

## BOARD OF GOVERNORS' 117<sup>th</sup> REGULAR MEETING

**Minutes of the Public Session of the Meeting of Wednesday, December 2, 2020**  
**1:00 p.m. to 3:00 p.m., Video Conference**

### **GOVERNORS IN ATTENDANCE:**

Dietmar Reiner, Board Chair  
Laura Elliott, Chair of Audit & Finance Committee  
Stephanie Chow, Chair of Investment Committee  
Maria Saros, Chair of Governance, Nominations & Human Resources Committee  
Thorsten Koseck, Chair of Strategy & Planning Committee  
Steven Murphy, President  
Mitch Frazer, Chancellor  
Azzam Abu-Rayash  
Liqun Cao  
Kevin Chan  
Douglas Ellis  
Francis Garwe  
Ferdinand Jones  
Kori Kingsbury  
Dale MacMillan  
Mark Neville  
Dietmar Reiner  
Kim Slade  
Trevin Stratton  
Roger Thompson  
Jim Wilson  
Lynne Zucker

### **BOARD SECRETARY:**

Becky Dinwoodie, *Associate University Secretary & Judicial Officer*

### **STAFF:**

Jamie Bruno, *Assistant Vice-President, Human Resources*  
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, *Vice-President, Administration*  
Susan McGovern, *VP External Relations & Advancement*  
Andrew Gallagher, *Interim Chief Financial Officer*

### **GUESTS:**

Chelsea Bauer, *Faculty Association*

Wesley Crichlow, *Professor, Faculty of Social Science & Humanities*  
Mike Eklund, *President of Faculty Association*  
Edgar Hielema, *Gardiner Roberts LLP*  
Emil Ilnicki  
Christine McLaughlin, *Faculty Association*

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

The Chair called the meeting to order at 1:00 p.m.

### **2. Agenda**

*Upon a motion duly made by L. Elliott and seconded by M. Saros, the Agenda was approved as presented.*

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

There were no conflicts declared.

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

The Chair welcomed everyone to the second Board meeting of the year. He welcomed the newest governors, D. Ellis and A. Abu-Rayash, to their first meeting. The Chair shared that he is looking forward to working with them. He remarked that we have an engaged and open Board and he hopes the new governors enjoy their experience. The Chair asked everyone to introduce themselves for the benefit of the new governors.

The Chair noted that it would be the last meeting that A. Gallagher would be attending as his term as Interim CFO was coming to an end. He thanked A. Gallagher for all of his work over the past year – his transition was seamless and he helped guide the university through a very difficult fiscal period. The Chair also congratulated B. Maclsaac on his recent appointment as VP, Administration.

The Chair reported that the Board received a request from the Student Union President to present to the Board about proctoring systems and alternative course assessments. Upon reviewing the request, it was decided that it was not an appropriate matter for consideration by the Board for several reasons, including:

- the Board's primary role is as an oversight body and to provide strategic direction and not to involve itself in operational or matters involving the day to day life of the university; and
- the Board is respectful of the bicameral system of governance and proctoring systems and alternative course assessments fall within the jurisdiction of Academic Council under its general authority to establish academic standards and curricular policies and procedures of the university.

Since the Board last met in September, we have entered the second wave of the pandemic. It is important to remain vigilant and continue to practice the preventative measures. While people are tired, now is not the time to become complacent.

The Chair commented that he continues to be impressed by the resilience of the university community and the sustained focus on providing our students with an exceptional learning experience.

The Chair reminded the Board of his priorities as Chair. He shared some insights from his conversations with individual governors, including the support for engaging in more strategic discussions. The Chair reinforced the expectation that members come prepared to meetings.

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

The President discussed the university's transition online due to COVID. He credited faculty and staff for the successful transition online. He noted that the decision was made on a Thursday and the university was up and running by the Monday. The post-secondary sector is changing globally and competition has broadened as a result of going online. He observed that COVID has pushed higher education ahead at least a decade or more. Most Ontario and Canadian universities are talking about being hybrid/blended. It is important to determine what is really happening on the ground or in the virtual space right now and what will be happening next September, or when we can safely bring students back to campus. The President shared some of the approaches faculty are using to online learning (e.g. synchronous/asynchronous learning, flipped classrooms, VR incorporated into the classroom, etc.). Many faculty members are using this time to reassess pedagogy and explore alternative assessment methods.

As a sector, we are hearing from other universities that when they return, they will be offering hybrid learning, but mostly trying to return back to "normal". The President believes this would be a lost opportunity. In the post-COVID world, things will have changed. They are also hearing from students that the university should keep online offerings to provide flexibility in finishing programs. They are also hearing that students would like to return to campus but would like to see the university keep the best of what is being offered online.

