

**PUBLIC SESSION AGENDA
Wednesday, March 1, 2017
3:45 p.m. to 6:00 p.m.**

Place: 55 Bond St., DTB 524

**Dial-in Phone Number: 1-877-385-4099 (toll free in Canada & U.S.)
Participant Access Code: 1028954#**

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	3	
4		Approval of Minutes of the Meeting of December 7, 2016* (M)	Chair	5	
5		Community Reports/Presentations (if required)	UOIT Community Members	5	4:00 p.m.
6		Chair's Remarks	Chair	5	4:05 p.m.
7		President's Report	T. McTiernan	5	4:10 p.m.
8		Academic Council Report* (U)	T. McTiernan	5	4:15 p.m.
9		Co-Populous Report	D. Allingham	5	4:20 p.m.
		Committee Reports			
10		Audit & Finance Committee	M. Goacher	45	
		Finance			
	10.1	Third Quarter Report* (U)	M. Goacher		
	10.2	Laptop Procurement* (M)	P. Bignell		
	10.3	SIRC Building Construction Project (U)(P)	L. Brual		
	10.4	Budget* (U)(P)	C. Elliott/ D. Saucier		
	10.5	DBRS UOIT Credit Rating Report* (U)(P)	C. Elliott		
		Compliance			
	10.6	Privacy* (U)	C. Foy		5:05 p.m.
11		Investment Committee			
	11.1	Third Quarter Investment Review (U)	N. Allen	5	5:10 p.m.

12		Governance Nominations & Human Resources Committee	K. Brearley	5	5:15 p.m.
13		Strategy & Planning Committee	V. Wafer	25	5:40 p.m.
	13.1	Strategic Mandate Agreement (D)	D. Saucier		
14		Consent Agenda: (M)	Chair	5	5:45 p.m.
	14.1	Approval of Minutes of the Audit & Finance Committee Meeting of November 16, 2016*			
	14.2	Approval of Minutes of the Governance, Nominations & Human Resource Committee Meeting of November 23, 2016*			
	14.3	Approval of Minutes of the Investment Committee Meeting of November 16, 2016*			
	14.4	Approval of Minutes of the Strategy & Planning Committee Meeting of November 9, 2016*			
15		For Information:		5	5:50 p.m.
	15.1	Annual Pension Plan Report*			
16		Other Business		3	
17		Termination of Public Session (M)	Chair	2	5:55 p.m.
		P - Presentation			
		M - Motion			
		U - Update			
		D - Discussion			
		* Documents attached			

Becky Dinwoodie, Secretary

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



**BOARD OF GOVERNORS' 99th REGULAR MEETING
PUBLIC SESSION**

Wednesday, December 7, 2016

3:20 p.m. – 5:30 p.m.

Place: 55 Bond St., DTB 524

GOVERNORS IN ATTENDANCE:

Adele Imrie, Board Chair
Miles Goacher, Vice-Chair and Chair of Audit & Finance Committee
John McKinley, Vice-Chair
Nigel Allen, Chair of Investment Committee
Karyn Brearley, Chair of Governance, Nominations & Human Resources Committee
Jeremy Bradbury
Tim McTiernan, President (*ex-officio*)
Glenna Raymond
Mary Steele
Noreen Taylor, Chancellor (*ex-officio*)
Tyler Turecki
Shirley Van Nuland
Valarie Wafer, Chair of Strategy & Planning Committee

VIA TELECONFERENCE:

Don Duval
Bonnie Schmidt

REGRETS:

Doug Allingham
Dan Borowec
Andrew Elrick
Jay Lefton
Ololade Sanusi
Mary Simpson
Mike Snow
John Speers

BOARD SECRETARY:

Becky Dinwoodie, *Assistant University Secretary*

UOIT STAFF:

Craig Elliott, *Chief Financial Officer*
Cheryl Foy, *University Secretary & General Counsel*

Andrea Kelly, *Assistant to the Secretary*
Brad MacIsaac, *Assistant Vice-President, Planning and Analysis, and Registrar*
Cathy Pitcher, *Assistant to the President*
Deborah Saucier, *Provost and Vice-President, Academic*

GUESTS:

Scott Barker, *UOIT Athletics*
Larry Brual, *UOIT Staff*
Mike Eklund, *UOITFA*
Christopher Hineman, *UOIT Student & Pathways Award Recipient*
Katherine Koehler-Grassau, *UOIT Student & member of Women's Soccer Team*
Sara Mehraban, *UOIT Student & Pathways Award Recipient*
Peyvand Mossavat, *UOIT Athletics, Soccer Teams Head Coach*
Olivia Petrie, *UOIT Staff, Assistant Vice-President, Student Life*
Michael Riseley, *UOIT Alumni Association*
Jamie Ryan, *UOIT Student & member of Women's Soccer Team*
Sierra Simpson, *UOIT Student & member of Women's Soccer Team*
Georgia Wilder, *UOIT Student & member of Women's Soccer Team*

1. Call to Order

The Chair called the meeting to order at 3:42 p.m.

2. Agenda

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

3. Conflict of Interest Declaration

There were none.

4. Approval of Minutes of the Meeting of October 14, 2016

Upon a motion duly made, the Minutes were approved as presented.

5. Community Reports/Presentations

A. Imrie discussed the success of the UOIT Women's Soccer Team's 2016 season. She congratulated the team's coach, Peyvand Mossavat, on being selected as U Sports Coach of the Year. She commented that coaches have a tremendous impact on team members as athletes and people. A member of the soccer team addressed the Board. The player shared that she has been on the team since it started and this season was a huge accomplishment. Coach Mossavat also discussed the importance of the support of UOIT staff and management to the team's success. He acknowledged

that 6 members of the team are OUA all-stars and 7 members are academic All-Canadians. The team's accomplishment is a collective effort and should be celebrated by the entire university community.

A. Imrie thanked the team and coaches for raising the profile of the university and expressed the Board's appreciation for their success on and off the field.

6. Chair's Remarks

The Chair noted that time had been allotted on the agenda for community reports/presentations in case the Board received requests to speak on short notice. However, no requests were received from the community to address the Board. Further to the community presentations that were received at the last meeting, the Chair thanked D. Saucier and M. Bowman for their work on conducting further consultations and developing an updated and improved policy.

The Chair also provided a brief update on the progress of the SIRC Building project.

The Chair reported on the sessions she attended at the CCOU Conference. She recommended that the governors consider attending next year's CCOU conference as it provides a lot of useful information.

7. President's Report

The President remarked that today's celebration of excellence by acknowledging the Women's Soccer Team is a carry-over of last night's Awards of Excellence. It was a successful event and he noted that the awards were given to people passionate about their roles. He also mentioned that there was a long list of people who received the "10 Years of Service" award and jacket.

The university also formally received the report on UOIT's role in reconciliation. The report sets out 6 principles used to guide UOIT's response to the call for reconciliation and identifies specific goals and actions that UOIT can take to fulfill those principles. The ceremony took place in the ACE auditorium and began with a commemoration of the École Polytechnique massacre. This was a reminder of the importance of building a safe, diverse and respectful community. The ceremony marked a tragedy, as well as the resilience of institutions.

8. Academic Council Report

T. McTiernan delivered the Academic Council report to the Board. He highlighted that Academic Council received its first request from a delegation to speak at a Council meeting. Although there is no provision in the By-laws or Handbook regarding delegations, Academic Council was happy to hear from the student delegation regarding the sexual violence policy. Further, there was an ad hoc consultation session for Council members to provide feedback on the policy and procedures against workplace violence.

9. Co-Populous Report

In anticipation of his absence, D. Allingham delivered a written report and asked the Chair to deliver it on his behalf. He reported:

- the last meeting of the Durham College (DC) Board of Governors was held on October 12, 2016;
- the Board received a presentation from staff on the 50th Anniversary Celebrations for the College;
- an update was provided by the Associate V.P., Facilities and Ancillary Services on the Centre for Collaborative Education;
- the College received \$13M in funding for the new building from the Federal Government through the Post-Secondary Institutions Strategic Investment Fund;
- \$22M was also received from the Provincial Government earlier in the year;
- more than 130 Community members came together with students from DC at the Centre for Food in Whitby for the second annual Harvest Dinner in September;
- the College's proposed Sexual Violence Policy and Protocol was approved by the Board;
- an update was provided by the staff on enrollment;
- direct applications to the College were down by 1.48%, which equates to 77 fewer students;
- international student registrations went up by 16% to 607;
- total enrollment is 10,784 (September), which is an increase of 146 students over 2015;
- the President provided an update on the 2016-2017 Business Plan for the College;
- the College's Strategic Plan is undergoing a renewal with an anticipated launch date of April 2017; and
- an update on the Strategic Plan was provided to the Board.

Committee Reports

10. Audit & Finance Committee

10.1 Second Quarter Report

M. Goacher updated the Board with respect to the second quarter report. Overall, revenues are up and the university is on target for enrolment. There is currently a forecasted budget surplus of approximately \$5M, primarily due to savings resulting from vacant positions.

10.2 SIRC Building Construction Project

The Chair invited C. Elliott to provide an update on the SIRC building construction project. C. Elliott introduced Larry Brual, the new project manager for the SIRC construction project. L. Brual delivered a presentation on the progress of the SIRC building construction project. He confirmed that the project is currently on schedule. The construction team is working on enclosing the building as harsh weather approaches.

Approximately \$9.5M in tenders have been signed. L. Brual reviewed the financial summary of the project to date. He advised that the temporary framings are targeted for completion by the middle of January and the full building envelope should be completed by March. They are expecting the mechanical equipment to be delivered in January. L. Brual also confirmed that no contingencies have been used to this point. L. Brual responded to questions from the Board.

The Chair welcomed L. Brual to the university.

10.3 Budget Assumptions, Targets & Outcomes

The Chair invited C. Elliott to deliver the budget update. C. Elliott delivered a presentation entitled “Budget Update”. He confirmed that the Day 10 enrolment numbers and advised that they anticipate the university will be on budget. In the previous 5-year forecast, there was a \$26M forecasted loss, which prompted discussions regarding budget reductions. The university implemented a 2.5% budget decrease in 2016/17. The enrolment forecasts have since changed, as well as tenured/tenure track contracts have been finalized. There have been reductions in working capital and UPF reserves in order to achieve a balanced budget.

C. Elliott reviewed a new 10-year forecast and explained that the forecast assumes enrolment as being relatively flat over the next 10 years. C. Elliott responded to questions regarding the enrolment assumption despite changing demographics. C. Elliott confirmed that despite shifting demographics, the university will still have space constraints.

C. Elliott reviewed the other significant budget assumptions, as well as the key components of the proposed budget reduction plan. D. Saucier advised that the goal is to focus on student-faculty ratios and to support faculties that are growing rapidly. Filling vacant positions depends not only on new hires, but also on attrition.

C. Elliott reviewed the main points of discussion that arose during the budget consultation process.

In response to having no new non-academic hires, the university must examine what responsibilities can be eliminated. C. Elliott and D. Saucier answered questions from the Board. D. Saucier confirmed that of the vacant teaching positions, approximately 75% of them are for tenured/tenure-track and 25% for teaching faculty positions.

11. Investment Committee

11.1 Second Quarter Investment Review

N. Allen provided the Board with the committee’s second quarter update. At the last meeting, PH&N presented on the possible economic consequences of Trump’s election as President.

12. Governance Nominations & Human Resources Committee (GNHR)

K. Brearley reported on the highlights from the last GNHR meeting. With respect to the Policy on Sexual Violence for Students and Procedures for Responding to Incidents of Sexual Violence, GNHR was pleased by the additional consultation and the refreshed version of the policy. GNHR also discussed Board recruitment efforts and approved amendments to the DCPD Statement of Investment Policies and Procedures, and the 2017 election schedule.

12.1 Policy

(a) Policy on Sexual Violence for Students and Procedures for Responding to Incidents of Sexual Violence

D. Saucier introduced M. Bowman to discuss the policy. M. Bowman reviewed the additional consultation sessions that were conducted since the last Board meeting. He advised that a working group was formed, which included students, as well as faculty who conduct sexual violence research. They also offered one-on-one consultations. He confirmed that the third version of the policy was recommended by GNHR for approval and is being presented to the Board for approval.

M. Bowman reviewed the concerns expressed by the community. Of particular importance was the need for training of staff. There is a perception that the university's support staff is overstretched and unable to provide proper support.

The language in the policy was revised to make it more user-friendly. M. Bowman provided an overview of the changes made to the policy and procedures. He explained that the document is survivor-oriented in construction and also allows for collaboration with Trent and DC.

He set out the next steps in the implementation of the policy, which starts with reconvening the Healthy Sexuality Committee (HSC) by January 2017. The goal is to have 80% of faculty and staff trained by Spring 2017. The priority of HSC will be to discuss what meaningful consultation looks like.

There was a discussion regarding how the DC and UOIT policies compare. M. Bowman advised that the processes are very similar between the institutions. Further, UOIT has an explicit commitment that it will work collaboratively with DC. There was also a question as to how UOIT's policy compares to that of other institutions in general. D. Saucer responded that in terms of mechanics, there is not much variety between policies. Ours is unique in terms of the language used and in how it is cognizant that clubs involve students from DC and UOIT. For example, our policy allows a DC student to make a report to our institution. It recognizes that there are things that might happen off campus that we would want to know about.

M. Bowman and D. Saucier responded to additional questions from Board members.

The Chair expressed the Board's appreciation that the revised policy took the students' concerns into consideration and that enhanced consultation was conducted. She thanked M. Bowman, D. Saucier and C. Foy for all of their work in developing the policy instruments.

Upon a motion duly made by T. McTiernan and seconded by T. Turecki, and pursuant to the recommendations of the Governance, Nominations and Human Resources Committee and Academic Council, the Board of Governors approved the Policy on Sexual Violence for Students and Procedures for Responding to Incidents of Sexual Violence, as presented. In accordance with the relevant legislation, the Board of Governors authorized the Provost and Vice-President, Academic, to update, as required, the following information in the sexual violence policy:

- 1. The supports and services that are available at the university or in the community.*
- 2. The identity of the officials, offices and departments at the university referred to in clauses 2 (1) (a) and (c) and in paragraphs 1 and 6 of subsection 2 (2).*

Approval was unanimous.

(b) Policy Against Violence, Harassment & Discrimination in the Workplace and Procedures to Prevent & Address Violence, Harassment & Discrimination in the Workplace

C. Foy reviewed the proposed policy and procedures with the Board. She highlighted the main concerns expressed regarding the policy documents, which included:

- whether contract workers are protected by the policy;
- whether visitors/volunteers are protected by the policy;
- broad definition of persons in authority and expansive scope of responsibilities; and
- clarification regarding the investigation procedure when there is a potential conflict of interest at a senior level.

C. Foy advised that they worked with outside counsel on the policy instruments and is confident that the Policy Against Violence, Harassment & Discrimination in the Workplace and Procedures to Prevent & Address Violence, Harassment & Discrimination in the Workplace meet the university's compliance obligations.

Upon a motion duly made by T. Turecki and seconded by J. McKinley, and pursuant to the recommendation of the Governance, Nominations and Human Resources Committee, the Board of Governors approved the Policy Against Violence, Harassment and Discrimination in the Workplace & Procedures to Prevent and Address Violence, Harassment and Discrimination in the Workplace (Procedures), as presented. In the future, amendments to the Procedures will be presented to GNHR for approval in accordance with the Policy Framework.

13. Strategy & Planning Committee

13.1 Governors' Pathways Award Recipients

V. Wafer reminded the Board of her presentation at the last meeting regarding the Board of Governors' Pathways Awards. She introduced Sara Mehraban and Christopher Hineman, recipients of the award. V. Wafer provided a brief background for each student.

S. Mehraban discussed her experience as an award recipient. She shared that receiving the award eased her stress by reducing her part-time work load. It also motivated her to continue to pursue her goals. She expressed her appreciation to the Board for the award.

C. Hineman talked about his goal of becoming a CPA. He discussed his participation on a competitive team for the accounting association, as well as being part of the CPA mentorship program. Receiving the award has allowed him to increase his participation in extra-curricular activities and to focus on his schooling.

V. Wafer emphasized that the awards make a huge difference in the lives of students. She reminded the governors that the goal is to raise \$20,000 annually, which amounts to \$1000 per pathway. She clarified the timing of when donations are applied. The Chair would like to see 100% participation from the governors – any amount would be appreciated. All donations received would be for the 2017/18 academic year. The award is the Board's legacy. It was clarified that the donation must be identified as "pathways" at the time it is made.

