

**St. Jerome's University
Board of Governors**

Minutes of the April 12, 2018 Meeting

Present: Mary Ellen Cullen (Acting Chair), John Arnou, Steven Bednarski, Jim Beingessner, Katherine Bergman, Frank Boerboom, Ernest Doyle, Francis Doyle, Ken Lavigne, Anthony MacKinnon, Murray McDermott, Ted McKechnie, Toni Serafini, Kathy Smidt, Robert Truman, Laura Zilney

Resources: Darren Becks, Vice President, Administration; Kerry Eamer, Director, Human Resources; Scott Keys, Director, Finance and Accounting; Scott Kline, Vice President Academic and Dean; Kierra Cali, Recording Secretary

Regrets: Dan Weber, Hayley Barnes, Cathy Horgan

1. Prayer

The opening prayer was provided by M. Cullen.

2. Chair's Remarks

Cathy Horgan, Chair, sends regrets. Mary Ellen Cullen, Vice Chair, chaired the meeting as Acting Chair.

After members were welcomed to the meeting, the following remarks were made:

- The Chair, Vice Chair, and administrative assistant to the Board attended the annual Canadian Universities Board Association (CUBA) conference where Board members and Board professionals from Universities across Canada gathered to discuss trends in governance in higher education.
- Dan Weber, Member at Large, is currently on leave from the Board. D. Weber is the Ontario Progressive Conservative Party Candidate for the Waterloo riding and is participating in the provincial election.
- Upcoming events within the St. Jerome's University community include, the Donor Reception recognizing the University's donors on April 13th, and the Annual Recognition Dinner celebrating the accomplishments of the University's Academic Staff, Staff, and retiring Board members on April 30th.

On behalf of the Board, the Acting Chair expressed gratitude to Darren Becks, Vice President, Administration for his numerous years of service to the University as a Staff member, but also serving as a resource to the Board for many years. As D. Becks departs from the University for another opportunity, the Board thanked D. Becks for his leadership at the University.

3. President's Remarks

The President echoed the sentiments of recognition for Darren Becks, and on behalf of the University thanked D. Becks for being a champion of the University.

D. Becks introduced Scott Keys to the Board. S. Keys joined the University in January 2018 within the position of Director, Finance and Accounting. S. Keys will be provided expanded opportunities in the coming months due to the departure of the Vice President, Administration, and will serve as interim Vice President, Administration.

The President notified the Board that the contracts with St. John's-Kilmarnock School and with Resurrection College have been executed in accordance with the motions approved by the Board at the December 2017 meeting to pursue this collaborative revenue diversification opportunity.

4. Agenda Review, Declare Conflicts, Additions, Changes

No conflicts were noted.

Item #5 of the agenda is to be revised as 'for decision'.

Motion: To approve the Agenda as amended.

Moved: K. Lavigne, **Seconded:** T. MacKinnon, **Carried.**

Consent Agenda

5. Approve Minutes of the October 5, 2017 Board meeting

The seconder of the motion of item #9 will be revised to K. Smidt.

Motion: That the Minutes of the October 5, 2017 Board meeting be approved as amended.

6. Approve Minutes of the December 7, 2017 Board meeting

Motion: That the Minutes of the December 7, 2017 Board meeting be approved as presented.

7. Annual Review of Board Policies

The following minor revisions to the presented policies were noted:

- The Roles and Responsibilities of the Chancellor policy requires revision to remove references to the mathematics program.
- The President's Self-Assessment section of the Assessment of the President (Vice Chancellor) policy will be revised to remove reference to the Nominating Committee in bullet 2.

Motion: To approve updates to the Assessment of the President (Vice Chancellor) Policy, Chancellor Roles and Responsibilities Policy, and the Chancellor Recruitment and Appointment Policy, as amended.

8. Insurance Coverage Summary

Motion: To receive for information the 2018 Insurance Renewal Summary.

9. Report for Mission Committee

Motion: To receive for information, the Mission Committee's report of University mission driven activity and alignment with the University's strategic commitments.

10. Auditor Appointment Recommendation

Motion: To approve a 2-year extension of the PricewaterhouseCoopers (PwC) auditing services contract with the University for audit years, 2018 – 2019 and 2019 – 2020, subject to the current contract terms and conditions.

11. Legislative Compliance Program

Motion: To receive for information the 2017 Legislative Compliance Report.

Motion: To approve and receive for information, by consent, items 5 to 11 above, as amended.

Moved: B. Truman, **Seconded:** F. Doyle, **Carried.**

Regular Agenda

12. Budget Execution and Financials Update

The budget execution reports are presented comparatively between current fiscal and previous fiscal to provide a picture of the financial statements with notes regarding variances.

Administration responded to questions regarding the potential threat to residence occupancy with the expansion of off campus housing options in Waterloo. The University's occupancy trends do not indicate a reduction in demand.

An overview of the budget execution reports indicated the University is operating with a surplus before interest and amortization. After review of the variances and corresponding notes, expenditures are well aligned with budget and are in line with year over year trends of the University. Administration expressed confidence that the fiscal year will end on budget.

