



Minutes of the Board of Governors Meeting Monday, May 15, 2023

Minutes of the regular meeting of the Board of Governors (Board) of the Ontario College of Art and Design University (OCAD U or the University) held in Room 322, 3rd Floor Boardroom, 230 Richmond Street, OCAD University and via videoconference at 4:00 p.m. on the 15th of May, 2023.

Present: Colleen Baldwin, Leanna Barwick, David Belous (items 1-10 only), David Binet (Investment Committee Chair), Elizabeth Dipchand, Alea Drain, Mark Hanrahan, Brenda Hogan (Board Chair), Richard Hunt, Abel Juarez, Simone Jones, Jarret Leaman (BBDC Chair) (items 5-7 only), Gail Lee (AFRC Chair), Hillary Marshall, Colleen McCleery, Mohsen Mortada (PRCAC Chair), Heather Robson, Ana Serrano (President), Lucy Song, and Virginia Trieloff.

In Attendance: Tanya Bowes, Board Secretary & Director, Strategic Planning (BSDSP), Deanne Fisher, Vice-President, Students & International (VPSI) (items 1-10 only), Peter Fraser, Director of Finance (items 1-10 only), Caroline Langill, Vice-President, Academic & Provost (items 1-10 only), Julie Nantais, Governance and Information/Privacy Officer (items 1-10 only), Alan Simms, Vice-President, Finance & Administration (VPFA) (items 1-10 only), Laura Wood, Executive Director, Institutional Analysis and Budget Planning (EDIABP) (items 1-10 only), and other members of the OCAD U community.

Rachel Leung, Faculty of Design, Graphic Design Student (items 1-5 only)

Recording Secretary: Julie Nantais, Governance & Information/Privacy Officer, Office of the President

Regrets: Julie Di Lorenzo, Dave Forestell, Jules Goss, Lalit Guglani, Roma Khanna and Jaime Watt.



1. Welcome, Constitution of Meeting, and Opening Remarks

Brenda Hogan, Board Chair, welcomed members to the fourth regular meeting of the Board of Governors of the academic year, which was duly constituted with quorum present.

The Board Chair 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.

3. Approval of Board Agenda for May 15, 2023

On motion made by Gail Lee, seconded by Leanna Barwick and adopted, it was resolved that the Board of Governors approve the agenda of the May 15, 2023 regular meeting, as presented.

4. Consent Agenda

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

Consent Agenda Table of Contents

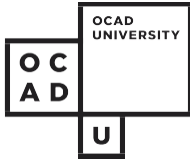
1. Summary of pending action items
2. Approval of minutes of March 6, 2023

Consent agenda information items:

3. Information report from the Senate Chair
4. AFRC information reports
 - a. Statutory Remittances Report
5. IQAP Final Assessment Report and Implementation Plan

On motion made by Colleen McCleery, seconded by David Binet and adopted, it was resolved that the Board of Governors approve the minutes of the March 6, 2023.

On motion made by Richard Hunt, seconded by Hillary Marshall 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. Student Spotlight

The Board Chair introduced and welcomed Rachel Leung, Faculty of Design, Graphic Design student.

The Board viewed a video showcasing Ms. Leung's experience as a first year international student at OCAD U, including her recent exhibit at the Royal Ontario Museum. Following the video presentation, Ms. Leung explained her approach to incorporating the immigrant experience into her artwork; the changes to the field of graphic design represented by a new wave of diverse arts entering the field; and the ways in which OCAD U provides graphic design students with networking and professional development opportunities.

The Board thanked Ms. Leung for her presentation. The Board asked questions regarding the professional development opportunities provide to the Ms. Leung, including the invite to create a mural on a City of Toronto utility box; what factors led her to choose OCAD U for her post-secondary education as an international student; and her thoughts on the new wave of international students from Hong Kong since the start of the pandemic.

6. President's Update

The President provided the Board with an oral update on the recent meeting of the Indigenous Education Council (IEC), noting the IEC's discussion of the selection of new Executive Director, Indigenous Engagement, who will join the University at the end of May. The President informed the Board that IEC also discussed the timely issue of fraudulent claims of Indigenous identity. She assured the Board that the IEC and the University is taking this issue very seriously.

The President informed the Board that the Ontario government's Blue Ribbon Panel – focused on how to address sustainability for universities across the sector – has requested submissions from universities in response to specific questions. OCAD U, as well as the Council of Ontario Universities, have made submissions.

7. Audit, Finance and Risk Committee (AFRC) Report

The AFRC Chair provided a report to the Board on the AFRC meetings held on April 27, 2023 and May 10, 2023.

(1) Domestic Tuition Fees (Fall/Winter) FY 2023/24



As part of the advanced materials for this meeting, Board members received a briefing note regarding the domestic tuition fees for the FY 2023/24 fall and winter semesters.