14. Consent Agenda:

Upon a motion duly made by K. Brearley and seconded by N. Allen, the Board approved the following items on the Consent Agenda:

- 14.1 DCPD Statement of Investment Policies and Procedures
- 14.2 Policy on Naming of Physical University Assets
- 14.3 Minutes of the Audit & Finance Committee Meeting of October 5, 2016
- 14.4 Minutes of the Governance, Nominations & Human Resource Committee Meeting of September 29, 2016
- 14.5 Minutes of the Investment Committee Meeting of August 10, 2016
- 14.6 Minutes of the Strategy & Planning Committee Meeting of September 22, 2016

15. Other Business

None.

16. Termination of Public Session

Upon a motion duly made by T. McTiernan and seconded by M. Goacher, the public session of the meeting terminated at 5:35 p.m.



ACADEMIC COUNCIL

REPORT TO BOARD OF GOVERNORS AT ITS MEETING OF MARCH 1, 2017

RETENTION PRESENTATION

The Provost delivered a presentation on student success goals, which will be an important part of the new SMA. Academic Council had an engaged discussion regarding the retention recommendations and initiatives.

CURRICULUM AND PROGRAM REVIEW COMMITTEE (CPRC)

Academic Council approved the following major program recommendations coming forward from CPRC:

1. Faculty of Engineering and Applied Science - Bachelor of Engineering in Software Engineering – New Specialization: Internet of Things in the Software Engineering Program

Rationale:

The Internet of Things is an evolution of the Internet in which everyday objects have network connectivity. As this is a growing market with many IT and telecom companies investing and recruiting significantly in this area, CPRC recommended the introduction of a new specialization in Internet of Things, which will be available to Software Engineering students going into their fourth year starting Fall 2017. The specialization consists of twelve credit hours (four courses) with specialized courses in Internet of Things, Data Mining, and Cloud Services. Of the four courses, three have been offered in the Faculty as electives, and one is a new course.

2. Faculty of Science - Bachelor of Science - New minor program in Astronomy

Rationale:

Astronomy is a popular subject, with high interest amongst Science students at UOIT. Four courses in astronomy and astrophysics are currently offered as part of the Astrophysics specialization within the B.Sc. in Physics: PHY 2900U Astronomy I, PHY 3900U Astronomy II, PHY 4910U Techniques of Modern Astrophysics, and PHY 4920U Cosmology. The first two of these courses have seen a large enrollment since their introduction. The majority of the students in these two courses are from outside of the Physics program; clearly interest in the field of astronomy is quite high. CPRC recommends the creation of a new Astronomy minor.

The creation of a new minor in Astronomy will complement the existing physics specializations and minor by leveraging the already available courses within the field of astronomy.

CPRC and GRADUATE STUDIES COMMITTEE (GSC)

Academic Council approved the **Examination and Grading Policy**, as presented, recommended jointly by CPRC and GSC.

Rationale:

The policy applies to all In-Term Course Work and Examinations, the submission and release of final grades. The policy does not apply to PhD candidacy exams, master's and doctoral thesis defense examinations, and supplemental examinations. These will remain in the appropriate calendar. Originally there were a number of different documents addressing assessment dispersed in a variety of locations. Through consultation, a single policy has been developed to ensure consistency.

Academic Council Governance – Appointments

Due to a number of vacancies arising either due to departures or interim positions, Academic Council approved the appointment of the following faculty members to the specified positions:

- Min Dong – GSC (temporary replacement) and Research Board
- Aziz Douai – Research Board
- Brenda Gamble – COU Academic Colleague Alternate
- Andrea Kirkwood – Academic Council Executive Committee
- Amy Leach - GSC
- Ramiro Liscano – Academic Council (temporary replacement)
- Qusay Mahmoud – CPRC (temporary replacement)
- Atef Mohany – Academic Council (temporary replacement)

2016 Teaching Awards

R. Bailey informed Academic Council that Jeanette Hughes won the teaching award and Ronald Bell won the award for teaching assistants. R. Bailey acknowledged the work of the inaugural Teaching and Learning Advisory Committee for their work.



**Financial Update
Report to the Audit and Finance Committee
For 9 months ending December 31, 2016**

February 15, 2017

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Financial Update – Report to Audit and Finance Committee – February 15, 2017
For 9 months ending December 31, 2016
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Consolidated Financial Statements of

**UNIVERSITY OF ONTARIO
INSTITUTE OF TECHNOLOGY**

For 9 months ending December 31, 2016

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Financial Position
As at December 31, 2016

	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>	<u>YOY Variance</u>	<u>Mar 31, 2016</u> N1.
ASSETS				
CURRENT				
Cash and cash equivalents	\$ 38,033,962	\$ 25,622,854	\$ 12,411,108	\$ 32,308,994
Short-Term Investments	1,148,400	10,000,000	(8,851,600)	10,170,000
Grant receivable	7,786,293	7,847,516	(61,223)	5,312,979
Other accounts receivable	40,061,197	26,820,016	13,241,181	7,327,038
Bookstore Inventories	986,190	1,122,603	(136,413)	154,262
Prepaid expenses and deposits	2,279,555	2,253,465	26,090	1,701,678
	<u>90,295,596</u>	<u>73,666,453</u>	<u>16,629,143</u>	<u>56,974,951</u>
			-	
INVESTMENTS	28,699,828	32,486,469	(3,786,641)	30,967,585
			-	
CAPITAL ASSETS	393,125,711	401,696,397	(8,570,686)	397,511,225
			-	
TOTAL ASSETS	<u>\$ 512,121,135</u>	<u>\$ 507,849,319</u>	<u>\$ 4,271,815</u>	<u>\$ 485,453,761</u>
LIABILITIES				
CURRENT AND LONG-TERM LIABILITIES				
Accounts payable and accrued liabilities	25,120,982	20,728,233	4,392,749	23,940,540
Deferred revenue	48,253,162	47,674,242	578,921	20,358,279
	<u>73,374,144</u>	<u>68,402,474</u>	<u>4,971,670</u>	<u>44,298,818</u>
LONG TERM DEBT	6,455,049	11,928,350	(5,473,300)	11,867,701
OBLIGATIONS UNDER CAPITAL LEASE	38,787,541	39,109,387	(321,846)	39,090,326
DEBENTURE DEBT	175,501,181	180,611,425	(5,110,243)	180,611,425
DEFERRED CAPITAL CONTRIBUTIONS	162,988,328	164,033,976	(1,045,649)	162,285,684
	<u>457,106,244</u>	<u>464,085,612</u>	<u>(6,979,368)</u>	<u>438,153,954</u>
Net Assets				
NET ASSETS, excluding current year surplus	29,128,143	25,820,610	3,307,534	25,820,613
ENDOWMENTS	19,760,849	18,282,536	1,478,314	18,171,660
CURRENT YEAR SURPLUS / (DEFICIT)	6,125,897	(339,438)	6,465,336	3,307,534
	<u>55,014,890</u>	<u>43,763,707</u>	<u>11,251,183</u>	<u>47,299,807</u>
			-	
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 512,121,135</u>	<u>\$ 507,849,319</u>	<u>\$ 4,271,815</u>	<u>\$ 485,453,761</u>

N1. Balances as at year-end March 31, 2016 disclosed to explain the changes in the Consolidated Cash Flow Statement as at December 31, 2016.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Operations
For the 9 months ending December 31, 2016

	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>	<u>YOY Variance</u>
REVENUE			
Grants - operating & research	\$ 50,979,980	\$ 50,647,101	\$ 332,879
Grant - debenture	13,500,000	13,500,000	-
Donations - operating & research	754,515	709,769	44,746
Student tuition fees	52,012,993	48,492,605	3,520,387
Student ancillary fees	10,588,958	10,910,915	(321,958)
Revenue from purchased services	2,820,230	2,496,733	323,497
Other income	6,683,080	6,282,239	400,841
Amortization of deferred capital contributions	6,459,326	6,545,602	(86,276)
Interest revenue	238,941	109,570	129,371
Unrealized gain/(loss) on investments	874,807	(1,191,753)	2,066,560
Gain on disposal of assets	709,055	418,657	290,398
	145,621,884	138,921,438	6,700,446
EXPENSES			
Salaries and benefits	71,847,463	70,355,091	1,492,372
Supplies and expenses	26,149,162	26,266,842	(117,680)
Purchased Services	11,181,641	10,726,054	455,587
Professional fees	524,982	791,225	(266,243)
Interest expense	11,190,667	11,536,378	(345,711)
Amortization of capital assets	18,602,073	19,585,287	(983,214)
	139,495,987	139,260,876	235,111
Excess of revenues over expenses	\$ 6,125,897	\$ (339,438)	\$ 6,465,336

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Cash Flows
For the 9 months ending December 31, 2016

	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of expenses over revenues	6,125,897	(339,438)
Items not affecting cash:		
Amortization of capital assets	18,602,073	19,585,287
Amortization of deferred capital contributions	(6,459,326)	(6,545,602)
Gain on disposal of assets	(709,055)	(418,657)
Unrealized (gain)/loss on investments	(874,807)	1,191,753
	<u>16,684,781</u>	<u>13,473,342</u>
Working Capital		
Grant and other accounts receivable	(35,207,473)	(20,895,967)
Prepaid expenses and deposits	(577,877)	(663,101)
Inventories	(831,928)	(832,119)
Accounts payable and accrued liabilities	1,180,442	(4,534,885)
Deferred revenue	27,894,884	26,896,823
	<u>9,142,830</u>	<u>13,444,093</u>
INVESTING		
Purchase of capital assets	(13,507,504)	(6,076,540)
Investments	12,164,162	2,756,464
Endowment contributions	1,589,190	1,231,197
	<u>245,848</u>	<u>(2,088,879)</u>
FINANCING		
Repayment of long term debt	(10,522,896)	(9,893,850)
Repayment of obligations under capital leases	(302,785)	(8,684)
Deferred capital contributions	7,161,970	486,734
	<u>(3,663,710)</u>	<u>(9,415,801)</u>
NET CASH INFLOW	5,724,968	1,939,412
CASH BALANCE, BEGINNING OF YEAR	32,308,994	23,683,442
CASH BALANCE, END OF PERIOD	\$ 38,033,962	\$ 25,622,854

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
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For 9 months ending December 31, 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

Cash and short-term investments increase of \$3.5m is due to under-spending of \$9.6m in the prior year, offset by YTD net operating cash outflow of \$3.1m partly attributable to the delay of student fee collection to Jan 2017 (vs first instalment due in Dec in the PY), net cash SIRC outflows of \$1.7m (grant \$2.9m, expenses to date \$4.6m) and \$1.3m higher spending in other restricted cash.

Grant receivable balance of \$7.8m includes \$5.2m DC / UOIT Collaborative Nursing (CN) grant funded by the Ministry on a slip-year basis (PY bal. \$1.8m will be received in CY, and CY bal. \$3.4m received in next FY), \$1.5m of new “SIF” grant receivable for the construction of the SIRC building, and \$1.1m of external research grants, all of which are current.

Grant receivable YOY decrease includes decrease \$1.0m of the Georgian / UOIT CN grant which is now funded and received in-year (v/s slip-year funding in the PY), \$0.5m decrease in research grants, offset by increase of \$1.5m of new grant receivable for the construction of SIRC.

Other accounts receivable includes student and trade receivables. The YOY increase of \$13.3m includes \$9.4m increase in student receivable due to the timing of collection for the winter semester fees (first fee instalment due Jan 9, 2016 in the CY v/s Dec 15, 2015 in the PY) and a YOY increase of 185 FTE, \$3.5m in current trade receivable of which \$3.0m was collected in Jan 2017 and other variances none exceeding \$0.5m.

Balance of \$40.1m includes \$32.8m of student A/R (\$1.2m for spring 2016 and prior, \$0.4m for o/s receivables from fall 2016 and \$31.2m for the future winter 2017 semester, for which first and final payments are both due in Jan 2017).

Investment balance of \$28.7m is comprised of \$23.3m endowed funds held at PH&N and \$5.4m from MoF held in trust at BNY.

The YOY decrease of \$3.8m includes a decrease of \$6.1m investment at BNY (\$5.0m was used to repay the MoF loan in the last year, and \$1.1m transferred to RBC Wealth Management currently disclosed in short-term investments), offset by an increase of \$2.3m in endowed funds (\$0.8m reclassified from internally restricted to endowed net assets in Q3 2015 relating to 2006 and 2007 graduate student fellowships, \$0.3m new donations, \$0.9m capital gains & investment income, \$0.8m in unrealised gains due to improving conditions in the equities market, offset by \$0.5m bursary disbursements).

Capital assets decreased \$8.6m and include net new additions of \$10.6m offset by total accumulated depreciation of \$19.2m in the last 12 months. Capital additions comprise of: construction-in-progress (CIP) for new SIRC building \$6.5m, ACE rolling road \$2.6m, other CIP \$0.2m, laptops \$3.4m (offset by disposal \$6.3m), computer and other major equipment \$3.3m and building renovations \$0.9m.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Contd.)

Liabilities

Accounts payable and accrued liabilities increased \$4.4m due to timing of payment for third party vendors, including a payable of \$1.5m at the end of the quarter to Ellis Don for the construction of SIRC.

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.

Deferred revenue increase of \$0.6m over last year includes \$1.7m of deferred tuition due to YOY increase in enrolment of 185 FTE, offset by \$0.9m in deferred TELE revenues primarily due to lower revenues attributable to the roll-out of the “BYOD” (Bring Your Own Device) program in the Faculty of Social Science and Humanities, and other immaterial variances.

Long term debt balance of \$6.5m includes \$5.5m of MoF loan. The YOY decrease of \$5.5m includes \$5.1m relating to the MoF loan repayment which is fully repayable in Oct 2017.

Debenture debt decrease of \$5.1m 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 \$1.0m includes \$7.6m grants received / receivable for capital projects in the last 12 months (\$4.4m SIF grant for SIRC, \$2.3m MEDG grant for “Moving Ground Plane”, \$0.5m graduate expansion grant, \$0.4m facilities renewal grant), offset by total amortization expense of \$8.6m.

CONSOLIDATED STATEMENT OF OPERATIONS

Revenue

Total Revenue increased \$6.7m (4.8%) over last year, and includes \$3.5m increase in student tuition fees attributable to the YOY increase of 185 FTE, coupled with an average 3% increase in tuition fees, and \$2.1m increase in unrealized gain on investment due to strong equity market conditions in the current year.

Expenses

Total Expenses decreased slightly year-over-year and includes \$1.4m increase in salaries and benefits, of which \$1.7m relates to the annual salary increase (\$1.3m for academic positions and \$0.4m for administrative staff), offset by \$0.3m net savings in open positions. Total expenses also include a YOY decrease of \$1.0m in amortization of capital assets due to a decrease in asset base resulting from a number of assets that are fully depreciated in the current year, coupled with a higher number of laptops disposed as a result of “BYOD”.

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II. FINANCIAL METRICS

The Ministry has adopted 5 financial metrics to assist with assessing university financial health and sustainability. These metrics have been included in the 2015 – 16 SMA (Strategic Mandate Agreement) report-back cycle to the Ministry in November 2016.

The table below shows the financial metrics for the University for the last 2 fiscal years 2015 and 2016 with a 2017 projection. Also included are the average comparator and average sector metrics 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	Actual 2015	Actual 2016	Forecast 2017	Average comparator 2015	Average sector 2015
Net Income/Loss Ratio (1)	4.5%	1.7%	1.6%	-0.1%	6.2%
Net Operating Revenues Ratio (2)	11.1%	10.9%	10.8%	4.2%	9.7%
Primary Reserve Ratio (days) (3)	14	27	24	32	134
Interest Burden Ratio (4)	10.0%	9.4%	9.0%	3.9%	1.8%
(b) IBR w MTCU funding	2.4%	2.2%	2.1%	n/a	
Viability Ratio (5)	3.1%	6.4%	5.2%	14.3%	121.8%

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.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
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II. FINANCIAL METRICS (Contd.)

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 improved over the last 2 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 \$231.0m UOIT).

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).

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II. FINANCIAL METRICS (Contd.)

(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

(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

(2) Net Operating Revenues Ratio

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

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

(5) Viability Ratio

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

Determines 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.

