



## Minutes of the Board of Governors Meeting Monday, December 2, 2024

Minutes of the regular meeting of the Board of Governors (Board) of the Ontario College of Art & Design University (OCAD U or the University) held in Room 322, 3<sup>rd</sup> Floor Boardroom, 230 Richmond Street, OCAD University and via videoconference at 4:45 p.m. on the 2<sup>nd</sup> day of December, 2024.

**Present:** Colleen Baldwin (Physical Resources and Capital Assets Committee Chair), David Belous (items 1-8(4) only), Maggie Broda, Glenda Crisp, Aly Damji, Brian Davis (Investment Committee Chair), Elizabeth Dipchand (Governance and Nominating Committee Chair (GNC Chair)), Nadia Galati, Julian (Jules) Goss, Lalit Guglani, Mark Hanrahan, Stephanie Holko, Jugraj (Jug) Khinda, Lanita Layton (Board Chair), Gail Lee (Audit, Finance and Risk Committee Chair (AFRC Chair)), Neal Prabhu, Heather Robson, Ana Serrano (President), Nancy Snow, Samantha Sykes (items 1-15 only), and Annie Yan.

**In Attendance:** Tanya Bowes, Board Secretary, Deanne Fisher, Vice-Provost, Students & International (VPSI) (items 1-11 only), Peter Fraser, Director, Finance (items 1-11 only), Mary Koutsoubos, Executive Director, Advancement (EDA) (items 1-11 only), Miriam Kramer, Executive Director, Government & Community Relations & Public Policy (EDGCRPP) (item 6 only), Caroline Langill, Vice-President, Academic and Provost (VPAP) (item 1-11 and 14 only), Everton Lewis, Managing Director, OCAD U CO (item 13 only), Khellon Roach, Manager, Board Governance and Privacy (items 1-14 only), Jennifer Robinson, Dean of Students (DS) (item 7 only), Alan Simms, Vice-President, Finance & Administration (VPFA) (items 1-11 only), Laura Wood, Executive Director, Institutional Analysis & Budget Planning (EDIABP)(items 1-11 only).

Bell Kearns & Associates Ltd. (Bell Kearns): Helen Kearns, Michael Unwin, Meaghan Northey (item 9 only)

**Regrets:** Luciana Gomes Da Silva, Dave Forestell, Abel Juarez, Mark Hanrahan, Hillary Marshall and Jaime Watt.

### 1. Welcome, Constitution of Meeting, and Opening Remarks

Lanita Layton, Board Chair, welcomed members to the second regular Board meeting, which was duly constituted with quorum present.



She acknowledged the ancestral territories of the Mississaugas of the Credit, the Haudenosaunee, the Anishinaabeg and the Huron-Wendat, who are the original owners and custodians of the land on which we live, work, and create.

## **2. Declaration of Conflicts of Interest**

The Board Chair asked for declarations of conflicts of interest for any public agenda items from Board members. No conflicts were declared for public agenda items.

## **3. Approval of Board Agenda for December 2, 2024**

**On motion made by Stephanie Holko, seconded by Samantha Sykes, and adopted, it was resolved that the Board of Governors approve the agenda of the December 2, 2024 regular meeting, as presented.**

## **4. Consent Agenda**

The following consent agenda materials were distributed in advance of the meeting:

### **Consent Agenda Table of Contents**

1. Summary of pending action items
2. Approval of minutes of October 7, 2024

### **Consent agenda information items:**

3. Information Report from the Senate Chair
4. AFRC information reports
  - a. Statutory Remittances Report
5. PCC information reports
  - a. Disconnecting from Work Policy Update
6. Research Ethics Board Annual Report for Academic Year 2023-2024

**On motion made by Glenda Crisp, seconded by Julian Goss and adopted, it was resolved that the Board of Governors approve the minutes of the October 7, 2024 regular meeting, as presented.**

**On motion made by Brian Davis, seconded by Neal Prabhu and adopted, it was resolved that the Board of Governors approve the consent agenda decision items, and to accept the consent agenda information reports, as presented.**

## **5. President's Update**

As part of the advanced materials for this meeting, Board members received the 2024/2025 institutional scorecard with the second quarter (Q2) results. For the



benefit of the many new board members, the President gave a brief description of the institutional scorecard. The President then informed the Board that most of the goals and objectives of the University's six-year Academic and Strategic Plan (ASP) are on track. For those items on the institutional scorecard that were marked in yellow and red for Q2, the President provided the Board with comments.

