



## BOARD OF GOVERNORS' 112<sup>th</sup> REGULAR MEETING & ANNUAL GENERAL MEETING

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Minutes of the Public Session of Wednesday, June 26, 2019  
8:30 a.m. to 10:45 a.m.  
55 Bond Street, DTB 524

### GOVERNORS IN ATTENDANCE:

Doug Allingham, Board Chair  
Nigel Allen, Chair of Audit & Finance Committee  
Liqun Cao  
Stephanie Chow, Chair of Investment Committee  
Kevin Chan  
Lisa Edgar (*via videoconference*)  
Laura Elliott  
Ferdinand Jones  
Kori Kingsbury  
Mark Neville  
Jessica Nguyen  
Dietmar Reiner  
Maria Saros  
Trevin Stratton (*via videoconference*)  
Jim Wilson  
Lynne Zucker

### REGRETS:

Noreen Taylor, Chancellor  
Francis Garwe, Chair of Governance, Nominations & Human Resources Committee  
Thorsten Koseck, Chair of Strategy & Planning Committee  
Dale MacMillan

### BOARD SECRETARY:

Becky Dinwoodie, *Assistant University Secretary*

### UOIT STAFF:

Cheryl Foy, *University Secretary & General Counsel*  
Doug Holdway, *Interim VP of Research, International and Innovation*  
Barb Hamilton, *Assistant to the University Secretary & General Counsel*  
Lori Livingston, *Provost & VP Academic*  
Brad MacIsaac, *Assistant Vice-President, Planning and Analysis, and Registrar*  
Susan McGovern, *VP External Relations & Advancement*

**GUESTS:**

Owen Davis  
Jackie Dupuis  
Les Jacobs

**1. Call to Order**

The Chair called the meeting to order at 8:33 a.m.

**2. Agenda**

K. Kingsbury requested that agenda item 10.1 be moved into the non-public session.

*Upon a motion duly made by L. Elliott and seconded by D. Reiner, the agenda was approved as amended.*

**3. Conflict of Interest Declaration**

There were none.

**4. Chair's Remarks**

N. Allen welcomed everyone to the last Board meeting of the year. Due to a scheduling conflict, the Board Chair would be joining the meeting a little later and N. Allen would be stepping in as Chair until he arrives. N. Allen welcomed the new VP Research and Innovation, Dr. Les Jacobs, who was attending the meeting as a guest. He also welcomed Owen Davis, who would be joining the Board as the student governor in September.

N. Allen remarked that it had been another exciting year in the history of the university, particularly because of the launch of the new brand. As Vice-Chair, he thanked the Board members for their commitment, enthusiasm, and engagement over the past year.

N. Allen reported on this year's convocation ceremonies, which were held on June 6 and 7 at Tribute Communities Centre. The attendees heard inspiring addresses from the honorary degree recipients – Kate Beirness, Al Libfeld, The Right Honourable Beverley McLachlin, and Annette Verschuren. He noted that Kate Beirness' prediction of the Raptors winning the NBA Championship in six games was accurate. He congratulated the Convocation team on another successful year. Many governors attended at least one ceremony and he encouraged those who couldn't make it this year to plan to attend next year. Convocation week is a special time for the university.

**5. President's Report**

The President thanked D. Holdway for serving as Interim VP Research and Innovation. D. Holdway was one of the original faculty members at the university and also served as Interim Dean of Science. The President thanked him for all of his contributions to the institution. The President also formally introduced L. Jacobs to the Board and provided a summary of his background.

The President thanked the convocation teams, governors and faculty for participating in the university's convocation ceremonies. He also reported on the university's first

official attendance at this year's Pride Parade. The President also directed the Board to the release of OIRA's 2018-2019 Fact Book, which was included in the weekly report distributed the day before.

### **Strategic Retreat Debrief**

The President thanked the governors for their active engagement during the spring retreat. The senior leadership team received valuable feedback from the governors in attendance. A few ideas the senior leadership team are looking at implementing include:

- how to have more strategic discussions rather than just discussing the required operational oversight; and
- how to have more engaged discussions when materials clearly layout the options.

There were also great discussions regarding the intersections between the region's priorities and the university's priorities. The key areas related to energy and AI seem to be topics where we could help be regional leaders. He noted that a key point to remember is that the SMA3 will be tied to funding, which is very important but should not detract from the university's strategic vision.

## **6. Academic Council**

### **(a) Annual Report**

F. Jones delivered the Academic Council report. He noted that a summary of the proposed changes to the Institutional Quality Assurance Process policies and procedures was included in the meeting material for information. He asked governors to forward any comments they might have to the Board Office and the questions would be forwarded on to the CIQE Office.

