

BOARD OF GOVERNORS' 126th REGULAR MEETING

AGENDA

Thursday, March 9, 2023

12:30 p.m. to 3:45 p.m.

55 Bond Street, Oshawa, ON – 5th floor Boardroom

[Videoconference](#), +1 647-736-9504 PIN: 273 477 692

No.		Topic	Lead	Allocated Time	Suggested Start Time
PUBLIC SESSION					
1		Call to Order	Chair	5	12:30 p.m.
2		Agenda (M)			
3		Conflict of Interest Declaration			
4		Chair's Remarks	Chair	5	12:35 p.m.
5		President's Report	Steven Murphy	5	12:40 p.m.
6		Academic Council*	Carla Carmichael	10	12:45 p.m.
Committee Reports					
7		Audit & Finance Committee (A&F) Report	Carla Carmichael	5	12:55 p.m.
		Finance			
	7.1	Third Quarter Financial Reports* (U)	Carla Carmichael	10	1:00 p.m.
	7.2	2023-2024 Tuition & Ancillary Fees* (M)	Carla Carmichael	10	1:10 p.m.
	7.3	Risk Update* (U)	Carla Carmichael	5	1:20 p.m.
8		Governance Nominations & Human Resources Committee (GNHR) Report	Maria Saros	5	1:25 p.m.
9		Strategy & Planning Committee (S&P) Report	Eric Agius	5	1:30 p.m.

No.		Topic	Lead	Allocated Time	Suggested Start Time
10		Consent Agenda: (M)	Chair	5	1:35 p.m.
	10.1	Minutes of Public Session of Board Meetings of December 1, 2022*	Chair	5	1:40 p.m.
	10.2	Minutes of Public Session of A&F Meeting of November 23, 2022*			
	10.3	Minutes of Public Session of GNHR Meeting of October 20, 2022*			
	10.4	Minutes of Public Session of S&P Meeting of October 27, 2022*			
	10.5	Personal Health Information Privacy Policy*			
	10.6	Statement of Investment Policies*			
	10.7	Multi-Year Planning*			
	10.8	Advancement Update*			
	10.9	Institutional Metrics Target Setting*			
	10.10	Consolidated Annual Human Rights Office Report*			
	10.11	Flex Work Strategy*			
11		Adjournment (M)	Chair		1:45 p.m.
BREAK – 10 minutes					
NON-PUBLIC SESSION (material not publicly available)					
12		Call to Order	Chair	5	1:55 p.m.
13		Conflict of Interest Declaration			
14		Chair's Remarks	Chair	10	2:00 p.m.
15		President's Report	Steven Murphy	10	2:10 p.m.
	15.1	Strategic Discussion: Audit Reflections*	Steven Murphy & Brad MacIsaac	25	2:20 p.m.
	15.2	Ontario Tech Talent	Steven Murphy &	10	2:45 p.m.

No.		Topic	Lead	Allocated Time	Suggested Start Time
			Rachel Sumner		
Committee Reports (confidential items only)					
16		A&F Report	Carla Carmichael	10	2:55 p.m.
	16.1	Risk Report (non-public questions only)	Brad MacIsaac	5	3:05 p.m.
	16.2	Campus Master Plan Update	Brad MacIsaac	5	3:10 p.m.
17		GNHR Report	Maria Saros	10	3:15 p.m.
18		S&P Report	Eric Agius	5	3:25 p.m.
19		Consent Agenda (M):	Chair	5	3:30 p.m.
	19.1	Minutes of Non-Public Session of Board Meeting of December 1, 2022* (M)			
	19.2	Minutes of Non-Public Session of A&F Meeting of November 23, 2022*			
	19.3	Minutes of Non-Public Session of GNHR Meetings of October 20, 2021*			
	19.4	Minutes of Non-Public Session of S&P Meeting of October 27, 2022*			
	19.5	Board PD Work Plan*			
	19.6	Report Out re: Executive Committee Activities*			
20		<i>In Camera</i> Session	Chair	10	3:35 p.m.
21		Termination (M)	Chair		3:45 p.m.

Lauren Turner, University Secretary

BOARD REPORT

SESSION:**Public**☒**Non-Public**☐**ACTION REQUESTED:****Decision**☐**Discussion/Direction**☐**Information**☒**TO:****Board of Governors****DATE:****March 9, 2023****FROM:****Carla Carmichael, Academic Council Liaison to the Board of Governors****SUBJECT:****March 2023 Academic Council Report**

Academic Council (AC) is the academic governing body for Ontario Tech and it plays a significant role in university governance. It is the role of AC to oversee the academic work of the University, and to advise and make recommendations to the Board on important matters. As the governor member of AC, I'm pleased to deliver the following report of AC activities from January 2023 – February 2023.

As one of the University's governance bodies, AC engaged in the following discussions:

- Strategic discussion on Good Governance Practices

Significant University-wide matters brought before AC included:

- At the January meeting, Sarah Cantrell presented the 2023-2024 Tuition Framework and Lori Livingston provided a report on student success
- At the February meeting, Lori Livingston and Sarah Cantrell provided an update on the Integrated Academic-Research Plan – Institutional Metrics

AC Meeting Materials:[January 2023](#)[February 2023](#)**Governance Initiatives**

- In January the Governance and Nominations Committee advised Council of the review and approval of the election process for vacancies to be filled for the 2023-2024 academic year

Curriculum & Program Changes

AC approved the following Major Program Modifications:

- Bachelor of Science in Biological Science – Environmental Toxicology specialization
- Bachelor of Arts in Educational Studies, Bachelor of Arts in Educational Studies – Advanced Entry, and Undergraduate Diploma in Designing Adult Education for the Digital Age
- Bachelor of Science in Applied and Industrial Mathematics
- Degree Requirements for the Bachelor of Arts in the Faculty of Social Science and Humanities
- Bachelor of Arts in Communication and Digital Media Studies (CDMS), CDMS – Advanced Entry, and CDMS Minors
- Bachelor of Arts in Criminology and Justice
- Bachelor of Arts in Forensic Psychology and Bachelor of Arts in Forensic Psychology – Advanced Entry
- Bachelor of Arts in Legal Studies
- Bachelor of Arts in Liberal Studies and Bachelor of Arts in Liberal Studies Minors
- Bachelor of Arts in Political Science and Political Science Minor
- Bachelor of Arts and Bachelor of Science in Psychology, including Specializations, and Bachelor of Arts in Psychology – Advanced Entry
- New Minor in Social Innovation and Entrepreneurship
- Master of Arts in Education, Master of Education, and Graduate Diploma in Education and Digital Technologies programs
- Master of Science in Nursing
- Master of Arts in Criminology

AC received the following Minor Program Adjustments for information:

- Bachelor of Commerce in Finance
- Bachelor of Commerce in Finance – Pathways
- Technology Management Minor
- Bachelor of Engineering and Bachelor of Engineering and Management in Energy Engineering
- Bachelor of Science in Health Physics and Radiation Science
- Bachelor of Science in Biological Science – Environmental Biology specialization
- Bachelor of Health Science in Medical Laboratory Science
- Doctor of Philosophy (Phd), PhD Direct Entry, and Master of Science (MSc) in Forensic Psychology

Institutional Quality Assurance Reports

The Ontario Tech Institutional Quality Assurance Process requires that the Executive Summary and Implementation Plan resulting from a Cyclical Program Review (CPR) be

provided to Academic Council and the Board of Governors for information. As such, these materials are being presented to the Board with the Academic Council report.

Academic Council received the following CPR report from the Undergraduate Studies Committee:

- [Bachelor of Science in Forensic Science 18-Month Follow-up](#)

Academic Council received the following CPR report from the Graduate Studies Committee:

- [Doctor of Philosophy and Master of Science in Computer Science](#)

BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☐
Discussion/Direction ☐
Information ☒

TO: Board of Governors

DATE: March 9, 2023

PRESENTED BY: Pamela Onsiong

SLT LEAD: Brad MacIsaac

SUBJECT: Third Quarter Financial Reports – Operating Forecast Summary for the year ending March 31, 2023

BOARD/COMMITTEE MANDATE:

The Committee is responsible for overseeing the financial affairs of the University, including approval of the annual budget and financial reporting to ensure that appropriate financial controls, reporting processes and accountabilities are in place at the University.

BACKGROUND/CONTEXT & RATIONALE:

In April 2022, the Committee approved a budget with a net operating surplus of \$1.0M for the 2022/23 fiscal year. Management had also then noted that “normally, the University sees in-year savings of over \$2.0M which we expect to put towards further reserves if it materializes”.

The operating budget is based on a projection of cash receipts and expenditures for the year. This report provides the Committee with an overview of projected year-end financial results against the approved budget (Appendix 1).

Projected results are based on estimated enrolment count, which has been updated based on Winter 2023 Day 10 registration (enrolment table in Appendix 2) and detailed expense forecast submissions from all budget holders.

The current year has been marred by backlogs on visa processing which has had a direct impact on international enrolment and in turn tuition revenues. On the expense side, the ongoing Russia-Ukraine war and the energy crisis in Europe have led to worsening economic conditions with both

interest and inflation rates increasing to new highs. These did not have a significant adverse impact on the University's budget in the current year as the majority of our expenses are tied to agreements currently in place.

These were presented to Audit and Finance at the February 22, 2023 meeting.

HIGHLIGHTS:

The forecast for the year is trending to budget, with **net operating surplus** for the year projected to be approximately \$0.3M against an original budgeted surplus of \$1.0M and a projected Q2 surplus of \$0.6M.

Total **revenue** is favourable \$5.6M (or 3%) against original budget and includes higher than expected or unbudgeted grants/revenues for which there are offsetting expenses (e.g. \$1.3M for additional campus and equipment renewal, \$1.0M for the research "Start-Up Visa" program) and higher interest revenue due to rising interest rates.

Of note, the forecasted revenue also includes a net slight negative variance of \$0.6M in tuition fees due to a \$3.2M decrease attributable to a shortfall in international enrolment (-139 FTE), offset by \$2.6M increase in total domestic tuition as a result of higher than expected intake and number of returning students (+283 FTE). The enrolment count is a current estimate and there may be fluctuations as we finish the winter term.

Total **operating expenses, including labour**, are expected to see \$1.2M (or 1.0%) of savings against budget. This negative variance includes increased expenses of \$1.0M that are funded by additional grants and other revenues, offset by savings in full-time labour due to vacant positions and general operating expenses.

In spite of the increase in inflation rates since the budget was approved in April 2022, the University is not seeing a significant inflationary pressure on its expenses in the current year as over 75% of expenses pertain to: labour which are tied to collective agreements; fixed debt obligations; and contracted services and license fees which are also fixed for the year under vendor contracts.

Capital investment is higher \$7.6M against budget with over 25% of the additional investment being funded by external grants and/or prior year reserves. Additional capital investment includes \$1.5M purchase of 154 Bruce Street and ~ \$4.5M earmarked for new capital infrastructure.

FINANCIAL IMPLICATIONS:

The primary purpose of this financial update is to report on expected financial results of the operating budget. Maintaining a balanced (or surplus) budget is critical to Ontario Tech University's short-term financial health and long-term financial sustainability.

SUPPORTING REFERENCE MATERIALS:

- Appendix 1: 2022/23 Operating Forecast Summary
- Appendix 2: Enrolment Table based on Winter 2023 Day 10 enrolment count

APPENDIX 1

ONTARIO TECH UNIVERSITY

Operating Forecast Summary

For the year ending March 31, 2023 (in \$ 000s)

The table below shows the variance of the year-end forecast vs the approved 2022/23 budget

April 1, 2022 - March 31, 2023				
	Approved Budget	Y/E Forecast	Fav. (Unfav.) Budget vs. Forecast \$ / %	
<u>Revenue</u>				
Grants	82,179	86,138	3,959	5%
Tuition	94,719	94,166	(553)	-1%
Student Ancillary	14,081	13,162	(919)	-7%
Other	23,649	26,716	3,067	13%
Total Revenue	214,628	220,181	\$ 5,553	3%
<u>Expenditures</u>				
Academic/ACRU	85,761	84,967	795	1%
Academic Support	44,418	45,462	(1,044)	-2%
Administrative	29,894	28,729	1,165	4%
Sub-total	160,073	159,157	916	1%
Purchased Services	14,237	13,596	641	5%
Total Commercial	10,533	10,937	(404)	-4%
Loan Interest Expense	9,617	9,540	77	1%
Total Operating Expenses	194,459	193,229	\$ 1,230	1%
Net Contribution from Operations	\$ 20,169	\$ 26,952	\$ 6,783	34%
Capital Expenses	9,761	17,362	(7,601)	-78%
Principal Repayments - debt & leases	9,360	9,360	(0)	0%
Total Net Surplus	\$ 1,049	\$ 230	\$ (818)	-78%

APPENDIX 2

ONTARIO TECH UNIVERSITY

Operating Forecast Summary

For the year ending March 31, 2023 (in \$ 000s)

Enrolment

FTE's	2021/22 actual	2022/23 approved budget	Q3 forecast	Q3 forecast vs approved budget
Undergraduate				
Domestic	8,084	7,785	8,046	261
International	693	810	692	-118
Graduate				
Domestic	452	384	406	22
International	308	410	389	-21
Total FTE's	9,537	9,389	9,533	144

** Q3 enrolment forecast reflects Winter 2023 Day 10 fall enrolment count. With four enrolment count dates over the year, this is still currently an estimate until final winter count in February 2023.

Core Operating Grant remains flat as under the new funding formula implemented by the Ministry in 2017/18, the funding for domestic students for the current year remains at the 2016/17 level. Current eligible undergraduate and graduate enrolment projection is within the + / - 3% of the University's corridor midpoint.

BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☐
Discussion/Direction ☐
Information ☒

TO: Board of Governors

DATE: March 9, 2023

PRESENTED BY: Pamela Onsiong

SLT LEAD: Brad MacIsaac

SUBJECT: Third Quarter Financial Reports - Financial Statements (unaudited)
for the period ending December 31, 2022

BOARD/COMMITTEE MANDATE:

The Committee is responsible for overseeing the financial affairs of the University, including approval of the annual financial statements and financial reporting to ensure that appropriate financial controls, reporting processes and accountabilities are in place at the University.

BACKGROUND/CONTEXT & RATIONALE:

This report provides the Board/Committee with an overview of the statements of financial position, operations and cash flow as at the December 31, 2022, together with a year-over-year comparison (Appendix 1).

These financial statements are prepared on an accruals basis following Canadian generally accepted accounting principles (“GAAP”) for non-for-profit organizations in Canada. In contrast, the operating budget, and hence the operating forecast summary, are based on a projection of cash receipts and expenditures. In arriving at the year-end forecast results for GAAP purposes, adjustments are required to be made to the operating forecast results, e.g.

- The operating forecast includes estimated cash outlays for capital investment while the GAAP financial statement forecast reflects the amortization expense of these assets.
- Conversely, the GAAP financial statements include the unrealized gain/loss on investments while these are not budgeted and therefore not included in the operating forecast summary.

A sample of the reconciliation between the 2 sets of financial reports is disclosed in Appendix 2.

These were presented to Audit and Finance at the February 22, 2023 meeting.

HIGHLIGHTS:

The Statement of financial position remains relatively stable at the end of the reporting quarter. **Assets** decreased \$6.0M (or 1.1%) and liabilities decreased \$9.8M (or 2.2%) over the prior year.

Cash and short-term investments are stable, with a total projected cash position of ~ \$78.0M at the end of the fiscal year, of which 30% are restricted for externally funded research and expendable donations.

The most significant variances on the asset side includes:

- a decrease of \$2.6M in our **endowed investments** held at PH&N primarily due to the recognition of unrealized losses as a result of the deterioration in both equity and bond markets in the last year
- a decrease of \$8.7M in **capital assets** attributable to \$20.5M of accumulated amortization, offset by \$11.8M of asset additions in the last 12 months

On the **liabilities** side, and of note,

- **deferred revenue** increase of \$8.4M reflects increases in revenues in the current year and not earned at the end of the reporting quarter, e.g. increases in tuition fees and revenues from the research “Start-Up Visa” program
- the University paid back \$10.4M of its various **debt obligations** in the past year.

The statement of operations includes a net increase in revenue of \$5.4M (or 3.3%) and an increase in expenses of \$14.8M (or 8.8%) over last year. The net operating deficit at the end of the reporting quarter is \$2.0M.

Revenue increases include:

- \$2.0M increase in **student tuition revenues** mainly attributable to international enrolment growth and year-over-year average increase in international tuition fees.
- \$3.0M increase in **other income** for ACE, food services, Regent Theater associated with the recovery of the ancillary services from the pandemic.
- increases of \$1.1M in **interest revenue** due to rising interest rates. **Unrealised gain on swap** is recorded on a quarterly basis in the current year (vs at year-end only in the prior year). The unrealized gain at the end of the reporting quarter reflects the increase in the prevailing swap rates.
- The above increases are offset by a decrease of \$3.3M in **grants** as the prior year included the receipt of one-time only grants (e.g. covid support grant).

Expenses increases include:

- \$4.8M increase in **salaries and benefits** of which \$3.4M relates to annual merit increases and net new hires, and \$1.4M increase in limited term contracts to backfill for open full-time positions and in support of casual labour for summer camps and the Regent Theater as activities gradually return to pre-pandemic levels.
- increase \$4.9M in **supplies and expenses** due to the lifting of covid restrictions and the return to pre-pandemic activities (e.g. increase in research and international recruitment travel and associated costs, base building costs, in-person university fair and convocation). Supplies and expenses in the current year are at the pre-pandemic levels (for the 9 months to Dec 2019 = \$22.3M)

FINANCIAL IMPLICATIONS:

The primary purpose of this financial update is to report on the statement of financial position of the University as at the end of the 3rd quarter. Maintaining a stable financial position is critical to Ontario Tech University's long-term financial sustainability.

COMPLIANCE WITH POLICY/LEGISLATION:

These unaudited financial statements are prepared in compliance with generally accepted accounting principles for not-for-profit organizations.

SUPPORTING REFERENCE MATERIALS:

- Appendix 1: Consolidated Financial Statements
- Appendix 2: Sample of reconciliation of Operating Forecast Summary to year-end GAAP financial statements

Appendix 1

Consolidated Financial Statements of

ONTARIO TECH UNIVERSITY

For 9 months ending December 31, 2022

ONTARIO TECH UNIVERSITY
Consolidated Statement of Financial Position
As at December 31, 2022

	<u>Dec 31, 2022</u>	<u>Dec 31, 2021</u>	<u>YOY Variance</u>	<u>Mar 31, 2022</u>
Assets				
Current Assets				
Cash and cash equivalents	\$ 72,760,920	\$ 70,872,886	\$ 1,888,034	\$ 69,225,462
Grant receivable	9,333,372	8,213,066	1,120,306	9,108,026
Other accounts receivable	45,549,090	43,937,373	1,611,717	5,611,209
Prepaid expenses and deposits	2,504,167	2,467,096	37,070	2,158,816
Inventories	27,394	5,131	22,263	5,730
	130,174,943	125,495,553	4,679,390	103,326,916
Investments	32,554,299	35,171,289	(2,616,991)	33,522,655
Other Investments	(681,017)	(582,712)	(98,304)	(754,223)
Other Assets	2,913,267	2,226,031	687,236	2,473,577
CAPITAL ASSETS	395,814,699	404,501,807	(8,687,107)	403,863,908
Total assets	\$ 560,776,192	\$ 566,811,968	\$ (6,035,776)	\$ 542,432,833
Liabilities and Net Assets				
Current and long-term liabilities				
Accounts payable and accrued liabilities	23,931,098	26,620,055	(2,688,957)	30,488,090
Deferred revenue	71,578,141	63,172,674	8,405,467	32,173,944
	95,509,240	89,792,729	5,716,511	62,662,034
Obligations under capital lease	34,509,364	35,495,944	(986,581)	35,260,768
Debenture debt	137,121,464	144,557,828	(7,436,364)	144,557,828
Fair value of interest rate swap	20,882,932	25,000,000	(4,117,068)	23,544,319
Other debt	174,223	177,675	(3,452)	176,842
Deferred capital contributions	158,097,949	161,108,394	(3,010,445)	160,590,853
	446,295,171	456,132,570	(9,837,399)	426,792,644
Net Assets				
Net assets, excluding current year surplus	90,723,933	78,557,121	12,166,812	78,318,574
Endowments	25,791,175	24,797,875	993,300	24,916,255
Current year (deficit)/surplus	(2,034,087)	7,324,402	(9,358,489)	12,405,361
	114,481,021	110,679,398	3,801,623	115,640,189
Total liabilities and net assets	\$ 560,776,192	\$ 566,811,968	\$ (6,035,776)	\$ 542,432,833

ONTARIO TECH UNIVERSITY
Consolidated Statement of Operations
For the 9 months ending December 31, 2022

	<u>Dec 31, 2022</u>	<u>Dec 31, 2021</u>	<u>YOY Variance</u>
Revenue			
Grants - operating & research	\$ 61,633,124	\$ 64,972,619	(3,339,495)
Grant - debenture	13,500,000	13,500,000	-
Donations - operating & research	712,477	607,297	105,180
Student tuition fees	62,760,309	60,702,094	2,058,215
Student ancillary fees	8,277,760	8,397,785	(120,025)
Revenue from purchased services	976,281	403,119	573,162
Other income	8,379,684	5,418,790	2,960,894
Amortization of deferred capital contributions	6,146,599	6,685,904	(539,305)
Interest revenue	1,711,620	568,951	1,142,670
Gain/(Loss) on other investments and disposal of assets	156,198	(299,295)	455,493
Unrealized gain on swap	2,145,387	-	2,145,387
	166,399,440	160,957,264	5,442,176
Expenses			
Salaries and benefits	94,841,573	89,977,435	4,864,138
Student aid, financial assistance and awards	10,762,172	10,925,440	(163,267)
Supplies and expenses	23,629,584	18,188,900	5,440,685
Purchased services	9,239,920	9,002,606	237,314
Professional fees	797,152	840,680	(43,529)
Interest expense - debt obligations	9,680,077	9,312,291	367,786
Interest expense - other	143,029	233,735	(90,706)
Amortization of capital assets	17,412,931	17,863,829	(450,897)
Unrealized loss/(gain) on investments	1,927,089	(2,712,053)	4,639,142
	168,433,527	153,632,863	14,800,664
Excess of expenses over revenues	\$ (2,034,087)	\$ 7,324,402	\$ (9,358,489)

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UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Cash Flows
As at December 31, 2022

	<u>Dec 31, 2022</u>	<u>Dec 31, 2021</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of expenses over revenues	(2,034,087)	7,324,402
Items not affecting cash:		
Amortization of capital assets	17,412,931	17,863,829
Amortization of deferred capital contributions	(6,146,599)	(6,685,904)
Unrealized (gain) on interest rate swap	(2,145,387)	-
Unrealized loss/(gain) on investments	1,927,089	(2,712,053)
(Gain)/loss on other investments and disposal of assets	(156,198)	299,295
	<u>8,857,749</u>	<u>16,089,568</u>
Working Capital		
Grant and other accounts receivable	(40,163,227)	(34,148,295)
Prepaid expenses and deposits	(345,351)	(290,521)
Inventories	(21,664)	-
Accounts payable and accrued liabilities	(6,556,992)	(6,375,177)
Deferred revenue	39,404,197	34,928,307
	<u>1,174,712</u>	<u>10,203,882</u>
INVESTING		
Purchase of capital assets	(9,280,731)	(16,292,942)
Investments	16,258,940	(511,961)
Other Assets	(439,690)	(226,024)
Endowment contributions	874,920	447,574
	<u>7,413,439</u>	<u>(16,583,353)</u>
FINANCING		
Repayment of long term debenture and other debt	(7,438,983)	18,016,734
Repayment of obligations under capital leases	(751,405)	(677,880)
Repayment of interest rate swap	(516,000)	-
Deferred capital contributions	3,653,694	6,786,431
	<u>(5,052,693)</u>	<u>24,125,284</u>
NET CASH INFLOW	3,535,458	17,745,815
CASH BALANCE, BEGINNING OF YEAR	69,225,462	53,127,071
CASH BALANCE, END OF PERIOD	\$ 72,760,920	\$ 70,872,886

Appendix 2

ONTARIO TECH UNIVERSITY	
Sample of reconciliation of operating forecast summary to year-end GAAP FS	\$ 000's
Total net surplus per operating statement	231
Adjustments for:	
Items on operating statement classified on Balance Sheet for GAAP purposes:	
Capital investment	17,362
Debt and lease principal repayments	9,359
Donation/grant received treated as deferred capital contribution	(3,681)
Items on GAAP FS, not budgeted in operating statement:	
Externally funded research revenues	18,220
Externally funded research expenses	(17,666)
Non-cash transactions:	
Amortization of capital assets	(23,561)
Amortization of deferred capital contributions	8,381
Net unrealized gain/loss on swap and investments	(750)
Other - vacation and other non-cash accruals	(1,000)
Forecast year-end GAAP net surplus	\$ 6,896

BOARD REPORT

SESSION:

Public

☒

Non-Public

☐**ACTION REQUESTED:**

Decision

☒

Discussion/Direction

☐

Information

☐**TO:****Board of Governors****DATE:****March 9, 2023****PRESENTED BY:** Sarah Cantrell, AVP Planning and Strategic Analysis**SUBJECT:****2023-24 Tuition Fees**

BACKGROUND/CONTEXT & RATIONALE:

The tuition fee framework, released by the provincial government in December 2018, regulates all publicly funded programs and allows for tuition fee differentiation based on program and program year.

The framework initially had all domestic tuition rates decrease by 10% in 2019-20, then remain frozen for 2020-21, 2021-22, and 2022-23. As there has not been a release of a new framework for the 2023-24 academic year, this document assumes that rates will remain frozen and therefore, will remain the same as seen since the 2019-20 academic year. The current fees are compliant with the existing tuition fee framework, and are being used for planning purposes. When a new tuition fee framework is released, the University will use any flexibility, if provided, to adjust undergraduate tuition fees at that time.