The Board asked questions related to the involvement of students with the institutional scorecard; whether there is sufficient time to execute goals that have not been achieved by May 2025, the importance of tracking and monitoring the progress made thus far as it relates to the student experience; and the likelihood of receiving funding to help OCAD U reach the ASP priority of "Emerge as a Vibrant Hub."

The President also provided an update on the last meeting of the Indigenous Education Council on November 21. She also informed the Board that progress has been made in the search for the Executive Director of Indigenous Engagement.

Finally, the President provided an update on the evaluation process/criteria with respect to the OCAD U/Arts Hub relationship. The President explained that the University is at the point of signing the loan agreement with the new entity that operates the community arts hub. She noted once the loan agreement is signed a further update can be provided regarding the OCAD U/Arts Hub relationship.

## **6. Government Relations Update**

As part of the advanced materials for this meeting, the Board members received a briefing note summarizing the Government of Ontario's directives related to Bill 166, *Strengthening Accountability and Student Supports Act, 2024* ("Bill 166") and student housing data reporting requirements detailed in Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* ("Bill 185").

The President provided a brief overview of the new bills put forward by the provincial government, noting that the University is in the process of taking steps to ensure timely compliance with these pieces of legislation.

The EDGCRPP explained that, as a follow up to the legislation, the Minister of Colleges and Universities issued three detailed directives to post-secondary institutions that included further direction related to the implementation of the pieces of legislation. The directives relate to four essential areas including (1) the costs of educational materials; (2) student mental health; (3) anti-hate and anti-racism; and (4) student housing.

The EDGCRPP provided the following high-level summary of the objective of each directive:



- Objective of the “costs of educational materials directive” is to ensure that students and families can easily find information on educational costs. The University is working toward having this costing information on the website and would be ready in January 2025.
- The “student mental health directive” calls for each institution to have a student mental health policy posted on its website by January 31, 2025. The University is bringing forth the revised mental health policy to the Board today (December 2, 2024) for approval and consequently will publish it on the University’s website in January 2025.
- The “anti-racism/anti-hate directive” calls for universities to have an anti-racism/anti-hate policy that applies to students, faculty, staff, management and visitors, and this policy must be on the institutional website by January 31, 2025. The University has made minor updates to its current policy and will be made easily accessible on the website by January 2025.
- The “student housing data reporting directive” requires universities to publish housing policies and provide data to the province. The University submitted a response to the Ministry’s housing survey in November 2024 and is working toward compliance on the new website for January 2025.

The EDGCRPP explained that management would report back to the Board in March 2025 to show how the University is compliant with the new pieces of legislation. The Board commended management for the progress made thus far.

## 7. Executive Committee Report

The Board Chair provided a report to the Board on the Executive Committee meetings held on October 28, 2024 (special) and November 13, 2024. She noted that the Executive Committee received a detailed presentation from the Office of the Vice-Provost, Students and International on the new *Student Mental Health and Well-Being Policy* and also discussed a number of strategic items.

### **(1) Approval of Student Mental Health Policy**

As part of the advanced materials for this meeting, Board members received a briefing note regarding the University’s new *Student Mental Health and Well-Being Policy* (the Policy), with a copy of the draft Policy attached.

The DS advised the Board that the University’s draft Policy aligns with the Minister of Colleges and University’s Student Mental Health Directive and the *Strengthening Accountability and Student Supports Act, 2024*.

The DS acknowledged that there was a short time frame in which the University was mandated to have the Policy ready. As such, while consultation was widespread, the University would like it to be even more extensive. The DS assured



the Board that the team responsible for the Policy will continue to engage with various stakeholders over the next year to ensure that there is ongoing consultation. The DS also expressed thanks to the Board's student representative for sharing ideas on how the University can engage with students to get feedback on the Policy.

