
- Tuition YOY average increase at the current approved rate of 3.0% (new tuition framework currently under review by the Ministry).
- Retention rate held at current rate of 80.3%
- Salary increases as per the new JES and as per faculty collective agreements
- New hires to maintain current student to faculty ratio
- TELE transformation to a full “BYOD” model by FY 2020 – 21
- Operational reserves \$2.0m + planned capital reserves \$2.5m for a total of \$4.5m (\$3.5m in Contingency and \$1.0m in “University Priority Fund” in OPEX)
- 3% YOY increase in utilities
- 2% YOY increase in purchased services cost from Durham College

Balancing the budget over the long-term

Currently, the long-term forecast is showing a deficit in Year 2 through to Year 5. Over the last 6 months, Management has developed a plan to address this shortfall. This plan, which will be implemented in the budget year 2017 / 18, will balance UOIT’s budget over the next 5 years.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
SUMMARY LONG-TERM FORECAST as at Aug 2016

FORECAST					
	FY 2017 - 18	FY 2018 - 19	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22
Revenues					
Grants	76,587,352	77,568,867	77,655,911	77,897,942	78,731,909
Tuition	77,298,372	79,694,947	82,131,487	84,949,968	86,731,133
Ancillary, including TELE	11,871,979	11,852,566	10,778,802	10,816,423	11,089,179
Other	14,589,139	14,798,868	14,935,094	15,305,054	15,313,068
Total	\$ 180,346,842	\$ 183,915,248	\$ 185,501,294	\$ 188,969,387	\$ 191,865,289
Expenses					
Labour	95,990,398	99,160,812	101,660,984	104,210,479	106,301,887
OPEX	74,394,826	75,874,107	76,823,945	78,081,253	79,367,081
Capital	5,283,182	5,401,574	5,108,827	4,433,999	4,433,999
Contingency	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Total	\$ 180,168,405	\$ 184,936,493	\$ 188,093,756	\$ 191,225,731	\$ 194,602,967
Revenues less Expenses	\$ 178,437	\$ (1,021,244)	\$ (2,592,461)	\$ (2,256,344)	\$ (2,737,678)
FTE	8,814	8,859	8,875	8,930	8,954

