



## BOARD OF GOVERNORS' 114<sup>th</sup> REGULAR MEETING

**Minutes of Public Session of Meeting of Thursday, February 27, 2020**  
**1:00 p.m. to 3:10 p.m.**  
**55 Bond Street, DTB 524**

### **GOVERNORS IN ATTENDANCE:**

Doug Allingham, Board Chair  
Nigel Allen, Chair of Audit & Finance Committee  
Stephanie Chow, Chair of Investment Committee  
Francis Garwe, Chair of Governance, Nominations & Human Resources Committee  
Thorsten Koseck, Chair of Strategy & Planning Committee  
Liquan Cao  
Kevin Chan (via videoconference)  
Laura Elliott  
Ferdinand Jones  
Dale MacMillan (via videoconference)  
Mark Neville  
Dietmar Reiner  
Maria Saros  
Trevin Stratton  
Jim Wilson

### **REGRETS:**

Owen Davis  
Kori Kingsbury  
Noreen Taylor, Chancellor  
Lynne Zucker

### **BOARD SECRETARY:**

Becky Dinwoodie, *Assistant University Secretary*

### **UOIT STAFF:**

Cheryl Foy, *University Secretary & General Counsel*  
Les Jacobs, *VP, Research and Innovation*  
Barb Hamilton, *Assistant to the University Secretary & General Counsel*  
Lori Livingston, *Provost & VP Academic*  
Brad MacIsaac, *Assistant Vice-President, Planning and Analysis, and Registrar*  
Susan McGovern, *VP External Relations & Advancement*  
Pamela Onsiong, *Director, Planning & Reporting*

## **GUESTS:**

Robin Kay, *Interim Dean of Faculty of Education*

Lori May, *Faculty of Education*

Isabel Pedersen, *Faculty of Social Science and Humanities*

### **1. Call to Order**

The Chair called the meeting to order at 1:15 p.m.

### **2. Agenda**

*Upon a motion duly made, the Agenda was approved as presented.*

### **3. Conflict of Interest Declaration**

There was none.

### **4. Chair's Remarks**

The Chair welcomed everyone to the first Board meeting of 2020. He reported on his attendance at the recent ACE: Extreme Classroom event. F. Garwe and L. Elliott also attended the event. There were approximately 125 guests. The Chair remarked that it was an outstanding event and thanked all of the staff involved in organizing the event. The event received a lot of positive feedback on social media. L. Elliott noted the tremendous energy of the students in attendance, as well as the breadth of opportunity for students that ACE provides. The Chair advised that given the popularity of the event, another will likely be planned for later in the year.

The Chair noted the full agenda and that the Board would be considering several exciting proposals. He also commented that the strategic discussion on universities and the skills gap would lead into the Talent Initiative proposal nicely.

### **5. President's Report**

The President shared that it was a busy time at the university, with an event planned for almost every night. He thanked the Chair for being integral to the organization of the ACE event. The event introduced the university to a new audience. Attendees were blown away by the facilities and our students.

The President discussed the recent Red Dress Campaign, honouring Missing and Murdered Indigenous Women. Such events play an important role in reconciliation, which must go beyond words. He informed the Board that the new building will receive an Indigenous name. The President explained the process for giving a building an Indigenous name, which involves a sweat with local elders. The President also reported on the Black History Month event held at the Regent Theatre.

#### **5.1 Strategic Mandate Agreement 3 (SMA3)**

The President thanked L. Livingston and B. Maclsaac for their work on the SMA3. The university is being asked to report on ten metrics, six of which will come into effect next year. The metrics will directly affect government funding and be tied to performance. Past SMAs consisted of more qualitative elements and the SMA3 is more quantitative. There has been some government receptivity to tweaking the measures if the proposed

changes are logical. The university's second draft has been submitted for Ministry review. He reminded the Board that the SMA3 is more of an economic exercise and less of a strategic one. The SMA3 will have profound implications for the university's funding.

## **5.2 Strategic Discussion: Universities & the “Skills Gap”**

The President started off the discussion. He shared a story regarding his first publication on skills in 1999. At the time, there was a shortage of heavy equipment operators. He observed that people tend to be bad at learning from history and that it would be beneficial to be more strategic. The President warned against “playing whack a mole” (e.g. if there is a need for boilermakers over the next five years, should consider how to train students in three skilled trades as opposed to one). Employers are reporting a need for talent, from PhDs to labourers. This presents an opportunity for Canada to be more strategic. There is a lot to learn and the university can play a key role in identifying employers' immediate needs and providing people who can adapt regularly. It will also be important to promote continuous, lifelong learning until it becomes normalized.

