



**Canada's Capital University**

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

**Minutes of the 605<sup>th</sup> Meeting of the  
Board of Governors**

**Tuesday, December 5<sup>th</sup>, 2017 at 4:00 p.m.  
Room 2440R Richcraft Hall, Carleton University**

<b>PRESENT:</b>	Dr. F. Afagh	Mr. G. Farrell	Ms. N. Prowse
	Ms. D. Alves	Mr. D. Fortin (phone)	Dr. E. Sloan
	Mr. E. Berhe	Mr. L. Harrington	Mr. R. Stiles
	Dr. C. Carruthers (Chair)	Ms. L. Honsberger	Dr. A. Summerlee
	Ms. G. Courtland (phone)	Mr. O. Javanpour	Ms. C. Switzer
	Ms. L. A. Daly	Dr. I. Lee	Mr. A. Tattersfield
	Mr. P. Dinsdale	Dr. P. Merchant	Ms. L. Watson
	Mr. J. Durrell	Mr. N. Nanos (Vice-Chair)	Mr. B. Wener
	Mr. K. Evans (phone)	Mr. J. Nordenstrom	Ms. C. Young
<b>REGRETS:</b>	Mr. D. Craig	Ms. R. Thompson	Mr. A. Ullett
	Dr. C. Gold		
<b>STAFF:</b>	Ms. S. Blanchard	Ms. A. Deeth	Mr. M. Piché
	Mr. D. Boyce	Ms. A. Goth (Secretary)	Dr. J. Tomberlin
	Ms. J. Conley	Dr. R. Goubran	Mr. B. Winer
	Mr. D. Cumming	Mr. S. Levitt	

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**OPEN SESSION**

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

The Chair called the meeting to order at 4:00 p.m. All attendees, guests and observers were welcomed. The observers were introduced and included representatives from the faculty, students, staff, reporters from the Charlatan, Artsfile and the Ottawa Citizen. The Open Session was live-streamed to Southam Hall 617.

**2. DECLARATION OF CONFLICT OF INTEREST**

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

**3. APPROVAL OF AGENDA**

Mr. Dinsdale moved, and seconded by Mr. Javanpour, that the open agenda of the 605<sup>th</sup> meeting of the Board of Governors be approved, as presented. The motion carried.

**4. APPROVAL OF THE CONSENT AGENDA**

The following items were circulated in the open consent agenda for approval: open session minutes of the 604<sup>th</sup> meeting October 5<sup>th</sup>, 2017, Board Award Jury, and HR/Compensation Subcommittee of the Executive Committee Terms of Reference.

The following items were circulated in the open consent agenda for information: Talk Exchange Report (Executive Summary, Compilation of comments and feedback), and Committee minutes for Community Relations and Advancement, Finance and Governance Committees.

Mr. Wener moved, and seconded by Mr. Tattersfield, that the open consent agenda be approved, as presented. The motion carried.

**5. ITEM(S) FOR INFORMATION**

5.1 Framework for the 2017/2018 Operating Budget

A presentation entitled *Budget Update and Planning Framework* was circulated in advance.

Mr. Wener, Chair of the Finance Committee introduced the item. The Board is responsible to review and approve the framework for the operating budget for each year. Administration prepared the framework taking into account those matters that will affect funding and expenditures in the upcoming year. The Finance Committee has reviewed the framework and brought it forward to the Board for information.

Mr. Piché (Vice-President, Finance and Administration) was introduced to give an update on the 2017/2018 operating budget and the key considerations for the 2018/2019 operating budget. A summary of the enrolment applicants and targets for fall 2017 with a focus on the financial impact of enrolment on the operating budget. The total enrolment for the full-time and part-time equivalent was + 2.9% for 2017/2018 which is considerably higher than expected initially and continues the trend that Carleton has experienced over the last five years, showing Carleton is a university of choice for many students. The significant impact of the increased enrolment is increased tuition fee revenue of \$11.6 million for 2017/2018 which has created a surplus of \$8.1 million. The revised estimates include increased mandated student aid (\$884,000) and increased Enrolment Linked Based Allocation (ELBA) to the faculties to offset increased workload

(\$2.8 million). Additional changes in the operating budget for 2017/2018 are not expected.