**Intake Registration Report
for Fall 2016 (Sept 16, 2015)**

Faculty	Program Description	Domestic		International		Total	
		Reg'd	% of Reg Target	Reg'd	% of Reg Target	Reg'd	% of Reg Target
Business & Information Tech	Bachelor of Commerce (Hons)	287	88.9%	12	171.4%	299	90.6%
	Bachelor of Information Technology (Hons), Game Development	86	97.7%	9	150.0%	95	101.1%
	Bachelor of Information Technology (Hons), Networking & IT Security	75	97.4%	6	100.0%	81	97.6%
	Commerce Bridge	14	66.7%	2		16	76.2%
	Direct Entry - Bachelor of Commerce (Hons), Accounting	12	57.1%			12	57.1%
	Direct Entry - Bachelor of Commerce (Hons), Finance					0	
	Direct Entry - Bachelor of Commerce (Hons), Marketing	1				1	
	Direct Entry - Bachelor of Commerce (Hons), Org. Behaviour & HR Mgmt	6				6	
	Direct Entry - Bachelor of Information Technology (Hons)	10				10	
	Business & Information Tech Total	491	92.6%	29	152.6%	520	94.7%
Education	Bachelor of Arts in Educational Studies and Digital Tech - Adult Ed	6	23.1%			6	23.1%
	Bachelor of Arts in Educational Studies and Digital Technology - ECS	18				18	
	Bachelor of Education (Intermediate/Senior)	26	70.3%			26	70.3%
	Bachelor of Education (Primary/Junior)	104	106.1%			105	107.1%
Education Total	154	95.7%	1		155	96.3%	
Energy Systems & Nuclear Sci	Bachelor of Engineering (Hons), Nuclear Engineering	73	117.7%	2	100.0%	75	117.2%
	Bachelor of Science (Hons), Health Physics and Radiation Science	8	88.9%			8	88.9%
Energy Systems & Nuclear Sci Total	81	114.1%	2	100.0%	83	113.7%	
Engineering & Applied Science	Bachelor of Engineering (Hons), Automotive Engineering	71	112.7%	4	66.7%	75	108.7%
	Bachelor of Engineering (Hons), Electrical Engineering	98	100.0%	13	81.3%	111	97.4%
	Bachelor of Engineering (Hons), Manufacturing Engineering	20	181.8%	5	83.3%	25	147.1%
	Bachelor of Engineering (Hons), Mechanical Engineering	145	85.8%	20	74.1%	165	84.2%
	Bachelor of Engineering (Hons), Mechanical Engineering - Energy Eng	11		2		13	
	Bachelor of Engineering (Hons), Mechatronics Engineering	98	264.9%	11		109	294.6%
	Bachelor of Engineering (Hons), Software Engineering	53	68.8%	11	183.0%	64	77.1%
Engineering & Applied Science Total	496	109.0%	66	108.2%	562	108.9%	
Health Sciences	Bachelor of Allied Health Sciences (Hons)	43	102.4%			43	102.4%
	Bachelor of Health Science (Hons)	134	100.0%	8	133.1%	142	101.4%
	Bachelor of Health Science (Hons), Kinesiology	116	93.5%	3	49.9%	119	91.5%
	Bachelor of Health Science (Hons), Kinesiology - degree completion	22	169.2%			22	169.2%
	Bachelor of Health Science (Hons), Kinesiology - Trent	15	71.4%			15	71.4%
	Bachelor of Health Science (Hons), Medical Laboratory Science	43	107.5%	1		44	110.0%
	Bachelor of Science in Nursing (Hons)	109	98.2%			109	98.2%
	Nursing Post-PN Bridge - Barrie Campus	46	97.9%			46	97.9%
Nursing Post-PN Bridge - Oshawa Campus	61	96.8%			61	96.8%	
Health Sciences Total	589	99.0%	12	100.0%	601	99.0%	
Science	Bachelor of Science (Hons), Applied and Industrial Mathematics	12	200.0%	1		13	216.7%
	Bachelor of Science (Hons), Biological Science	32	68.1%	4	200.0%	36	73.5%
	Bachelor of Science (Hons), Biological Science - Life Sciences	73	130.4%	3	100.0%	76	128.8%
	Bachelor of Science (Hons), Chemistry	10	111.1%	4		14	155.6%
	Bachelor of Science (Hons), Chemistry - Pharmaceutical Chemistry	30	81.1%	1	25.0%	31	75.6%
	Bachelor of Science (Hons), Computing Science - Comprehensive	54	85.7%	7	350.0%	61	93.8%
	Bachelor of Science (Hons), Computing Science - Digital Media	16	145.5%		0.0%	16	114.3%
	Bachelor of Science (Hons), Forensic Science	44	77.2%	1	50.0%	45	76.3%
	Bachelor of Science (Hons), Physics	18	163.6%	1		19	172.7%
	Bachelor of Science (Hons), Physics - Astrophysics	5				5	
	Bachelor of Science (Hons), Physics - Energy and Environmental Physics	1				1	
	Direct Entry - Bachelor of Science (Hons)	5				5	
	Direct Entry - Bachelor of Science (Hons), Computing Science	1				1	
	Science Total	301	101.3%	22	137.5%	323	103.2%
Social Science and Humanities	Bachelor of Arts (Hons), Communication & Digital Media Studies	48	150.0%	3		51	159.4%
	Bachelor of Arts (Hons), Community Development and Policy Studies	14	127.3%	1		15	136.4%
	Bachelor of Arts (Hons), Criminology and Justice	138	99.3%	2		140	100.7%
	Bachelor of Arts (Hons), Forensic Psychology	75	85.2%	2		77	87.5%
	Bachelor of Arts (Hons), Legal Studies	21	80.8%	1	33.3%	22	75.9%
	Communication and Digital Media Studies Bridge	11	183.3%	1		12	200.0%
	Community Development and Policy Studies Bridge	3	50.0%			3	50.0%
	Criminology and Justice Bridge	46	80.7%		0.0%	46	78.0%
	Forensic Psychology Bridge	28	87.5%			28	87.5%
	Legal Studies Bridge	13	118.2%		0.0%	13	92.9%
	Social Science and Humanities Total	397	97.3%	10	125.0%	407	97.8%
	Total	2,509	99.7%	142	120.5%	2,684	101.9%

Masters Enrolment Tracking Report (Intake All Terms)

14-Sep-16

Masters - Faculty	Degree	Program	Domestic			International		
			Conf'd	Target	% Conf'd of Target	Conf'd	Target	% Conf'd of Target
Business & Information Tech	DIPL	Accounting	17	12	141.7%	-	-	-
	MBA	Business Administration	-	-	-	-	-	-
	MBAMIT	Business Admin/Information Tec	-	-	-	-	-	-
	MIT	Information Tech Security	4	6	66.7%	8	5	160.0%
Business & Information Tech Total			21	18	116.7%	8	5	160.0%
Education	DIPL	Educ & Digital Technologies	11	12	91.7%	-	-	-
	MA	Education	2	5	40.0%	-	-	-
	MED	Education	56	103	54.4%	1	-	-
Education Total			69	120	57.5%	1	-	-
Energy Systems & Nuclear Sci	DIPL	Total	87	50	174.0%	-	-	-
	DIPL	Fuel, Materials and Chemistry	-	-	-	-	-	-
	DIPL	Health Physics	1	-	-	-	-	-
	DIPL	Operation and Maintenance	63	-	-	-	-	-
	DIPL	Radiological Applications	-	-	-	-	-	-
	DIPL	Nuclear Design Engineering	21	-	-	-	-	-
	DIPL	Reactor Systems	1	-	-	-	-	-
	DIPL	Safety, Licensing & Reg. Affa.	1	-	-	-	-	-
	MASC	Nuclear Engineering	4	5	80.0%	2	1	200.0%
	MENG	Total	10	5	200.0%	-	1	0.0%
	MENG	Nuclear Engineering	9	-	-	-	-	-
MENG	Nuclear Engineering -UNENE	1	-	-	-	-	-	
Energy Systems & Nuclear Sci Total			101	60	168.3%	2	2	100.0%
Engineering & Applied Science	DIPL	Engineering Management	1	-	-	-	-	-
	MASC	Total	17	20	85.0%	10	25	40.0%
	MASC	Automotive Engineering	-	-	-	3	-	-
	MASC	Electrical and Computer Eng.	7	-	-	3	-	-
	MASC	Mechanical Engineering	10	-	-	4	-	-
	MENG	Total	13	-	-	9	-	-
	MENG	Automotive Engineering	4	-	-	5	-	-
	MENG	Electrical and Computer Engr.	4	-	-	1	-	-
	MENG	Mechanical Engineering	5	-	-	3	-	-
	MENGM	Engineering Management	7	-	-	7	-	-
Engineering & Applied Science Total			38	20	190.0%	26	25	104.0%
Health Sciences	MHSC	Health Sciences	23	25	92.0%	1	1	100.0%
Health Sciences Total			23	25	92.0%	1	1	100.0%
Science	MSC	Total	11	17	64.7%	1	3	33.3%
	MSC	Applied Bioscience	5	8	62.5%	-	1	0.0%
	MSC	Materials Science	4	3	133.3%	-	1	0.0%
	MSC	Modelling & Computational Sci	2	6	33.3%	1	1	100.0%
Science Total			11	17	64.7%	1	3	33.3%
BIT/Science	MSC	Computer Science	4	12	33.3%	6	5	120.0%
BIT Science Total			4	12	33.3%	6	5	120.0%
Social Science and Humanities	MA	Criminology	17	14	121.4%	-	1	0.0%
	MSC	Forensic Psychology	6	4	150.0%	-	1	0.0%
Social Science and Humanities Total			23	18	127.8%	-	2	0.0%
Total Masters			290	290	100.0%	45	43	104.7%

