



## Minutes of the Board of Governors Meeting

October 5, 2015

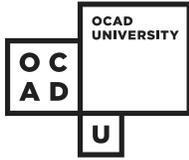
Minutes of the regular meeting of the Board of Governors (Board) of the Ontario College of Art & Design University (OCAD U) held in Room 322, 3<sup>rd</sup> Floor Boardroom, 230 Richmond Street West at 4:30 pm on the 5th day of October, 2015.

Present: John Albright, Alvaro Araya, Maggie Broda, Scott Clark (Human Resources Committee (HRC) Chair), Andre De Freitas, Dr. Sara Diamond (President), Bob Finlay (items 1-9 only) (via teleconference), Michel Frappier Board Chair, Kiki Delaney (Chancellor), Tracy Gordon, David Holland (Audit, Finance and Risk Committee (AFRC) Chair), Helen Kearns (Investment Committee Chair), Sharifa Khan (Vice Chair)(via teleconference)(items 1-6 only), Mariano Martellacci, Ryan Murphy (via teleconference)(joined the meeting during item 2), Mark Robert, Emily Rourke, Keith Rushton (Senate Chair), Dr. John Semple (Vice Chair), Dr. Dot Tuer, Carol Weinbaum(Physical Resources and Capital Assets (PRCA) Committee Chair),

In Attendance: Carole Beaulieu, Associate Vice-President (AVP) University Relations and Board Secretary (AVP UR & Board Secretary)(all items except item 4), Nicky Davis, Director, Human Resources (HR Director)(items 5-13 only); Valerie De Souza, Manager, University Governance (all items except item 4); Deanne Fisher, AVP, Students (AVP Students) (items 5-13 only); Peter Fraser, Director, Finance (Director of Finance) (items 5-13 only); Jeff Litwin, Chief Campaign Officer and Vice President (VP) Development (VP Development) (items 5-13 only), Dr. Jill Siddall, Interim VP Academic (items 5-13 only); Alan Simms, VP, Finance & Administration (VP F&A) (items 5-13 only); b.h. Yael (Senate Chair in-transition)(all items) and members of the OCAD U community.

Ana Chan, Senior Manager, KPMG LLP (items 5-8 only) and Bobbi-Jean White, Engagement Partner, KPMG LLP (via teleconference) (items 5-7(3) only).

Regrets: Raja Khanna and Steve Quinlan



## 1. Welcome and Constitution of Meeting)

Michel Frappier, Board Chair, welcomed members to the first Board meeting of 2015/2016, which was duly constituted with quorum present.

He welcomed the following new internal Board members to their first Board meeting:

- **Alvaro Araya**, Enterprise Systems and Storage Architect and President, Ontario Public Sector Employees Union (OPSEU) Local 576 (elected by Permanent Staff);
- **Andre De Freitas**, Manager, Financial Aids & Awards (elected by Permanent Staff);
- **Mariano Martellacci**, 4<sup>th</sup> year student in Environmental Design program for the Bachelor of Design (acclaimed in Undergraduate Student position);
- **Ryan Murphy**, Graduate student in Strategic Foresight & Innovation for Master of Design (elected by Graduate Students); and
- **Emily Rourke**, Thesis year student in Photography program for the Bachelor of Fine Arts (acclaimed in Undergraduate Student position).

He also noted that at the September 28, 2015 Senate meeting, Senate elected **b.h. Yael** as the new Senate Chair in-transition, who will take over the chair responsibilities from Keith Rushton in December 2015. He welcomed her to the Board meeting. Then he reported that as Senate did not appoint new faculty representatives to the Board at that same meeting, the incumbents, Steve Quinlan and Dr. Dot Tuer remain in the roles on the Board, but it is expected that Senate will appoint new representatives to the Board at its October 26, 2015 meeting.

**On motion made by David Holland, seconded by Dr. Sara Diamond and adopted, it was resolved that the Board of Governors take the meeting *in camera* at 4:35 pm.**

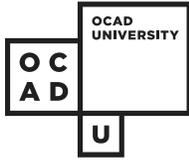
## 2. Nominating Strategy Update

Board members received confidential materials in advance of this meeting. The Board Chair and the President reported on this matter to the Board after which the Board made some decisions.