Key planning dates for the 2018/2019 operating budget framework were outlined. The planning started with the Board Retreat in October, which set the stage for future directions and priorities. Since the retreat, the Strategic Integrated Planning Committee (SIPC) has met to discuss operating priorities for 2018/2019, address the ongoing regulatory issues and strategies going forward. SIPC has helped inform the budget letter from the President which was disseminated in early December. SIPC retreat is occurring in late January 2018 to share high-level initiatives, identify synergies and cross-functional collaboration.

The current Strategic Integrated Plan is ending in 2018. Development of a new framework for the next five years is needed as Carleton starts rethinking how various academic and administrative activities are managed to establish performance metrics. Key Performance Measures that are linked to the Strategic Mandate Agreement (SMA) 2 which will impact our funding in SMA3.

The planning themes that came forward during the Board Retreat are:

1. Develop an overarching vision for the institution;
2. Support branding the institution and the development of effective strategic communication plan;
3. Create a policy on allocations of operating surpluses;
4. Create conditions/policies/approaches to leverage land assets, intellectual property and facilities; and
5. Encourage development of academic experimentation/flexibility/leadership.

The key regulatory areas that will impact Carleton's operations in the coming years include:

1. SMA 2 which freezes enrolment growth funding at 2016/2017 level and also provides directed funding for graduate studies, STEM disciplines, and potentially the capital infrastructure renewal program.
2. New Pension Framework, which will deal with the solvency deficit and will introduce other requirements that may require the use of reserves to cover investment risks.
3. Bill 148 – Fair Workplaces, Better Jobs Act will have a direct impact on universities due to the increase in minimum wage. The fair workplace pay for equal work will need to be addressed at the university level but will be a focus in the coming years and there could be a significant cost associated with this item.

A long-term operating financial forecast was provided including the base operating revenue and expenditure. Assuming the present regulatory funding regime remains, Carleton's revenues will equal expenses in 2022-2023. The only funding available to offset cost increases will be tuition fees.

The revenue planning assumptions include:

- a) stable enrolment with no first-year growth (criteria have been established to inform enrolment growth within a balanced budget).
- b) Tuition fees increase of 3 percent and 3 to 5 percent for international students (Carleton is currently in the 2<sup>nd</sup> year of the 2 year framework established by the Board in 2016/2017).
- c) The government will be funding undergraduate spaces based on the 2016-2017 level but have award an additional 180 spaces for graduate students and 50 for international spaces funded at the domestic student level. As Carleton has implemented many new graduate programs and this funding is essential.
- d) There is potentially government funding for deferred maintenance projects and Cap and Trade type projects. A committee has been established last summer to identify how best to present infrastructure projects to the Treasury Board. It is possible the government will fund up to 50 percent of infrastructure projects.

The expenditure planning assumptions include:

- a) Salaries and benefits impact of negotiations with the CUASA and CUPE 2424 union groups.
- b) General cost increases.
- c) Impact of Bill 148 – equal pay for equal work and minimum wage increase.
- d) Internal and external pay equity issues for CUPE 2424 union group (approx. \$300,000 annually).
- e) Operating costs of the new Health Sciences Building (\$1.5M increase annually) and the ARISE building (small increase annually).
- f) Special pension payments (depending on the new government framework but it is expected that Carleton will have enough funds in Pension Reserve to cover payments).

The SMA2 metrics were outlined and were established from a system-wide and institutional level. The metrics will be managed internally but also by the government to establish KPIs for SMA3. The key metrics need to be established so that they can become part of the operating plans that will establish the types of initiatives that need to be put into place. Administration is drafting a policy on allocations of operating surpluses for review by the Finance Committee and Board approval. The Board will also approve any surplus allocation in accordance with the policy in April 2018. It was noted that in the 2018/2019 budget framework expenditures one of the assumptions not listed is the decision on the Dominion Chalmers United Church property and its potential impact (property and programming) on the operating budgets.