The Ministry has allowed adjustments to domestic out-of-province rates and the rates proposed below are within this framework. It is anticipated that the province will continue the in-province tuition fee freeze and allow up to 5% increase for out of province tuition fees. The university is proposing to increase out-of-province fees to the maximum allowed for 2023-24.

International or cost recovery programs are not included in the limits imposed by the provincial framework.

Recommended international tuition fees for programs were informed by comparative analysis of international fees within the sector for similar programs. The majority of Ontario Tech programs are below the system average. Recommended adjustments bring Ontario Tech tuition fee levels closer to the average of competing programs. International fee increases have been proposed for the first year of undergraduate programs with a commitment to capping further tuition fee increases in years 2, 3 and 4 (for undergraduate programs) to no more than 5% per year.

The University is proposing 0% international tuition increase for research based Masters programs and PhD programs. A 5% increase to Professional/course-based Masters programs is being proposed, with one high demand program increasing by 10%.

The University has increased its overall entrance scholarships and bursaries budget for undergraduate students by 28%, while the graduate student support budget has grown by 58%, over 2022-23. For undergraduates, the increase reflects maintaining entrance scholarships for domestic students and increasing the international entrance scholarships. On the graduate side, support for international students in research-mode programs has significantly increased year over year through Graduate International Tuition Scholarships (GITS) and/or Dean's Graduate Scholarships, Teaching Assistantships, and supervisor-funded Graduate Research Assistantships to recognize increased numbers and need.

This package was endorsed by Audit and Finance Committee at its February 22, 2023 meeting.

RESOURCES REQUIRED:

N/A

IMPLICATIONS:

The rates proposed in this document have been made to remain compliant with the provincial government's tuition framework. Revenue projections for the 2023-24 Budget use the proposed tuition levels. If there are reductions to the rates we would need to explore further reductions to expenses to offset the change.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

The fees recommended will allow Ontario Tech to continue to provide quality undergraduate and graduate programs.

ALTERNATIVES CONSIDERED:

The fees presented below bring Ontario Tech fee levels closer to the average of competing programs in the sector.

CONSULTATION:

These rates were presented to deans and Academic Council. A few points of clarification were raised, however no substantive issues were identified.

COMPLIANCE WITH POLICY/LEGISLATION:

The current fees are in compliance with the existing tuition fee framework.

NEXT STEPS:

Update tuition within Ontario Tech's student information system and website.

MOTION FOR CONSIDERATION:

That pursuant to the recommendation of the Audit & Finance Committee, the Board of Governors hereby approves the 2023-2024 tuition fees, as presented.

SUPPORTING REFERENCE MATERIALS:

- Appendix 1: Recommendations for Ontario Tech 2023-24 tuition fees

Appendix 1: Recommendations for Ontario Tech 2023-2024 tuition fees

Undergraduate Domestic

	2022-2023	2023-2024	2023-24 Increase
BA, BASc, BEd, BHSc, BSc, BSc & Mgt, UG Diploma			
First Year	\$5,982.80	\$5,982.80	0%
Second Year	\$5,956.38	\$5,956.38	0%
Third Year	\$5,926.62	\$5,926.62	0%
Fourth Year	\$5,920.76	\$5,920.76	0%
Fifth Year	\$5,914.98	\$5,914.98	0%
BCom			
First Year	\$8,088.28	\$8,088.28	0%
Second Year	\$8,049.76	\$8,049.76	0%
Third Year	\$8,011.44	\$8,011.44	0%
Fourth Year	\$8,003.52	\$8,003.52	0%
BIT			
First Year	\$9,031.18	\$9,031.18	0%
Second Year	\$9,022.42	\$9,022.42	0%
Third Year	\$9,013.68	\$9,013.68	0%
Fourth Year	\$8,991.78	\$8,991.78	0%
BEng, BEng & Mgmt			
First Year	\$9,390.18	\$9,390.18	0%
Second Year	\$9,381.24	\$9,381.24	0%
Third Year	\$9,372.30	\$9,372.30	0%
Fourth Year	\$9,283.04	\$9,283.04	0%
Fifth Year	\$9,159.26	\$9,159.26	0%
BSc & BSc & Mgmt (Comp Sci, Integrated Math & Comp Sci)			
First Year	\$6,339.90	\$6,339.90	0%
Second Year	\$6,333.84	\$6,333.84	0%
Third Year	\$6,327.84	\$6,327.84	0%
Fourth Year	\$6,321.78	\$6,321.78	0%
Fifth Year	\$6,321.64	\$6,321.64	0%
BScN, BHA			
First Year	\$6,100.68	\$6,100.68	0%
Second Year	\$6,094.76	\$6,094.76	0%
Third Year	\$6,088.84	\$6,088.84	0%
Fourth Year	\$6,082.92	\$6,082.92	0%

Undergraduate Out of Province

Current framework allows up to 5% increase in tuition fees for out-of-province students.

	2022-2023	2023-2024	2023-24 Increase
BA, BASc, BEd, BHSc, BSc, BSc & Mgt, UG Diploma			
First Year	\$5,982.80	\$6,281.94	5%
Second Year	\$5,956.38	\$6,254.18	5%
Third Year	\$5,926.62	\$6,222.94	5%
Fourth Year	\$5,920.76	\$6,216.78	5%
Fifth Year	\$5,914.98	\$6,210.72	5%
BCom			
First Year	\$8,088.28	\$8,492.68	5%
Second Year	\$8,049.76	\$8,452.24	5%
Third Year	\$8,011.44	\$8,412.00	5%
Fourth Year	\$8,003.52	\$8,403.68	5%
BIT			
First Year	\$9,031.18	\$9,482.72	5%
Second Year	\$9,022.42	\$9,473.54	5%
Third Year	\$9,013.68	\$9,464.36	5%
Fourth Year	\$8,991.78	\$9,441.36	5%
BEng, BEng & Mgmt			
First Year	\$9,390.18	\$9,859.68	5%
Second Year	\$9,381.24	\$9,850.30	5%
Third Year	\$9,372.30	\$9,840.90	5%
Fourth Year	\$9,283.04	\$9,747.18	5%
Fifth Year	\$9,159.26	\$9,617.22	5%
BSc & BSc & Mgmt (Comp Sci, Integrated Math & Comp Sci)			
First Year	\$6,339.90	\$6,656.88	5%
Second Year	\$6,333.84	\$6,650.52	5%
Third Year	\$6,327.84	\$6,644.22	5%
Fourth Year	\$6,321.78	\$6,637.86	5%
Fifth Year	\$6,321.64	\$6,637.72	5%
BScN, BHA			
First Year	\$6,100.68	\$6,405.70	5%
Second Year	\$6,094.76	\$6,399.48	5%
Third Year	\$6,088.84	\$6,393.28	5%
Fourth Year	\$6,082.92	\$6,387.06	5%

Undergraduate International

	2022-23	2023-2024	2023-24 Increase**
BA, BASc, BEd, BHSc, BSc & Mgt			
First Year	\$29,195.50	\$30,655.26	5%
Second Year	\$27,868.44	\$30,655.26	5%
Third Year	\$24,238.34	\$29,261.86	5%
Fourth Year	\$24,131.40	\$25,450.26	5%
Fifth Year	\$24,010.74	\$25,337.96	5%
BCom			
First Year	\$32,383.84	\$34,003.02	5%
Second Year	\$30,911.84	\$34,003.02	5%
Third Year	\$26,885.28	\$32,457.42	5%
Fourth Year	\$26,757.26	\$28,229.54	5%
BIT			
First Year	\$35,344.50	\$37,111.72	5%
Second Year	\$32,271.06	\$37,111.72	5%
Third Year	\$28,067.48	\$33,884.60	5%
Fourth Year	\$28,040.24	\$29,470.84	5%
BEng, BEng & Mgmt			
First Year	\$39,808.20	\$41,798.60	5%
Second Year	\$36,346.62	\$41,798.60	5%
Third Year	\$31,612.14	\$38,163.94	5%
Fourth Year	\$31,582.04	\$33,192.74	5%
Fifth Year	\$31,551.96	\$33,161.14	5%
BSc & BSc & Mgmt (Comp Sci, Integrated Math & Comp Sci)			
First Year	\$32,344.46	\$33,961.68	5%
Second Year	\$29,531.90	\$33,961.68	5%
Third Year	\$25,685.10	\$31,008.48	5%
Fourth Year	\$25,660.62	\$26,969.34	5%
Fifth Year	\$25,636.20	\$26,943.64	5%
BScN, BHA			
First Year	\$29,770.78	\$31,259.30	5%
Second Year	\$28,417.56	\$31,259.30	5%
Third Year	\$24,715.92	\$29,838.42	5%
Fourth Year	\$24,691.92	\$25,951.70	5%

**5% increase with commitment to cap international tuition to no more than 5% fee increase per year for international students.

Graduate Domestic Program Based

	2022-23	2023-2024	2023-24 Increase
Graduate Degree			
MA (Crim), MHSc, MSc	\$7,579.30	\$7,579.30	0%
MSc (Computer Science)	\$7,579.30	\$7,579.30	0%
MASc	\$7,859.94	\$7,859.94	0%
MEng, MEngM	\$8,859.94	\$8,859.94	0%
MScN	\$8,761.50	\$8,761.50	0%
PhD	\$7,579.30	\$7,579.30	0%
EdD	\$10,097.00	\$10,097.00	0%
Graduate Diploma			
Diploma in Accounting	\$8,508.20	\$8,933.60	5%
Diploma in Nuclear Technology	\$5,906.62	\$5,906.62	0%
Diploma in Nuclear Design Engineering	\$5,906.62	\$5,906.62	0%
Diploma in Engineering Management	\$5,906.62	\$5,906.62	0%

Credit Based (per 3-credit course)

	2022-23	2023-2024	2023-24 Increase
Graduate Degree (Per 3-credit Course)			
MEd	\$1,576.47	\$1,576.46	0%
MA in Education	\$1,576.46	\$1,576.46	0%
MITS	\$1,257.52	\$1,257.52	0%
MBAI, MFDA	\$2,709.00	\$2,709.00	0%
Graduate Diploma (Per 3-credit Course)			
Diploma in Ed & Digital Technology	\$1,576.46	\$1,576.46	0%
Work Disability Prevention	\$1,576.46	\$1,576.46	0%
Police Leadership		\$1,576.46	0%

Note: MBAI has been moved from program fee to course based with the same overall tuition fee being paid but on a per course basis.

Graduate International Program Based

	2022-23	2023-2024	2023-24 Increase
Graduate Degree			
MA (Crim), MHSc, MSc	\$20,124.30	\$20,124.30	0%
MSc (Computer Science)	\$20,124.30	\$20,124.30	0%
MASc	\$22,313.12	\$22,313.12	0%
MEng & MEngM	\$28,960.64	\$30,408.66	5%
MScN	\$23,236.82	\$24,398.66	5%
PhD	\$19,166.00	\$19,166.00	0%
EdD	\$17,374.50	\$18,243.21	5%
Graduate Diploma			
Diploma in Accounting	\$13,370.04	\$14,038.54	5%
Diploma in Nuclear Technology	\$19,307.10	\$20,272.44	5%
Diploma in Nuclear Design Engineering	\$19,307.10	\$20,272.44	5%
Diploma in Engineering Management	\$19,307.10	\$20,272.44	5%

Credit Based (per 3-credit course)

	2022-23	2023-2024	2023-24 Increase
Graduate Degree (Per 3-credit Course)			
MEd	\$2,602.50	\$2,732.62	5%
MA in Education	\$2,602.50	\$2,732.62	5%
MITS	\$3,796.61	\$4,176.26	10%
MBAI, MFDA	\$4,500.00	\$4,725.00	5%
Graduate Diploma (Per 3-credit Course)			
Diploma in Ed & Digital Technology	\$2,602.50	\$2,732.62	5%
Work Disability Prevention	\$2,602.50	\$2,732.62	5%
Police Leadership		\$2,732.62	0%

Note: MBAI has been moved from program fee to course based with the same overall tuition fee being paid on a per course basis.

English for Academic Purposes (EAP) Program

	2022-23	2023-2024	2023-24 Increase
All Levels	\$3,041.29	\$3,041.29	0.0%

BOARD REPORT

SESSION:**Public**☒**Non-Public**☐**ACTION REQUESTED:****Decision**☒**Discussion/Direction
Information**☐☐**TO:****Board of Governors****DATE:****March 9, 2023****PRESENTED BY: Brad MacIsaac, VP Administration****SUBJECT:****2023-24 Ancillary Fees**

COMMITTEE/BOARD MANDATE:

The committee is responsible for overseeing the financial affairs of the university including reviewing and recommending approval of the tuition fees and ancillary fees.

We are seeking the committee's recommendation of the proposed 2023-24 ancillary fees for approval by the Board of Governors.

BACKGROUND/CONTEXT & RATIONALE:

Provincial policy requires that a negotiated Compulsory Ancillary Fees protocol exists between the board of governors of each university and their student association. For Ontario Tech our agreed upon protocol, signed June 2018, creates a committee that consists of three student and three administrative representatives.

The terms of the current Ontario Tech protocol outline that Consumer Price Index increases do not require committee approval. The university uses the Bank of Canada average in September each year. For clarity, CPI is an indicator of changes in consumer prices experienced by Canadians. It is obtained by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers. Normally, the prices of certain CPI components can be particularly volatile. During COVID we have seen much larger fluctuations than usual; hence, the reason we use CPI-median as our tracker. This is a measure of core inflation corresponding to the price change located at the 50th percentile of the distribution. This measure helps filter out extreme price movements specific to certain components.

The September 2022 median CPI is 4.8%. Prior to March 2021 CPI was normally less than 2% so the university tried to keep fees more in line with that target. The recommended **average increase for full-time students in 2023-2024 is 2.1%**. Of note, we are saying average as this takes in all fees which may not apply to all students (ie specific society fees) nor some sub sets (ie part-time students). This figure does not include course specific (ie nursing lab fee) or contractual increases (ie health insurance plan under OTSU purview). Looking through the lines

you will see variations of increases with some larger increases (4 - 5%) in OTSU items related to programming and events; but, this is on small dollar figures and this was done in partnership with administration to ensure the bottom line average was under CPI.

As we know that every dollar counts to students we have been watching our combined tuition and ancillary rates carefully and make any adjustments with this in mind. Our rates are higher than other Ontario institutions due to our smaller size and the fact that we have two capital projects (~\$350) approved through student referendum. Additionally, we have costs due to our dedication to providing a Technology Enhanced Learning Environment and Sustainable Campus. For many students this actually saves them money rather than having them go out and buy the materials independently. For example, the Durham Region Bus Pass saves students about 65% on a monthly adult rate.

This package was endorsed by Audit and Finance Committee at its February 22, 2023 meeting.

IMPLICATIONS:

Altering the fees will alter our ability to provide specific services.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

The fees recommended will allow Ontario Tech to continue to provide quality undergraduate and graduate services and experiences to its students.

ALTERNATIVES CONSIDERED:

Each fee change was reviewed by the Ancillary fee Committee.

CONSULTATION:

A request for fees was sent out to all unit leads and Ontario Tech Student Union in November. The committee met to evaluate and decide on changes. Instead of applying the CPI to all fees the Student Union and management discussed, and agreed to, reallocating the increase across services.

COMPLIANCE WITH POLICY/LEGISLATION:

The increases are compliant with provincial policy and Ontario Tech's ancillary fee protocol.

MOTION FOR CONSIDERATION:

That, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors hereby approves the 2022-23 ancillary fees as presented.

Compulsory Ancillary Fees

Fee Classification/Description	FY23	FY24	% Increase
each semester to full-time and part-time students			
Career Readiness UCRD	71.54	72.97	2.00%
Health Services (general) UHSV	27.85	28.41	2.00%
Mental Health Services UMHS	68.20	69.56	2.00%
Wellness and Health Promotion UWEL	15.59	15.90	2.00%
Sport and Recreation UACM	93.51	95.20	1.80%
Student Safety and Accessibility UCSF	87.90	89.66	2.00%
Open Access UCOA	34.48	35.17	2.00%
Student Success Support USSS	32.33	32.98	2.00%
Physical and Virtual Infrastructure Enhancements UISE	157.14	160.28	2.00%
Student ID UIDC	19.52	19.91	2.00%
each semester to full-time students only			
U-Pass UUPS	294.50	300.10	1.90%
fall/winter semesters to full-time and part-time students			
Campus Clubs UCCL	5.49	5.49	0.00%
Campus Life and Events UCLE	13.13	13.37	1.83%
Community and Social Programming UCSP	12.49	13.04	4.40%
Convocation CONV	6.90	7.04	2.00%
Georgian Engagement Services UGES	208.83	213.01	2.00%
Instructional Resource UTIR	144.52	147.41	2.00%
OUSA Membership Fee		3.24	NEW
Student Engagement USEN	70.20	71.60	2.00%
Student Learning USLN	120.83	123.25	2.00%
Student Representation and Leadership USRL	9.28	9.95	7.20%
Student Societies USSO	3.41	3.48	2.15%
Student Society Fee FBIT USSF	13.83	13.83	0.00%
Student Society Fee FEAS USSE	19.06	19.06	0.00%
Student Society Fee FHSc USSH	10.20	10.20	0.00%
Student Society Fee FSCI USSC	15.30	15.30	0.00%
Student Society Fee FSSH USSX	7.50	7.50	0.00%
Technology-enriched Learning FBIT Non-Gaming ULSF	154.38	157.47	2.00%
Technology-enriched Learning FBIT -Gaming ULSF	341.96	348.80	2.00%
Technology-enriched Learning FEAS ULSF	200.69	204.70	2.00%
Technology-enriched Learning FESNS ULSF	200.69	204.70	2.00%
Technology-enriched Learning FEDU ULSF	224.10	114.24	2.00%*
Technology-enriched Learning FEDU ULSF	112.00	114.24	2.00%
Technology-enriched Learning FHSc ULSF	161.32	164.55	2.00%
Technology-enriched Learning FSCI ULSF	156.47	159.60	2.00%

Technology-enriched Learning FSSH ULSF	133.56	136.23	2.00%
Technology-enriched Learning Undeclared ULSF	157.38	160.53	2.00%
Wellness and Support Services UWSS	11.67	11.90	2.00%
World University Services of Canada UWUF	2.81	2.87	2.00%
fall/winter semesters to full-time students only			
Benefit Plan Coordination UBPC	24.38	24.38	0.00%
OTSU Building USUB	105.86	111.65	5.47%
Campus Recreation and Wellness Centre UEXP	177.94	179.94	1.12%
Varsity Sports UVAR	80.48	82.09	2.00%

* Education fee for TELE has been moved to payment over four terms rather than two.

Appendix A

Material/ Service Fees and Administrative fees are exempt from this protocol. These fees are set through agreements with vendors and service providers that do not produce net revenue for the university and are charged in full to all students in applicable courses and programs. These fees may cover the costs of:

- i. Travel and accommodation of students on compulsory field trips;
- ii. Learning materials and clothing that are retained by the student;
- iii. Materials that are used to produce items that become the property of the student;
- iv. Materials and services that are set by a vendor and the university acts as a broker on behalf of students.

Flat Fees Charged per Term (FT/PT)	FY23	FY24	% Increase
Nursing - Nurse Achieve – RN (8 terms)		111.59	NEW
Nursing - Nurse Achieve – RPN (6 terms)		148.79	NEW
Education Placement Fee UPAF	78.12	150.00	92.01%

BOARD REPORT

SESSION:

Public ☒
Non-Public ☐

ACTION REQUESTED:

Decision ☐
Discussion/Direction ☐
Information ☒

TO: Board of Governors

DATE: March 9, 2023

FROM: Brad MacIsaac, Vice-President, Administration

SUBJECT: Risk Management – February 2023 Risk Report

COMMITTEE MANDATE:

The Audit and Finance Committee is responsible for overseeing risk management, and other control functions at the University. This oversight includes receiving regular reports from management on areas of significant risk to the University. These reports highlight processes are in place to identify areas of risk and outline appropriate mitigative actions are taken or planned in areas where material risk is identified.

BACKGROUND/CONTEXT & RATIONALE:

At the February 22, 2023 meeting of A&F the report was reviewed and discussed.

In November 2022, the Committee approved recommendations which included changes to the Board professional development (PD), the risk report design, timing, and information. The Committee also requested the following additions;

- Annual Report include a picture dashboard of the university's risk portfolio;
- More details on the efficacy of the mitigation plans in place; and
- Director of Risk Management have direct access to the committee chair.

The attached Risk Report has been prepared in accordance with the approved new format with additional changes.

Attachments:

February 2023 Risk Report



February 2023 RISK MANAGEMENT REPORT

Prepared by:
Brad MacIsaac - Chief Risk Officer
Jackie Dupuis - Director of Risk Management
February 22, 2023



The University Risk Management (URM) framework was established in June 2014, underpinned by the institutional risk register developed and validated in partnership with all faculty and administrative units in 2017. The University's risk register is continuously reviewed with risk owners. The June 2022 report had 70 items on the list. The university's next annual report is scheduled for April 2023, in accordance with approved changes.

The risk register defines institutional risks into four categories: financial, operational, strategic, and reputational. Risks are then catalogued based on the calculated risk level within their area. Risks identified as strategic or with a high or extreme calculated risk level are assigned to a member of the Senior Leadership Team for oversight see appendix B. The ongoing assessment of risk includes reexamining the causes of risk, existing controls, the likelihood and consequence of the risks occurring, and the mitigation strategies in place.

The risks highlighted in the dashboards that follow are subject to change every quarter. The highlights are a snapshot in time of a few of the items that the Director of Risk Management wanted to call out based on a new addition, a change from last quarter, and/ or those with the highest residual impact and likelihood scores after existing management controls have been fully considered.

As the risk IQ matures across the institution, so does the risk appetite. As discussed with A&F in November 2022 the plan this year is to have a simple dashboard included at the start of this report to outline the majority of risks and a discussion with senior leadership to update strategic risks and risk appetite.

Operational Risk remains well within appetite as we continue to invite our community back to campus after remaining virtual due to COVID-19. There are no major projects taking place on campus with the potential to increase the risk of disruption and safety. There is a need to move more focus to the preventative maintenance program on north campus and away from reactionary which can lead to equipment failure, downtime, lost production, and injury. Working with our facilities partners at Durham College we are collaborating on a fulsome review. The likelihood of safety risks occurring internationally has slowly increased due to the inherent nature of returning to regular duties post-pandemic, while the impact remains low resulting from effective processes in place. Expansion of the crisis management plan on a global scale is being considered, respecting the lessons learned from COVID-19.

Financial Risk is within appetite, while *Financial Sustainability* remains foundational to the institution. Concerns grow across the sector as limited government funding will impact financial outcomes in certain areas of the university. Ontario Tech's enrollment remains stable, however the lower than anticipated international enrollment in fall 2022 requires the university to become even more strategic on other additional revenue streams. The university remains vigilant in complying with fiscal controls and reporting. The university continues a focus of long-term strategy planning and decision making to sustain financial responsibility.

Strategic Risk remains within appetite, however requires a fulsome review against the innovative new normal of alternative revenue generation and hybrid and remote modelling.

Reputational Risk is within appetite and remains stable. The changes to the university brand has demonstrated success as evidenced by the recognition of being one of Canada's #1 research institutions, the increase in high school applications as well as the continued increase in overall university ranking in Canada. The university's reputation remains optimistically bright entering into 2023.

Operational Risk

Risk Definition: Exposures that arise from people or a failure in internal processes, systems or controls and may impact the University's ability to sustain immediate or future business operations.

Alignment to Risk Appetite: Within risk appetite



Key updates since last report: As the university continues to return its members to campus, existing processes and protocols in place pre-pandemic are being tested. The Student of Concern Committee has been re-established to respond to the increase in incidents of student misconduct on campus.

The university continues to support the hybrid learning models, and remote work.

Top Operational Risks	Risk Trend	Risk Mitigation Plan
Campus Safety and Security Risks associated procedural deficiencies regarding prevention, safety, and protection of campus community members.	?	External review pending, with a focus on nonacademic student misconduct activities. Student of Concern committee to establish proactive response procedures. Risk trend to be updated once the details of the report are made available.
Preventative Maintenance Program Failure to perform routine maintenance could result in breakdowns, engine failure, lost production, inflated costs, and down time.	↑	Collaborate with college partner on Work Description Document reviews to capture the current state of the infrastructure with agreed upon realistic response time frames. Support subsequent training initiatives of facilities management.
Risk Owner:	VP - Administration	

Financial Risk

Risk Definition: Exposures that arise from the University's financial operations and/or external market forces, with the potential to impact funding level, investment performance, liquidity, budget, premium revenue/rates, and other key financial indicators.

Alignment to Risk Appetite: Within risk appetite



Key updates since last report: After years of budget uncertainty relating to COVID, we are forecasting a relatively stable yet lean three-year balanced budget position.

Top Financial Risk	Risk Trend	Risk Mitigation Plan
Financial Sustainability: Risk associated with inadequate fiscal controls	→	Ensure predictive analysis is based on sound assumptions. Continue to monitor what others within the sector are considering and adjust accordingly. Exploring alternate sources of revenue. Budget process, sound management and recruitment strategies. Use innovative enrollment tactics to meet University enrollment goals. Assess existing contractual obligations.

Update to the risk mitigation plan upon completion of the proposed 2023 budget asks.

Risk Owner:

VP - Administration

Strategic Risk

Risk Definition: Risk that arises from internal and external trends and events that might impact the University's ability to achieve its mandate, or that arise from its ability to identify and execute on objectives and to establish and implement strategies to achieve them.

