

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

**Minutes of the 620<sup>th</sup> Meeting of the  
Board of Governors**

**Thursday, April 30<sup>th</sup>, 2020 at 3:00 p.m.  
Via Videoconference**

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|-----------------|---------------------------------|----------------------------|------------------|
| <b>PRESENT:</b> | Mr. N. Nanos (Chair)            | Mr. G. Farrell             | Ms. N. Karhu     |
|                 | Ms. F. Afaq                     | Mr. K. von Finckenstein    | Dr. J. Malloy    |
|                 | Dr. B.A. Bacon                  | Mr. D. Fortin (Vice-Chair) | Ms. B. O'Connor  |
|                 | Mr. A. Alhaimi                  | Ms. J. Fullerton           | Dr. B. Örmeci    |
|                 | Ms. D. Alves                    | Ms. K. Furlong             | Dr. E. Sloan     |
|                 | Ms. T. Arnt                     | Ms. G. Garland             | Dr. P. Smith     |
|                 | Dr. C. Carruthers               | Ms. C. Gold                | Ms. J. Taber     |
|                 | Ms. B. Creary                   | Mr. D. Greenberg           | Ms. A. Tremblay  |
|                 | Mr. P. Dion                     | Ms. L. Hayes               | Mr. A. Ullett    |
|                 | Mr. J. Durrell                  | Ms. L. Honsberger          |                  |
|                 | Mr. K. Evans                    |                            |                  |
|                 |                                 |                            |                  |
|                 |                                 |                            |                  |
| <b>REGRETS:</b> | Ms. Y. Baltacioğlu              | Mr. O. Javanpour           |                  |
| <b>STAFF:</b>   | Ms. S. Blanchard                | Ms. B. Gorham              | Mr. M. Piché     |
|                 | Ms. J. Conley                   | Ms. A. Goth                | Dr. J. Tomberlin |
|                 | Ms. R. Drodge (R.<br>Secretary) | Dr. R. Goubran             | Mr. P. Winch     |
|                 |                                 | Mr. S. Levitt              |                  |
| <b>GUESTS:</b>  | Dr. B. Appel-Kuzmarov           | Dr. L. Dyke                | Ms. C. Taylor    |

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**OPEN SESSION**

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

The Chair called the meeting to order at 3:00 pm and welcomed all governors and attendees to Carleton University's first ever virtual Board of Governors meeting. The Chair acknowledged and noted respect for the Algonquin First Nation and territory to which Carleton University is located.

The Chair acknowledged those affected and lost due to COVID-19. On behalf of the Board, he thanked all those practicing social distancing, and front-line workers in all sectors who continue

to work tirelessly to protect and support the community. Finally, the Chair acknowledged the heart-breaking tragedy that took place in Portapique, Nova Scotia, which left twenty-two victims' families in mourning, alongside all Canadians. On behalf of the Board, he extended his sincere condolences to the victims' families, friends, and community.

The Chair reviewed the videoconference protocols for Microsoft Teams Board of Governor sessions, which was attached in the materials for 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 Ms. Honsberger and seconded by Ms. Garland that the open agenda of the 620<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: minutes of the previous meeting and business arising from the minutes and statement of investment policies and procedures for retirement fund.

The following items were circulated in the open consent agenda for information: Investment Committee Membership, Investment Report on the Endowment, Major Capital Projects, Deferred Maintenance Committee Minutes, and Minutes of the Senate.

It was moved by Ms. Furlong, and seconded by Dr. Smith, that the items in the open consent agenda be approved, as presented. The motion carried unanimously.

## **5. ITEMS FOR APPROVAL**

### **5.1 Videoconferencing and Electronic Meetings Policy**

The policy and resolution were circulated in advance.

The Chair noted that to comply with physical distancing guidelines, the Board and Standing Committee will not be able to meet in person for the foreseeable future.

To ensure remote meetings are seamless, the Executive Committee approved the use of videoconferencing and email voting for future Board meetings. As mandated by the Board's by-laws, virtual meetings are currently permitted.

Mr. Steve Levitt, General Counsel, was introduced to speak to this item. Mr. Levitt noted that under the By-laws, pursuant to sections 6.05 and 6.13, the Board is required to pass a policy for electronic meetings and permitting the use of videoconferencing technology.

Mr. Levitt noted that the policy is necessary to set a process for conducting such meetings. The policy also outlines the steps to follow in various anticipated situations, such as if a member requested a secret ballot.