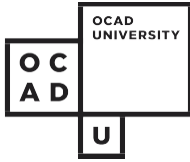
The VPFA reminded the Board that a recommendation for tuition fees is brought forward annually to the Board, typically at the March Board meeting, to approve the tuition fees for the next academic year commencing in September. He noted that, on March 2, 2023, the Ministry of Colleges and Universities (the Ministry) announced a continuation of the general tuition freeze for domestic undergraduate and graduate programs for 2023/24, but subsequently signaled that it may allow exceptions for what was termed 'tuition anomalies.' The VPFA confirmed that OCAD U had submitted three programs for consideration under the tuition anomaly program: Bachelor of Design (BDES), Bachelor of Fine Arts and Bachelor of Arts. The Ministry informed the University that its tuition anomaly application for the BDES was approved on May 4, 2023.

With the aid of a PowerPoint presentation, the VPAP reviewed the state of domestic and international tuition fees at OCAD U since 2019, when the Ontario government reduced domestic tuition by 10%. She emphasized that domestic tuition has been kept frozen for the last five years and that OCAD U applied a freeze to international tuition for FY 2022/23. The VPAP noted that domestic tuition fees have not kept up with inflation. The VPAP reviewed comparative tuitions for a BFA/BA and BDES at York University and the Nova Scotia College of Art and Design University (NSCAD).

The President added that it is important to note that OCAD U has the lowest tuition rate, while also delivering more exceptional education experiences than other art and design institutions across Ontario. However, the institution cannot continue to deliver exceptional education if tuition is not increased. She reassured the Board that the institution will work towards increasing financial support for students.

The Board had a robust discussion and asked questions regarding how the varied tuition fees between programs would be received by students and whether there were any issues of fairness to be considered; whether enrolment numbers would be negatively impacted by the increase in tuition for the BDES program; whether the increase would have a negative impact on enrolment numbers; how increased financial support for students would take into account the higher cost of living for students studying at a university based in downtown Toronto versus the cost of living for students enrolled in comparable programs at York University and NSCAD; the timing of and accountability for the increased financial support to students; and whether the tuition increase would be applied to BDES students to the incoming year only; and how the tuition increase will be communicated to students.

On motion made by Gail Lee, second by Colleen Baldwin and adopted, it was resolved that, upon recommendation of the Audit, Finance and Risk



Committee, the Board of Governors approve that Fall/Winter domestic tuition for Bachelor of Design programs, with respect only for the intake (first year), increase by 7.5% (or \$454) as of the academic year 2023/24, and that domestic tuition for all other programs (BDES non-intake year, BA, BFA, MA, MFA, MDES) increase by 0% for the year 2023/2024 per provincial government edict.

(2) Semi-Annual Risk Register Report

As part of the advanced materials for this meeting, Board members received a briefing note regarding the risk register for April 2023, with the April 2023 Risk Register attached.

The VPFA summarized the rating changes to the risk register to the one presented at the Board meeting in December 2022:

- One new risk was identified:
 - *Not Meeting Enrolment Targets/Assumptions*
- Two risks were removed:
 - *Hardware and software evergreening (client computing/enterprise applications/infrastructure)*
 - *Pandemic impact on academic programming and faculty*
- Of the 11 risks, only one reflects a major risk rating:
 - A Successful Cybersecurity Threat/Breach

The VPFA informed the Board that the risk register review process has been strengthened with the additional step of having the register's ratings and content pre-reviewed by the Executive Team prior to submission to the AFRC and the Board.

(3) Fiscal Year 2022/23 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 2022/23 operating budget variance updates based on year-to-date financial results for the ten months ended March 31, 2023 and (ii) briefing note regarding the University's cash on hand and debt position as of March 31, 2023.

The VPFA provided a high-level overview of the operating budget variances to date and projected year end results as of May 31, 2023. He explained that the University finances are in good shape, and there has been strong performance on enrolment and tuition. The VPFA provided an analysis of the University's cash on hand and debt position as of March 31, 2023. He noted that the University has a strong position and good liquidity ratios.



(4) External Review Tracking Budget Update

As part of the advanced materials for this meeting, Board members received a briefing note providing an update on external review recommendations.

The EDIABP informed the Board that the external review recommendations continue to move forward for FY 2022/23. She noted that the briefing note contains qualitative updates for the six recommendations from the external review, noting that qualitative data would be provided at the next update to the Board in Fall 2023.

The Board discussed and asked questions regarding the revenue generation recommendation, including the University's plans to move forward on this recommendation while ensuring the necessary support for the day-to-day operations of the University is not compromised.

(5) Fiscal Year 2023-24 Operating Budget

As part of the advanced materials for this meeting, Board members received a briefing note regarding the FY 2023-24 operating budget.

With the aid of a PowerPoint presentation, the VPFA introduced the proposed operating budget for FY 2023-24. He provided an overview of the key highlights:

- A multi-year forecast (MYF) was developed and presented to the Board in Fall 2022 and has been updated to form the basis of the FY 2023-24 operating budget.
- The FY 2023-24 operating budget presents a \$71K surplus on operating revenues and expenditures including special allocations each approximately \$87M and is based on conservative assumptions pertaining to revenue and expenditure items.
- Special allocations include provision for Furniture, Fixtures Equipment of \$500K plus an additional \$250K for the Evergreen Program and \$600K for initiatives to support academic and strategic planning.
- A contingency of 2% of operating revenues is also included (\$1.751M).