There was a question regarding why the university would be eligible for Cap and Trade funding. The Government of Ontario is funding projects that reduce CO<sub>2</sub> emissions and/or reduce energy consumption. The university will have the ability to submit proposals for funding capital projects that reduce energy consumption.

There was a discussion regarding the ARISE Building in terms of total costs. The Board was advised that ARISE is expected to be on budget. All buildings in progress right now have the funds set aside either in prior reserves or in the current operating environment.

## 5.2 Enrolment Report

A report from the Office of the Vice-President (Students and Enrolment) was circulated in advance.

Full-time first year student enrollment is up 2.69%. Total students are up 3.5%. International students are up 5% which means that we have been able to attract and retain more students than the domestic population. For Masters students, Carleton is just shy of the number of spaces that we have available but for the PhD's Carleton is on target due to transferring some international students to domestic student spaces. With the new initiatives by the government, Carleton is on target for the Masters and PhD's spaces.

The two-year retention rate (which is the number of students that have stayed for two years and are starting their third year) saw an increase of 2.14%. Carleton is assessing the initiatives currently underway to determine sustainability year over year. The various initiatives to support retention and graduation rates are one of the reasons Carleton has seen the total of full-time undergraduate students increase. In terms of the type of student Carleton attracts, Carleton is successful in our market share.

In terms of the quality of students, the number of students starting at Carleton with grade averages above 80% is at 76%, unchanged from last year. The rest of the report described initiatives by the Student and Enrolment area, activities on campus in terms of student success and employability as well as the success of the athletic and varsity teams. Ms. Blanchard and her team were congratulated for a successful year and that it was recognized that Carleton's numbers increased as the demographics decreased.

It was asked if the retention rate is analyzed by different demographics such as gender, minority groups, indigenous, students with disabilities. Ms. Blanchard responded that working with the Office of Institutional Research and Planning, they do full breakdowns of the students from different populations but there is a challenge is students do not always self-identify. Focus has been put on students having a sense of belonging on campus through interactions with peers, staff and/or faculty and having a positive experience on campus are all closely related to retention and graduation. Programming has also been developed to help students link their degree program to their future goals so they can see the value of their investment. There are also specific programs and centres for indigenous students and incredible support for students with disabilities. It was suggested another way to track or extrapolate data on specific groups would be from the feeder school funding.

There was a discussion regarding the provincial government funding model in association with SMA3. It was asked if there is a growing trend in the number of women attending university. At Carleton, the breakdown is about 50% women and 50% men. It was asked if the number of US students recruited has increased. An increase in the number of students coming from the US was seen but there was also a significant increase in the number of students with either dual-citizenships or Canadians returning to Canada from the US for University. Carleton is seeing an impact in the number of students coming to Canada instead of the US.

### 5.3 Dominion Chalmers United Church

There was a discussion on the general idea and academic rationale for the possible acquisition of the Dominion Chalmers United Church (DCC) property.

Mr. Wener, Chair of the Finance Committee was introduced to give a summary of project. In early 2017, administration was approached with the idea of acquiring the property and to continue to provide space for the United Church congregation, as well as its continued use of the space for various groups that had used the space for performances throughout the year and add to that programming from Carleton. Throughout the past 10 months the administration has reviewed the opportunity. There have been numerous meetings both internal and external with various groups to establish the value the property and what it would bring to Carleton and its mission. In the summer, the University spent time on due diligence which was extended through the fall with the results of the due diligence being compiled and continue to be refined.

Dr. Summerlee (Interim President and Vice-Chancellor) and Mr. Piche (Vice-President, Finance and Administration) were introduced to provide further details on the opportunity. The university has been considering the need for a performance space associated with the Faculty of Arts and Social Sciences (FASS) programming for the past ten years. To build performance space on campus would be very expensive and Carleton's programming would not expand to fill a performance space 100% of the time. The opportunity arose for the acquisition of the DCC property which not only has an outstanding central performance space but it also has additional facilities. The funds have been raised to support the capital acquisition of the property and to cover the renovations of the property. The facility is currently rented out to groups and individuals who would be interested in continued lease arrangements. The rental of space is anticipated to create a revenue of base funding to offset the costs of operating the performance space.