Mr. Levitt noted that the policy will ensure that Carleton's Board of Governors follows the *Corporations Act*, in addition to the eventual Ontario *Not-for-Profit Corporations Act*.

On the recommendation of the Board Executive Committee, it was moved by Mr. Von Finckenstein and seconded by Ms. Tremblay to approve the Board meetings being held using a video-conferencing meeting application that enables Governors to communicate adequately with each other and that such meetings will be governed by the *Board Electronic Meeting Policy*, as presented. The motion carried unanimously.

## 5.2 Board Award for Outstanding Community Achievement Recommendation

An executive summary was circulated in advance. The Chair noted that the Board Award for Outstanding Community Achievement is awarded annually to someone in the graduating class of the year, usually at convocation. This award will likely be given out when convocation resumes, hopefully sometime in the Fall of 2020.

Mr. Dan Fortin, Chair of the Advancement and University Relations Committee, spoke to this item.

Mr. Fortin noted that the Board Award Jury enjoyed reviewing the applications and choosing a recommended award recipient to present to the Board. He recognized and thanked his fellow jury members, Ms. Afaq, Ms. Karhu, Mr. Al-Haimi, Mr. Dion and the chair of the jury, Dr. Sloan. The jury was delighted by the number of quality applications. He noted that these applications speak to the quality of Carleton's students who, in addition to their studies, are active volunteers. The Board Award Jury recommends Francesca Tsimiklis, as the 2019/2020 recipient who is scheduled to graduate with a master's in Applied Science in Mechanical Engineering.

Francesca's commitment to both the university and volunteerism has been terrific over the past seven years, throughout her time as both an undergraduate and graduate student. She is graduating with a near perfect CGPA within Mechanical Engineering, one of Carleton's most demanding programs. Her diverse volunteer experiences are not only on campus in areas such as STEM, they also expand off campus. Mr. Fortin made note of her three-year experience of volunteering for a music therapy program assisting those with dementia, at the Glebe Retirement Centre.

On the recommendation of the Board Award Jury and the Advancement and University Relations Committee, it was moved by Mr. Fortin and seconded by Dr. Carruthers that the Board

approve Francesca Tsimiklis as the recipient of the Board of Governors Award for Outstanding Community Achievement for the 2019/20 Academic year, as presented. The motion carried unanimously.

### 5.3 2020/21 Operating Budget

An executive summary, report and presentation were circulated in advance. The Chair noted that the Operating Budget represents the resources available for core activities of the university, including teaching, research, student services, as well as academic and administrative support.

Ms. Debra Alves, Chair of the Finance Committee, spoke to this item.

Ms. Alves noted that management has presented a baseline operating budget for the year 2020/21. Although it does not reflect the impact of COVID-19, management proposed that the budget serve as a baseline from which the COVID-19 financial consequences can be assessed. Ms. Alves noted it is required that the budget be approved before the start of the fiscal year, and as mandated by the Board of Governors, management must bring forward a balanced operating budget.

The presented operating budget provides a total revenue and expenses of \$502.4 Million, which is a \$13.3 Million dollar increase mainly due to approved international student tuition fee increases and marginal flow through of domestic student growth. Domestic tuition fees were fixed at the 2019/2020 level, representing a 10% reduction in the 2018/2019 tuition levels. Ms. Alves noted that tuition fees represent 60% of revenues, and government funding compromises 34% of operating funds.

Discretionary allocations of approximately \$35-Million dollars were made available by a 1% reduction applied to all resource planning groups base budgets. The budget proposes that work on capital projects will continue in 2020/21, subject to availability of labor, materials, government lifting of construction bans and Board approval. The budget also includes general contingencies of \$16.8-Million dollars for foreseen requirements that cannot be immediately quantified, and an additional \$10-Million dollars in a special contingency put aside for COVID-19 impacts. In the five-year financial outlook of projected university base operating revenues and expenses, operating expenses are expected to rise at a more rapid rate than revenues, resulting in smaller operating surpluses available to fund discretionary expenditures in the future.

The Finance Committee asked management several questions on the presentation of this budget. It is difficult to assess the impact of COVID-19 on the 2020/2021 results currently. Ms. Alves noted that the key variable is student enrollment, both domestic and international. Management will not have greater visibility on the potential impact until later in the year.

