

*The Board of Governors acknowledges and respects the Algonquin First Nation, on whose traditional territory the Carleton University campus is located.*

**Minutes of the 629<sup>th</sup> Meeting of the  
Board of Governors**

**Thursday, March 10<sup>th</sup>, 2022 at 3:00 p.m.  
Via Videoconference**

<b>PRESENT:</b>	D. Fortin (Chair)	G. Garland	S. Mingie
	D. Alves	D. Greenberg	N. Nanos
	B.A. Bacon	L. Hayes	B. O’Connor
	B. Creary	H. Heppler	B. Örmeci
	P. Dion	L. Honsberger	E. Sloan
	G. Farrell (Vice-Chair)	N. Karhu	P. Smith
	M. Fraser	A. Keung	J. Taber
	K. Furlong	C. Khordoc	C. Tessier
		A. Lettieri	A. Tremblay
			A. Ullett
<b>REGRETS:</b>	Y. Baltacioğlu	H. Khalsa	K. von Finckenstein
	A. Brown		
<b>STAFF:</b>	S. Blanchard	R. Goubran	K. Solomon
	D. Chea	S. Levitt	T. Sullivan
	T. Frost	G. Nower	C. Taylor
	A. Goth (R. Secretary)	K. McKinley	J. Tomberlin
		N. Merriman	C. Trudel

**OPEN SESSION**

**1. CALL TO ORDER AND CHAIR’S REMARKS**

The Chair called the meeting to order at 3:02 pm and welcomed all governors and attendees to the virtual Board of Governors meeting. The Chair acknowledged the Algonquin First Nation territory on which Carleton University is located. He welcomed observers, staff members and board members to the meeting.

## **2. DECLARATION OF CONFLICT OF INTEREST**

The Chair asked for any declarations of conflict of interest from the members. None were declared.

## **3. APPROVAL OF AGENDA**

The proposed agenda was circulated in advance. It was moved by P. Dion and seconded by L. Honsberger that the open agenda of the 629<sup>th</sup> meeting of the Board of Governors be approved, as presented. The motion carried unanimously.

## **4. APPROVAL OF THE CONSENT AGENDA**

The following items were circulated in the open consent agenda for approval: open session minutes from the 628<sup>th</sup> Board meeting, change of name of the Pauline Jewett Institute of Women's and Gender Studies to the Feminist Institute of Social Transformation, Capital Debt Policy, and the Standing Committee Terms of Reference.

The open consent agenda's items for information included: Project Close-Out Report for the Nicol Building, Campus Master Plan Renewal Process Update, Carleton University Energy Master Plan Update, Loeb Building and Paterson Hall Major Renovations, Ongoing Capital Projects Status and Capital Renewal (Deferred Maintenance), Update on Transportation Plan, 2021-2022 Operating Financial Update and Status of Reserves, and Minutes from Senate.

The Chair noted that two items have been withdrawn from the open consent agenda: Terms of Reference from the Audit and Risk Committee, and the Use of External Auditor for Non-Audit Services and Related Fees policy. The Audit Committee has asked for additional time to review these items.

It was moved by P. Dion and seconded by M. Fraser, that the items in the open consent agenda be approved, as amended. The motion carried unanimously.

## **5. ITEMS FOR APPROVAL**

### **5.1 2022-23 Ancillary Budget**

An executive summary, report, and presentation were circulated in advance.

The Chair advised that the ancillaries are a collection of departments which support the academic and research mission of the University but are not directly related to the primary function of teaching and research. The ancillaries provide services to the Carleton community and include Athletics, Housing, Food Services, the Bookstore, and the Printshop, among others.

P. Dion, Chair of the Finance Committee, outlined that the committee met on February 23, 2022 to consider the Ancillary Budget. He noted the ancillary units have been negatively impacted by the pandemic. Even though enrolment has been consistent, there has not been consistent faculty, staff, and students on campus to contribute to the revenues for the ancillary units. The 2022-23 Ancillary Budget projects a total revenue of \$64.3 million, operating expenses and transfers of \$45.5 million and \$27.1 million earmarked for renovations and debt reductions. Ancillaries forecasted a deficit but there are reserves to cover the deficit and it is anticipated that revenues will be restored in the years ahead.