It was another very busy year for Academic Council. He highlighted several of Council's accomplishments:

- recommended the establishment of a Bachelor of Arts (Honours) and Bachelor of Science (Honours) in Psychology;
- recommended the establishment of a Bachelor of Science (Honours) in Integrative Neuroscience;
- approval of the definition of Experiential Learning & amendments to course nomenclature;
- acceptance of the recommendations of the Graduate External Scholarship Selection Working Group Interim Report; and
- approval of Equity Admissions procedure statement for use in the Undergraduate Academic Calendar.

Academic Council also took a significant step in the evolution of its governance with the establishment of a Governance and Nominations Committee. The committee made significant progress in the implementation of By-law No. 2. Academic Council also coordinated two strategic Colleagues' Exchange, where they discussed timely topics. This new Colleagues Exchange format will continue next year.

N. Allen thanked F. Jones for agreeing to serve as the governor member of Academic Council. He noted the importance of the continued evolution of the governance of Academic Council, which will surely assist in the strengthening of bicameral governance.

N. Allen thanked all of the Council members for their hard work this year, but particularly those members of Academic Council whose terms would be ending on June 30:

- Brad Easton
- Mike Eklund
- Glenn Harvel
- Andrew Hogue
- Andrea Kirkwood
- Atef Mohany
- Tejus Tuppal

### **(b) Co-Populous Report**

J. Wilson delivered the co-populous report. On June 6, Durham College's (DC) Hub for Applied Research in Artificial Intelligence for Business Solutions (the AI Hub) held an AI Summit, the first conference of its kind in Durham. DC's convocation took place between June 11-13. He also reported on DC's last Board meeting, at which they approved the establishment of a new esports management program. DC is also partnering with Coding for Veterans to provide customized coding training for veterans.

N. Allen thanked J. Wilson for serving on both Boards, recognizing that it is a huge time commitment. N. Allen discussed the joint Board meeting that was held at the beginning of May. They are looking forward to organizing future events with the DC Board.

## **Committee Reports**

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

N. Allen delivered the A&F report. At the committee's last meeting, they received an overview of the key changes to the section in Part III of the CPA Canada Handbook, dealing with Tangible Capital Assets Held by Not-for-Profit Organizations, and its impact on the recognition, valuation and amortization of the university's capital assets. The new standard is effective for annual periods beginning on or after January 1, 2019. Accordingly, the university will be required to apply the new standard for the first time in its annual financial statements for the year ending March 31, 2020 and will apply it to transactions starting April 1, 2019.

The committee received an update on the status of the installation of the moving ground plane. The ACE building extension is on track for completion by the end of July and the equipment integration is targeting completion by September 2020. The committee also received updates on the Campus Recreation and Wellness Centre (CRWC) expansion and AVIN projects, the reports for which are included in the meeting material. As a reminder, the CRWC expansion is being done in preparation for the introduction of varsity basketball at the university in fall 2019. These construction projects signal an exciting time at the university.

A&F received an update on the status of the land exchange with the City of Oshawa. The archaeological reports are complete and the valuation report was almost finished; accordingly, the university and city are close to finalizing the transaction.

N. Allen reported that the committee also received the annual policy and compliance review. A&F receives an annual update on the types of policies that are being developed, revised, and approved. The list of policy activity is included in the meeting material. The university's Annual Insurance Report was also presented in order to allow the committee to assess the sufficiency of the coverage.

A governor commented that the introduction of a varsity basketball team in the fall is very timely given the recent success of the Raptors.

## Finance

### 8.1 2018-2019 Audited Financial Statements

N. Allen provided an overview of KPMG's Audit Findings Report. He advised that no significant audit risks were identified and they did not identify any control deficiencies that were determined to be significant deficiencies in internal control over financial reporting. KPMG discussed their key observations on:

- accrued liabilities – legal, retroactive pay & access copy;
- allowance for doubtful accounts – student receivables;
- journal entry posting & authorization;
- future direction of “bring your own device”; and
- vacation day carry-over.

This year's element of unpredictability was testing the implementation of the vacation policy. The purpose of the policy is to ensure that employees are taking vacation, returning refreshed, and that someone else is cross-trained in the role. KPMG also highlighted the steps taken to minimize cyber-risks, including the purchase of cyber insurance and the launch of a cyber-security awareness program.

N. Allen reviewed the 2018-2019 audited financial statements. He thanked P. Onsiong and her team for the comprehensive notes accompanying the financial statements, which are consistent with those of previous years. The university repaid \$6M of long-term debt and incurred \$550,000 of debt related to improvements in the downtown locations. There was \$6.9M of excess revenue over expenses for the fiscal year. There was a total increase of expenses in the amount of \$7.8M over the prior year, which included an increase of \$8.7M in salaries and benefits. P. Onsiong responded to questions from the Board regarding the financial statements.