The Finance Committee asked for this budget to be subject to a hold on new discretionary allocations until greater clarity is achieved on COVID-19 impacts. Ms. Alves noted that this is a precautionary measure meant to formalize normal university practice, where little spending occurs before the fall. It will also allow greater time for insight into enrollment levels.

In the interim, management has been asked to increase communication with the Finance Committee, including the scheduling of an additional meeting to provide analysis of the various financial scenarios on the 2020/21 school year. Ms. Alves noted that a budget update on both the Operating and Ancillary budgets, in addition to a multiyear plan will be provided to the Board in September 2020. The Finance Committee believes that this approach is both cautious and proactive, without being overly reactionary to the potential impact for which the university is yet to have greater visibility on.

The Chair thanked Ms. Alves and the Finance Committee for all their hard work, especially with their efforts of working closely with the President, administration, and the Building Committee.

A member inquired into the breakdown of the total tuition fees of \$302 Million, with respect to international student tuition fees portion of that total. Mr. Piché (Vice President Finance and Administration) noted that approximately \$110-120 Million of that \$302 Million is typically from international student tuition.

A member noted that both domestic and international student enrollment will be key for the Fall semester. In addition, they noted other points of concern such as increased IT costs, as well as the general impact that social distancing will have on Carleton operations and its budgets by the Fall. It was understood that these impacts will be difficult to estimate at this time.

A member asked why investment income was projected as similar to previous budget years. Mr. Piché confirmed the projections result from an averaging of the previous years. He also noted that management did not make any allowance for any impacts made by COVID-19. Mr. Piché stated he was comfortable with the diversification of Carleton's investments and Carleton's position with fixed income. He suspected that the loss to be seen this year due to COVID-19, will be less dramatic than originally expected. Mr. Piché also made note of the Investment Income Stabilization Fund, which would provide Carleton the opportunity to equalize any shortfalls experienced for 2020/21.

On the recommendation of the Finance Committee, it was moved by Ms. Alves and seconded by Ms. Garland that the Board approve Carleton University's 2020-21 Operating Budget, as presented. In light of the current public health crisis and associated fiscal uncertainties, the new discretionary allocations approved in the present budget are on hold until more clarity is achieved. It is understood that lifting the hold will require a recommendation from the Finance Committee for approval by the Board of Governors. The motion carried unanimously.

#### 5.4 2020/21 Student Association Fees

An executive summary was circulated in advance.

Ms. Debra Alves, Chair of the Finance Committee, spoke to this item.

She noted that Student Associations are separate legal entities from the university. Most of the fees presented for the 2020/21 are existing fees, which are either unchanged, increased based on student referenda or by the Ancillary Fee Committee. There were two new fees for undergraduate students, which were voted on through referendum. The Finance Committee questioned whether these fees should be reconsidered, given that the world has changed since they were proposed. Management advised that although the university approves of these fees, the university has a limited role in these matters as the individual associations depend on these revenues.

The increases in general are tied to CPI and the individual increases in dollar terms are nominal, ranging from one cent to less than \$11. Fee changes are routinely posted on the university website and are detailed in the registration process.

On the recommendation of the Finance Committee, it was moved by Ms. Alves and seconded by Ms. Furlong that the Board approve the 2020/2021 Student Associations Fees, as presented. The motion carried unanimously.

#### **5.5     Project Implementation Report – Engineering Student Design Centre**

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

Mr. Greg Farrell, Chair of the Building Program Committee, spoke to this item.

Mr. Farrell noted that the building, was originally designed to provide workspace for capstone projects. Since that time, the university has onboarded a new Dean of the Faculty of Engineering and Design, which resulted in a holistic review of the faculty in addition to an updated strategy. This process identified additional needs for continued growth. Ms. Farrell noted that the school requires more offices, labs, and research space. It is also anticipated that an additional 80 new hires within the faculty will be required over the next four years. To accommodate this, the Faculty of Engineering and Design is asking for a change to the project scope, and a related increase in the budget from an original \$11 Million to \$16.9 Million. This project is being funded from the Faculty of Engineering and Design's reserves.

On the recommendation of the joint Finance and Building Program Committee it was moved by Mr. Farrell and seconded by Ms. Creary that the Board approve the Engineering Student Design Centre Project Implementation Plan with a modified design and total project costs not to exceed \$16.9-Million, as presented. The motion carried unanimously.