S. Blanchard, Vice-President (Students and Enrolment), advised that the ancillary teams were asked to make projections by restricting their expenses, and being cautiously optimistic in terms of revenues. A small deficit of \$2.5 million is projected but there is a projected reserve of over \$14 million to cover that deficit.

K. Mann, Director of Campus Services, provided a presentation on the Ancillary budgets for the 2022-23 year. It was noted that Ancillary units are expected to cover the operating costs of providing services, generating revenue through user fees. Prior to the pandemic, ancillaries had accumulated a \$40 million surplus which was intended for reinvestment in services and to fund deferred maintenance. It is expected that this surplus will be reduced to \$17.5 million by April 2022. The goals for 2022-23 will be financial recovery and to address the estimated \$122 million in deferred maintenance in the broader ancillary portfolio.

In 2021-21, fluctuating lockdowns and reduced activities on campus have continued to challenge revenue generation. Housing has had an occupancy rate of approximately 85% for much of the year with strong meal plan revenue; however, with limited campus activity many dining locations have remained closed throughout the year. In addition, ancillary fee revenues were impacted by spring and summer student athletic fees being reduced by 50% and the suspension of parking permit fees until September 2021. Other challenges included the high demand for health and counselling services which has more than doubled since 2017 and the decline in sales of physical textbooks. Looking at 2022-23, the budget assumptions included a return of in-person activities on campus. Each unit was asked to consider their own context and the lingering impact of the pandemic on revenues. Many units will be challenged in rebuilding their teams as staffing was lowered during the pandemic. A number of fees will be increased in line with the Consumer Price Index (CPI) for the upcoming year, including the parking fee which are proposed to increase to account for 2021-22 and 2022-23 CPI for a total of 6%. A significant amount of deferred maintenance exists within the ancillary portfolio which will be addressed in 2022-23 for Housing, Athletics, and Parking. Updates included the expansion of P7 and the construction of the new residence building which will start on March 14, 2022 and plans for the new Wellness Hub are underway.

Anticipated increases in revenue for 2022-23 reflected an assumed full return to campus for classes and events. Housing is planning for a residence occupancy of 95% which

impacts the residence fees and meal plan revenues. On a consolidated basis, revenues are anticipated to return to pre-pandemic levels of close to \$70 million. There are conservative revenue estimates with a continued investment in deferred maintenance which means ancillaries are planning for a small deficit which will be offset by the existing surplus.

The largest ancillary units, Housing, Dining, and Athletics are expected to return to financial sustainability in the coming year. Some smaller units like the Bookstore and the Printshop will require close monitoring, their individual financial impact is not as significant as the larger ancillary units. The University is supportive of broader, city-wide sustainability goals for transit and once the Light Rail Transit (LRT) is operational, the University anticipates increasing parking rates to encourage more sustainable modes of transportation. In 2022-23, the University will continue to monitor individual units to see what supports, if any, will be needed to ensure the continued success of those units.

On the recommendation of the Finance Committee, it was moved by P. Dion and seconded by S. Mingie, to approve Carleton's 2022-23 Ancillary Budget, as presented. The motion carried unanimously.

## 5.2 Investment Income Equalization Reserve

An executive summary was circulated in advance.

B. A. Bacon noted that in 2015-16 an amount of \$100 million from Carleton's operating cash was put into equities, a decision which has been beneficial. An income equalization reserve was established at the same time so that if there was a market downturn, there would be money available to compensate that fund in any given year. The investments have been strong since 2016 and the reserve is currently at \$74.3 million, which is 73.4% of the investment every year and this is considered too high. A cap on the reserve is proposed of \$39 million. The cap is conservative, based on the worst anticipated downturn of the TSX + 4%. The excess reserve funds of approximately \$35 million are proposed to be moved to the capital reserve to fund Carleton's infrastructure programs.