PHD Enrolment Tracking Report (Intake - All Terms)

PhD Faculty	Degree	Program	Domestic			International		
			Conf'd	Target	% Conf'd of Target	Conf'd	Target	% Conf'd of Target
Energy Systems & Nuclear Sci	PHD	Nuclear Engineering	-	5	0.0%	1	2	50.0%
Energy Systems & Nuclear Sci Total			-	5	-	1	2	1
Engineering & Applied Science	PHD	Electrical and Computer Eng.	6			12		
	PHD	Mechanical Engineering	4			5		
Engineering & Applied Science Total			10	10	100.0%	17	15	113.3%
Science	PHD	Applied Bioscience	1	5	20.0%	-	1	0.0%
	PHD	Materials Science	-	2	0.0%	-	1	0.0%
	PHD	Modelling & Computational Sci	2	2	100.0%	1	1	100.0%
Science Total			3	9	33.3%	1	3	33.3%
Social Science and Humanities	PHD	Criminology and Social Justice	2	3	66.7%	-	-	
	PHD	Forensic Psychology	2	4	50.0%	-	1	
Social Science and Humanities Total			4	7	57.1%	0	1	0.0%
BIT/Science	PHD	Computer Science	1	9	11.1%	1	3	33.3%
BIT/Science Total			1	9	11.1%	1	3	33.3%
Total PhD			18	40	45.0%	20	24	83.3%

Overall Student Enrolment (Day 10)

Undergraduate

	Day 10	Day 10	Day 8
	2014	2015	2016*
Business & Information Tech	1932	1887	1909
Education	312	212	352
Energy Systems & Nuclear Sci	424	393	380
Engineering & Applied Science	1755	1884	2033
Health Sciences	1826	1909	2001
Science	1162	1125	1072
Social Science and Humanities	1953	1800	1684
Total	9364	9210	9431

Graduate

	Day 10	Day 10	Day 8
	2014	2015	2016*
Business & Information Tech	27	24	17
Education	123	162	135
Energy Systems & Nuclear Sci	103	114	176
Engineering & Applied Science	206	205	189
Health Sciences	69	74	76
Science	118	119	118
Social Science and Humanities	26	33	46
Total	672	731	757

Banner Payroll Update

Presented by Christine White-Yeung
Payroll Manager

Project Objectives

- ▶ **Move toward an integrated payroll solution to improve accuracy, efficiency, and customer service.**
- ▶ **Consolidation of group benefits and pension with SunLife system**
- ▶ **Leverage the Banner processes we already use for payroll, such as:**
 - **Webtime online time entry**
 - **EPAF/Banner Payroll Register**
 - **Position Control**

Progress made and outcomes achieved

We are now paying all our employees using Banner payroll.

- ❑ Automation of Regent Theatre payroll
- ❑ Casual and proctor payments now in Webtime so all paper timesheets have been eliminated
- ❑ Feed to finance for updating GL eliminating the need for interfaces and manual uploads
- ❑ Pay statements available online though UOIT My Campus site