## **5.3 Establishment of the Ontario Tech Talent Initiative**

The President presented the proposal to establish the Ontario Tech Talent Initiative. It will be the first entity in Canada to provide such training. The initiative would be set up solely to work with industry to identify skills gaps. The initiative would create a powerful set of methodologies that would be deployed to determine common sets of skills employers want across graduates and then deliver training in conjunction with partners. This is intended to supplement our students' degrees. A degree provides the foundation for our graduates and this additional education would help them become more career ready. The initiative would partner with industry to develop micro credentials and deliver stackable credentials together with the industry partners.

The President explained the rationale for setting up a separate for-profit entity. It has the potential to become an important revenue generator, if executed properly. There was a discussion regarding what the success of the initiative would look like. Ideally, students would begin to plan in their third and fourth years to take these courses to prepare for jobs.

The President emphasized the importance of getting to market quickly and benefitting from the “first mover” advantage. The President advised that the initiative was announced during that week's Academic Council meeting and there were no questions from Council members.

The Board Chair expressed full support for the initiative, as it would benefit our students, alumni, and the community. It would also be helpful to generate revenue.

C. Foy walked through the key elements of the resolution, which was included in the meeting material, with the Board. She confirmed that CURIE would cover the entity's activities at no additional cost. She also advised that the Board of Governors would appoint the board of the new entity annually. C. Foy explained the rationale for the university being the sole shareholder of the entity.

The President responded to questions from the Board. Board members expressed excitement at the innovative proposal. There was a discussion regarding how this

initiative would interact with initiatives at Durham College (DC). The President advised that in many ways, the initiative is complementary to DC initiatives. DC has done a good job of identifying skills required by their graduates. The distinguishing factor is that colleges have been good at being connected to industry, whereas universities have been slower to do that. This initiative would differentiate Ontario Tech from other universities.

There was a discussion regarding the target market of the initiative. The initiative would start locally with our students and alumni (greater GTA, Durham, Northumberland). The competitors are mainly private sector and consulting firms.

There was also a discussion of what the reporting structure to the Board would look like. It would be helpful for the board of the new entity to develop KPIs and report on those to the Board of Governors. The President added that if this is done well, he anticipates the initiative would take approximately three years before it breaks even.

*Upon a motion duly made by S. Murphy and seconded by D. Reiner, the Board of Governors unanimously approved the following resolution:*

*WHEREAS the Board has determined it is in the interest of the University to establish a for-profit corporation for the purposes of pursuing the Ontario Tech Talent initiative (the “**Purpose**”);*

*THEREFORE BE IT RESOLVED THAT:*

- 1. the University incorporate a wholly-owned subsidiary under the Business Corporations Act (Ontario) (the “**Act**”), with a name as determined by the President of Ontario Tech (the “**Subsidiary**”), to fulfill the Purpose;*
- 2. the following with respect to the incorporation and organization of the Subsidiary is hereby authorized and approved:*
  - (a) entry into, execution and delivery of articles of incorporation for the Subsidiary, which provide for the issuance of a single class of common shares, and a board of directors ranging from 1 to 10 directors, substantially in the form of Exhibit “A” (the “**Articles**”);*
  - (b) the issuance of 100 common shares to the University at the price of \$1.00 per share;*
  - (c) that the number of directors be set at three (3);*
  - (d) the adoption of a standard form of corporate by-law, substantially in the form attached hereto as Exhibit “B” (the “**By-Law**”), which, amongst other things, provides:
    - (i) for a quorum of the board of the Subsidiary to consist of a majority of the directors,*
    - (ii) for the indemnification of directors as set out in the university’s General By-Law No. 1*
    - (iii) that the directors shall have the authority to appoint officers of the Subsidiary, including the board chair,*
    - (iv) that any contracts or similar documents of the Subsidiary can be signed by any two persons who are directors or officers,**
  - (e) the appointment of a board of three directors of the Subsidiary, being Steven Murphy, Cheryl Foy, and Lori Livingston, to stand as directors until the earlier of their removal by the University in its capacity as sole shareholder, or the first annual shareholders meeting of the Subsidiary, subject to their re-appointment in accordance with the By-Law;*

