

**BOARD OF GOVERNORS' 108th REGULAR MEETING
& ANNUAL GENERAL MEETING (PUBLIC SESSION)**

**Minutes of the Meeting of Wednesday, June 27, 2018
55 Bond Street, DTB 524
9:00 a.m. to 11:00 a.m.**

GOVERNORS IN ATTENDANCE:

Doug Allingham, Board Chair
Karyn Brearley, Chair of Governance, Nominations & Human Resources Committee
Stephanie Chow, Chair of Investment Committee
Jeremy Bradbury (*via teleconference*)
Don Duval
Lisa Edgar
Andrew Elrick
Francis Garwe
Thorsten Koseck
Steven Murphy, President
Dietmar Reiner
Bonnie Schmidt
Mary Steele
Shirley Van Nuland
Jim Wilson
Yowsif Yakub

REGRETS:

Nigel Allen, Chair of Audit & Finance Committee
Valarie Wafer, Chair of Strategy & Planning Committee
Fardan Ali
Jay Lefton
Mary Simpson
Mike Snow
Noreen Taylor, Chancellor

BOARD SECRETARY:

Becky Dinwoodie, *Assistant University Secretary*

UOIT STAFF:

Robert Bailey, *Interim Provost & VP Academic*
Craig Elliott, *Chief Financial Officer*
Cheryl Foy, *University Secretary & General Counsel*

Doug Holdway, *Interim VP of Research, International and Innovation*
Andrea Kelly, *Assistant to the University Secretary & General Counsel*
Susan McGovern, *VP External Relations & Advancement*
Cathy Pitcher, *Assistant to the President*

GUESTS:

Nancy Arulnathan
Jackie Dupuis
Kaitlynn Gambier
Fahal Khalid
Lori Livingston
Thomas McMorrow
Jessica Nguyen
Abel Shimeles

1. Call to Order

The Chair called the meeting to order at 9:00 a.m.

2. Agenda

Upon a motion duly made T. Koseck and seconded by K. Brearley, the Agenda was approved as presented.

2. Conflict of Interest Declaration

The Chair reminded those governors being nominated for leadership roles under agenda item 11.4 to declare a conflict of interest at the time of the relevant vote and to abstain from voting.

3. Chair's Remarks

The Chair began his remarks with an acknowledgment of the lands and people of the Mississaugas of Scugog Island First Nation, which is covered under Treaty #20. The meeting was taking place on land situated on the Traditional Territory of the Mississaugas, a branch of the greater Anishinaabeg Nation, which includes Ojibway, Odawa and Pottawatomi.

The Chair welcomed everyone to the last Board meeting of the year and invited guests to introduce themselves.

(A. Elrick joined at 9:03 a.m.)

It was an exciting year in the university's history, particularly because of the arrival of the new President. The Chair thanked Board members and staff for their assistance throughout the year. He acknowledged the efforts made to improve meeting efficiency and Board engagement.

The Chair discussed the Convocation ceremonies held on June 7 and 8, 2018 at the Tribute Communities Centre. He congratulated the Convocation Team on another successful event, and shared that he received many positive comments about the ceremonies. The Chair also congratulated the student Board members, Fardan Ali and Yowsif Yakub, on their graduations.

The Chair referred to the recent recruitment ad in the Globe & Mail and remarked that it was very impressive. He is looking forward to the recruitment process.

5. Approval of Minutes of the Meeting of May 9, 2018

Upon a motion duly made by S. Van Nuland and seconded by J. Wilson, the Minutes were approved as presented.

6. President's Report

The President thanked the Convocation team for all of their work. He reported on a recent Town Hall on space at the university. The Town Hall focused on what the campus of the future looks like. It was well attended and online viewing was available. There will be additional Town Hall meetings in September.

The President discussed the recent change in government and the uncertainty as to what the transition will hold for the post-secondary sector.

The President expressed his appreciation to the Board and acknowledged the considerable effort that all members put forth throughout the year.

The President also reported on an event hosted by PUBLIC Inc. in Toronto. The panel consisted of representatives of the university and an IBM partner. The goal is to continue to attend more events like this to continue to promote the university.