On the recommendation of the Investment and Finance Committees, it was moved by P. Dion and seconded by D. Alves the approval of a \$39 million cap on the Investment Income Equalization Reserve along with the appropriation of the current excess in the non-endowed investment to the capital reserve, as presented. The motion carried unanimously.

## 5.3 Debenture Sinking Fund and Investment Update

An executive summary was circulated in advance.

T. Sullivan, Interim Chief Financial Officer and Assistant Vice-President (Financial Services), advised that a \$220 million bond was issued in 2021. The bond requires

interest-only payments for 40 years and then the principle is due in 2061. The Capital Debt policy requires the establishment of a sinking fund. Municipal bonds are currently at a rate of 2.2% and if this rate were to continue over the 40-year period, Carleton would need to contribute \$3.1 million per year to the sinking fund. The pooled endowment fund is a mixture of equities and fixed income currently distributed at 4% of the market value on an annual basis and retains a percentage for inflation. The annual income will be recapitalized in the investment fund until it is to be paid in 2061. Conservatively, the fund is expected to return 5%. Using the endowment investment pool offers flexibility. The Investment and Finance Committees have recommended this approach for the debenture sinking fund.

The Chair noted that he was surprised that the comparator was municipal bonds as he thought that they were risk free. This makes the recommendation even more appealing based on the spread to municipal bonds.

A member noted that it was brought up at the committee meeting that the University would need to re-evaluate the fund from time to time. T. Sullivan advised that the fund would be reviewed at every year-end based on its financial statements.

On the recommendation of the Investment and Finance Committees, it was moved by P. Dion and seconded by A. Tremblay, the approval of the proposed strategy for establishing and managing a sinking fund to provide \$220 million to retire the 2021 debenture issue in 2061, as presented. The motion carried unanimously.

#### 5.4 Pandemic and Strategic Reserve Allocation

An executive summary was circulated in advance.

The Chair introduced the Pandemic and Strategic reserve, given the uncertainty surrounding the 2021-22 tuition revenues, original plans to find use for the 2020-21 year-end available balance of \$13.4 million, were placed on hold. The Finance Committee discussed an appropriate allocation for funds.

P. Dion advised that the Finance Committee reviewed and recommends the allocation. Noting that, in spite of the pandemic, there are still monies available for the unexpected.

B.A. Bacon noted that Carleton has been prudent throughout the pandemic and thanked the Finance Committee and the Board for their stewardship. At the end of the 2020-21 fiscal year, there was an excess of revenues over expenses of about \$13.4 million (2.5% of the operating budget). As the funds are not needed to balance the budget for 2021-22, Carleton is seeking to allocated the funds into a Pandemic and Strategic Reserves for future years. This may be for future health and safety measures or additional student supports.

On the recommendation of the Finance Committee, it was moved by D. Alves and seconded by D. Greenberg, to approve the allocation of the 2020-21 year-end available balance of \$13.4 million to a pandemic and strategic allocation reserve to be used in future years, as presented. The motion carried unanimously.

## **6. ITEMS FOR INFORMATION**

### **6.1 Student Mental Health Framework Update (S. Blanchard)**

An executive summary, presentation, draft framework, and feedback summary were circulated in advance.

The Chair noted that the Student Mental Health Framework 2.0 was launched in 2016 and aimed to further enhance student wellbeing and mental health at Carleton. Currently the framework is being reviewed and the entire Carleton community engaged toward developing a Student Mental Health Framework 3.0.

S. Blanchard introduced her team, L. Ralph (AVP Student Affairs), K. Tousignant (Director, Health and Counselling), and Greg Aulenback (Director, Strategic Initiatives). In October 2021, at the Board planning session, a comprehensive consultation process was undertaken to shape the new student mental health framework. Starting from the strength of the Framework 2.0, the team recognized that the conversation needs to continue around wellbeing and mental health on campus. The first framework was started in 2009 and in 2016 the team developed 38 recommendations and six (6) areas of focus, all of which have been addressed and implemented. A robust consultation process was developed for the new framework. The first step was the consultation process on the high-level concepts that emerged since the 2.0 framework. During the listening phase, an anonymous feedback form was available, offered 25 consultation sessions for students, faculty, staff, parents, and external community partners), four (4) consultation meetings with key stakeholders, and received 63 online feedback submissions. The team is now in the drafting phase of the consultation process and have released a draft framework. From the feedback, some broad themes emerged including the desire for a more holistic approach to health and wellbeing, safe substance use and harm reduction, cyber bullying and social media use, increasing access to supports and navigating the services available as well as the equity, diversity, and inclusion (EDI) lens woven into the framework as a whole.