- (f) *the inclusion of the directors and officers of the Subsidiary in the directors and officers insurance policy of the University;*
  - (g) *the waiver of the audit of the Subsidiary and the appointment of \_\_\_\_\_ as accountants of the Subsidiary;*
  - (h) *the financial year-end of the Subsidiary shall be March 31;*
  - (i) *the opening of a bank account in the name of the Subsidiary;*
  - (j) *the registered office address of the Subsidiary shall be the address of the University; and*
  - (k) *all matters related to or ancillary to the above, which will assist with fulfilling the Purpose;*
3. *any **two** of Steven Murphy, Cheryl Foy and/or Lori Livingston, be and are hereby authorized and directed, for and in the name of the University, in its capacity as sole shareholder of the Subsidiary, to:*
- (a) *execute and deliver the Articles, the By-Law, and any shareholders resolutions regarding them;*
  - (b) *execute and deliver shareholders resolutions regarding the matters set out in paragraph 2 above, including any matters ancillary thereto which require shareholder's resolutions;*
  - (c) *execute and deliver any consents required for the Subsidiary to use any names or trademarks of the University, including "Ontario Tech" and "Ontario Tech Talent";*
  - (d) *execute and deliver all such other agreements, documents and instruments and to take all such further actions as determined in their absolute discretion and opinion as may be necessary or desirable to successfully incorporate, organize and establish the Subsidiary as a stand-alone entity and going concern, or necessary or desirable to carry out the foregoing provisions of this resolution, the completion of all such acts and things and the execution of all such documents, instruments and agreements in accordance with this subsection being conclusive evidence of such determination*
  - (e) *obtain any regulatory or other approvals required, including the arrangement of tax and business numbers and accounts;*
  - (f) *take all such further actions as may be required to give effect to the provisions of this resolution;*
4. *from time to time, and at each annual meeting of the Subsidiary, the **President of the University** shall present a slate of directors for approval by the Board, acting in its capacity as the board of the sole shareholder of the Subsidiary; and*
5. *in accordance with the Articles, the By-Laws, and the Act, the Board reserves unto itself, in its capacity as the board of the sole shareholder of the Subsidiary, the power to impose on the Subsidiary such other conditions as the Board may deem necessary from time to time.*

The Board applauded upon approval of the motion.

## 6. Academic Council

F. Jones delivered the Academic Council report. He reported that Academic Council hosted its second Colleagues Exchange of the year that week, which focused on timing of exams and the academic dates for 2020-2021. Academic Council has been part of the Integrated Academic Plan and Strategic Research Plan consultations. It also approved Program Review Final Assessment Report Executive Summaries for the following programs:

- Bachelor of Science in Chemistry

- Bachelor of Arts in Political Science
- Master of Engineering Management and Graduate Diploma in Engineering Management

Council also approved the Program Review 18-Month Follow-Up Final Assessment Report for the Bachelor of Arts in Communication and Digital Media Studies. The reports are available online. He also advised that the 2020 Academic Council election was also underway.

### **6.1 Proposal to Establish Digital Life Institute (DLI)**

F. Jones provided an overview of the proposal to establish the DLI, which was included in the meeting material. S. Murphy acknowledged that Dr. Isabel Pedersen was in attendance and she would be leading the DLI. He noted that the DLI aligns perfectly with the university's strategy. K. Chan expressed support for the proposal and suggested that Facebook be added to the list of potential partners.

*Upon a motion duly made by F. Jones and seconded by M. Neville, pursuant to the recommendation of Academic Council, the Board of Governors unanimously approved the establishment of the Digital Life Institute, as presented.*

The Board applauded the newly approved institute.

### **6.2 Proposal to Establish Centre for Small Modular Reactors (CSMR)**

F. Jones provided a brief summary of the proposal. D. Reiner remarked that it was another fabulous initiative. He commended the university for recognizing the trend of the nuclear industry and how it will form a big part of how Canada meets greenhouse gas emissions standards. S. Murphy added that it complements the university's energy consortium. He also noted that the establishment of the CSMR would position us well to obtain funding.

There was a discussion regarding the faculty leading the CSMR and the risk to the success of the CSMR should those faculty members leave the university. There was also a discussion regarding whether the university is exploring potential collaborations with private/public sector agencies. L. Jacobs confirmed that those conversations are taking place.

*Upon a motion duly made by F. Jones and seconded by T. Koseck, pursuant to the recommendation of Academic Council, the Board of Governors unanimously approved the establishment of the Centre for Small Modular Reactors, as presented.*

### **6.3 Post-Baccalaureate Diploma in Teaching English to Speakers of Other Languages**

F. Jones presented the proposal to the Board. There was a discussion regarding the competitive nature of the program and the market research conducted when preparing the proposal. R. Kay advised that there is no TESOL program in the Durham Region and it would be more convenient for residents of Durham. The scheduling of the university's program will allow people who are working full-time to participate in a part-time program.

There is also an online component to allow for remote participation. This flexibility will be helpful for people who might not be able to commute.