The President responded to comments and questions from the Board. A member commented that offering online options may broaden student recruitment opportunities. The Board Chair commented that the agility and innovation the university has shown by turning a crisis into an opportunity speaks volumes about the leadership of the university. The President shared that the feedback of our students has been uplifting and our students also view this as an opportunity to reset.

### **5.1 Strategic discussion: President's Equity Taskforce (PET) Report**

The President introduced W. Crichlow and provided an overview of W. Crichlow's contributions to the institution. The President noted that the PET Report is an historic starting point, as it is the first time the university has a comprehensive view of what is happening at the institution with respect to equity, diversity, and inclusion (EDI).

W. Crichlow provided an overview of the development of the report. He commented that it was a challenging task and thanked all of the taskforce members and those who contributed to the development of the report. It is a great starting point for the work being done at the university. W. Crichlow reported that recommendations in the PET Report are already coming to fruition, including the hiring of an EDI Director, hiring of a Human Rights expert, and the Board's priority of developing a Board Governance EDI strategy.

One of the challenges that needs to be addressed is data and data collection; we need to understand exactly where we are so we are able to identify where improvements are required. W. Crichlow responded to questions and comments from the Board.

A member commented that EDI initiatives need buy in from everyone and should be included as a part of everyone's role. There was a discussion regarding the roll out and operationalization of the recommendations in the PET Report. The President advised that the university will be developing a strategic plan and identifying short-term and long-term measures that can be taken. A comment was made that there is also a role for the Truth and Reconciliation calls to action in the plan.

The Board Chair thanked W. Crichlow for chairing the taskforce. The Board discussed how to move forward on the key recommendations with respect to the Board in a meaningful way. It will be important to avoid tokenism and take sustainable actions. Some considerations to be taken into account are:

- Ensure students understand how this is important in their careers.
- Does the university's student population reflect the community we serve?
- Does Board composition reflect the diversity of our population?

Longer term measures will involve training and years of practice. The university must also look at alternative ways of doing things (e.g. tenure and promotion practices). There are things that are going to take time because they involve cultural change. A member expressed support for providing multi-faith chaplaincy and services to help address mental health issues.

It is integral we have a game plan to get us there, despite how long it takes. The Board will continue to be updated on the steps being taken. It will be a learning process for both the Board and the university community.

## **6. Academic Council**

F. Jones delivered the Academic Council report. The work of Academic Council and its committees was well underway. He informed the Board that Academic Council continued to meet over the summer months in light of the ongoing COVID crisis.

As one of the governance bodies, Council has engaged in several strategic discussions since July, focusing on:

- centring on students as a key university stakeholder, as we plan for the return to campus, how we can differentiate Ontario Tech from other institutions to enhance student experience and engagement; and
- blended learning.

Academic Council implemented its recently approved Vice-Chair selection procedures and appointed Amir Mostaghim as Vice-Chair for a one-year term. Academic Council confirmed the eligibility for graduation of those students who fulfilled all degree requirements at the end of the Summer and Fall Terms of 2020 and recommended the conferral of degrees by the Chancellor. Academic Council also approved the following items:

- Cyclical Program Review 18-Month Follow-Up Reports for the Master of Applied Science and Master of Engineering in Automotive Engineering, Master of Applied

Science, Master of Engineering, and Doctor of Philosophy in Electrical and Computer Engineering, and Master of Applied Science, Master of Engineering, and Doctor of Philosophy in Mechanical Engineering programs

- Cyclical Program Review 18-Month Follow-Up Reports for Bachelor of Engineering in Manufacturing Engineering, and Bachelor of Engineering in Mechanical Engineering Cyclical Program Reviews
- Faculty of Education Major Program Modification – Minor Program in Educational Studies and Digital Technology
- Faculty of Social Science and Humanities Major Program Modification – Bachelor of Arts in Psychology
- Faculty of Social Science and Humanities Major Program Modification – Bachelor of Science in Psychology
- Academic Integrity policy instruments
- Virtual proctor system directives
- English Language Proficiency – Duolingo English Test

Academic Council was also consulted on the university's mission, vision and values refresh and the Compliance Policy development.

The Board Chair thanked F. Jones for serving as the governor member of Council for the past 2 years.

