

PUBLIC SESSION MINUTES

Wednesday, April 29, 2015

3:00 pm – 5:30 pm

Place: 55 Bond St, DTB 524

GOVERNORS IN ATTENDANCE:

Glenna Raymond, Chair
Adele Imrie, Vice Chair
John McKinley, Vice Chair
Nigel Allen
Doug Allingham
Rupinder Brar
Karyn Brearley
Garry Cubitt
Don Duval (*via teleconference*)
Andrew Elrick
Amir Ghandehariun
Miles Goacher
Don Hathaway (*via teleconference*)
Theeben Jegatheesan
Jay Lefton (*via teleconference*)
Robert Marshall
Tim McTiernan
Michael Newell
Bonnie Schmidt
Tyler Turecki
Valarie Wafer
Heather White

REGRETS:

Perrin Beatty, Chancellor
Pierre Tremblay
Andrea Slane
John Speers

BOARD SECRETARY:

Cheryl Foy, University Secretary and General Counsel

UOIT STAFF:

Craig Elliott, Chief Financial Officer
Andrea Kelly, Assistant to the Secretary

Murray Lapp, Vice President, Human Resources and Services
Susan McGovern, Vice President, External Relations and Communications
Michael Owen, Vice President, Research, Innovation & International
Melissa Gerrits, Legal Counsel
Cathy Pitcher, Assistant to the President

GUESTS:

Mikael Eklund
Adam Watson
Laura Plant
Susan Maitland
Debbie McGarry
Susan Storey
Sean McNama

1 Call to Order

The Chair called the meeting to order at 3:14 p.m.

2 Agenda

Upon motion brought by K. Brearley, and seconded by H. White, the Agenda was approved as presented.

3 Conflict of Interest Declaration

G. Cubitt declared a conflict of interest with respect to item 9.1 as the Land Transfer involves negotiations with the Regional Municipality of Durham for which he serves as the Chief Administrative Officer.

4 Chair's Remarks

The Chair welcomed the guests to the meeting. She referred to the joint UOIT-DC Board meeting in March where the Service Level Agreement was ratified and the Campus Master Plan was unveiled. Both milestones represented diligent and collaborative efforts on the part of the senior administration teams at each institution and will serve to strengthen the partnership between Durham College and UOIT going forward.

The Chair congratulated Board member P. Tremblay on his retirement from OPG and wished him well on behalf of the Board. She noted that P. Tremblay will be stepping down from his current roles as UOIT Board member and co-populous member to serve as Chair of the Durham College Board. She thanked P. Tremblay for his contributions and looks forward to working with him in his capacity as Chair as both institutions strive to strengthen their relations.

The Chair made some remarks on the Presidential renewal process. She noted that the community consultation on the Presidential renewal was completed. She thanked members of the community and external stakeholders who participated in the process noting that the Board found the feedback to be useful not only in the context of the Presidential renewal for a subsequent term, but also insofar as evaluating the performance of the University and its impact on the community at large. The Board appreciated the opportunity to interact with members of the UOIT community.

She noted that the main focus of the meeting today is on the University's 2015-16 budget and on campaign planning and the alumni relations strategy. These items represent important work of the Board, and are of great significance to the University as it positions UOIT for sustainability and growth in the future. These items are particularly timely given the public release of the Federal and Provincial budgets last week. That coupled with the pending funding model reform and other legislative changes provide helpful context for the discussions and deliberations at the Board table.

5 Approval of Minutes of the Meeting of March 11, 2015

Upon motion brought by B. Marshall, and seconded by D. Allingham, the Minutes were approved as presented.

6 President's Report

The Chair invited the President to deliver his report. The President was pleased to announce several good news items. Recent award ceremonies, recognizing academic excellence and athletic ability marked another successful year for UOIT students. He noted that a graduate from Social Science and Humanities Faculty delivered a very engaging and polished presentation to the Ontario Credit Transfer Pathways Organization and exuded much pride to be a part of UOIT.

The President indicated that UOIT is hosting the International Conference on Hydrogen Production which represented an excellent opportunity to showcase the University and forge connections with global partners and academics. Other recent noteworthy events at UOIT included an advanced manufacturing session featuring Siemens Canada President and CEO as the keynote speaker and an OPG cultivation event featuring Tom Mitchell as keynote speaker. Both were well attended.