(3) Primary Reserve Ratio

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

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

University of Ontario Institute of Technology

III. 2016-17 Operating Forecast Summary as at Dec 31, 2016 (in '000 s) For the year ending March 31, 2017

The table below shows the variance of the year-end forecast vs the total approved budget

April 1, 2016 - March 31, 2017					
	Annual Budget, excluding Carryforward	Carryforward/ Internal Restrictions	Total Annual Budget	Y/E Forecast	Fav. (Unfav.) Variance of Forecast to Budget \$ / %
Revenue					
Grants	76,297		76,297	77,102	805 1%
Tuition	74,266		74,266	74,513	248 0%
Student Ancillary	14,025		14,025	13,449	(576) -4%
Other	14,903	-	14,903	16,057	1,154 8%
Total Revenue	\$ 179,491	\$ -	\$ 179,491	\$ 181,121	\$ 1,630 1%
Expenditures					
Academic/ACRU	66,031	1,065	67,097	65,370	1,727 3%
Academic Support	33,364	-	33,364	32,983	381 1%
Administrative	31,640	-	31,640	26,854	4,787 15%
Total UOIT Pure	\$ 131,035	\$ 1,065	\$ 132,100	\$ 125,206	\$ 6,894 5%
Purchased Services	14,032	-	14,032	14,154	(122) -1%
Total Ancillary/Commercial	9,632	-	9,632	9,340	293 3%
Debenture Interest Expense	11,391	-	11,391	11,242	149 1%
Total Operating Expenses	\$ 166,090	\$ 1,065	\$ 167,155	\$ 159,942	\$ 7,213 4%
Net Contribution from Operations	\$ 13,401	\$ (1,065)	\$ 12,336	\$ 21,179	\$ 8,844 72%
Capital Expenses funded from Operations	7,225	-	7,225	10,062	(2,837) -39%
Principal Repayments - Debenture/Leases	5,110	-	5,110	5,070	40 1%
Net Cash Inflow from Operations	\$ 1,065	\$ (1,065)	\$ -	\$ 6,047	\$ 6,047 #DIV/0!
Other Disclosure: SIRC Building (not funded from Operating Budget)					
Capital Grant	-	-	-	5,042	(5,042) #DIV/0!
Internally-Restricted Reserves	-	-	-	7,810	(7,810) #DIV/0!
Capital Expenses	-	-	-	12,852	(12,852) #DIV/0!

Reconciliation to Y/E forecast GAAP FS:

	\$
Net forecast contribution from Operations	\$ 21,179
Revenues not budgeted:	
Externally funded research donations and revenues	\$ 10,050
Externally funded research expenses	\$ (9,450)
Non-cash transactions:	
Amortization of capital assets	\$ (24,740)
Amortization of deferred capital contributions	\$ 8,595
Unrealized gain on Investments	\$ 1,200
Capital Grants accounted for as Deferred Capital Contribution on the balance sheet	\$ (2,986)
Excess revenues over expenses - as per Y/E forecast GAAP FS	\$ 3,848

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III. 2016-17 Operating Forecast Analysis

The latest projection of the 2016-17 operating budget, after capital expenses, shows an operating surplus of \$6.0m by the end of the fiscal year (Note that the operating budget does not include the impact of the construction of the new SIRC Building. This is disclosed separately under “Other Disclosure”).

The variances of the year-end forecast relative to the approved budget are explained below.

Enrolment

	2016 -17 Approved Budget	2016-17 Projection	Variance to Approved Budget
FTE's			
Undergraduate			
Domestic	7,876	7,894	18
International	431	444	13
Graduate			
Domestic	388	376	-12
International	137	133	-4
Total FTE's	8,832	8,847	15

Our enrolment projection data indicates that we are net 15 FTE more than the approved budget of 8,832 FTE.

Revenues

Grants are favourable to budget \$0.8m. This includes \$2.2m grant received in Dec 2016 from MEDG for the purchase of the Moving Ground Plane (see “Capital” under “Expenditures” section below), offset by a decrease of \$0.7m relating to the teacher’s enrolment grant which was erroneously included twice in the budget, and a decrease of \$0.6m facilities renewal grant re-allocated to the SIRC construction as approved by the Ministry (see Capital Grant under “Other Disclosure – SIRC Building).

Note: the total grant from MEDG is \$2.5m and includes a 10% holdback which will be released in March 2018 upon receipt of the required project reporting by the Province.

Student Ancillary fees are unfavorable to budget and relates mostly to TELE due to the lower than expected utilization of PY deferred revenue as a result of lower than forecast expenses (savings on Adobe licence fees) coupled with higher than expected gains on laptop disposal.

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

Other Revenue forecast, including purchased services, is favourable \$1.2m and includes \$0.5m of application and other student-related fees that were conservatively budgeted due to the shortfall of 245 FTE in the prior fiscal year 2015-16, \$0.3m increase in parking revenues and other immaterial variances.

Expenditures

The Academic/ACRU units are showing a positive variance of \$1.7m mostly relating to labour savings from open faculty positions. The most significant variance is a \$0.7m upside in the Faculty of Engineering and Applied Science that pertains to 6 open faculty positions. Other faculties are showing variances to budget, none of which exceeds \$0.5m.

The Administrative units are \$4.8m favourable to budget. This includes \$3.9m release of operational contingency and capital reserves which will be taken into income at year-end and internally restricted to invest in future capital and student-related projects, \$0.4m job evaluation reserve that will not be utilized in the current year, and other immaterial variances.

Capital Expenses funded from Operations are unfavourable \$2.8m to budget and includes \$2.6m disbursed in Sep 2016 to Old Dominion University for the purchase of the Moving Ground Plane (rolling road). The cost of the rolling road will be funded by a \$2.5m grant from MEDG (see “Grants” under “Revenues” section above).

Other Disclosure: SIRC Building

The construction of SIRC is not funded from the 2016 – 17 approved budget and hence disclosed separately. The total estimated cost of the project for the current year is \$12.8m, of which \$5.0m is funded through the “SIF” grant and \$7.8m through internally-restricted reserves.

Operating Forecast Surplus (or Deficit)

Current projections continue to show a surplus budget of \$6.0m after capital expenses.

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) basis. Based on current projection and after adjusting for the items mentioned above, the projected surplus is \$3.8m on a GAAP basis.

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IV. CAPITAL

This section 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.

On September 14, 2016, UOIT signed an agreement with the Province which was made effective as of May 9, 2016. This Ontario Transfer Payment Agreement confirmed a “SIF” funding of \$13,001,890 (\$11,801,890 Federal Funds and \$1,200,000 Ontario Funds). The Ministry formally announced this infrastructure funding for UOIT on October 13, 2016.

The target date for completion of the 4 floors fully fitted-out is Nov 2017, with occupancy in Jan 2018.

Please see separate report for details of SIRC actual, budget and forecast to completion date.

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

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IV. CAPITAL (Contd.)

MGP Progress Update

- The University has paid ODU USD 2.0m in settlement for the equipment in September 2016, and has received CAD 2.25m (CAD 2.5m less 10% holdback) from the Ministry of Economic Development and Growth in December 2016.
- All components of the rolling road have been shipped and are now at the Multimatic location.
- The FedDev application for additional funding of \$10.2m was declined. Executive Management is currently conducting active discussion with our industry partners.
- The agreements with Magna and Multimatic are currently being reviewed by the various partners.

Please see separate Board report from Michael Owen for the MGP update.

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V. 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, and in Oct 2016, Management has re-invested the \$16.0m GIC's at BMO Nesbitt Burns, plus all interest earned to date, in 30-day cashable GIC's.

In addition, \$1.1m at RBC was re-invested into GIC's with a one-year maturity date on June 12, 2017.

- **Operating cash balance** including short-term investments is forecast to be at \$33.7m 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 \$11.5m at the end of the fiscal year.

UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY

Cash Flow Forecast Summary for year ending March 31, 2017

		Actual	Actual	Actual	Forecast			Total Forecast
		Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016	Jan 2017	Feb 2017	Mar 2017	FY 2016-17
		\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s	\$ 000 s
Operating Beginning Cash Balance	A	\$ 14,918	\$ 3,234	\$ 23,209	\$ 10,203	\$ 27,376	\$ 24,143	\$ 14,918
Total Operating Inflows	B	35,107	62,752	35,017	30,832	9,307	9,430	182,445
Total Operating Outflows	C	(46,381)	(41,692)	(47,874)	(12,591)	(12,429)	(14,967)	(175,933)
Net Operating Cash Flows	D=B+C	(11,274)	21,060	(12,856)	18,242	(3,122)	(5,537)	6,512
Total Operating Cash Available	E=A+D	3,644	24,294	10,353	28,445	24,254	18,606	21,431
SIRC Building Outflows	F	(410)	(1,085)	(3,100)	(1,686)	(1,586)	(2,269)	(10,136)
SIRC Building Inflows	G			2,950	617	1,475		5,042
Net SIRC Building	H=F+G	(410)	(1,085)	(150)	(1,069)	(111)	(2,269)	(5,094)
Operating Ending Cash Balance after SIRC	I=E+H	3,234	23,209	10,203	27,376	24,143	16,337	16,337 N1
Total Internally and Externally Restricted Cash	J	10,722	10,528	11,203	10,871	11,495	11,504	11,504 N2
Total Consolidated Cash Position	K=I+J	\$ 13,957	\$ 33,737	\$ 21,406	\$ 38,246	\$ 35,638	\$ 27,841	\$ 27,841

Reconciliation of bank balances to G/L balance as at DEC 31, 2016	\$
Balance as per bank statements	21,345
Adjust for: Outstanding cheques	(1,395)
Payments processed by bank, not recorded in GL	1,730
Fieldhouse and Arena not included in cash flow	164
Bank Balance as per G/L	21,844
Add: Short-term investments in GIC's	17,338
Total Cash and ST investments, as per Balance Sheet	\$ 39,182

Total Cash Forecast as at MAR 31, 2017	\$
Total Operating Cash after SIRC	16,337 N1
Add: Short-term investments in GIC's	17,338
Total Operating Cash and ST investments	\$ 33,675
Total Restricted Cash	\$ 11,504 N2

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VI. 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).

The long-term forecast will be updated to reflect final winter Day 10 official enrollment count and 5-year forecast input from budget holders and presented to the Committee at the annual budget presentation in April 2017.

Assumptions on Aug 2016 forecast model

- 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 2019-2020
- Operational reserves \$2.0m + planned capital reserves \$2.5m for a total of \$4.5m
- 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

Long-Term Forecast Summary as at August 31, 2016

FORECAST					
	FY 2017 - 18	FY 2018 - 19	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22
	\$'000 s	\$'000 s	\$'000 s	\$'000 s	\$'000 s
Revenues					
Grants	76,587	77,569	77,656	77,898	78,732
Tuition	77,298	79,695	82,131	84,950	86,731
Ancillary, including TELE	11,872	11,853	10,779	10,816	11,089
Other	14,589	14,799	14,935	15,305	15,313
Total	\$ 180,347	\$ 183,915	\$ 185,501	\$ 188,969	\$ 191,865
Expenses					
Labour	95,990	99,161	101,661	104,210	106,302
OPEX	74,395	75,874	76,824	78,081	79,367
Capital	5,283	5,402	5,109	4,434	4,434
Contingency	4,500	4,500	4,500	4,500	4,500
Total	\$ 180,168	\$ 184,936	\$ 188,094	\$ 191,226	\$ 194,603
Revenues less Expenses	\$ 178	\$ (1,021)	\$ (2,592)	\$ (2,256)	\$ (2,738)
FTE	8,814	8,859	8,875	8,930	8,954



BOARD REPORT

Action Required:

Public:
Non-Public:

Discussion
Decision

TO: Board of Governors

DATE: March 1, 2017

FROM: Paul Bignell, Executive Director – IT Services

SUBJECT: Procurement of laptop/tablet computer equipment for 2017-18

A. Purpose

The purpose of this report is to seek Board approval to purchase the laptop and tablet computers required by the University’s Technology Enriched Learning Environment (TELE) program for the 2017-18 academic year, as well as the laptop and tablet computers and associate peripheral devices required for refresh of faculty and staff equipment for fiscal year 2018.

B. Background/Context

Until 2015, all laptops and tablet computers provided to undergraduate students, faculty (full and part-time) and administrative staff had been manufactured by Lenovo. For fiscal years 2016 and 2017, UOIT held an open competition amongst technology manufacturers and resellers. Dell was awarded the contract on both occasions.

For fiscal year 2018 approximately 1600 computers will be acquired to accommodate refresh and any student, faculty or staff growth. The equipment will be acquired either via Request For Proposal (RFP) or through the Ontario Education Collaborative Marketplace (OECM) vendor of record. OECM is currently revisiting its vendor of record via an open RFP process.

Annual purchase volume has fallen substantially as a result of the program to transition TELE to “bring your own device” (BYOD). The TELE program, which delivers curriculum-specific software and a suite of support services to undergraduate students, has traditionally included an enterprise-class laptop. The BYOD for TELE project is removing the laptop and its cost from the program. For academic year 2016-17, the

Faculty of Social Science and Humanities and Faculty of Education moved to BYOD. For academic year 2017-18, the Faculties of Science, Health Sciences and Business and Information Technology (except for the Gaming program) will also embrace BYOD.

C. Discussion/Options and Rationale

Authorization is sought for spending of \$2.1M, which is \$2.8M lower than last years' authorization, due to two factors:

- Reduced demand for laptops for TELE as the Faculties of Science, Health Sciences and Business and Information Technology (except for the Gaming program) move to the BYOD model, partly offset by
- Expectation of unit price increases for PC hardware, due to reduced volumes and specification changes to ensure adequate performance.

The requested approval consists of \$1.6M for hardware to support undergraduate students, funded via ancillary fees, and \$0.5M to support PC refresh for faculty and staff. Both amounts are fully funded within FY18 budgets.

The key risk is increased unit price of PC equipment, driven by reduced scale and uncertainty regarding exchange rate impacts. The requested authorization reflects allowance for 12% unit price increase on average relative to last year's purchases. Should the vendor pricing yield a more unfavourable result, the difference will be addressed through our budget contingency.

An additional risk is variance from plan in enrollment levels. We protect ourselves from this risk by incorporating cancellable orders into our procurement operations.

D. Recommendations

Management recommends that the Board approve the expenditure of approximately \$2.1M for procurement, via an open competition or via the OEMCM vendor of record, of laptop, tablet and desktop equipment required to support the UOIT Technology Enriched Learning Program and internal needs for the 2017-18 academic year.

Software & Informatics Research Centre (SIRC)

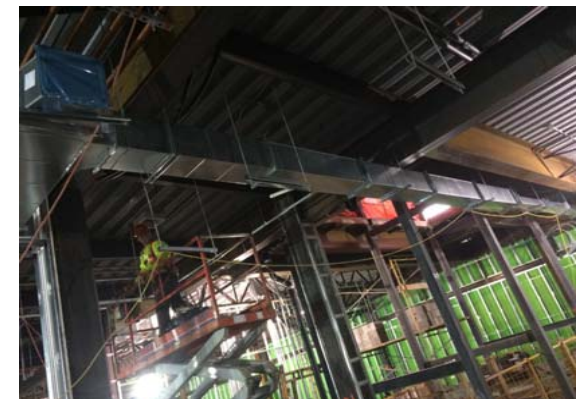
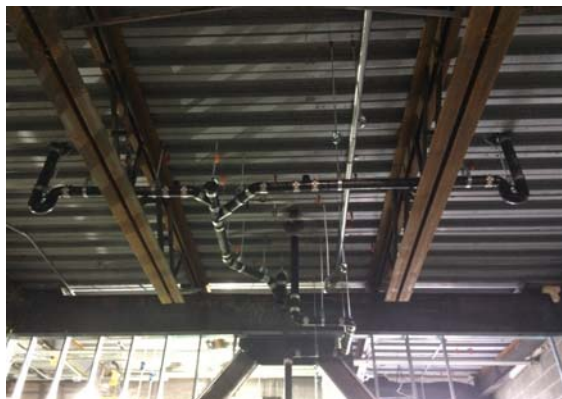
Project Update Presentation – February 15, 2017



Progress Update (as of 7th February 2017) :

- Structural steel and concrete slab completed. Roof installed.
- Perimeter wall enclosure for 1st & 2nd level completed, 3rd & 4th level in progress.
- Ground floor internal rough-in and partition works in-progress
- Project is currently tracking to schedule.

