

**THE UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY
MINUTES OF THE 25th REGULAR MEETING OF THE BOARD OF GOVERNORS**

DATE: January 12, 2005
TIME: 6:00 p.m.

PLACE: Community Room
Oshawa Campus

IN ATTENDANCE:

GOVERNORS: Lorraine Sunstrum-Mann, Chair
Peter Bagnall
Joanne Burghardt
Garry Cubitt
Pierre Hinse
Manon Lemonde
Gail MacKenzie
Patrick McNeil
Mark Moorcroft (via teleconference)
Beth Wilson
Doug Wilson
Terry Wu

PRESIDENT: Gary Polonsky

SECRETARY: Cathy Pitcher

**RECORDING
SECRETARY:** Lynda Phillips

PARTICIPANTS: Karen Hodgins
JoAnne Horruzey
Aaron Keating
Deborah Kinkaid
Paul McErlean
Inez Pinder
Gerry Warman

SENIOR STAFF: Ralph Aprile
Bev Balenko
Margaret Greenley
Richard Levin
Sheldon Levy
Richard Marceau
Ann Mars
Donna McFarlane
Judy Moreton
Gerry Pinkney
Ken Robb
Terry Slobodian

REGRETS:

GOVERNORS: Joanna Campbell
Denise Jones
Lyn McLeod
Mike Shields
Phillip (Rocky) Simmons

SENIOR STAFF: John Woodward

CALL TO ORDER

The Chair called the meeting to order at 6:00 p.m.

The Chair turned the meeting over to Gary Polonsky who introduced two new Senior Staff members to the Boards. Gary advised that Richard Marceau has been hired as the new Provost for UOIT, replacing Michael Finlayson and Ken Robb will replace Don Sinclair as Vice-President, Human Resources and Legal Services for Durham College. Both members briefly addressed the Boards and thanked everyone for their warm welcome.

REGRETS

Lorraine noted regrets from Governors Joanna Campbell, Denise Jones, Lyn McLeod, Mike Shields and Phillip (Rocky) Simmons; and Senior Staff John Woodward. The Chair noted that Governor Beth Wilson would join the meeting later.

Bev Balenko and Bill Summers joined the meeting at 6:08 p.m.

INTRODUCTION OF GUESTS

Donna McFarlane introduced Bill Summers, Senior Director, ACAATO; Ken Babcock, Athletic Director, Durham College and UOIT; Thomas Coughlan, President, Student Association, Durham College, UOIT and Trent@UOIT; and Spencer McCormack, second year Journalism student representing the Chronicle. She acknowledged Terry Caputo, Director of Finance, Durham College and Craig Loverock, Director of Finance, UOIT.

ADDITIONS/DELETIONS TO THE AGENDA

Lorraine Sunstrum-Mann noted the addition of items 14.3, Funding the Arts and 14.4, Notification of an Upcoming Ceremony on March 5, 2005, to the agenda.

CONFLICT OF INTEREST DECLARATIONS

None was noted.

APPROVAL OF PREVIOUS MINUTES

Cathy Pitcher noted that revised minutes have been distributed due to revisions made to motion numbers. The minutes of the 24th Regular Board Meeting of December 8, 2004 were accepted, as amended.

DECISION ITEMS

Approval of President's Goal Package for 2005

Gary invited questions or comments.

Karen Hodgins questioned the rationale behind item C2.6, the "no questions asked" process for missed exams. Judy Moreton advised that every semester there are students who miss an exam for any number of reasons. She noted that our policy is to not allow students who miss exams an alternative, except in special circumstances, and advised that this presents problems for both the Faculty and Deans. As a result, the process for substitute exams was suggested. Karen then asked for clarification whether this was still at the proposal stage. Judy replied "yes" and advised that the proposal still has to go to Academic Council for approval and that it would be a pilot project.

Manon Lemonde asked for clarification of item U5.3, UOIT being allowed to confer its own Degrees. Gary Polonsky advised that most Universities make their own decisions, including program approvals and

revisions of degree programs that they may offer. The Ministry does not yet allow UOIT this freedom. We are currently required to submit program approval applications to the Postsecondary Education Quality Assessment Board (PEQAB), which then makes its recommendation to the Minister for approval. Gary commented that his hope is to confirm a timeframe with the Ministry for when UOIT will no longer be required to follow this process.

Inez Pinder noted item C2.8, the development of six new programs for implementation in September 2006 and asked for an update on the status. Judy Moreton noted that research has been conducted on twenty-five programs and the number has been reduced to ten serious considerations. Judy is planning to have six strong programs, which would then come forward for approval to be offered in the 2006/07 full-time calendar.