Further, the President noted that he had appeared before the Public Accounts Committee on the Attorney General's report on Teaching Effectiveness.

6.1 Academic Council Reports

The President delivered the Academic Council reports, noting that synopses were included in the materials. At the meeting held on February 24, 2015, Academic Council approved a new Adult Education for the Digital Age (AEDT) Diploma and a new Graduate Diploma in Nuclear Engineering. Council also recommended two research funds policies to the Board for approval. At the meeting held on March 17, 2015, Academic Council approved a nomenclature change from the Bachelor of Arts in Communication to the Bachelor of Arts in Communication and Digital Media Studies and approved the Policy on Posthumous Degrees and Certificates of Achievement in Memoriam.

7 Co-Populous Report

The Chair indicated that there was nothing to report beyond that which was covered in her opening remarks.

8 Committee Reports (public items)

8.1 Audit & Finance Committee

A. Imrie was pleased to present a balanced budget for the 2015-16 academic year. She noted that this was the first year of the resource allocation model and permitted carry-forwards. She thanked C. Elliott

and his team for facilitating a comprehensive process and preparing a detailed and transparent budget noting great progress in recent years. She also thanked the Provost, the Provost's team, and Deans who participated in the process. She noted that the Audit & Finance Committee was very engaged throughout the entire process and was unanimous in its recommendation of the budget for Board approval.

8.1.1 2015-16 Budget Approval

C. Elliott presented the 2015-16 Budget. He indicated that the budget process underwent a number of changes this year. A new resource allocation model was implemented which applied to incremental revenue. The existing budget base from the 2014-15 year was used as its starting point. Carry forwards were permitted, provided that any surpluses/deficits satisfied the strategic criteria established by the Provost. Further, a new FAST budgeting tool was introduced which enabled departments to populate their own data. The new budgeting tool streamlined the process and allowed for the consolidation of cost centres, thereby saving time and eliminating errors. To increase transparency and readability, graphs and explanations for variances were included throughout the budget presentation.

C. Elliott provided an overview of the budget process and identified the financial principles which informed the process. He also summarized key budget assumptions. Domestic intake is expected to drop 3.9% or 104 FTEs mainly due to the Bachelor of Education becoming a two year program. However, the total number of FTEs is expected to increase 173 to 8,895 FTEs. Government grants are expected to increase by \$400K as is tuition revenue by \$2.1M as a result of a 2.9% increase in tuition rates. Space will continue to restrict enrollment as evidenced by a space measurement average of 5.1 NASM/FTE compared to the 8.3 NASM/FTE average for Ontario universities. Salaries will increase by 1.9% and the contingency reserve funds will start at \$4.9M. The Student/Faculty ratio will improve from 33 to 32:1 assuming all positions are filled.

C. Elliott noted that the budget was balanced at \$181,262,000 assuming 8,895 FTEs. He highlighted that \$3M of incremental revenues are allocated to academic units which is within the 60% target. Student revenue, including tuition and ancillary fees, account for 49% of revenue. A breakdown of expenses revealed that 54% is dedicated to labour. Capital expenses are down this year by \$2M due to shortage of space, carry forwards are up \$700K and the contingency funds are down \$1.7M. C. Elliott explained the importance of including restricted funds in budget planning.

The Provost concluded the presentation by looking at the intersection of strategic planning and budgeting. She reviewed the 2012-2016 Strategic Plan guided by its three overarching priorities. The Provost updated the Board as to how the 2014-15 academic year furthered each of the institution's strategic priorities and how the Committee planned to operationalize the strategic plan for the current year. The resources allocated for the strategic initiatives total nearly \$8M. With the five year rolling forecast in place, the strategic financial planning cycle is now complete. This will be most helpful in forecast modelling which will serve to inform strategic initiatives.

The Chair invited questions and comments from the Board. A. Imrie noted that the collaboration and consultation was appreciated and promoted a sense of accountability.

Upon a motion brought by A. Imrie, and seconded by D. Hathaway, and pursuant to the recommendation of the Audit and Finance Committee of the Board, the Board of Governors approved the 2015-16 Budget as presented.

The Chair acknowledged the Audit and Finance Committee for its thorough review and oversight which allowed the Board to have confidence in the high level summary. She further acknowledged the finance team and the Provost's office for their work and collaborative approach.