Next Steps

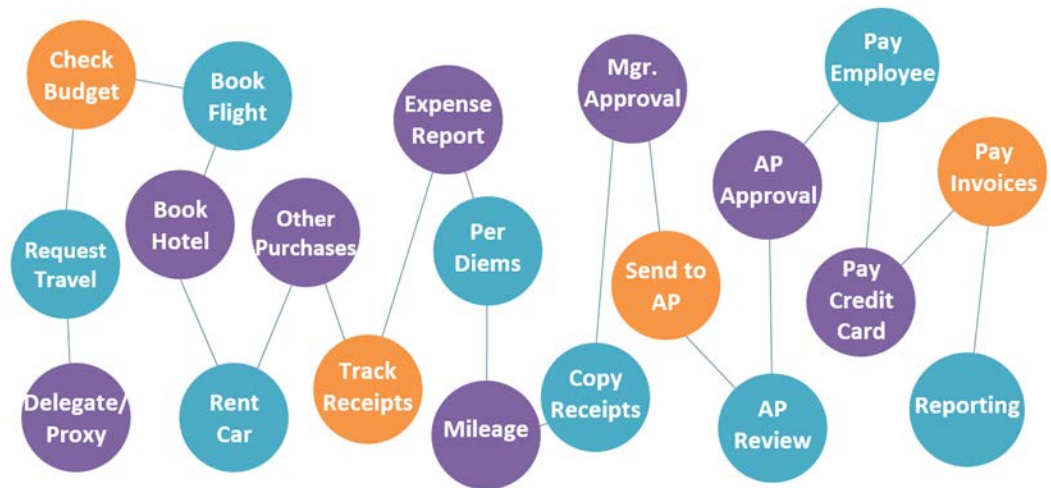
- ▶ **Enhance My Campus portal for employees to submit TD1s, view T4 forms, annual pension option enrolment**
- ▶ **SunLife file integration**
- ▶ **Communicate enhancements**

Concur Travel and Expense Management Audit and Finance Update

Why Automate?

- Alignment with UOIT Vision, Mission and Values.
- Improve end user experience
- Reduce inefficiencies
- Risk management

Manual and very inefficient process



The 'U' Factor

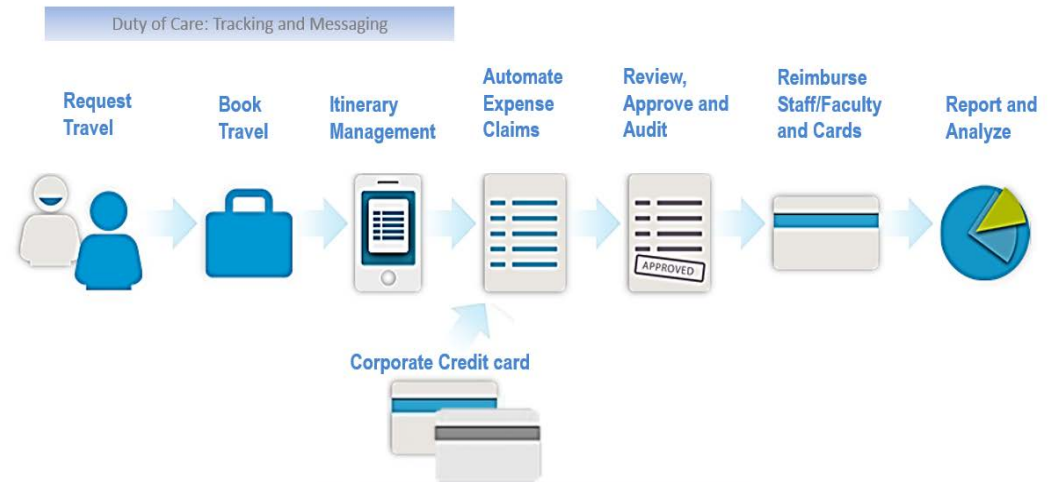
☐ User Benefits

- Reduce reimbursement cycle
- Accessibility/portability through Mobile application
- Single platform
- 24-7 access
- Paperless and user-friendly

☐ UOIT Benefits

- Travel policy compliance
- Enhanced ability to spot duplicate expenses
- Transparency (audit trail, who viewed receipts, timing, etc)
- Research travel compliance
- Reporting and auditing capability and visibility on spending
- Reduced manual transactions, keying errors, FOAP errors