### **6.       ITEMS FOR INFORMATION**

#### **6.1     Strategic Integrated Plan Second Draft**

A presentation and updated draft plan entitled *Carleton University Strategic Integrated Plan* were circulated in advance. President Bacon provided a presentation which outlined the updated second draft.

As the Board is aware, one of the President's top goals for this year is to develop a new Strategic Plan for Carleton University. The second draft was well received by both the Senate and the Board Executive Committee at their April meetings. The President noted that the process is on schedule and progress continues to be made despite the current public health crisis.

The Strategic Integrated Planning (SIP) process began in the fall of 2020, with the launch Speaker Series event with Ken Steele. The process continued with an intense and integral consultation process that saw to over 50 groups and was complimented by an informative and engaging Speaker Series. Extensive feedback was gathered from the Carleton Community, as almost over 2,000 people contributed their thoughts, ideas, and suggestions. This feedback, along with a brief overview of emerging themes from the collected feedback, was presented at the March board meeting.

The President was confident in this cleaner, clearer, more powerful, and much improved version of the draft Strategic Integrated Plan.

The President outlined conceptual, structural, and procedural feedback received from the community. Key edits that were made from the feedback include an edited Point of Departure section to introduce Carleton's core mission earlier in the document, a revised description of the canal metaphor, clarification that the SIP is a high-level document to guide more detailed measurements within Faculties, departments and administrative teams, strengthened the organizational excellence pathway as well as incorporation of several small edits.

In conclusion, the President provided a reminder to the board of the timeline thus far in the creation and consultation process of the Strategic Integrated Plan. The team is working to have the final version ready for May 12, so that the team can submit the final version to the Executive Committee, and then move for final approval at both Senate and the Board on May 29 and June 2 respectively.

The Chair thanked the President and the SIP Task Force who have been driving the process since its beginning. The Chair praised the exceptional consultation and engagement initiative and was pleased to see how the feedback has been and continues to be incorporated with transparency into this strong document.

A board member inquired into whether not the earlier triangle imagery used with the three axes would be used in the final draft. The President clarified that the triangle image will still be part of the concept. He noted that once the final version is approved, the team will work with graphic designers to create detailed graphics to be included in the plan. The further branding and creation of graphics will not be a part of the approval process of the plan's substance.

A board member inquired into the extent to which the canal's working conditions within Ottawa, was of a point of contention within the community. The President believes that the community wanted these conditions acknowledged. He believed that once acknowledged, it makes the metaphor of the canal stronger.

A question was asked regarding the document's potential recaption by government. The President felt that the new plan will be well received, as it is forward-looking and service oriented. He noted that Carleton needs to be ready to answer the specific question of what the University will do for Ontario.

A board member asked if there should be more reference to the ongoing public health crisis and the potential impacts it will have on the Carleton Community and community at large in the SIP, given the longer-term aspects of the document. With the growing research that is going into these and related fields, the member expressed it is important to consider the funding as the situation continues to unfold. The President explained that the team wanted to acknowledge the ongoing public health crisis and noted that the chosen themes appeared to allow for this to fit well in the document. The SIP team had to decide on the amount of specificity they wanted to include on this particular virus and the current situation given the longer-term aspects of the document. The President noted that there will be a number of research themes that will be needed moving forward, for dealing with this pandemic that we are already strong in: telecommunications, sensors and home monitoring for health and wellness, for example. The President recognized that the team is required to strike a balance between addressing current public health crisis, while also remaining more general as to what can be done in the post-COVID-19 world.

The Chair thanked the President for the presentation, and the governors for their questions.

## 6.2 Report from the Chair

The Chair acknowledged the great difficulty everyone is experiencing as a result of COVID-19. He thanked the President and Carleton's senior management team for their countless hours, exceptional dedication, and superb work in the collective battle against COVID-19. This appreciation was echoed by every member of the Board, every Faculty, the Students, the Staff and the broader Carleton family and community.

The Chair acknowledged the praise in which Carleton has been receiving from parents, students, staff and thought leaders such as Alex Usher and Ken Steele. Many have praised Carleton for its quick, clear, and thoughtful actions and communications surrounding the current situation.

The Chair noted his confidence in the President and his team as they continue to remain vigilant.

He also thanked our elected officials in navigating these difficult times in addition to our front-line health care professionals, who are carrying the personal burden and risk of caring for all Canadians.

## 6.3 Report from the President

The Chair welcomed the President to address the Board.