*Upon a motion duly made by N. Allen and seconded by F. Jones, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the consolidated audited financial statements of the university for the year ending March 31, 2019 as presented.*

## 8.2 Internally Restricted Funds

N. Allen presented A&F's recommendation for internally restricted funds. The committee recommended adding an additional \$4.9M to internally restricted funds, of which approximately \$3.8M would be allocated towards the new building and the remainder towards research related activities, student awards, and faculty budget carry-over.

*Upon a motion duly made by N. Allen and seconded by K. Kingsbury, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved an Internal Restriction of approximately \$4.9M in the University's net assets.*

## 8.3 Fourth Quarter Financial Reports

At the last committee meeting, P. Onsiong presented the operating analysis for 2018-2019. The university ended the year with a \$5.1M surplus, which is close to what was forecast after the third quarter results. The information provided in the update will likely look familiar, since the Board has been receiving regular updates throughout the year. No changes have been made to the 10-year forecast since last presented.

## Project Updates

### 8.4 New Building

A&F also received an update on the status of the new building project, which is also included in the meeting material. Construction drawings and documentation at 70% progress. Site Plan Approval comments were issued by City Planning and are under review. The Building Permit application is under review with the City planning. Design Assist Tenders (electrical, mechanical, curtain wall, forming and precast) have been awarded. The portables were moved to the staging area in the Founders 2 parking lot. Portable relocation is on track to substantial completion on August 2. Building occupancy in the portables is planned from August 5 – 14, 2019.

## Risk, Compliance & Policy

### 8.5 Annual University Risk Management Report

The committee received the fourth annual University Risk Management Report, which has been included in the Board meeting material. This is an integral part of the university's development of a risk management culture. N. Allen reported that the university continues to make good progress toward the integration of risk into its decision-making and planning processes.

Several of the positive developments in the risk management culture over the period of July 2018 to June 2019 were:

- the President continued to make risk management an important priority by devoting time to it at Senior Leadership Team (SLT) meetings and retreats;
- the university has continued to evolve and develop risk processes and tools, and has engaged in significant training to new risk owners;
- the Risk Management website continues to be improved and represents a valuable source of information and guidance to the community; and
- a list of risk management metrics was finalized in 2018.

The focus in 2019-20 will be on improving the ability to measure risk management activity and presenting succinct, meaningful reports to the senior leadership team and the Board.

In the context of the budgeting process, key decisions are made about what should be funded and what goes unfunded. Risk considerations are included within the strategic planning approach to budgeting. The development of an Insurance Work Plan is an important one, as appropriate insurance coverage is an essential overarching risk mitigation strategy.

A governor commented that risk management is a key area of focus for the Board and that it is an excellent report and he believes the team has made good progress.

## **8.6 A&F Annual Report**

N. Allen expressed thanks to the entire committee and staff, whose participation is integral to help things function smoothly. He reviewed the highlights of the committee's accomplishments over the year. He also identified the committee's priorities for the upcoming year.

## **9. Investment Committee:**

### **9.1 Quarterly Report**

S. Chow delivered the Investment Committee's quarterly report. The performance of the university's portfolio in the last quarter is indicative of the higher volatility levels experienced in 2018. The university's portfolio remains ahead of the benchmark by about 100 basis points. She also discussed the educational session given at the last committee meeting, which focused on the monetary tools utilized by central banks.

### **9.2 Investment Annual Report**

S. Chow thanked the committee for their hard work and commended them on the progress made. She provided an overview of the committee's accomplishments that year. She also discussed the committee's decision to allocate a small percentage of the portfolio to a market neutral fund. She reported that they have only been invested in it for one quarter and it did not pan out how they expected it to. Since it has been too short a time to get a good sense of the product's performance, the committee will continue to monitor it. She confirmed that the portfolio's performance is compared to the S&P benchmark and the committee regularly compares it against the performance of other institutions, as well.

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

K. Kingsbury delivered the GNHR report in F. Garwe's absence. At the last committee meeting, the committee reviewed the annual Board practices assessment results. The committee was generally pleased with the response rate, as well as the number of governors who used the Board portal to complete the assessment. The committee will be looking to the Board to continue to improve those numbers next year.

The committee reviewed and recommended the proposed 2019-2020 Board schedule. It was based on this year's schedule, which seemed to work for most Board members. By scheduling four meetings for each committee and the Board, the Board is focusing discussions on key matters and making the most of the governors' time.

