

PUBLIC SESSION AGENDA

Friday, October 14, 2016

3:00 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		Moment of Silence for Richard Marceau	T. McTiernan	5	
5		Chair's Remarks	Chair	5	3:15 p.m.
6		Introduction of New Board Members	Chair	5	3:20 p.m.
7		Approval of Minutes of the Meeting of June 29, 2016* (M)	Chair	5	3:25 p.m.
8		Community Reports/Presentations			
	8.1	Policy Against Violence, Sexual Violence, Harassment and Discrimination	UOIT Community Members	20	3:45 p.m.
9		President's Report	T. McTiernan	5	3:50 p.m.
	9.1	Ontario Universities' Fair Video		10	4:00 p.m.
10		Academic Council Report* (U)	T. McTiernan	5	4:05 p.m.
11		Start-Up Update (P)(U)	B. MacIsaac	5	4:10 p.m.
		Committee Reports			
12		Audit & Finance Committee	M. Goacher		
	12.1	First Quarter Report* (U)	M. Goacher	10	4:20 p.m.
	12.2	SIRC Building Construction Project (U)(P)	C. Elliott	10	4:30 p.m.
	12.3	Compliance (U)(P)	C. Foy	10	4:40 p.m.
		BREAK		10	4:50 p.m.

		Committee Reports			
13		Governance Nominations & Human Resources Committee	K. Brearley		
	13.1	Fair Processes Policy (formerly Administrative Fairness Policy)* (M)(P)	C. Foy	10	5:00 p.m.
	13.2	Policy Against Violence, Sexual Violence, Harassment and Discrimination* (M)(P)	C. Foy	15	5:15 p.m.
14		Strategy & Planning Committee			
	14.1	Strategic Plan* (P)(M)	D. Saucier	30	5:45 p.m.
	14.2	Board of Governors Pathways Award (U)(P)	J. McKinley	10	5:55 p.m.
15		Consent Agenda: (M)		3	
	15.1	Approval of Minutes of the Audit & Finance Committee Meeting of June 20, 2016*			
	15.2	Approval of Minutes of the Investment Committee Meeting of May 11, 2016*			
16		Termination of Public Session (M)	Chair	2	6:00 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' 97th REGULAR MEETING
(PUBLIC SESSION)**

**PUBLIC SESSION MINUTES
Wednesday, June 29, 2016
1:30 p.m. – 5:00 p.m.
Place: 55 Bond St., DTB 524**

GOVERNORS IN ATTENDANCE:

Glenna Raymond, *Chair*
Adele Imrie, *Vice-Chair*
Nigel Allen (*via teleconference*)
Doug Allingham
Jeremy Bradbury
Don Duval
Miles Goacher
Jay Lefton
John McKinley, *Vice-Chair*
Tim McTiernan, *President and Vice-Chancellor*
Bonnie Schmidt
Michael Snow
Mary Steele
Laurie Swami
Noreen Taylor, *Chancellor*
Shirley Van Nuland
Valarie Wafer

REGRETS:

Abdullah Al Zahrani
Dan Borowec
Karyn Brearley
Andrew Elrick
Jonathan Hackett
Mary Simpson
John Speers
Noreen Taylor, *Chancellor*

BOARD SECRETARY:

Becky Dinwoodie, *Assistant University Secretary*

UOIT STAFF:

Ken Bright, *Director of Campus Infrastructure and Sustainability, Office of Campus Infrastructure and Sustainability*

Craig Elliott, *Chief Financial Officer*

Cheryl Foy, *University Secretary and General Counsel*

Andrea Kelly, *Assistant to the University Secretary and General Counsel*

Brad MacIsaac, *Assistant Vice-President, Analysis & Planning, Registrar*

Susan McGovern, *Vice-President, External Relations & Advancement*

Michael Owen, *Vice-President, Research, Innovation & International*

Cathy Pitcher, *Assistant to the President*

Deborah Saucier, *Provost and Vice-President, Academic*

Elaine Wannamaker, *Director, Risk Management*

GUESTS:

Alison Baulk, *UOIT*

Paul Bignell, *UOIT*

Jocelyn Churchill, *UOIT*

Mike Eklund, *UOITFA*

Jenn Freeman, *UOIT*

Kaitlynn Gambier, *UOIT Alumni Association*

Christine, McLaughlin, *UOITFA*

Tanya Neretljak, *UOIT*

Kimberly Nugent, *UOIT*

Pamela Onsiong, *UOIT*

L'naya Russell, *UOIT*

1. Call to Order

The Chair called the meeting to order at 1:39 p.m.

2. Agenda

Upon a motion duly made by D. Duval and seconded by J. McKinley, the Agenda was approved as presented.

3. Conflict of Interest Declaration

M. Goacher, J. McKinley, A. Imrie, V. Wafer, N. Allen declared a conflict of interest with respect to the consideration of their leadership positions in agenda item 12.1.

4. Chair's Remarks

The Chair noted the recent Chancellor's Installation Event. It was a significant event in the life of the University – an opportunity to welcome Noreen Taylor. She thanked Board members for

attending. She also offered her congratulations on this year's Convocation events. Convocation presents a wonderful opportunity for Board members to be part of the Convocation ceremonies and provide support. She thanked those Board members who attended. She commented that Convocation also provided the Board with a chance to congratulate one of the student Governors, Jonathan Hackett, who was part of the class of 2016. She congratulated the event teams for pulling off the events with such flair. They seemed perfectly orchestrated and were warmly regarded by the attendees. It allowed Board members to mingle with the community and to bring together internal and external members of the UOIT community.

She also discussed her attendance at recent CCOU meetings and provided a summary of the main topics of discussion. There was a consensus that there is a need for more public dialogue about the role of public universities. She noted the President's involvement with the COU at the provincial and national level.

The Chair referred to the recent announcements regarding investment in the auto sector and infrastructure development (407 extension and extending Go Train service east). While the GTA a competitive market, there is great potential in the region and UOIT is one of the significant players in the region. This context is important as the back drop for discussions in years to come.

The Chair ended by recognizing the contributions of A. AlZahrani and J. Hackett, the Student Governors, as their terms end. They both sent their thanks for the opportunity to work with the Board.

5. Introduction of New Board Members

The Chair congratulated the newly elected student Governors who were appointed to the Board during the non-public session. She announced the appointments of Ololade Sanusi, the Graduate Student Governor, and Tyler Turecki, the Undergraduate Student Governor. She provided a brief background for each of them. T. Turecki served as the Undergraduate Student Governor 2 years ago.

The Chair asked the meeting guests to give a quick introduction. She welcomed the guests and mentioned that many of them have been involved in some of the work being presented at the meeting. She was delighted they could attend. The Governors and staff also introduced themselves.

6. Approval of Minutes of the Meeting of April 20, 2016

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

7. President's Report

The President talked about the life cycle of universities. He offered his congratulations to those in UOIT's Faculty of Health Sciences and Durham College (DC) on the recent news regarding the Nursing Program accreditation.