8.1.2 Blackboard Software Procurement 2015-2018

A. Imrie spoke to the Blackboard Software Procurement. She indicated that the Audit and Finance Committee supported extending the current license for a three year term until September 2018. Blackboard was a market leader, owning over 40% of the market, and its product was a sole source arrangement. To source another product would cause a significant disruption to the students and the migration process would be costly and time-consuming. UOIT has been generally happy with the service and responsiveness of the vendor.

A. Imrie indicated a cost of renewal of \$1.4 USD. The Committee had discussed different options for hedging currency risk and C. Elliott was looking into having the funds transferred to a US account.

Upon a motion brought by A. Imrie, and seconded by D. Allingham and pursuant to the recommendation of the Audit and Finance Committee of the Board, the Board of Governors approved the expenditure of approximately \$1.4 million USD for the Blackboard Learn software licensing and hosting services.

8.2 Advancement Committee

The Chair invited J. McKinley to deliver the report on behalf of the Advancement Committee.

8.2.1 Third Quarter Report

J. McKinley provided a high level overview of the Q3 Report which was included in the materials. He indicated that Advancement was slightly behind its projections, largely as a result of an outstanding gift. Advancement expects to receive the final installment upon the completion of certain deliverables. He also noted that there is remaining money in the \$1M matching fund. The matching fund has proven to be a positive strategy to securing donations and new pledges. He encouraged Board members to highlight this opportunity to community members.

8.2.2 Campaign Planning Study presented by KCI

S. McGovern introduced the Campaign Planning Study and welcomed KCI representative Susan Storey. S. McGovern indicated that KCI was successful in the RFP process for its unique approach and customized campaign strategy. The company is six weeks into its planning and has already started external consultations which will assist UOIT in developing its pipeline. S. McGovern further explained that it typically takes 7-10 years to cultivate a relationship before a gift is realized.

Susan Storey provided a high level overview of the planning process to the Board. The presentation was included in the materials. She indicated that pilot consultations were underway with 25 prospective donors. The objective was to better understand donors' knowledge and objectives, communicate UOIT's initiatives, test different strategies and use that information to critique the consultation process. A further 100 consultations will be completed by end of summer. Given that UOIT is young and this is its first campaign, KCI is casting the net widely to include both individuals and corporations, current donors, prospective donors and donors who are not familiar with UOIT.

Susan Storey indicated that KCI will be providing a report of recommendations for a successful campaign strategy. They are currently contemplating a strategic model that includes a layered series of campaigns

that builds awareness and momentum over the decade with staggered milestones. If the goal of the pipeline is to generate \$300M, KCI will be identifying the gap between current prospects and the desired pipeline. They will also indicate the status of prospects and the years likely required to cultivate a gift. They will assist in setting targets, forecasting costs and identifying resources requirements. Other outputs will include training, the evaluations of assets, the articulation of the message and the development of the communication plan.

There were no questions from the Board.

8.2.3 Alumni Engagement Strategy presented by Gotta Purpose Inc.

S. McGovern introduced two representatives from Gotta Purpose Inc., Adam Watson and Laura Plant. The Company was retained to develop an alumni engagement strategy to be implemented concurrently with the campaign strategy.

Adam Watson explained that alumni are the most powerful resource and advocate the University has to raise money. This resource needs to be harnessed early on to stimulate long-term returns. With a current alumni base of 10,000, expected to increase six times by 2027, UOIT must actively create value for alumni to see its brand grow and flourish in the marketplace. It is common practice for people to do business with institutions they know and trust.

Adam Watson illustrated the returns of a strong relationship. Cultivation begins during the first year a student is enrolled at the institution. Alumni engagement is important not just for investment purposes, but also for attracting top faculty as well as public and industrial relations. The alumni relationship requires constant investment.

Gotta Purpose conducted an alumni survey has informed the development of the strategy. Alumni reported feeling a strong bond to its faculty. Hence, interaction with faculty members will play a vital role in increasing levels of engagement. The Company will be working closely with the Alumni Association and Communications to feature faculty content on both the website and in the alumni e- newsletter and will be developing a speaker series that builds brand awareness and exemplifies the quality of research to the workplace of alumni. Management will also be afforded tools to monitor the strength and quality of the ongoing relationships and to measure the success of various promotional programs designed to increase engagement levels.