Progress Photos



Site Safety:

- Minor incident happened on 12 Dec 2016, worker slipped on snow and the strut hit his hand causing a cut in the finger. First aid was applied and the worker returned to work.

- On Friday, 3 February 2017, an offsite incident happened when a delivery truck struck a light pole on UOIT property resulting in the light pole to be knocked over. No one was hurt.
 - The light post was located at the roadside of the CFH approximately 10 meters north of construction gate.
 - The Stephenson Rental Services' driver was attempting to make a three point turn on the street to the north west of the project when the incident occurred.
 - The driver was given a warning to exercise extra care during maneuvering, and will receive additional safety training by Stephenson
 - ED will issue reminder to all project vendors regarding standard safety practices and procedures in and around the job site
 - Vendors will coordinate with EllisDon regarding the timing of all future deliveries

Change Orders:

- No Change Order on this period.
- Total contingency remains unchanged at \$1.1M

Financial Summary (as of end January 2016) :

- 89% of the \$19.4M in tenders have been committed/awarded for the 4 levels.
- Total SIF funding received \$2.95M
- Breakdown of Sources and Uses of funds next slide.
- The project remains on budget at \$33.3M

Summary Financial Report as of end Jan 2017

CASH FLOW REPORT FOR ENDING MONTH OF JANUARY 2017														
Sources of Funds														
Description		Actuals Jan 2016	Budget Jan 2016	Actual YTD	Budget YTD	Variance	Source of Funds Comments	Total Funding Budget A	Total Actual YTD B	Forecasted Remaining Funding C	Funding at Completion B+C = D	Variance D-A		
UOIT		\$1,686,035	\$1,206,619	\$3,330,829	\$4,406,961	-\$1,076,132	Variance is as per below details.	\$20,298,110	\$3,330,829	\$16,967,281	\$20,298,110	\$0		
SIF		\$0	\$0	\$2,950,236	\$2,950,236	\$0	SIF funding received Oct=\$1,475,236.25 and Dec=\$1,475,000.	\$13,001,890	\$2,950,236	\$10,051,654	\$13,001,890	\$0		
Advancement		\$0	\$0	\$0	\$0	\$0	Advancement funds have not officially been commitment to the project.	\$0	\$0	\$0	\$0	\$0		
Totals		\$1,686,035	\$1,206,619	\$6,281,065	\$7,357,197	-\$1,076,132		\$33,300,000	\$6,281,065	\$27,018,935	\$33,300,000	\$0		
Uses of Funds - Trend Line														
Description	Title/Description	Actuals Jan 2016	Budget Jan 2016	Actual YTD	Budget YTD	Variance	YTD Variance Explanation	Milestone	Date	Total Budget A	Total Actual YTD B	Estimate to Complete C	Estimate at Completion B+C = D	Variance D-A
GMP Base Contract	Construction Contract	\$1,553,919	\$1,108,168	\$4,461,746	\$4,753,049	-\$291,303	The project progress is on track, however cash flow this period is behind the planned budget. The Mechanical and Structural steel invoice variance is anticipated to be recovered on the February 2017 payment cycle. This period invoice has recovered about \$500K variance amount.	Substantial Completion	8/1/2017	\$20,630,966	\$4,461,746	\$16,169,220	\$20,630,966	\$0
CO3 GMP Fl. 3&4	Fl. 3 & 4 GMP (CO-03)	\$19,110	\$19,110	\$117,068	\$112,610	\$4,458	Design works has commenced for level 3 & 4	Substantial Completion	11/10/2017	\$5,657,627	\$117,068	\$5,540,559	\$5,657,627	\$0
CO1 Fl. 3&4 Design	CO1 Fl. 3 & 4 Design (CO-01)	\$0	\$0	\$77,351	\$77,351	\$0	Work completed.	Complete	NA	\$87,899	\$77,351	\$10,548	\$87,899	\$0
CO2 Transformer	CO2 Transformer Upgrade	\$0	\$0	\$0	\$0	\$0	Invoicing for CO2 is forecasted for May 2017 billing	Power-on	4/24/2017	\$110,026	\$0	\$110,026	\$110,026	\$0
CO4 Donor Signage	CO4 Donor Signage	\$0	\$0	\$0	\$0	\$0	Invoicing for CO4 is forecasted for June 2017 billing	Substantial Completion	8/1/2017	\$8,928	\$0	\$8,928	\$8,928	\$0
Design	Design Build Preliminary Phase	\$0	\$0	\$310,230	\$310,230	\$0	Work completed.	Complete	NA	\$310,230	\$310,230	\$0	\$310,230	\$0
FFE	FFE Including Fl. 3 & 4	\$19,447	\$50,000	\$19,447	\$50,000	-\$30,553	Actual invoice for the Fibre work from Library to Wiley	Procurement Complete	5/22/2017	\$3,619,350	\$19,447	\$3,599,903	\$3,619,350	\$0
Consultants		\$0	\$15,799	\$187,502	\$206,610	-\$19,108	Signage invoice received lower than budgeted. Four invoices from 2 consultants anticipated for Feb/Mar 2017 billing.	NA	NA	\$470,548	\$187,502	\$283,046	\$470,548	\$0
Parking		\$89,695	\$0	\$981,293	\$1,011,711	-\$30,419	Certified work completed less than the contract award value. Holdback amount released.	Substantial Completion	8/31/2016	\$1,018,975	\$981,293	\$37,682	\$1,018,975	\$0
Contingency	Contingency	\$0	\$0	\$0	\$707,908	-\$707,908	No contingency has been used to date. Contingency was forecasted for the months of July/August/September to allow for any unknown items that could have arisen during early construction.	NA	NA	\$1,101,867	\$0	\$1,101,867	\$1,101,867	\$0
Management Fees		\$3,863	\$5,466	\$126,429	\$127,728	-\$1,298	Miscellaneous disbursement and salary variance	NA	NA	\$283,585	\$126,429	\$157,156	\$283,585	\$0
Totals		\$1,686,035	\$1,206,619	\$6,281,065	\$7,357,197	-\$1,076,132				\$33,300,000	\$6,281,065	\$27,018,935	\$33,300,000	\$0

Detailed Financial Report as of end Jan 2017

A & F Reporting as of January 2017												
Sources of Funds												
Description	Actuals YTD Jun 2016	Actuals Jul 2016	Actuals Aug 2016	Actuals Sep 2016	Actuals Oct 2016	Actuals Nov 2016	Actuals Dec 2016	Actuals Jan 2016	Budget Jan 2016	Actual YTD	Budget YTD	Variance
UOIT	\$440,164	\$93,653	\$69,487	\$921,759	(\$201,541)	\$768,026	(\$446,754)	\$1,686,035	\$1,206,619	\$3,330,829	\$4,406,961	-\$1,076,132
SIF	\$0	\$0	\$0	\$0	\$1,475,000	\$0	\$1,475,236	\$0	\$0	\$2,950,236	\$2,950,236	\$0
Advancement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Totals	\$440,164	\$93,653	\$69,487	\$921,759	\$1,273,459	\$768,026	\$1,028,483	\$1,686,035	\$1,206,619	\$6,281,065	\$7,357,197	-\$1,076,132
Uses of Funds - Trend Line												
Description	Actuals YTD Jun 2016	Actuals Jul 2016	Actuals Aug 2016	Actuals Sep 2016	Actuals Oct 2016	Actuals Nov 2016	Actuals Dec 2016	Actuals Jan 2016	Budget Jan 2016	Actual YTD	Budget YTD	Variance
GMP Base Contract Construction Contract	\$0	\$0	\$0	\$587,626	\$780,172	\$664,865	\$875,164	\$1,553,919	\$1,108,168	\$4,461,746	\$4,753,049	-\$291,303
CO3 GMP Fl. 3&4	\$0	\$0	\$0	\$0	\$0	\$0	\$97,958	\$19,110	\$19,110	\$117,068	\$112,610	\$4,458
CO1 Fl. 3&4 Design	\$0	\$0	\$0	\$0	\$0	\$77,351	\$0	\$0	\$0	\$77,351	\$77,351	\$0
CO2 Transformer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CO4 Donor Signage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design Build Preliminary Phase	\$232,300	\$77,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$310,230	\$310,230	\$0
FFE incl. Level 1-4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,447	\$50,000	\$19,447	\$50,000	-\$30,553
Consultants	\$98,958	\$2,394	\$0	\$59,406	\$4,133	\$6,411	\$16,200	\$0	\$15,799	\$187,502	\$206,610	-\$19,108
Parking	\$67,435	\$0	\$56,047	\$260,798	\$475,843	\$5,856	\$25,619	\$89,695	\$0	\$981,293	\$1,011,711	-\$30,419
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$707,908	-\$707,908
Management Fees	\$41,471	\$13,329	\$13,441	\$13,930	\$13,311	\$13,543	\$13,542	\$3,863	\$5,466	\$126,429	\$127,728	-\$1,298
Totals	\$440,164	\$93,653	\$69,487	\$921,759	\$1,273,459	\$768,026	\$1,028,483	\$1,686,035	\$1,206,619	\$6,281,065	\$7,357,197	-\$1,076,132

Detailed Financial Report as of end Jan 2017

Source of Fund - Forecast																										
Description	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019
UOIT	\$1,586,259	\$176,854	\$2,246,397	\$2,138,774	\$849,088	\$2,169,899	\$2,860,223	\$1,002,516	\$3,354,871	\$1,565,313	(\$30,037)	\$782,671	\$10,081	(\$2,048,049)	\$0	\$0	(\$1,476,890)	\$0	\$0	\$0	\$416,578	\$0	\$0	\$113,153	\$0	\$0
SIF	\$0	\$2,092,127	\$0	\$0	\$1,475,000	\$0	\$0	\$1,475,000	\$0	\$0	\$1,475,000	\$0	\$0	\$2,057,873	\$0	\$0	\$1,476,890	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advancement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Totals	\$1,586,259	\$2,268,981	\$2,246,397	\$2,138,774	\$2,324,088	\$2,169,899	\$2,860,223	\$2,477,516	\$3,354,871	\$1,565,313	\$1,444,963	\$782,671	\$10,081	\$9,824	\$0	\$0	\$0	\$0	\$0	\$0	\$416,578	\$0	\$0	\$113,153	\$0	\$0
Forecast Cashflow (January 2017)																										
Description	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019
GMP Base Contract Construction Contract	\$1,462,289	\$2,245,858	\$2,149,232	\$1,947,039	\$1,775,617	\$1,566,095	\$1,447,800	\$980,121	\$2,182,549												\$412,619					
CO3 GMP Fl. 3&4	\$99,612		\$70,836	\$170,681	\$339,267	\$575,545	\$613,136	\$613,136	\$813,136	\$884,544	\$637,958	\$609,558												\$113,153		
CO1 Fl. 3&4 Design									\$8,790												\$1,758					
CO2 Transformer					\$96,823							\$11,003									\$2,201					
CO4 Donor Signage							\$8,928																			
Design Build Preliminary Phase																										
FFE incl. Level 1-4			\$5,274		\$68,500		\$762,100	\$856,000	\$315,792	\$665,000	\$791,236	\$136,000														
Consultants	\$17,993	\$17,579	\$15,512	\$15,512	\$38,343	\$28,002	\$28,002	\$28,002	\$17,580	\$15,512	\$15,512	\$25,853	\$9,824	\$9,824												
Parking	\$899								\$16,768																	
Contingency																										
Management Fees	\$5,466	\$5,544	\$5,544	\$5,544	\$5,539	\$257	\$257	\$257	\$257	\$257	\$257	\$257	\$257													
Totals	\$1,586,259	\$2,268,981	\$2,246,397	\$2,138,774	\$2,324,088	\$2,169,899	\$2,860,223	\$2,477,516	\$3,354,871	\$1,565,313	\$1,444,963	\$782,671	\$10,081	\$9,824	\$0	\$0	\$0	\$0	\$0	\$0	\$416,578	\$0	\$0	\$113,153	\$0	\$0



Budget Update Board of Governors

Presented By Craig Elliott, CFO and Deborah Saucier, Provost
March 1, 2017



Agenda

- 1. Recap Budget Assumptions**
- 2. Current Status**
- 3. Impact on 2017-18 Budget**
- 4. Next Steps**
- 5. Proposed Modifications to Budget Presentation For 2016-17**
- 6. Questions/Comments**

Recap of 2017-18 Assumptions



Significant Budget Assumptions

- Enrolment levels as forecasted
- Grant funding from the Province will remain at current level
- Tuition increase of 3% maintained each year
- Compensation increases and other fixed cost estimates as forecast
- New building occupied in 2018/19 funded by Fed gov't and UOIT
- Academic hires funded out of the faculty, and maintain current student/faculty ratios.
- No new support staff hires.
- Contingency included in the budget:
 - \$2.5M for new building/capital renewal
 - \$1.0M general contingency for operations
 - \$1.0M UPF for strategic initiatives
- Reduce base budget expenditures by \$2.5M

Key Components of Budget Reduction Plan

Lower our cost base by \$2.5M in 2017/18

- ATB reduction in discretionary PD and Travel by 30%
- Reduced OPEX eligible expenses, in areas determined by each budget holder
- Strategic labour reductions through attrition, part time, and contract positions
- Reduced contingency

Current Status of 2017-18 Budget



2017- 18 Proposed Draft Budget										
Operating Budget	Purchased Services	Debenture	TELE	ACE	Regent Theater	Campus ChildCare	Campus Fieldhouse & Arena	Total Budget (excl. SIRC)	New SIRC Capital	Total 2017 - 18 Draft Budget
REVENUES										
Operating Grants	\$ 54,309,583	\$ 13,500,000						\$ 67,809,583		\$ 67,809,583
Other Grants	\$ 7,470,807					\$ 157,000		\$ 7,627,807	\$ 5,280,000	\$ 12,907,807
Student Tuition Fees	\$ 77,569,885							\$ 77,569,885		\$ 77,569,885
Student Ancillary Fees	\$ 4,730,711	\$ 2,167,188	\$ 3,752,982					\$ 10,650,882		\$ 10,650,882
Revenues from Ancillary Operations	\$ 270,000	\$ 3,208,119						\$ 3,478,119		\$ 3,478,119
Donations	\$ 680,000		\$ -					\$ 680,000		\$ 680,000
Other Revenues	\$ 4,544,557	\$ 516,981	\$ -	\$ 77,396	\$ 4,732,591	\$ 450,763	\$ 750,149	\$ 1,545,409	\$ -	\$ 12,617,846
Total Operating Revenues	\$ 149,575,543	\$ 5,892,288	\$ 13,500,000	\$ 3,830,378	\$ 4,732,591	\$ 450,763	\$ 907,149	\$ 1,545,409	\$ 5,280,000	\$ 185,714,121
EXPENDITURES										
Base Expenditures										
FT Labour	\$ (75,780,656)	\$ (6,849,091)	\$ (1,208,296)	\$ (1,554,719)	\$ (92,903)	\$ (342,722)	\$ (632,636)	\$ (86,461,023)		\$ (86,461,023)
PT Labour	\$ (14,205,068)	\$ (38,140)	\$ (388,074)	\$ (148,029)	\$ (161,071)	\$ (305,653)		\$ (15,246,035)		\$ (15,246,035)
Operating Expenses	\$ (36,288,017)	\$ (8,209,700)	\$ (16,501,006)	\$ (1,558,644)	\$ (3,128,727)	\$ (180,891)	\$ (243,478)	\$ (985,796)		\$ (67,096,259)
Capital Expenses	\$ (671,316)	\$ -	\$ (1,806,268)	\$ -	\$ -	\$ -	\$ -	\$ (2,477,584)		\$ (2,477,584)
Carry Forwards	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Approved Base Expenditures	\$ (126,945,058)	\$ (15,096,931)	\$ (16,501,006)	\$ (4,961,282)	\$ (4,831,475)	\$ (434,865)	\$ (891,853)	\$ (1,618,432)	\$ -	\$ (171,280,901)
Budget Surplus/(Deficit) before Asks	\$ 22,630,486	\$ (9,204,643)	\$ (3,001,006)	\$ (1,130,904)	\$ (98,884)	\$ 15,898	\$ 15,296	\$ (73,023)	\$ 9,153,220	\$ 5,280,000
Contingency Reserves	\$ (3,500,000)							\$ (3,500,000)		\$ (3,500,000)
OTHER ASKS										
Budget Cuts										
Base Asks	\$ (2,825,911)	\$ (522,623)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,348,534)		\$ (3,348,534)
OTO Asks	\$ (1,032,491)	\$ (75,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,107,491)		\$ (1,107,491)
Capital Asks	\$ (3,070,880)	\$ (1,281,917)				\$ -	\$ (51,900)	\$ (4,404,697)	\$ (15,078,000)	\$ (19,482,697)
Budget Surplus/(Deficit) after Asks	\$ 12,201,204	\$ (11,084,183)	\$ (3,001,006)	\$ (1,130,904)	\$ (98,884)	\$ 15,898	\$ 15,296	\$ (124,923)	\$ (3,207,502)	\$ (9,798,000)
Funded through PY restricted reserves	\$ 1,660,392			\$ 1,130,907				\$ 2,791,299	\$ 9,798,000	\$ 12,589,299
Total Budget Surplus/(Deficit)	\$ 13,861,596	\$ (11,084,183)	\$ (3,001,006)	\$ 3	\$ (98,884)	\$ 15,898	\$ 15,296	\$ (124,923)	\$ -	\$ (416,203)