Single Platform



End-to-end data to drive smart decisions

Project Update

□ Phase 1

- Client Engagement and Requirement Analysis
- April 2015 to March 2016

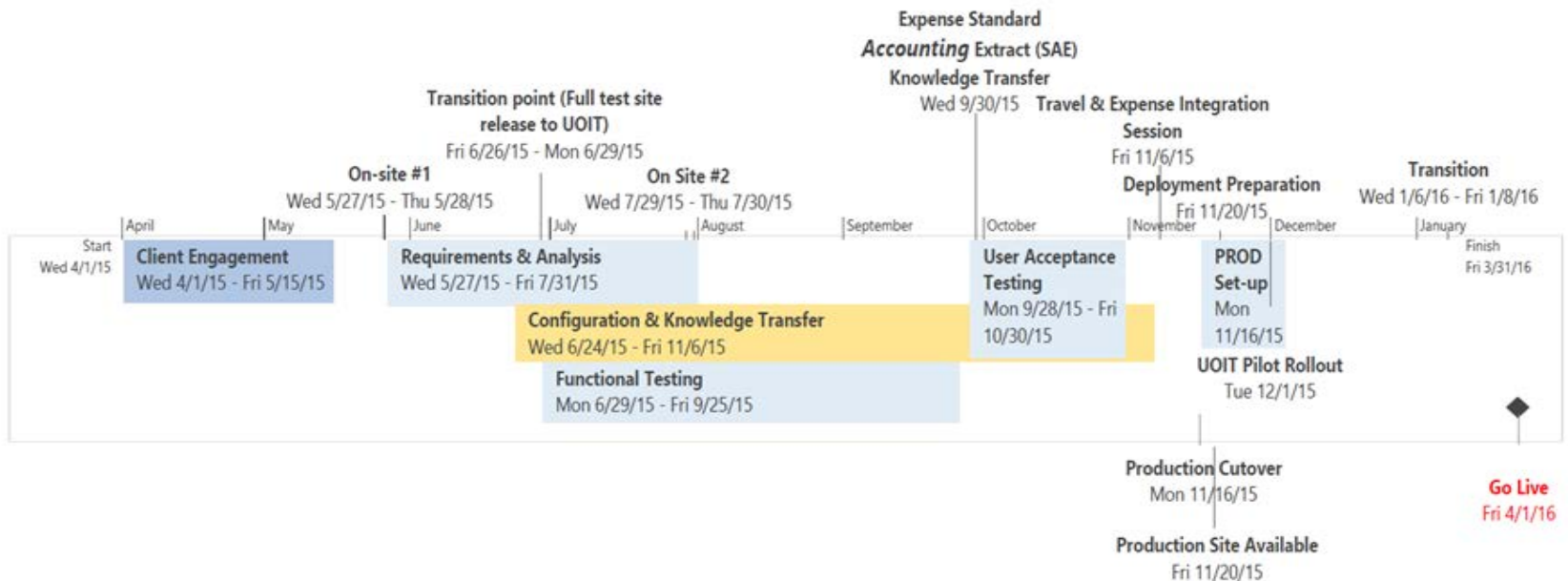
□ Phase 2

- Rollout - April 2016 to October 2016
- Training videos and manuals, PDF instructions and manuals, Help desk
- Travel procedures updated
- Website page for T&E
- Success to date – 51% adoption rate based on “go live “ faculties
- Training statistics
- Community Feedback



Milestone Plan

Concur Project Milestone Plan



Next Steps

- Community Feedback
- Corporate credit card feed
- Non employee/student training
- Challenges and finance action
- Virtual training
 - product training
- Training videos
 - online/Dedicated web page for T&E
- Workshops & Awareness sessions
- Change management – future ongoing commitment.





COMMITTEE REPORT

Action Required:

Public:
 Non-Public:

Discussion
 Decision

TO: Audit & Finance Committee

DATE: October 5, 2016

FROM: Cheryl Foy, University Secretary and General Counsel

SUBJECT: Policy Against Violence, Sexual Violence, Harassment and Discrimination

A. Purpose

We are providing the Committee with a status update on the Policy Against Violence, Sexual Violence, Harassment, and Discrimination. This information is provided to assist the Committee with fulfilling its obligations with respect to compliance oversight in accordance with the responsibilities set out in the Committee's Terms of Reference.

B. Background/Context

As presented to the Committee on June 20, 2016, the passing of Bill 132, the *Sexual Violence and Harassment Action Plan Act, 2016* introduced amendments to the following legislation:

- *Ministry of Training, Colleges, and Universities Act, R.S.O. 1990, c. M.19*
- *Occupational Health and Safety Act, R.S.O. 1990, Chapter O.1*

For UOIT, this meant reviewing and amending, or creating, the following policy instruments in order to ensure compliance with the amended legislation:

- Harassment and Discrimination Policy and Procedures;
- Workplace Violence Policy and Procedures; and
- Student Sexual Violence Prevention Policy and Procedures.

Drafting and consultation with key stakeholder groups occurred over the course of the past year. As work progressed, and in ongoing consultation between the University

Secretary's Office and the Office of the Provost (Miles Bowman), the understanding of the common principles and goals of these policy instruments continued to coalesce. Each of these policies shares the purpose of creating an environment where all members of the University community can feel safe, respected and have the freedom to pursue their studies and work.

Given the commonality of purpose and direction, we concluded that the most effective and community friendly approach is to create a single parent policy that will reinforce the University's commitment to creating an environment that is free from all forms of violence, sexual violence, harassment and discrimination for all of its community members.

C. Discussion and Rationale

Further to discussion and the direction received from GNHR at the June 1, 2016 meeting, a single Policy Against Violence, Sexual Violence, Harassment, and Discrimination has been developed. The Policy creates a framework under which the University will establish additional formal policy instruments (Procedures and Guidelines), as well as educational and support tools and resources that will:

- Educate and inform all members of the University community regarding all types of violence, harassment, and discrimination and what is expected of all members of the community;
- Support individuals who experience acts of violence, sexual violence, harassment, and discrimination in seeking help and advise of the processes and outcomes available to them; and
- Address how the University will meet its obligations under the *Human Rights Code*, R.S.O. 1990, c. H.19, *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, and the *Ministry of Training, Colleges and Universities Act*, R.S.O. 1990, c. M.19; and
- Meet the commitments to procedural fairness established under the new Fair Processes Policy.

The draft Policy has been presented to SLT, Students and Faculty, the Office of Campus Safety, the Policy Advisory Committee and the Health and Safety Committee. The Policy was presented to Academic Council on September 20, 2016 and received a recommendation for approval in principle. The draft is being presented to GNHR on September 29, 2016 to obtain the Committee's recommendation for approval by the Board.

The goal is to bring the final draft of the Policy to the Board for approval in October.

Development of Supporting Policy Instruments

In order to support the complaint resolution framework outlined in the draft Policy, and to move forward to meet the University's obligations, additional policy instruments will be refined and developed using draft documents that have been circulated and consulted on to date. These include:

- Procedures for Reporting, Investigating and Addressing Incidents of Student Sexual Violence;
- Procedures for Reporting, Investigating and Addressing Harassment and Discrimination; and
- Procedures for Reporting, Investigating and Addressing Incidents of Workplace Violence.