One of the original reasons for considering performance space is FASS cannot operate or expand programming without additional space. FASS represents about a quarter of Carleton's total undergraduate enrolment numbers and about 15% of our graduate enrolment. The university has done a number of things for other faculties within the university but has not been supporting FASS programming in the same way. FASS has continued to maintain and even improve enrolment in some of their programs, which is

actually contrary to what is happening in the rest of the province where demographics have started to shrink and Arts and Social Science programs are beginning to decrease in enrollment. Carleton does not want to lose its momentum in enrolment numbers. The faculty is interested in expanding its activities with particular regard to offering programming in performance in the public sphere and attract students for programs in a minor in indigenous studies and moving toward a degree program. For the music program, Carleton needs sophisticated recording facilities, which are not available on campus. Additionally, Carleton could create a research hub downtown where a “research shop” could operate open for graduate students to offer support for local community or business groups working on specific projects. This could provide the students experience and practical skills. Architecture and Design, Drama, the Carleton University Art Gallery, and the Retirees Association are also expressing interest in the space to be able to expand programming.

A large proportion of fundraising is specifically for the purchase and renovation of the facility. Not moving forward with negotiations would potentially have an immediate impact on our capital campaign efforts and the overall ability to reach campaign targets. There is a possibility of naming both the facility itself (which would need to be a discussion as negotiations begin with the church) as well as cadre of naming opportunities facilities inside the building creates opportunities. Scholarships for students could be established to enhance the performance experience and these opportunities can be marketed. The individuals that have offered to support the purchase and renovation are self-identified, but there are a number of individuals and organizations have said if this goes forward they would be interested in supporting projects financially. A communications plan has been developed that would include immediate outreach for a “yes” or “no” vote. Communication with the community in the medium to long term needs to be established.

From a student perspective, students in the music program travel downtown for Master Classes to meet with contractual teachers. If Carleton had the ability to offer students a downtown hub, where they could also store their instruments rather than carry them, it would be beneficial. Carleton has experience scheduling joint programs, which aims to minimize the amount of transfer of students from one place to another. Community roots are important to Carleton and there is huge potential for engaging with the downtown community and to support experiential learning. This could assist with Carleton’s performance in the metrics for SMA3. The Board was advised that there is support for the project both internally and externally.

The property will need to be re-zoned to Major institutional to allow for Carleton’s use. In early December there was a meeting of the city planners with the local community and the local community groups who expressed 100% support for the re-zoning. It is anticipated the re-zoning will be completed by the end of February.

Some concern was raised about the association of Carleton University with a religious institution. Carleton is in an agreement with the Dominican University College and has already shared space with organizations with religious association. Carleton will need to be able to accommodate students with options and advise that part of the programming would be held in a facility that was once consecrated for Christian belief. In talking to the student groups, they have not expressed the issue as a concern. The matter would be addressed appropriately when and if it arose. Administration has had a conversation with Church officials who will remove religious artifacts from the facility and use them as required.

The Administration recommended to the Board to proceed with negotiations to acquire the Dominion Chalmers Church property.

Dr. Lee, Academic Staff Representative of the Board, sighted strategic concerns including damage to the University's reputation with the proceeding with the potential acquisition. Concerns noted were Carleton:

- Entering the religious business and sending our multi-cultural students to the building.
- Entering into purchasing a heritage building and the preservation and restoration of old buildings.
- Becoming a real estate developer.
- Believing the church is the optimal downtown location when other space could be rented at a lower cost to the institution.
- Owning a building off campus.
- Maintaining the operating cost for the building including potential underestimated renovation costs.
- Acquiring the building to support a small program.
- Administration may not have full support of the academy.

The President responded indicating that about eight hours of space on campus a week could be freed up in one of the lecture theatres that is being used for music and drama activities currently. The property will also allow a recording space that is needed to support programs.