7. Academic Council Report

7.1 Establishment of a Bachelor of Arts (Honours) in Liberal Studies

The President provided an overview of the program, the details of which were included in the meeting material. He invited T. McMorrow from the Faculty of Social Science & Humanities to provide further details regarding the program.

Upon a motion duly made by S. Murphy and seconded by K. Brearley, pursuant to the recommendation of the Academic Council, the Board of Governors approved the establishment of the proposed Bachelor of Arts (Honours) in Liberal Studies program, as presented.

7.2 Establishment of a Doctor of Philosophy in Health Sciences

The President presented the program for consideration and noted that it is in an area that is rapidly changing. L. Livingston added that it is a natural next step in the evolution of the

programs. The university is responding to the needs of our students and the needs of the community. L. Livingston highlighted the letters of support included in the proposal.

Upon a motion duly made by S. Murphy and seconded by L. Edgar, pursuant to the recommendation of the Academic Council, the Board of Governors approved the establishment of the proposed Doctor of Philosophy in Health Sciences, as presented.

7.3 Establishment of a Master of Science in Nursing Joint Program

The President summarized the background of the proposal and explained how the program advances the university's mission. L. Livingston added that there has been interest in the program from as far east as Belleville. This is a tremendous opportunity to grow the program and the program is unique in the province.

L. Livingston responded to questions from the Board regarding the implications to the faculty/student ratio with the program growth. She explained how a great deal of efficiency has been built into the program. S. Murphy and R. Bailey responded to questions regarding how Academic Council determines what new programs to offer. S. Murphy clarified that new programs must align with the university's strategy. R. Bailey discussed the Integrated Academic Plan, as well as the new program development process. The length of time it takes to develop a new program varies, but can take up to a couple of years.

Upon a motion duly made by S. Murphy and seconded by D. Duval, pursuant to the recommendation of the Academic Council, the Board of Governors approved the establishment of the proposed Master of Science in Nursing Joint program, as presented.

7.4 Annual Report

The President noted it was a busy year for Academic Council. He provided an overview of the Academic Council's accomplishments. B. Schmidt commented on the fact that most of the medal winners in the STEM fields were female.

The Chair thanked the members of Academic Council for all of their hard work the past year.

8. Co-Populous Report

J. Wilson reported that the last Durham College (DC) Board meeting was held on June 11, 2018. The DC Board received a presentation on the upcoming Emergency Response Drill, to be held jointly with UOIT in the fall. They also received a presentation on cannabis education in anticipation of the legalization of cannabis effective October 17, 2018.

The DC Board also received an update on the Centre for Collaborative Studies, which is on track to open in September 2018. The Chair commented that the addition of the new buildings makes the area look very impressive.

Committee Reports

9. Audit & Finance Committee Report (A&F)

S. Chow delivered the A&F report in N. Allen's absence. At the last A&F meeting, the committee received updates on the status of the installation of the moving ground plane and the SIRC building project. KPMG completed its Strategic Infrastructure Fund project audit of SIRC in May and the university is awaiting receipt of the report. Electric charging stations have been installed at SIRC and 61 Charles Street, which are currently provided at no cost to users. While the demand for the stations is relatively low, the university will continue to monitor it and reassess whether usage fees are necessary.

The committee also received the annual policy and compliance review, which is included in the meeting material for information. The university has seen an increase in the uptake of policy support, which is indicative of the positive adoption of the Policy Framework. When reviewing the Policy objectives from 2017-2018, the completion of the By-law Review project and evaluation of the Policy Framework were among the highlights.

The committee also reviewed the metrics for FIPPA compliance in 2017-2018. Over 80% of appeals to the IPC were unsuccessful and there were only several decisions where the IPC did not agree with the university's decision to redact certain information. The committee was advised that the university is changing internal practices to deal with inadvertent privacy breaches that arise from employee error.

The university's Annual Insurance Report was also presented in order to allow the committee to assess the sufficiency of the coverage.

The Board had a discussion regarding the number of appeals to the Privacy Commissioner. C. Foy clarified that the requests for information are mostly from students asking for information and only a few requests were from third parties. K. Brearley noted the large amount of time and effort that is involved in responding to requests for information and appeals.