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

J. Wilson delivered the Co-Populous report. At the Durham College (DC) Board meeting in October, they received a presentation about the transition to remote delivery and there was a discussion regarding the tech applications being used. J. Wilson reported that they also received an enrolment update, with enrolment for fall 2020 being down approximately 9.3% from fall 2019. The DC Board was also informed that the web application program was suspended as of winter 2021. They also received an update on the 2021 business plan.

There was a discussion as to how the Board can help strengthen the relationship with DC.

## **Committee Reports**

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

L. Elliott delivered the A&F report. She highlighted that the Compliance, Risk and Policy Update and Freedom of Expression Annual Report were included in the Board's meeting material for information. She reported that A&F was consulted on the draft Compliance Policy. The policy is undergoing extensive consultation and will be presented to the Board for approval in the new year. The committee also received updates on the status of the Signing Authority Policy review and the Controlled Goods Compliance framework.

#### **8.1 Second Quarter Financial Reports**

L. Elliott provided a high-level overview of the second quarter financial reports, which were reviewed in greater detail by A&F. She noted key aspects of the reports:

- Y/E Forecast at the end of the second quarter is showing an anticipated surplus of \$2.6M versus an original budget deficit of \$2.2M;
- projected enrolment is 1,135 FTE more than budgeted, and has translated into an additional \$8.6M of tuition fees;
- the pandemic is having an adverse impact on our auxiliary revenues, including ACE, food services, parking, with a net downside of \$3.3M forecast against budget;
- forecast expenses include decrease in expenses to offset the decrease in the above auxiliary revenues, net base building cost savings as a result of the physical closure of much of the campus facilities, and an increase of capital investment in the ACE Moving Ground Plane;
- the anticipated Y/E surplus of \$2.6M continues to be a fluid number with Management closely monitoring the financial impact of the pandemic on future university activities; and
- the University is also investing \$20.0M into the new A5 building, which will be funded by a combination of prior year reserves and external financing;

L. Elliott responded to questions from the Board.

## **8.2 Enrolment & Budget Update**

B. Maclsaac and L. Livingston provided an overview of the enrolment and budget planning update included in the meeting material. L. Livingston noted that it continues to be an unstable environment. A recommendation was made to the Board that if the university does have surplus funds, that they be invested in:

- employee and student wellness (e.g. bringing back people from layoff);
- increased recruitment and retention initiatives; and
- technology to support students, staff and faculty.

B. Maclsaac and L. Livingston responded to questions from the Board.

*Upon a motion duly made by L. Elliott and seconded by L. Zucker, the Board of Governors unanimously approved the following motion:*

*WHEREAS the 2020-2021 budget was prepared and approved in June 2020 based on a forecast using the best information available at that time;*

*WHEREAS the Board of Governors directed management to continue to meet with the Chair of the Audit and Finance Committee to conduct further budget reviews in light of the continuing high degrees of risk and uncertainty precipitated by the COVID-19 pandemic;*

*WHEREAS management has updated the forecast for 2020-2021 based on the most recent enrolment update and the Audit and Finance Committee noted the competing forces of positive budget direction in the current year, with continuing risk and uncertainty in the current and following budget years;*

*NOW THEREFORE pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors authorizes the President to spend additional in-year revenues and savings, if any, toward strategic initiatives and those initiatives that mitigate future budget risk, in accordance with the recommendations presented by the Senior*



*Leadership Team, and requests that the President report on these matters to the Audit and Finance Committee at every meeting through 2021.*

### **8.3 New Building Financing**

C. Foy reviewed the proposed new building financing resolution with the Board. A. Gallagher provided the background to the financing and explained the transaction, highlighting the advantages of the structure. C. Foy discussed the compliance of the financing with the debenture covenants. C. Foy responded to questions from the Board.

*Upon a motion duly made by F. Jones and seconded by D. MacMillan, the Board of Governors unanimously approved the following motion:*

*WHEREAS Royal Bank of Canada (the "Bank") as lender, issued a commitment letter dated as of the 29th of September, 2020 ("Commitment"), to the Corporation, extending to the Corporation credit facilities in the aggregate amount of up to CDN\$25,000,000.00 (the "Financing");*

*AND WHEREAS pursuant to the Commitment, the Corporation may issue bankers' acceptances (with interest coupons attached, if applicable) in each case for acceptance by the Bank (collectively the "Bankers' Acceptances"), and the Corporation wishes to facilitate the issuance, endorsement, substitution and replacement of Bankers' Acceptances, together with interest coupons, if applicable, from time to time;*

*AND WHEREAS pursuant to the Commitment Letter, it is contemplated that the Corporation and the Bank shall enter into an International Swaps and Derivatives Association, Inc. Master Agreement together with, a draft schedule to the Master Agreement (such Master Agreement and schedule being referred to hereinafter as the "ISDA Agreement");*