The committee also received the Annual Report on Student Sexual Violence Policy & Procedures, which was included in the meeting material for information. The report focused on the following key areas:

1. Supports, services and accommodations.
2. Awareness and programming.
3. Reported incidents and complaints.
4. Implementation and effectiveness of the policy.

A tremendous amount of work was done over the past year by the Advisory Committee on Student Sexual Violence Prevention and Support, supported by the equity team in Student Life. The Advisory Committee will continue to advise and assess the university's efforts to oppose sexual violence among students on campus through support, training and education.

GNHR also reviewed and recommended proposed amendments to the university's defined contribution pension plan, which form part of the consent agenda. As part of GNHR's oversight of the university's human resources policies, strategies and plans, the Senior Administration (Pension & Benefits) Sub-Committee (SASC) provides GNHR with recommendations with respect to the operation and administration of the university's defined contribution pension plan. The proposed amendments to the pension plan are pursuant to the 2018-2020 Faculty Association Collective Agreement and the increases to member required pension contribution and the University basic pension contribution rates.

#### **10.1 2019-2020 Board Leadership & Committee Assignments (moved to non-public session)**

#### **10.2 Annual Board Practices Assessment Results**

C. Foy presented this year's annual Board practices assessment results. Board members were encouraged members to become familiar with and use the new portal. The Board Chair congratulated the staff on the positive trends on the assessment results.

#### **10.3 GNHR Annual Report**

K. Kingsbury reviewed key items from the committee's annual report. The committee had a busy work plan, including the presidential transition, Board recruitment process, and new by-laws coming into effect on September 1, 2018.

The committee's focus for 2019-2020 will include:

- continued implementation of the new By-laws;
- continued improvement of Board engagement;
- continued focus on Board meeting efficiency, materials preparation & professional development;
- monitoring implementation & use of Board portal;
- developing a strategic succession plan;
- continued incorporation of technology into Board meeting participation & educational material;



- developing a Committee Assessment Form; and
- continuing to strengthen bicameral governance.

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

### 11.1 Alumni Engagement Strategy

S. McGovern introduced Angelo Pineda, the Alumni Association President. He delivered a presentation to the Board on the Alumni Association's engagement strategy. He responded to questions from the Board.

(D. Allingham arrived 10:05 a.m.)

### 11.2 Annual S&P Report

L. Zucker delivered the annual S&P report in T. Koseck's absence. She thanked A. Pineda for his presentation and remarked that it was very interesting and informative for the Board. She noted that the committee is composed almost entirely of new Board members. She discussed the key accomplishments of the committee and the committee's focus for the next year.

L. Zucker ended by thanking the management team and staff for their work and T. Koseck for his support and leadership.

## 12. Consent Agenda:

*Upon a motion duly made by L. Zucker and seconded by K. Chan, the following items on the Consent Agenda were approved, as presented:*

- (a) Undergraduate Studies Committee Terms of Reference
- (b) Dissolution of Admissions & Scholarships Committee
- (c) Change of Gender Policy (Student)
- (d) Pension Plan Amendments
- (e) 2019-2020 Board Schedule
- (f) Appointment of Board Secretary 2019-2020
- (g) Minutes of Public Session of Board Meeting of April 24, 2019
- (h) Minutes of Public Session of Audit & Finance Committee Meeting of April 17, 2019
- (i) Minutes of Public Session of Governance, Nominations & Human Resources Committee Meeting of March 28, 2019

## 13. Information Items:

- (a) Institutional Quality Assurance Process Policy Documents
- (b) Annual Policy Review & Compliance Update
- (c) Annual Insurance Report
- (d) Annual CURIE Report
- (e) ACE Enhancement Project
- (f) Campus Recreation & Wellness Centre Expansion
- (g) AVIN
- (h) Annual Report on Student Sexual Violence Policy & Procedures
- (i) Annual Board Chair Report

#### **14. Other Business**

K. Chan shared that Facebook hosted a small business event in Oshawa in late May, which had approximately 400 small businesses in attendance. S. McGovern attended on behalf of the university and addressed the attendees. K. Chan thanked S. McGovern and her team. S. McGovern advised that they have received several follow ups from individuals who attended the event.

There was also a discussion as to when the new branded swag will be available. S. McGovern advised it would be available in September. The Chair thanked N. Allen for filling in as Chair during his absence. The Chair also remarked that he attended all of the convocation events and he was very impressed. He thanked the organizing team, as everything appeared to go completely smoothly. He also thanked C. Foy and B. Dinwoodie for all of their support throughout the year.

#### **15. Adjournment**

*Upon a motion duly made, the public session adjourned at 10:20 a.m.*

Becky Dinwoodie, Secretary