There was also a discussion regarding how the university's program can be differentiated from other programs (e.g. include a STEM focused component). R. Kay advised that the online aspect will distinguish our program from many others. F. Garwe expressed support for the proposal and remarked that it would be very useful for the health care sector in Durham. J. Wilson commented that for the placement part of the program, there should be no problem finding local placements.

*Upon a motion duly made by F. Jones and seconded by J. Wilson, pursuant to the recommendation of Academic Council, the Board of Governors unanimously approved the establishment of a Post-Baccalaureate Diploma in Teaching English to Speakers of Other Languages program, as presented.*

## **7. Co-Populous Report**

J. Wilson delivered the co-populous report. In January, Durham College (DC) launched phase 4 of its Whitby campus expansion, which will expand their industrial skilled trades training capacity. In February, DC launched its Centre for Cybersecurity and Innovation. J. Wilson also reported on the FIBA basketball game held on campus, which had 2500 spectators. He shared that the DC Board was excited about the upcoming joint Board meeting.

## **Committee Reports**

### **8. Audit & Finance Committee (A&F) Report**

#### **Finance**

##### **8.1 Third Quarter Financial Reports**

N. Allen delivered the A&F report. At the committee's first meeting of the year, they reviewed the third quarter financial reports, which were included in the meeting material. He provided a summary of the key highlights:

- decrease of almost \$8m in cash & cash equivalents over last year due to new building project;
- collected 95% of the accounts receivable since December 2019;
- \$26m cash injection in capital;
- university continues to repay debt - \$7m as of December 2019;
- revenue increased by 2% whereas expenses increased by 5%;
- ratios continue to be positive;
- at end of year, looking at a lower operating surplus than last year; and
- a net forecast operating surplus of \$3.1m., consisting mostly of planned surplus of \$2.5m.

##### **8.2 2020-2021 Budget Update**

L. Livingston, P. Onsiang, and B. Maclsaac delivered the budget update, which was included in the meeting material. They responded to questions from the Board. There was a discussion about shifting focus on international students from China to other regions (e.g. Latin America). B. Maclsaac advised that China represents less than 40%

of our international students and we have a smaller percentage of students from the Caribbean. There was also a discussion about the likelihood of meeting the new SMA3 metrics and obtaining full grant funding. The Board was advised that the university is confident about meeting the metrics for 2020-2021.

L. Livingston discussed the new student success initiatives that will be launched in the fall. The new student success program targeted at first year students will allow students struggling with academic performance to stay with their cohort and keep the friends they made during their first year. The students will be able to take 2-3 courses in their area of interest while concurrently taking a course to assist with improving their performance in university. One of the conditions of the program will be that the student must meet with their advisor weekly. There was a discussion regarding the projected success rate of the program.

There was also a discussion regarding the competitiveness of the university's international tuitions with those of other Canadian institutions.

The Chair thanked the senior leadership team for the realistic forecasts.

### **8.3 2020-2021 Tuition Fees**

N. Allen provided an overview of the proposed tuition fees for 2020-2021. The tuition fee framework, released by the provincial government in December 2018, regulates all publicly funded programs and allows for tuition fee differentiation based on program and program year. The framework is based on the principle that in 2020-2021, institutions are expected to charge the same full-time and part-time domestic tuition fees that they charged in 2019-2020, for each program and year of study. International and cost recovery programs are not included in the limits imposed by the provincial framework and those tuition fees have increased based on Ontario comparisons ensuring the university is at or below the estimated median.

*Upon a motion duly made by N. Allen and seconded by T. Koseck, pursuant to the recommendation of the Audit & Finance Committee, the Board of Governors approved the 2020-2021 tuition fees, as presented.*

### **8.4 2020-2021 Ancillary Fees**

N. Allen presented the 2020-2021 ancillary fees for approval. Ancillary fee increases under the Bank of Canada, Consumer Price Index average of 12 months do not require Board approval and this year's CPI is 2.2%. As the university has the highest ancillary fees in the province, this rate has been watched carefully over the past few years and the recommended adjustments keep this in mind. These higher fees are based on decisions made with our students to include items that other institutions may not have at this time, for example:

- the Durham Transit fee that gives students the ability to ride the bus at 25% of the cost of a normal fare;
- two capital projects; and
- dedication to providing Technology Enhanced Learning Environment to our students rather than having them go out and buy the software independently.



After a number of years with no increases or staggered increases, the proposal is to increase almost all fees by the inflationary rate.