*AND WHEREAS pursuant to Section 9(1)(p) of the University of Ontario Institute of Technology Act, 2002, S.O. 2002, Chapter 8, Schedule O (the "Act"), the Board of Governors of the Corporation is responsible for governing and managing the affairs of the university and has the necessary powers to do so, including the power to make by-laws, resolutions and rules for the conduct of its affairs;*

*AND WHEREAS pursuant to Section 15(8) of the Act the Corporation, if authorized by its by-laws, may, on such terms and in such amounts as the board may approve, borrow money and give security for money borrowed; and issue or give bonds, debentures and obligations as security; and pursuant to Section 10.1 of By-law Number 1 of the Corporation the Board of Governors is authorized by resolution to borrow money on the credit of the Corporation in such amounts, on such terms and from such persons, firms, or corporations, including chartered banks, as may be determined by resolution of the Board;*

*AND WHEREAS pursuant to Section 9.2 of By-law Number 1 of the Corporation, notwithstanding any provisions to the contrary contained in the By-laws of the Corporation, the Board of Governors of the Corporation may, at any time, by resolution direct the manner in which, and the persons by whom, any particular instrument, contract, or obligation of the Corporation may or shall be executed;*

*AND WHEREAS the Audit and Finance Committee of the Corporation has considered the Financing, and recommends it to the Board of Governors and on this basis and on the basis of its own deliberations, the Board, having sought and received legal advice, has*

determined that it is in the best interests of the Corporation to enter into, execute and deliver the Commitment, from time to time the Banker's Acceptances, and the ISDA Agreement, and all documents contemplated by, ancillary to, or required with respect to the Commitment, the Banker's Acceptances and the ISDA Agreement (collectively, the "Documents"), and to enter into, execute and deliver all other agreements, documents and instruments in writing contemplated and required in connection with each of the Documents, and to perform all of the Corporation's obligations thereunder.

NOW THEREFORE BE IT RESOLVED THAT:

*Financing*

1. The Corporation be and is hereby authorized to borrow from the Bank an aggregate maximum principal amount of up to CDN\$25,000,000.00 pursuant and subject to the terms and conditions set forth in the Commitment and the Documents.

*Commitment*

2. The Corporation is hereby authorized to enter into, execute and deliver, the Commitment and its associated Documents, with such non-material changes as the person signing the Commitment may approve, the execution by such person to conclusively evidence such person's approval of same and that such Commitment and such Documents as executed and delivered are the Commitment and Documents authorized by this resolution.

*Banker's Acceptances*

3. Any individual officer as designated by the Bank from time to time as a securities officer of the Bank be and hereby is appointed an authorized signatory of the Corporation for the purposes of the issuance, endorsement (if applicable), substitution and replacement of Bankers' Acceptances and any interest coupons that may relate thereto.

4. Each such Bank securities officer so appointed as authorized signatory of the Corporation be and hereby is authorized to make use of a mechanical or other device for the purpose of affixing a facsimile of his/her signature as drawer and endorser (if applicable) to any Bankers' Acceptances (including any interest coupons that may relate thereto) and any replacements and substitutions thereof.

5. The Bank be and is hereby authorized and directed to honour, pay and charge to the account of the Corporation all Bankers' Acceptances (and interest coupons, if applicable) bearing facsimile signatures of persons having authority to sign Bankers' Acceptances (and interest coupons, if applicable) pursuant to this agreement and such Bankers' Acceptances (and interest coupons, if applicable) shall be binding on the Corporation to the same extent as they would have been had they been manually signed.

*ISDA Agreement*

6. The Corporation is hereby authorized to enter into the ISDA Agreement and its associated Documents with such non-material changes as the person signing the ISDA Agreement may approve, the execution by such person to conclusively evidence such person's approval of same and that such ISDA Agreement and Documents as executed are the ISDA Agreement and Documents authorized by this resolution.

7. The Corporation is hereby authorized from time to time to enter into transactions contemplated by the ISDA Agreement.

*General*

8. In this resolution, the term "Authorized Signatory" means any one of the following acting alone: the officers and the members of the Board of Governors of the Corporation.