Terry Wu asked for verification of item J4, regarding I.T. innovations. Gerry Pinkney advised that the last I.T. Strategic Plan was done in 2000 and a new one is due this year. He noted that the items in J4 have been part of the plans for some time and also advised that students pay a fee and are included in its development. Terry then asked if this meant an increase in laptop fees and Gerry responded that the plan fee and laptop fees are two separate items.

Joanne Burghardt asked if item C7.2, persuade the Government to permit more PIC revenue to be invested in DC, meant that there is a restriction? Gary Polonsky explained that there is a hierarchy in place for PIC finances, noting the distribution as: PIC, Durham College and then UOIT. He suggested that if we could find a new financing solution for UOIT, it would allow more funds for PIC and Durham College.

Inez Pinder asked Gary to explain item U6.1, regarding normalizing UOIT's short- and long-term financial and capital well-being. Gary advised that this item will be discussed later in the meeting, noting that we all know that UOIT needs to get to healthy revenues in order to move forward.

Pierre Hinse asked which level of ISO certification is referenced in item U4. Richard Levin advised that it will be ISO 9001, but that certification will not happen this year. Gary advised that the next area to attempt certification will be Facilities Management. Karen Hodgins asked why this goal is exclusive to UOIT and not shared. Richard Levin responded that the transition to certification is easier in a new organization, but the College Registrar's office would also be under review in time.

Peter Bagnall inquired about item C1, DC's new brand. Gary explained that data show that only one college out of twenty-four had differentiated itself from the others. Exclusive branding for Durham College will hopefully make us unique and recognizable. Richard Levin added that we must gain our market-share outside of the normal catchment area.

Peter Bagnall noted that item J15, meeting our obligations to our bond-holders, was not optional. Gary agreed.

Referring to item C2.3, canceling or suspending programs in response to market research, JoAnne Horruzey asked if this item referred to existing programs. Gary responded "yes". He advised that decisions would be made after data research and noted that if the data such as enrolment demand or job demand or financial sustainability on a current program are consistently low, cancellation or suspension was possible.

Moved by Pierre Hinse

Seconded by Joanne Burghardt

MOTION #U153 "That the Board of Governors of the University of Ontario Institute of Technology endorse the President's 2005 Goal Package, as presented."

CARRIED

Endorsement of Athletic, Recreation and Health Services Centre Expansion Business Plan

Margaret Greenley introduced Ken Babcock, Athletic Director, Durham College and UOIT and Thomas Coughlan, President of the Student Association, Durham College, UOIT and Trent@UOIT, who reviewed the Athletic, Recreation and Health Services Centre Expansion Business Plan. Ken explained that research has shown a need for expansion in our Athletic and Health and Wellness facilities, in order to meet the ever-increasing demands of our rapidly-growing student population. It has been shown that this area is a critical area for recruiting. Ken went on to describe the proposed facilities, including three gymnasiums, running track on the second level, a fitness centre and a health and wellness centre. The facilities would be a multi-purpose centerpiece on campus. Steps to be taken before the project can begin include a student referendum; endorsement from the Board; Section 28 approval from the MTCU; and security of a bank loan. Research has proven that applicants' institution of choice has been based fifty percent on the academic program and fifty percent on student life.

Beth Wilson joined the meeting at 7:25 p.m.

Ken described the fee structure to be charged to students, noting that it would be pro-rated until the facility is fully operational. In 2005-2006 students would pay \$50; \$75 in 2006-2007; and \$145 in 2007-2008. In 2007-2008 facility would be fully open, and students would be charged the full fee. Ken and Thomas advised that the student referendum will take place on January 26, 27, and 28.

Margaret stated that this facility is a major focus and noted that for the areas of recruitment and retention, athletics, fitness and health and wellness are critical. The project must be student-driven and funded; construction and maintenance and staffing costs must be covered.

Gail MacKenzie commended Margaret, Ken and Thomas and asked what the cost will be for individuals from the community, and if they have an alternate plan if membership targets are not met. Ken explained that the external fee will fall between the fee to students and the fee paid to a private club. He advised that if membership targets are not met, they have alternative methods to generate revenue. Margaret continued, noting that limitations of space are currently very restrictive. She suggested that projections have been made based on current rental revenue and business that has been turned away.

Peter Bagnall suggested that the referendum will be asking students to approve something that will not benefit them. Thomas advised that students paying the \$50 fee will be given a one year free membership as alumni. Margaret also noted that alumni will be allowed a reduced on-going fee.

Peter then asked if the contribution of DC and UOIT is the land, and was this part of the original plan? Gary replied "yes". Sheldon Levy commented that the financial plan was put together by the Finance department. He also stated that the Ministry is aware of the project and he expects Section 28 approval will be granted.

Regarding the referendum, Peter asked if there has been a precedent where a referendum has been turned down. Sheldon replied "yes", at the University of Toronto.