At the same time that work is being done on the supporting policy instruments, work will also be ongoing to develop the necessary educational, accommodation and support tools that will support their implementation.

The intention is to have all foundation policies and procedures implemented by January 1, 2017 in order to meet the requirements under the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, and the *Ministry of Training, Colleges and Universities Act*, R.S.O. 1990, c. M.19.

Classification	
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	Vice-President, Academic and Provost
Approval Date	DRAFT
Review Date	
Supersedes	

POLICY AGAINST VIOLENCE, SEXUAL VIOLENCE, HARASSMENT AND DISCRIMINATION

PURPOSE

1. This Policy sets out University of Ontario Institute of Technology's commitment to creating a safe place of work and study free from all forms of Violence (including physical violence, psychological violence, Sexual Violence and Workplace Violence), Harassment and Discrimination. UOIT enacts this Policy in support of its ongoing commitment to:
 - 1.1. Creating a safe place of work and study free from all forms of Violence, Sexual Violence, Harassment and Discrimination by:
 - a) Reinforcing UOIT values that make the campus an inclusive and respectful space;
 - b) Providing preventative educational programming to raise awareness and mitigate these acts;
 - c) Establishing community partnerships that provide access to information and aid;
 - 1.2. Support UOIT Members who have experienced Violence, Sexual Violence, Harassment and/or Discrimination by:
 - a) Providing resources and accommodations meant to facilitate resolution;
 - b) Working with UOIT Members to mitigate the negative effects of these behaviours, such as feelings of isolation and shame; and;
 - c) Offering fair paths to justice as alternatives to, and not replacements for, external judicial proceedings.

DEFINITIONS

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

"Bullying" means a form of Harassment that usually involves repeated incidents or a pattern of behaviour intended to intimidate, offend, denigrate, degrade or humiliate a particular individual or group of individuals.

"Complaint" is a formal written request to UOIT to address an incident of Violence, Sexual Violence, Harassment and/or Discrimination and **"Complainant"** is the individual making the Complaint.

“Consent” means an active, direct, voluntary, unimpaired and conscious choice and agreement to engage in an activity (including sexual activity).

“Discloser” means any individual who brings an incident of Violence, Sexual Violence, Harassment and/or Discrimination to the attention of a UOIT Member or UOIT Recipient.

“Disclosing” or **“Making a Disclosure”** is the act of telling a Disclosure Recipient about an issue of Violence, Harassment or Discrimination.

“Disclosure Recipient” means any individual who receives a Disclosure.

“Discrimination” means any form of differential treatment that results in disadvantage, including imposing extra burdens, denying benefits, and/or limiting access to opportunities, based on one or more characteristics that an individual cannot change about themselves (known as prohibited grounds under the Ontario Human Rights Code) such as:

- Age
- Ancestry
- Citizenship
- Colour
- Creed (religion)
- Disability
- Ethnic origin
- Family status
- Gender identity
- Gender expression
- Marital Status
- Place of origin
- Race
- Receipt of public assistance
- Sex (including pregnancy)
- Sexual orientation

“Harassment” means a course of vexatious comment, conduct and/or communication that is known or ought reasonably to be known to be unwelcome. Harassment may:

- Be intentional or unintentional;
- Include Bullying and/or other behaviours that create an intimidating, demeaning, hostile or Poisoned Environment (working or academic); and/or
- Involve behaviours that are repeated, continued or chronic, or result from a single act serious enough to constitute Harassment on its own.
- Harassment includes Harassment against an Employee in the Workplace (**“Workplace Harassment”**).

“Poisoned Environment” means a situation created where harassing and discriminatory behaviours have a negative impact on a UOIT Member’s ability to learn or work. A Poisoned Environment may result from a pattern of events or a single incident. An individual does not need to be a direct subject of the harassing or discriminatory behaviour in order to be affected by a Poisoned Environment.

“Respondent” means an individual who is the subject matter of a Disclosure or Complaint.

“Sexual Harassment” means a course of vexatious comment, conduct and/or communication based on sex, sexual orientation, gender, gender identity or gender expression, or orientation, that is known or should have been known to be unwelcome. Sexual Harassment includes but is not limited to:

- Sexual solicitation, advances, or remarks, including any situation where there is an implied or express promise of reward or benefit in return for sexual favours, and/or implied or express threat or act of reprisal if sexual favours are denied;

- Suggestive or inappropriate comments or gestures (including songs and chants);
- Inappropriate display of sexually suggestive pictures, posters, objects, graffiti;
- Non-consensual posting of pictures, aggressive comments, and slurs on any form of social media;
- Physical contact of a sexual nature (including Sexual Assault under the Criminal Code);
- Sexual conduct that interferes with an individual's dignity or privacy such as voyeurism and exhibitionism; and
- Sexual Harassment against an Employee in the Workplace ("**Workplace Sexual Harassment**").

"Sexual Violence" means any sexual act or act targeting an individual's sexuality, gender identity or gender expression, whether the act is physical or psychological in nature, that is committed, threatened or attempted against an individual without the individual's Consent, and includes sexual assault (including rape), Sexual Harassment, stalking, cyber-bullying, indecent exposure, voyeurism and sexual exploitation.

"UOIT Member" includes registered students, individuals engaging in work, research or study arising out of or related to UOIT's interests, and any individual on or visiting UOIT.