Motion: To receive for information, the Budget Execution and Financial Information as of February 28, 2018 for the 2017/2018 fiscal year.

Moved: J. Arnou, **Seconded:** T. Serafini, **Carried.**

13. Campus Renewal Execution Report

The Vice President, Administration presented a summary of the Campus Renewal 2015 project. The presentation highlighted the benefits and impact experienced through the \$47,000,000 campus renewal project as a result of utilizing Integrated Project Delivery (IPD), fundraising efforts, and community support. Through this innovative construction methodology, IPD allowed the University to manage traditional risks of budget overruns experienced in construction projects while enhancing onsite team engagement and collaboration to deliver buildings that directly aligned with the University's need.

The project was executed on budget, ahead of schedule, and above scope with approximately \$6,000,000 in accumulated savings and gains, contributing additional value to the project.

The Board acknowledged that, as a result of Administrations' hard work, this campus improvement project has provided the University with the capability to offer an enhanced experience to its students, Academic Staff, and Staff that reflects the programmatic strengths of the University.

Motion: To receive for information the Campus Renewal 2015 Execution Report.

Moved: S. Bednarski, **Seconded:** E. Doyle, **Carried.**

F. Doyle left the meeting.

14. Capital Request, Library Renewal

The Board was presented with a request to withdraw additional monies from the unrestricted fund to expand the budget of the Library Renewal Project due to increased scope and design of the planned Library renovation. In 2014/2015, the Board approved a Library Renewal renovation capital request of \$500,000.00 to support the internal renovation of the library. The subsequent request presented is to allocate an additional \$1,000,000.00 to bring the total Library Renewal Project budget to \$1,500,000.00. Due to operational gains, savings, and fundraising achieved within the Campus Renewal 2015 project, the University did not withdraw the full amount of planned funds from the

unrestricted portfolio to support the Campus Renewal project. Therefore, the unrestricted portfolio retained excess of funds, which now provides the opportunity for additional funds to be allocated to the Library renewal. This request is made outside of the budget cycle to provide sufficient time for the University's Investment Managers to adjust the investment portfolio to generate the required cash flow.

The project scope has been expanded to include the renovation of the entire second floor of the Classroom and Library Building (SJ1) doubling the size of the Library and integrating classroom and research space into a learning commons. The renewal plan includes a focus on accessibility and inclusivity. Construction of the renewal project will begin Spring 2019.

Faculty representatives on the Board addressed the Governors to demonstrate that the Library is at the centre of the University's mission and serves the University's academic needs. Renewal of the Library provides an opportunity for the University to build capacity for innovation where students can expand their learning through advanced technology and programming, where new ideas are generated, cultivated, and showcased.

The Board expressed support for the Library renewal and discussed potential means to further support the critical functions of the Library through fundraising and fund allocations. The University currently has a number of donors interested in supporting the Library, which will be further cultivated as the University finalizes the specific plans for the expansion. Naming opportunities remain available. The Library Renewal Project will be highlighted at the upcoming Donor Reception event on April 13th. All Board members are encouraged to attend.

Motion: To approve the withdrawal of \$1,000,000 from the Unrestricted portfolio to be transferred to the Capital Fund to increase the total allowable cost of the Library Renewal Project.

Moved: S. Bednarski, **Seconded:** T. Serafini, **Carried.**

15. Draft Policy Respecting Business of the University, including Banking and Financial Transactions

As a result of ongoing dialogue regarding the fiduciary responsibilities of the Board of Governors, with respect to oversight of the University's contractual agreements, the Board requested the development of a policy outlining an approval framework for conducting business of the University in alignment with the University's Bylaw, Article 2.

Administration engaged its legal counsel, SorbaraLaw, to develop the draft Policy Respecting Business of the University, Including Banking and Financial Transactions. The Finance and Audit Committees and the Executive Committee were involved in review of multiple iterations and revisions of the draft policy and are in support of the draft presented to the Board for approval.

This policy reflects the banking resolution and parameters suggested by the bank and the University's auditors with regard to signing authorities of transactions. However, the policy further establishes a comprehensive framework for designating approval authority with respect to contractual arrangements and other obligations to strengthen existing bylaws. Specifically, section 6 of the policy highlights the Board's authority in approving the University's operating budget as a structure for fund allocation that permits Administration to execute University operations accordingly. The materiality threshold outlined within the policy is based upon an annual risk threshold identified by the auditors and provides a secondary measure of approving authority of the Board.

Motion: To approve the replacement of the Resolution of the Board of Governors, Persons Authorized to Conduct Banking and Financial Business, 2012 with the proposed Policy Respecting Business of the University, Including Banking and Financial Transactions, as presented.

Moved: E. Doyle, **Seconded:** J. Arnou, **Carried.** One abstention.

Motion: To adjourn Open Session and move into Confidential Session.

Moved: T. McKechnie, **Seconded:** K. Lavigne, **Carried.**

/kc
April 12, 2018

Mary Ellen Cullen
Acting, Board Chair