9. Any Authorized Signatory is hereby authorized, for and in the name of and on behalf of the Corporation, to do, or cause to be done, all such acts and things, and to negotiate, execute (whether under seal or otherwise) and deliver, or cause to be delivered,



*all such instruments, agreements and documents (in electronic form or otherwise) as in the opinion of such person may be necessary or desirable to complete the transactions contemplated by the Documents and this resolution, with such amendments or variations thereto as such person may approve, the execution and delivery thereof and the doing of all such acts and things by such person, as the case may be, being conclusive evidence of such approval.*

*10. All acts, transactions, agreements or documents undertaken or executed prior to the date of these resolutions by any Authorized Signatory of the Corporation in the name and on behalf of the Corporation, in connection with the execution and delivery of the Documents, are hereby ratified, confirmed, approved and adopted, and such Documents shall constitute and remain the binding obligations of the Corporation.*

#### **8.4 Project Updates – Questions Only**

B. Maclsaac responded to questions from the Board. There was a discussion regarding the impact of COVID on the ACE integration delay and the options available to mitigate the cost implications. B. Maclsaac advised that they are looking at what can be done virtually. The Board Chair and T. Koseck offered to provide advice regarding the process of bringing workers in from the US, if required.

### **9. Investment Committee Report**

#### **9.1 Quarterly Report**

S. Chow delivered the quarterly report. She reported that the university's endowment portfolio was at \$28.9m at the end of September and has \$560,000 in cash, which is primarily used for scholarships and bursaries. She advised that a direct real estate strategy was recently added to the portfolio. Because of the volatility of the market, the committee continues to be proactive in getting frequent updates from PH&N. S. Chow thanked A. Gallagher for his assistance in working with PH&N during his time as Interim CFO.

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

M. Saros delivered the GNHR report. The committee received an update on the implementation of the By-laws that came into effect in September 2018. The university is continuing to make good progress on the implementation of the new by-laws. The most substantive impact has been the formation of the Academic Council Governance & Nominations Committee. That committee's focus for the year will be rolling out good governance principles to Faculty Councils.

The committee reviewed the proposed Board PD work plan for 2020-2021, which is included in the meeting material for information. As mentioned by the Chair in his remarks, developing a Board Governance EDI strategy is on the committee's work plan for the year and GNHR had a preliminary discussion during their meeting in October. The committee is only at the beginning stages of this initiative and will be looking at what the Board can do to complement the work already being done at the institution. M. Saros advised that it will be a multi-year plan (3-5 years).

The committee also had a strategic discussion focused on the mental health of the university's students and staff. The committee was pleased to see the focus on the mental health of the university community and that the university is keeping the well-being of our students and university community at the forefront.

M. Saros commented that she really enjoyed the PD session on Ontario Tech Talent earlier that day.

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

T. Koseck delivered the S&P report. He advised that the committee had an initial consultation on the refresh of the university's mission, vision and values. Consultations with the community have begun and a special consultation session with the Board has been scheduled for December 17. T. Koseck encouraged all members to attend the session and to provide their feedback, as it is a key responsibility of the Board. The goal is to bring a recommendation to the Board for approval in the new year.

T. Koseck also reported that S&P had an engaged strategic discussion on blended learning. The university community is being engaged in the evolution of blended learning at the institution, including strategic discussions with Academic Council. S&P also received a presentation on Integrated Planning & Strategy. The integrated plan is a rolling plan approach, where it is reviewed annually to assess what was accomplished over the past year and to consider adding new actions and goals. The year over year planning process will serve us well with the uncertainty of the pandemic.

The committee also began planning for the annual Board retreat. The committee supported holding the retreat in May the same day of the S&P meeting and a meeting invitation would be sent out soon.

## **12. Consent Agenda:**

*Upon a motion duly made by D. MacMillan and seconded by M. Saros, the Board of Governors approved the Consent Agenda:*

- 12.1 Minutes of Public Session of Board Meetings of June 25 & September 23, 2020
- 12.2 Minutes of Public Session of A&F Meeting of June 19, 2020
- 12.3 Minutes of Public Session of GNHR Meeting of May 14, 2020
- 12.4 Minutes of Public Session of S&P Meeting of May 28, 2020
- 12.5 Minutes of Public Session of Investment Meeting of August 13, 2020
- 12.6 BMO Banking Resolution
- 12.7 PH&N Signing Authority Resolution

## **13. Information Items**

### **A&F**

- 13.1 Compliance, Risk and Policy Update
- 13.2 Freedom of Expression Annual Report
- 13.3 ACE Enhancement Project & New Building Project Updates
- 13.4 AVIN Project

### **GNHR**

- 13.5 Board PD 2020-2021

## **14. Other Business**

**15. Adjournment**

*Upon a motion duly made by F. Jones and seconded by T. Stratton, the public session adjourned at 3:22 p.m.*

Becky Dinwoodie, Secretary