Alignment to Risk Appetite: Within risk appetite



Key updates since last Report: The university's new Wellness Manager has been busy evaluating the university's current wellness program. A new program and resources have been introduced to the institution called: 'I Need Help – Get Support' which is intended to provide quick/easy access to employees needing to access supports. In addition, enhancements have been made to the well-being website.

Top Strategic Risk

Risk Trend

Risk Mitigation Plan

Employee Health and Wellness:

Risk in instability in work-life balance



Continue the expansion of mental health service providers as part of our health and wellness benefits. 'I Know Someone Who Needs Help – Learn How To Help Now' is anticipated to roll out within the first quarter of 2023, which is intended to provide quick/easy access to *Faulty Supporting Students* and *Employee supporting Employee*.

Continue to enhance the university's well-being website.

Focused efforts on mental health specific training which includes *Campus Connected*, *The Working Mind*, *Mindsight*, and *safeTALK*.

Focused efforts on health practices via the new *Wellness Wheel Self-Assessment and Action Plan*

Continue to provide workshops to support individual health practices organized by our Healthy Workplace Committee.

Risk Owner:

Chief Transformation and Organization Culture Officer

Reputational Risk


Risk Definition: Exposures that arise from stakeholders' perception of the University with the potential to impact public trust in the University, as a result of direct or indirect action of the University, its employees, partners or suppliers.

Alignment to Risk Appetite: Within risk appetite



Key updates since last report: The university has significantly reduced its financial exposure to cyber security losses. Operationally, the university has made great strides in developing repeatable processes that involve privacy loss control techniques for the end user. The university was successful in procuring comprehensive cyber security insurance coverage to respond to first party and third-party losses. Both institutions have entered into a partnership with an organization supporting Breach Coach services. IT has developed a template for data collection when reporting incidents externally. Two Factor authentication was successfully initiated in areas of high risk across the institution.

This particular risk overlaps with the risk categories of operational and financial risk. Cyber risk been reduced from a high to a medium in all categories of risk, while remaining a top priority for mitigative strategies at the institution.

Top Reputational Risk	Risk Trend	Risk Mitigation Plan
Cyber Security and Privacy: The failure to safeguard our information systems and data		Continue to lead Table Top Scenario based discussions between the institutions to strengthen our understanding of the response in crisis. These scenarios will have narrow focus to test specific vulnerabilities. Continue to launch phishing campaign/cyber security awareness twice annually and based on the results we set up additional training. Continue to initiate two factor authentication program across all areas of the institution.
Risk Owner:	VP – Administration	

APPENDIX A: EMERGING RISKS AND NEW INITIATIVES

There are no emerging risks to report at this time

New Initiatives:	Legacy subcritical assembly ¹
Risk Assessment:	Absolute liability exists with all activities associated with nuclear instruments in the event of an incident. <i>Canada's Nuclear Liability and Compensation Act</i> (NLCA), requires third-party liability coverage for designated nuclear installations in alignment with the International Nuclear Liability Convention to which Canada is party, the Convention on Supplementary Compensation (CSC).
Update since previous report:	NIAC attended campus in January 2023, and made several noteworthy recommendations and mandatory actions related to loss control and loss prevention. Overall, NIAC was impressed with the existing safety processes and protocols in place.
Risk Category:	Operational, reputational
Next Steps:	Respond to the mandatory actions and await further engagement from NIAC regarding possible revisions to our insurance portfolio.

New Initiatives:	University Fine Arts policy
Risk Assessment:	The university carries a plethora of fine art across the institution with values that are currently unknown. The university's existing insurance portfolio specifically excludes fine arts damaged or destroyed by all perils.
Risk Category:	Operational, financial
Next Steps:	Meet with key stakeholders across the institution to secure a comprehensive list of all instruments defined under the term <i>fine art</i> , and apply for consideration of coverage. Application submission is set for April 2023.

¹ Continuation of initial reporting in November 2022

APPENDIX B: Strategic Risk Register

Reference	Establish Risk Context (Describes the institutional environment, behaviors that affect the way the risk arises and the way it should be managed. What do we need to take into account and what are the objectives.)	Identification of Strategic Risks
SR.1.a	<ul style="list-style-type: none"> - Critical Assessment of internal stakeholders needs and making informed decisions - Define enrolment strategy for attraction of key staff and faculty as competition continues to increase - Maintain acceptable student, faculty, and staff satisfaction and maintain standards to drive institutional success and reputation <ul style="list-style-type: none"> - Manage social media reviews - Understand the long term impacts of decision making on prospective internal stakeholders 	Stakeholder Relations / Engagement, Internal – Students
SR.1.b	<ul style="list-style-type: none"> - Critical Assessment of internal stakeholders needs and making informed decisions - Define enrolment strategy for attraction for key staff and faculty as competition continues to increase - Maintain acceptable student, faculty, and staff satisfaction and maintain standards to drive institutional success and reputation <ul style="list-style-type: none"> - Manage social media reviews - Understand the long term impacts of decision making on prospective internal stakeholders 	Stakeholder Relations / Engagement, Internal – Employees
SR.2	<ul style="list-style-type: none"> - Incorporate risk management in decision making to recognize short and long term impacts to external stakeholders <ul style="list-style-type: none"> - Assess and understand external stakeholder group needs to preserve and foster relationships - Foster long term partnerships with external stakeholders in effort to fortify the institution's brand - Understand the long term impacts of decision making on prospective external stakeholders 	Stakeholder Relations / Engagement, External
SR.3	<ul style="list-style-type: none"> - Inspire and challenge faculty and staff personally, professionally and academically in order to make UOIT a remarkable place for work - Enable faculty and staff to be entrepreneurial to inspire innovation 	Academic and Non-academic Staff Engagement

SR.4	<ul style="list-style-type: none"> - Meet student's needs by providing career-focused professional development options, amplify research and providing student developmental opportunities <ul style="list-style-type: none"> - Recruit a high caliber of student mix - Enable and foster student, faculty and staff to be entrepreneurial to inspire innovation <ul style="list-style-type: none"> - Maintain acceptable student engagement levels - Assessment of drivers and outcomes leading to (good and bad) student engagement levels - Anticipate, explore and leverage technological developments to prepare students for successful careers and improve student experience <ul style="list-style-type: none"> - Maintain acceptable student engagement levels 	Student Experience / Culture
SR.5	<ul style="list-style-type: none"> - Effective management of a change in leadership and create synergies resulting in misalignment or compromise of strategic focus - Maintain the optimal leadership mix to enable student success and meet strategic goals <ul style="list-style-type: none"> - Communicate expectations to leadership 	Leadership
SR.6	<ul style="list-style-type: none"> - Sustainability of current infrastructure (physical), systems (technology), resources and environment- Maintain safety, security and wellness of stakeholders groups including faculty, staff, students- Enable organizational diversity at all levels and continue to be inclusive of all stakeholder groups- Link community issues to UOIT's approach (e.g. research) to thinking, doing and leading in effort to fortify the institution's strengths to make a difference in society - Recognize opportunities within the community to become a change-maker and leader in technology-driven research 	Campus Wellbeing
SR.7	<ul style="list-style-type: none"> - Sustainability of current infrastructure (physical), systems (technology), resources and environment - Maintain safety, security and wellness of stakeholders groups including faculty, staff, students - Enable organizational diversity at all levels and continue to be inclusive of all stakeholder groups - Link community issues to UOIT's approach (e.g. research) to thinking, doing and leading in an effort to fortify the institution's 	Brand

	<p>strengths to make a difference in society</p> <ul style="list-style-type: none"> - Recognize opportunities within the community to become a change-maker and leader in technology-driven research 	
SR.8	<ul style="list-style-type: none"> - Facilitate the application of technology to meet the needs of students, community and society as a whole to remain innovative and competitive - Inspire students, faculty and staff to be creative and entrepreneurial 	Innovation
SR.9.a	<ul style="list-style-type: none"> - Effective management of infrastructure (information computing technology, space constraint etc.) and adequately plan for future needs - Provide the necessary tools and infrastructure to enable the pedagogy of learning - Manage and secure cyber security platforms / systems to protect staff, faculty and student data 	Physical Infrastructure
SR.9.b	<ul style="list-style-type: none"> - Effective management of infrastructure (information computing technology, space constraint etc.) and adequately plan for future needs - Provide the necessary tools and infrastructure to enable the pedagogy of learning - Manage and secure cyber security platforms / systems to protect staff, faculty and student data 	Virtual Infrastructure
SR.10	<ul style="list-style-type: none"> - Work closely with DC to recognize opportunities while maintaining a symbiotic relationship - Maintain communication to foster the partnership 	Partnership Success with Durham College
SR.11		

	<ul style="list-style-type: none"> - Widened access to PSE and growing competitive pressures resulting in a greater need to raise teaching standards and strengthen student experience (better facilities, cutting-edge technology etc.) - Anticipate competitive advancements and offerings within higher education - Maintain desired enrolment levels 	Disruption – From within PSE sector
SR.12	<ul style="list-style-type: none"> - Provide inspirational and imaginative solutions to become differentiated as an institution, stay relevant and maintain desired enrolment levels - Inspire innovation and remain entrepreneurial to remain attractive - Consider external opportunities outside of PSE in order to think big and break new ground - Explore partnerships to offer innovative solutions to students 	Disruption – From outside PSE sector



BOARD OF GOVERNORS' 125th REGULAR MEETING

Minutes of the Public Session of the Meeting of December 1, 2022
12:05 p.m. to 1:15 p.m., Hybrid

GOVERNORS IN ATTENDANCE:

Laura Elliott, Board Chair
Maria Saros, Vice-Chair and Chair of Governance, Nominations & Human Resources
Lynne Zucker, Vice-Chair and Chair of Strategy & Planning Committee
Steven Murphy, President
Mitch Frazer, Chancellor
Ahmad Barari
Carla Carmichael, Chair of Audit & Finance Committee
Kevin Chan
Kathy Hao
Kori Kingsbury
Thorsten Koseck
Matthew Mackenzie
Joshua Sankarlal
Trevin Stratton
Roger Thompson, Vice-Chair of Audit & Finance Committee
Jim Wilson

REGRETS:

Eric Agius
Doug Ellis
Dale MacMillan
Kim Slade

BOARD SECRETARY:

Lauren Turner, *University Secretary*

STAFF:

James Barnett, *Vice-President, Advancement*
Jamie Bruno, *Chief Transformation and Organization Culture Officer*
Sara Gottlieb, *General Counsel*
Barb Hamilton, *Legal Executive Assistant*
Krista Hester, *Chief of Staff*
Lori Livingston, *Provost & Vice-President, Academic*
Brad MacIsaac, *Vice-President, Administration*
Kimberley McCartney, *Assistant University Secretary*

Joanne Nickle, *Senior Executive Assistant, VP External Relations*
Pamela Onsiong, *Director, Planning & Reporting, Finance*

1. Call to Order

The Chair called the public session to order at 12:05 p.m.

2. Agenda

Upon a motion duly made by M. Frazer and seconded by M. Mackenzie, the Agenda was approved as presented.

3. Conflict of Interest Declaration

None.

4. Chair's Remarks

The Chair welcomed everyone to the meeting, expressing pleasure at seeing so many people in person. She complimented the tour guides who led board members around the downtown campus prior to the meeting. She also recognized M. Frazer for his appointment to the Order of Ontario.

5. President's Report

The President expressed similar pleasure at seeing many people in person. He discussed the highly successful fall semester, the happiness of students at returning to campus, and the safety of continued masking. He noted a 33% increase in new student applications to Ontario Tech this year versus a sector average of 6.8% – and attributed the delta to the University's brand and the value proposition of the programs offered. He commented on the challenges with Immigration, Refugees and Citizenship Canada (IRCC) and the student visa backlog, noting that deferred entry in January has been offered.

The President discussed the challenges of the “sticky campus” in the context of COVID-19. Despite these, he noted that record crowds were drawn by varsity sports, particularly the men's soccer team. He then discussed the University's successes in partnering with the private sector and government. In particular, the deal that was signed with Canadian Nuclear Laboratories (CNL) demonstrates the University's prominence in the nuclear and energy spaces.

The President then commented briefly on the audit by the Auditor General of Ontario (AG), recognizing B. MacIsaac in particular for his efforts. The Chair then thanked the staff for their leadership and work on the audit as well as communication with the Board of Governors.

6. Academic Council

C. Carmichael delivered the Academic Council report as the newly appointed Board of Governors representative. She reported that Academic Council had a good discussion about the value of strategic partnerships and hosted Elder Pat Green, who was most insightful. She noted that a number of matters such as student enrolment, planning, the Integrated Academic-Research Plan, and budget assumptions were presented to Academic Council this fall and are now before the Board of Governors. C. Carmichael gave an overview of Academic Council-approved recommendations of memberships to various governance bodies, curriculum, and policy changes. She noted that the report supporting this agenda item includes the orientation materials delivered to Academic Council in the fall, which may be a helpful reference for Board members.

Committee Reports

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

C. Carmichael gave brief remarks as the majority of the A&F items were before the Board of Governors. She noted that as a new Committee Chair, she felt honoured to be appointed to her role and has been impressed with Ontario Tech's leadership team and staff. She thanked R. Thompson and L. Elliott for their support.

Finance

7.1 Second Quarter Financial Reports

C. Carmichael gave an overview of the Second Quarter Financial Reports, noting that the University is trending close to budget. She drew the Board's attention to a shortfall of \$388K, in net operating surplus, \$3M higher than forecasted revenues, and losses due to IRCC visa processing delays estimated at \$1.6M. C. Carmichael then discussed costs, highlighting that labour costs have been favourable against budget and that the University is fortunate that the majority of its costs are fixed or contractual in nature – this offsets the risks of inflation. She noted that capital expenditures are higher by approximately \$4M, an amount largely attributable to new grants awarded to the University as well as some approved capital expenditures in the prior year with delivery into the current year. Overall, the first two quarters have been strong at the University, particularly in light of the challenges posed by IRCC delays and inflation.

J. Wilson joined the meeting.

7.2 Budget Assumptions

C. Carmichael presented the Budget Assumptions, noting that the discussion paper outlines the base assumptions for revenue, tuition and expenses. The budget is scheduled to be approved in late spring for the next fiscal year. B. MacIsaac updated the Board on ongoing consultations regarding the budget, including the recent Town Hall. He also noted that work is underway in units across the University to prioritize expense requests for centralized review.

7.3 Risk Management Update

C. Carmichael presented the Risk Management Update, observing that risk reporting at the Board level is a delicate balance of finding the right amount of information to share with a Board for it to fulfill its oversight function. To this point, she summarized the efforts made during the summer to revise risk reporting as well as the discussion at the fall A&F meeting where a higher-level dashboard of risks was requested. She shared with the Board that the head of the Risk Management program will have standing access to the A&F Chair to advise of any risks that need to be escalated. B. MacIsaac clarified for the Board that although the Risk Management Update bears his name, it reflects the independent assessments of the Director of Risk Management.

T. Stratton joined the meeting.

The Board then discussed the report, expressing support for the revised format. In response to a question, B. MacIsaac advised that the University is currently self-insuring cyber risk. He noted, however, that the University's insurer, Canadian Universities Reciprocal Insurance Exchange (CURIE) has recently completed research into the possible revision of cyber insurance. A brief discussion then ensued on the recent cyberattack on the Durham District School Board. B. MacIsaac confirmed that the University has a communications plan should a similar event occur and advised the Board that a tabletop exercise was held jointly with Durham College in August. He noted that there will be a professional development session in January 2023 dedicated to the subject of cybersecurity.

A. Barari joined the meeting.

8. Governance Nominations & Human Resources Committee (GNHR) Report

M. Saros provided the GNHR Report. She commented on the annual review of the Policy Against Violence in the Workplace, noting that neither Human Resources nor the Human Rights Office have received complaints pursuant to the Policy. She also highlighted the Committee's receipt and discussion of leading practices in university board governance which will support broader industry efforts to improve governance and transparency.

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

L. Zucker delivered the S&P report. She shared that the Committee has started work on a strategic retreat for this academic year, a practice that was put on hold during the pandemic. She commented positively on a number of events held by the University in the fall, including Women in STEM and the Chancellor's Challenge.

9.1 Strategic Priorities for 2023-2024

L. Zucker provided an overview of the Strategic Priorities for 2023-2024, noting the challenges posed by frozen tuition, competition for students, and government-mandated programs that do not come with any attendant funding. She shared that the University intends to meet these challenges through innovation, differentiation from other institutions, and pursuing alternate sources of revenue.

In response to a question, the Vice-President Administration discussed the challenges associated with after-hours food service on campus. Board members proposed a number of options for University leaders to explore including creating student jobs, food or coffee trucks, extended hours, and vending machines with fresh food options. The Provost and the Vice-President Administration thanked the Board for its input, sharing that this issue was raised at a recent Town Hall and that a working group may be re-constituted to investigate this issue. Throughout the discussion, it was agreed that student safety is paramount. A brief discussion then ensued regarding building hours and the library's 24-hour schedule during exams. B. MacIsaac noted that the budget presentation in the spring will include input from consultations. In response to a question, B. MacIsaac clarified that although the AG referred to them interchangeably, ancillary services are funded via student ancillary fees whereas commercial services are revenue-generating.

9.2 Towards the 2023-2025 Integrated Academic-Research Plan

L. Zucker provided an update on the 2023-2025 Integrated Academic-Research Plan (IARP). This iteration of the IARP will be the third, and will incorporate qualitative measures linked to a newly-developed action plan. L. Zucker congratulated the Provost on moving towards measurable goals. The Provost noted that there was an in-person event with senior and emerging leaders across the University regarding the IARP. She shared that it brought many wonderful ideas to the floor and was an exceptionally productive session. The conversation was focused on creating a student-centric approach to the IARP.

T. Stratton left the meeting.

9.3 Integrated Planning Process

L. Zucker provided a brief summary of the Integrated Planning Process. She highlighted the progress towards metric development and the data on enrolment, particularly challenges stemming from IRCC delays.

9.4 Capital Projects Tracker

L. Zucker presented the Capital Projects Tracker noting that, like the risk report, this report has undergone review and revisions. B. MacIsaac advised the Board that pursuant to a recommendation by S&P in the fall, the next iteration will be more heavily focused on

strategic projects. In response to a question, B. MacIsaac confirmed that capital projects are re-forecasted, including in the Q2 Financials. In response to a further question, B. MacIsaac committed to adding projected end dates for projects. Support for re-forecasting and project end dates was expressed by the Board.

9.5 Subcritical Nuclear Assembly Project Update

L. Zucker provided a summary of the discussion at S&P in the fall about the Subcritical Nuclear Assembly Project. She highlighted the key aspects of licensure, including cost, regulatory requirements, and community engagements. The A&F Chair requested that further information be provided regarding decommissioning, particularly funds required.

10. Consent Agenda:

Upon a motion duly made by M. Mackenzie and seconded by R. Thompson, the Consent Agenda was approved as presented.

10.1 Minutes of Public Session of Board Meeting of June 29, 2022

10.2 Minutes of Public Session of A&F Meeting of June 15, 2022

10.3 Minutes of Public Session of GNHR Meeting of May 26, 2022

10.4 Minutes of Public Session of S&P Meeting of May 12, 2022

10.5 Freedom of Expression Annual Report

10.6 University Driving Policy

10.7 Council of Ontario Universities – Leading Practices in University Board Governance

11. Adjournment

Upon a motion duly made by L. Zucker, the public session adjourned at 1:15 p.m.

Lauren Turner, University Secretary



BOARD OF GOVERNORS
Audit & Finance Committee

Minutes of the Public Session of the Meeting of November 23, 2022
2:00 p.m. to 3:26 p.m. via Videoconference

Members: Carla Carmichael (Chair), Roger Thompson (Vice-Chair), Laura Elliott, Thorsten Koseck, Dale MacMillan, Steven Murphy

Regrets: Mitch Frazer, Kim Slade

Staff: Sarah Cantrell, Krista Hester, Les Jacobs, Lori Livingston, Brad MacIsaac, Kimberley McCartney, Pamela Onsiong, Lauren Turner

1. Call to Order

The Chair called the meeting to order at 2:00 p.m. and read aloud the land acknowledgement.

2. Agenda

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

3. Conflict of Interest Declaration

None.

4. Chair's Remarks

The Chair thanked everyone for meeting today, saying that she is honoured to be the new Audit and Finance Committee Chair. She thanked Roger Thompson for his support as Vice-Chair and Laura Elliott as the former Committee Chair. The Chair stated that she is impressed with the leadership and staff at the University. She closed by welcoming K. McCartney, new Assistant University Secretary, L. Turner, University Secretary, and thanking K. Hester for serving as Interim Secretary.

Les Jacobs joined the meeting.

5. President's Remarks

The President reflected on the excellent fall semester and the happiness felt around campus as people return in person. He commented on the financial pressures on higher education, particularly the tuition and grant freezes by the government. He shared that Ontario Tech is

collaborating with the Council of Ontario Universities (COU) and exploring other initiatives to provide options to the government in this regard.

6. Annual Terms of Reference Review

The University Secretary presented the Committee's Terms of Reference, noting that an annual review is a good governance practice. No revisions to the Terms of Reference were requested by the Committee.

7. Finance:

7.1 Strategic Discussion: Budget Assumptions

The Strategic Discussion on Budget Assumptions was led by B. MacIsaac, S. Cantrell and L. Livingston. It was noted that the paper was presented to Academic Council on November 22, 2022. The Committee was asked by the Committee Chair to consider whether or not the assumptions presented are valid and reasonable; and aligned with the University's priority areas and objectives.

It was highlighted for the Committee that the budget assumptions are aligned to the four strategic pillars and the 2023-2024 priorities. Tuition is currently at \$1.5M under budget attributable to \$3M loss of international tuition due to processing delays at Immigration, Refugees and Citizenship Canada (IRCC) offset by \$1.5M increase in domestic tuition. It was reported that grant and other revenue is up \$4M, but not flexible – the funds have discrete expenses to which they must be allocated and cannot be used for general operational expenses. With respect to enrolment, the IRCC delays continued to impact the University's international student numbers. The enrolment projections presented in the budget assumption are conservative and based on pre-COVID-19 retention rates as retention rates were artificially high during the pandemic. The Committee was advised that universities, including Ontario Tech, are advocating for a relaxation or lift of the tuition freeze. Every 1% in tuition increase would equate to approximately \$500k in gross revenue. B. MacIsaac noted for the committee that labour costs are expected to increase by about \$8M in 2023/2024 and that no inflationary increases are assumed in the budget. He advised the Committee that the final budget, which management is expecting to be balanced, will be presented to the Audit and Finance Committee in April 2023.

The Committee then discussed the University's progress towards its target international student enrolment. It was noted that the IRCC delays this year slowed progress towards target. In response to a question, S. Cantrell advised that the University intends to pursue a higher enrolment corridor in the next Strategic Mandate Agreement (SMA) with the Ministry.

In response to a question about deferred maintenance, B. MacIsaac advised the Committee that a paper presented last October indicated deferred maintenance costs would reach \$40M by 2045. The University invests approximately \$2M in facilities renewal each year. He acknowledged that a higher percentage of funds set aside for deferred maintenance would be desirable, but does not fit in the budget.

In response to a question about student retention, the Provost advised the Committee that a report will be tracking to the Strategy and Planning Committee in January and then the Board of Governors in March. She shared with the Committee that a multi-prong approach has been taken to retention, including extending the hours and formats of academic advising, the learning

enhanced program for students in difficulty and the Teaching and Learning Centre that supports students with adapting to university life.

A discussion then ensued on inflation and the process for approving requests for additional budgetary funds. B. MacIsaac discussed the budget approvals process, describing the Budget Working Group, and the importance of alignment with strategic priorities. With respect to inflation, he acknowledged that it is a risk, particularly as pressure is put on operational expenses, many of which are nearing their bottom lines.

7.1 Second Quarter Financial Reports

P. Onsiong presented the Second Quarter Financial Reports, noting that the University is trending to budget with an anticipated surplus of \$700k – just under the \$1M surplus that was approved in the budget. She advised the Committee that inflation is not impacting current year finances significantly because nearly 75% of the University's expenses are tied to contracts already factored into the budget. Similarly, the University's debts are governed by agreements and repayment schedules and therefore not fluctuating with inflation. Finally, she drew the Committee's attention to capital investments, which are \$4M over budget, but more than 50% funded by external grants. Some costs, e.g. \$500k in IT equipment, were procured last fiscal but only received and expensed in the current year due to supply chain delays.

7.3 Moody's Change in Practice

B. MacIsaac updated the Committee on a change to the look and feel of Moody's reporting, which now includes Environmental, Social and Governance considerations. He noted that credit agencies meet annually with the University, hear about strategy, financials, capital and research. He advised the University's credit rating for the year will be presented to the Committee in February.

8. Investment Oversight – Quarterly Review

B. MacIsaac presented the Quarterly Review of Investments, noting that the investment manager, PH&N, attends Committee twice yearly. He advised that the University is currently under the five year desired rate of return largely due to market volatility. For example, in March the University's rate of return was 7.1%, which exceeded the desired rate of return of 6%, but has since declined. He advised that mitigation efforts are underway with PH&N.

9. Risk Management Update

Jackie Dupuis joined the meeting.

B. MacIsaac gave a brief overview of the efforts over the summer to revise risk reporting to the Board of Governors. He advised the Committee that Jackie Dupuis, Director, Risk Management, will be presenting the report to ensure its independence.

J. Dupuis thanked L. Elliott, C. Carmichael and D. Reiner for their input on the revised Risk report. She noted that the report groups risks into four categories aligned with the Risk Management Policy. She drew the Committee's attention to the dashboard presentation of risk, which provides specific updates, position on the University's risk registers, and a trend direction since the last quarter's report. J. Dupuis highlighted key operational strategic risks as well as the increased risk to talent management and employee health and wellness.