Balancing The Budget

(in millions of dollars)						Budget Recommendations					
Description	Asks	Included in 10 Yr Fcst	Offset By Added Rev	Net Increase	Explanation						
Contingency Reserve	\$ 3.5	\$ 3.5	\$ -	\$ -	Building Reserve \$2.5M, Budget Contingency \$1.0M						
Base Asks	\$ 2.8	\$ 1.2	\$ -	\$ 1.6	\$1.5M in asks for instruction, with \$.5M in fcst (Smaller class sizes/improved student experience). New SIRC building operating costs of \$.5M, had \$.7M in fcst. Added scholarships \$.3M. Add \$.5M for Test Centre, Exec Comp, Sexual Violence 3rd Party Service.						
OTO Asks	\$ 1.0	\$ -	\$ 1.0	\$ 0.0	ONCAT \$.3M, Capital campaign \$.4M, ELC \$.1M, Campus Safety \$.1M, and net tuition \$.1M all with corresponding added revenue						
Capital Asks	\$ 3.1	\$ 3.1	\$ -	\$ 0.0	OCIS = \$1.6M and IT = \$0.5M included in fcst. Faculty Equipment \$1.0M covered by carryforward						
Purchase Services	\$ 1.9	\$ 1.3	\$ 0.2	\$ 0.4	IT=\$1.4M: Network improvements/licence fee increases \$.4M, Banner Upgrades \$0.6M, Sr Network Admin/Sr Application Specialist \$.1M included in 10 yr fcst. Add PCI Compliance \$.4M. Ancillary \$.2M Parking/Bookstore covered by higher ancillary fees. Facilities \$.2M capital in fcst						
Total	\$ 12.4	\$ 9.1	\$ 1.2	\$ 2.1							

Next Steps



Budget Schedule

Jan 10 - 11/2017	Finance reviews DC/UOIT Shared Service budgets. Joint presentation by UOIT and DC staff responsible for the areas of: IT, Facilities, Student Services, Ancillary, and Purchasing	
Jan 16 - 23/2017	Budget holders make presentations to PACIP	
8-Feb-2017	DC confirm final Shared Service operating costs, and capital requirements	
8-Feb-2017	Budget working group presents high-level revenues and base expenditures SLT / makes budget recommendations	
15-Feb-2017	Finance presents high-level revenues and base expenditures to A&F	
27-Feb-2017	Budget working group presents high-level revenues and base expenditures to AC Exec	5 Year Forecast submitted to finance
6-Mar-2017	Final budget approved by SLT	
Mar 7 - Mar 31	Finance prepares budget presentation files for A&F/Board	
7-Apr-2017	Finance sends budget package to SLT for review	
12-Apr-2017	Budget Package sent to A&F Committee members	
19-Apr-2017	Presentation of proposed budget to A&F	
3-May-2017	Presentation of proposed budget to Board for approval	
16-May-2017	Presentation of Board approved budget to Academic Council	

Question or Comments



UOIT Credit Rating Update

Board of Governors

Presented By Craig Elliott, CFO

March 1, 2017



Agenda

- 1. Why Do We Have Annual Credit Reviews**
- 2. History of UOIT Credit Ratings**
 - **DBRS**
 - **Moody's**
- 3. Ontario University Credit Rating Comparison**
- 4. Questions/Comments**

Why Do We Have Annual Reviews

- We have issued debt (debentures) for \$220M, and credit reviews provide information and security for current and potential debt holders
- Covenants in UOIT debenture agreement require credit ratings from two agencies.
- We utilize Dominion Bond Rating Service (DBRS) and Moody's Investor Service

History of UOIT Credit Ratings



DBRS Rating Scale

AAA Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

AA Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.

A Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.

BBB Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

BB Speculative, non-investment grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.

B Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

CCC / CC / C Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default, or subordinated to obligations rated in the CCC to B range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the C category.

D. When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. DBRS may also use SD (Selective Default) in cases where only some securities are impacted, such as the case of a “distressed exchange”.

DBRS Credit Rating - UOIT

Year	Rating	Trend
2004	BBB (high)	Stable
2005	BBB (high)	Stable
2006	BBB (high)	Stable
2007	BBB (high)	Stable
2008	BBB (high)	Stable
2009	BBB (high)	Stable
2010	BBB (high)	Stable
2011	BBB (high)	Stable
2012	BBB (high)	Stable
2013	BBB (high)	Stable
2014	BBB (high)	Stable
2016	BBB (high)	Stable
2017	A (low)	Stable

Moody's Rating Scale

Aaa Obligations. Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.

Aa Obligations. Aa are judged to be of high quality and are subject to very low credit risk.

A Obligations. A are judged to be upper-medium grade and are subject to low credit risk.

Baa Obligations. Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Ba Obligations. Ba are judged to be speculative and are subject to substantial credit risk.

B Obligations. B are considered speculative and are subject to high credit risk.

Caa Obligations. Caa are judged to be speculative of poor standing and are subject to very high credit risk.

Ca Obligations. Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C Obligations. C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Moody's Credit Rating - UOIT

Year	Rating	Trend
2004	A3	Stable
2005	A3	Stable
2006	A3	Stable
2007	A3	Stable
2008	A3	Stable
2009	A3	Stable
2010	Baa1	Negative
2011	Baa1	Positive
2012	A2	Stable
2013	A2	Stable
2014	A2	Stable
2016	A2	Stable
2017	TBD	TBD

Ontario University Credit Rating Comparisons

University	DBRS Rating	DBRS Trend	Moodys Rating	Moodys Trend
Brock	A	Positive	-	-
Guelph	A	Positive	-	-
Wilfred Laurier	A	Stable	-	-
McMaster	AA	Stable	-	-
Ottawa	AA	Stable	Aa1	Stable
Queens	AA	Stable	-	-
U of T	AA	Stable	Aa1	Stable
UOIT	BBB	Stable	A2	Stable
Laskehead	-	-	A1	Stable
Windsor	A	Stable	Aa3	Stable
York	AA	Stable	-	-

Question or Comments



COMMITTEE REPORT

Action Required:

Public:
Non-Public:

Discussion
Decision

TO: Board of Governors

DATE: March 1, 2017

FROM: Cheryl Foy, University Secretary and General Counsel

SUBJECT: Compliance Update - Privacy

A. Purpose

To provide the Board with a privacy compliance update in order to assist with fulfilling its obligations with respect to the oversight of UOIT compliance.

B. Background/Context

The Board of Governors has responsibility for the oversight of risk management, and within risk management, compliance. UOIT has taken key steps toward the development of a University compliance program in the past two years with the implementation of the Policy, Contracts, and Risk Frameworks. This is an ongoing process.

The President has assigned responsibility for risk management and compliance to the University Secretary and General Counsel. The Office of the University Secretary and General Counsel (USGC) supports compliance initiatives across the University.

The USGC is directly responsible for compliance with the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31 (FIPPA). The attached provides an overview of the University's compliance with FIPPA for 2015-2016.

Information and Privacy Reporting

Reporting metric	Reporting year: January 1, 2015 to December 31, 2015	Reporting year: January 1, 2016 to December 31 2016
Requests for personal information	6	4
Requests for Access To General Information	4	7
Requests not completed within the statutory time limit	0	0
Corrections to personal information	0	0
Additional Privacy Metrics (Not reported to IPC)		
Breaches investigated	1	9
Third Party Notifications	4	3
Appeals of Access Decisions	1	5
Privacy and Access Training	6	3
Privacy and Access Advice Requests	15	16

- In addition to the above reporting metrics, the University also reports on the disposition of requests, exemptions and exclusions applied and fees collected.



**BOARD OF GOVERNORS
AUDIT & FINANCE COMMITTEE**

**MINUTES OF THE MEETING OF NOVEMBER 16, 2016
1:45 p.m. to 3:30 p.m., ERC 3023
PUBLIC SESSION**

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

Staff: Cally Ashby, Becky Dinwoodie, Craig Elliott, Cheryl Foy, Brad MacIsaac, Susan McGovern, Pamela Onsiang

1. Call to Order

The Chair called the meeting to order at 1:53 p.m.

2. Agenda

Agenda item 9 was moved forward to number 6.

Upon a motion duly made by A. Imrie and seconded by M. Simpson, the Agenda was approved as amended.

3. Conflict of Interest Declaration

There was none.

4. Approval of Minutes of Meeting of October 5, 2016

Upon a motion duly made by N. Allen and seconded by T. McTiernan, the Minutes were approved as presented.

5. Chair's Remarks

In the interest of allowing sufficient time for discussion, the Chair kept his remarks brief.

6. Compliance & Policy

6.1 Violence Related Policies and Procedures

C. Foy provided the Committee with an update on the violence related policies and procedures. She will be meeting with external counsel to discuss the feedback received from the recent Academic Council meeting. Based on the commentary and feedback, the university will have an umbrella policy against violence and 3 distinct underlying policies, one being a standalone policy against sexual violence for students. C. Foy reviewed the recent consultation process, which included online consultation, a number of town halls and consulting with Academic Council (AC).

C. Foy advised that implementing separate policies will make demonstrating compliance easier. In terms of compliance, she is working with outside counsel at each stage of the process and the amendments are being reviewed as they are introduced. The draft policies will be presented to the Governance, Nominations and Human Resources Committee (GNHRC) the following week and to the Board at the meeting on December 7. They also committed to a holding a consultation session with AC in the time between the GNHRC and Board meetings.

J. Bradbury informed the Committee that he has been hearing more positive comments regarding the consultation process. C. Foy confirmed that consultation is being done on both the policies and procedures. The Student Code of Conduct will be updated at a later date to make it consistent with the anti-violence policies.

7. SIRC Building Construction Project

C. Elliott delivered a presentation providing an update on the SIRC building construction project progress.

8. Finance

8.1 Second Quarter Financial Reports

P. Onsiong reviewed the highlights of the second quarter GAAP financial statements with the Committee. She provided a summary of the financial metrics and noted there has not been much change from the last update. She explained the reasons for the difference in UOIT's financial metrics compared to the sector average. She confirmed that the university is on target for budgeted enrolment. P. Onsiong also went through the 2016-17 operating forecast analysis. Consistent with prior years, they will be recommending to reserve some of the surplus for future use.

8.2 Budget Assumptions, Targets & Outcomes

C. Elliott delivered the presentation entitled "Budget Update". It is estimated that the university will be within approximately 50 of our FTE target. Accordingly, they will not be seeking additional budget cuts this year. He reviewed the key points from the ten year forecast, including:

- Structural budget deficit with increasing losses each year starting in 2016/17
- Additional 2.5% cut planned in 2017/18 to address this issue and balance the budget over the next 10 years

C. Elliott also went over the significant budget assumptions. He advised that there are more students enrolling part-time. He also confirmed that the summer program had a better turnout this year.

T. McTiernan discussed the uncertainty surrounding the funding model and permitted tuition increases. Changes to either of these will likely result in adjustments to the budget forecast.

The Committee discussed strategic hiring by Faculties. C. Elliott explained that the RAM budget model was introduced in order to allocate scarce resources across faculties, including new hires and long-term strategic plans.

C. Elliott confirmed that professional development and travel budgets will be decreased by 30% across the board. Additional decreases in OPEX and strategic labour reductions determined by each budget holder make up the total \$2.5M budget cut. He reviewed the vacant position summary. He clarified that the vacant positions are both tenured/tenure track and teaching faculty positions. Faculties are being encouraged to hire for all vacant positions. He explained the rationale for returning the budget for open positions from a Faculty back to the Provost's budget. C. Elliott responded to questions from the Committee.

(D. Allingham left the meeting at 2:43 p.m.)

C. Elliott provided a summary of the budget discussion feedback. He added that the 10-year forecast was well received in presentations to PACIP and other stakeholders. S. McGovern added that donors like to see a 10-year forecast, as well.

C. Elliott will be delivering a budget presentation to the Board in December. He advised that they are still working on how to best present budget to Academic Council.

9. Investment Committee Oversight

9.1 Investment Committee Quarterly Report

N. Allen provided the Committee with an update from the Investment Committee. The investment balance is at approximately \$21.5M. The portfolio is ahead of benchmark in both the short and long-term. Post September, the bond yields have risen. He also informed the Committee of a presentation PH&N gave to the Investment Committee on the economic effects of the US election on the economy.

10. Other Business

There was none.

11. Termination

Upon a motion duly made by J. Bradbury and seconded by T. McTiernan, the public session of the meeting terminated at 3:05 p.m.

Becky Dinwoodie, Secretary



BOARD OF GOVERNORS
Governance, Nominations and
Human Resources Committee

Public Session Minutes for the Meeting of November 23, 2016
11:20 a.m. to 12:20 p.m., ERC 3023

Attendees: Karyn Brearley (Chair), Dan Borowec (*via teleconference*), Adele Imrie, Tim McTiernan

Staff: Miles Bowman, Becky Dinwoodie, Craig Elliott, Cheryl Foy, Susan McGovern, Michael Owen, Deborah Saucier

Regrets: Andrew Elrick, Jay Lefton, Mike Snow

Guests: Mike Eklund

1. Call to Order

The Chair called the meeting to order at 11:32 a.m.

2. Agenda

Upon a motion duly made by T. McTiernan and seconded by A. Imrie, the Agenda was approved as presented.

3. Conflict of Interest Declaration

None.

4. Approval of Minutes of the Meeting of September 29, 2016

Upon a motion duly made by A. Imrie and seconded by T. McTiernan, the Minutes were approved as presented.

5. Chair's Remarks

The Chair noted the violence-related policy items coming forward for discussion as the key items for the Committee to consider at the meeting, as well as the election process for next year.

6. President's Remarks

The President reinforced the importance of the violence-related policy instruments on the agenda and noted their focus on collegiality and positive behaviour. He was looking forward to further discussion of the policies.

7. Governance

7.1 Policy

(a) Policy on Sexual Violence for Students and Procedures for Responding to Incidents of Sexual Violence

D. Saucier introduced M. Bowman to present the policy for consideration. M. Bowman outlined the consultation process with the community, which included 4 town halls and online feedback. As a result of the comments provided, a stand-alone sexual violence policy was developed and posted for comment. Based on the feedback on the second version of the policy, a working group was formed that included those students who spoke at the last Board meeting. The working group also included a sexual violence researcher, a member of Durham College, a student life member, and an individual from the Durham Rape Crisis Centre.

M. Bowman reviewed the key themes of the policy feedback, including:

1. lack of awareness of resources & how to engage with them in the community;
2. training of staff;
3. accessibility – how material interpreted;
4. desire for protection in the community – desire to feel safe on campus;
5. writing style that fits with accessibility – worked to make language “friendly” in the policy; and
6. concerns around additional support offerings – provision of spaces for people to disclose.

The student sexual violence policy is constructed differently than other policies of the university. Key questions in the policy will be hyperlinked from the first page and will redirect an individual straight to the relevant section. Further, the policy sections are designed in a question and answer format.

Upon a motion duly made by T. McTiernan and seconded by A. Imrie, the Governance, Nominations and Human Resources Committee recommended the Policy on Sexual Violence for Students and Procedures for Responding to Incidents of Sexual Violence for approval by the Board of Governors as presented.