The Board had a robust discussion on the University's draft Policy. The Board asked questions related to the consequences of not being compliant with the provincial government's directive, the possible fallout of not receiving provincial government funding or grant/partnerships financial support for its implementation, and the importance of awareness training for faculty and staff to be able to identify potential mental health cases.

The President expressed thanks to the Office of the VPSI team for putting together the Policy in such a short space of time and noted that the University will continue to have consultations with various stakeholders on the Policy, including with students.

**On motion made by Glenda Crisp, seconded by Ana Serrano and adopted, it was resolved that the Board of Governors approve the Student Mental Health and Well-Being Policy, as presented.**

## **8. Audit, Finance and Risk Committee (AFRC) Report**

The AFRC Chair provided a report to the Board on the AFRC meeting held on November 21, 2024.

### **(1) Fiscal Year 2024/25 Financial Review** **a. Operating Budget Variances** **b. Cash Flow Forecast/Management**

As part of the advanced materials for this meeting, Board members received a (i) briefing note regarding the FY 2024/25 operating budget variances and (ii) briefing note regarding the University's cash on hand and debt position as of October 31, 2024.

The VPFA presented the University's financial trends for the period of June 1, 2024 to October 31, 2024. He noted that the current enrolment variances present a risk for the University. The VPFA also presented the cash flow update and informed the Board that the University's cash flow and liquidity remains favourable.

### **(2) Multi-Year Financial Forecast**

As part of the advanced materials for this meeting, Board members received a briefing note on the University's multi-year forecast (MYF) for the period FY



2024/2025 to FY 2027/2028 with a Summary MYF FY 2024/2025 to FY 2027/2028  
– The Base Case Scenario attached.

With the aid of slides, the EDIABP outlined seven underlying assumptions for the University's base case MYF, including (1) enrolment; (2) tuition rates; (3) inflation on non-compensation expenditures; (4) contingency; (5) salary settlements; (6) other special allocations (e.g. the evergreen laptop program); and (7) net revenue generation and the financial sustainability fund.

The EDIABP shared the projections for undergraduate and graduate student intake for FY 2024/25 to 2027/28 with the Board, with the projections showing a potential decline in international undergraduate and graduate students. She noted that with the hypothetical base case assumptions, the University is projected to see an accumulated deficit of approximately \$47M by 2027/28.

The VPFA then discussed scenario two which included seven interventions or mitigations that the University could undertake to try to reduce the projected deficits under the base case scenario. These interventions include (1) adjusted enrolment assumptions; (2) tuitional anomaly for undergraduate programs; (3) tuition anomaly for graduate students; (4) a weighted grant unit change; (5) permanent budget reductions (approximately 2% of total budget); (6) additional net revenue generation; and (7) elimination of some Furniture Fixtures & Equipment (FF&E) and Academic and Strategic Plan allocations. With these interventions, it was noted that the University could possibly reduce the deficit from \$47M to \$22M.

The President explained that the higher education sector is in crisis, with some universities and colleges reporting significant deficits, cancelling programming, and this is being compounded by underfunding for quite some time. The President also noted the education sector has a structural challenge wherein institutions are spending more than they earn. Labour and other costs keep growing, but funding is not keeping pace. This is exacerbated by provincial and federal policies which is making Ontario and Canada unattractive for international students.

The President noted that the University has already started to advocate at the provincial level, and at the federal level together with the three art and design universities in Canada. She added that OCAD U has also established a working group to look at ways in which the institution can increase enrolment. Nonetheless, the President underscored the fact that the crisis will allow the University to think creatively and become a more vibrant and transformative institution as it looks towards 150 years in 2026.

The Board had a robust discussion and asked questions regarding the possibility of targeting domestic students to offset the loss of international students; the limitations in the ability of domestic enrolment to address the coming budget



deficits; whether the elimination of some FF&E under scenario two will impact the University's ability to manage cyber security risks and to undertake technological transformation; the prospects for online education and the tuition differential with onsite programs; the option of expanding graduate studies at the University; and what provincial government advocacy is being done together with other Ontario institutions that face similar financial challenges.

### **(3) External Review Update**

As part of the advanced materials for this meeting, Board members received a briefing note on the external review recommendations and actions taken as of October 31, 2024.