The Committee Chair commented on the various key aspects of risk reporting: identification, rating, mitigation, tracking, and assessment of acceptability of residual risk. She advised the Committee that the leadership team is seeking input on the revised risk reporting format. Support from the Committee was expressed for the report's conciseness as well as the use of colour-coding and trend directions. In response to a question, J. Dupuis advised that a one-picture dashboard could be included in the annual risk report. In response to a further question, J. Dupuis indicated that the assessment of the efficacy of mitigation plans is a work in progress for the University.

Jackie Dupuis left the meeting.

10. Consent Agenda

- 10.1 Minutes of the Public Session of the Audit and Finance Committee Meeting of June 15, 2022**
- 10.2 University Driving Policy**
- 10.3 Freedom of Expression Annual Report**

Upon a motion duly made by L. Elliott and seconded by D. MacMillan, the Consent Agenda was approved as presented.

11. Adjournment (M)

There being no other business, upon a motion duly made by D. MacMillan, the meeting adjourned at 3:26 p.m.

Lauren Turner, University Secretary



BOARD OF GOVERNORS

Governance, Nominations & Human Resources Committee (GNHR)

Minutes of the Public Session of the Meeting of October 20, 2022

2:00 p.m. – 2:26 p.m., Videoconference

Members: Maria Saros (Chair), Laura Elliott, Mitch Frazer, Kathy Hao, Steven Murphy

Regrets: Kori Kingsbury, Trevin Stratton

Staff: Sarah Cantrell, Krista Hester, Les Jacobs, Lori Livingston, Beth Partlow, Lauren Turner

1. Call to Order

The Chair called the meeting to order at 2:00 p.m. and read aloud the land acknowledgement.

2. Agenda

Upon a motion duly made by L. Elliott and seconded by S. Murphy, the Agenda was approved as presented.

3. Conflict of Interest Declaration

None.

4. Chair's Remarks

The Chair welcomed everyone to the exciting start of a new academic year. The Chair commended the President and the senior leadership team for putting the health of students, faculty and staff at the forefront in a post-pandemic environment.

5. President's Remarks

The President thanked the Chair and committed to providing a campus environment that is as safe as possible. He encouraged everyone to come to campus to participate in a number of activities and updated the Committee on two important events that took place during reading week: (i) the first annual Teaching and Learning Conference; and (ii) the Women in STEM summit. The President also shared that varsity sports have been off to a great start this year and there is very high attendance at sporting events.

6. Governance

6.1 GNHR Terms of Reference Review

The University Secretary presented the GNHR Terms of Reference Review, noting that this is an annual exercise and a good governance practice. She advised the Committee that no specific revisions are recommended at this time, but that her review of the Terms of Reference – which will take place over the academic year – and an anticipated report from the Auditor General, may necessitate bringing the Terms of Reference back to a future Committee meeting. In response to a question, the University Secretary confirmed that a review of other universities' equivalent documents will be part of her review of the Terms of Reference. The Committee did not propose any changes to the Terms of Reference at this time.

7. Policy

7.1 Policy Against Violence in the Workplace

B. Partlow presented the annual review of the Policy Against Violence in the Workplace (the "Policy"). She advised the Committee that the minor revisions presented in the materials represent the results of consultation with the Joint Health and Safety Committee and the Office of Human Rights. She noted that there have not been any complaints received pursuant to the Policy.

In response to a question, B. Partlow advised the Committee that the University's Employee and Family Assistance Program (EFAP) is a source of aggregated data that allows the University to monitor and understand pressure points for users of the service. In response to a different question, B. Partlow confirmed that health and safety was a significant consideration in the flexible workspace program. She informed the Committee that the completion of a health and safety checklist is a prerequisite of participation in the program.

8. Consent Agenda

8.1 Minutes of the Meeting of May 26, 2022

Upon a motion duly made by L. Elliott and seconded by S. Murphy, the contents of the Consent Agenda was approved as presented.

9. Other Business

There was none.

10. Adjournment

Upon a motion duly made by L. Elliott, the public session adjourned at 2:26 p.m.

Lauren Turner, University Secretary



BOARD OF GOVERNORS
Strategy & Planning Committee (S&P)

Minutes of the Public Session of the Meeting of October 27, 2022
2:00 p.m. to 4:06 p.m. Videoconference

Attendees: Lynne Zucker (Chair), Eric Agius, Ahmad Barari, Laura Elliott, Mitch Frazer, Matthew Mackenzie, Steven Murphy, Jim Wilson

Regrets: Carla Carmichael, Kevin Chan, Joshua Sankarlal

Staff: James Barnett, Sarah Cantrell, Krista Hester, Les Jacobs, Lori Livingston, Brad MacIsaac, Yvonne Stefanin, Lauren Turner

1. Call to Order

The Chair called the meeting to order at 2:00 p.m. and read aloud the land acknowledgement.

2. Agenda

Upon a motion duly made by M. Mackenzie and seconded by J. Wilson, the Agenda was approved as presented.

3. Conflict of Interest Declaration

There was none.

4. Minutes of Public Session of Meeting of May 12, 2022

Upon a motion duly made by J. Wilson and seconded by M. Mackenzie, the Minutes were approved as presented.

5. Chair's Remarks

The Chair welcomed the new University Secretary, Lauren Turner, and James Barnett, the new Vice-President, Advancement to both the University and the Strategy and Planning Committee. She thanked Krista Hester for her service as Interim University Secretary. The Chair went on to congratulate the Chancellor and the Advancement team on the success of the Chancellor's run and the organizers of the Women for STEM Summit conference for putting on an excellent event.

6. President's Remarks

The President expressed enthusiasm for how the academic year has started, noting the great atmosphere and positivity on campus. He echoed the Chair's congratulations on the Chancellor's Challenge, which raised \$160,000 for scholarships, and the

Women for STEM conference. The President closed with some comments on the most recent Universities Canada meeting where reflections on the last two years of being online and looking to the future were key themes. He noted that the senior leadership team is focused on opportunities and increased flexibility, an outlook reflected in strategic planning and other initiatives.

7. Strategy and Planning Terms of Reference Review

The University Secretary presented the Committee with the opportunity to give input on the current Terms of Reference, noting that she may have revisions to propose based on the outcome of the review of the Auditor General of Ontario of university governance. In response to a question, the University Secretary recommended keeping the language around *in camera* sessions flexible. There were no changes suggested for the Terms of Reference at this time.

8. Strategy

8.1 Strategic Discussion: Strategic Priorities for 2022-2023

The Provost and Vice-President, Academic (Provost) provided an overview of the financial environment in which the University operates, noting that it has been estimated that between 2018 and 2025, higher education will have experienced a reduction of approximately \$2.5 billion in revenue from government sources, a 30% reduction in real money being injected into the sector. She noted the pressures to mount new initiatives, often at the government's direction, with no new revenue. She also commented on the heightened competition for students, both domestic and international.

The Provost advised the Committee that Ontario Tech University must find ways to differentiate itself in the sector if it wishes to stay competitive, generate revenues, and continue operations. To that end, five key areas of focus have been set for the year going forward that will inform the University's planning process:

1. Learning Re-imagined/Tech with a Conscience - Innovative Programming
2. Learning Re-imagined/Tech with a Conscience - Differentiated Technology and Physical Space
3. Sticky Campus/Learning Re-imagined - Student-Centric University
4. Sticky Campus - Commitment to Mental Health and Equity, Inclusion and Diversity
5. Partnerships – Building Community/Partnerships to Support Learning, Opportunities and Discoveries

The President then added some commentary about financial pressures, noting tuition freezes and the increasing rate at which universities are turning to international students as a source of funding. With respect to the latter, he observed that international students were once recognized as a source of global perspective and mindset for institutions, but that their value to an organization has shifted to a financial one because of budgetary restraints.

The President then discussed some areas in which the University could think differently, for example reaching both international and domestic markets online. He commented on the importance of having strength in both in-person and online offerings running in parallel, avoiding overlap and maximizing synergy.

In response to a question, the President discussed the talent at the University and the ability to drive towards this vision. He noted the highly innovative approaches that some members of the University took to delivering education during the pandemic. The Provost echoed these sentiments, and noted that some programs by their very nature require in person learning. She expressed the view that the University has talent in both spaces. The President expressed an intention to align future hiring decisions with the strategic direction of the University.

In response to another question, the President advised the Committee that partnerships is a strength of the University. He discussed the importance of differentiated degrees and how the University dedicates significant thought to how it interfaces with international and domestic markets. A discussion then ensued on understanding the reasons why students choose the University and finding ways to differentiate experiential learning.

In response to a question, the President advised that the higher education sector, particularly the Council of Ontario Universities, is pressuring the government for increased funding. He acknowledged, however, the numerous competing interests and the need to keep expectations realistic. A short discussion then ensued on the value of international graduate students as ambassadors for undergraduate offerings at the University. The Provost advised that the tuition working group is reviewing international graduate tuition levels with information expected to track to Academic Council and the Board of Governors. She noted that this year there were adjustments and additions made to graduate international tuition scholarships.

8.2 Towards the 2023-2025 Integrated Academic Research Plan

The Provost updated the Committee on work underway to produce the third iteration of the rolling planning approach that began at the University in 2019. She noted that having an integrated rolling plan has been critical to weathering the turbulence of the pandemic and staying flexible in the face of new challenges such as surging inflation and market uncertainties.

The Provost reminded the Committee of the commitment made in 2019 to have a consistent approach to planning. She noted that in the second iteration of the Plan, evaluation – initially only qualitative – was introduced. The outputs allowed the University to identify successes as well as opportunities for improvement. In the third iteration of the Plan, quantitative evaluation will be tied to the planning process; it will link action plans to measurable goals.

In response to a question, the Provost spoke of the benefits of a rolling two year plan, which allows the University to regularly assess the merits of continuing or halting initiatives in real time. She went on to note that not everything the University

is driving to accomplish requires funding; the focus is on continuous improvement. S. Cantrell added that there are specific stop points throughout the year to assess progress. She gave the example of the strategic enrolment plan as a case study.

9 Planning

9.1 Integrated Planning Process

S. Cantrell presented the Integrated Planning Process for the Committee's information.

The Committee Chair congratulated the Provost and S. Cantrell on their progress with the Integrated Academic Research Plan and metric development.

9.2 Enrolment Update

Before commenting on enrolment, S. Cantrell advised the Committee that the Ontario Universities Fair was hosted in person for the first time in two years and was a huge success for the University. She then gave some highlights of the Enrolment Update, including year over year increases of 19.5% for domestic applications and 20.4% for international applications and 5.2% for registrations.

S. Cantrell then commented on the impacts of the delays at Immigration, Refugees and Citizenship Canada, acknowledging the efforts of staff in this regard. She noted that the delays have led to volatility in graduate numbers.

The Committee expressed pleasure at the registration numbers, particularly after four years of decline. In response to a question, S. Cantrell advised the Committee that student retention is a metric currently under examination. She noted some sources of insights, including financial need reported to the Registrar's Office and academic standards that highlight where students are struggling. She advised that reporting is available at the Faculty level and that Deans and their teams are studying the issue. In response to a comment, S. Cantrell acknowledged the pressures of the pandemic and the disruption of the high school curriculum as mental health aspects of student life that is on the minds of senior leaders.

In response to another question, S. Cantrell commented on enrolment caps due to capacity, discussions about increasing capacity, and expanding co-op programs as a way to draw students. In response to a further question, S. Cantrell confirmed that there is no government funding for graduate students beyond their fourth year of study. A discussion then ensued on possible drivers of the increase in applications. The Provost highlighted the efforts of J. Stokes and the team in the Office of the Registrar. She also noted that given the importance of student enrolment numbers, there was a conscious decision to strategically allocate funds to supporting recruitment initiatives last year.

9.3 Board Retreat Planning

The Chair introduced the Board Retreat Planning item, noting that this has generally been an annual event at the University. The President shared early thinking about the structure of the retreat:

- Inclusion of a dinner and a social event
- Inclusion of student presenters
- Inclusion of a tour
- Timed to be adjacent to an in-person Board of Governors meeting

He noted that the retreat is generally held in May. The Committee expressed support for the timing and format.

The President then discussed possible themes or topics including the differentiation of Ontario Tech, partnerships, international aspects of education, and significant research.

The Committee suggested having a speaker, inviting faculty to present innovative research or pedagogy, and having a very clear articulation of the outcomes expected from the retreat. The Committee suggested that the retreat could help governors to become better ambassadors of the University.

10 Significant Project & Contract Oversight

10.1 Subcritical Nuclear Assembly

L. Jacobs, Vice-President, Research, presented information about the Subcritical Nuclear Assembly. He advised the Committee that there is currently a renaissance of nuclear energy with people recognizing its value for having zero emissions and providing energy security; it is anticipated that project investments in nuclear energy are expected to value \$20 billion in the near future. L. Jacobs noted the research potential of such investment as well as training opportunities as workers re-skill to join the sector. He then discussed the University's strength in energy, the Brilliant Energy Institute, and investment in the Sion Laboratories.

L. Jacobs advised the Committee that the University has submitted an initial application and have started community consultation as part of the licensing process to operate a subcritical reactor on campus. In response to a question, he stated that the licensing process is projected to take 12-16 months. In response to a further question, L. Jacobs shared that the public's view of nuclear energy has shifted over the last decade, but that the University is taking potential community concerns very seriously. He noted that a consultant has been retained to assist the University with consultation, stressing that having the support of local indigenous communities is crucial.

A discussion then ensued on the currency of the reactor, sources of uranium, and L. Jacobs' site visit to the reactor at McMaster University. In response to a question, he confirmed that there are no small modular reactors licensed yet in Canada.

10.2 Capital Project Tracking Sheets

B. MacIsaac presented the Capital Project Tracking Sheets, noting that they now contain information about projects under \$5 million in accordance with input from

the Committee and a recommendation in the report issued by the Ontario Internal Audit Division.

B. Maclsaac then gave an overview of key facilities items, noting that the renovations of Charles Hall are 99 per cent complete and that supply chains remain a challenge with some impact to timelines. With respect to information technology (IT), he drew the Committee's attention to the successful implementation of Qless, two over-budget projects, and an initiative pertaining to active directory that has been complicated by customizations such that the support of a consultant is required.

The Committee expressed support for the revised reporting format and recommended that strategic projects be expressly flagged as such and their place in the broader strategic work of the University be explicit.

11 Other Business

In response to a question, B. Maclsaac gave a brief update on the pressures on parking spots at the University.

12 Adjournment

Upon a motion duly made by J. Wilson and seconded by E. Agius the public session adjourned at 4:06 p.m.

Lauren Turner, University Secretary

BOARD REPORT

SESSION:

Public ☒

ACTION REQUESTED:

Decision ☒
Discussion/Direction ☐
Information ☐

Financial Impact ☐ Yes ☒ No

Included in Budget ☐ Yes ☒ No

TO: Board of Governors

DATE: March 9, 2023

PRESENTED BY: Niall O'Halloran, Manager, Privacy & Policy
Sara Gottlieb, General Counsel

SUBJECT: Draft Personal Health Information Privacy Policy

COMMITTEE/BOARD MANDATE:

- Under the University's Act, section 9 (1), the Board of Governors has the power: "to establish academic, research, service and institutional policies and plans and to control the manner in which they are implemented". The university's Policy Framework is a key institutional policy that delegates the Board's power, establishing categories of policy instruments with distinct approval pathways.
- Under the Policy Framework, the Board of Governors is the approval authority for the Privacy Policy: Personal Health Information Collection, Use and Disclosure and A&F is the deliberative body. A&F is the approval authority for the related procedures.

Motion: That, pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors hereby approves the Privacy Policy: Personal Health Information Collection, Use and Disclosure, as presented.

BACKGROUND/CONTEXT & RATIONALE:

- The University operates student services that are considered health care under the Personal Health Information Protection Act (PHIPA), including Student Mental Health Services and Athletic Therapy. PHIPA allows higher education institutions

to choose the structure by which the personal health information associated with health-related student services is governed. Institutions can take on the role of “health information custodian” or they can assign that role to one or more employees or contractors.

- The new policy defines the University as a health information custodian and sets out roles and responsibilities, rights of privacy and access, consent for collection and use, disclosure, retention and disposal, correction of records, breach of privacy, safeguards for PHI, employee awareness and training and continuity of care. Adopting this policy will allow the university to improve student services by ensuring all staff involved in the provision of health care (known as “agents”) have the proper training to protect student privacy.
- Under this policy, the Privacy Office is responsible for investigating and responding to PHIPA privacy breaches, using the protocol set out by the Information and Privacy Commissioner of Ontario (linked as Reference Materials, below).
- A formal procedure is in development to codify steps in a PHIPA and Freedom of Information and Protection of Privacy Act breach investigation and remediation (these steps to follow the requirements in applicable legislation).¹
- The Policy before the Board of Governors for approval was endorsed at the February 22, 2023 meeting of the Audit and Finance Committee. At the same meeting, A&F approved the Procedures associated with the Policy.

RESOURCES REQUIRED:

- External trainer has been engaged to train faculty members, administrative and clinical staff who have obligations under PHIPA.

IMPLICATIONS/ALTERNATIVES:

- N/A

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

- This policy supports the university’s culture of trust and belonging by ensuring there is a framework of responsibilities in place to ensure compliance with privacy law.

CONSULTATION:

- The policy was drafted in consultation between the Privacy Office, Student Mental Health Services and Athletic Therapy. In order to ensure compliance with PHIPA, a draft was reviewed by external legal counsel.
- Policy Advisory Committee
- Academic Council
- Online Consultation
- Administrative Leadership Team

¹ This process requires Agents reporting potential or actual privacy breach to the Privacy Office, which coordinates an internal investigation and notifies the Chief Privacy Officer, unit leadership, and those who will be involved in addressing the breach (including ITS, if applicable). The investigation aims to determine means to mitigate against future breaches and provides notification to affected individuals and reporting to the IPC and to regulatory colleges (as required). Annual statistical reporting will be provided to A&F as part of its compliance oversight.

- Audit & Finance Committee
- Board of Governors

COMPLIANCE WITH POLICY/LEGISLATION:

- This policy supports compliance with PHIPA, and defines roles and responsibilities within the university to enable Ontario Tech to meet requirements. The General Counsel has been delegated the role of Chief Privacy Officer under this policy.

SUPPORTING REFERENCE MATERIALS:

- Privacy Policy: Personal Health Information Collection, Use and Disclosure
- [Responding to a Health Privacy Breach: Guidelines for the Health Sector \(October 2018\)](#)
- [Reporting a Privacy Breach to the IPC \(March 2021\)](#)
- [Privacy Breaches: Guidelines for Public Sector Organizations](#) (September 2019)

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

PRIVACY POLICY:

PERSONAL HEALTH INFORMATION COLLECTION, USE AND DISCLOSURE

PURPOSE

1. The purpose of this Policy is to establish a standard for privacy and confidentiality of Personal Health Information to ensure compliance with the University's obligations under Ontario's Personal Health Information Protection Act. As a health information custodian, the University is responsible for ensuring that Personal Health Information is protected and treated with respect and sensitivity at all times.

DEFINITIONS

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

"Agent" means any person who is authorized by the University to perform services or activities in respect of Personal Health Information on the University's behalf and for the purposes of the University. An agent includes a Health Care Practitioner, or another University employee or volunteer who supports Practitioners, and any member of the University Counselling Team.

"Chief Privacy Officer" means the member of SLT with delegated responsibility for addressing compliance obligations related to applicable privacy law.

"Health Care" means any observation, examination, assessment, care, service or procedure that is done for a health-related purpose and that:

- is carried out or provided to diagnose, treat or maintain an individual's physical or mental condition;
- is carried out or provided to prevent disease or injury or to promote health;
- is carried out or provided as part of palliative care, and includes:
- the compounding, dispensing or selling of a drug, a device, equipment or any other item to an individual, or for the use of an individual, pursuant to a prescription; and
- a community service that is described in subsection 2 (3) of the Long-Term Care Act, 1994 and provided by a service provider within the meaning of that Act.

"Health Care Practitioner" or "Practitioner" means:

- A person who is a member of a health care professions within the meaning of the *Regulated Health Professions Act, 1991* and who provides Health Care;
- A person who is registered as a drugless practitioner under the *Drugless Practitioners Act* and who provides Health Care;

- a person who is a member of the Ontario College of Social Workers and Social Service Workers and who provides health care; or
- any other person whose primary function is to provide health care.

“Health Care Unit” means a unit or service acting for or on behalf of the University to provide Health Care or retain and protect Personal Health Information.

“Personal Health Information” means oral or written information that is collected, used or disclosed by the University or anyone acting on behalf of the University, about an identifiable individual if the information:

- Relates to the individual’s physical or mental health, including family health history;
- Relates to the provision of Health Care, including the identification of a person as a provider of HealthCare to an individual;
- Is a plan of service for individuals requiring long-term care;
- Relates to payment or eligibility for Health Care or eligibility for coverage for Health Care;
- Relates to the donation of body parts or bodily substances or is derived from the testing or examination of such parts or substances;
- Is the individual’s health number;
- Identifies an individual’s substitute decision-maker; or
- Is included in a record containing Personal Health Information.

“Personal Information” means information about an identifiable individual.

“Privacy Breach” or **“Breach”** means an incident where Personal Information or Personal Health Information is collected, retained, used, disclosed, or disposed of in ways that do not comply with Ontario’s privacy laws.

“Privacy Impact Assessment” or **“PIA”** means a risk management tool used to identify the actual or potential effects that a proposed University project/initiative may have on an individual’s privacy or the University’s information privacy and security practices/procedures.

“University Counselling Team” means advisors and counsellors from Student Mental Health Services, Student Accessibility Services, the Career Centre and Indigenous Student Services, as well as graduate –level student trainees (e.g. internship and practicum students) and administrative staff.

SCOPE AND AUTHORITY

3. This Policy applies to Health Care Units and services of the University that support Health Care Practitioners and/or collect, use and disclose Personal Health Information to fulfil their mandate.
4. The University is the Health Information Custodian for records containing Personal Health Information created by Health Care Units.
5. This Policy does not apply to Health Care services contracted by the University from a third party to be directly provided by the third party. Any contracts for such third party services must nonetheless comply with the Personal Health Information requirements under PHIPA.

6. The General Counsel, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of this Policy.

POLICY

The University is committed to the privacy and security of Personal Information and Personal Health Information it collects, uses and discloses. It maintains privacy in compliance with the Personal Health Information Protection Act, 2004 and its regulations (PHIPA).

7. Roles and Responsibilities

7.1. Chief Privacy Officer will:

- a) Ensure that secure information practices are in place that comply with the requirements of PHIPA, and that all Health Care Units are informed of and receiving training on their duties under PHIPA.
- b) Respond to requests of an individual for access to or correction of a record of Personal Health Information about the individual that is in the custody or under the control of the University.
- c) Ensure compliance with reporting obligations under PHIPA.
- d) Oversee the management and response to any potential or actual Privacy Breaches.

7.2. Agents will:

- a) Conduct searches and review records in access to information requests involving clinical records related to their area of practice or duties on behalf of the University.
- b) Understand and comply with information privacy practices established to safeguard records containing Personal Health Information and other sensitive information.
- c) Report Privacy Breaches or situations that could lead to potential Privacy Breaches to the Privacy Office.
- d) Maintain privacy and confidentiality of Personal Health Information created, collected or used in their role.

7.3. Privacy Office will:

- a) Coordinate and respond to requests for access to records containing Personal Health Information under PHIPA and the Freedom of Information and Protection of Privacy Act (FIPPA) (see Access to Information and the Protection of Privacy Policy for the University's FIPPA practices and procedures, [\[link\]](#)).
- b) Support compliance with PHIPA and FIPPA through education and advice on developing information practices that safeguard records containing Personal Health Information and other sensitive information.

- c) Respond to inquiries from the public about the University's information privacy practices.
- d) Investigate and respond to potential Privacy Breaches.
- e) Ensure information is made publicly available regarding the University's privacy policies and practices.
- f) Ensure compliance with reporting obligations under PHIPA and FIPPA.
- g) Monitor compliance with this Policy and PHIPA by whatever means are appropriate to the circumstances.

7.4. Managers/Supervisors of Health Care Units will:

- a) Ensure awareness and enforcement of, and compliance with, applicable privacy policies, laws, procedures, protocols and practices.
- b) Ensure University staff and Agents are up to date and have completed appropriate privacy training and education.
- c) Immediately report all actual or suspected Privacy Breaches to the Privacy Office.
- d) At the request of, and in coordination with the Policy Office, support investigations into suspected Privacy Breaches.
- e) Assist the Privacy Office in responding to privacy queries and complaints.
- f) Receive and implement recommendations from the Privacy Office regarding necessary actions and/or remedial measures following a Breach, including actions to prevent a reoccurrence.
- g) Receive and implement recommendations from the Privacy Office regarding necessary actions following a Privacy Impact Assessment.
- h) In consultation with Human Resources, take appropriate remedial and/or disciplinary action to ensure incidents are addressed and not repeated.
- i) Where requested, assist with client/patient or an individual's requests for access and correction and withdrawal of consent to the collection, use or disclosure of their Personal Health Information/Personal Information.

8. Application to members of regulated health professions

- 8.1.** This Policy applies to members of regulated health professions acting on behalf of the University, while they are performing within the scope of practice set out by enabling legislation, as well as performing authorized acts that constitute Health Care.
- 8.2.** Employees whose duties include acts that are not within their regulated scope of practice are not considered Practitioners while they are performing those duties, but are still bound by any applicable privacy and confidentiality requirements associated with the records and information used in performing those duties, including this Policy.
- 8.3.** Individual Health Professionals must differentiate between Health-Related Acts and other activities for the purpose of fulfilling obligations under PHIPA and their regulatory college. This determination will be made based on the Health Professional's understanding of their obligations, guidance from the regulatory college, and the scope of practice as defined by the enabling legislation.