"UOIT Recipient" means a UOIT Member or Members designated in this Policy to receive Disclosures and/or Complaints and to make getting help easier by providing aid to Disclosers on behalf of UOIT.

"Violence" means any act, whether physical or psychological in nature, including:

- The exercise of physical force by an individual against another individual that causes or could cause physical injury;
- An attempt to exercise physical force against an individual that could cause physical injury to that individual; and
- A statement or behaviour that it is reasonable for an individual to interpret as a threat to exercise physical force against them or someone else, that could cause physical injury to an individual;
- Threat and/or acts of Sexual Violence or domestic violence;
- Violence against an Employee in the Workplace ("**Workplace Violence**").

"Workplace" means any location or facility owned, leased, rented or otherwise used by UOIT for the purposes of carrying out UOIT activities, including any off-site location where authorized work is being conducted. This includes but is not limited to any locations of business travel and conferences, student placements, field trips, field research, athletic events and UOIT sanctioned social events.

SCOPE AND AUTHORITY

3. This Policy applies to all UOIT Members.
4. This Policy applies to conduct:

- a) In the course of work, research, or study arising out of or related to UOIT's interests, and;
 - b) Through any media (e.g. in-person, written, recorded, on-line).
5. This Policy applies to conduct described in 4 above:
- a) At any location used by UOIT, and/or;
 - b) Off-campus and has, in UOIT's discretion, a real and substantial connection to UOIT.
 - c) In the Workplace;
6. Notwithstanding the limits of this scope, UOIT reserves the right to offer and provide advice and assistance to UOIT Members experiencing difficulties with respect to issues of Violence, Sexual Violence, Harassment and Discrimination.
7. This Policy does not apply to a reasonable action taken by an employer or supervisor relating to the management and direction of Employees or the Workplace, or to reasonable decisions affecting UOIT Members that are properly made in the administration and management of UOIT.
8. The Vice-President, Academic and Provost ("Provost"), or successor thereof, is the Policy Owner which means that she or he is responsible for overseeing the implementation, administration, interpretation, and application of this Policy.

POLICY

9. Adherence to UOIT's core values is the responsibility of every member of the UOIT community. UOIT Members will support the elimination of Violence, Sexual Violence, Harassment and Discrimination at UOIT and will act consistently with this Policy and the supporting policy instruments enacted to combat violence at UOIT. This includes:
- 9.1. **No Violence:** UOIT will not tolerate Violence by or toward UOIT Members.
 - 9.2. **No Sexual Violence:** UOIT will not tolerate Sexual Violence by or toward UOIT Members.
 - 9.3. **No Harassment:** UOIT will not tolerate Harassment by or toward UOIT Members.
 - 9.4. **No Sexual Harassment:** UOIT will not tolerate Sexual Harassment by or toward UOIT Members.
 - 9.5. **No Discrimination:** UOIT will not tolerate Discrimination by or toward UOIT Members.
10. UOIT commits to supporting UOIT Members who have experienced Violence, Harassment or Discrimination. This Policy is the foundation for providing accommodation, resources and aid to UOIT Members.
11. UOIT reinforces its stand against Violence, Sexual Violence, Harassment and Discrimination through a preventative approach and education programming. This approach will engage the UOIT community to minimize the behaviours arising from factors contributing to the perpetuation of Violence, Sexual Violence, Harassment and Discrimination. These factors include, but are not limited to:
- a) Abuses of power dynamics and victim blaming;

- b) Understanding aggression / standing up to aggression;
- c) Cultural competency / sources of discrimination;
- d) Consent culture/rape culture;
- e) Alcohol and substance consumption;
- f) Sexism / ableism / ageism / racism.

GUIDING PRINCIPLES FOR POLICY APPLICATION

12. Accommodating Diversity

- 12.1.** UOIT is aware of and acknowledges the diverse backgrounds and cultures of UOIT Members and will consider and take reasonable measures to accommodate needs emerging from this diversity when dealing with individual cases.
- 12.2.** Certain groups in the population can be identified as being more vulnerable to Violence, Sexual Violence, Harassment and Discrimination. The following factors may heighten the risk of exposure to Violence, Sexual Violence, Harassment and Discrimination and UOIT will give consideration to these factors in the development of policies, programs and resources:
 - a) Age;
 - b) Disabilities;
 - c) Gender, gender-expression, gender identity, orientation or sexuality;
 - d) Indigeneity;
 - e) International Students and Workers.
 - f) Being a newcomer to Canada;
 - g) Race;
 - h) Religion;
 - i) Being a woman.

13. Privacy and Confidentiality

- 13.1.** UOIT will abide by all applicable privacy laws and will protect personal information. UOIT will protect the identity of the individual making a Disclosure or Complaint to the fullest extent possible under legislation, regulation, and UOIT policy.
- 13.2.** Collected information will remain confidential, except when:
 - a) Disclosure is considered necessary for the purpose of eliminating, or reducing, a significant risk of serious harm to UOIT Members or others;
 - b) When required to comply with a summons, subpoena, court order or in order for UOIT to meet its obligations in the context of a legal proceeding;

14. Right to Representation

- 14.1.** All UOIT Members have the right to select a representative who will liaise with UOIT and act as an advocate.