The VPFA informed the Board that, due to the Ministry granting the tuition anomaly for the BDES program on May 4, 2023, the operating budget that was passed by the AFRC on April 27, 2023 would result in additional tuition revenue in FY 2023-24 of \$228K, as well as an adjustment from a minor deficit position of \$157K to a minor surplus position of \$71K, as presented in the briefing note. He confirmed that the budget approved by the AFRC and presented to the Board for approval essentially represents a balanced budget.



The President reviewed the slide with the projected annual deficits for the MYF from FY 2023-23 to FY 2026-27. She noted that while the University has made strides in improving its budget deficits, including establishing the Financial Sustainability Fund, additional funding and earned revenue will be needed to address the budget deficits going forward.

The Board discussed and asked questions regarding whether management had conducted a sensitivity analysis with variables to better understand the opportunities available to the institution to help stave off the deficit; whether the different stakeholders within the OCAD U community (faculty, staff and students) had a good grasp of the University's financial situation and management's strategy to educate the different stakeholder groups; and how management would address the positive report of a balanced budget against the information of a growing budget deficit in speaking to the University's stakeholders.

On motion made by Leanna Barwick, seconded by Simone Jones and adopted, it was resolved that, upon recommendation of the Audit, Finance and Risk Committee, the Board of Governors approve the FY 2023/2024 annual operating budget, as presented.

(6) OCAD University Policy on Commercialization

As part of the advanced materials for this meeting, Board members received a briefing note regarding OCAD University's Policy on Commercialization (the Policy), with the proposed Policy attached.

The VPR explained to the Board that the Policy is in fulfillment of the Ministry's mandate that institutions formulate a commercialization policy by December 15, 2022 and is presented in follow up to the discussion at the Board meeting in June 2022. He noted that the Policy has been approved by Senate.

The Board discussed and asked whether the Policy would apply to staff members who are also artists. The VPR explained that any staff member who is also an artist would be covered under the University's separate IP policy, but that staff alone, without artistic association to OCAD U, would not be covered by the IP policy.

On motion made by Richard Hunt, seconded by Kevin Reid-Morris and adopted, it was resolved that, upon recommendation of the Audit, Finance and Risk Committee, the Board of Governors approve the OCAD University Policy on Commercialization, as presented.

8. Brand and Business Development Committee (BBDC) Report



(1) Advancement Report

As part of the advanced materials for this meeting, the Committee members received a briefing note regarding the Advancement department's fundraising activities.

The President informed the Board that the University has exceeded the \$2.3M fundraising goal for FY 2022-23 by over \$2.4M, as a result of the University securing a \$2.4M pledge from an individual donor. She noted that this outstanding contribution will be announced publicly in the weeks ahead, alongside an event to celebrate the gift and honour the donor.

The Board discussed and questions regarding the status of the Butterfield Park revitalization project. The President explained that, while the University has been successful at generating funds, fundraising and sponsorship activity for the Butterfield Park project is ongoing.

9. Human Resources Committee (HRC) Report

The HRC Chair provided a report to the Board on the HRC meeting held on March 30, 2023.

(1) 2021/2022 Pension Plan Statements

As part of the advanced materials for this meeting, the Board members received a briefing note regarding the 2022 Pension Plan Financial Statements with the Financial Statements of the Pension Plan (September 30, 2022) attached.

The VPFA informed the Board that the 2021/2022 Pension Plan Financial Statements are audited annually. The statements were reviewed and approved at the OCAD U Pension Committee meeting on March 7, 2023 followed by a review with the HRC on March 30, 2022. He explained that, despite a challenging year in the markets, there were no issues noted by the University's auditors. The VPFA confirmed that the financial statements will next be submitted to the Financial Services Regulatory Authority of Ontario by March 30.

10. Other Business

No other business was discussed.

The Board Chair thanked the OCAD U community for attending.

Following the discussion, non-Board members left the meeting.



On motion made by Colleen McCleery, seconded by David Binet and adopted, it was resolved that the Board of Governors take the meeting *in camera* at 5:55 p.m.

11. Declaration of Conflicts of Interest

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

12. Nominating Strategy Update

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

The GNC Chair provided a report to the Board on the GNC meeting held on April 25, 2023.

The BSDSP provided a nominating strategy update.

The Board made a decision.

13. Academic Matters from Senate

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

14. *In Camera* Session

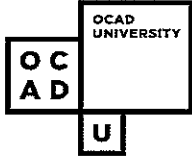
The Board met *in camera*.

15. *In Camera* Session without Management

The Board met *in camera* without the President.

On motion made by Richard Hunt, seconded by Heather Robson and adopted, it was resolved that the Board of Governors take the meeting out of *in camera* at 6:32 p.m.

16. Termination



On motion made by Richard Hunt, seconded by Heather Robson and adopted, it was resolved that the Board of Governors terminate the meeting at 6:32 p.m.

Next meeting: Monday, June 12, 2023.

[Original Signed]

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Brenda Hogan, Board Chair

[Original Signed]

A handwritten signature in blue ink, appearing to be 'T. Bowes', written over a horizontal line.

Tanya Bowes, Board Secretary