The areas of focus were streamlined to support the implementation of an enhanced framework: building skills and strengthening resilience, student engagement, coordinated student support services, and a campus culture of wellness. The areas of focus are interconnected and together help to support student mental health and wellbeing. The next steps will involve receiving community feedback based on the draft framework and then making additional adjustments to the framework based on the comments

received. The final version of the Framework will be presented to the Board of Governors on April 28, 2022.

The Chair inquired if there is a sense of how this student mental framework compares to that at other institutions. S. Blanchard responded that Carleton was the first with such a framework in 2009 and institutions have taken a varied approach depending on their campus culture but information is shared between universities at forums.

A member inquired about the supports for faculty and staff and if the framework is providing supports for employees to assist students rather than helping faculty and staff with their own mental health. S. Blanchard responded that the mental health of faculty, staff, and students are intertwined and Human Resources has supports and initiatives for staff and faculty but Student Affairs also has training available for providing the right tool to support students.

## 6.2 Research Update (R. Goubran)

An executive presentation was circulated in advance.

The Chair noted that research is a key pillar of the University's success and plays a vital role in Carleton's reputation and institutional ranking. Carleton's research initiatives and activities continue to grow, receiving both national and international acclaim.

R. Goubran, Vice-President (Research and International), provided an update on Carleton's research performance. Research is central to Carleton's mission as a university, impacting reputation and ranking, it enables Carleton to attract top faculty, student, and staff. Carleton has two broad and multidisciplinary research clusters: wellness and sustainability. The University has overarching core values that span across all disciplines such as respect toward equity, diversity, and inclusion, and reconciliation with Indigenous people. The University also has cross-disciplinary strengths in entrepreneurship, public policy, and data science.

Each research field has its own research impact metrics and the ultimate goal is knowledge creation, knowledge mobilization, and societal impact. The most common research performance metrics used by governments, such as in the Strategic Mandate Agreements (SMA), granting agencies, and ranking agencies are external research funding and publications and impact on the field and society. External research funding is used to pay graduate students and postdoctoral fellows, fund research labs, cover the cost of publications, conferences, and knowledge dissemination. This funding comes from Tri-Agencies like NSERC, SSHRC, and CIHR and success for this funding is also a measure of the quality of research projects. It also impacts the number of Canada Research Chairs and Canada Foundation of Innovation funding envelope.

Publications is one of the most widely-used performance metrics. Carleton has demonstrated continued growth in publications with new records set every year since 2019. Total external research revenue is used as a proxy for measuring Carleton's research activities and increased from \$86.5 million in 2020 to \$97.4 million in 2021, an annual growth of over 12%. Tri-Agency Funding increased from \$30.9 million in 2020 to \$37.5 million in 2021, an annual growth of 21%. The Research Support Fund (RSF) and Incremental Projects Grant is calculated on the three-year running average of the Tri-Agency funding, with a one-year lag. The RSF has increased steadily and will continue to increase for the foreseeable future. Carleton has seen major increases in industry funding mainly due to the holistic integrated partnership initiative that the VPRI team runs jointly with Advancement. Industry funding is also matched by government sources, such as Mitacs. Carleton's Mitacs funding has almost quadrupled (\$0.62 million to \$2.7 million) between 2017 and 2021. Examples of recent partnerships include Ericsson and Efficiency Canada. A partnership with the Ottawa hospital has also been announced.

Carleton has a number of key research priorities including: increasing its research productivity, expanding industry partnerships, promoting and celebrating successes externally and internally, building reputation, strengthening Carleton International, and empowering strategic multidisciplinary research clusters.