The President thanked the Chair and entire Board for their support during these unsettling times. Since March 9, Carleton's focus has been to quickly and effectively adapt to the ongoing public health crisis caused by COVID-19. The President informed the Board that he and his team have written 29 substantive updates to the Carleton Community, which are housed on Carleton's website.

The President was glad to announce the completion of the Winter term, after moving the term completely online within the span of a week. He extended congratulations to the approximate 5,000 students who will be completing their Carleton degree this semester, and expressed he is looking forward to celebrating with the students at the postponed convocation.

Guidelines and directive from Public Health and the Government have been respected by Carleton. Each decision made was done so in real-time, with flexibility and compassion. Academic support was given to students through various accommodations and flexible grading options. Financial support has also been given to those in need through the Emergency Funding, the waving of ancillary fees and interests, prorated reimbursements, and deadline extensions for payments.

The President announced that registration for the Summer 2020 Term began on April 16. Registration has seen almost 12,000 students register for one or more courses. Carleton was able to offer a full slate of quality courses for the summer for students looking to advance their studies over the summer term. Now that the government has released a \$9-Billion student support package, it is anticipated that students will continue to register in the coming weeks.

The President noted that the next challenge is the preparation for the Fall 2020 term. Carleton will continue to adapt to the circumstances to offer an outstanding semester to all students, with the existing talent and tools available.

The President noted that the university will continue to plan in the face of uncertainty, with creativity and flexibility for an array of scenarios. He has asked the Deputy Provost of Academic Relations and Planning, Dr. Lorraine Dyke to lead the Carleton University Scenario Planning team (CUSP), a small team of academics and operations experts to begin defining what these scenarios could be and how to best prepare for them at Carleton. This work has been underway for two weeks, with an integral activity of consulting with Carleton's key stakeholders on campus. Carleton has been sharing information with other institutions, with provincial bodies and with Universities Canada. Several experts have been called in for their input as well. He noted that this planning process is on track and expected that Carleton will soon be able to comment further to the university community. The Executive Committee will be updated on May 19 and the Board will revisit this topic on June 2.

The President briefly spoke to current applications for the Fall 2020. Ontario applications are down at about 2%. He reported that Carleton's offers and confirmations for the fall are on track but acknowledged the great uncertainty of admission and conversion outcomes due to COVID-19.

Construction in the Province has halted until further notice. The new Nicol Building is thus on hold, which will inevitably cause some delays in its opening. He stated, however, that this does not threaten Carleton's operations. The recently approved and highly anticipated new student Residence Building has been put on hold until further notice as well. The President highlighted that Carleton, its leadership team, the various standing committees, and the Board must be careful to understand both the short-term and long-term impacts that COVID-19 will have before moving forward with various projects.

The President reported that the Strategic Mandate Agreement (SMA 3) process has been put on hold until further notice by the government. He clarified that no SMA agreements have been signed yet, until the impacts of COVID-19 are understood. The President noted that the team was happy with SMA document that Carleton had prior to the postponement and will resume the process once cleared to do so.

The President reminded the Board that effective October 1, 2020, Carleton will be welcoming Dr. Brenda O'Neill as the new Dean of the Faculty of Public Affairs. Dr. O'Neill joins Carleton from the University of Calgary. The President noted that the Carleton Community will have ample time to thank André Plourde who is leaving the role after nine years on September 30, 2020. The President extended a sincere thank you to André Plourde for his service.

The President advised the Board of the appointment of Carleton's new University Librarian, Amber Lannon. Ms. Lannon has been in this role on an interim basis since January. Ms. Lannon joined Carleton in 2016 from McGill University, to serve as Associate University Librarian. The President extended his congratulations to the Provost, the Library and to the Faculty of Public Affairs.

The Chair thanked the President for the thorough update.

A board member inquired into the possibility that Carleton will face a two-fold impact in the Fall, with reduced international student enrollment due to the impacts of COVID-19, while at the same time facing potential cuts to Government contributions to universities as they are under tremendous financial strain. The member wondered if there had been any indication that Carleton will be challenged in terms of revenue and expenses. The President noted that it is impossible to predict Fall enrollment but given that Summer 2020 registration is strong and that Fall 2020 registration is trending very well, it is probable that registration will proceed as normal provincially, nationally, and internationally.

A board member inquired into the living arrangements for Carleton students in Residence come the Fall 2020 term. They noted that family members of the students will be eager to see how Carleton chooses to address this situation. The President acknowledged the member's concern.