Manon Lemonde noted that there has not been much discussion about the Health Services portion of the project. Margaret Greenley noted her point and advised that Health Services is a major part of the expansion.

Joanne Burghardt asked if it would be more expensive to the students to include a pool and Margaret responded "yes". She advised that fees could possibly increase to \$250/year for students and stated that our students will have free access to the pool which is being built on Harmony Road. Thomas remarked that it is possible that as the student population grows, the fee may come down. Joanne then asked if the City of Oshawa is expecting a pool to be part of the arena expansion. Gary Polonsky commented that the City is expecting athletic expansion but not necessarily a pool.

JoAnne Horruzey remarked that at the Rae Review students voiced their concerns regarding tuition costs and noted that it is probable that when the freeze is lifted, tuition fees will increase and asked if this has been a consideration. Margaret stated that some students now pay \$300 - \$400/year for private gym fees, suggesting that \$145 will be attractive to them. JoAnne then asked if all students will be voting. Ken advised that the information and call to vote will go out to all students, but it is up to them to vote.

Joanne Burghardt asked for clarification of the fifty percent plus one majority from the referendum; is it of the total student population or of students who vote? Thomas advised that it only includes students who vote.

Karen Hodgins inquired about the ratio of community participants and Ken stated that it is ten to fifteen percent across the province. He noted that Brock University students are charged the fee every six months where our students will pay a one-time per year fee. He also suggested that public use may be restricted to protect access for our students.

Karen Hodgins asked who would be included in the mentioned partnerships from the public health sectors. Margaret advised that these could include professionals such as a massage therapist and a chiropractor.

Patrick McNeil asked if the fee is based on a per student basis or per course and Margaret responded that it is per full-time student. Patrick then inquired if the fee will be part of the referendum and Sheldon responded "yes".

Garry Cubitt asked for an explanation of our relationship with the City and the new Arena. Ken stated that our students will have dedicated user time. Garry then expressed concern that the referendum may not allow students to make an informed decision when the complex is not a reality. Gary Polonsky responded, noting that our students are sharp and know that the current facilities aren't adequate any longer. They aren't concerned that prime times are not available for them, because they prefer to go on the ice later in the evening.

Gail MacKenzie commented that eventually DC/UOIT will have Varsity teams and this facility will be necessary.

Karen Hodgins asked if this one fee covers all the facilities and Ken advised that it will not cover a tennis centre fee. He then explained that existing fees will be retained and noted that we have the lowest inter-collegiate fee at \$27. The facility fee is \$30 which brings the total fee to \$175. Thomas commented that there are no gray areas or hidden agendas for our students. He noted that a web site will be launched and the model ready on January 14, 2005.

Moved by Peter Bagnall

Seconded by Terry Wu

MOTION #U154 "That the Board of Governors of the University of Ontario Institute of Technology approve the Athletic, Recreation and Health Services Centre expansion business plan, as presented, based on a successful student referendum and Section 28 approval."

CARRIED

Ken Babcock and Thomas Coughlan left the meeting at this time.

INTERIM FINANCIAL REPORT

Craig Loverock reported that the Finance department continues to reduce the net deficit. We started out \$400,000 under net revenues; by the end of this month the net deficit will be \$200,000 compared to \$300,000 at the end of last month. Manon Lemonde asked where they will find the \$200,000. Craig advised that the bulk of cost savings comes from not hiring as projected. He noted there were fewer scholarships disbursed and some additional research money will be received.

Beth Wilson commented that some cost savings have been identified. Sheldon advised that the negative used to be a lot larger than it is now. Inez Pinder asked if we will balance by the end of the year and Craig responded “yes”. Sheldon noted that Finance is trying to eliminate unnecessary purchases at the end of the fiscal year.

Aaron Keating questioned fewer scholarship disbursements. Richard Levin explained that scholarships are based on averages. If averages are lower, then less scholarship funding is disbursed.

Craig advised that the Government knows that we need \$6.75M to make our payment the first of April. He noted that \$500,000 of the \$6.25M fundraising amount has been received. Peter Bagnall questioned the practicality of the \$6.25M. Terry Slobodian responded that his office is currently working with accounting and this was the target. He believes that they are on target but noted that it is a challenge. Peter remarked that on the DC budget there is \$3.5M itemized for debenture payment. Terry Caputo advised that PIC is also committed to \$2M, received on a monthly basis. Beth asked for confirmation of the status on the PIC piece. Peter Bagnall advised that it is currently a work in progress and noted that he will be spending time with Terry Caputo tomorrow. He will then take the information back to the DCEN Board for review. Gary Polonsky reported that there is optimism with the new CFO of PIC. Peter commented that PIC had a reasonable year and suggested that it is going to be a challenge. Lorraine Sunstrum-Mann clarified that Peter is the Chair of the DCEN Board.