(b) Policy Against Violence, Harassment and Discrimination in the Workplace

The Chair invited C. Foy to present the proposed policy. C. Foy advised that as a result of the commitment to opportunities for additional consultation, she will be attending a special consultation session with Academic Council the following week to receive Council’s feedback. Once the policy has been updated to incorporate Council’s comments as appropriate, it will be circulated to the Committee for recommendation by e-mail.

C. Foy reviewed the background of the Policy Against Violence, Harassment and Discrimination in the Workplace and related procedures. The university has also committed to having an additional 3-month trial/consultation period for the workplace violence policy documents following their approval and they will return to the Board next May if any amendments are required.

C. Foy summarized the feedback as focusing on compliance and clarity. She confirmed that the university has retained external counsel to assist with drafting the policy instruments. There is also a focus on training and how to implement the policy and procedures. There was clarification that “person of authority” means anyone with authority over individuals in the university. We must ensure that resources are in place to support people.

There was a question raised regarding the opportunity to create a role to handle the duties set out in the policy documents. C. Foy responded that there is already a harassment/discrimination policy in place and that HR will continue to carry out those responsibilities. T. McTiernan added that there will likely be a “safe disclosure” role created external to the university so that the individual does not get caught up in reporting obligations. C. Foy responded to additional questions from the Committee. She confirmed that while they have been drafting the policy and procedures, they have also been developing checklists to assist with training and will be providing online resources to help community members.

8. Nominations

8.1 Governors Election Process 2017-2018

B. Dinwoodie reviewed the proposed election process for the upcoming vacant student positions on the Board of Governors.

Upon a motion duly made by A. Imrie and seconded by T. McTiernan, the Governance, Nominations and Human Resources Committee approved the Governors election process for 2017-2018 as presented.

9. Human Resources

9.1 DCPD Statement of Investment Policies and Procedures

D. Saucier presented the amended DCPD Statement of Investment Policies and Procedures (SIPP) to the Committee for recommendation for approval by the Board. C. Elliott clarified that every individual fund must be identified in the SIPP and when a change is made, the SIPP must be refiled with the government. He also advised that the new fund is a managed fund as opposed to the previous fund, which will provide increased protection for our employees. He also confirmed that the change was recommended by Mercer, the university’s pension investment consultant. It was noted the performance of the fund being replaced was poor.

Upon a motion duly made by T. McTiernan and seconded by A. Imrie, the Governance, Nominations and Human Resources Committee recommended the amended Statement of Investment Policies and Procedures for the University of Ontario Institute of Technology — Registered Pension Plan, as presented, for approval by the Board of Governors.

10. Other Business

None.

11. Termination

There being no other business, upon a motion duly made by T. McTiernan and seconded by D. Borowec, the meeting terminated at 12:20 p.m.

Becky Dinwoodie, Secretary



**BOARD OF GOVERNORS
Investment Committee**

**Public Session Minutes for the Meeting of November 16, 2016
10:45 a.m. to noon, ERC 3023**

Attendees: Nigel Allen (Chair), Miles Goacher, Adele Imrie, Tim McTiernan, John Speers (*via teleconference*), Tyler Turecki

Staff: Becky Dinwoodie, Craig Elliott, Cheryl Foy, Sue McGovern, Michael Owen

Guests: Leila Fiouzi and Peter Dawkins from PH&N

1. Call to Order

The Chair called the meeting to order at 10:47 a.m.

2. Agenda

Upon a motion duly made by A. Imrie and seconded by T. Turecki, the Agenda was approved as presented.

3. Conflict of Interest Declaration

There was none.

4. Chair's Remarks

The Chair noted the presentations that P. Dawkins and L. Fiouzi would be making during the session, particularly the presentation on the impact of the U.S. presidential election on the economy.

5. Approval of Minutes of the Meeting of August 10, 2016

Upon a motion duly made by A. Imrie and seconded by T. McTiernan, the Minutes were approved as presented.

6. Investment Review

6.1 Second Quarter Investment Review

L. Fiouzi reviewed the second quarter investment report and highlighted the sovereign debt quality. She noted that after the credit crisis, there was a lot of deleveraging taking place and the U.S. lost their triple A credit rating.

6.2 Annual Report on ESG

L. Fiouzi presented the RBC Global Asset Management semi-annual report on Corporate Governance and Responsible Investment (CGRI), which includes a summary of its proxy voting. L. Fiouzi reported that 11% of their ballots voted against management. The CGRI also reports on engagements undertaken over the relevant period. She highlighted engagement with a large Canadian mining company. The concern was that the company's Board of Directors was light on people with mining experience; accordingly, the company was asked to appoint directors with mining expertise. She also referred to the actions taken with respect to Potash's sourcing of phosphate from the Western Sahara due to the risk of human rights violations.

7. Investment Learning – Potential Impact of U.S. Election on Economy and Financial Markets Election

L. Fiouzi conducted an educational session on the potential economic impact of the recent U.S. presidential election. She reviewed a side by side comparison of the Trump and Clinton political platforms. Trump's proposed plan is to increase spending and reduce taxes. His stance against NAFTA could have a tremendous impact on Canada.

It is estimated that Trump's policies will have a negative impact on the economy in the long-term.

L. Fiouzi discussed some of his proposed policies and their potential consequences, including:

- Reduction of compliance obligations introduced by the Dodd-Frank Wall Street Reform and Consumer Protection Act;
- Plans to repatriate auto manufacturing to the U.S. (increased labour costs, impact of relations with China);
- Reduction of incentives for clean energy/technology;
- Tariff structure for oil and gas
- Stricter immigration policies – much of the U.S. economy is supported by legal and undocumented immigrants

She advised that stock markets prefer the status quo, no matter what it is. When a different party is elected, uncertainty increases and the market reaction will be more uncertain. While there might be a lot of uncertainty in the future, things will eventually settle down. As an institutional and long-term investor, this is good news.

L. Fiouzi provided an overview of the impact of other economic policy shocks, including the Volcker appointment, Asian crisis, fall of the Berlin Wall, Bear Stearns collapse, etc. An examination of the history of the market in periods of turmoil showed that investors should not abandon equities. The market has survived a number of different shocks. It pays most to marginally adjust in the short-term and stay with investments for the long-term.

8. Other Business

There was none.

9. Termination

Upon a motion duly made by T. McTiernan and seconded by T. Turecki, the public session of the meeting terminated at 11:25 a.m.



**BOARD OF GOVERNORS
Strategy & Planning Committee**

**Minutes for the Public Meeting of Wednesday, November 9, 2016
2:15 to 3:30 p.m., ERC 3023**

Attendees: Valarie Wafer (Chair)(*via teleconference*), Don Duval (*via teleconference*), Miles Goacher (*non-voting guest*), Adele Imrie, Jay Lefton (*via teleconference*), John McKinley, Tim McTiernan, Glenna Raymond, Ololade Sanusi, John Speers (*via teleconference*), Mary Steele, Shirley Van Nuland

Regrets: Bonnie Schmidt

Staff: Becky Dinwoodie, Craig Elliott, Cheryl Foy, Susan McGovern, Deborah Saucier

Guests: Mikael Eklund

1. Call to Order

The Chair called the Meeting to order at 2:16 p.m.

2. Agenda

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

3. Conflict of Interest Declaration

There were none.

4. Chair's Remarks

The Chair remarked that the Committee is making good progress on the work plan. She kept her remarks brief in order to allow more time for discussion.

5. Approval of Minutes of the Meeting of September 22, 2016

The Chair noted a minor amendment to the minutes as G. Raymond was not in attendance at the last meeting.

Upon a motion duly made by J. McKinley and seconded by A. Imrie, the Minutes were approved as amended.

(J. Speers joined the meeting by teleconference at 2:20 p.m.)

6. President's Remarks

The President began by noting the success of UOIT alumni, particularly an alumnus who was recently appointed as a senior policy advisor at the Ontario Ministry of Infrastructure. He also reported on the successful season of the UOIT Women's Soccer Team, winning the OUA Championship and advancing to the national championship at Acadia University.

In terms of advancing the university's academic profile, the Faculty of Education hosted the Higher Education in Transition Symposium the previous week. The Irish Ambassador attended the opening of the symposium. The Faculty of Engineering also moved up 3 spots in Maclean's rankings for engineering.

COU/UC Strategic Initiatives

As part of the follow up on the Truth & Reconciliation Commission Report, UC is focusing on obtaining additional funding support for Indigenous graduate students.

The COU will soon be receiving an update on the status of the tuition framework. The COU has recommended rolling over the current framework. The postsecondary sector is figuring out how to respond to the request for major capital expansion proposals in Brampton and Milton. The COU has also been actively engaged in helping develop the parameters of the new funding formula.

(J. Lefton joined the meeting via teleconference at 2:27 p.m.)

7. 2017-2018 Budget

C. Elliott delivered a budget update. He advised that we are on target for enrolment this year and, accordingly, will not be requesting an adjustment to the budget for the year.

He reminded the Committee that a 2.5% budget cut was built into the 2016/17 budget. For this year's forecast, they extended the analysis from 5 years to 10 years, which revealed an increasing loss. The structural deficit must be addressed and is the result of a labour intense cost base. The budget team is working with the senior leadership team to implement a budget reduction plan.

C. Elliott reviewed the significant budget assumptions, including:

- enrolment levels as forecasted;
- same provincial grant funding;

- tuition increase of 3% per year; and
- no new non-academic hires.

There was a discussion regarding the historical use of contingency fees.

C. Elliott confirmed that the cost base must be lowered by \$2.5M in 2017/18 and that cuts will be implemented strategically. There will be across-the-board cuts for professional development and travel of 30% and reduced OPEX eligible expenses in areas determined by each budget holder. They will also be implementing strategic labour reductions through attrition and part-time and contractual positions.

D. Saucier discussed the vacant position summary. She clarified that it usually takes about a year to fill a vacancy. The university currently has offers out on 14 of the 25 vacant positions. She responded to questions from Committee members. There was a discussion regarding the attrition rate. She also noted that there are waves of retirement at older institutions, which may result in increased recruitment of our faculty. She emphasized the importance of building high quality programs and prestige in order to assist with UOIT's recruitment of faculty.

D. Saucier explained that where positions are vacant, the salary is being moved back into the Provost's budget as opposed to being carried over by the Faculty. There was discussion regarding how creating a reserve by maintaining vacant positions prevents us from taking advantage of strategic opportunities.

A question was asked about whether hiring more faculty at the full professor level would improve the retention of faculty. D. Saucier advised that sometimes the university has difficulty recruiting to fill those positions, as well.

C. Elliott provided an overview of the discussion points for the budget with the Provost's Advisory Committee on Integrated Planning (PACIP), which included:

- should each faculty/department determine own OPEX reductions?
- should we continue to plan for future buildings once SIRC is fully funded?
- do we have enough contingency and strategic reserves?
- what levels of academic and support staff (non-academic & administrative) can we maintain over the next 5 years?

Consideration was given as to how this budget will affect the Strategic Plan and whether certain aspects of the plan will need to be slowed down or postponed. D. Saucier added that the development of students, staff and faculty will be challenging as the HR department is lean and working to keep essential services operating. D. Saucier advised that once all unit plans have been reviewed, they will have a better idea as to how the Strategic Plan will be affected.

(J. Speers left the meeting at 3:11 p.m.)

8. Transformation of Technology Enabled Learning

D. Saucier provided an update on the TELE program. We have moved away from the one-size-fits-all device and now provide only the software that students require to succeed. The BYOD model has been introduced to the Faculty of Education and Faculty of Social Science and Humanities (FSSH). In September 2017, another 5000 students will be moving to BYOD and only the engineering faculties will continue on TELE. The students in FSSH saw their ancillary fees reduced by \$500 and the software fee of \$121 is covered by OSAP. The feedback has generally been positive and laptops are still available for rent if needed. D. Saucier confirmed that most institutions are BYOD. D. Saucier answered the Committee's questions.

9. Other Business

None.

10. Termination

There being no other business, upon a motion duly made by S. Van Nuland and seconded by G. Raymond, the public session of the meeting terminated at 3:20 p.m.

Becky Dinwoodie, Secretary



COMMITTEE REPORT

Action Required:

Non-Public:
 Public :

Discussion
 Decision
 Information

TO: Board of Governors

DATE: January 25, 2017

FROM: Karyn Brearley, Chair of Governance, Nominations and Human Resources Committee

SUBJECT: DCPP Governance Compliance

A. Purpose

We are updating the Board on the 2016 governance compliance for the UOIT Defined Contribution Pension Plan (DCPP).

B. Background/Context

The Senior Administration (Pension & Benefits) Sub-Committee (SASC) exercises overall responsibility for the proper administration of the DCPP. The SASC is also responsible for reporting to GNHR and certifying that all aspects of the UOIT Pension Plan Governance Structure and UOIT Plan Governance Processes have been met. This annual report assists GNHR in fulfilling its oversight of the University's Human Resources policies, strategies and plans.

Attached are the SASC DCPP Governance Compliance Certificate for 2016 and related governance checklists for information.

BOARD OF GOVERNORS

As the guiding mind of UOIT, the Board is the legal plan administrator and, as such, has general oversight responsibility for the administration of the Plan and the administration and investment of the Fund. The Board has established a governance system for the Plan and Fund, which delegates most of the functions relating to the Plan to the SLT. The Board plays an oversight role vis-à-vis the Plan, with its main responsibilities being to receive and consider reports from the Governance, Nominations & Human Resources Committee and the Audit Committee (to which the SLT reports) and to approve Plan design changes recommended by the Governance, Nominations & Human Resources Committee. The Board also appoints the auditor for the Plan and receives reports on risk management issues from the Audit Committee. The Board may also receive submissions from the Pension & Benefits Committee if that Committee feels that it is necessary to bring a matter directly to the Board's attention.

Board of Governors Checklist

January 1, 2016 to December 31, 2016

No.	Item	Completion Date ¹	Action Required/ Taken/Comments
1.	Establishes and updates the governance system for the Plan on the recommendation of the Governance, Nominations & Human Resources Committee	November 2013	As required
2.	Approves design changes to the Plan ² on the recommendation of the Governance, Nominations & Human Resources	March 2016	Approval of Restated Plan Text
3.	Appoints the Plan auditor	2016 N/A	None
4.	Receives annual report from the Governance, Nominations & Human Resources Committee	March 2016	At least annually
5.	Receives and considers reports from the Audit Committee	December 2016	
6.	May receive submissions directly from the Pension & Benefits Committee	2016 N/A	None

Green-completed

Yellow-in progress

Red-outstanding

¹ If a matter is not required to be addressed in a given year, “N/A – 20—“ is indicated in this column so it is clear that someone turned their mind to whether the item was relevant.

² Design Changes are any changes other than changes that are required by legislation (changes required by legislation are approved by SASC). The annual report from the Governance, Nominations & Human Resources Committee should reference any amendments that were approved by SASC.

GOVERNANCE, NOMINATIONS & HUMAN RESOURCES COMMITTEE

The Governance, Nominations & Human Resources Committee exercises an oversight role with respect to the SLT, a committee of senior management to which is assigned responsibility for most administrator and employer functions relating to the Plan, including all day-to-day operational matters. The Committee's main function is to receive and consider reports from the SLT/SASC with respect to the administration of the Plan and the administration and investment of the Fund, as well as with respect to certain employer-related matters including the budget for the Plan. The Governance, Nominations & Human Resources Committee is also responsible for ensuring that the Board receives appropriate reporting on pension-related matters and makes recommendations to the Board on Plan design changes. The Governance, Nominations & Human Resources Committee may receive submissions from the Pension & Benefits Committee if that Committee feels that it is necessary to bring a matter directly to the Committee's attention.

Governance, Nominations & Human Resources Committee Checklist

January 1, 2016 to December 31, 2016

No.	Item	Completion Date	Action Required/ Taken/Comments
1.	Receives and considers reports from SLT/SASC on matters relating to the, administration and governance of the Plan and Fund	February, November	At least annually
2.	Receives and considers reports from SLT/SASC on investment options offered under the Plan	November	At least annually Revised SIPP for fund changes (removal of BlackRock S &P/TSX and addition of CC&L Group Canadian Equity Fund)
3.	Receives and considers reports from the SLT/SASC on employer-related matters, including the operational budget for the Plan	November	At least annually Pension Audit Report
4.	May receive submissions directly from the Pension & Benefits Committee	2016 N/A	None
5.	Considers Plan design changes and makes recommendations to the Board.	February	Approved restated plan text incorporating all amendments to date
6.	Ensures that the appropriate reporting on pension-related matters is made to the Board.	November 2016	At least annually
7.	Make changes to the Accountability Tool	2016 N/A	None

Green-completed

Yellow-in progress

Red-outstanding

AUDIT & FINANCE COMMITTEE

The Audit Committee has been assigned certain risk management functions and oversees the Plan audit. In carrying out its functions, it works with the SASC and particularly the CFO.