## 3. Academic Matters from the President and Senate

Board members received confidential materials in advance of this meeting.

The Senate Chair introduced this item and then the President added a few comments on the candidates after which the Board made a decision.



#### 4. Review of Executive Team Responsibilities

The Board met in camera without the Board Secretariat for this item. The President provided the Board with an update on this matter.

**On motion made by David Holland, seconded by Dr. John Semple and adopted, it was resolved that the Board of Governors take the meeting out of *in camera* at 5:05 pm.**

The Board Chair invited everyone to the public portion of the meeting.

#### 5. 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

Consent agenda decision items:

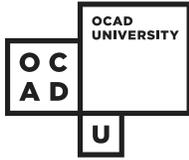
2. Approval of minutes of June 15, 2015 Board of Governors' special meeting
3. Approval of updated 2015/2016 Board governance workplan
4. Approval of updated signing officers

Consent agenda information items:

5. Information report from the President
6. Information report from the Interim Vice-President, Academic
7. Information report from the Chief Campaign Officer and Vice-President, Development
8. Information report from the Vice-President, Finance & Administration
9. Information report from the Associate Vice-President, Research & Dean, Graduate Studies
10. Information report from the Associate Vice-President, University Relations
11. Information report from Senate Chair
12. Information report from the Executive Committee Chair
13. 2015/2016 Interim Board Committee Assignments
14. 2015 Council of Chairs of Ontario Universities' Conference of Ontario University Board Members (November 6-7, 2015) – registration notice and preliminary program

The President responded to Board members questions on the consent agenda items and introduced to the Board, Dr. Jill Siddall, as the Interim VP Academic.

**On motion made by David Holland, seconded by Helen Kearns and adopted, it was resolved that the Board of Governors approve all the consent agenda**



**decision items, including the minutes of the June 15, 2015 meeting of the Board of Governors, and accept the consent agenda information reports, as presented.**

As a result, the following consent decisions, in addition to the approval of the minutes, were made by the Board:

- **approval of the revisions to the 2015/2016 Board governance workplan, as presented and as recommended by the Executive Committee; and**
- **approval of the amended list of authorized signatories on the OCAD University bank accounts, as presented and as recommended by the Audit, Finance and Risk Committee.**

## **6. Call for Nominations of Chair and Vice-Chair(s)**

Board members received a briefing note as part of the advanced materials for this meeting. The Board Chair noted that as per the OCAD University by-laws, the call for nominations was declared open for the positions of Chair and Vice Chairs of the Board of Governors, each for a one-year term beginning at the OCAD University annual general meeting. The AVP UR & Board Secretary added some comments on the nomination process.

**On motion made by Carol Weinbaum, seconded by Keith Rushton and adopted, it was resolved that the Board of Governors approve the election of Dr. John Semple as Chair nominee, David Holland as First Vice Chair nominee, and Sharifa Khan as Second Vice Chair nominee for the Chair and Vice Chair elections to take place at the annual general meeting on November 14, 2015, as recommended by the Executive Committee, acting in its nominating role.**

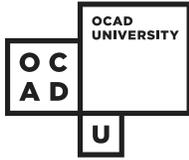
## **7. Audit, Finance and Risk Committee (AFRC) Report**

David Holland, AFRC Chair gave a brief introduction on the AFRC meeting held on September 24, 2015 to discuss all the matters before the Board at this meeting.

The following consent information reports treated as read and received without comment:

- (1) Project Chroma Update; and
- (2) Statutory Remittance Report

Then the following discussion reports were heard:



### (3) Approval of Audited Financial Statements for Fiscal Year 2014/2015

The VP F&A provided an introduction to the audited financial statements for the 2014/2015 fiscal year and then the Director of Finance provided the Board with an overview of his management report on the financial statements.