A member commented that Carleton is doing well under R. Goubran's leadership. They asked how Carleton compares to other universities. R. Goubran responded that his team monitors other institutions and advised that Carleton is increasing its ranking, but there is still some catch up required as institutions, particularly those with medical schools, were already receiving a lot of funding but Carleton is doing well compared to peers in terms of growth of funding.

A member inquired if there were any "growing pains" in achieving these goals and how those may have been alleviated. R. Goubran responded that the success is due to the excellence of Carleton's researchers as well as support from the University as a whole including the Board, the President, the Deans, Vice Presidents, Associate Deans of Research, and Directors sending a clear message that research is important. There are some growing pains such as Carleton's current research management system, which is being replaced. Becoming a leader in inter-university research projects also means increased financial transactions with industry with increasing complexities, but additional resources have been provided in those areas.

The Chair commented that research attracts researchers, so it also builds on its own momentum. He asked about the trend around private companies net-zero intentions and if private industry is reaching out to partners in research and wondered if Carleton is the recipient of this surge. R. Goubran responded that this is in Carleton's strategic plan with its focus on sustainability including new sources of energy and energy preservation. There is also the policy aspect in terms of enabling these things to happen. This is a fast-growing area that requires information-based decision making.

A member complimented the partnership with the Ottawa Hospital and how this positively reflects upon the University. Another member also asked R. Goubran to speak about the innovative approach he has taken to forge these relationships. R. Goubran responded that Carleton is trying to work with the Ottawa Hospital and dedicating an individual that is responsible for the collaboration between the two groups, putting the private sector in touch with Carleton researchers and the opportunities specific to health technologies.

B.A. Bacon noted that half of the federal funding for research in Canada is for health research and there are great opportunities for Carleton to get its fair share of those funds. He further noted that research is a driver of reputation and as Carleton works to enhance its reputation in Ottawa, in Ontario, and nationally, this is a great story to tell about Carleton's researchers shaping the future.

### 6.3 Report from the Chair (D. Fortin)

The Chair extended his thanks to all the members, chairs, and vice chairs of the committees for their hard work through February and March, thanking everyone for their time and their diligence that allows for strong governance at the University.

He noted that the Board Award for Outstanding Community Achievement which recognizes volunteerism and community contribution, will be given at the June convocation and nominations are open until March 25<sup>th</sup>. The Founders Award, the highest non-academic honour to recognize significant contributions to the advancement of Carleton will be given at the June convocation and nominations for this award are also open until March 25<sup>th</sup>.

The Board is currently seeking academic staff governors and expression of interests due on March 18<sup>th</sup>.

There was an excellent response to the call for Community-at-Large nominations and the Chair thanked the board members for taking the time to share with their networks and encouraging individuals to apply.

### 6.4 Report from the President (B.A. Bacon)

A written report was circulated in advance.

B.A. Bacon started his update by addressing the Russian invasion of Ukraine and the impact that this has on the University. He stated that Carleton stands in solidarity with the victims of this invasion and support the broad array of international calls for the invasion to end as soon as possible and for the rapid return of peace. He reassured the Board that Carleton has reached out to all Ukrainian and Russian students (approximately 40 students), offering support, and communicated with the community and made sure that anyone effected by the conflict can have access to support. Carleton is looking to

welcome Ukrainian scholars at risk and a group is being set up to see how the University can be prepared to facilitate welcoming refugees.

The winter semester started during the emergence of the Omicron COVID-19 variant, with a high but narrow peak. The University sector moved as a block to move online for the beginning of the term and resumed in-person instruction as scheduled on February 7<sup>th</sup>. This has been successful and he thanked everyone for making the safe and gradual return to campus a success. He noted the challenge of pandemic is not over, but it has receded. The Province announced the easing of public health measures on February 17<sup>th</sup>, and as long as indicators continue to improve, Ontario will progressively lift public health measures including the lifting of masking requirements on March 21st. At this time, and in line with other universities in Ontario, Carleton is not planning on any dramatic changes to the measures currently in place for the winter semester. People agreed to come back to campus under a certain set of rules and management wanted to be respectful of that. The university sector is maintaining vaccination mandates and masking requirement until at least the end of the winter term. There has been the resumption of activities on campus including classes, some events, there is more flexibility for international travel, and revised safe meeting protocols.