Everyone is taking notice of what has been happening with the leadership at UBC. UBC seems to have made a remarkable choice of new President, who has strong ties to BC and seems to be healing rifts. The President remarked that institutions have long lives and there are many ups and downs.

He also noted that it is conference season. Many of UOIT's faculty are attending conferences near and far. More students are also attending conferences. UOIT also has an increasing number of students obtaining international placements. This can be worrying in light of the recent events in Orlando, Brussels and Cambridge. Tolerance seems to be under threat. In terms of the University's broader role in society, it is important to reflect tolerance, inclusiveness, and diversity. It is also important to remain vigilant so students and faculty travelling abroad remain safe.

The President reported on his trip to the Netherlands.

(N. Allen joined by phone at 2:01 p.m.)

7.1 Confirmation of Tenure & Promotions

The President confirmed that the recommendations for tenure and promotion were approved during the non-public session.

The President congratulated the following individuals on the awarding of tenure and promotion to the rank of Associate Professor effective July 1, 2016:

- Wei Shi, Assistant Professor, Faculty of Business and Information Technology
- Julie Thorpe, Assistant Professor, Faculty of Business and Information Technology
- Diana Petrarca, Assistant Professor, Faculty of Education
- Walid Ibrahim, Assistant Professor, Faculty of Engineering and Applied Science
- Meghann Lloyd, Assistant Professor, Faculty of Health Sciences
- Christopher Collins, Assistant Professor, Faculty of Science
- Rachel Ariss, Assistant Professor, Faculty of Social Science and Humanities
- Leigh Harkins, Assistant Professor, Faculty of Social Science and Humanities
- Teresa Pierce, Assistant Professor, Faculty of Social Science and Humanities

and promotion to the rank of Professor to the following tenured faculty members, effective July 1, 2016:

- Glenn Harvel, Associate Professor, Faculty of Energy Systems and Nuclear Science
- Scott Nokleby, Associate Professor, Faculty of Engineering and Applied Science
- Shahram Shahbazpanahi, Associate Professor, Faculty of Engineering and Applied Science

The Chair extended her congratulations to all of the listed faculty members.

8. Co-Populous Report

D. Allingham delivered the Co-Populous Report. Colleges seem to be in favour with the province and this bodes well for the Region. The DC Board last met on Monday, June 13. They reflected that they had a great year. The Board discussed the Ontario skills competition, as DC had a number of award winners. DC also hosted a tour for staff of Siemens Canada. The Centre for Food won an environmental achievement award. Next year is the 50th anniversary of the college system and there will be a number of events in Durham in celebration of the anniversary. The DC Board also spent a lot of time on the Quality Assurance Program Review and Risk Management for planning. He also discussed items from the DC Board Retreat.

9. Academic Council

The Chair remarked that it is the Board's privilege to hear regular updates on the activities of Academic Council. As Chair of Academic Council, the President presented the following agenda items.

9.1 Honours Bachelor of Informatics in Business Technology Management

T. McTiernan presented the recommendation for the Board's approval.

Pursuant to the recommendation of Academic Council, upon a motion duly made by T. McTiernan and seconded by D. Allingham, the Board of Governors approved the establishment of the proposed Bachelor of Informatics (Honours) in Business Technology Management program.

9.2 Doctor of Philosophy in Criminology & Social Justice

Pursuant to the recommendation of Academic Council, upon a motion duly made by T. McTiernan and seconded by D. Duval, the Board of Governors approved the establishment of the proposed Doctor of Philosophy in Criminology & Social Justice program.

The President commented that the addition of this program reflects the depth and breadth of the University's academic growth.

9.3 Graduate Diploma in Work Disability Prevention

Pursuant to the recommendation of Academic Council, upon a motion duly made by T. McTiernan and seconded by A. Imrie, the Board of Governors approved the establishment of the proposed Graduate Diploma in Work Disability Prevention.

9.4 Annual Report

The President presented Academic Council's Annual Report. The report included a brief summary of the changes made by Academic Council's Curriculum and Program Review Committee over the past year. It also listed the honours and scholarships awarded this year, as well as the honorary degree recipients. The report also demonstrates Academic Council's participation in policy development.

The Chair asked the President to communicate the Board's appreciation to Academic Council for their hard work and contributions to academic excellence.

Committee Reports

10. Audit & Finance Committee

10.1 2015-16 Audited Financial Statements

A. Imrie presented the draft audited financial statements for 2015-2016. The highlights of the statements were:

- UOIT ended the year in a strong financial position;
- Debt position continues to improve as result of principal repayments on debenture;
- Ended the year with a planned surplus of \$3.3M due to an increase in tuition fees and monitoring of spends during the year;
- Salaries increased by \$5.4M largely due to contract commitments and several new hires;
- There are strategic initiatives underway that will benefit the University as a whole;
- Plan to allocate a certain amount of funds to restricted reserves;
- The auditors presented their audit findings report and did not raise any issues of concern;
- There was no need to change any audit approaches.

She commended C. Elliott and his team on the improved processes. She also thanked the President for setting the tone set at the top. KMPG was complimentary of the Finance Team and advised that the audit ran smoothly and efficiently. A. Imrie expressed thanks to the academic side of University as it is a collaborative effort when it comes to budgeting and fiscal responsibility.

Pursuant to the recommendation of the Audit and Finance Committee of the Board, upon a motion duly made by A. Imrie and seconded by J. McKinley, the Board of Governors approved

the consolidated audited financial statements of UOIT for the year ending March 31, 2016 as presented.

10.2 Fourth Quarter Report

A. Imrie provided an overview of Fourth Quarter Report.

10.3 Internally Restricted Funds

Pursuant to the recommendation of the Audit and Finance Committee of the Board, upon a motion duly made by A. Imrie and seconded by S. Van Nuland, the Board of Governors approved an Internal Restriction of \$6.5M in the University's net assets, as presented.

10.4 University Risk Management (URM) Report

A. Imrie acknowledged the tremendous amount of work that has gone into the production of the draft URM Report. It is an important step in creating a risk culture at UOIT. She introduced C. Foy to present the URM Report.

C. Foy advised that the report includes changes and clarifications contributed by the Audit and Finance Committee. The Committee wanted to ensure the Board understood that while the report is a final report, the Risk Register is still in development and will continue to be worked on over the coming year. She explained that in accepting the report, the Board will be providing an endorsement of the report and be taking responsibility in respect of the report.

The development of the report and draft Risk Register is a good news story. It represents a great deal of work by many members of the University and several members of Risk Management Committee were in attendance. The Committee is composed of a highly talented and committed group of people selected by the University's senior management. They have demonstrated a great deal of commitment and are ambassadors for the risk process. C. Foy thanked the Committee for all of their work.

The goal is to start incorporating risk management into decision-making. Senior leadership has engaged in thoughtful and comprehensive discussions regarding risk. The draft Risk Register requires tuning and calibration. There has been broad engagement and an awareness that it is also an educational process. Members of the academy were active participants and provided excellent feedback.