9. Right to Privacy and Access

- 9.1.** Individuals have a right to privacy and a right to control how their Personal Health Information is collected, used, disclosed, retained and disposed of, subject to limited exceptions in PHIPA.
- 9.2.** Individuals have a right of access to their own Personal Health Information.

10. Consent for collection and use of Personal Health Information

- 10.1.** The University will provide a notice of collection that describes the information it will collect or create, the purposes for collecting Personal Health Information or creating records, the uses for those records and how that information will be shared. The notice will include any exceptions to the expectation of confidentiality.
- 10.2.** Consent from individuals receiving Health Care will be obtained in writing at or before the time information is collected.

11. Disclosure of Personal Health Information

- 11.1.** Disclosure of Personal Health Information to an individual who is not an Agent will only be done with express consent of the individual to whom the Personal Health Information relates, except as permitted or required by legislation.

12. Retention and Disposal of Personal Health Information

- 12.1.** Records containing Personal Health Information will be retained and securely destroyed in accordance with the University's Records Classification and Retention Schedule. Record destruction will occur in a manner that is in compliance with PHIPA and protects information until it is permanently destroyed.

13. Access and Correction to Record

- 13.1.** Individuals have a right to be informed of the existence, use and disclosure of their Personal Health Information. Under PHIPA, individuals can make a formal request to access their records, or to request a correction to their record.

14. Safeguards for Personal Health Information

- 14.1.** The University will establish appropriate technical and administrative safeguards to ensure secure storage and maintain confidentiality of Personal Health Information.
- 14.2.** Access rights to information systems with Personal Health Information will be granted only to authorized personnel. Access rights will be based on the role of the individual, and the level of access required to fulfil that role.

15. Breach of Privacy

- 15.1.** The University will investigate and respond to any potential or actual breach of privacy or loss of Personal Health Information in compliance with PHIPA.

16. Employee Awareness and Training and Mandatory Confidentiality Agreements

- 16.1.** Agents are expected to be knowledgeable of and abide by this policy and related privacy and security practices.
- 16.2.** The University will make its employees aware of the importance of maintaining the confidentiality of Personal Health Information.

- 16.3.** Health Care Unit Managers/Supervisors, in collaboration with the Privacy Office, will identify Health Care Practitioners and employees who support Health Care services and maintain a roster of Agents. Agents must sign the University confidentiality agreement and are subject to mandatory privacy training requirements.

17. Continuity of care

- 17.1.** To ensure the continuity of care and support for all individuals receiving Health Care, Agents may consult with each other. This occurs on a need-to-know basis, meaning that Personal Health Information will only be shared when warranted or required to provide support. Personal Health Information will be held in confidence, and will only be released with individual consent, or in accordance with applicable law.

MONITORING AND REVIEW

- 18.** 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

- 19.** Personal Health Information Protection Act, 2004, S.O. 2004, as amended

RELATED POLICIES, PROCEDURES & DOCUMENTS

- 20.** Access to Information and the Protection of Privacy Policy
Health Record Access and Release Procedure
Records Management Policy
Records Disposition Procedure
Records Classification and Retention Schedule

BOARD REPORT

SESSION:

Public ☐
Non-Public ☒

ACTION REQUESTED:

Decision ☒
Discussion/Direction ☐
Information ☐

TO: Board of Governors

DATE: March 9, 2023

PRESENTED BY: Brad MacIsaac, VP Administration

SUBJECT: Recommended Changes to SIP

COMMITTEE MANDATE:

The Audit & Finance Committee is responsible for overseeing the investment of the university's endowment funds (Funds), which includes approving any changes to the [Statement of Investment Policies](#) ("SIP").

On the recommendation of our investment manager management is putting forward a motion to amend the SIP to introduce a new alternative fund, Infrastructure (RBC Global Infrastructure Fund). It is further recommended that a portion (7%) of the current alternatives fund be allocated to Infrastructure by reducing the allocation in mortgages (PH&N Mortgage Pension Trust). This will diversify the overall alternatives exposure while maintaining a 25% target in the asset class.

BACKGROUND/CONTEXT & RATIONALE:

This report was presented to A&F at the meeting of February 22, 2023.

RBC Global Infrastructure Fund LP was recently released. After discussions with our investment manager, management believes an allocation to this strategy merits consideration in the context of Ontario Tech's long-term investment objectives and risk/reward framework. There is some time-sensitivity to this recommendation as we need commitments to be confirmed on or before April 2023.

A summary of PH&N's recommendation and rationale for this is outlined below and additional supporting information including a presentation deck and fund profile for the strategy, as well as a primer on infrastructure has been attached for the Committee's review.

- Infrastructure as an asset class merits consideration due to the following characteristics:

- The opportunity to invest in tangible assets that have a high barrier to entry and support economic growth
 - Yield and capital appreciation with high cash flow visibility
 - Embedded inflation protection due to many infrastructure investments being GDP-sensitive assets
 - Significant investable opportunity set with remarkable diversification potential across segments and geographies
- The RBC Global infrastructure Fund is actively managed by RBC GAM and has the following characteristics:
- Core/core+ approach is diversified by sector and geography with a focus on developed market countries included in the OECD.
 - Leverages partnerships with experienced and aligned institutional co-investors such as pension funds.
 - Targets annualized return of 7-10% net of fees
- Administrative Considerations:
- Fund is suitable for investors with long horizon and some tolerance for lower liquidity
 - Quarterly distributions
 - Management fee premium: 0.40% (there are no performance fees)

MOTION for CONSIDERATION:

That pursuant to the recommendation of the Audit and Finance Committee, the Board of Governors hereby approves the amended Statement of Investment Policies.

SUPPORTING REFERENCE MATERIALS:

- Statement of Investment Policies (backline)
- Statement of Investment Policies (clean)
- Global Infrastructure Primer (posted to non-public)
- RBC Global Infrastructure Fund – Profile (posted to non-public)
- RBC Global Infrastructure Fund – Presentation (posted to non-public)



Classification	LCG 1128
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	Vice-President, Administration
Approval Date	March 10, 2022
Review Date	March 2023
Supersedes	June 24, 2021; Statement of Investment Policies, February 27, 2020; Editorial Amendments, February 18, 2020; February 28, 2019; June 2016, June 27, 2018

STATEMENT OF INVESTMENT POLICIES

1.0 Purpose

The purpose of this Statement of Investment Policies (“SIP”) is to define the management structure governing the investment of non-expendable (endowed) university funds, and to outline the principal objectives and rules by which assets will be managed. The assets will be managed in accordance with this Statement and all applicable legal requirements. Any investment manager (“Manager”) or any other agents or advisor providing services in connection with assets shall accept and adhere to this Statement.

2.0 RESPONSIBILITIES

2.1 Board of Governors

The Board of Governors (“the Board”) of the university has responsibility and decision-making authority for these assets.

As part of its fiduciary responsibilities, the Board will:

- appoint members to sit on Audit and Finance Committee;
- receive the Audit and Finance Committee’s recommendations with respect to the SIP and approve or amend the SIP as appropriate;
- review all other recommendations and reports of the Audit and Finance Committee with respect to the Fund and the selection, engagement or dismissal of professional investment managers, custodians and advisors, and take appropriate action.

2.2 Audit & Finance Committee

The Committee may delegate some of its responsibilities to agents or advisors. In particular, the services of a custodian (the “Custodian”) and of one or more

investment managers (the “Manager”) may be retained. As part of its fiduciary responsibilities, the Audit and Finance Committee will:

- maintain an understanding of legal and regulatory requirements and constraints applicable to these assets;
- review the SIP on an annual basis, and make appropriate recommendations to the Board of Governors;
- formulate recommendations to the Board of Governors regarding the selection, engagement or dismissal of professional investment managers, custodians and advisors.
- oversee the Fund and the activities of the Manager, including the Manager’s compliance with their mandate and the investment performance of assets
- ensure that the Manager is apprised of any amendments to their mandate; and
- inform the Manager of any significant cash flows.

2.3 Investment Manager(s)

The Manager is responsible for:

- Selecting securities within the asset classes assigned to them, subject to applicable legislation and the constraints set out in this Statement;
- Providing the Committee with quarterly reports of portfolio holdings, a review of investment performance, facilitating future strategy discussions and recommending appropriate changes to the investment portfolio; (see Section 8 on “Reporting and Monitoring”);
- Attending meetings of the Committee at least once per year to review performance and to discuss proposed investment strategies;
- Informing the Committee promptly of any investments which fall outside the investment constraints contained in this Statement and what actions will be taken to remedy this situation; and
- Advising the Committee of any elements of this Statement that could prevent attainment of the objectives.

3.0 PORTFOLIO OBJECTIVES

3.1 Investment Policy

The Investment Policy outlines the university's investment objectives and risk guidelines. Investment objectives are defined in the context of Total Return which is defined as the sum of income and capital gains from investments.

3.2 Investment Objectives

The overall investment objective is to obtain the best possible total return on investments that is commensurate with the degree of risk that the university is willing to assume in obtaining such return. In general, the university's investment decisions balance the following objectives:

- generate stable annual income for the funds' designated purpose;
- preserve the value of the capital;
- protect the value of the funds against inflation; and
- maintain liquidity and ease of access to funds when needed

Stable annual incomes are an essential part of the disbursement process, and facilitate the forecast of spendable income each year. The investment object for non-expendable (endowment) funds is to generate a total return that is sufficient to meet obligations for specific purposes by balancing present spending needs with expected future requirements. The total return objective must take into consideration the preservation of endowment capital, and the specific purpose obligations according to donor wishes.

All endowment funds are to be accumulated and invested in a diversified segregated or pooled fund of Canadian and foreign equities and fixed income securities. These funds must be structured to optimize return efficiency such that the return potential is maximized within the organization's risk tolerance guidelines. The Manager is expected to advise the Committee in the event that the pooled fund exhibits, or may exhibit, any significant departure from this Statement.

4.0 GENERAL GUIDELINES

The university uses the investment pool method, except that in those instances where funds are precluded under agreement or contract from being pooled for investment purposes. The acquisition of specific investment instruments outside of authorized investment pools, requires the approval of the Chief Financial Officer and one of either President or VP External Relations.

All securities shall be registered in the University Of Ontario Institute of Technology's name; or in the name of a financial institution that is eligible to receive investments under the University Of Ontario Institute Of Technology's

Investment Policy.

The university may or may not directly or internally manage any portion of its endowed funds.

External investment managers and/or advisors shall be selected from well-established and financially sound organizations which have a proven record in managing funds with characteristics similar to those of the university.

The university shall maintain separate funds in the general ledger for endowment fund donations. Within these funds, the university shall maintain accurate and separate accounts for all restricted funds.

Investment income, capital gains and losses on the sale of equities and securities, and the amortization of premiums and discounts on fixed term securities earned on endowment funds accrue to the benefit of the endowment accounts and are distributed to capital preservation, stabilization and distribution accounts annually.

5.1 AUTHORIZED INVESTMENTS

5.2 Investment Criteria

Outlined below are the general investment criteria as understood by the Committee. The list of permitted investments includes:

(a) Short-term instruments:

- Cash;
- Demand or term deposits;
- Short-term notes;
- Treasury bills;
- Bankers acceptances;
- Commercial paper; and
- Investment certificates issues by banks, insurance companies and trust companies.

(b) Fixed income instruments:

- Bonds;
- Debentures (convertible and non-convertible); and
- ~~Mortgages and other asset backed securities.~~

(c) Canadian equities:

- Common and preferred stocks;

Commented [BM1]: Mortgages classified as alternatives. This was altered previously in the table but not in this section.

- Income trusts; and
- Rights and warrants.

(d) Foreign equities:

- Common and preferred stocks;
- Rights and warrants; and
- American Depository Receipts and Global Depository Receipts.

(e) Alternative investments:

- Direct Real Estate Equity: commercial investment grade income-producing real estate
- Direct investment in Global Private Infrastructure assets via a pooled fund structure that is well-diversified across sectors and geographies with a focus on countries that are members of the Organization for Economic Co-operation and Development (OECD).
- Conventional Mortgage investments primarily in first mortgages on income-producing commercial, industrial, and multi-residential properties. Underlying mortgages should be diversified geographically and by property type, and places an emphasis on large population centers with strong demographic and economic growth profiles.

(f) Pool funds, closed-end investments companies and other structured vehicles in any or all of the above permitted investment categories are allowed.

5.3 Derivatives

The Fund may use derivatives, such as options, futures and forward contracts, for hedging purposes, to protect against losses from changes in interest rates and market indices; and for non-hedging purposes, as a substitute for direct investment.

5.4 Pooled Funds

With the approval of the Committee, the Manager may hold any part of the portfolio in one or more pooled or co-mingled funds managed by the Manager, provided that such pooled funds are expected to be operated within constraints reasonably similar to those described in this mandate. It is recognized by the Committee that complete adherence to this Statement may not be entirely possible; however, the Manager is expected to advise the Committee in the event that the pooled fund exhibits, or may exhibit, any significant departure from this Statement.

5.5 Responsible Investing

The Board has a fiduciary obligation to invest the Fund in the best interests and for the benefit of the university.

The Board recognizes that environment, social, and governance (ESG) factors may have an impact on corporate performance over the long term, although the impact can vary by industry. Best practices suggest that incorporating ESG factors in the investment process is prudent and aligned with the university's social commitment.

Given the fact that the university uses the investment pool method, it is not practical for the Committee to directly engage individual companies on ESG related issues, either through dialogue or by filing shareholder resolutions. Subject to its primary fiduciary responsibility of acting in the best interests of the university and its stakeholders, and within the limits faced by an investor in externally managed pooled funds, the Committee will incorporate ESG factors into its investment process through the following methods:

(a) Manager Selection and Reporting

The integration of ESG factors in the investment process will be a criterion in the selection, management and assessment of the Manager.

The Committee will require the Manager to provide regular and annual reporting on the incorporation of formal ESG factors in the management of their portfolios.

(b) Engagement

Since the university does not directly invest in companies, proxy voting is delegated to the Manager. The Committee will encourage the Manager to incorporate into their proxy voting guidelines policies that encourage issuers to increase transparency of their ESG policies, procedures and other activities, and also to bring to the Committee's attention any significant exposure through the Fund to a particular company, industry or nation that is facing a material ESG issue.

6.0 RISK GUIDELINES

All investment of assets must be made within the risk guidelines established in this Statement. Prior to recommending changes in investments, the Manager must certify to the Committee that such changes are within the risk guidelines. For the purposes of interpreting these guidelines, it is noted that all allocations are based on market values and all references to ratings reflect a rating at the

time of purchase, reviewed at regular intervals thereafter. In the event that the portfolio is, at any time, not in compliance with either the ranges or ratings profile established in this Statement, such non-compliance will be addressed within a reasonable time after the Manager or Committee has identified such non-compliance.

6.1 Asset Mix and Ranges

Investment of assets must be within the asset classes and ranges established in Table 6.1.

Table 6.1

Asset Class	Strategic Target	Range	Benchmark (Total Return)
Cash & short-term	0%	0% – 10%	FTSE 30-Day T-Bill Index
Fixed Income	20%	15% – 35%	
Core Plus Bonds	20%	15% - 35%	FTSE Canada Universe Bond Index
Equities	55%	45% - 65%	
Canadian	20%	10% - 30%	S&P/TSX Capped Composite Index
Global	30%	20% - 45%	MSCI World Net Index (\$C)
Emerging Market Equities	5%	0% - 10%	MSCI Emerging Markets Net Index (\$C)
Alternatives	25%	10% - 30%	
Direct Real Estate	10%	0 - 15%	<u>Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps</u> Canada CPI (seasonally-adjusted) + 4.0%
Mortgages	8-15%	0% - 15-20%	FTSE Canada Short Term Overall Bond Index
<u>Global Infrastructure</u>	<u>7%</u>	<u>0 – 15%</u>	<u>Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps</u>

6.2 Cash and Cash Equivalents

Cash and cash equivalents must have a rating of at least R1, using the rating of the Dominion Bond Rating Service (“DBRS”) or equivalent.

6.3 Fixed Income

- (a) Maximum holdings of the fixed income portfolio by credit rating are:

Credit Quality	Maximum in Bond ¹	Minimum in Bond ¹	Maximum Position in a Single Issuer
Government of Canada ²	100%	n/a	no limit
Provincial Governments ²	60%	0%	40 %
Municipals	25%	0%	10%
Corporates	75 %	0%	10%
AAA ³	100%	0%	10%
AA ³	80%	0%	5%
A ³	50%	0%	5%
BBB	15%	0%	5 %
BB and less	20 %	0%	2 %

¹ Percentage of portfolio at market value; ² Includes government-guaranteed issues; ³ Does not apply to Government of Canada or Provincial issues

- (b) Maximum holdings of the fixed income portfolio, other than Canadian denominated bonds as illustrated in 6.3 (a), by asset type:
- 20% for asset-backed securities;
 - 60% for mortgages or mortgage funds;
 - 20% for bonds denominated for payment in non-Canadian currency; and
 - 10% for real return bonds.
- (c) All debt ratings refer to the ratings of Dominion Bond Rating Service (DBRS), Standard & Poor's or Moody's.
- (d) No less than 80% of non-Canadian dollar denominated bonds should be hedged back to the Canadian dollar.

6.4 Equities

- (a) No one equity holding shall represent more than 15% of the market value of the assets of a single pooled fund.
- (b) There will be a minimum of 30 stocks in each equity (pooled fund) portfolio.
- (c) No more than 5% of the market value of an equity portfolio (pooled fund) may be invested in companies with a market capitalization of less than \$1 billion at the time of purchase
- (d) Illiquid assets are restricted to 10% of the net assets of the Fund.
- (e) Foreign equity holdings can be currency hedged to a maximum of 50%
- (f) It is expected that Global Equities will be well-diversified to represent a

proportional share of U.S. equities as part of the broader global markets. This has historically ranged from 55% to 65%.

6.5 Alternative Assets

- (a) Illiquid assets shall not constitute more than ~~30.20~~% of the total portfolio.
- (b) Alternative investment solutions have the potential to enhance fixed income returns, reduce equity risk, reduce portfolio volatility and improve portfolio efficiency. They typically require a longer investment horizon, are less liquid, and when considered in isolation may be deemed more risky than other securities. The associated risks, fees and expenses are detailed in a document called an Offering Memorandum which the manager is responsible for providing to the appropriate Committee prior to any such new investment being made in the portfolio.

7.0 PERFORMANCE EXPECTATIONS

7.1 Portfolio Returns

The portfolio is expected to earn a pre-fee rate of return in excess of the benchmark return over the most recent five-year rolling period. Return objectives include realized and unrealized capital gains or losses plus income from all sources. Returns will be measured quarterly, and calculated as time-weighted rates of return. The composition of the benchmark is developed from the asset mix outlined in this Statement and more specifically described in the Asset Class Management Procedures, Appendix A.

In order to meet the university's disbursement requirements, investments need to earn a minimum level of income, measured over a five-year rolling market cycle. The minimum recommended level is defined as the sum of the following items:

Minimum disbursement requirement	3.5%
Investment management fees	0.5%
Capital preservation amount	<u>2.0%</u>
Minimum Rate of Return	<u>6.0%</u>

Note: The disbursement requirement and capital preservation amounts will be reviewed, and updated as required.

8.0 REPORTING & MONITORING

8.1 Investment Reports

Each quarter, the Manager will provide a written investment report containing the following information:

- portfolio holdings at the end of the quarter;
- portfolio transactions during the quarter;
- rates of return for the portfolio with comparisons with relevant indexes or benchmarks; Compliance report;

8.2 Monitoring and Recommendations

At the discretion of the Committee as required, the Manager will meet with the Committee regarding:

- the rate of return achieved by the Manager;
- the Manager's recommendations for changes in the portfolio;
- future strategies and other issues as requested.

The agreement with the Manager or any Custodian will be reviewed by the committee on a four year cycle. This review could include a Request for Proposal for these services.

8.3 Annual Review

It is the intention of the university to ensure that this policy is continually appropriate to the university's needs and responsive to changing economic and investment conditions. Therefore, the Committee shall present the SIP to the Board, along with any recommendations for changes, at least annually.

9.0 STANDARD OF CARE

The Manager is expected to comply, at all times and in all respects, with the code of Ethics and Standards of Professional Conduct as promulgated by the CFA Institute.

The Manager will manage the assets with the care, diligence and skill that an investment Manager of ordinary prudence would use in dealing with all clients. The Manager will also use all relevant knowledge and skill that it possesses or ought to possess as a prudent Investment Manager.

The Manager will manage the assets in accordance with this Statement and will verify compliance with this Statement when making any recommendations with respect to changes in investment strategy or investment of assets.

The Manager will, at least once annually, provide a letter to the Committee confirming the Manager's familiarity with this Statement. The Manager will, from time to time, recommend changes to the SIP to ensure that the SIP remains relevant and reflective of

the university's investment objectives over time.

10.0 CONFLICT OF INTEREST

All fiduciaries shall, in accordance with the university's Act and By-laws and policies on conflict of interest, disclose the particulars of any actual or potential conflicts of interest with respect to the Fund. This shall be done promptly in writing to the Chair of the Audit & Finance Committee. The Chair will, in turn, table the matter at the next Board meeting. It is expected that no fiduciary shall incur any personal gain because of their fiduciary position. This excludes normal fees and expenses incurred in fulfilling their responsibilities if documented and approved by the Board.

11.0 PROXY VOTING RIGHTS

Proxy voting rights on portfolio securities are delegated to the Manager. The Manager is expected to maintain, and produce upon request, a record of how voting rights of securities in the portfolio were exercised. The Manager will exercise acquired voting rights in the best interests of the unit holders of the pooled fund.



Classification	LCG 1128
Framework Category	Legal, Compliance and Governance
Approving Authority	Board of Governors
Policy Owner	Vice-President, Administration
Approval Date	March 10, 2022
Review Date	March 2023
Supersedes	June 24, 2021; Statement of Investment Policies, February 27, 2020; Editorial Amendments, February 18, 2020; February 28, 2019; June 2016, June 27, 2018

STATEMENT OF INVESTMENT POLICIES

1.0 Purpose

The purpose of this Statement of Investment Policies (“SIP”) is to define the management structure governing the investment of non-expendable (endowed) university funds, and to outline the principal objectives and rules by which assets will be managed. The assets will be managed in accordance with this Statement and all applicable legal requirements. Any investment manager (“Manager”) or any other agents or advisor providing services in connection with assets shall accept and adhere to this Statement.

2.0 RESPONSIBILITIES

2.1 Board of Governors

The Board of Governors (“the Board”) of the university has responsibility and decision-making authority for these assets.

As part of its fiduciary responsibilities, the Board will:

- appoint members to sit on Audit and Finance Committee;
- receive the Audit and Finance Committee’s recommendations with respect to the SIP and approve or amend the SIP as appropriate;
- review all other recommendations and reports of the Audit and Finance Committee with respect to the Fund and the selection, engagement or dismissal of professional investment managers, custodians and advisors, and take appropriate action.

2.2 Audit & Finance Committee

The Committee may delegate some of its responsibilities to agents or advisors. In particular, the services of a custodian (the “Custodian”) and of one or more

investment managers (the “Manager”) may be retained. As part of its fiduciary responsibilities, the Audit and Finance Committee will:

- maintain an understanding of legal and regulatory requirements and constraints applicable to these assets;
- review the SIP on an annual basis, and make appropriate recommendations to the Board of Governors;
- formulate recommendations to the Board of Governors regarding the selection, engagement or dismissal of professional investment managers, custodians and advisors.
- oversee the Fund and the activities of the Manager, including the Manager’s compliance with their mandate and the investment performance of assets
- ensure that the Manager is apprised of any amendments to their mandate; and
- inform the Manager of any significant cash flows.

2.3 Investment Manager(s)

The Manager is responsible for:

- Selecting securities within the asset classes assigned to them, subject to applicable legislation and the constraints set out in this Statement;
- Providing the Committee with quarterly reports of portfolio holdings, a review of investment performance, facilitating future strategy discussions and recommending appropriate changes to the investment portfolio; (see Section 8 on “Reporting and Monitoring”);
- Attending meetings of the Committee at least once per year to review performance and to discuss proposed investment strategies;
- Informing the Committee promptly of any investments which fall outside the investment constraints contained in this Statement and what actions will be taken to remedy this situation; and
- Advising the Committee of any elements of this Statement that could prevent attainment of the objectives.

3.0 PORTFOLIO OBJECTIVES

3.1 Investment Policy

The Investment Policy outlines the university's investment objectives and risk guidelines. Investment objectives are defined in the context of Total Return which is defined as the sum of income and capital gains from investments.

3.2 Investment Objectives

The overall investment objective is to obtain the best possible total return on investments that is commensurate with the degree of risk that the university is willing to assume in obtaining such return. In general, the university's investment decisions balance the following objectives:

- generate stable annual income for the funds' designated purpose;
- preserve the value of the capital;
- protect the value of the funds against inflation; and
- maintain liquidity and ease of access to funds when needed

Stable annual incomes are an essential part of the disbursement process, and facilitate the forecast of spendable income each year. The investment object for non-expendable (endowment) funds is to generate a total return that is sufficient to meet obligations for specific purposes by balancing present spending needs with expected future requirements. The total return objective must take into consideration the preservation of endowment capital, and the specific purpose obligations according to donor wishes.

All endowment funds are to be accumulated and invested in a diversified segregated or pooled fund of Canadian and foreign equities and fixed income securities. These funds must be structured to optimize return efficiency such that the return potential is maximized within the organization's risk tolerance guidelines. The Manager is expected to advise the Committee in the event that the pooled fund exhibits, or may exhibit, any significant departure from this Statement.