A sector-wide approach has been an advantage since the beginning of the pandemic and universities are hoping to continue this for summer plans. Plans are currently being prepared based on public health information and an announcement should be made in the next two or three weeks. As always, Carleton will put the health and safety of the community first.

The 2022-23 operating budget is being prepared and will be brought to the Board for approval in April. It will be a balanced, cautious, and conservative budget as the pandemic remains a constant. Carleton's revenue is dependent on enrolment numbers and applications are up about 4% over 2021-22 and offers of admission are going out faster which helps in converting applications into registrations.

Highlights of the campus over the past few months included:

- February was Black History Month and every year, Carleton celebrates the achievements of its Black community members. For 2022, the theme was “the future is now” and there were a number of great events as part of the University's commitment to EDI;
- The 3<sup>rd</sup> Kinàmàgawin symposium was held and the theme was “surviving the pandemic: Indigenous approaches to wellbeing”;
- Carleton was named one of the national capital's top employers again for 2022, highlighting health and wellbeing initiatives; and
- Convocation will be held in the spring in person, and will include the graduating classes of 2020, 2021, and 2022 for a total of 40 convocation ceremonies.

## 6.5 Committee Chair Updates

### Building Program Committee (A. Tremblay)

A. Tremblay, Chair of the Building Program Committee, reported on the close out report for the Nicol Building noting that there are currently a few minor deficiencies that remain to be corrected. The project was delivered \$687,000 under budget thanks to good in-house project management. The building has a sustainability score of 4/5 for the Green Globes rating. An update was received on the Capital Master Plan Renewal Process, which is still in the preliminary stages with the goal of ensuring the incorporation of future growth goals of the University. Campus visioning sessions will be taking place and she encouraged board members to participate. An Energy Master Plan update was received, which provides a framework for the University to become carbon neutral by 2050. This year, Carleton achieved a 5% carbon savings through multiple avenues such as reduced operating costs with the Co-generation plant. There are studies underway looking at future opportunities for carbon reductions. A report on the Loeb and Patterson buildings was received. Both buildings are reaching end of life and there are major recapitalizations required. These buildings need to be brought up to modern fire and accessibility codes. A two-phased approach is being used to address the recapitalization. The first phase is to address the deferred maintenance for immediate issues. The second phase will be for major recapitalizations to remedy and replace building systems and major elements, which will involve pre-engineering studies to identify the scope of phase 2. Ongoing capital projects and deferred maintenance of \$257.3 million worth of projects are underway, including the new residence building which is breaking ground in March, the Wellness Hub Request for Information process is underway with the City of Ottawa, and the Sustainability Research Centre is moving to the design development phase. The Transportation Master plan is addressing challenges and opportunities including the University Drive/Bronson Avenue modification, the phase 2 LRT construction, tunnel connections to the LRT and the pedestrian bridge over the Rideau River. Lastly there were presentations on the principles of passive house, funding for furniture, fixtures, and equipment (FFE), and an asbestos abatement inventory plan.

### Finance (P. Dion)

P. Dion, Chair of the Finance Committee, advised that in addition to the four (4) items already discussed, the committee received an update on the current operating budget and the status of the reserves. The University is on track for a balanced budget by year end (April 2022). Overall fluctuations are small compared to the total operating budget of \$500 million. A potential shortfall of \$6 million is forecasted but a reserve of \$6.8 million can be used to offset.

## **7. OPEN-OTHER BUSINESS**

No additional business was brought forward.

**8. OPEN-QUESTION PERIOD**

No additional questions were brought forward.

**9. END OF OPEN SESSION AND BRIEF NETWORKING BREAK**

There being no further business, the Open Session of the Board of Governors was adjourned at approximately 4:36 p.m.