C. Foy reviewed the Board's role in the risk management process. She confirmed that the Board should be actively engaged in risk monitoring. The Board must ensure the University has a good process in place to define and manage operational risks. It is also important to ensure that the main strategic risks have been identified. The Audit and Finance Committee has the delegated authority from the Board to delve deeper into risk and the Board should review it at least once a year. The Board should continue to engage in ongoing orientation and training sessions on risk.

C. Foy explained the categories of risk and advised that the Senior Leadership Team is in ongoing discussions to identify the main strategic risks. These will be discussed in the context of the renewed strategic plan. She listed the strategic risks identified, so far. The Committee will continue to work with functional areas to finalize their risk registers, training sessions and the website. They will also work on metrics and best practices.

The Chair acknowledged the work of the Committee and commented that she looks forward to receiving future reports. She is particularly interested in the strategic risks and how they will influence the Board's decision-making.

Pursuant to the recommendation of the Audit and Finance Committee of the Board, upon a motion duly made by D. Allingham and seconded by S. Van Nuland, the Board of Governors accepted the University Risk Management Report, dated June 29, 2016, and further requested that the Report be made annually through the Audit & Finance Committee to the Board of Governors.

10.5 Responsible Investment Policy (SRI/ESG)

M. Goacher discussed the background to the development of the form of responsible investment policy being recommended by the Audit and Finance Committee. He highlighted the particular challenges of incorporating environment, social and governance (ESG) factors when investing in pooled funds. He reviewed the proposed amendments to the Statement of Investment Policies (SIP) and the Investment Committee's Terms of Reference. He confirmed that these amendments are in line with the approach taken by several other universities, including the University of Toronto. These changes will promote a more thoughtful way of investing. M. Goacher advised the Board that the University's Investment Manager, PH&N, already incorporates ESG into their investment practices.

Pursuant to the recommendations of the Audit & Finance Committee and Investment Committee, upon a motion duly made by M. Goacher and seconded by M. Steele, the Board of Governors approved the attached amended Statement of Investment Policies and Investment Committee Terms of Reference as presented.

10.6 Annual Policy Review and Compliance Update

C. Foy delivered the Annual Policy Review and Compliance Update. She provided a summary of the policy objectives for 2016-17. They committed to reviewing the Policy Framework at the end of its first year. One of the areas that can be improved upon is the consultation paths and improving the efficiency of the process.

She also provided a FIPPA compliance update. She gave an overview of the process used to deal with a privacy breach, as well as the privacy compliance statistics for 2016-17. She also discussed legislative compliance, including AODA and CASL.

The compliance focus of 2016-17 will be the implementation of the Policy Against Violence, Harassment and Discrimination.

Compliance information was gathered through the Risk Register development process and will be used to create a compliance plan.

C. Foy highlighted the accomplishments of the Records Management program. A contracts database has been implemented and started with research as the biggest internal customer. The development of contract templates will allow University members to draft many contracts without seeking legal advice. C. Foy answered questions from the Board.

10.7 Audit & Finance Committee Annual Report

A. Imrie delivered the Committee's Annual Report. She thanked all the members for their commitment and expertise. The Committee considered the internal audit function and decided not to hire an internal auditor and rely on external auditors when required. Internal audit is not just a compliance function, but an efficiency function. The Finance Team is working with KPMG on debt restructuring. KPMG has worked with a number of universities in the past in this area. They also received the audited financial statements of ACE.

She thanked M. Goacher for his leadership and the advice given by the Investment Committee. The educational updates provided by the Investment Committee represent a significant contribution to the work of the Audit and Finance Committee. She acknowledged the importance of the URM Report that came forward through the Committee.

The Banner Payroll Project is to be launched July 1, 2016 and the use of Concur for travel and expense management will be launched next month.

11. Investment Committee

M. Goacher provided an update from the Investment Committee. The University's portfolio is still up 7.6% from the time of inception and is staying above benchmark. The portfolio is at \$20.4M as of May 31, 2016. They are uncertain as to the impact of Brexit at this time.

The portfolio is well diversified and the Investment Manager has been given more leeway to find the best investment opportunities. He reported on attendance at the PH&N Investor Seminar. The seminar sessions confirmed that our investment strategy is on track.

He also reported on the completion of the annual Investment Manager performance review. Overall, the Committee gave a positive review and decided to continue with the current Investment Manager.

11.1 Quarterly Report (first quarter ending March 31, 2016)

11.2 Investment Committee Annual Report

M. Goacher presented the Committee's Annual Report. This year, the Committee introduced more flexibility for the Investment Manager, increased global exposure, changed the Canadian

hedge and continued to review the SIP and Asset Management Procedures to ensure UOIT is in the best position. He commented that it is a great Committee and the members make his job easy.

(The Board took a break at 3:10 p.m. and reconvened at 3:33 p.m.)

12. Governance, Nominations and Human Resources Committee

12.1 Board & Committee Leadership & Committee Assignments 2016-2017

In K. Brearley's absence, C. Foy reviewed the Board report setting out the leadership and Committee assignment recommendations for 2016-2017.

Pursuant to the recommendations of the Governance, Nominations and Human Resources Committee of the Board, upon a motion duly made by V. Wafer and seconded by S. Van Nuland, the Board appointed Adele Imrie as Chair of the Board and Miles Goacher and John McKinley as Vice-Chairs of the Board.

Pursuant to the recommendations of the Governance, Nominations and Human Resources Committee of the Board, upon a motion duly made by T. McTiernan and seconded by A. Imrie, the Board appointed the following Board members to the positions of Chair of the specified Committee:

Nigel Allen - Investment Committee

Karyn Brearley - Governance, Nominations & Human Resources Committee

Miles Goacher - Audit & Finance Committee

Valarie Wafer - Strategy & Planning Committee

The Chair thanked the Governors for their willingness to take on and continue their leadership roles on the Board.

C. Foy clarified that GNHR endeavours to assign Committee membership based on the Governors' interests but must also take the needs of each Committee into account.

Pursuant to the recommendations of the Governance, Nominations and Human Resources Committee of the Board, upon a motion duly made by D. Duval and seconded by L. Swami, the Board approved the proposed 2016-17 Committee Assignments, as attached.

12.2 Violence, Harassment and Related Policies Framework

C. Foy presented the report summarizing the proposed framework for the Violence and Harassment Policy. The proposal was already discussed by two of the Board's Committees. She responded to questions from the Board.

12.3 Governance, Nominations and Human Resources Committee Annual Report

C. Foy delivered the Annual Report for GNHR. She went through the Committee's annual work plan and their accomplishments. Going forward, particular attention will be paid to increasing the Board's diversity. In K. Brearley's absence, C. Foy acknowledged K. Brearley's work as Chair and all of the work done by the Committee this year.

13. Strategy & Planning Committee

13.1 Strategy & Planning (S&P) Committee Annual Report

J. McKinley delivered the S&P Committee's Annual Report. The Committee experienced some transitional issues at the beginning of the year with the development of new Terms of Reference for the merged Committee and confirming the membership.

He provided a summary of the Committee's accomplishments, including exploring alternate sources of revenue. There has also been increased reporting to the government, including the BPS Business Documents Directive.