The Chair acknowledged the efforts of the Advancement Committee and the importance of coordinating the campaign and alumni engagement plans such that both pieces run concurrently to maximize long-term results.

M. Goacher inquired about the level of faculty involvement. S. McGovern answered that internal support and involvement will be a key component of the campaign strategy.

8.3 Governance, Nominations and Human Resources Committee

K. Brearley delivered the Committee report. She indicated that the recruitment process was under review and the skills matrix is being discussed. The Committee has also been looking at engagement levels and ways in which to maintain and improve attendance and participation. A draft Board schedule is expected to be ready for the AGM along with details for the 2015-16 retreat.

8.3.1 Annual Board Elections

C. Foy presented a Certificate of the Chief Electoral Officer recommending the appointment of four successful candidates to the Board. The Certificate was included in the materials. With the exception of one minor complaint that was investigated and resolved, the Board Elections process was a very clean process.

Upon a motion brought by K. Brearley, and seconded by T. Turecki, and pursuant to the recommendation of the Governance, Nominations and Human Resources Committee of the Board, and supported by the Certificate of the Chief Electoral Officer, the Board of Governors approved the appointment of the following Teaching, Non-Academic and Student Representatives to the Board: Jeremy Bradbury, Shirley Van Nuland, Mary Steele, and Jonathan Hackett.

The Chair indicated that the newly appointed governors will officially commence their terms in September, however they will be invited to the June Board meeting.

8.3.2 Pension Plan Amendment

M. Lapp addressed the Pension Plan amendments. He noted that this particular item had been deferred at the last meeting. The other amendment to the Pension Plan, section 8.09 (Shortened Life Expectancy) recommended by GNHR had been successfully approved by the Board at the March 11 meeting.

M. Lapp explained the purpose of each amendment. The amendment to section 6.01 (Benefits on Retirement and Termination) of the Plan will permit the University to unlock small pension benefits to plan members who cease to be employed by the University. Members will receive a single lump sum in the absence of an express election to transfer the assets to a registered retirement plan within the 90 day notice period. By closing the smaller pension accounts, the University will be able to reduce exposures and administration by a third. The second amendment to section 6.03 (Payment of Pension) will bring the Plan in line with recent legislative changes.

M. Lapp answered questions from the Board relating to threshold amounts, procedures for unlocking the pension benefits and the rationale for closing the accounts.

Upon a motion brought by R. Marshall, and seconded by A. Imrie, the Board approved the resolution appended to the Minutes as Appendix "A".

8.4 Strategy & Planning Committee

8.4.1 Strategic Plan

D. Hathaway delivered the Strategy & Planning Committee's report on behalf of the Chair. The Committee had an opportunity to discuss the current Strategic Plan and considers it beneficial to extend the Plan a further five years, maintaining its three overarching priorities and adopting a rolling three year structure to align with the budgeting process. With respect to Key Performance Indicators (KPI's), he noted that the Committee was looking at reducing or merging indices and/or implementing a dashboard so that the Board can track the 5-15 metrics that have the most impact on its decisions. D. Hathaway encouraged members to read the Dynamic Presentation included the materials as he found it particularly instructive in the areas of strategy, risk and organizational performance as they relate to the Board's duty of care.

9 Other Business

9.1 Land Transfer - Simcoe Street Road Widening

M. Lapp addressed this item. The expansion of Simcoe Street North is scheduled to commence this summer. UOIT intervened with the Region of Durham to design a road that takes into account the future design and expansion of the campus to ensure that the road is pedestrian-friendly. This includes allocating sufficient boulevard and sidewalks, plants, lighting, bike lanes, etc. The expansion, which consists of an additional conveyance of five metres of land, will assist with pedestrian safety and traffic flow. He advised that all parties were in agreement and that the paperwork had been vetted by external counsel.

Upon a motion brought by the President, and seconded by T. Jegatheesan, the Board of Governors approved the following:

UOIT is hereby authorized to negotiate and enter into a transfer agreement to effect a transfer of a strip of land running adjacent to Simcoe Street North commencing roughly beside the Campus Ice Centre and ending at Britannia Road, and measuring approximately 5 metres in width, to the Region of Durham.