Audit Board of Governors Checklist

January 1, 2016 to December 31, 2016

& Finance Committee No.	Item	Completion Date	Action Required/ Taken/Comments
1.	Performs risk management functions in relation to the Plan and Fund as part of its ERM responsibilities	November	In accordance with the Committee's normal practices
2.	Oversees pension audit as part of the audit of UOIT	September	Done
3.	Receives reports from SLT/SASC/CFO on audit and risk management matters	November	Done
4.	Reports to the Board on risk management and audit issues	November	None reported

Green-completed

Yellow-in progress

Red-outstanding

SENIOR LEADERSHIP TEAM (SLT)

The SLT is responsible for high level oversight of the sponsor, administration and investment functions. The SLT carries out its functions through a sub-committee, the SASC. As such, the SLT, as a committee of the whole, serves mainly as a resource for SASC (i.e., as a sounding board and/or to get input on issues which could have an impact on the University as a whole), receives reports and recommendations from the SASC, and ensures that appropriate reporting is made to the Governance, Nominations & Human Resources and Audit Committees of the Board. Finally, the SLT may receive submissions from the Pension & Benefits Committee if that Committee feels that it is necessary to bring a matter directly to the SLT's attention.

SLT Checklist

January 1, 2016 to December 31, 2016

No.	Item	Completion Date	Action Required/ Taken/Comments
1.	Receives reports from SASC	Ongoing	SLT meetings held weekly Monday updates provided as required
2.	Considers Plan design changes and makes recommendations to the Governance, Nominations & Human Resources Committee	2016 N/A	None
3.	Ensures that appropriate reporting is made to the Governance, Nominations & Human Resources Committee	Ongoing	SLT meetings held weekly Monday updates provided as required
4.	May receive submissions directly from the Pension & Benefits Committee	2016 N/A	None

Green-completed

Yellow-in progress

Red-outstanding

Senior Administration Sub-Committee (SASC)

The SASC exercises overall responsibility for the proper administration of the Plan and administration and investment of the Fund as well as certain employer-related responsibilities.

SASC's responsibilities are carried out by three members of senior management, the VP, HR& Services, the Chief Financial Officer (CFO) and the General Counsel (GC). The main responsibility for the Plan and Fund lies with the VP, HR & Services and P&B Staff report to him/her.

One of the main responsibilities of SASC is to oversee the activities of P&B Staff, which has primary responsibility for the day-to-day operations of the Plan. SASC ensures that the appropriate policies for the governance of the Plan and Fund are in place, appoints service providers, executes service contracts, and approves Plan amendments, deals with any material regulatory issues and reports to the SLT, the Governance, and Nominations & Human Resources as necessary or required.

Another key responsibility of SASC is to participate in meetings of the Pension & Benefits Committee and to serve as a liaison between the Pension & Benefits Committee and the SLT.

As a sub-committee of SLT, SASC (or a member thereof) is responsible for reporting is to the Governance, Nominations & Human Resources and Audit Committees of the Board.

SASC Checklist January 1, 2016 to December 31, 2016

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
1.	Reviewing and approving the completed checklists/reports of P&B Staff	VP, HR& Services (2016 SASC)	January	
2.	Approving and executing Plan amendments and signing any related regulatory filings.	VP, HR & Services/GC ¹ or delegate	March	Restated plan text incorporation all pension plan amendments into one document – subsequently filed with FSCO & CRA
3.	Approving and signing *all annual regulatory filings	VP, HR& Services/GC ² or delegate	December September December	<i>Annual Information Return (AIR) – reviewed & filed with FSCO*</i> <i>Form 7- Contribution Summary-reviewed and filed with Sun Life (custodian)</i> <i>Financial Statements</i>

¹ GC plays an advisory role on an as needs basis.

² GC plays an advisory role on an as needs basis.

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
4.	Approves, reviews and amends SIPP	VP, HR & Services/ GC, CFO ³	October	Amended for new CC & L Group Canadian fund and removal of BlackRock S&P/TSX Composite Index fund
5.	Selecting third party service providers and negotiating and executing contracts.	VP, HR & Services/GC ⁴	N/A 2016	None
6.	Liaising with the Audit Committee in connection with the Plan audit; reviewing, approving and signing financial statements.	CFO/VP, HR & Services ⁵	November	Financial Statements filed with FSCO`
7.	(a) Chairing the Pension & Benefits Committee and preparing the agenda (b) Attending the pension & Benefits Committee	VP, HR & Services (or delegate) CFO (or delegate)	February, March, May & October March, May, & October	Preparation of Agenda Approval of Minutes Year End Pension Investment Performance meeting and discussions.
8.	Receiving and reviewing reports from P&B Staff regarding the performance of third party service providers	VP, HR & Services (2016 SASC)	As required	Meetings with SASC
9.	Establishing service standards/benchmarks based on recommendations from P & B Staff	VP, HR & Services or delegate	Ongoing	Meetings with SASC as required. Mercer provides investment benchmarks and conducts annual investment performance analysis.
10.	Receiving and reviewing reports from P&B Staff regarding investment performance (and or having in-person meetings with provider(s) and consultants)	VP, HR & Services	Q1- April Q2- July Q3 – October Q4-January 2017	Quarterly Rates of Return emailed to all pension plan members with economic outlook and posted on HR-Pension website –Meeting with Mercer & SLF annually

³ GC and CFO play an advisory role on an as needed basis.

⁴ GC plays an advisory role on an as needs basis.

*FSCO –Financial Services Commission of Ontario

⁵ VP, HR & Services plays an advisory role on an as needs basis

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
			<p>September</p> <p>October</p> <p>September</p>	<p>Several communications to all active and former members regarding</p> <p>Discontinuing the Blackrock S&P/TSX Composite Index Fund</p> <p>Introduction of New Fund- CC& L</p>
11.	Receiving and reviewing member communication and education initiatives	VP, HR & Services or delegate	<p>Includes # 10 above</p> <p>April</p> <p>April 12th to 14th</p> <p>April</p> <p>January, May, August, December</p> <p>June</p> <p>March/April, June/July and October/November</p>	<p>“Understanding Your UOIT Pension Plan”</p> <p>One on One sessions with SLF representative</p> <p>“Understanding Your UOIT Pension Plan” Presentation materials emailed to all pension plan members</p> <p>Quarterly Rates of Return and Economic Outlook</p> <p>Fact Sheet Responsible Investing (Environmental, Social and Governance factors)</p> <p>P & B Newsletters</p>

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
			<p>September</p> <p>October</p> <p>November</p>	<p>Invitation to participate in My Money @ Work SLF webinars</p> <p>“Are you retirement ready?” workshop.</p> <p>Presentation materials emailed to all pension plan members.</p> <p>One on One sessions with SLF representative</p>
12.	Reviewing and approving the annual expense budget	VP, HR& Services/GC ⁶	Budget Approval April	In accordance with normal practice
13.	Considering and approving P&B Staff’s recommendations with respect to Plan design changes; initiating recommendations with respect to Plan design changes as required.	VP, HR& Services/CFO	December	Restatement of pension plan text to incorporate in all amendments to date
14.	Considering and approving P&B Staff’s recommendations with respect to development of new policies and changes to existing policies; initiating policy development as required.	VP, HR& Services/GC,CFO ⁷	April Includes item in #13	Development of 5 year Pension Education Strategy
15.	Dealing with material regulatory issues.	VP, HR& Services/GC	2016 N/A	None
16.	Working with the Audit Committee to address risk management issues	VP, HR & Services/GC ⁸	2016 N/A	None

⁶ GC plays an advisory role on an as needs basis.

⁷ GC and CFO play an advisory role on an as needed basis.

⁸ GC plays an advisory role on an as needs basis.

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
17.	Overseeing governance review using CAPSA governance tool	CFO/ VP, HR & Services ⁹	Ongoing and annual review and certification by SASC Board -January 2017	SASC meetings
18.	Preparing and delivering report(s) to the a) SLT b) Governance, Nominations & Human Resources Committee c) Audit Committee d) Board	GC/ VP, HR & Services ¹⁰	Ongoing Meetings with P & B Staff Feb, April, June, October a) Weekly b) February, November c) September March & December	Updates provided by P & B Staff to head of HR and SASC SASC Committee Meeting Continued ongoing reporting
19.	Ensuring that the Accountability Tool is completed on an annual basis and maintaining a record of the completed Checklists	VP, HR & Services/CG/CFO	January 2017	SASC annual review and compliance certification to the Board

Green-completed

Yellow-in progress

Red-outstanding

⁹ VP, HR & Services plays an advisory role on an as needs basis

¹⁰ VP, HR & Services plays an advisory role on an as needs basis

Pension & Benefits (P & B) Committee

The Pension & Benefits Committee serves in an advisory capacity with respect to the Plan. The composition of the P&B Committee and other procedural matters are set out in the P&B Committee Terms of Reference, a copy of which is attached to this Accountability Tool.

The mandate of the P&B Committee includes oversight with respect to the administration, communication and investment management of the Plan. This includes the ability to make recommendations to SASC to amend and interpret the provisions of the Plan as well as to make recommendations to SASC with respect to the specific matters identified in the P&B Committee Terms of Reference.

P&B Committee Checklist

January 1, 2016 to December 31, 2016

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
1	Developing Agenda	VP, HR & Services (or delegate)	February, March, May, October	Review of previous minutes and bringing forward any actions completed and provide updates
2	Transmitting Notice and Agenda	VP, HR & Services (or delegate)	February, March, May, October	Agenda and any accompanying materials reviewed prior to P & B committee meeting
3	P&B Committee Meeting	VP, HR & Services and members of same, including CFO	February, March, May, October	Done
4	Distributing Minutes	Secretary	February, March, May, October	Done
5	Completing Action Items from P&B Committee Meeting	VP, HR & Services (or delegate)	February March May	<p>Done</p> <p>Completion of negotiations with Sun Life for reduction in fund management fees of 3 basis points paid by Members.</p> <p>Completion of 5 (five) year pension education strategy & completion of ESG Member communication.</p> <p>P & B Committee recommendation to SASC to remove S&P/TSX Composite Index Fund and add CC & L Group Canadian Equity</p>

No.	Item	Party Responsible	Completion Date	Action Required/ Taken/Comments
			October	Pension Education Strategy shared with P & B Committee and CPP enhancement rules shared with P & B Committee
6	Maintaining minutes of meetings	Secretary	February, March, October	Done-Posted under Public Folders in Outlook and filed

Green-completed
Yellow-in progress
Red-outstanding

PENSION & BENEFIT (P&B) STAFF

P&B Staff is responsible for managing the day-to-day operations of the Plan and Fund. Many of the responsibilities in the P&B Staff Checklist may be carried out by third party service providers and in that case P&B Staff’s role is primarily one of co-ordination, monitoring and supervision.

P&B Staff is responsible on an ongoing basis for enrolling Plan members, maintaining historical records of individual members, sending each member an annual statement, calculating and processing retirement, termination, marital breakdown and death payments, and responding to questions from members and former members, ensuring contributions are remitted to the custodian, reviewing monthly pension payments from the fund, making recommendations to the VP, HR & Services with respect to service providers, recommending service standards/benchmarks to VP, HR & Services, monitoring accuracy and timeliness of major services/investment options against established performance standards, explaining and providing written explanations to members about the Plan provision and members’ rights and obligations with respect to the Plan, promoting awareness of the Plan and its provisions among the members and beneficiaries, providing member education programs, assisting the VP, HR & Services and GC in the negotiation of contracts with third party service providers, ensuring that expenses relating to the operation of the Plan are paid within the budget established by the VP, HR & Services and CFO, and ensuring that the Plan is administered in accordance with applicable legislation and all filed documents, including interpreting the Plan document as necessary. P&B Staff also ensures that the Accountability Tool is completed on an annual basis and provided to the VP, HR & Services and for maintaining appropriate records.

The attached checklists are intended to assist P&B Staff in carrying out the foregoing responsibilities to form the basis of P&B Staff’s report to the VP, HR & Services. They consist of an administrative checklist, a regulatory compliance checklist, a key document checklist, and a service provider checklist and accompanying evaluation forms.

P & B STAFF ADMINISTRATIVE CHECKLIST*

January 1, 2016 to December 31, 2016

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
1.	Certified copies of all documents that create and support Plan amendments made during the year	P & B Staff –vetted by Mercer	March	Approved by Board Restatement of plan text to consolidate all past amendments into the main body of the document.

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
2.	Information with respect to the remittance of employer contributions to the custodian or reallocation of assets within the Fund.	Payroll and verified by HR P & B Staff	<p>Full time -2016 January to December Monthly</p> <p>Less than Full time or Limited Term January to December Bi-Weekly</p>	<p>Each pay cycle either monthly or bi-weekly, as the case may be, payroll deductions are processed by payroll and verified by P & B Staff</p> <p>Cumulative amounts are monitored to ensure CRA limits do not exceed the maximum permitted under the Income Tax Act</p> <p>2016 maximum \$26,010</p>
3.	Reports and returns filed with the Financial Services Commission of Ontario ("FSCO") and Canada Revenue Agency ("CRA").		<p>December</p> <p>September</p> <p>December</p>	<p><i>Annual Information Return</i> – filed with FSCO*</p> <p>Form 7- <i>Contribution Summary Form</i> reported to Sun Life</p> <p><i>Audited Financial Statements</i> filed with FSCO</p>
4.	Summaries of Pension Adjustments ("PAs").	Payroll	December	<p>Done</p> <p>2016 Pension Adjustments year-end checked no issues as confirmed by payroll & SLF</p>
5.	Summaries of Pension Adjustment Reversals ("PARs")	N/A	N/A	Applicable to DB plans UOIT Pension Plan is DC
6.	Annual Information Return	Pension & Benefits Staff	November	Done
7.	Form 7, Summary of Contributions/Revised Summary of Contributions	Pension & Benefits Staff	September	Done

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
8.	Financial Statements (including auditor's report)	KPMG and UOIT	December	Done
9.	Copy of SIPP as either confirmed or amended by VP, HR & Services	VP, HR & Services, Manager, PBW and vetted by Mercer	December	Done, approved by the Board Nov 26, 2015 –to be filed with FSCO January 2016
10.	Reports on monitoring of investment options	Mercer Sun Life	March Quarterly & Annual reporting	Done Mercer Analysis presented to P & B Committee for recommendation to SASC- discontinue S&P/TSX Composite Index Fund and add CC & L Group Canadian Equity
11.	Information with respect to the monitoring of Plan expenses	Fees paid by members	Reported quarterly on Member statements each quarter	Pension Plan statements available online quarterly and mailed to member's home address in January (yearend statement) and July (semi-annual statement) Former members with assets on deposit also receive same.
12.	Information with respect to the monitoring of fees charges to members	Sun Life	Reported on Member statements each quarter	see comments # 11
13.	Information with respect to the enrolment of new members	UOIT and Sun Life	1 st day of hire for full time continuing (FTC) or;	All FTCs are eligible to join the plan from their date of hire

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
			<p>Less than full time or limited term employees (LTE) when criteria attained</p> <p>Meeting with each eligible pension plan member for enrolment and information session</p>	<p>Eligibility for less than full time or LTE employees 24 months of consecutive employment with the University having attained either:</p> <p>a) 700 hours in each of the 2 years or;</p> <p>b) 35% YMPE in each of the previous 2 years*</p> <p>Prior to or on date of hire for FTCs. For LTE upon eligibility.</p>
14.	Information with respect to the termination and death benefit payments made from the Fund.	UOIT and Sun Life	Ongoing	Reports received monthly
15.	Information with respect to marriage breakdowns	Sun Life	November	1 case
16.	Information with respect to numbers of member and active members	Sun Life	Monthly & at Plan Year end June	Reports available at Sun Life Plan Sponsor website to access current statistics. Plan Year End reports provided directly by SLF for AIR, Form 7, Audit & Financial Statements
17.	Information with respect to the annual statements provided to members, including sample statements.	UOIT and Sun Life	May	Guides and ESG communication available at UOIT HR Pension website How to read your Pension Statement

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
18.	Information with respect to the written explanations provided to the members about the Plan provisions and the members' rights and obligations with respect to the Plan.	UOIT and Sun Life	<p>December</p> <p>Ongoing- Full time continuing Pension and Benefits Personal Sign Up meeting (prior to date of hire)</p> <p>Ongoing -Less than full time or limited term employees' pension personal sign up meeting date of eligibility</p>	<p>UOIT DCPP Member Booklet revised for pension plan restatement</p> <p>My Money Investment Guide and Sun Life on line tools (risk assessment)</p> <p>Pension & Benefits at a Glance</p> <p>Eligible limited term employees elect to participate or opt out.</p>
19.	Information with respect to the educational or other information provided to Plan members about the Plan and financial planning for retirement.	UOIT and Sun Life	<p>Semi-Annually Group Information Workshops followed by one on one sessions April & October</p>	<p>Understanding Your UOIT DCPP & Are you retirement Ready? Related Materials/checklists emailed to all pension plan members</p>
20.	Information with respect to any regulatory or other administrative issues that arose during the year.	UOIT	May	<p>Filed restated plan text with FSCO and CRA</p> <p>No administrative issues</p>
21.	Information with respect to member complaints	Sun Life	N/A	None
22.	Reports on retention of new service providers/copy of completed third party evaluations		N/A	None
23.	Copies of any legal opinions obtained during the year.	N/A	N/A	None
24.	Copy of completed regulatory compliance checklist	UOIT	December	In progress

No.	Item	Prepared By	Completion Date	Action Required/ Taken/Comments
25.	Report on the results of the reviews of and/or amendments to any Key Plan Documents		April	Approved by the Board –restated plan text to incorporate all amendments to date into the main body of the document

*YMPE (Year’s Maximum Pensionable Earnings)/35% of YMPE

- 2016 YMPE \$54,900/\$19,215
- 2015 YMPE \$54,900/\$19,215

Green-completed

Yellow-in progress

Red-outstanding

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

P&B STAFF : REGULATORY COMPLIANCE CHECKLIST

This checklist is intended as a guide to the regulatory responsibilities of UOIT as the administrator of the University of Ontario Institute of Technology Pension Plan (the “Plan”), an Ontario registered pension plan.