He discussed how the new infrastructure plan for SIRC fits in with the University's strategic plan and supported its recommendation to the Board.

The Committee also had the opportunity to recommend the disbursement of funds without impacting the University's operating money, which is a great accomplishment.

He gave an overview of the Committee's future planning, including strategic enrolment management. He commented that advancement is 95% planning and 5% execution and the University will be ready for execution soon. He advised that the construction of the new building will assist in fundraising.

He confirmed that he believed the merger of the Committees was beneficial, as it provides greater clarity of the concepts of planning and Advancement and provides advancement with the context and strategic direction of the fundraising efforts.

The Chair thanked J. McKinley for his leadership of the Committee as it was his last report as Chair of S&P.

14. Consent Agenda

The Chair referred to the Consent Agenda items noting that they are on the agenda as they are anticipated to be non-controversial. This does not preclude discussion and she invited any questions or comments. There were none. The Chair commented on several of the consent items as noted below. The Chair advised that there might be minor tweaks to the Board Schedule and the Board would be advised of same. She encouraged attendance at both the Committee and Board levels.

Upon a motion duly made by J. McKinley and seconded by V. Wafer, the Board approved the following Consent Agenda items:

14.1 Board Schedule

14.2 Appointment of Board Secretary 2016-17

14.3 Minutes of the Audit & Finance Committee meetings of April 6 & 13, 2016

14.4 Minutes of the Governance, Nominations & Human Resources Committee Meeting of May 11, 2016

15. For Information:

The Chair referred to the items included in the agenda for information. The Chair expressed her appreciation for the work that has been done on professional development by the Governors attending conferences and seminars. This demonstrates the Board's ongoing commitment to continuing education and development. The Chair encouraged the Governors to review the Annual Performance Indicators report in detail as it contains a tremendous amount of information.

Termination of Meeting

In the absence of Other Business, and *upon a motion duly made by D. Duval and seconded by J. Bradbury, the public session of the meeting was terminated at 3:56 p.m.*



ACADEMIC COUNCIL

REPORT TO BOARD OF GOVERNORS AT ITS MEETING OF OCTOBER 14, 2016

Academic Council Committee Appointments

In order to fill vacant positions for 2016-2017, Academic Council approved the appointment of the following people to its Standing Committees for a term of three years ending on June 30, 2019, unless otherwise indicated:

Executive Committee:

1. Ramiro Liscano, COU Academic Colleague (*ex-officio*)
2. Pietro-Luciano Buono, Associate Professor, Faculty of Science
3. Andrew Hogue, Associate Professor, Faculty of Business & Information Technology
4. Victoria Smye, Associate Professor, Faculty of Health
5. Andre Pinsonnault, undergraduate student (3rd year), Faculty of Engineering & Applied Science – term ends August 30, 2018

Academic Appeals Committee:

1. Barbara Perry (Chair), Professor, Faculty of Social Science & Humanities
2. Mark Green, Professor, Faculty of Science

Curriculum and Program Review Committee:

1. Brenda Gamble, Associate Professor, Faculty of Health Sciences
2. Matthew Kaye, Associate Professor, Faculty of Energy Systems and Nuclear Science
3. Hossam Kishawy, Professor, Faculty of Engineering and Applied Science
4. Liliana Trevani, Associate Professor, Faculty of Science

Graduate Studies Committee:

1. Robin Kay, Associate Professor, Faculty of Education
2. Eleodor (Dorin) Nichita, Associate Professor, Faculty of Energy Systems and Nuclear Science
3. Hossam Kishawy, Professor, Faculty of Engineering and Applied Science
4. Bernadette Murphy, Professor, Faculty of Health Sciences

Research Board:

1. Robin Kay, Associate Professor, Faculty of Education – term ends June 30, 2017
2. Igor Pioro, Professor, Faculty of Energy Systems and Nuclear Science – term ends June 30, 2017

3. Hossam Kishawy, Professor, Faculty of Engineering and Applied Science – term ends June 30, 2018
4. Bernadette Murphy, Professor, Faculty of Health Sciences – term ends June 30, 2018
5. Amy Leach, Faculty of Social Science and Humanities – Associate Professor – term ends June 30, 2018

Policy Against Violence, Sexual Violence, Harassment & Discrimination

M. Bowman presented an updated draft of the Policy Against Violence, Sexual Violence, Harassment and Discrimination. Council members had an engaged discussion regarding the policy and the proposed underlying procedures. They provided their feedback on the draft and recommended the policy for approval by the Board of Governors in principle, noting that there might be additional changes in response to ongoing consultation.

Governance Priorities

The Council's governance priorities for 2016-17 are:

1. Review and Update of Committees' Terms of Reference and Appointments Process;
2. By-Law Review Project; and
3. Amendments to Academic Appeals Committee processes to improve operational efficiency, educational tools, and procedural fairness.

Academic Council Orientation

Academic Council Orientation took place following Academic Council's first meeting of the year, September 20, 2016. The goals of the session were for the Council members to better understand:

1. key university governance principles;
2. key external legislation;
3. UOIT's governance structure (UOIT Act and By-Law); and
4. Academic Council's processes.

In response to a suggestion made after last year's Orientation, the attendees participated in a mock meeting to try out the Democratic Rules of Order. There were 9 attendees and the feedback was generally positive. The session was followed by a reception with several members of the Board of Governors. It provided a great opportunity for the members of the Board and Council to interact in a less formal setting.



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

October 5, 2016

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

	<u>Page</u>
I. Consolidated GAAP Financial Statements (including financial metrics)	1 - 7
II. Operating Forecast Summary	8 - 12
III. Capital	13 - 15
IV. Cash Flow	16
V. Long-term Forecast	17 - 18

Consolidated Financial Statements of

**UNIVERSITY OF ONTARIO
INSTITUTE OF TECHNOLOGY**

For the quarter ending June 30, 2016

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

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

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

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

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

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

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

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

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

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

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

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

Liabilities

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

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

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Contd.)

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

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

CONSOLIDATED STATEMENT OF OPERATIONS

Revenue

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

Expenses

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

FINANCIAL METRICS

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

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

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

FINANCIAL METRICS (Contd.)

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

Financial Metrics Analysis

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

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

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

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

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

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

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

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

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

FINANCIAL METRICS (Contd.)