The EDIABP explained that, with the changing higher education landscape due to the policies of the federal and provincial government, the relevance of the third party review, and the underlying assumptions, have faded with time. She noted that, in particular, the University was previously on track to meet the third party review's recommended target of 30% international student enrolment. However, as mentioned, the recent government policies have impacted the international student enrolment lever.

The Board acknowledged the failing relevancy of the third part review. As such, the Board noted its intention to dispense with the third party review report and adopt new measures in the near future.

### **(4) Semi-Annual Risk Register Report**

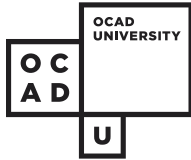
As part of the advanced materials for this meeting, Board members received a briefing note regarding the semi-annual risk register report for November 2024, with a copy of the University's Risk Register – November 21, 2024 attached.

The VPFA advised that the Risk Register was recently updated based on feedback received from the AFRC, including expanding the matrix to introduce the 'low' consequences column. In addition, the VPFA advised that the Risk Register report is now reviewed by the Executive Team prior to its submission to the AFRC.

The VPFA presented the results of the semi-annual risk register and summarized the rating changes to the risk register presented at the Board meeting in May 2024:

- With the introduction of the 'low' consequences column in the matrix, *Occupational Health & Safety Issues or Serious Community Member Injury on Campus* and *Insufficient Space to Meet Academic Mission* changed from no 'X' to possible probability/low consequences.





- *Not Meeting Enrolment Targets/Assumptions*: risk rating elevated from likely probability/major consequences to almost certain probability/major consequences.
- *Brand Impairment*: risk rating elevated from possible probability/moderate consequences to possible probability/major consequences.

The Board discussed and asked questions regarding any past cyber security breaches at the University; how reputational risk differs from brand risk for the purpose of the risk register, and whether it was a superficial difference; the percentage of the University's software applications reside on the institution's premises versus the cloud; and how the students' use of open source software impacts exposure to cyber security breaches.

## 9. Investment Committee Report

The Investment Committee Chair provided a report to the Board on the Investment Committee's special meeting held on October 21, 2024 and regular meeting held on November 5, 2024.

### **(1) Approval of Extension for Investment Portfolio Manager**

As part of the advanced materials for this meeting, Board members received a briefing note regarding the extension of the University's Investment Portfolio Manager's current appointment.

The Investment Committee Chair advised that the current term of the Nexus Investments, the University's Investment Portfolio Manager, will expire on December 31, 2024. He confirmed that, as per the normal course, it is the intention of the Investment Committee to launch a competitive search for an investment manager in the coming months, a search which has been delayed due to the revisions to the University's investment policy taking a little longer than anticipated. The VPFA added that a Request for Proposal for investment manager services will be issued in winter 2025.

**On motion made by Aly Damji, seconded by Glenda Crisp and adopted, it was resolved that the Board of Governors approve the extension of the current investment portfolio manager's three-year appointment dated January 1, 2022 with Nexus Investment Management LLC for up to an additional six months pending completion of a Request for Proposal process for selection of an investment manager under a revised Statement of Investment Principles & Guidelines.**

### **(2) Approval of Revised Statement of Investment Policies and Guidelines for OCAD University**





As part of the advanced materials for this meeting, Board members received a briefing note regarding the finalized draft of the *Statement of Investment Policies and Guidelines for OCAD University* (SIP&G), with the following attachments: a track-changes copy of the SIP&G; a clean version of the SIP&G; and the Terms of Reference for the Restricted Cash Fund #1 which was approved by the Board of Governors on March 16, 2020.

The Investment Committee Chair welcomed Bell Kearns to the Board meeting.

With the aid of slides, the IC Chair and VPFA highlighted three main changes to the SIP&G, including:

- In section 1.1, specifying a goal of greater transparency of the University's investment holdings;
- In section 2.2, explicit acknowledgement that the Investment Committee oversees the management of all of the University's investable assets, including the monies within the University's Restricted Cash Fund #1; and
- In section 3 and Appendix B, creating a clear process and guidelines for consideration by the Investment Committee of divestiture requests from the OCAD U community.

The Investment Committee Chair also underscored that there are two core principles at work in the revised SIP&G, namely, conservatism and preservation.