9.1 2017-2018 Audited Financial Statements

S. Chow summarized the Audit Findings Report, which was included in the Board meeting material. She thanked C. Elliott and his team for the comprehensive notes in the financial statements. C. Elliott commented that the audit reports continue to be favourable and he credited his team for these results.

Upon a motion duly made by S. Chow and seconded by D. Reiner, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved the consolidated audited financial statements of UOIT for the year ending March 31, 2018, as presented.

9.2 Internally Restricted Funds

S. Chow presented the recommendation for internally restricted funds. Based on the initial forecasted surplus, the university had planned to request an internal restriction on \$3.8M, of which approximately \$2.5M would be allocated to capital reserves and \$1.3M to faculty budget carry-over and other items. With the additional surplus, most of which arose from one-time events, A&F recommended another \$5M to internally restricted funds, of which approximately \$4M will be allocated towards a new building and the bulk of the remainder to student awards.

Upon a motion duly made by S. Chow and seconded by T. Koseck, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors approved an Internal Restriction of approximately \$8.7M in the University's net assets, as presented.

9.3 Fourth Quarter Financial Reports

S. Chow summarized the fourth quarter financial reports.

9.4 AVIN Agreements

S. Chow reported on the AVIN project. The university's role in the project will be as the anchor location for a Regional Technology Development Site (RTDS) as part of Ontario's Autonomous Vehicle Innovation Network (AVIN). A report on the project was included in the meeting material. AVIN is an \$80M, 5-year investment, delivered by the Ontario Centres of Excellence (OCE) on behalf of the Ministry of Economic Development and Growth, Ministry of Research, Innovation and Science and Ministry of Transportation.

Funding for this Durham Region RTDS includes a \$4.4M contribution from Ontario to the university in addition to \$6M of in-kind funding from private sector partners. The Durham Region RTDS funding will be used to expand ACE's capabilities to include new innovative approaches for developing, testing and validating autonomous vehicle technologies.

D. Holdway responded to questions from the Board. The Board considered the risk associated with a change in government and the possibility of funding being withdrawn. D. Holdway advised that the project would create many opportunities for students and faculty, particularly since IBM will be one of the key partners. D. Holdway thanked Justin Gammage for his contributions to the project.

There was also a discussion regarding the Board's role in the project, considering the university's contribution is anticipated to be \$500,000 in-kind. A suggestion was made that the President work with D. Holdway on how to bring these types of projects to the Board. It was clarified that the Spark Centre will receive the funding and will flow it through to the university through a contractual arrangement.

Upon a motion duly made by S. Chow and seconded by T. Koseck, pursuant to the recommendation of the Audit & Finance Committee, the Board of Governors supports the AVIN Project, as presented, and given the timeline of Milestones and Deliverables set out in Schedule 1, the UOIT Board of Governors expressly delegated authority to the Executive Committee of the

Board for the period ending with the commencement of the next meeting of the Board of Governors, to make further decisions and resolve any issues that arise in connection with the AVIN Project.

C. Foy clarified that there will be a contract with Spark, which will exceed the \$1M threshold requiring Board approval, and there will be other contracts coming under the main one that might require approval over the summer.

9.5 Statement of Investment Policies Amendments

S. Chow presented the proposed amendments to the Statement of Investment Policies for approval. She responded to the Board’s questions regarding the proposed market neutral strategy (MNS). S. Murphy clarified that the MNS fund performs better during times of poor performance as compared to the other funds that the university’s portfolio currently contains. C. Elliott added that MNS has more active management and allows the investment manager to sell short. Since the fund is more actively managed, there are higher fees associated with it.

Upon a motion duly made by S. Chow and seconded by D. Reiner, pursuant to the recommendations of the Investment Committee and the Audit and Finance Committee, the Board of Governors approved the amendments to the Statement of Investment Policies, as presented, to allow future investment in Market Neutral Equity funds and enable timely recommendations by the Investment Committee regarding portfolio allocations.