There was a discussion about indigenous studies programming. The plan is to strengthen the indigenous programming on campus and space on campus is needed to do so. It was noted in this era of reconciliation the United Church themselves have been at the forefront of what the Truth and Reconciliation Commission has done. The United Church has taken incredible leadership to be honest and acknowledge their responsibilities and doing active measures to address the issues that occurred during that era. The property in cooperation with representatives from the United Church and with indigenous organization particularly (Algonquin peoples), and community members can reclaim that area in a very important and significant manner. This should be considered in communication and the outreach process moving forward.

It was asked how the facility would enhance Carleton's reputation, marketing abilities and fundraising opportunities and if there is an ability to quantify those results. In terms of fundraising, it demonstrates a Carleton commitment to community and to culture in the community. There are a number of people that want to come forward to support Carleton financially should we move forward with this opportunity. The second is Carleton's standing in the community. For an institution whose roots began in the community to have a facility that is a downtown celebrating arts and culture speaks to a commitment and willingness to be engaged in community. Third, recruitment of students is assisted if Carleton has an arts and culture hub downtown in the capital city at Canada's Capital University. It is a marketing opportunity for Carleton in an area where as the demographic shrinks, pressure recruiting students into the arts and social science areas increases.

#### 5.4 Report from the Chair of Community Relations and Advancement Committee

A presentation on Employability that was given at the CR&A Committee meeting on November 20<sup>th</sup> was circulated in advance for information.

Linda Ann Daly, Chair of the CR&A Committee reported, the Director of Career Development and Coop-Education presented the various initiatives and referred to Career Services as a one-stop-shop.

CR&A also hosted a Talk Exchange in October. The open consent package includes an Executive summary, all comments and feedback. The second Talk Exchange of this year will be March 19<sup>th</sup> from 1-3pm in Residence Commons 3<sup>rd</sup> floor. The topics likely are going to be two from the Board Retreat: 1) "How to create conditions, policy approaches that would monetize, leverage our land assets, intellectual property and facilities?" and 2) "How do you encourage the development of academic experimentation, flexibility, leadership?" The Talk Exchange is about the community, students, faculty, staff, donors, alumni and how we can talk together about how to move forward.

The applications for the Board Award are now being accepted. The award is a \$2000 prize for outstanding community contribution. The application deadline is February 19<sup>th</sup>. It was emphasised Board members should spread the word. The recommendation from CR&A to the Board for the recipient will come this spring.

Ms. Daly, Mr. Nordenstrom and Mr. Nanos were congratulated for having the Talk Exchange, as it has been tremendously advantageous and engaging for our communities, it has worked out well, and the feedback has been positive.

#### 5.5 Report from the Chair

The Presidential Search is ongoing with updates to the community regularly and a dedicated website. Appropriate ads have been placed in the academic journals, the Globe

and Mail and other media. The committee anticipates receiving the long list of those that are actively interested in the New Year. The search firm, Perrett Laver has been reaching out globally to engage with potential candidates.

The Executive Compensation Framework is ongoing with the province. Once the government approves it, the document will be publically posted for 30 days and then come to the Board for discussion and final approval.

#### 5.6 Report from the President

A written report and a memo regarding planning priorities for 2018/2019 was circulated in advance. Mr. Fortin and the members of Advancement were thanked for their work for the Great Grads Good Deeds events that have now been held in a number of different cities and some very successful offers to support the university were received in that process.

The volunteers who helped with convocation were recognized in making it a success.

The Ontario 150 Awards that were hosted at Carleton including a visit from the Lieutenant Governor who had sometime to talk about some of the initiatives at Carleton, helping her to understand some of the issues that are being promoted and being worked on.

Administration will be initiating an external search for a new CIO in the coming month. The Director of ITS Security has been appointed as acting CIO. It is expected to have the position filled within the next 4-6 months.

#### **6. OPEN- OTHER BUSINESS**

No other business was raised.

#### **7. OPEN-QUESTION PERIOD**

There were no questions raised.

#### **8. END OF OPEN SESSION AND BRIEF NETWORKING BREAK**

It was moved by Mr. Tattersfield and seconded by Mr. Nordenstrom to adjourn the Open Session of the Board of Governors at approximately 5:49 p.m. The motion carried.