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

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

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

(1) Net Income/Loss Ratio

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

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

(2) Primary Reserve Ratio

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

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

(3) Net Operating Revenues Ratio

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

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

(4) Interest Burden Ratio

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

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

(5) Viability Ratio

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

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

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

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

April 1, 2016 - March 31, 2017				
	Total Quarterly Budget	Total Quarterly Actuals	Fav. (Unfav.) Variance to Budget \$ / %	
Revenue				
Grants	21,325	20,800	(525)	-2%
Tuitions	11,510	11,859	349	3%
Student Ancillary	1,962	1,534	(428)	-22%
Other	3,000	3,378	378	13%
Total Revenue	\$ 37,797	\$ 37,571	\$ (226)	-1%
Expenditures				
Academic/ACRU	15,258	15,164	93	1%
Academic Support	6,347	6,484	(137)	-2%
Administrative	6,672	5,782	890	13%
Total UOIT Pure	\$ 28,277	\$ 27,430	\$ 846	3%
Purchased Services	2,670	2,594	76	3%
Total Ancillary/Commercial	1,366	1,477	(111)	-8%
Total Other Expenses	2,969	2,822	148	5%
Total Operating Expenses	\$ 35,282	\$ 34,323	959	3%
Net Contribution from Operations	\$ 2,516	\$ 3,249	\$ 733	29%

Note Disclosure:

Capital Expenses funded from Operations	540	224	316	59%
Lease & Debenture Principal Repayments	2,658	2,618	40	2%
(Gain) / Loss on sale of laptops	(129)	325	(454)	351%
Capital Expenses funded from Reserves	-	336	(336)	0%
Net Cash Inflow/(Outflow)	\$ (553)	\$ (252)	\$ (301)	54%

Reconciliation to Y/E GAAP FS:

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

Notes:

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

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

II. Q1 Operating Variance Analysis

Revenue

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

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

Expenditures

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

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

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

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

SAMPLE ONLY

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

Note Disclosure:**Cash transactions**

Capital Expenses funded from Operations

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

Capital - Purchased Services

Principal Repayments - debenture/leases

Realized gains on sale of laptops

Net Cash Inflow/(Outflow)

\$ (0)	\$ 6,282	\$ (6,282)	0%
---------------	-----------------	-------------------	-----------

Reconciliation to forecast GAAP FS:

Forecast net contribution from Operations

\$ 19,913

Items not budgeted:

Externally funded revenues (research, donations)

\$ 8,958

Externally funded expenses (research, donations)

\$ (8,418)

Non-cash transactions:

Amortization of capital assets

\$ (26,178)

Amortization of deferred capital contributions

\$ 8,685

Unrealized loss on investments

\$ (1,500)

Excess revenues over expenses - as per GAAP Financial Statements**\$ 1,459**

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

II. 2016-17 Operating Forecast Analysis

SAMPLE ONLY

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

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

Enrolment

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

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

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

Student Ancillary Revenue

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

Other Revenues, incl. Purchased Services

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

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

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

SAMPLE ONLY

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

Expenditures

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

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

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

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

Operating Forecast Surplus (or Deficit)

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

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

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

III. CAPITAL

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

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

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

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

SIRC Project Funding and Cash Flow Requirements

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

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

III. CAPITAL (Contd.)

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

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

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

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

SIRC Financial Update

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

SIRC Progress Update

See separate presentation

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

III. CAPITAL (Contd.)

B. Moving Ground Plane (“MGP”)

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

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

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

MGP Progress Update

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

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

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

IV. CASH FLOW

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

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

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

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

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

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

Cash Flow Update

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

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

V. LONG-TERM FORECAST

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

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

Assumptions on Aug 2016 forecast model

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

Balancing the budget over the long-term

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

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

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



BOARD REPORT

Non-Public:
 Public:

Action Required:
 Discussion
 Decision

DATE: October 14, 2016
TO: UOIT Board of Governors
FROM: Karyn Brearley, Chair of Governance, Nominations and Human Resources Committee (GNHR)
SUBJECT: Fair Processes Policy (formerly Administrative Fairness Policy)

A. Purpose

The purpose of this report is to request the approval of the Fair Processes Policy by the Board of Governors.

B. Background and Discussion

A framework policy for Administrative Fairness was initially presented to GNHR at its meeting in February 2016. After further consultation and revision, including the renaming of the Policy to Fair Processes, GNHR recommended the Policy for approval by the Board at its meeting of May 11, 2016.

The Policy creates a framework for the University to:

- Ensure accountability and transparency in University decision-making processes by establishing defensible procedures that allow for procedural fairness and consistency in the investigation and resolution of complaints; and
- Support the University’s ability to respond to complaints, and to address conduct that is unacceptable within the University community, in a way that is fair and consistent.

Additionally, the Policy will also help to support the University’s policy response to two key pieces of legislation:

- Bill 8, the Public Sector and MPP Accountability and Transparency Act, 2014, which expanded the Ontario Ombudsman’s jurisdiction to universities and came into force on January 1, 2016; and
- Bill 132, the Sexual Violence and Harassment Plan Act (Supporting Survivors and Challenging Sexual Violence and Harassment), 2015.

The Fair Processes Policy is intended to guide all of the University’s decision-making processes in order to ensure consistency and integrity across all processes. The Policy has undergone substantial consultation, including:

- Individual consultation with M. Lapp, R. Bailey, O. Petrie and M. Bowman (March 2016);
- Academic Council (March 2016, April 2016);
- Policy Advisory Committee (March 2016, April 2016); and
- Office of Campus Safety (April 2016);

Academic Council recommended the Policy for approval by the Board at its April 2016 meeting.

C. Requests

The Committee requests that the Board of Governors approve the following motion:

That pursuant to the recommendations of the Governance, Nominations and Human Resources Committee and Academic Council, the Board of Governors hereby approves the attached Fair Processes Policy, as presented.



Classification	
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	General Counsel
Approval Date	DRAFT
Review Date	
Supersedes	

FAIR PROCESSES POLICY

PURPOSE

1. In respect of matters affecting the rights and obligations of members of the University community, the University has established Policy Instruments through which it has delegated power to individuals or bodies to make Decisions. The integrity of the University's Decision-Making Processes is important to the good governance of the University. This Administrative Fairness Policy confirms the University's commitment to Administrative Fairness in all University Decision-Making Processes and provides a path for the reconsiderations of Decisions made with insufficient Administrative Fairness.

DEFINITIONS

2. For the purposes of this Policy the following definitions apply:
 - “**Administrative Fairness**” means that University Decision-Making Processes result in Decisions that are arrived at fairly.
 - “**Balance of Probability**” means a standard of proof that applies to all Decisions. This standard requires a Delegated Decision-Maker to, after considering and weighing the evidence, believe a fact, event or allegation is more likely to have occurred than not when arriving at a Decision.
 - “**Complainant**” means a University member or other individual who brings an Issue to the attention of a University Recipient.
 - “**Decision**” means a judgement made by a Delegated Decision-Maker pursuant to a Decision-Making Process and does not include a decision not to commence a Decision-Making Process.
 - “**Decision-Making Process**” means a formal process to make a Decision established and described by an approved Policy Instrument.
 - “**Delegated Decision-Maker**” means an individual (including a Process Manager) or group of individuals who are University Members and who are given authority to launch Investigations and to make Decisions under an approved Policy Instrument.
 - “**Hearing**” means a part of the Decision-Making Process in which there is an opportunity for a Party to be heard by a Delegated Decision-Maker and/or to defend, refute or challenge the allegations in respect of an Issue.
 - “**Human Resources Determination(s)**” means any decision or decisions in respect of or arising out of the hiring, discipline or termination of the employment of a University Member.

“Informal Resolution” means a process by which an Issue is resolved without completion of the Decision-Making Process.