9.6 University Risk Management (URM) Annual Report

S. Chow presented the highlights from the URM annual report. In response to a question regarding social media risk, C. Foy advised that social media risk is covered in the operational risk registers. C. Foy responded to additional questions from the Board.

9.7 New Building Project

S. Chow delivered an update on the new building project. At the Board meeting on March 7, the Board authorized the university to proceed with the RFP process for the design and construction of the proposed new building. Further to that approval, the process for the awarding of the RFP is set out in the presentation included in the meeting material.

9.8 A&F Annual Report

S. Chow delivered the annual report. The Board Chair emphasized the importance of the development of the university’s risk management program. C. Foy commented that this year the university created a risk management “heat map” and will likely be able to create a dashboard for next year.

10. Investment Committee

10.1 Quarterly Report

S. Chow provided an update from the Investment Committee. The endowment portfolio is currently at \$25.5M at the end of March, which was .7% above benchmark for the quarter. She reported on the educational session, which focused on cryptocurrency and blockchain. Although it is too early for the university to consider investing in this technology, it is helpful to the committee to understand it. She also discussed PH&N's recommendation to incorporate a market neutral strategy into the portfolio. There was a brief discussion regarding whether the committee pushed back on the higher fees associated with the MNS strategy. C. Elliott advised that if we incorporate that strategy, the gains made would outweigh the additional fees.

10.2 Annual Report

S. Chow delivered the Investment Committee's annual report. She thanked the committee members for all of their work.

11. Governance Nominations & Human Resources Committee (GNHR)

K. Brearley updated the Board on the committee's last meeting, at which the committee received a status update on the Executive Compensation program. The university completed its public consultation and submitted the program for the Ministry's final sign off for it to be presented to the Board for approval. However, this step in the process did not happen before the provincial election. The university is now in a holding pattern in light of the government's transition. As the university commences its searches for the next Provost & Vice-President Academic, and VP Research, this holding pattern means the salaries of the individuals recruited to fill these roles must be capped at the level of their predecessor. The President's salary will be capped at the level at which he was hired. The salaries for all other VP-level positions remain frozen.

11.1 Academic Council Governance Committee

K. Brearley provided the background to the development of the proposed Terms of Reference for the Governance and Nominations Committee of Academic Council. GNHR is responsible for advising the Board of Governors on its governance structure and processes in accordance with its Terms of Reference. As set out in the By-laws Implementation Plan that was presented to the committee in February, discussing the establishment of a governance committee/working group of Academic Council was identified as Council's immediate priority. The draft Terms of Reference have received the support of all of the relevant governance bodies.

As part of the implementation of the new By-laws, a joint orientation session with Academic Council and the Board has been scheduled for September 25 following the first Academic Council meeting. GNHR looks forward to the changes the new By-laws will bring and the continued strengthening of the university's bicameral governance.

Upon a motion duly made by K. Brearley and seconded by T. Koseck, pursuant to the recommendations of the Governance, Nominations and Human Resources Committee of the Board of Governors and Academic Council, the Board of Governors approved the Terms of Reference for the Governance & Nominations Committee of Academic Council, as presented.

11.2 Policy Framework Review

The Policy Framework was approved by the Board on November 28, 2014. The goal of the framework is to continue to enhance organizational efficiency by clarifying processes and responsibility. In accordance with the Framework, all policy instruments must be reviewed at least every three years. A review of the Framework was conducted, involving extensive consultation and resulting in the proposed amendments being presented to the Board for approval. The review confirmed that the community welcomes the framework and that there are many policy gaps that remain to be filled.

Whereas Academic Council and GNHR have recommended the amendments to the UOIT Policy Framework for approval, and GNHR has approved the Procedures for the Development, Approval and Review of Policy Instruments and Appendices D and E, upon a motion duly made, the Board of Governors approved the amendments to the UOIT Policy Framework and Appendices A, B and C.

K. Brearley acknowledged the tremendous amount of work put into the review and the ongoing work to support the Framework by C. Foy and Niall O'Halloran.

11.3 2018-2019 Election Results

One of GNHR's responsibilities is to oversee the process of electing new governors and recommending their appointment to the Board. The committee is reporting on the election process and results of the 2018-2019 Board of Governors Election. GNHR is recommending the appointment of the successful election candidates for approval.