4.0 GENERAL GUIDELINES

The university uses the investment pool method, except that in those instances where funds are precluded under agreement or contract from being pooled for investment purposes. The acquisition of specific investment instruments outside of authorized investment pools, requires the approval of the Chief Financial Officer and one of either President or VP External Relations.

All securities shall be registered in the University Of Ontario Institute of Technology's name; or in the name of a financial institution that is eligible to receive investments under the University Of Ontario Institute Of Technology's

Investment Policy.

The university may or may not directly or internally manage any portion of its endowed funds.

External investment managers and/or advisors shall be selected from well-established and financially sound organizations which have a proven record in managing funds with characteristics similar to those of the university.

The university shall maintain separate funds in the general ledger for endowment fund donations. Within these funds, the university shall maintain accurate and separate accounts for all restricted funds.

Investment income, capital gains and losses on the sale of equities and securities, and the amortization of premiums and discounts on fixed term securities earned on endowment funds accrue to the benefit of the endowment accounts and are distributed to capital preservation, stabilization and distribution accounts annually.

5.1 AUTHORIZED INVESTMENTS

5.2 Investment Criteria

Outlined below are the general investment criteria as understood by the Committee. The list of permitted investments includes:

(a) Short-term instruments:

- Cash;
- Demand or term deposits;
- Short-term notes;
- Treasury bills;
- Bankers acceptances;
- Commercial paper; and
- Investment certificates issued by banks, insurance companies and trust companies.

(b) Fixed income instruments:

- Bonds;
- Debentures (convertible and non-convertible); and

(c) Canadian equities:

- Common and preferred stocks;
- Income trusts; and

Commented [BM1]: Mortgages classified as alternatives. This was altered previously in the table but not in this section.

- Rights and warrants.

(d) Foreign equities:

- Common and preferred stocks;
- Rights and warrants; and
- American Depositary Receipts and Global Depositary Receipts.

(e) Alternative investments:

- Direct Real Estate Equity: commercial investment grade income-producing real estate
- Direct investment in Global Private Infrastructure assets via a pooled fund structure that is well-diversified across sectors and geographies with a focus on countries that are members of the Organization for Economic Co-operation and Development (OECD).
- Conventional Mortgage investments primarily in first mortgages on income-producing commercial, industrial, and multi-residential properties. Underlying mortgages should be diversified geographically and by property type, and places an emphasis on large population centers with strong demographic and economic growth profiles.

(f) Pool funds, closed-end investments companies and other structured vehicles in any or all of the above permitted investment categories are allowed.

5.3 Derivatives

The Fund may use derivatives, such as options, futures and forward contracts, for hedging purposes, to protect against losses from changes in interest rates and market indices; and for non-hedging purposes, as a substitute for direct investment.

5.4 Pooled Funds

With the approval of the Committee, the Manager may hold any part of the portfolio in one or more pooled or co-mingled funds managed by the Manager, provided that such pooled funds are expected to be operated within constraints reasonably similar to those described in this mandate. It is recognized by the Committee that complete adherence to this Statement may not be entirely possible; however, the Manager is expected to advise the Committee in the event that the pooled fund exhibits, or may exhibit, any significant departure from this Statement.

5.5 Responsible Investing

The Board has a fiduciary obligation to invest the Fund in the best interests and for the benefit of the university.

The Board recognizes that environment, social, and governance (ESG) factors may have an impact on corporate performance over the long term, although the impact can vary by industry. Best practices suggest that incorporating ESG factors in the investment process is prudent and aligned with the university's social commitment.

Given the fact that the university uses the investment pool method, it is not practical for the Committee to directly engage individual companies on ESG related issues, either through dialogue or by filing shareholder resolutions. Subject to its primary fiduciary responsibility of acting in the best interests of the university and its stakeholders, and within the limits faced by an investor in externally managed pooled funds, the Committee will incorporate ESG factors into its investment process through the following methods:

(a) Manager Selection and Reporting

The integration of ESG factors in the investment process will be a criterion in the selection, management and assessment of the Manager.

The Committee will require the Manager to provide regular and annual reporting on the incorporation of formal ESG factors in the management of their portfolios.

(b) Engagement

Since the university does not directly invest in companies, proxy voting is delegated to the Manager. The Committee will encourage the Manager to incorporate into their proxy voting guidelines policies that encourage issuers to increase transparency of their ESG policies, procedures and other activities, and also to bring to the Committee's attention any significant exposure through the Fund to a particular company, industry or nation that is facing a material ESG issue.

6.0 RISK GUIDELINES

All investment of assets must be made within the risk guidelines established in this Statement. Prior to recommending changes in investments, the Manager must certify to the Committee that such changes are within the risk guidelines. For the purposes of interpreting these guidelines, it is noted that all allocations are based on market values and all references to ratings reflect a rating at the time of purchase, reviewed at regular intervals thereafter. In the event that the portfolio is, at any time, not in compliance with either the ranges or ratings

profile established in this Statement, such non-compliance will be addressed within a reasonable time after the Manager or Committee has identified such non-compliance.

6.1 Asset Mix and Ranges

Investment of assets must be within the asset classes and ranges established in Table 6.1.

Table 6.1

Asset Class	Strategic Target	Range	Benchmark (Total Return)
Cash & short-term	0%	0% – 10%	FTSE 30-Day T-Bill Index
Fixed Income	20%	15% – 35%	
Core Plus Bonds	20%	15% - 35%	FTSE Canada Universe Bond Index
Equities	55%	45% - 65%	
Canadian	20%	10% - 30%	S&P/TSX Capped Composite Index
Global	30%	20% - 45%	MSCI World Net Index (\$C)
Emerging Market Equities	5%	0% - 10%	MSCI Emerging Markets Net Index (\$C)
Alternatives	25%	10% - 30%	
Direct Real Estate	10%	0 - 15%	Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps
Mortgages	8%	0% - 15%	FTSE Canada Short Term Overall Bond Index
Global Infrastructure	7%	0 – 15%	Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps

6.2 Cash and Cash Equivalents

Cash and cash equivalents must have a rating of at least R1, using the rating of the Dominion Bond Rating Service (“DBRS”) or equivalent.

6.3 Fixed Income

- (a) Maximum holdings of the fixed income portfolio by credit rating are:

Credit Quality	Maximum in Bond ¹	Minimum in Bond ¹	Maximum Position in a Single Issuer
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Government of Canada ²	100%	n/a	no limit
Provincial Governments ²	60%	0%	40 %
Municipals	25%	0%	10%
Corporates	75 %	0%	10%
AAA ³	100%	0%	10%
AA ³	80%	0%	5%
A ³	50%	0%	5%
BBB	15%	0%	5 %
BB and less	20 %	0%	2 %

¹ Percentage of portfolio at market value; ² Includes government-guaranteed issues; ³ Does not apply to Government of Canada or Provincial issues

- (b) Maximum holdings of the fixed income portfolio, other than Canadian denominated bonds as illustrated in 6.3 (a), by asset type:
- 20% for asset-backed securities;
 - 60% for mortgages or mortgage funds;
 - 20% for bonds denominated for payment in non-Canadian currency; and
 - 10% for real return bonds.
- (c) All debt ratings refer to the ratings of Dominion Bond Rating Service (DBRS), Standard & Poor's or Moody's.
- (d) No less than 80% of non-Canadian dollar denominated bonds should be hedged back to the Canadian dollar.

6.4 Equities

- (a) No one equity holding shall represent more than 15% of the market value of the assets of a single pooled fund.
- (b) There will be a minimum of 30 stocks in each equity (pooled fund) portfolio.
- (c) No more than 5% of the market value of an equity portfolio (pooled fund) may be invested in companies with a market capitalization of less than \$1 billion at the time of purchase
- (d) Illiquid assets are restricted to 10% of the net assets of the Fund.
- (e) Foreign equity holdings can be currency hedged to a maximum of 50%
- (f) It is expected that Global Equities will be well-diversified to represent a proportional share of U.S. equities as part of the broader global markets. This has historically ranged from 55% to 65%.

6.5 Alternative Assets

- (a) Illiquid assets shall not constitute more than 30% of the total portfolio.
- (b) Alternative investment solutions have the potential to enhance fixed income returns, reduce equity risk, reduce portfolio volatility and improve portfolio efficiency. They typically require a longer investment horizon, are less liquid, and when considered in isolation may be deemed more risky than other securities. The associated risks, fees and expenses are detailed in a document called an Offering Memorandum which the manager is responsible for providing to the appropriate Committee prior to any such new investment being made in the portfolio.

7.0 PERFORMANCE EXPECTATIONS

7.1 Portfolio Returns

The portfolio is expected to earn a pre-fee rate of return in excess of the benchmark return over the most recent five-year rolling period. Return objectives include realized and unrealized capital gains or losses plus income from all sources. Returns will be measured quarterly, and calculated as time-weighted rates of return. The composition of the benchmark is developed from the asset mix outlined in this Statement and more specifically described in the Asset Class Management Procedures, Appendix A.

In order to meet the university's disbursement requirements, investments need to earn a minimum level of income, measured over a five-year rolling market cycle. The minimum recommended level is defined as the sum of the following items:

Minimum disbursement requirement	3.5%
Investment management fees	0.5%
Capital preservation amount	<u>2.0%</u>
Minimum Rate of Return	<u>6.0%</u>

Note: The disbursement requirement and capital preservation amounts will be reviewed, and updated as required.

8.0 REPORTING & MONITORING

8.1 Investment Reports

Each quarter, the Manager will provide a written investment report containing the following information:

- portfolio holdings at the end of the quarter;
- portfolio transactions during the quarter;
- rates of return for the portfolio with comparisons with relevant indexes or benchmarks; Compliance report;

8.2 Monitoring and Recommendations

At the discretion of the Committee as required, the Manager will meet with the Committee regarding:

- the rate of return achieved by the Manager;
- the Manager's recommendations for changes in the portfolio;
- future strategies and other issues as requested.

The agreement with the Manager or any Custodian will be reviewed by the committee on a four year cycle. This review could include a Request for Proposal for these services.

8.3 Annual Review

It is the intention of the university to ensure that this policy is continually appropriate to the university's needs and responsive to changing economic and investment conditions. Therefore, the Committee shall present the SIP to the Board, along with any recommendations for changes, at least annually.

9.0 STANDARD OF CARE

The Manager is expected to comply, at all times and in all respects, with the code of Ethics and Standards of Professional Conduct as promulgated by the CFA Institute.

The Manager will manage the assets with the care, diligence and skill that an investment Manager of ordinary prudence would use in dealing with all clients. The Manager will also use all relevant knowledge and skill that it possesses or ought to possess as a prudent Investment Manager.

The Manager will manage the assets in accordance with this Statement and will verify compliance with this Statement when making any recommendations with respect to changes in investment strategy or investment of assets.

The Manager will, at least once annually, provide a letter to the Committee confirming the Manager's familiarity with this Statement. The Manager will, from time to time, recommend changes to the SIP to ensure that the SIP remains relevant and reflective of the university's investment objectives over time.

10.0 CONFLICT OF INTEREST

All fiduciaries shall, in accordance with the university's Act and By-laws and policies on conflict of interest, disclose the particulars of any actual or potential conflicts of interest with respect to the Fund. This shall be done promptly in writing to the Chair of the Audit & Finance Committee. The Chair will, in turn, table the matter at the next Board meeting. It is expected that no fiduciary shall incur any personal gain because of their fiduciary position. This excludes normal fees and expenses incurred in fulfilling their responsibilities if documented and approved by the Board.

11.0 PROXY VOTING RIGHTS

Proxy voting rights on portfolio securities are delegated to the Manager. The Manager is expected to maintain, and produce upon request, a record of how voting rights of securities in the portfolio were exercised. The Manager will exercise acquired voting rights in the best interests of the unit holders of the pooled fund.

BOARD REPORT

SESSION:

Public
Non-Public

☒
☐**ACTION REQUESTED:**

Decision
Discussion/Direction
Information

☐
☐
☒

TO: Board of Governors

DATE: March 9, 2023

PRESENTED BY: Brad MacIsaac, Vice President Administration

SUBJECT: Budget Assumptions and Multi-Year Planning

COMMITTEE MANDATE:

As set out in its Terms of Reference for Audit & Finance, the Committee is responsible for ensuring fiscal responsibility with respect to the financial resources of the university, including reviewing and recommending approval of the annual operating budgets.

Leadership is presenting, for discussion, three recommendations that will move Ontario Tech towards an enhanced rolling multi-year budget as part of the 2023-2024 budget planning process.

BACKGROUND/CONTEXT & RATIONALE:

At the February 22, 2023 meeting of A&F management presented for discussion three recommendations that will move Ontario Tech towards an enhanced rolling multi-year budget as part of the 2023-2024 budget planning process. The committee endorsed this move to give more time to review out-years and make changes as required. A greater focus being on the strategy rather than the implementation.

In recent years Ontario Tech's focus has been more on an annual budget due to the turbulent environment caused mainly by COVID pandemic and government policies related to tuition and grants. Universities desiring to implement a multi-year budget are confronted with some puzzling questions: How is multi-year budgeting affected by financial stability? What political and administrative factors should be considered when implementing the multi-year budget? Does multi-year budgeting reduce flexibility?

The attached discussion paper outlines the recommended process for a three-year budget noting the first year is approved for actual management reporting purposes and then the out-years will be brought back for more formal approval in the next fiscal. The main questions Audit & Finance Committee was asked to focus on were:

Do you feel comfortable with approving a three-year rolling budget? Noting that each year management will come back with a more detailed “in-year” proposal focused mainly on variance from previous plan.

Do you believe the draft charts for capital planning and commercial revenues provide you with a better line of sight on the subsections of the consolidated budget? Noting that S&P have regular reports on the long-term plans and annual tracking.

ALIGNMENT WITH MISSION, VISION, VALUES:

The suggested directions are made with an eye on the mission of the university and an investment in the priorities laid out in the Integrated Academic Research Plan. They will allow Ontario Tech to continue to provide high quality undergraduate and graduate services and experiences to its students.

COMPLIANCE WITH POLICY/LEGISLATION:

The out-year assumptions include our expectations on compliance with the provincial tuition fee policy and Ontario Tech’s ancillary fee protocol. These will be updated each year as numbers are confirmed.

NEXT STEPS:

Management will bring forward the new format at the April A&F budget presentation.

SUPPORTING REFERENCE MATERIALS:

Multi-year Budget Planning – A&F Discussion Paper: Feb 22, 2023

Multi-year Budget Planning – A&F Discussion Paper: Feb 22, 2023

Over the past decade, there has been a resurgence of interest across all sectors, and especially not-for-profit, in reviewing the use of multi-year budgeting. The attention to multi-year budgeting has been prompted in part by the difficulty of linking long-term strategic plans with financial planning processes in annual budget cycles. The debate on “best practice” has increased over the past three years in the post-secondary sector due to the impact of external factors such as the COVID-19 pandemic and/or increasing government intervention and how these impact university financial sustainability in the long term.

Multi-year budgeting provides the opportunity to convert annual budgeting from a technical task focused primarily on the analysis of spending increments to a planning task by forcing consideration of long-term objectives. This in turn reduces work hours dedicated to annual budget development and reallocates that effort toward monitoring, analysis, and innovation. But multi-year budgeting may not be for everyone. Universities desiring to implement a multi-year budget are confronted with some puzzling questions: How is multi-year budgeting affected by financial stability? What political and administrative factors should be considered when implementing the multi-year budget? Does multi-year budgeting reduce flexibility?

1.0 Purpose of this paper

This paper is being presented to Audit and Finance as a discussion piece on how the multi-year budget is currently handled at Ontario Tech and to solicit feedback on proposed enhancements to the process. The goals of the paper are to:

- Outline the purpose of multi-year planning in a university setting, ensuring members are aware of the general assumptions in Ontario Tech’s current multi-year model;
- Address the Ontario Internal Audit Division recommendation to approve out year budget before the next year begins; and
- Address the Auditor General’s recommendation to improve budgeting practices by outlining the impact from all investments and how each contributes to or draws on university resources.

2.0 Multi-year budgets at Ontario Tech

Simply put, a multi-year budget is a document that authorizes anticipated revenues and planned expenditures for two or more consecutive budgetary years. The most common types of multi-year budgets are as follows:

1. The “classic” (traditional) multi-year budget - a “spending plan” that has detailed revenues and expenses for two or more budgetary periods, and each budgetary year is approved at the same time. Management would not need to come back in year two for approval.
2. The rolling multi-year budget - a “spending document” that has detailed revenues and expenses for two or more budgetary periods, but each budget is approved individually each year. Management outlines the direction for out-years but comes back in year two to outline variances to the plan.

A multi-year budget may also consist of an annual budget with financial plans that serve as the tentative spending strategies for the out-years (i.e. the first-year expenditures are formally adopted, whereas the subsequent years are not). A multi-year financial plan is a document that provides budgetary information on how an institution will tentatively fund its departments, programs, and services; how it will address revenue enhancement and collection; and how it will address changes in fiscal health in the future. Because a multi-year financial plan is not formally adopted an institution can amend the financial plan and develop an entirely new budget document each year for Board approval. As the rolling budget also always changes in out-years but gives management more ability to make in year approvals we are proposing this approach moving forward.

Recommendation 1: Ontario Tech moving towards a more formal three-year rolling budget with a longer-term financial plan.

The University normal presents an illustration of how the in-year budget will impact out years but has not asked to formally approve enrolment expectation along with corresponding estimated revenue/ expense assumptions. Several factors have contributed to the focus on annual budgeting at the University including the dependence on government-controlled sources of revenue (grant and domestic tuition); the lack of timely government policy clarity; the increased complexity of university budgets and the speed at which we need to alter to stay ahead on innovation. While none of these limit management's ability to create a financial plan, the previous Board at Ontario Tech felt it was more prudent to spend their time looking at the annual budget and how the in-year investments or reallocations connected to delivering on Ontario Tech's Integrated Academic Research Plan. We now believe we are in a better position to move back to a long-term focus to provide more assurance to the Board that current decisions will not lead to future financial issues.

3.0 Multiyear planning and business continuity

To address the Ontario Internal Audit Division's recommendation to approve the out-year budget before the next year begins we were faced with the decision of moving up the budget approval from the April Board session to an earlier meeting. University budgets are best set after the winter term begins as we have a better indication of the current student enrolment patterns, the new student application data and normally the government's direction on tuition. The rationale for making the transition from an annual budget to a multi-year budget includes improved long-term planning by providing assurances to units about service delivery and greater emphasis on program evaluation and monitoring by giving time to implement and review. Further, as our largest expense is our investment in employees, the multi-year approval provides more time for the hiring process.

Multi-year budgeting requires universities to take a long-term perspective when making decisions to undertake new initiatives and fund existing programs and services over multiple years. At the April Board meeting the University will approve the budget plans individually for each year. The first year is confirming anticipated revenues/ expenses and noting any variation from the prior year's plan. The second year will show Board members the impact of the current year decisions on the future year's budget. It will also include some nominal assumptions related to maintaining staff ratios, contractual increases (labour and operating), and potentially other assumed inflationary increases.

Recommendation 2: Continue to approve budgets in April even though the fiscal year starts April 1st. To mitigate the process concern management will present the second-year budget noting this includes a simple rollover of assumed base expenses to ensure those are in place for planning purposes. Management will come back with a revised annual budget a year later.

The University will be moving to show the Board a high-level detailed multi-year operating plan to answer these budgetary questions: What will the existing programs cost two years from now at a rolled-up level? Will the existing sources of revenue be sufficient to provide a desirable level of service in the years to come? Given the growth rate, what new labour is required to maintain ratios? Will the revenue sources be adequate to cover these needs?

4.0 Multi-year planning and how capital and commercial services impact the budget

The Auditor General's report of 2022 recommends that Ontario Tech develop a separate budget for operating, commercial, and all capital investments to inform the Board of the impact of each activity on the University's resources. Further, to continue to present to the Board the budget on a consolidated basis so members have a holistic picture. The University started to separate out capital for the Board in 2022 and is currently providing regular tracking reports to the Strategy & Planning Committee. However, at the last S&P Committee meeting, there was discussion on how best to present the information as a review of each capital purchase, no matter the dollar value or purpose, is not an effective use of Board member's time. The idea would be to focus on the "strategic" items instead.

Recommendation 3: Add in appendices to the annual budget to show a long-term capital and commercial view along with an in-year specific listing of what is in the consolidated budget.

Management is still reviewing what this may look like but is proposing a section in the budget paper for (a) capital facilities infrastructure/capital IT infrastructure and (b) commercial services. The section will outline the mandate for the expense unit, a multi-year plan, a detailed in-year budget, and a snippet of recent accomplishments. We are proposing the following tables for A&F discussion:

(a) IT Infrastructure as an illustration the long-term capital request may include a 10-year vision, a 3-year budget ask as it relates to the systems and services needed for basic infrastructure along with strategic capital identified in the Digital Learning Strategy and the in-year approved. The current budget has \$1.3M factored into it.

Capital Initiative (with Inflation)	2023-24	2024-25	2025-26
Enterprise	\$673,500	\$629,320	\$801,123
Audio Visual/ Service Desk	\$86,000	\$105,790	\$78,255
Network, Telephony and Data Centre	\$1,060,000	\$1,040,300	\$758,544
Information Security	\$38,500	\$13,905	\$66,306
IT Service Management	\$79,000	\$106,520	\$147,029
Procurement Plan	\$408,578	\$344,972	\$369,755
Creative Application of Technology	\$152,000	\$23,800	\$243,000
Classroom Environment	\$331,000	\$526,000	\$629,000
Quality Information	\$304,000	\$596,000	\$699,000
Totals	\$3,132,578	\$3,399,207	\$3,792,317

To give community members a line of sight on the capital projects that make up the total capital allocation in the given fiscal year, where the funding is coming from and the connection with the IARP.

Project	Grant/ other	Operating / Ancillary	Donation	Total Project Costs	Learning Re-imagined/Tech with a Conscience - Innovative Programming	Learning Re-imagined/Tech with a Conscience - Differentiated Technology and Physical Space	Partnerships - Building Community to Support Learning, Opportunities
Ellucian Revitalization		98,810		98,810	•	•	
Cognos Consulting Services		12,430		12,430	•	•	
Banner Cloud Assessment - Phase 3		46,535		46,535	•	•	
Ellucian Active Directory Account Provisioning (ADAP)		22,973		22,973	•	•	
Ellucian Intelligent Learning Platform (ILP)		29,474		29,474	•	•	
Contract Project Manager - Banner		70,000		70,000	•	•	
Ellucian Experience Premium		107,834		107,834		•	
Network Edge (Access Layer) switch life cycle refresh		462,000		462,000		•	
UPS batteries replacement		17,000		17,000		•	
Wi-Fi life cycle refresh		289,900		289,900		•	
Telephony Core and voicemail replacement Pilot Phase 2		25,000		25,000		•	
PM for ICT		67,000		67,000		•	
Cloud Migration - AD Azure roadmap		50,000		50,000		•	
Lab refresh (TELE)		50,000		50,000		•	
Data Centre - Servers life cycle refresh and upgrades		120,000		120,000		•	
Data Centre - storage life cycle refresh and capacity increase		49,000		49,000		•	
Data Centre - Backup capacity		16,000		16,000		•	
Expandable Cloud Infrastructure		8,000		8,000		•	
PC Faculty staff refresh		410,000		410,000		•	
Podium replacement for AODA requirements		200,000		200,000		•	
Streaming Technology replacement		102,000		102,000		•	

(b) Commercial Services: The Office of Ancillary Services supports the overall University vision by combining excellence in service delivery with a forward-thinking attitude that embraces technology with a conscience as a means to advance knowledge and sustain the planet. The mandate of the unit is to enhance the campus experience by facilitating meaningful relationships, school spirit, and a sense of belonging by offering:

- fresh, nutritious, and minimally processed foods;

- course materials, spirit products, and other necessities; and
- high-end support services that build bridges between our campus and the surrounding community.

Ontario Tech's values of integrity, inclusion, intellectual resilience, and innovation are at the core of everything we do. Our ability to deliver outstanding customer service results from practicing these values each and every day. With this in mind, the overarching goal of the unit is to break even. This would include setting aside reserves for capital upgrades.