Any one or more members of the UOIT Senior Leadership Team is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute, whether under corporate seal or otherwise, and deliver and file all such documents and instruments and to do all such other acts and things as are required or as the member(s) may deem necessary or desirable to give full effect to or to carry out the provisions of this resolution and the terms of the Transfer Agreement.

10 For Information

10.1 Pathways Diploma-to-Degree Brochure

The Chair deferred this item to the next meeting.

10.2 2015 Convocation - June 4 & 5, 2015 - General Motors Centre

The Chair encouraged all board members to attend the upcoming convocation ceremonies.

10.3 Top 10 Campus Legal Issues for Boards

This was an information item included in the Board materials.

10.4 Lieutenant Governor In Council (LGIC) Appointment

The Chair acknowledged A. Imrie as the incoming Lieutenant Governor In Council (LGIC) to the Board.

11 Termination of Meeting

Upon a motion duly made by K. Brearley and seconded by R. Marshall, the meeting was adjourned at 5:27 p.m.

Pension Plan Amendment

WHEREAS the University of Ontario Institute of Technology (the "University") established the University of Ontario Institute of Technology Pension Plan (the "Plan"), registration number 1087808;

AND WHEREAS the University has reserved the right to amend the Plan pursuant to Section 9.01 (Amendment of the Plan) of the Plan;

AND WHEREAS the University desires to add provisions to the Plan allowing for unlocking of small pension benefits, subject to and in accordance with the *Pension Benefits Act* (Ontario) and to make changes of a housekeeping nature;

NOW THEREFORE BE IT RESOLVED THAT, effective December 1, 2014:

1. Two new paragraphs shall be added to the end of Section 6.01 (Benefits on Retirement and Termination), as follows:

"Notwithstanding the foregoing, where a Member ceases to be employed by the University, other than because of death, and either:

- (a) the annual pension payable on the Member's Normal Retirement Date that can be provided by the portion of the Member's Pension Account balance that is not attributable to the Member's additional voluntary contributions to the Plan, if any, is not more than 4% of the Year's Maximum Pensionable Earnings in the year that the Member ceases to be employed by the University; or
- (b) the balance in the portion of the Member's Pension Account that is not attributable to the Member's additional voluntary contributions to the Plan, if any, is less than 20% of the Year's Maximum Pensionable Earnings in the year that the Member ceases to be employed by the University;

the balance in the Member's Pension Account shall, subject to the following paragraph, be paid to the Member as a single lump-sum payment, less applicable withholdings, if any.

A Member to whom a lump sum is payable pursuant to the foregoing paragraph of this Section 6.01 may, subject to the Income Tax Act and the Pension Benefits Act, elect to transfer the balance in the Member's Pension Account to a registered retirement savings plan or a registered retirement income

fund in lieu of receiving the lump sum payment. The election described in the foregoing sentence must be made within 90 days of the University notifying the Member that the Member has the right to require the above-mentioned transfer. If the Member does not make such an election within the 90-day period, the Member will be deemed to have elected to receive the amount as a lump-sum payment, less applicable withholdings. The University, in its sole discretion, may waive the 90-day requirement described in the foregoing sentence.

2. Section 6.03 (Payment of Pension) shall be deleted in its entirety and replaced with the following:

“6.03 Payment of Pension

(a) Member

Notwithstanding Section 6.01 above, in no event shall the transfer of the balance in the Member’s Pension Account occur later than the last day of the calendar year in which the Member attains seventy-one (71) years of age, or such other date as prescribed by the Income Tax Act.

(b) Surviving Spouse

Where, following a Member’s death, the balance in the Member’s Pension Account is payable to the Member’s Spouse pursuant to Section 6.02, the payment or transfer of the balance in the Member’s Pension Account, as applicable, must occur no later than the later of:

(i) the end of the calendar year in which the Spouse attains age 71; or

(ii) one year after the Member’s death if the Spouse attained age 71 or more in the calendar year in which the Member’s death occurred.”

3. The Vice-President, Human Resources and Services of the University is hereby directed to sign and file this Resolution and all related documents with the applicable federal and provincial regulatory authorities and to implement this Resolution, including the making of any further Plan amendments as may be necessary or required to obtain and maintain such federal and provincial registrations.