#### 6.4 Committee Chair Updates

##### *a) Building Program Committee*

Mr. Greg Farrell, Chair of the Building Committee, noted that current Capital Projects totaling \$238 Million were underway. As of March 31, 2020, the total value of completed work was about \$170 Million.

Mr. Farrell provided the Board with a summary on the statuses of a variety of building projects on campus. The Health Science Building Project was essentially complete with full occupancy expected in May 2020. The Nicol Building has been progressing well until the COVID-19 construction restrictions were introduced recently, and management was working with a contractor to assess the impact to delivery timelines. The original target date for completion was set for October 31, 2020.

Mr. Farrell noted that the ARISE Building is complete and is projected to be over budget of about \$1.2 Million. A closeout report will be delivered in the fall to the Finance and Building Program Committee.

the Cogeneration Facility is almost complete, however, Mr. Farrell noted that this part of the process requires individuals from the US and has therefore been impacted by the COVID-19 travel restrictions.

Due to the revised essential services under Ontario's emergency order issued on April 4, Mr. Farrell noted that there has been a reduction in the scope of the permitted construction services. The planning and implementation are still viewed as on track for September 2022, if the committee decides to proceed on the original timelines. Mr. Farrell noted that as the COVID-19 impacts are broad with still many unknowns, it was agreed upon at the last meeting of the joint Building Program and Finance Committees that management would not issue the tender for the new student residences until more clarity regarding the impacts of COVID-19 is achieved.

*b) Advancement and University Relations (D. Fortin)*

Mr. Fortin, Chair of the Advancement and University Relations Committee reported that an update on Advancement was provided by Ms. Jennifer Conley. Ms. Conley highlighted the five mandates of Advancement. The *Hub for Good* and its progression was discussed as a central point for those looking to be involved with the university, as well as sponsorship.

Mr. Fortin noted the holistic partnership between Research and Advancement. This partnership is reported to be doing well in the market.

*c) Finance Committee*

Ms. Alves, Chair of the Finance Committee report that at the April 16 meeting, the committee reviewed the Retirement Fund statement of investment policies and

procedures and the proposed addition to the Investment Committee membership. They also received for information the Endowment Fund report for 2019/2020.

Under provincial requirements, the statement of investment policy and procedures for the Retirement Fund must be reviewed and approved annually. The statement outlines the investment policy as to how the Retirement Fund assets are to be managed within the risk confines of the policy and with the intent to deliver the promises made to planned participants. The presented statement was reviewed and approved by the Pension Committee at its March 5 meeting, and the proposed amendments were administrative in nature.

The Investment Committee, which is responsible for the oversight of the investment of the Endowment Fund. One of the members of the Investment Committee is a Dean appointed by the Finance Committee on the President's recommendation. The Finance Committee approved the President's recommendation to approve Dana Brown, the Dean of the Sprott School of Business as a member of the Investment Committee for a term of three years.

Ms. Alves noted that the Finance Committee received an investment report on the Endowment Fund, which had a December 31, 2019 market value of \$315.2 Million. The objective of this fund is to maintain the real value of the fund in perpetuity while achieving returns that will have annual distributions of 4% of the moving four-year average of the market value of the fund, in addition to covering 1% administration levy of the fund. The fund's performance has an impact on the university's Operating Budget, specifically in generating funds for student financial assistance.

In 2019, the annual distribution from the Endowment Fund was \$10.7 Million. The returns as of December 31, 2019, over the short-term and through five years had exceeded the expected rate of return on the annual basis, and active fund management generated returns in excess of the benchmark.

The impact of the first quarter 2020 market fluctuations are not yet available; however, returns to date have been in line with the benchmark.

In the event that the fund does not generate the year's expected income, there are contingencies within the Investment Income Equalization Fund, which currently totals at about \$41-Million that can be used to absorb losses and stabilize the annual distribution.

*d) Governance Committee*

Mr. Nanos, Chair of the Governance Committee reported that the committee has not met since the last Board meeting. The Chair informed the Board that the committee members have agreed to hold on the community-at-large recruitment due to COVID-19.

**7. OPEN-OTHER BUSINESS**

No additional business was raised.

**8. OPEN-QUESTION PERIOD**

No additional questions were brought forward.

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

There being no further business, it was moved by Dr. Sloan and seconded by Ms. Hayes to adjourn the Open Session of the Board of Governors at approximately 4:17 p.m. The motion carried unanimously.