Commercial Services Financial Summary

(\$000s)	21/22 Actuals	22/23 Budget	22/23 Forecast	23/24 Budget	24/25 Budget	25/26 Budget	26/27 Budget
TOTAL							
Revenue	2,964	6,466	5,466	5,932			
Labour Cost	(1,363)	(1,603)	(1,256)	(1,508)			
Operating Cost	(2,469)	(4,320)	(3,834)	(3,866)			
Net Surplus/(Deficit)	(868)	543	376	558	0	0	0
	0	0	0	0			
Bookstore							
Revenue	59	100	40	40			
Labour Cost	0	0	0	0			
Operating Cost	0	0	0	0			
Net Surplus/(Deficit)	59	100	40	40	0	0	0
Parking							
Revenue	606	1,188	1,210	1,364			
Labour Cost	(41)	(42)	(42)	(44)			
Operating Cost	(583)	(837)	(255)	(313)			
Net Surplus/(Deficit)	(18)	309	913	1,008	0	0	0
Food Services							
Revenue	113	2,505	1,744	2,381			
Labour Cost	(4)	(214)	(314)	(274)			
Operating Cost	(548)	(2,248)	(1,673)	(2,317)			
Net Surplus/(Deficit)	(440)	42	(243)	(210)	0	0	0
Regent							
Revenue	95	551	531	551			
Labour Cost	(270)	(406)	(464)	(413)			
Operating Cost	(48)	(143)	(108)	(143)			
Net Surplus/(Deficit)	(222)	2	(41)	(5)	0	0	0
Campus Ice Centre							
Revenue	930	1,175	1,162	941			
Labour Cost	(370)	(526)	0	(532)			
Operating Cost	(646)	(658)	(1,222)	(754)			
Net Surplus/(Deficit)	(86)	(8)	(60)	(345)	0	0	0
Campus Field House							
Revenue	451	643	589	655			
Labour Cost	(51)	(173)	0	(184)			
Operating Cost	(386)	(320)	(473)	(339)			
Net Surplus/(Deficit)	14	149	117	132	0	0	0

ADVANCEMENT STRATEGY FOR ONTARIO TECH

Strategy and Planning, January 12, 2023

New Campaign

Key Elements:

- Campaign Cabinet – senior volunteer leaders
- Strong and compelling Case for Support
- Key Prospects and Donors
- Marketing and communications
- Engagement/support from Ontario Tech leaders and teams



Research and Recruitment of Campaign Cabinet

Kinds of volunteers needed:

- Passionate and proud
- Influential
- Connected
- Donor to Ontario Tech
- Willing to engage in one or all of the following: introduce, engage, ask and steward their contacts, such as their companies/employers

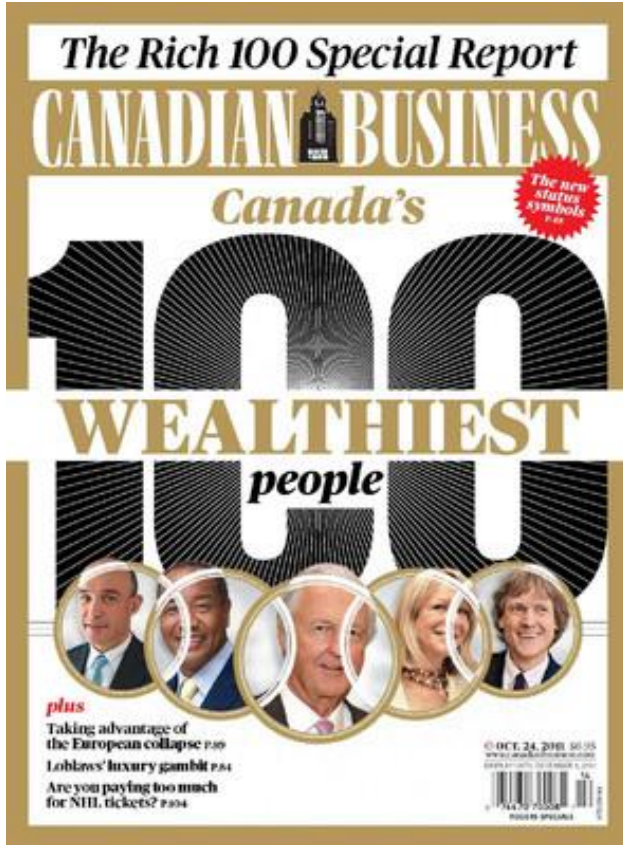


Development of Case for Support

- Case for Support needs to:
 - be aspirational
 - demonstrate impact
 - be compelling
 - be clear and informative with goals and metrics
- Working with leadership to determine and outline campaign priorities
- Will develop promotional items to convey compelling Case



Identifying Key Prospects and Donors



- Build out campaign pipeline
 - Who has capacity to give?
 - Build relationships with existing donors/partners
 - Significantly grow our portfolio of individuals and families
- Consider who is looking to invest and engage in priority areas, such as:
 - Students
 - Climate change
 - Innovations in healthcare
 - Entrepreneurship

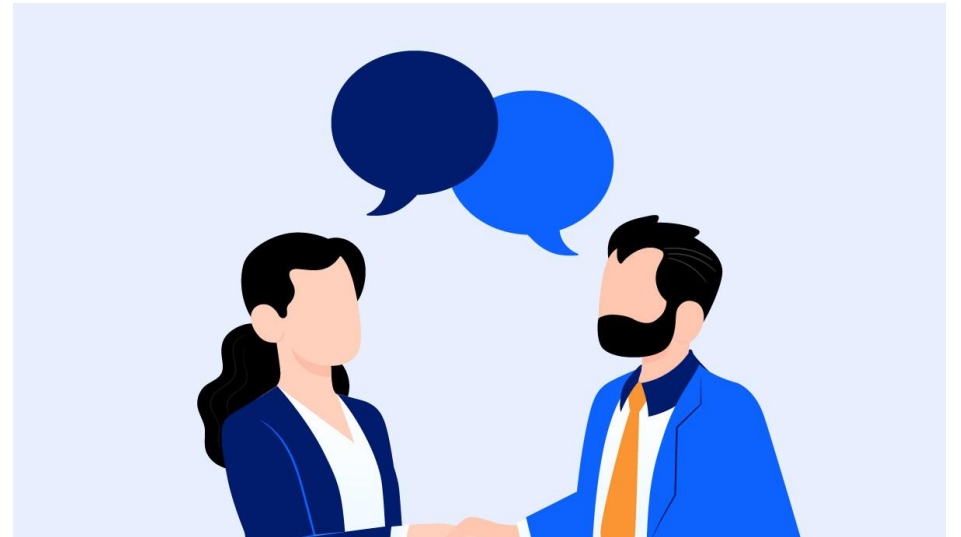
Resources needed for success

- Key fundraisers for transformational and leadership gifts
- Strong marketing and communication materials and vehicles
- Improved digital tools and systems to enhance donor experiences and grow giving
- Leadership support - Board, Deans and SLT, key faculty/staff



How can our Board of Governors support the Campaign?

- Donate, with a multi-year pledge
- Identify volunteers and donors
- Provide a Board statement of endorsement
- Engage in activities, by attending and bringing prospective donors to events, tours, talks, etc.
- Provide your expertise and resources related to marketing and awareness building opportunities





Questions/discussion

1. Where do we go from here?
2. How do we effectively build brand and awareness for the Campaign?
3. From your point of view, what makes Ontario Tech a compelling organization to engage in and support?
4. How can we help you to help us, and what do you need from us?

BOARD REPORT

SESSION:**Public**☒**Non-Public**☐**ACTION REQUESTED:****Decision**☐**Discussion/Direction**☐**Information**☒**TO:****Board of Governors****DATE:****March 9, 2023****PRESENTED BY:****Dr. Lori Livingston, Provost and Vice-President Academic
Sarah Cantrell, AVP Planning and Strategic Analysis****SUBJECT:****Institutional Metric Target Setting Process Update**

COMMITTEE/BOARD MANDATE:

The Strategy and Planning Committee is responsible for overseeing all aspects of the university's strategic planning efforts, including the implementation and assessment of these plans in the context of the university's vision, mission and values.

BACKGROUND/CONTEXT & RATIONALE:

At its June 2022 meeting, the Board approved the proposed set of institutional metrics that would provide a basis for the University to track its progress towards its strategic goals as outlined in the 2021-2023 Integrated Academic and Research Plan. At the same meeting, a commitment was made to engage in a process throughout fall 2022 to develop and recommend meaningful targets to achieve for each metric. The attached information is a summary of the process to date on the recommended metric targets for S&P input. Consultation with Academic Council will occur at its January 2023 meeting. The attached presentation was presented and discussed at the S&P meeting on January 12, 2023.

CONSULTATION:

Proposed institutional metric targets were developed after consultation with the Senior Leadership Team (SLT) and Administrative Leadership Team (ALT), key university stakeholders via email, and meetings with area Directors throughout the fall 2022. In addition, the Faculty Association (via Joint Committee) was provided with a summary of the process to date in December 2022.

NEXT STEPS:

Incorporate feedback from S&P, Academic Council and SLT to formalize institutional metric targets to develop dashboards for end of year reporting to the Board in June.

SUPPORTING REFERENCE MATERIALS:

Presentation: Institutional Metrics



Institutional Metrics

January 2023

In Review

Purpose:

- Develop and establish a means to track and report on our success towards our goals as outlined in our Integrated Academic and Research Plan.

Principles for developing the Institutional Metrics:

- Align with our IARP Strategic Priorities
- Data exists, and can be systematized to track year-over-year progress
- Complement but do not duplicate SMA3 metrics
- Representative of Ontario Tech as a whole (who we are and what we do)



Ontario Tech University Metrics

Integrated Academic-Research Plan – Strategic Priorities

Tech with a conscience:

Innovating to improve lives and the planet by incorporating technology-enhanced learning strategies, and promoting the ethical development and use of technology for good through intensive research and inquiry.



Learning re-imagined:

Co-creating knowledge by adapting to the ever-changing educational landscape through the provision of flexible and dynamic learning and research opportunities.



Creating a sticky campus:

Cultivating student- and community-centric engagement opportunities by encouraging an inclusive culture for our institution through online and on-campus activities.



Partnerships:

Uncovering innovative solutions for their most pressing problems through purposeful research and collaboration with industry, community, government and academic partners especially as it relates to all facets of global sustainability and well-being.



The Road So Far





- **Spring/Summer 2022:**
 - Initial Institutional Metrics presented at Academic Council for discussion and feedback. Follow-up feedback meetings held with Deans and SLT.
 - Prepared Institutional Metrics Report:
 - Incorporated feedback from Strategy and Planning
 - Established overarching categories and metrics, develop data definitions and identified data sources
 - Collected multi-year data for each metric
 - Created Visualize Data to show:
 - Trends over 3 year period
 - Alignment to priorities
 - Metrics Summary Report presented to Board of Governors
- **Fall 2022:**
 - Metric and draft target information presented to SLT and ALT
 - Metric and draft target information circulated to key University stakeholders for consultation (via email)
 - Following feedback submissions from stakeholder, follow-up meeting held with area Directors for further feedback on targets.



Summary of Stakeholder Feedback

Overarching Feedback:

- Additional clarity on the metric definitions, including references to:
 - Data source
 - Population
 - Time-period
 - Contributing areas/units
- Highlighting metrics/targets which are maintenance vs. growth
- Some metrics/targets could be further broken out to highlight the impact of strategic initiatives.

	Status	 Tech with a Conscience	 Learning Re-Imagined	 Sticky Campus	 Partnerships
Comprehensive Access Institution	EXAMPLE ONLY	Integrated Academic-Research Plan Priority Alignment			
Student Mix (Actual and Proportion)	●		●	●	●
Intake Targets to Actual	●		●	●	
Demographics of our campus community	TBD	●		●	
Transfer students from universities and colleges	●		●		
Student retention	●			●	
Student participation in Transition activities	●		●	●	
LEAP Participation	●		●	●	
Employee Retention (Academic and Non-Academic)	●			●	
Transformational Education & Research Excellence					
Student Participation in Work Integrated Learning Opportunities	●		●		●
Partnerships supporting Work Integrated Learning	●		●		●
Students taking courses with Ethics or Impact component	●		●		
Courses taught by Full-time faculty	●			●	
Student to Faculty ratios	●		●	●	
NSSE results: Overall Student Satisfaction	●		●	●	
NASM/FTE ratio in instructional categories	●		●	●	
Flexible course formats offered (online or hybrid)	●		●		
Research Chairs and Institutes	●	●			●
Research Sponsorships and Partnerships	●				●
Alumni Engagement	●			●	●
Economic Stewardship					
Net Income/Loss Ratio	●	<div> Legend: <ul style="list-style-type: none"> ● - On Track/Meeting Target ● - Progressing towards target ● - Behind/Below target </div> <div> ● - Aligned with Strategic Priority </div>			
Viability Ratio	●				
Primary Reserve Ratio	●				
Net Operating Revenues Ratio	●				
Credit Rating	●				

Comprehensive Access Institution	Draft Targets			
		Proposed Target	Provincial Average	Ontario Tech 3yr Average
Student Mix (Actual and Proportion)	Proposed Targets are based on Provincial Average (as a comparator) and Ontario Tech 3 yr Average			
	Proportion of Graduate Students (distinction will be made between traditional and professional graduate programs)	between 8-10%	15%	8%
	Proportion of International Students - Overall	between 15%-17% (by end of planning period)	17%	8%
	Proportion of Female Students - Overall	50%	55%	42.6%
	Proportion of Part-time Students - UG only	between 7-10%	14%	6.6%
Reporting on demographics of our community	Target is to achieve a reportable response rate on new EDI survey			
Intake Targets to Actuals	Proposed Targets are based on the extensive discussions around enrolment targets and corridor funding.			
	Proportion of Target Achieved - Undergraduate	100%		93.3%
	Proportion of Target Achieved - Masters	100%		92.0%
	Proportion of Target Achieved - PhD	100%		79.7%
Number of transfer students from universities and colleges	Proposed Targets are based on the 3yr Ontario Tech average proportion of transfer student applications and registrations.			
	Proportion of transfer student applications	20%		20.1%
	Proportion of transfer student registration	30%		33.4%

Comprehensive Access Institution con't	Draft Targets			
		Proposed Target	Provincial Average	Ontario Tech 3yr Average
Student retention rates	Proposed Targets are based on Provincial Average			
	CSRDE Year 1 to Year 2 Retention Rate	80% or above	83%	83.7%
	CSRDE Year 2 to Year 3 Retention Rate	95%	95%	94.0%
Student participation in Transition activities	Proposed Targets based on Ontario Tech 3yr average			
	Proportion of Incoming Students (cohort) attending one or more Transition Events	62% or above		61.6%
LEAP participation	TBD upon consultation with the Office of the Registrar & TLC			
	Proportion of Successful LEAP Participants continuing 1 semester post-program	TBD - Target will be set after 22-23, to allow for 3 yrs of data.		81.2% (from 2 cohorts)
	Proportion of Successful LEAP Participants continuing 2 semesters post-program			61.2% (from 2 cohorts)
Employee Retention (Academic and Non-Academic)	Proposed Target reflects the upper range of the employee permanence over the last 3 years.			
	Employee Permanence	Healthy employee retention would be above 90%		93.4%

	Draft Targets			
Transformational Education & Research Excellence		Proposed Target	Provincial Average	Ontario Tech 3yr Average
Student Participation in Working Integrated Learning opportunities.	Proposed Targets based on Ontario Tech 3yr average			
	Proportion of UG student with a WIL Experience	25%		28%
	↳ Proportion of "Traditional" WIL Opportunities	80%		82%
Number partnerships to support WIL	Proposed Target based on Ontario Tech 3yr average, and feedback from VPRI and Partnership Office			
	# of WIL Partners	400		347
Students taking courses with Ethics or Impact component	Proposed Target based on Ontario Tech 3yr average			
	Proportion of Student with Ethics/Impact Courses	27%		27.4%
Courses taught by FT faculty	Proposed Target based on Ontario Tech 3yr average (rolling)			
	Proportion of Courses taught by FT faculty	80%		79.7%
Student: Faculty ratios	Proposed Target based on 2015 Provincial Average (all instructors)	31 to 1 (or better)	31 to 1	26.8 to 1

	Draft Targets			
Transformational Education & Research Excellence con't		Proposed Target	Provincial Average	Ontario Tech 3yr Average
NSSE results: overall student satisfaction	Proposed Targets based on Provincial Average			
	Question 1: How would you evaluate your entire educational experience at this institution?			
	Question 2: If you could start over again, would you go to the same institution you are now attending?			
	Question 1: % of Good/Excellent Respondents Y1	79%	79%	78%
	Question 1: % of Good/Excellent Respondents Y4	77%	77%	75%
NASM/FTE ratio in instructional categories	Question 2: % of Good/Excellent Respondents Y1	83%	83%	81%
	Question 2: % of Good/Excellent Respondents Y4	76%	76%	71%
Number of flexible course formats offered (online or hybrid)	Proposed Target based on COU recommended target			
	NASMs/FTE	5.1	5.1	4.6
	Proposed Target based on 5yr Ontario Tech median (all courses). (*5 yr median used to account for high virtual and hybrid learning in 20-21 & 21-22.)			
	% of Online/Hybrid Course Offerings	between 22-25%		24.1%

	Draft Targets			
Transformational Education & Research Excellence con't		Proposed Target	Provincial Average	Ontario Tech 3yr Average
Research Chairs and Institutes	Through consultation with the Office of VPRI (maintenance targets)			
	Count of Research chairs	23		14
	Count of Research Institutes & Centres	19		5
Industry and Institutional Research partnerships and sponsorships	TBD upon consultation with the Office of VPRI			
	# of External Entities involved in OnTech Research	TBD		114
	# of Canadian and International Entities	TBD		99 (Cdn) & 14 (Int)
Alumni Engagement	Proposed target reflects attainable participation rate in a range of alumni engagement mechanisms.			
	Participation/Engagement Rate of alumni	3%		-

	Draft Targets			
Economic Stewardship		Proposed Target	Provincial Average	Ontario Tech 3yr Average
Net Income/Loss Ratio	Proposed Target based on COU recommended threshold	at or above 1.5%		-
Viability Ratio	Proposed Target based on COU recommended threshold	at or around 30%		-
Primary Reserve Ratio	Proposed Target based on COU recommended threshold	at or above 30		-
Net Operating Revenues Ratio	Proposed Target based on COU recommended threshold	at or above 2%		-
Credit Rating				

Next Steps

- **Winter/Spring 2023**

- Metric definitions and target information to S&P and AC. Feedback and edits as required.
- Finalized metric definitions and target information presented to SLT/ALT.
- Data collection and metric report preparation
- SLT sign off
- IARP and Institutional Metrics Report to Board
- Posting of KPIs for internal community access



BOARD REPORT

SESSION:**Public****ACTION REQUESTED:****Decision****Discussion/Direction****Information****TO:****Board of Governors****DATE:****March 9, 2023****FROM:****Andrew Sunstrum, Director, Human Rights Office****SUBJECT:****Annual Human Rights Report 2021-2022**

BOARD MANDATE:

- The Board of Governor's mandate includes determining the mission, vision and values of the university.
- The Human Rights Office has oversight over the University's Human Rights Program, which includes handling human rights issues in accordance with the Respectful Campus Policy.

BACKGROUND/CONTEXT & RATIONALE:

The Human Rights Office plays a significant role in advancing the strategic objective of creating a sticky campus. This work is done with a focus on initiatives to improve the culture within which students learn and employees work. Several years ago, the Human Rights Office began to focus on how the university improves its culture by increasing its capacity to manage conflict and promote respect. The purpose of the Annual Report is to communicate Human Rights dispute statistics in order to track progress and to support continuous improvement.

The report was previously presented to GNHR on January 26, 2023.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

- The Annual Report supports the university's values of integrity and respect by demonstrating the university's commitment to establishing a safe, inclusive, and equitable culture at the institution.
- By demonstrating the seriousness in which the University places on safeguarding human rights, this report also supports the strategic pillar of creating a "sticky campus". If we want to encourage the university community to spend time on

campus, they must feel protected and confident that human rights issues are being dealt with appropriately.



Annual Report

2021-2022

Human Rights

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Appendices:

A. Student Sexual Violence Supports, Services & Programming

PART I OVERVIEW

The Human Rights Office (HRO) has oversight over the University's Human Rights Program and promotes a consistent and compliant approach to handling human rights issues raised by faculty members, staff, students and visitors.

The HRO promotes a Sticky Campus by supporting and enforcing a culture of respect and inclusivity and administering a seamless dispute resolution program.

The HRO plays a crucial role in promoting institutional capacity for identifying and resolving human rights-related disputes and conflict and is available on a confidential basis to provide advice and direction to any university member who is experiencing, witnessed or has received information about alleged harassment, discrimination, sexual violence, micro-aggressions or other forms of interpersonal conflict/disputes.

The HRO supports: de-escalation, dialogue, facilitated discussions, formal investigations and training/education. Over the course of the 2021-2022 fiscal year, the HRO expanded its mandate to include an increased role in preventing, responding to and reporting on incidents of student sexual violence, as defined under the [Student Sexual Violence Policy and Procedures](#).

PART II STATUS UPDATE

1. PURPOSE

As outlined in the University's [Respectful Campus Policy](#) and [Student Sexual Violence Policy and Procedures](#), Ontario Tech University is committed to providing an annual report to assist the Board and University Members to understand the state of the University's Human Rights Program and identify progress and trends from year to year. This report represents the University's second Annual Human Rights Report. The Report details progress to-date on the implementation of the University's Human Rights Program and reports data related to human rights-based complaints and consultations, including comparison data from the 2020-2021 Annual Report. It also, for the first time, addresses annual reporting obligations related to the University's student sexual violence program, including a compilation of data and information from internal partners that share responsibility for addressing and responding to student sexual violence.

2. DATA & TRENDS

Aggregate data on the resolution of issues is a key component of this report as it provides an annual snapshot of the Human Rights issues and concerns brought forward by University Members for resolution. The reporting period is the University's fiscal year; April 1, 2021 – March 31, 2022.

This year's report provides additional data and information on measures that have been taken related to student sexual violence prevention and support – previously contained in a stand-alone student sexual violence annual report prepared by Student Life.

This year's Report also reflects a significant bump in human rights-related interventions. This increase is directly associated with the University's launch of safety measures consistent with public health guidance in response to the COVID-19 Pandemic to allow students, faculty, staff and visitors to return to campus for the 2021-2022 academic year. This trend is entirely consistent with the experience of our colleagues in the post-secondary sector, particularly in relation to [vaccination requirements](#).

While the University focused on health and safety priorities in the face of a global pandemic that has killed over 6.5 million people, human rights requirements and principles were considered at all stages of planning for the University's return to campus and its Mask and Vaccine Directives. The HRO supported Senior Leadership in planning a safe return to campus and was consulted by various internal departments to resolve human rights-related concerns that accompanied the return to campus.

a. Issue Type

There are five (5) issue types that fall under the HRO's accountability: Discrimination, Duty to Accommodate, Harassment, Student Sexual Violence and issues of a general nature involving Human Rights.¹

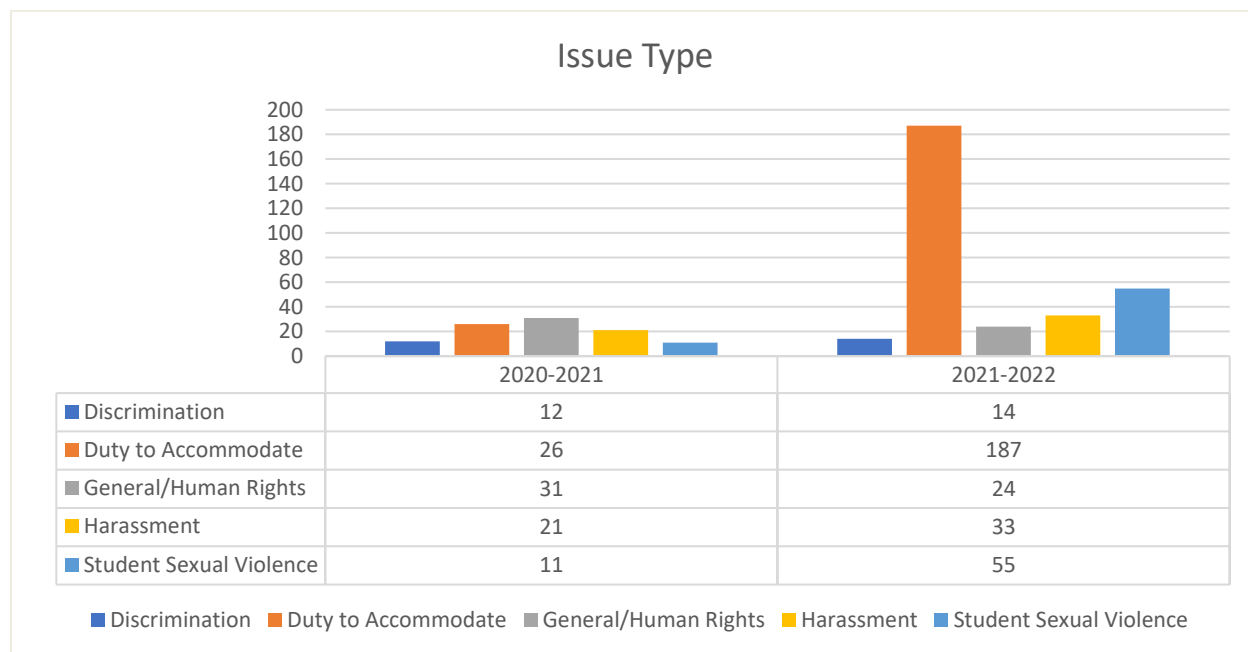


Table: 1

¹ The "General" category broadly includes consultations regarding human rights principles or inquiries of a programmatic nature, e.g. requests to review policy instruments or training materials to ensure human rights compliance, questions about legislative and policy interpretation, procedural inquiries, etc.

In the 2020-2021 fiscal year, 101 Human Rights issues were brought forward. By comparison, there were 313 Human Rights issues brought forward in 2021-2022, or an 210% increase.

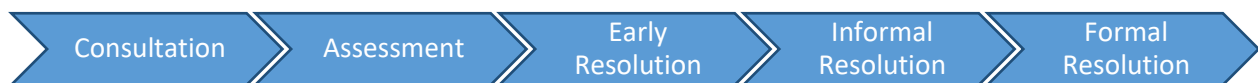
The dramatic increase is largely attributable to a significant spike in consultations and assessments related to the University's [COVID-19 Vaccine Directive](#) (currently paused). The HRO was consulted and assisted in assessments of requests for accommodation related to the Directive.

The increased numbers are also attributed to this year's inclusion of Student Sexual Violence data from across the University (versus that reported directly to the HRO, as reflected in the 2020-2021 HRO annual report). The disclosures and reports² of student sexual violence were received and addressed as follows:

- Mental Health Services in Student Life received 44 disclosures. 17 of these incidents were classified as having occurred in the last 12 months; 27 were classified as historical. 3 incidents occurred on campus; 41 incidents occurred off campus, including two internationally.
- The HRO received 6 disclosures (1 anonymous) and 4 reports of Student Sexual Violence – all 4 of the reports received by the HRO were related to alleged harassment. One of the reports was resolved informally, while the other three reports were investigated.
- The Office of Campus Safety and Security received one disclosure

* additional information about Student Sexual Violence Programming is in 'Appendix A' below

b. Intervention Type



The HRO annual report previously captured five main types of interventions applied to matters received by the office. This year, we have added a sixth intervention type to track disclosures of student sexual violence received by internal partners outside of the HRO:

1. Consultation: the act of reaching out to the HRO for advice or information.
2. Assessment: An HRO analysis of an issue to determine whether the matter triggers human rights obligations and/or requires intervention.
3. Early Resolution: when the HRO works with parties to resolve complaints prior to a formal complaint, or to assist persons of authority address incidents/concerns in a manner compliant with human rights obligations.