“Investigation” means a part of the Decision-Making Process in which the University conducts a systematic inquiry into an Issue pursuant to **Investigation Procedures**.

“Investigator” means an individual appointed by a Delegated Decision-Maker to conduct an Investigation.

“Issue” is a concern, problem or complaint raised by a University Member under an approved Policy Instrument.

“Party” means anyone other than a Delegated Decision-Maker or an Investigator, participating in the resolution of an Issue and includes but is not limited to a person raising an Issue, Complainants, Respondents, and any persons who are asked to support the resolution processes as Witnesses.

“Policy Instrument” means the different tools and documents that are utilized to provide direction in the governance and administration of the University.

“Process Manager” is a Delegated Decision-Maker delegated with responsibility to manage all or part of a process as described under an approved Policy Instrument and to make Decisions.

“Respondent(s)” means a University Member or Members who is/are implicated in an Issue.

“Review” is an informal process undertaken to assess whether a Decision-Making Process will be commenced.

“University Member” means any individual who is:

- Employed by the University (“Employee”);
- Registered as a student, in accordance with the academic regulations of the University;
- Holding an appointment with the University, including paid, unpaid and/or honorific appointments; and/or
- Otherwise subject to University policies by virtue of the requirements of a specific policy (e.g. Booking and Use of University Space) and/or the terms of an agreement or contract.

“University Recipient” means the University Member or members designated in a Policy Instrument to receive a Complaint and/or to whom Issues are reported.

“Witness” means a University Member or other individual who is requested to provide information to assist in responding to an Issue.

SCOPE AND AUTHORITY

3. This Policy applies to all Decision-Making Processes at the University.
4. This Policy does not apply to:
 - a) Decision-making processes described in and/or governed by any University collective agreement;
 - b) Human Resources Determinations.

- c) Decisions that are made in the day-to-day administration and management of University processes or in the normal course of University business.
- 5. The General Counsel, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

POLICY

- 6. The University is committed to Administrative Fairness in all aspects of its Decision-Making Processes concerning University Members. Administrative Fairness is a relative standard to be judged against the importance or significance of the interests at stake and Policy Instruments will identify whether and the degree to which any or all of the following elements of Administrative Fairness are applicable in a given Decision-Making Process:
 - a) A Respondent knows what the Issue is and receives enough information to provide a response;
 - b) Parties receive adequate notice;
 - c) Decision-Making Processes run in a timely fashion;
 - d) Decision-Making Processes are managed in accordance with University Policy Instruments;
 - e) A Respondent is supported or, where appropriate, has a right to representation;
 - f) A Respondent understands the reasons for a Decision.
- 7. Delegated Decision-Makers play an important role in ensuring Administrative Fairness in all aspects of a Decision-Making Process. The University requires Delegated Decision-Makers to ensure that Decision-Making Processes are run in accordance with the applicable Policy Instrument.
- 8. The failure of a Delegated Decision-Maker to make a Decision with sufficient Administrative Fairness will give rise to a valid ground of appeal or reconsideration in respect of the Decision. Appeals or reconsiderations will be made according to the process specified in the Policy Instrument guiding the original Decision-Making Process. Procedural errors that do not result in a lack of Administrative Fairness will not constitute a valid ground of appeal or reconsideration.
- 9. The University authorizes and encourages Delegated Decision-Makers to facilitate and support Informal Resolution of an Issue at any stage in a Decision-Making Process. If an Issue is not resolved at the Review stage and moves into a Decision-Making Process, a Delegated Decision-Maker must approve any Informal Resolution. Only Informal Resolutions approved by a Delegated Decision-Maker in writing will be binding upon the University.
- 10. The onus of establishing that improper conduct occurred shall be on the University.
- 11. Decisions will be made by a Delegated Decision-Maker on the basis of a Balance of Probability.
- 12. Hearings may be held in writing or orally and must be held in accordance with approved Policy Instruments.
- 13. A Delegated Decision-Maker has the authority to suspend or discontinue a Decision-Making process where circumstances warrant such suspension or discontinuance.

MONITORING AND REVIEW

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

RELEVANT LEGISLATION

15. University of Ontario Institute of Technology Act, 2002, S.O. 2002, Chapter 8, Schedule O
By-Law Number 1 of the University of Ontario Institute of Technology, as amended.
Freedom of Information and Protection of Privacy Act, R.S.O. 1990, Chapter F. 31

RELATED POLICIES, PROCEDURES & DOCUMENTS

16. Student Conduct Policy
Policy Against Violence, Sexual Violence, Harassment and Discrimination
General Academic Regulations, Undergraduate Academic Calendar
Policies and Procedures for Graduate Studies, Graduate Academic Calendar
Responsible Conduct of Research Policy and Procedures
Safe Disclosure Policy and Procedures
Investigation Procedures for Allegations of Student Non-Academic Misconduct (Under development)
Student Judicial Committee Procedures (Under development)
Student Judicial Committee Terms of Reference (Under development)
Workplace Violence Procedures (Under review)
UOIT Policy Framework



BOARD REPORT

Action Required:

Public:
Non-Public:

Discussion
Decision

TO: UOIT Board of Governors
DATE: October 14, 2016
FROM: Karyn Brearley, Chair of Governance, Nominations and Human Resources Committee
SUBJECT: Policy Against Violence, Sexual Violence, Harassment and Discrimination

A. Purpose

The Governance, Nominations and Human Resources Committee (GNHR) is recommending that the Board of Governors approves the Policy Against Violence, Sexual Violence, Harassment, and Discrimination. This information is provided to assist the Board with fulfilling its compliance oversight obligations.

B. Background/Context

As presented to the Board on June 29, 2016, the passing of Bill 132, the *Sexual Violence and Harassment Action Plan Act, 2016* introduced amendments to the following legislation:

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

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

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

Drafting and consultation with key stakeholder groups occurred over the course of the past year. As work progressed, and in ongoing consultation between the University Secretary's Office and the Office of the Provost (Miles Bowman), the understanding of the common principles and goals of these policy instruments continued to coalesce. Each of these policies shares the purpose of creating an environment where all members of the University community can feel safe, respected and have the freedom to pursue their studies and work.

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

C. Discussion and Rationale

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

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

Wide consultation occurred throughout the development of the initial policy documents, as well as the combined policy currently presented. Consultation was held with the following University bodies regarding the policy documents:

- GNHR
- A&F
- SLT
- PAC
- Academic Council
- Health and Safety Committee

The Policy was presented to Academic Council on September 20, 2016 and received a recommendation for approval in principle.

In addition, consultation was conducted with representatives of the following:

- Student Association
- Faculty Association
- Students and Faculty at-large through open town-hall meetings.

The draft presented to GNHR on September 29, 2016 incorporated the feedback and changes made as a result of these consultations, as well as recommendations from Academic Council. Subject to minor amendments, GNHR recommended the Policy for approval by the Board. The Audit and Finance Committee also received a copy of the draft Policy on October 5, 2016 as part of its compliance oversight obligations and it received their support.