Bobbi White then provided the Board with an overview of the audit work done by KPMG LLP. Ana Chan provided some highlights of the KPMG LPP's audit findings report noting that there were no significant control weaknesses or significant audit adjustments identified. KPMG LLP noted that they had issued an unqualified audit opinion.

Board members discussed the audited financial statements and the VP F&A and the President responded to their questions.

**On motion made by David Holland, seconded by Kiki Delaney and adopted, it was resolved that the Board of Governors approve:**

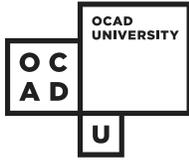
- 1. the 2014/2015 audited financial statements; and**
- 2. the net transfer of \$2,970,898 from unrestricted net assets to internally restricted net assets per Note 12 of the audited financial statements, as recommended by the Audit, Finance and Risk Committee.**

### (4) Preliminary Enrolment Information for 2015/2016

The VP F&A introduced this item and the Director of Finance provided an overview of the preliminary enrolment numbers. The AVP Students provided the Board with an update on the shortfall of the summer enrolments and the plan to address that going forward. . The Board discussed this matter and the President, VP F&A, Director of Finance and AVP Students responded to their questions.

### (5) Approval of Interim Credit Facility for Capital Projects

The AFRC Chair introduced this item and the VP F&A presented the Board with information on the capital projects and the construction financing required for them. He noted that the three pipeline capital projects are (1) the reconfiguration of 115 McCaul Street to a student experiential learning centre; (2) 230/240 Richmond Street and (3) 199 Richmond Street. He commented that the Board will approve the details of each construction contract when they are ready to proceed, but the Board is being currently asked to approve the interim credit facility. The Board discussed this matter and the VP F&A and the President Alan and Sara responded to Board members' questions, especially on the retrofitting of 199 Richmond Street to be a Category A professional gallery.



**On motion made by David Holland, seconded by Maggie Broda and adopted, it was resolved that the Board of Governors approve an interim credit facility not to exceed \$4.9 million in order to facilitate development of the three related and near-term capital projects (the Projects), as presented, and as recommended by the Audit, Finance and Risk Committee.**

(6) Approval of Waterfront Project Lease

The VP F&A gave a brief update on the waterfront project lease and responded to Board members' questions, including on the purpose and planned use of space to create a waterfront campus.

**On motion made by David Holland, seconded by Dr. John Semple and adopted, it was resolved that the Board of Governors approve entering into a lease in the Daniels Waterfront City of the Arts project on the terms presented, and as recommended by the Audit, Finance and Risk Committee.**

(7) Approval of Financing of 230/240 Joint Venture Tenant Improvements, Capital Upgrades and Initial Operating Start- Up Costs

The VP F&A provided an update on the joint venture and the need for this project financing. He noted that the board of the joint venture partner, Hullmark, has already reviewed and approved a similar motion.

**On motion made by David Holland, seconded by Dr. John Semple and adopted, it was resolved that the Board of Governors approve obtaining first mortgage financing of 230/240 Richmond Street for \$17.5 million with CMLS Financial Ltd., as recommended by the Audit, Finance and Risk Committee.**

**8. Investment Committee Report**

As part of the advanced materials for this meeting, Board members received the Investment Committee Terms of Reference.

Helen Kearns, Investment Committee Chair, briefly spoke about the Investment Committee meeting held on July 16, 2015 gave a brief presentation of this item.

**On motion made by Helen Kearns, seconded by Kiki Delaney and adopted, it was resolved that the Board of Governors approve the Investment Committee Terms of Reference, as presented, and as recommended by the Investment Committee.**



## 9. Human Resources (HR) Committee Report

As part of the advanced materials for this meeting, Board members received drafts of the HR policies under development, namely the draft policy on the appointment and reappointment of senior administrators; and the draft policy on the appointment and reappointment of academic administrators.