The Board discussed and expressed appreciation for the amendments and clarification regarding the role of the (1) Investment Committee in overseeing all of the University's investable assets, including the monies in the Restricted Cash Fund #1 (2) unique situation, and sale of OCAD U property, that led to the creation of the Restricted Cash Fund #1 and how these monies would be treated going forward. The Board also asked questions regarding the Investment Committee's long-term annualized rate of return for the portfolio of 6-8 %, as stated in the SIP&G. Bell Kearns provided insights on the data that was gathered to help support the long-term annualized rate of return in the SIP&G.

**On motion made by Brain Davis, seconded by Ana Serrano and adopted, it was resolved that the Board of Governors approve the updated Statement of Investment Principles & Guidelines, as presented.**

*[Editorial Note: Item 9(2) was discussed before item 9(1) but are presented in the minutes in numerical order for ease of reference to the materials.]*

## 10. Advancement Report



As part of the advanced materials for this meeting, Board members received a briefing note regarding the Advancement Department's fundraising activities, with the OCAD U Gala Sponsorship Package attached.

With the aid of slides, the EDA reminded the Board that the Advancement Department's fundraising goal of new gifts and pledges was set at \$3M for 2024/25, of which \$900,000 has been raised to date. She highlighted that, in the area of major gifts, the University has been successful in securing a \$175,000 gift from BMO, as well as a six-figure multi-year pledge from a donor.

With the aid of slides, the EDA also made a presentation on OCAD U's inaugural Fundraising Gala set to take place in May 2025. She explained that the proceeds from the event will support student bursaries that help to minimize financial barriers to a leading education in the arts and design sector. Board members were invited to connect with the Advancement Department if they wished to lend their support to the event.

## 11. Other Business

As part of other business, the Board Chair invited two students (Lily Kapler and Rachel Van Egmond) to speak briefly.

The students raised the issue of a student petition regarding recent changes to the thesis program for Drawing and Painting and Cross Disciplinary program students and how these changes have impacted the student experience.

The Board Chair thanked the students for presenting their concerns and noted that the issue raised related to the academic curriculum was not the purview of the Board. As such, the Board Chair would pass along their concerns to the Vice-President, Academic and Provost who could deal with matter.

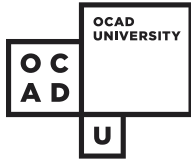
**On motion made by Stephanie Holko, seconded by Glenda Crisp and adopted, it was resolved that the Board of Governors take the meeting *in camera* at 7:00pm.**

## 12. Declaration of Conflicts

The Board Chair asked for declarations of conflicts of interest for any *in camera* agenda items from Board members. No other conflicts were declared.

## 13. Governance and Nominating Committee (GNC) Report

The GNC Chair provided a report to the Board on the GNC meeting held on November 19, 2024.



### **(1) Nominating Strategy Update**

As part of the advanced materials for this meeting, Board members received confidential briefing materials for this item.

The Board Secretary provided a summary of upcoming vacancies on the Board, as well as Board committee assignments.

The Board then made some decisions.

### **(2) Board Retreat Discussion**

The GNC Chair provided the Board with an oral update on the plans for upcoming Board retreat on January 18, 2025, including the series of planning meetings that have been held between Board Chair, the President, the Board Secretary, the Senate Chair, the Managing Director at OCAD U CO, and the GNC Chair.

## **14. Academic Matters**

As part of the advanced materials for this meeting, Board members received confidential briefing materials for this item.

The President informed the Board of the academic matter for approval.

The Board made a decision.

## **15. *In Camera* Session**

The Board met *in camera*.

## **16. *In Camera* Session without Management**

The Board met *in camera* without the President.

**On motion made by Neal Prabhu, seconded by Jugraj Khinda and adopted, it was resolved that the Board of Governors take the meeting out of *in camera* at 7:55 p.m.**



## 17. Termination

**On motion made by Stephanie Holko, seconded by Glenda Crisp and adopted, it was resolved that the Board of Governors terminate the meeting at 7:55 p.m.**

**Next meeting:**

The next meeting of the Board of Governors is Monday, March 3, 2025.

*[Original Signed]*

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Lanita Layton, Board Chair

*[Original Signed]*

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Tanya Bowes, Board Secretary