B. MacIsaac responded to questions from the Board. A member suggested that the university look at ways to reduce some of the ancillary fees (e.g. UPASS, health care provider fees, etc.) and perhaps increase fees that promote a sticky campus. The Chair provided some background to the UPASS fee - at one time, it was paid for and Durham Regional Transit cancelled it. It was suggested that it might be helpful to have another conversation with the Region.

B. MacIsaac clarified that the proposed ancillary and tuition fee increases are already reflected in the budget.

*Upon a motion duly made by N. Allen and seconded by L. Elliott, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the 2020-21 ancillary fees, as presented.*

One member opposed the motion.

## **8.5 Amendments to Statement of Investment Policies (SIP)**

N. Allen summarized the proposed amendments to the SIP. He advised that the amendments are based on the recommendations of the Investment Committee and the university's Investment Manager, PH&N. There are also several editorial changes to the SIP to reflect the university's rebrand.

N. Allen explained that adding this allocation option would help increase the portfolio's income and reduce overall portfolio volatility and correlations to the broader markets, both of which would be beneficial to the university, especially in this late stage of the economic cycle.

*Upon a motion duly made by N. Allen and seconded by M. Saros, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the proposed amendments to the Statement of Investment Policies, as presented.*

## **8.6 Project Updates**

N. Allen reported that at the last A&F meeting, the committee received progress updates on the university's key capital projects, which have been included in the meeting material for information.

## **9. Investment Committee Report**

### **9.1 Quarterly Report**

S. Chow delivered the Investment Committee report. The university's investment account is at \$28.3m and the cash account is at \$485,000. The portfolio had a positive return in the last quarter, but it was a bit behind benchmark due to the performance of the market neutral funds. The committee also recommended the disbursement of up to \$750,000 for scholarships and bursaries in 2020-2021.

## **10. Governance Nominations & Human Resources Committee (GNHR)**

M. Saros delivered the GNHR report, as she chaired the last committee meeting in F. Garwe's absence. The committee had an engaged discussion about bicameral governance and internal stakeholder engagement. She was pleased to report that the committee reviewed a draft Annual Committee Practices Assessment and supported implementing it as part of this year's Board annual assessment process. Both assessments will be conducted through the OnBoard portal and the committee looks forward to seeing the results.

The committee also received an update on the status of the By-laws Implementation and it is included in the meeting material for reference. The Board of Governors 2020 election is also underway. There was only one vacant position for 2020 and it was for the role of student governor.

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

T. Koseck delivered the S&P report. The committee had a lengthy strategic discussion focused on universities and the "Skills Gap", which appropriately tied into the Ontario Tech Talent Initiative that was approved earlier in the meeting. The committee also received an update on the university's Women for Stem initiative, which was included in the meeting material for information. The initiative has a fundraising goal of \$2 million to create entrance and in-course scholarships for the next ten years. Each cohort of 20 women entering their first year will be paired with a mentor. The mentorship portion of the program will also provide a variety of opportunities for students to network with their mentors, and attend events with guest speakers, throughout their university years. The initiative is also intended to celebrate the achievements and promote the success stories of women in STEM from across our campus and our community.

The community also received an update on student success initiatives and continued with planning the Board Retreat. T. Koseck reminded the Board that the retreat is scheduled for the evening of May 27 and morning of May 28.

### **Pi Day**

T. Koseck noted that the annual Pi Day of giving is quickly approaching. He provided an overview of the planned events and invited governors to attend, if possible. If governors are unable to participate in person, he encouraged them to help promote the event on social media.

## **12. Consent Agenda:**

*Upon a motion duly made by T. Koseck and seconded by M. Neville, the Consent Agenda was approved as presented.*

- 12.1 Animal Care Committee Terms of Reference
- 12.2 Policy on the Care & Use of Animals in Research & Teaching
- 12.3 Minutes of Public Session of Board Meeting of November 28, 2019
- 12.4 Minutes of Public Session of A&F Meeting of November 20, 2019
- 12.5 Minutes of Public Session of GNHR Meeting of October 10, 2019

- 12.6 Minutes of Public Session of S&P Meeting of October 24, 2019
- 12.7 Minutes of Public Session of Investment Meeting of November 20, 2019

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

**A&F**

- 13.1 Compliance, Risk and Policy Update
- 13.2 New Building Project
- 13.3 ACE Enhancement Project
- 13.4 Credit Rating Update

**GNHR**

- 13.5 By-laws Implementation Update

**S&P**

- 13.6 Women for Stem
- 13.7 Pi Day

**14. Other Business**

**15. Adjournment**

*There being no other business, upon a motion duly made by D. Reiner and seconded by L. Cao, the meeting adjourned at 3:23 p.m.*

Becky Dinwoodie, Secretary