Scott Clark, HRC Chair gave a brief introduction on the HRC meeting held on September 15, 2015 and introduced the policy discussion. The HR Director then provided the Board with an update on the process to develop these HR policies. She noted that research was conducted and presented to HRC and draft policies were developed with their input. She commented that the Executive Committee then reviewed the draft policies and their input was also included in the draft policies presented to the Board. She added that a draft of the policy on the appointment and reappointment of academic administrators was presented to the Senate Executive Committee and the Senate and they provided good input. She reported that Senate asked to have further review and discussion of this draft policy at their October 28<sup>th</sup>, 2015 meeting, highlighting the areas that they asked for more information and/or discussion, and noted that Senate will review and approve the final version of this policy at their November 2015 meeting. She noted that the revised final versions of both of these policies will be brought forward for Board approval at its December 2015 meeting. The Board then discussed the policies, providing some input, and the HR Director responded to their questions on the policy in terms of search committees.

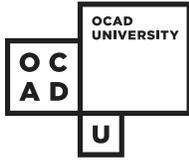
## 10. President's Report

As part of the advanced materials for this item, Board members received:

- a. the President's discussion report with scorecard results for the first quarter of fiscal year 2015/2016,
- b. briefing note on funding formula update; and
- c. a template letter to the Minister.

The President presented the first quarter results in the fiscal year 2015/2016 institutional scorecard commenting on the results for each of the annual objectives for the four strategic priorities. She spoke to the areas that were marked red on the scorecard, including the approach to address the recruitment strategy for graduate studies next year and noted that the timing for a new academic plan is delayed to December 2016 in consultation with Senate.

She then provided a PowerPoint presentation on OCAD University and the funding formula review, explaining the funding formula and the funding formula review process (including timing), OCAD U's key messages in this review process (including increasing the basic income unit from 1.5 to 2.0 and additional funding



formula requests), and where OCAD U is in the process. She encouraged Board members to join in the letter-writing campaign to Minister Reza Moridi (Ministry of Training, Colleges and Universities). She then responded to Board members' questions on her report.

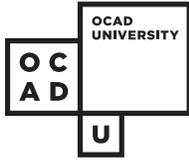
## **11. Recruitment and Marketing Overview for 2016/2017**

The AVP Students provided the Board with a PowerPoint presentation on the 2016/2017 marketing and recruitment strategy noting key considerations (applicant trends and demographic trends), student segmentation (research methodology, core segments, opportunity segments, graduate segments), recruitment strategy (including use of Recruiter module to Project Chroma software, domestic, international and graduate studies strategies).

The AVP UR & Board Secretary continued the presentation to discuss the marketing strategy, including the publishing platform, corporate campaign (in subways and select outdoor ads in targeted areas of the city and digital messaging).

## **12. Fundraising Campaign Update**

The VP Development noted that Leslie Gales, the Chair of Ignite Imagination, the Campaign for OCAD University had to unexpectedly deal with a family matter and could not join the Board today. He noted that nearly all Board members that were on the Board when Michel Frappier, Board Chair, made his ask to them in June 2015 have responded and made donations. He thanked them for the generosity and commitment to OCAD U. He noted that there were two upcoming events for the campaign, the internal launch on November 12<sup>th</sup> and the external launch at the Board of Trade talk by the President on November 20<sup>th</sup>, 2015. The AVP UR & Board Secretary then gave a PowerPoint presentation on the creative for the fundraising campaign.



### 13. Other Business

The President thanked departing Board member, Scott Clark, for his contributions to the OCAD U Board over his six-year tenure and presented him with a gift. Scott Clark spoke a few words on the highlights of his tenure on the Board.

The Board Chair noted that this meeting would be immediately followed by a welcome dinner for Board and the President's Executive Team at the home of the President.

The next meeting of the Board is the Annual General Meeting and Board Retreat on November 14, 2015.

### 14. Termination

**On motion made by David Holland, seconded by John Albright and adopted, it was resolved that the Board of Governors terminate the meeting at 7:10 pm.**

*[Original signed]*

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Dr. John Semple, Board Chair

*[Original signed]*

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Carole Beaulieu,  
Associate Vice-President University  
Relations & Board Secretary