15. Encouragement to Disclose and Protection from Reprisal

- 15.1. Any UOIT Member who has experienced or witnessed an incident of Violence, Harassment or Discrimination is encouraged to make a disclosure to a Disclosure Recipient or UOIT Recipient.
- 15.2. UOIT will not tolerate any action or threat of action (“Reprisal”) against a UOIT Member who has disclosed or made a Complaint of Violence, Harassment or Discrimination. UOIT will respond and take appropriate action to address allegations of Reprisal.

16. Complaint Resolution Processes

- 16.1. A UOIT Member who has experienced Violence, Sexual Violence, Harassment and/or Discrimination will be supported to follow a resolution process of their choosing, within reason. UOIT will seek to resolve issues relating to Violence, Sexual Violence, Harassment and/or Discrimination using the simplest possible resolution path. Complaint resolution processes will be fair. Those involved in any aspect of complaint resolution (e.g. mediation, investigation and adjudication) will be skilled and impartial.

17. Alternate Paths of Support and Resolution

- 17.1. This Policy is not intended to supersede or interfere with the right of UOIT Members to seek other paths of support or resolution for incidents of Violence, Harassment or Discrimination.
 - a) All UOIT Members who have experienced Violence, Sexual Violence, Harassment or Discrimination are entitled to support and assistance from the University.
 - b) Paths of resolution for UOIT Members who are not part of a bargaining unit, include, but are not limited to processes governed by the Ontario Human Rights Code (OHRC), and the Occupational Health and Safety Act (OHSA). UOIT Members are encouraged to resolve complaints through the use of UOIT processes under this Policy.
 - c) Members of a bargaining unit are entitled to the same support and assistance as other UOIT Members. However, in instances where a bargaining unit member wishes to file a Complaint, it will be made through the applicable grievance process.
 - d) In the alternative, UOIT Members may seek resolution through more formal legal means. Where multiple complaint processes are started, UOIT may suspend any process under this Policy. This does not mean that access to support and resources will be stopped.

18. Resolution Framework

- 18.1. **Framework:** This Policy employs a framework meant to support those who have experienced Violence, Sexual Violence, Harassment and Discrimination. The framework is available to all UOIT Members and includes:
 - a) **Help through Accommodation and Resources:** UOIT will provide tools to support and assist UOIT Members understand how and where to get help including specifically appointed professionals to help administer aid resources and to provide meaningful accommodation to UOIT Members who experience

Violence, Sexual Violence, Harassment and Discrimination. This help will be provided to a UOIT Member regardless of whether or not the UOIT Member pursues a resolution process.

- b) Resolving an issue independently or with some support:** Upon receipt of a Disclosure, and where appropriate, UOIT will provide tools and support to assist individuals to resolve issues alone or with some support (i.e., consultation, facilitation).
- c) Filing Complaints:** UOIT will provide procedures, forms and tools to assist UOIT Members to file Complaints for violations of this Policy.
- d) Review or Investigation:** UOIT will provide procedures, forms and tools outlining the review and investigation processes.
- e) Facilitated Discussion:** Upon receipt of a Complaint, and where appropriate, UOIT will provide opportunities to facilitate the resolution of an issue.
- f) Adjudication:** UOIT will provide procedures, forms and tools outlining the adjudication process that follows a Complaint.

REPORTING, MONITORING AND REVIEW

- 19.** The Provost will oversee the monitoring and review of this Policy and the framework it establishes. This Policy will be reviewed as necessary and at least annually.
- 20.** The Provost is responsible for overseeing reporting and analysis relating to this Policy including, but not limited to:
 - a)** The number of times supports, services and accommodation relating to Sexual Violence are requested and obtained by students enrolled at the college or university, and information about the supports, services and accommodation.
 - b)** Any initiatives and programs established by the college or university to promote awareness of the supports and services available to students.
 - c)** The number of incidents and Complaints of sexual violence reported by students, and information about such incidents and Complaints.
 - d)** The implementation and effectiveness of the Policy.
- 21.** An Advisory Committee, including students, faculty and staff, will be established under separate terms of reference to oversee and review the programming and training choices that uphold UOIT's commitment to and responsibility for creating a campus free of Sexual Violence by:
 - a)** Selecting training programs for development and delivery to staff, faculty, and students;
 - b)** Maintaining up-to-date information on supports and services, including online content;
 - c)** Tracking instances of Sexual Violence, committed against, or perpetuated by, members of UOIT and the help-seeking behaviours related to such incidents;
 - d)** Evaluating the efficacy of programming, activities, and help processes related to tracked behaviours and advising on changes, where necessary; and,

- e) Overseeing the implementation of a survey of UOIT Members relating to the effectiveness of Sexual Violence aspects of this policy, as required.
- f) Drafting an annual report informed by available data related to measures listed above in this section and provide recommended actions to the Provost or delegate.
- g) The committee will deliver a written review to the Office of the Provost detailing recommended changes to this Policy and its Procedures.

RELEVANT LEGISLATION

Criminal Code of Canada, R.S.C., 1985, c. C-46.

Ministry of Training, Colleges, and Universities Act, R.S.O. 1990, c. M.19

Ontario Human Rights Code, R.S.O. 1990, Chapter H.19

Occupational Health and Safety Act, R.S.O. 1990, Chapter O.1, as amended

Freedom of Information and Protection of Privacy Act, R.S.O. 1990, Chapter F.31

RELATED POLICIES, PROCEDURES & DOCUMENTS

To be reviewed/completed.

CONFIDENTIAL - DRAFT