Gail MacKenzie inquired if there is a back-up plan in place. Craig responded that the money would come from operating funds. Gail then asked if there will be a presentation in April on the back-up plan and Gary advised that it will be part of the budget review. He also noted that we have \$7M in escrow.

Terry Caputo suggested that \$3.5M is not required for March 31; there is a bit of leeway. Sheldon added that we actually have a year and a half to secure the \$3.5M from PIC.

Terry Slobodian clarified the fundraising, noting that he feels things will flow smoothly. They are aware that they need to raise \$6.2M and are monitoring it. Peter Bagnall advised that he feels the Board should have a sense that \$6.2M is quite aggressive.

Lorraine asked if \$2M of the \$5.5M DCEN payment goes to operating expenses. Terry Caputo advised that the \$2M is interest only. Lorraine asked where DCEN’s rent is shown and Terry noted that it is imbedded. Lorraine then asked for confirmation that PIC’s indebtedness to us is \$5.5M and was told “yes”.

Paul McErlean noted that \$16.5M will be paid between now and October, 2005, \$6.5M of which is expense. He asked if Finance knew where the funds would come from and suggested that the Board would like to see a detailed back-up plan. Beth Wilson stated that she agreed with Paul and questioned the timing. Gary Polonsky advised that a back-up plan would be presented.

Lorraine asked if there should be a connection to the DCEN Board and if there might be something else we should be looking for. Peter Bagnall suggested DCEN’S intention is to present strong information to this Board. In the execution of due diligence, Lorraine noted that it is important to keep this Board updated. Sheldon added that we will need good, detailed reports on a monthly basis from DCEN and fundraising and noted that DCEN is an independent Board. Gary advised that we are the major shareholder.

Action: Craig Loverock to provide a month-by-month plan detailing meeting the next two debt repayments.

Action: Terry Slobodian to report on meeting the \$6.2M fundraising target, showing a month-by-month plan. Terry will also provide a refresher on the original fundraising milestones.

DISCUSSION ITEMS

UOIT Audited Fall 2004 Enrolment Data

Richard Levin reported that the Government requires that enrolment information is audited in order to review the grants and the information distributed was submitted to the Government.

Manon Lemonde asked what is meant by “not applicable”. Richard explained that this refers to students who were not admitted to a degree program.

REPORT OF THE PRESIDENT

Partnerships with UOIT and St. Lawrence College

Gary Polonsky advised that by February 14 we will have a partnership with St. Lawrence College with respect to UOIT’s bridging programs and noted that there are more special partnerships to come.

Gail MacKenzie asked if students who come to DC for bridging programs stay on at UOIT and if Distance Education is a consideration. Gary responded “yes” to the question re bridging and noted that Distance Education is a consideration but probably not a reality until PEQAB is not required for approvals.

Beth Wilson asked if the partnership will benefit future or past graduates. Gary advised that it will be generic for future grads, but will probably be fine for past.

Statement in Legislature by Wayne Arthurs

Gary noted the letter from Wayne Arthurs, MPP for Pickering – Ajax –Uxbridge, and his comments to the Legislative Assembly supporting Durham College and UOIT.

Approval of Bridge between DC and UOIT Justice Programming

Gary advised that the bridging program between DC and UOIT Justice Programs has been approved and noted that this is wonderful for our institution and our students. Karen Hodgins commented that this approval was very exciting for the Dean, faculty and students of the present DC programs.

REPORT OF THE CHAIR

Expiration of UOIT Governors’ Terms in 2005

Cathy Pitcher has notified the Board that UOIT Governors Peter Bagnall, Joanne Burghardt, Garry Cubitt, Pierre Hinse, Manon Lemonde, Gail MacKenzie, Mike Shields, and Rock Simmons’ terms expire effective August 31, 2005. Governor Patrick McNeil’s LGIC appointment expires May 13, 2005. The Nominating Committee will review appointments and potential re-appointments at its January 18th meeting.

Upcoming Events

The Chair noted the following upcoming events: Reception for Dr. Holdway’s Tier 1 Canada Research Chair on January 18, 5:00 p.m.; Nominating Committee Meeting on January 18, 6:00 p.m.; and the Boards’ Retreat on February 26.

Funding for the Arts

Lorraine announced that Gary Polonsky has produced a CD of original songs written by him. The CD’s are for sale, with proceeds going to the Bursary fund.

Ceremony on March 5, 2005

The Chair announced that Gary Polonsky will be honored by the Engineering Institute of Canada in Ottawa on March 5, in recognition of his service to the profession of engineering.

TERMINATION OF MEETING

There being no further business, the Chair declared the meeting terminated at 8:22 p.m.

Lorraine Sunstrum-Mann, Chair

Gary Polonsky, President

Cathy Pitcher, Secretary