Development of Supporting Policy Instruments

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

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

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

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

D. Request

The Committee requests that the Board of Governors approve the following motion:

That pursuant to the recommendations of the Governance, Nominations and Human Resources Committee and Academic Council, the Board of Governors hereby approves the attached Policy Against Violence, Sexual Violence, Harassment and Discrimination as presented.

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

POLICY AGAINST VIOLENCE, SEXUAL VIOLENCE, HARASSMENT AND DISCRIMINATION

PURPOSE

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

DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCOPE AND AUTHORITY

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

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

POLICY

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

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

GUIDING PRINCIPLES FOR POLICY APPLICATION

12. Accommodating Diversity

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

13. Privacy and Confidentiality

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

14. Right to Representation

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

15. Encouragement to Disclose and Protection from Reprisal

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

16. Complaint Resolution Processes

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

17. Alternate Paths of Support and Resolution

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

18. Resolution Framework

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

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

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

REPORTING, MONITORING AND REVIEW

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

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

RELEVANT LEGISLATION

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

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

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

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

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

RELATED POLICIES, PROCEDURES & DOCUMENTS

To be reviewed/completed.

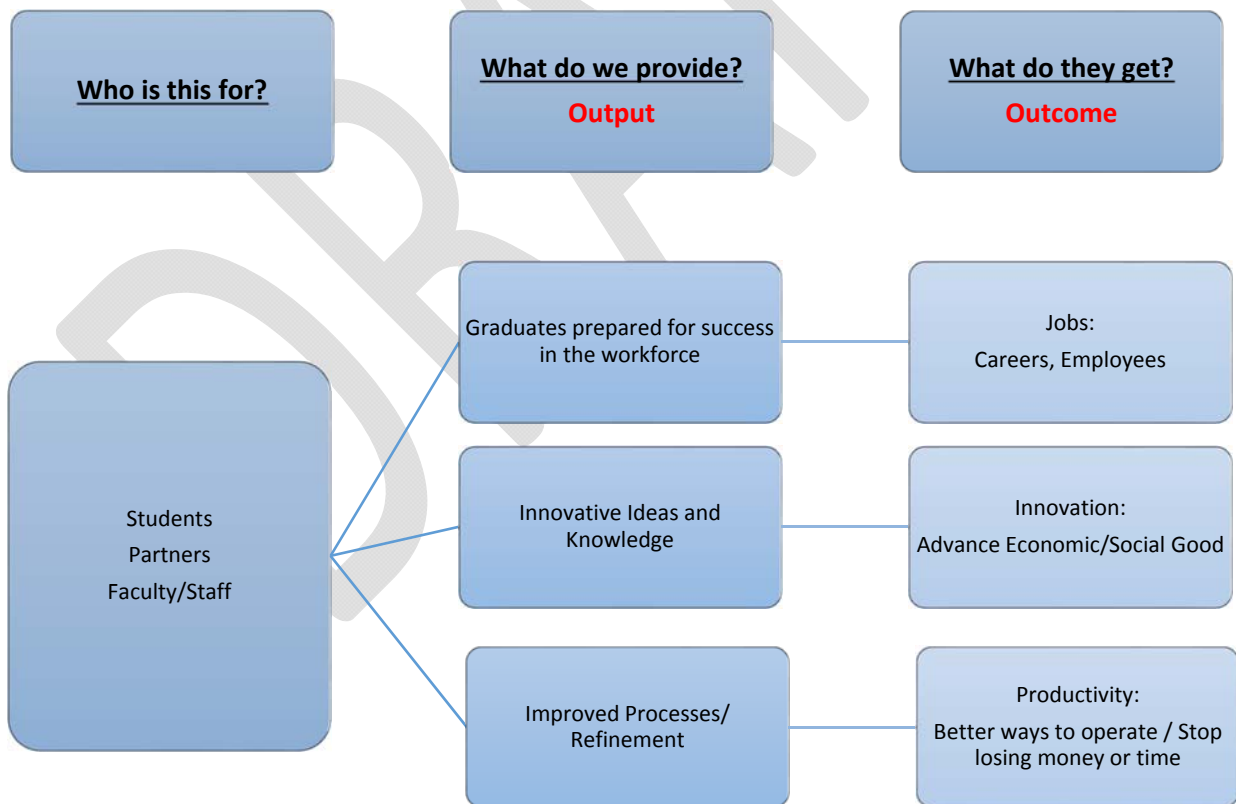
CONFIDENTIAL - DRAFT

UOIT'S STRATEGIC PLAN

The Strategic Plan is an “outward-facing” document (i.e., for people not at UOIT) of “inward-facing” reflection (i.e., of the UOIT community) that declares the **big ideas** that underpin our future. A necessary feature of delivering such a message is clearly stating the big actions *we all promise to pursue* to make our declaration a reality. Therefore, when reading the plan, *our members* should see how their actions support our outward-facing message; every reader should be reminded of the three big ideas found on the back of our business cards: CHALLENGE, INNOVATE, CONNECT.

We have three top issues facing UOIT: 1) recruitment, 2) research productivity, and 3) retention. The Strategic Plan is structured in service of those issues using the **big ideas**. Success will require UOIT members to work together as a team to address these issues that will make the institution sustainable.

For the Strategic Plan to be effective, we must resist trying to “be all things to all people” and instead look to specifically speak to our *most important external partners*. We must identify to whom we are speaking and what **they** want to hear from us. This is demonstrated in the graphic below.



Each unit is developing a plan that identifies the actions they will take to *support the **outcomes*** represented in the Strategic Plan. It will detail how members of the unit will contribute to the larger university mission.

2017-2022 STRATEGIC PLAN: Challenge, Innovate, Connect

The University of Ontario Institute of Technology is Canada's emerging leader in career-ready education and collaborative research that produces new and useful ideas. A fast-growing university with ambitious expansion plans, we are committed to social, scientific and economic innovations that create a better Canada and a better world. With this plan our university aims to be recognized globally as a change-maker and leader in technology-driven research and scholarship. Our reputation is built upon our strengths and will advance through a sharpened focus on *three key goals*:

CHALLENGE: We will produce and inspire future leaders who have real-world skillsets.

Why this matters: A pioneering spirit led to UOIT's foundation. That spirit calls each of us to **adapt** and **grow** through the personal, professional, and academic challenges we face. Our university is a place for learners to test themselves and improve their performance – we also strive to be a place that inspires this ability in others. We all contribute to developing leaders **from diverse backgrounds** who emerge ready to make an impact today and to make real-world advancements tomorrow. We commit to **thinking big and breaking new ground**.

To do this, we will:

- Offer a greater variety of **lifelong learning** through career-focused professional development options, because education enhances marketability and career progression.
- Amplify our **research reputation** through entrepreneurial scholarship, because ideas are our main export to the world.
- Provide developmental opportunities that help every individual stand out, because becoming **better people** and learning from each other form the cornerstones of retaining the best among us.

INNOVATE: We will create new approaches, partnerships, and solutions to improve society.