For the purpose of this checklist the following abbreviations are used:

Pension Benefits Act (Ontario)	PBA
Regulations under the Pension Benefits Act (Ontario)	PBA Reg.
Federal Investment Regulations (i.e. sections 6, 7, 7.1 and 7.2 and Schedule III to the PBSA Regulation, 1985 (Canada)	FIR
Income Tax Act (Canada)	ITA
Regulations to the Income Tax Act	ITA Reg.
Financial Services Commission of Ontario	FSCO
Canada Revenue Agency	CRA

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
(a) Filing of Plan Documents				
<input type="checkbox"/> File certified copy of plan amendments with Superintendent along with Form 1.1.	PBA s.12(1), (2)	Within 60 days after the date on which the plan is amended.	N/A	None
<input type="checkbox"/> File with Superintendent certified copies of each document that changes the documents that create and support the plan or pension fund (e.g. trust documents). File with CRA as appropriate.	PBA s.12(3) ITA Reg. 8512(2)	Within 60 days after the date on which the plan is amended. July 24, 2003 September 13, 2004	AON Hewitt	Done UOIT DCP FSCO – Plan registration CRA – Plan registration
<input type="checkbox"/> File explanation of amendment transmitted to members with Superintendent.	PBA s.26(3) Reg. 3(4)	Within 6 months after registration of the amendment. (If amendment is adverse (i.e. reduces benefits or rights on a go forward basis), Superintendent may require explanation to be provided prior to registration.)	N/A	None
<input type="checkbox"/> If Superintendent dispenses with notice of the amendment required under s.26(3) of the PBA, then must provide notice of amendment with next annual statement to members.	PBA s.26(4), 27 Reg. 39(2)		N/A	None
<input type="checkbox"/> File copy of notice of adverse amendment provided to members (if such notice was required) with Superintendent and certify details as to classes of persons who received notice, date when last such notice given and that notice was provided as required.	PBA s. 26(1) Reg. 3(3)	Within 30 days after the date on which the last of the notices was transferred. See under section (c) below regarding required disclosure of adverse amendments to members.	N/A	None
<input type="checkbox"/> File certified copy of amendments with CRA along with form T920.	ITA 147.1(4) ITA Reg. 8512(2), (3)	Within 60 days after the date the amendment is made. May 2016	P & B Staff	Restated plan text filed

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
(b) Reporting Requirements				
<input type="checkbox"/> File an annual information return.	PBA s.20(1) Reg. 18(1), (6), (7) Reg. 37 ITA Reg. 8409(1), (2)	9 months after the plan's fiscal year end. November 2016	P & B Staff	Done -filed with FSCO
<input type="checkbox"/> File financial statements (including auditors' report where plan assets exceed \$3 million)	Reg. 76	By June 30 of the year following the plan's fiscal year end. December 2016	Finance and P & B Staff	Audited Financial Statements filed with FSCO
<input type="checkbox"/> Review SIP&P and amend/confirm annually.	Reg. 79 FIR, s.7.2(1)	December 2016	VP HR and Service 2016 SASC	Approved by the Board and all committees leading up to the Board and subsequently filed with FSCO. Revised for removal of BlackRock S&P/TSX Composite Index Fund and addition of CC &L Group Canadian Equity Fund

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
(c) Disclosure to Members				
<input type="checkbox"/> Explain plan provisions to employees who will become eligible to join the plan.	PBA s. 25(2)(b) Reg. 38	At least 60 days before employees become eligible. Date of Hire or date employee meets with part-time pension eligibility criteria	Payroll and P & B Staff	Full time continuing Pension and Benefits Sign Up meeting (prior to date of hire) Less than full time or limited term employees' pension sign up once eligibility criteria met and member elects to join
<input type="checkbox"/> Explain Plan provisions to persons who become eligible for plan membership upon becoming employed.	PBA s. 25(2)(c) Reg. 38	Within 60 days after employees commence employment. Every eligible employee meets with P & B Staff for sign up Pension and Benefits Sign up meetings prior to date of hire for full time continuing employees. For less than full time employees - on or near the date in which the employee has met the required criteria to join the pension plan	P & B Staff	Eligibility for less than full time or Limited Term Employees 24 months of consecutive employment with the University having attained either: a) 700 hours in each of the 2 years or; b) 35% YMPE in each of the previous 2 years*
<input type="checkbox"/> Provide notice and explanation of non-adverse amendments to affected members.	PBA s. 26(3) Reg. 39(1)	Within 60 days after provincial registration.	N/A	None

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
<input type="checkbox"/> Provide notice and explanation of adverse amendments to affected members if Superintendent requires.	PBA s.26(1), (2) Reg. 3(3), (4)	At least 45 days prior to registration of the amendment.	N/A	None
<input type="checkbox"/> Provide annual statement of benefits as prescribed.	PBA s.27 Reg. 40(1), (2)	6 months after the plan's fiscal year end.	Sun Life	Pension Statements Quarterly on line Pension Statements mailed semi-annual to home address annually in January following year end
<input type="checkbox"/> Make documents that create and support the pension plan and other prescribed information available for inspection by members and others as entitled.	PBA s. 29, 30 Reg. 45	Within 30 days after receipt of written request.	P & B Staff	None
<input type="checkbox"/> Provide termination statement containing prescribed information for termination of employment in situations other than retirement or death.	PBA s. 28 Reg. 41(1), (2), 42	Within 30 days after termination of employment or, where notice of termination is not provided to the administrator prior to the event, within 30 days after receipt of such notice.	Sun Life	Termination statements are issued in 2 weeks from date of departure from the University
<input type="checkbox"/> Where a plan member who is not entitled to a pension or deferred pension terminates employment in situations other than retirement or death, the administrator must pay any refund to which the member is entitled.	Reg. 42(3), (4) 42. revoked: O. Reg. 178/12, s. 40	Within 60 days after termination or, where a member has an option for receiving a refund, within 60 days after receipt of a direction from the member.	Sun Life	Payments are made within 30 days upon receipt of member's election to transfer assets out of the UOIT DCPP.

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
<input type="checkbox"/> Provide retirement statement and options for payment of pension.	PBA s.28 Reg. 44	<p>At least 60 days prior to the member's normal retirement date or the date at which the member has indicated he or she intends to retire.</p> <p>If the administrator does not receive adequate notice of the intended retirement to comply with the 60 day time requirement, the administrator shall provide the required information within 30 days following receipt by the administrator of a completed application for commencement of the pension.</p>	<p>Sun Life</p> <p>N/A</p>	<p>Sun Life transfers the value of the member's pension account in accordance with the member's election within 30 days of the receipt of the member's direction to transfer to a retirement income option.</p> <p>Commencement of pension directly from UOIT DCPN N/A</p>
<input type="checkbox"/> Provide statement of benefits payable upon death to spouse, beneficiary or estate.	PBA s.28 Reg. 43(1)	Within 30 days after receipt of notice of death of member or former member.	Sun Life	None
<input type="checkbox"/> Comply with surviving spouse's election regarding pre-retirement benefits.	Reg. 43(3)	Within 60 days after receiving direction from spouse or same-sex partner.	Sun Life	None
<input type="checkbox"/> In cases of marital breakdown, calculate the value of the pension, as requested by the member and/or spouse using Superintendent of Financial Services approved forms throughout the process.	PBA s. 67.1 – 67.6 Ont. Reg. 287/11 (Family Matters)	Within 60 days of receiving a completed application	Sun Life	One case forms provided to member for completion and signature.

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
(d) Miscellaneous				
<input type="checkbox"/> If benefit transfer request made within 60 days of termination of employment, pay in accordance with request. Must ensure that transfers to retirement savings arrangements or deferred life annuities will be administered as pensions or deferred pensions.	PBA s.42(1), (5), (6), (7) Reg. 20	Within 60 days after request.	Sun Life	Processed upon receipt of termination option statement received from members by Sun Life.
<input type="checkbox"/> Ensure all contributions are paid when due.	PBA s.56(1) Reg. 4(4) Reg. 5(1)	Employer contributions in respect of normal costs: within 30 days after the month for which contributions are payable.	Payroll, P & B Staff	Contributions are invested by pay date. Contributions received before 2p.m. invested same day after 2p.m. next day
<input type="checkbox"/> Report to Superintendent if contributions are not made when they become due.	PBA s.56(2) Reg. 6.1	Within 60 days after the day on which the contribution was due.	Sun Life	None reported
<input type="checkbox"/> Provide pension fund trustee with a summary of contributions required to be made.	PBA s.56.1(1) Reg. 6.2(1)	Within 90 days after the pension plan is established for the first fiscal year and within 60 days after the beginning of each subsequent fiscal year.	N/A	Applicable when a contribution is <u>not</u> remitted No delays to report
<input type="checkbox"/> Provide pension fund trustee with a revised summary of contributions required to be made.	Reg. 6.2(2)	Within 60 days after becoming aware of a change in contributions.	N/A	Applicable when contribution is <u>not</u> remitted No delays
<input type="checkbox"/> Pension Adjustments must be reported to CRA in the appropriate manner.	ITA Reg. 8401	On or before the last day of February of the year following the end of the calendar year.	Payroll	Prior to February 28 of each year T4 distribution deadline

P&B STAFF REGULATORY COMPLIANCE CHECKLIST
January 1, 2016 to December 31, 2016

	Legislation	Time Limit (if any)	Person Responsible	Comments
<input type="checkbox"/> Pension Adjustment Reversals must be reported to CRA.	ITA Reg. 8402.01	When the Termination occurs in the 1 st , 2 nd , 3 rd quarter of the calendar year, within 60 days after the last day of the quarter in which the termination occurs. When the termination occurs in the 4 th quarter, before February 1 of the following calendar year.	N/A	This applies to DB plans only and not the UOIT DCPP. No action required
<input type="checkbox"/> Where there is a change in the name or address of person who is administrator or persons who constitute the body that is the administrator, inform the Minister of National Revenue in writing within 60 days after the change.	ITA 147.1(7)(c)		N/A	No change

Green-completed

Yellow-in progress

Red-outstanding

P&B STAFF: KEY PLAN DOCUMENT CHECKLIST*

This checklist is designed to ensure that a complete record of the key documents used in the administration of the Plan and the administration and investment of the Fund is maintained in an accessible manner and that reviews of the key documents are carried out at regular intervals to ensure they are updated to reflect current information and practices.

P&B STAFF: KEY PLAN DOCUMENT CHECKLIST

January 1, 2016 to December 31, 2016

No.	Document	Last Review Date	Next Scheduled Review Date, if any	Review Completed By	Action Required/Taken/Comments
1.	Plan text	May 2016	None	SASC & P & B Staff	UOIT DCPD Plan text restatement approved by the Board in April and filed with FSCO & CRA
2.	Custodial Agreement (under Group Annuity Contract)	2015	2017	N/A	Under review
3.	Record-keeping Agreement (Sun Life Service Fee Agreement)	April 2016	2017	VP HR & Services,	
4.	Insurance Policy Sun Life Group Annuity Contract	June 27, 2003 renewed April 1, 2016	2017	VP HR & Services	Under review
5.	Statement of Investment Policies and Procedures	December 2016	As required	VP HR & Services	Revised SIP & P filed with FSCO for removal of BlackRock S & P/ TSX Composite Index Fund and addition of CC & L Group Canadian Equity Fund
6.	Investment Consulting Agreement	January 2015	2018	VP HR & Services	Mercer Canada appointed

*A binder of key documents is retained in Human Resources by P & B Staff

Green-completed
 Yellow-in progress
 Red-outstanding

No.	Document	Last Review Date	Next Scheduled Review Date, if any	Review Completed By	Action Required/Taken/Comments
7.	Governance Documentation (including Board resolution approving UOIT Pension Plan Governance Structure and Functions Chart and Accountability Tool)	January	2017	SASC	SASC annual certification
8.	Employee Booklet	December 2016		VP HR & Services and P & B Staff	Revised in accordance with restated plan text
9.	Service Provider Benchmarks	December 2013/15	2018/2020	SASC	P& B providers review in 2018 – Pension Investment Consultant review in 2020

P&B STAFF: THIRD PARTY SERVICE REVIEW

This checklist is designed to ensure that agents and advisors retained by the Plan are meeting the performance standards expected by the Plan administrator. This is a particularly critical component of the governance system in the case of agents of the Plan administrator. For PBA purposes, an agent is a service provider that is performing a function that the administrator would otherwise have to perform itself (e.g., a record keeper or investment manager) and therefore it is particularly important to ensure the agent is meeting the PBA fiduciary standard of care (as the Plan administrator will be liable if it does not). Advisors fall into a different category since they only give advice to the administrator who makes the ultimate decision on the matter as part of its functions. Nonetheless it is important for the ongoing operations of the Plan that advisors are evaluated to ensure that they are providing their services to the expected standards. Finally, the external auditor falls into its own category in that it is performing specific functions under the PBA. Nonetheless, again, it is important for the Plan administrator to be satisfied that the external is providing its services to the expected standards and to report any issues to the Audit Committee.

A review of the services provided by employees of the Plan administrator should also be undertaken. This review generally occurs as part of the normal course HR processes. Board and management committees should perform self-evaluations at specified intervals (this should be addressed in a governance policy) or from to time may wish to commission third party evaluations of their governance of the Plan.

P&B STAFF: THIRD PARTY SERVICE REVIEW January 1, 2016 to December 31, 2016

No.	Item	Reviewed by	Completion Date	Action Required/ Taken/Comments
1.	Performance Review of Trustee/ Custodian	AON Hewitt	April 24, 2013	Market Review Sun Life Next review 2018
2.	Performance Review of Investment Manager, i.e., provider of investment platform for the Plan	P & B advisory committee V.P. HR & Services	April 24, 2013	Market Review Sun Life Next review 2018
3.	Performance Review of Record-Keeper	P & B advisory committee V.P HR & services	April 24, 2013	Market Review Sun Life Next review 2018
4.	Performance Review of Investment Consultant	CFO, V.P. HR & Services, P & B Staff	December 2014	Effective January 2015 Contract awarded to Mercer
5.	Performance Review of External Legal Counsel	N/A	N/A	None required
6.	Performance Review of External Auditor	N/A	N/A	None required

Green-completed

Yellow-in progress

Red-outstanding