² The University's Student Sexual Violence Policy and Procedures distinguish between a "disclosure" of sexual violence, which is simply the act of telling a trusted individual about an incident of sexual violence and accessing supports or services; and, a "report" of sexual violence, which is a request that the University implement dispute resolution processes to resolve a complaint.

4. Informal Resolution: when the HRO employs a structured process, such as a mediation or restorative justice process, to resolve a complaint to the satisfaction of the parties in dispute.
5. Formal Resolution: when the HRO ensures an investigation to determine whether a policy violation has occurred.
6. Disclosures: incidents of student sexual violence disclosed to internal partners outside of the HRO (e.g. to obtain supports through Mental Health Services)

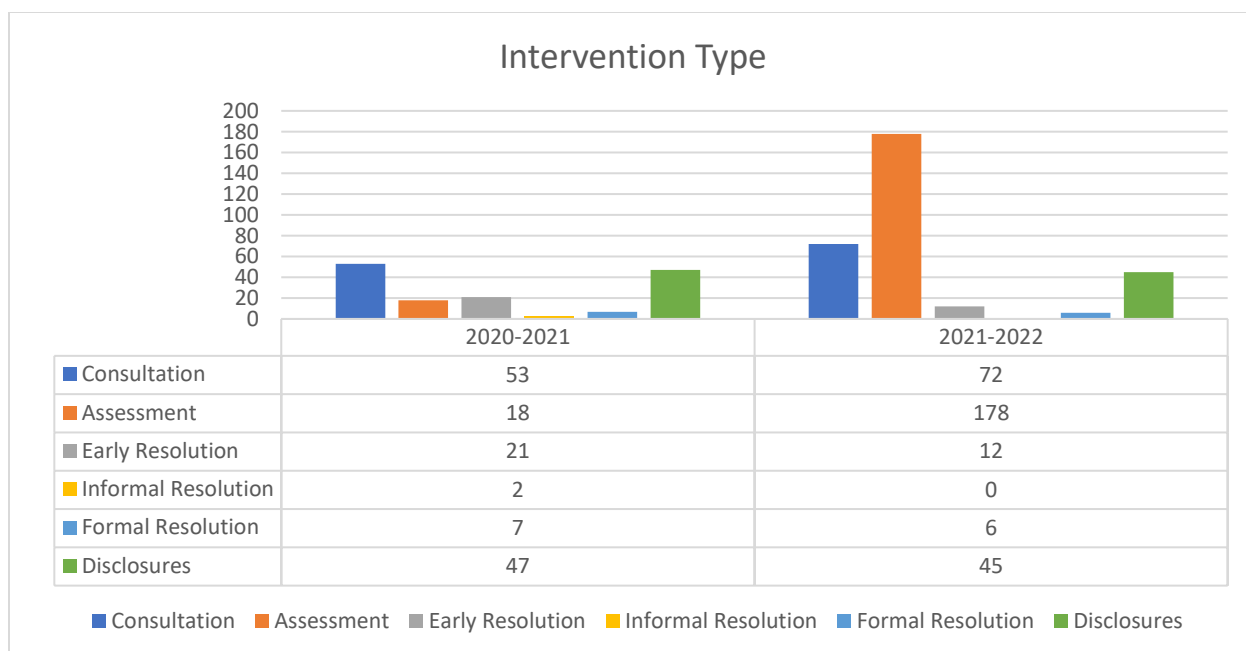


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c. Issue Source

The HRO provides services to all University Members, including Faculty, Staff, Students and Visitors. The following table shows the source of issues that were brought forward.

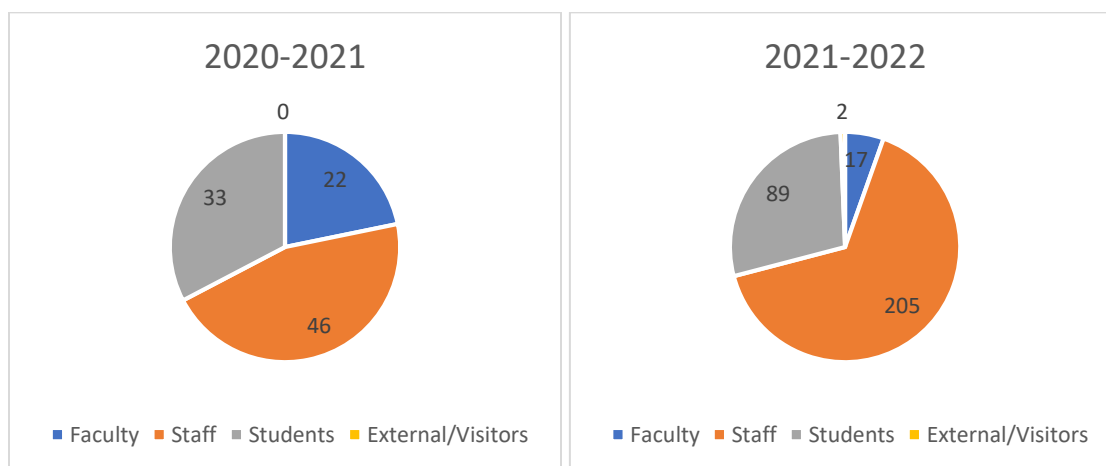


Table: 3

d. Protected Grounds

Protected Grounds are the grounds contained in the Ontario Human Rights Code (OHRC) under which individuals are protected against discrimination and harassment. Most, but not all, of the complaints and concerns raised to the HRO cite one or more Protected Grounds. Additionally, the HRO intervenes to address incidents and complaints that fall under other legislation, but overlap with the OHRC, i.e., the Occupational Health and Safety Act (Workplace Sexual Harassment) and the Ministry of Training, Colleges and Universities Act (Student Sexual Violence).

A number of consultations completed by the HRO are of a general human rights nature in which no specific protected ground is cited – these are captured in the following table under the “unspecified” column. The HRO is also accountable for addressing incidents of workplace harassment, in which a connection to a protected ground is not required.

The following table reflects a significant increase in the number of cases related to the ground of Creed (or religion), which is attributable to the number of accommodation requests that were submitted in regards to the University’s COVID-19 Vaccine Directive.

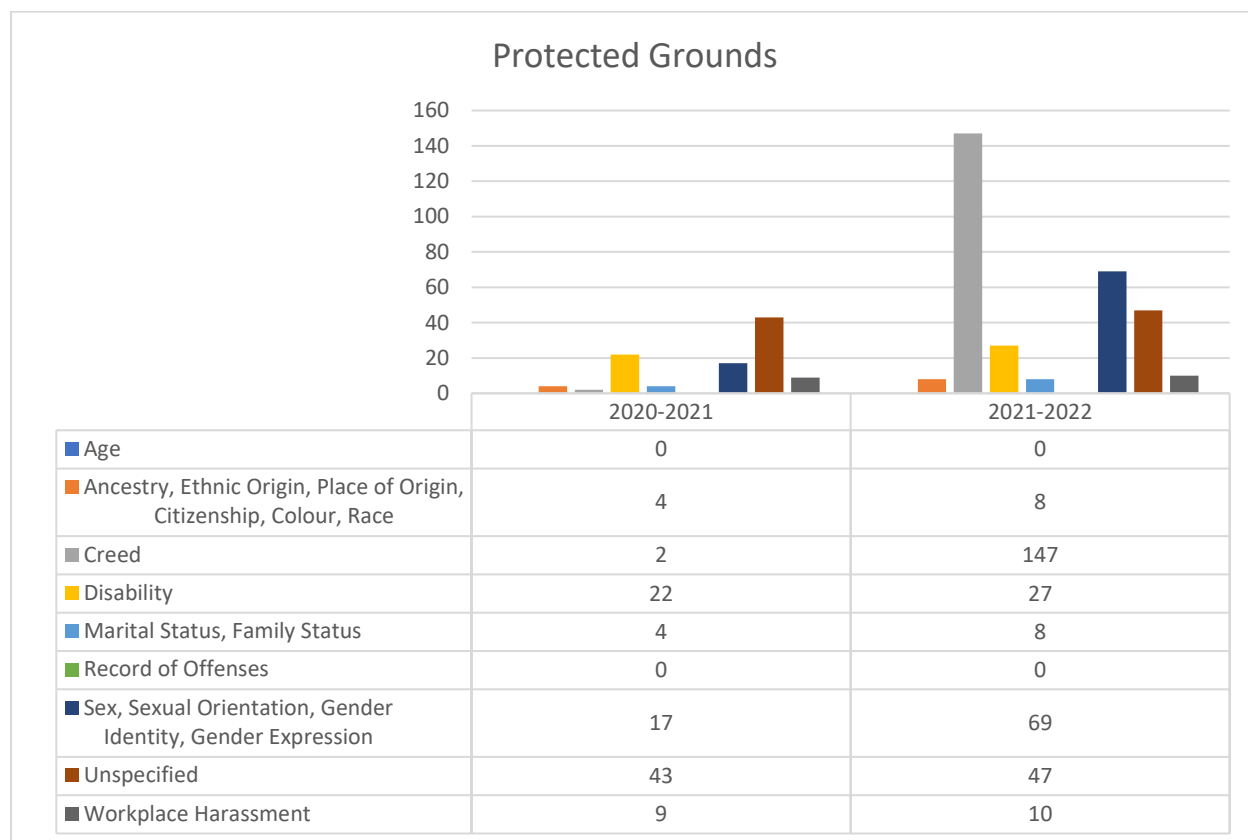


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3. MEASURING PROGRESS

DATE MILESTONES ACHIEVED

- [Respectful Campus Policy](#) and [Employee Procedures](#) - approved April 22, 2021
- [Accommodation Policy](#) – approved April 22, 2021
- [Respectful Campus Procedures for Students](#) – approved March 31, 2022
- Launch of a dedicated HRO webpage – January 2022
- Implemented processes for assessing and responding to non-disability related Accommodation requests (e.g. family status accommodation) from students and employees – January 2022
- Hired a Human Rights Specialist (Gender-based violence) - January 2022

The HRO has made significant progress in a short amount of time by working collaboratively and effectively with key internal stakeholders to promote and champion human rights principles, clarify roles and responsibilities, gain buy-in, and implement a consistent and compliant dispute resolution program applicable for all University members.

The achievements of the HRO are rooted in the groundwork established by the Board and reflective of the University's commitment to human rights and equity, demonstrated through institutional governance documents including the University's overarching Human Rights and Anti-Harassment Policy; the Respectful Campus Policy, and separate procedural documents for Employees and Students and the Accommodation Policy.

PART III GOING FORWARD

4. 2022 – 2023 GOALS AND OBJECTIVES

As we reflect on the HRO's progress to-date, we recognize that there is still work required to realize the University's goal of ensuring and enhancing a campus culture of respect and inclusivity. We also know that the HRO cannot achieve this alone, but instead relies on the cooperation and support of the entire University to ensure a respectful campus environment in which the human dignity of each individual is valued, and the diverse perspectives, ideas and experiences of all members of the community are valued.

The HRO will continue to support the community in this endeavor by providing advice; assistance; early and informal approaches to dispute resolution; and if necessary, formal investigation of human rights disputes.

Gender-based Violence:

Over this next fiscal year, we will work to integrate aspects of the Student Sexual Violence Program with the existing Human Rights Program as follows:

In winter 2022, the HRO hired a Human Rights Specialist who is responsible for ensuring compliance in the administration and coordination of legislative requirements related to

student sexual violence, workplace sexual harassment and gender-based discrimination. Upon their hire, they completed an environmental scan identifying potential policy, procedural and programmatic enhancements. Based on this scan, the following actions will be taken over the 2022-2023 reporting period:

- The Human Rights Specialist (Gender-based violence) will create a trauma-informed and centralized response and support model through the HRO to assist all University Members who have experienced gender-based violence;
- The Student Sexual Violence Policy and Procedures will be updated;
- A communications plan detailing programmatic changes will be created and launched;
- A mandatory online training module in Sexual Violence will be completed and launched to the entire campus community.

Human Rights:

The HRO will continue to support and promote a respectful campus by focusing upon the following two (2) priority areas:

1. Communications:
 - a. The HRO will enhance campus communications; and,
 - b. The HRO will develop and post informational resources to assist University Members in understanding their rights, responsibilities and obligations.
2. Training/Education: The HRO is currently working to update and enhance online compliance-based human rights training.

5. CONCLUSION

Over the last fiscal year, the University continued to lead with our values through very difficult times. While the COVID pandemic and accompanying requirements associated with Mask and Vaccine Directives challenged the University to work collaboratively to address any associated human rights issues within compressed time frames, this report demonstrates that the University partnered effectively with the HRO to assess related requests for accommodation.

The commitment of the University community to balancing health and safety obligations with human rights values is indicative of a deep, underlying appreciation for and commitment to the human rights principles of accessibility, inclusivity and respect.

We conclude by encouraging all University Members to play a role in confronting and addressing problematic behaviour on campus and maintaining a campus environment that is inclusive for all. As a community, we can help to prevent conflict escalation by remaining respectful and focusing on addressing conflict in a timely, constructive and cooperative manner. While misunderstandings and conflicts will occur in a complex, demanding and diverse campus environment where collaboration is essential to success, early and informal approaches to resolution should be sought whenever possible and

appropriate. Together, we can ensure a positive and inclusive campus environment; part of the “sticky” campus we all envision.

APPENDIX A – STUDENT SEXUAL VIOLENCE SUPPORTS, SERVICES & PROGRAMMING³

1. **Advisory Committee on Implementation and effectiveness of the Policy & Supports**

The Advisory Committee on Student Sexual Violence Prevention and Support, established in December 2017, is mandated to ensure that the university's Policy, and the support services, programming and training that sustain these policies, are reviewed on a regular basis and continuously improved upon. This year, the Committee was composed of 9 students, 2 representatives from the Ontario Tech Student Union, 7 staff from across the university, 1 community partner and 1 alumnus.

2. **Supports, services and accommodations:**

- Support Workers, through the university's Student Mental Health Services, support students who have experienced sexual violence. All counsellors participate in ongoing training in trauma-informed therapy and have experience working with survivors of sexual assault. In addition, an Outreach Worker in the residence works very closely with the Support Workers in providing onsite support for students living in residence.
- During the 2021-2022 period, the HRO was advised that students accessed the following supports, including the coordination of any or all of the following:
 - Therapeutic support (42 students)
 - Referral for Academic Accommodations (3 students)
 - Other forms of support, such as referrals to community supports, other campus services, or advocacy groups (9 students)

3. **Awareness and programming**

In 2021-22, efforts to raise awareness and educate students about the Policy, supports and services were largely driven by the student members of the Advisory Committee on Student Sexual Violence Prevention and Support in collaboration with the Student Engagement and Equity team in Student Life. Initiatives to raise awareness and educate on sexual violence included:

- **Equity Advocates:** Twenty student ambassadors took on the role of 2SLGBTQ+ Equity Advocates this year working as a team to identify opportunities to expand equity programming on campus. They create their own program goals and outcomes; and develop and facilitate initiatives, campaigns and events that encourage students to act more inclusively. This year, the 2SLGBTQ+ Equity Advocates wrote about their personal lived experience talking about the various identities as members of the 2SLGBTQ+ community and as an Ally as part of the Ontario Tech Student Life Digital Community.
- **16 Days of Activism Against Gender-Based Violence:** From November 25, to December 10, 2021, Ontario Tech hosted a campaign for 16 Days of Activism. The campaign helped students, staff and faculty learn more about gender-based violence prevention. The program included an online event and engaging social media content

³ Sections 17 (7) and (7.1) of the Ministry of Training, Colleges and Universities Act note that universities are to provide their Board of Governors with an annual report including information about their student sexual violence initiatives and programs

where they asked members of the university community to share what they will do to contribute to ending gender-based violence. In total, over 23 people engaged with the campaign.

- **Let's Talk Equity Programming:** Students read "Queer a Graphic History" by Meg John Barker and Julia Scheele. From July 12 to July 26, 2021 8 students participated in three online meetings to discuss the book. Additionally, 7 students participated in Equity Talks discussion groups, where they discuss current events and various equity-related topics such as consent, @SLGBTQ+ and ally ship.
- **#WeGetConsent:** The #WeGetConsent campaign continued this year with several initiatives to educate students on consent and sexual violence prevention. Programming included social media posts, blog posts, and a trivia night event.
- **Residence Consent Tabling:** Student Engagement and Equity set up a Consent Awareness Table set up in Residences: South Village and Simcoe to create awareness about consent and sexual violence prevention. A total of 23 students participated in this initiative.
- **#LetsTalkSex Workshop Series:** A series of sex-positive and sexual health workshops were facilitated by Student Life to help students feel more comfortable having conversations about consent. These workshops were provided through a collaboration with the AIDS Committee of Durham Region and included topics such as consent, sexual health and sexuality. A total of 102 students participated.
- **Disclosure Training: Supporting Survivors of Sexual Violence:** This training was offered twice to the general student population and a total of 12 students participated. This workshop provides an overview of sexual violence, reviews the on-campus resources available to survivors and helps students develop effective and supportive responses to victims and survivors who disclose having experienced sexual violence.
- **Staff and Faculty Training:** Online training modules are available for faculty members and staff to provide information about the sexual violence policies and procedures, and the supports for employees and students who experience, or witness, sexual violence. During 2022-2023, this training will be updated and it is anticipated that this training will be made mandatory for all students, faculty and staff.
- **RISE: Sexual Violence Prevention:** 171 students participated in the Respect Inclusivity and Support Equity (RISE) program. The RISE program is a series of workshops focusing on the development of by-stander intervention strategies. All students who take on the peer leadership role of Ambassador are required to complete the general RISE session providing them with tools to intervene, prevent and address individual discrimination and harassment. This supplementary workshop focuses specifically on practical issues related to consent, gender-based violence and sexual violence, and preventing and responding to sexual violence in our community. A total of 110 students completed Level 1 training through the ambassador program in 2021-2022.
- **Community Partnerships:** The Student Engagement and Equity team worked with several community partners this year to offer the Ontario Tech community engaging educational programming related to sexual violence prevention and support. The collaborations included a webinar on Workplace Sexual Harassment with the Sexual Harassment and Assault Resource Exchange (SHARE), the Man-Made program with the Durham Rape Crisis Center and Durham College, and the #Let'sTalkSex workshop series with the AIDS Committee of Durham Region.

Future of Work: Progress Report and Next Steps on Flexible Work Pilot Project

**Governance, Nominations, and Human Resources Committee
January 26, 2023**



Recap: Preliminary Concepts and Principles

Touchpoints and Considerations

- Equity and Inclusion
- Health and Safety
- Employee-driven remote work arrangements
- Flexible Work Schedules, including inter-provincial and out-of-country options
- Space planning and asset management
- Impact on sustainability and carbon footprint
- Information and Information Technology
 - Privacy and security, system/software access, audits, troubleshooting, central timekeeping and file-sharing options
 - Document retention and access/security (micro and macro) -- transition project to electronic records management
 - Online scheduling platform (mobile compatible)
 - Telephony
- Training opportunities and transition to online/virtual learning and workshops
 - Compliance-related
 - Managing and working in remote environments (team dynamics, communication and culture-building, performance management; remote onboarding; wellness)



Recap: Phase 1 Markers and Milestones

Completed Deliverables

☑ Leadership Questionnaire

- Position-focused, not Employee-focused; assumptions integrated to remove influence of cost considerations and drive recommendations against standardized setting (i.e. space planning and allocation of work equipment; staff development and training; engagement and culture supports)
- Establish baseline for scale and scope of remote work; initiates data-driven planning and decision-making processes
- Early identification of patterns across business units; delineation of impact on positions between union and non-union groups, faculty and business units
- Opportunity to reconcile university's objectives with unit-specific perspectives

☑ Asset Allocation Inventory and Projection

- Manager-led review of work equipment, tools and software anticipated for remote work recommendations.
- Expected to generate early cost estimates around information technology; assess privacy and security implications.

☑ Health and Safety Checklist

- Intended as pre-requisite for any approved remote work arrangements; instructive to demonstrate reasonable care and reasonable precautions to protect the health and safety of employees working from a remote location.
- Remain vigilant and reactive to developing law around OHSA and workplace safety responsibilities

Recap: Phase 2 Markers and Milestones

Completed Deliverables

☑ **Guidelines, Framework and Supports**

- Dedicated web page offering portal for staff and managers, repository for information, data, templates and documents.
- Short-term planning presents a general guideline tethered to the pilot phase; would allow the university a crucial opportunity to measure and evaluate impacts, and much greater flexibility to return and revise criteria, conditions, processes normally embedded into policy.
- Additional supports and tools developed involving performance management in a remote environment; mental and physical health; COVID-related anxieties.
- Remote work arrangements subject to mutual agreement – prescribed term, employee commitments (i.e. health and safety) and options for renewal.

☑ **Official Pilot Launch**

☑ **Pulse Surveys**

- November 2022 outreach to employees in the pilot phase, gaining valuable insight into realities of the work arrangement and impact to staff.
- Combines perspectives from users and from operational managers; acknowledging as a university that we need to learn in real time

Early Returns on Flex Work Programming

- 338 of approximately 547 eligible staff approved for flex work arrangement.
- Reduced administrative office space by nearly 33%.
- Reduced total desk space in open work stations by 20%.
- Combined with renovations to classroom space, we were able to retrofit a current building and exit an annual lease cost of \$1.5M.
- Over 20 meeting rooms now equipped with HyFlex capabilities.
- Distribution of most pre-existing hardware between remote and on-campus work location.



Pulse Survey Results

Themes and Responses

- 190 respondents (67% working 3 days+ from remote location)
- 94% of respondents having completed more than 60 days in formal arrangement

Wellness

- 90% strongly agreed or agreed that their arrangement “contributed positively” to their physical well-being, and 93% reported the same effect to their mental and psychological well-being.
- 92% reported their physical remote work environment provided a “comfortable” experience.
- 94% reported flex work enabling a more effective separation of work and personal time

Pulse Survey Results

Themes and Responses

Equity, Diversity, Inclusion and Belonging

- 3% reported that “additional equity and inclusion barriers have emerged as a result of my or others’ absence from the office”.
- 93% strongly agreed or agreed that “personal goals for career development/advancement have not been impacted because of my current work arrangement.”
 - Two respondents strongly disagreed or disagreed.

Comments from staff:

- The work-life balance has diminished the barriers as conference calls can be without camera and scheduled to best suit each individuals calendars. One's time is more efficiently shared between work and home life.
- Any barriers that I have previously faced have been greatly reduced by working remotely.
- Flexible working arrangements are not the same for all staff.
- Staff coverage for small teams interrupts scheduled arrangements.



Pulse Survey Results

Themes and Responses

Relationships and Collaboration

- 93% strongly agreed or agreed to being “able to establish, maintain or strengthen *meaningful professional relationships* with colleagues during my flexible workspace arrangement”.
- 98% strongly agreed or agreed to being “able to *effectively collaborate* on work items/projects/assignments with colleagues during my flexible workspace arrangement”.
- 92% strongly agreed or agreed to being “able to establish, maintain or strengthen the professional relationship I expect *with my manager* during my flexible workspace arrangement”.
- 96% strongly agreed or agreed to being “as productive under my current work arrangement when compared to working from a campus location each day of the week”.

Pulse Survey Results

Themes and Responses

Communication

- 85% strongly agreed or agreed to feeling “connected to campus” during their work arrangement, but only 3% strongly disagreed or disagreed.
- 94% strongly agreed or agreed to “receiving enough information from the university to keep aware of ongoing events, developments, updates and other news.”
- 98% strongly agreed or agreed to knowing “how to have any questions or concerns addressed that relate to the duties, responsibilities and deliverables of *my job*”.
- 92% strongly agreed or agreed to knowing “how to have any questions or concerns addressed that relate to the conditions of *my remote work arrangement*”.

Pulse Survey Results

Areas for Attention

- Inherent differences in on-campus requirement for some positions given nature of work.
- Technology – casual connectivity or supportive platforms for employee-to-employee engagement.
- User experience with booking space for appointments.
- Meaningful interaction with colleagues when on campus.
- Consideration for pilot project involving fully remote arrangements for certain positions.
- Staff transition creating changes to scheduling commitments.

Focus for 2023 Programming

- The term of the one-year pilot project is scheduled to end in March but with plans underway for communication to participating staff on the extension of terms and conditions of existing plans.
- Ontario Tech's commitment to embedding this “work experience” as a value proposition for current and prospective administrative staff will be further formalized through directives/guidelines being developed.
- Our focus on monitoring staff and management feedback remains central to the build and re-shaping of flexible work models – we will continue to listen to our community and engage cooperatively and transparently with our stakeholders as this initiative moves forward.
- Technological enhancements to streamline and ease the user experience as part of day-to-day experiences.
- Access to updated resources, tools, and supports that respond to remote work realities for both staff and managers, better enabling the experience for all employees.

GNHR Consultation

- Given the composition of this committee's membership, we are keen to gather feedback in the following areas:
 - How would you compare Ontario Tech's progress and future pathway against your organization's pursuit (and the industry within which you operate) of hyflex programming? Where are the differences?
 - Insights or opinions from your observed or lived experiences with hyflex work arrangements.
 - Areas we can 'lean into' to further profile or promote the future of work at Ontario Tech.