Why this matters: Our faculty and student researchers contribute to cultural, economic and scientific changes worldwide through **scholarship and discovery**. Together, we make a difference by answering the big questions that face society at multiple levels such as issues with sustainability and the impact of technology on our world. In collaboration with our partners, we provide **inspirational and imaginative solutions** that benefit our local and global communities. We commit to growing our **culture of discovery**.

To do this, we will:

- Double the number of courses that mix technology and face-to-face education to make learner-centered environments, because **transformative learning** builds problem-solving capacity.
- Challenge the status quo through our interdisciplinary approach to knowledge development and increase our **research activity**, because our job is to convert ideas into actions.
- Simplify and refine our university processes, because doing **better work** frees up time, increases productivity, and improves our daily lives.

CONNECT: We will build lasting relationships to make UOIT a remarkable place for work and study.

Why this matters: Beyond basic learning interactions, the university experience is all about the connections with the places and the people. UOIT is a place where lasting relationships are formed among people with different **approaches to thinking, doing and leading**. Our culture thrives on **good ideas and collegial exchanges** with **educational organizations**, businesses, and our community; together, we work to improve this university, the Durham and Northumberland Regions, and the world. We commit to inspiring everyone to do their best work in ***a place where they belong***.

To do this we will:

- Offer practical **hands-on learning** experiences, like co-ops, internships, research practicums, international exchanges, and entrepreneurial opportunities to *every student*, because experiential learning , develops the skills that employers want.
- Build **research partnerships** that fortify our university's key strengths, because our national and international collaborations open doors to new ideas and initiatives both locally and globally.
- Unite our community by increasing opportunities to meet, make friends, and form **better relationships**, because every interaction is an opportunity to make a difference.



**BOARD OF GOVERNORS
AUDIT & FINANCE COMMITTEE**

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

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

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

1. Call to Order

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

2. Agenda

The Agenda was approved as presented.

3. Conflict of Interest Declaration

There were none.

4. Chair's Remarks

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

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

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

6. Financial

6.1 Fourth Quarter Management Reporting

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

7. Investment Committee Oversight

7.1 Investment Committee Quarterly Report

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

7.2 Responsible Investment Policy

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

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

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

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

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

8. Governance

8.1 Violence, Harassment and Related Policies Framework

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

8.2 Annual Policy Review and Compliance Update

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

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

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

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

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

9. Other Business

There was none.

10. Termination (M)

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

DRAFT

**Public Session Minutes for the Meeting of May 11, 2016
11:05 a.m. to 12:00 p.m., ERC 3023**

Attendees: Miles Goacher (Chair), Nigel Allen, Tim McTiernan, Glenna Raymond

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

Guests: Leila Fiouzi from PH&N

Regrets: Adele Imrie, Jonathan Hackett, John Speers

1. Call to Order

The Chair called the meeting to order at 11:05 a.m.

2. Agenda

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

3. Conflict of Interest Declaration

None.

4. Chair's Remarks

The Chair kept his remarks very brief to allow time for discussion.

5. Investment Review

5.1 Fourth Quarter Investment Review

The Chair invited L. Fiouzi from PH&N to discuss the fourth quarter investment review. She advised that there was continued volatility in the quarter and that the changes the Committee implemented over the past year have worked well as the portfolio has preserved capital in a volatile environment. There is approximately \$20M in equity and \$800,000 in the cash account. PH&N's investment strategies continue to add value in a difficult environment, even when taking management fees into consideration.

As market volatility increases, overall return declines. UOIT's portfolio is still performing better than the benchmark. L. Fiouzi reviewed the current asset mix and distributions. The portfolio is overweight in Canadian equities compared to benchmark, which was a change made a few years ago.

Despite seeing a significant improvement in equity performance over the past 5 years, it still falls below PH&N's estimate of fair value. Further, PH&N views better relative value in equities compared to bonds.

She informed the Committee that currency volatility has added significant value to the portfolio. Since the Canadian dollar has strengthened significantly, it has had the reverse effect. She does not recommend currency hedging as the benefits deteriorate rather rapidly, especially for investors that meet only once a quarter like the Investment Committee. She noted that PH&N is of the opinion that the Canadian dollar is still in below fair value territory and that it will continue to strengthen.

6. Investment Learning – Negative Interest Rates

L. Fiouzi delivered an educational session on negative interest rates. Since the financial crisis, governments and central banks have employed a number of tools to deal with it. We have not seen negative rates until recently (Switzerland and Japan). Japan has had a difficult economic environment for the last 30 years.

The central banks cut rates to zero when the crisis struck. L. Fiouzi reviewed the strategy of monetary easing. Central banks have become increasingly transparent in order to reduce investor skepticism. She discussed the following strategies: liquidity through buying bonds, massive money-printing, and credit easing. She went over the indicators of monetary policy success.

The use of these strategies has impacted the price of real estate in Canada and the U.S., as well as the price of art. There are concerns that the money injected into the economy has not made its way into the hands of business owners who want to grow their businesses and has instead been used by investors to invest in the stock market. There is evidence that it is difficult for business owners to obtain loans.

It used to be the case that if you held onto a bond for a long time, you would expect to receive a higher return. Now, if you hold onto bonds for a long time, you are essentially paying money to do so. L. Fiouzi described additional negative consequences of extreme monetary stimulus. She advised that foreign interest in North American bonds will keep yields suppressed. Further, negative interest rates result in unusual consumer behaviour, such as paying taxes early or buying gift cards instead of keeping money in a bank. It will take a long time to return to a normalized level and the new normal will likely be lower than what we saw prior to the economic crisis.

She informed the Committee that UOIT was one of their first clients to adopt a diversification of strategies in our portfolio and it has worked well. It has also been beneficial to increase the investment manager's discretion over how the portfolio is managed.

(L. Fiouzi left the meeting at 11:28 a.m.)

The Chair remarked that by giving the investment manager more leeway in the mandate, the portfolio's performance will be more directly related to what they can do as manager. The Committee will have a better idea regarding performance if they review the last couple of years.

6. PH&N Annual Investor Seminar

The Chair reported on the PH&N Annual Investor Seminar, which he and C. Elliott attended. The Chair discussed the educational sessions and remarked that one of the recommendations was to use a customized approach and give the investment manager more discretion. He advised that the seminar was helpful in terms of confirming that the Committee is on track and has already implemented PH&N's recommended approaches.

7. Responsible Investment Policy (SRI/ESG)

B. Dinwoodie reviewed the background to the development of the Responsible Investment Policy and presented the proposed changes to the Statement of Investment Policies that will incorporate ESG principles into the Committee's approach to investing. She also went over the amended Investment Committee Terms of Reference. M. Goacher discussed U of T's recently adopted approach to responsible investing and remarked on the timeliness of the Policy coming forward to the Committee. The Committee supported the proposed amendments.

Upon a motion duly made by N. Allen and seconded by T. McTiernan, the Committee recommended the amended Statement of Investment Policies and Investment Committee Terms of Reference for approval by the Audit & Finance Committee.

8. Other Business

None.

9. Termination

Upon a motion duly made by T. McTiernan and seconded by N. Allen, the Chair terminated the meeting at 11:38 a.m.

Becky Dinwoodie, Secretary