There were no issues to report with respect to the election of the Student or Staff Governors. The committee was advised that there were concerns expressed regarding the Faculty Governor eligibility requirement of not having a research leave scheduled/requested during the next two years. This fundamental eligibility requirement is based on the understanding and expectation that a faculty member on research leave will be spending all of his/her time on research and participating in no other service at the university during that time. The issue is explained in detail in the accompanying report included in the meeting material.

In order to address the concerns expressed by the Board faculty members and one of the ineligible nominees, a working group has been formed to review the research leave eligibility requirement and to make a recommendation to GNHR with respect to any proposed amendments to the eligibility requirement. The members of the working group are: Robert Bailey, Jeremy Bradbury, Cheryl Foy and Shirley Van Nuland. The group had their first meeting last Tuesday and the members agreed that it was a very constructive discussion. The goal is to meet several times over the summer and to arrive at a recommendation by August 30, 2018 for

consideration by GNHR at its first meeting in the fall. The new rules, if any, that will be adopted by the Board and GNHR will apply to the next round of faculty elections. The faculty candidates nominated as Teaching Staff Governors for the next three-year period will be unaffected.

Upon a motion duly made by K. Brearley and seconded by S. Van Nuland, pursuant to the recommendation of the Governance, Nominations & Human Resources Committee, the Board of Governors approved the appointment of the following individuals to the Board of Governors:

- *Liqun Cao and Ferdinand Jones as the Teaching Staff Governors for the term of September 1, 2018 until August 31, 2021;*
- *Mark Neville as the Administrative Staff Governor for the term of September 1, 2018 until August 31, 2021; and*
- *Jessica Nguyen as the Student Governor for the term of September 1, 2018 until August 31, 2019.*

11.4 2018-2019 Board Leadership & Committee Assignments

In accordance with the Board's Recruitment, Appointment and Leadership Policy, the incumbent Board and Committee leaders have an opportunity to express interest in reappointment to their position. D. Allingham, N. Allen and S. Chow have all confirmed their willingness to continue to serve in their leadership roles. With V. Wafer's departure, T. Koseck has agreed to take on a leadership role and serve as Chair of the Strategy & Planning Committee. Regretfully, due to changing and increasing work commitments, K. Brearley submitted her resignation from the Board effective August 31. She agreed to fulfill her commitments over the summer with the university, including assisting with the UOIT Board recruitment campaign. In light of her departure, a successor Chair of GNHR will be sought and appointed over the summer. She invited those interested in serving as the Chair of GNHR to contact the Board Chair.

The proposed committee assignments are as follows:

Executive Committee

Douglas Allingham, Chair and Board Chair
Nigel Allen, Vice-Chair & Chair of Audit & Finance Committee
TBD, Chair of Governance, Nominations & Human Resources Committee
Stephanie Chow, Chair of Investment Committee
Thorsten Koseck, Chair of Strategy & Planning Committee
Steven Murphy, President & Vice-Chancellor (ex-officio)

Audit and Finance Committee

Nigel Allen, Chair
Dietmar Reiner
Douglas Allingham, Board Chair (ex-officio)
Steven Murphy, Interim President (ex-officio)
Craig Elliott, Chief Financial Officer (non-voting)

Governance, Nominations and Human Resources Committee

TBD, Chair
Lisa Edgar
Francis Garwe
Douglas Allingham, Board Chair (ex-officio)
Steven Murphy, President (ex-officio)

Investment Committee

Stephanie Chow, Chair
Nigel Allen
Thorsten Koseck
Douglas Allingham, Board Chair (ex-officio)
Craig Elliott, Chief Financial Officer (non-voting)
Susan McGovern, Vice-President, External Relations (non-voting)

Strategy & Planning Committee

Thorsten Koseck, Chair
Jim Wilson
Douglas Allingham, Board Chair (ex-officio)
Steven Murphy, President (ex-officio)

Upon a motion duly made, pursuant to the recommendation of the Governance, Nominations and Human Resources Committee, the Board of Governors approved the following:

- 1. Reappointment of Doug Allingham as Chair of the Board for 2018-2019;*
- 2. Reappointment of Nigel Allen as Vice-Chair of the Board for 2018-2019;*
- 3. Appointment of the following Board members to the positions of Chair of the specified Committee for 2018-2019:*

<i>Nigel Allen</i>	<i>Audit & Finance</i>
<i>Stephanie Chow</i>	<i>Investment</i>
<i>Thorsten Koseck</i>	<i>Strategy & Planning</i>
<i>TBD</i>	<i>GNHR</i>

- 4. Approval of the proposed 2017-18 Committee Assignments, as attached.*

11.5 GNHR Annual Report

K. Brearley delivered the GNHR annual report. The Chair noted the accomplishments of the committee. K. Brearley thanked the committee members for their work throughout the year.

12. Strategy & Planning Committee Report (S&P)

B. Schmidt presented the S&P report in V. Wafer's absence. She introduced the Alumni Association presentation, which is an annual item the Board very much looks forward to. It is encouraging to see the progress the Association has made and it serves as an excellent reminder of why the governors joined the Board. B. Schmidt introduced K. Gambier, Chair of the Alumni Association Council.

12.1 Alumni Association Update

K. Gambier delivered the Alumni Association Council (AAC) presentation. She discussed the Association's vision and mission and provided an overview of the Council's structure. She provided an overview of the AAC's milestones in 2017-2018, including hosting its first paid event in 2017. She reviewed the AAC's Strategic Priorities, including:

- identify a dedicated space on campus & begin fundraising (an Alumni Hall fund);
- develop culture of leadership & networking to mentor students & alumni (iLaunch);
- transparency of meetings & operations;
- develop a distinctive identity & brand – connect through alumni magazine, including alumni expert article contributions;
- create a strong, active & vibrant community through alumni & student engagement – alumni awards, class challenges;
- engage graduating students before they leave; and
- operate in a self-sustaining model.

There was a discussion as to how the Board could help the AAC continue to grow. K. Gambier suggested that governors could assist by speaking at events or sponsoring a room in the new building. B. Schmidt thanked K. Gambier for her leadership and remarked how impressive it is to see the evolution of the AAC.

12.2 S&P Annual Report

The committee has been tackling broader conversations over the past year. The committee's responsibilities include: examining the SMA, metrics, implementation of CMP, strategic partnerships, integrated planning, and retreat planning. B. Schmidt encouraged all governors to contribute to the Pathways Award Fund, if they have not done so already. It was her last Board meeting before the end of her term and she is going to miss working on the committee. She commented on how helpful this year's Board Retreat was. She noticed an evolution of the retreats over the past six years and the retreat topics are extraordinarily helpful to the Board members.

13. Consent Agenda:

Upon a motion duly made by J. Wilson and seconded by L. Edgar, the Board of Governors approved the following items on the Consent Agenda:

- 13.1 Minutes of Public Session of Audit & Finance Committee Meeting of April 26, 2018
- 13.2 Minutes of Public Session of Governance, Nominations & Human Resources Committee Meeting of April 19, 2018
- 13.3 Minutes of Public Session of Investment Committee Meeting of February 21, 2018
- 13.4 2018-2019 Board Schedule
- 13.5 Appointment of Board Secretary 2018-19

14. Information Items (also available on the Board portal):

- 14.1 Board Chair Report
- 14.2 18-Month Follow Up Reports from Academic Council (available upon request):
 - a. Master of Health Science
 - b. Master of Information Technology Security
- 14.3 SIRC Building Construction Project
- 14.4 Annual Policy Review and Compliance Update
- 14.5 Annual Insurance Report
- 14.6 CURIE 2017 Annual Report (available upon request)

15. Other Business

The Board Chair shared his highlights of the 2017-2018 Board year, which included:

- the opportunity to work with the Board as a whole;
- strategic retreat;
- new building plans;
- recruitment of new governors;
- Convocation, progress of advancement program.

Overall, it was a great year and a lot of work remains to be done.

16. Adjournment

Upon a motion duly made by S. Van Nuland and seconded by D. Duval, the public session adjourned at 11:16 a.m.

Becky Dinwoodie, Secretary