

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

**Minutes of the 638<sup>th</sup> Meeting of the Board of Governors  
Tuesday, December 5<sup>th</sup>, 2023 at 3:00 p.m.  
Richcraft Hall Room 2440R**

<b>PRESENT:</b>	G. Farrell (Chair)	D. Greenberg	J. Nelson
	B. Creary (Vice-Chair)	L. Grussani	B. O'Connor (Virtual)
	H. Babb (Virtual)	A. Hamdani	J. Ojangole
	J. Camelon	N. Karhu	P. Smith (Virtual)
	A. Chan	A. Keung (Virtual)	J. Taber (Virtual)
	P. Dion (Virtual)	M. Main	C. Tessier
	J. Devoe (Virtual)	D. Maseko (Virtual)	J. Tomberlin
	D. Fortin (Virtual)	S. Mingie	A. Tremblay
	K. Furlong (Virtual)	G. Morris	P. Wolff
	M. Gillis	L. Newton Miller	
<b>REGRETS:</b>	Y. Baltacioğlu	K. von Finckenstein	J. Muthukumar
<b>STAFF:</b>	N. Afouxenidou	R. Goubran	K. McKinley (Virtual)
	S. Blanchard	C. Khordoc	A. Mullin
	J. Conley	S. Levitt	G. Nower
	L. Dyke	A. Marcotte	P. Rankin
	T. Frost	N. MacDonald	K. Solomon
	A. Goth (R. Secretary)		

---

**OPEN SESSION**

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

The Chair called the meeting to order at 3:02 pm and welcomed governors and attendees to the meeting. The Chair acknowledged the Algonquin First Nation territory on which Carleton University is located. He recognized the 16 Days of Activism Against Gender-Based Violence and that December 6<sup>th</sup> was White Ribbon Day. He reviewed the meeting protocols for members in person and attending virtually.

## **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 agenda was circulated in advance.

It was moved by A. Tremblay and seconded by P. Wolff that the open agenda of the 638<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 637<sup>th</sup> Board Meeting and the Signing Authorities Policy.

The following items were circulated in the open consent agenda for information: University Committee Minutes from the September meetings of the Advancement and University Relations, Building Program, and Finance Committees, Major Capital Plan, Strive for Sustainability Annual Report 2022/23, ArcGIS and Building Information Modeling – 3D Visualizations, Ongoing Capital and Deferred Maintenance Project Status Report, Update on the 2023/24 Operating Budget, Update on the 2023/24 Ancillary Budget, Pension Plan Report, Responsible Investment Report, Student Governor Handbook and Election Process, Administrative Staff Governors Handbook and Election Process, and Minutes from Senate.

It was moved by P. Wolff and seconded by N. Karhu that the items in the open consent agenda be approved, as presented. The motion carried unanimously.

## **5. ITEMS FOR APPROVAL**

### **5.1 Framework for the 2024/25 Operating Budget**

An executive summary and presentation were circulated in advance.

A. Hamdani, Chair of the Finance Committee, provided a brief introduction advising that the framework for the 2024/25 operating budget was reviewed by the Finance Committee and was recommended to the Board for approval.

P. Rankin, Provost and Vice-President (Academic) provided a presentation on the framework for the 2024/25 Operating Budget. Planning exercises linked to the Framework included the Strategic Integrated Plan, the Strategic Mandate Agreement (SMA3) metrics, the 2024/25 Operating Budget, and the Resource Planning Committee (RPC) plans. The Carleton Planning Framework cycle was reviewed which this year included a Strategic Integrated Planning Committee (SIPC) forum with the broader

leadership team in November. The theme for the year is “progressing on strategic priorities during times of financial constraint”. Areas of focus include undergraduate recruitment and retention, program refresh and the development of new programs and online options, student mental health and employability, and process modernization.

Challenges in maintaining a balanced operating budget were identified. These included pressures from the tuition freeze, international markets, changes in domestic enrolment patterns, the SMA3 and corridor model for funding, deferred building and infrastructure maintenance, rising capital project costs, labour agreements and expectations exiting Bill 124, and rising IT needs. There are opportunities, such as the return to in-person recruitment, reputational enhancement efforts, program innovation and renewal, internally restricted reserves, and the recommendations from Blue-Ribbon Panel.

Management is planning a 3% base expenditure budget cut for 2024/25. The aim is to reduce discretionary spending, leverage the significant appropriated reserves within the units to maintain operations, and invest in new growth. Reserves will need to be drawn upon to maintain operating service levels. Enrolment was projected to be flat over the next few years, but there is expected growth in the population of 18-year-olds in Ontario.

Looking ahead, the University cannot cut its way out of financial pressure. Revenue growth is required. Increased revenue can be sought through prioritization of recruitment, enrolment and retention at the undergraduate level. Program innovation and renewal is a necessity. Carleton is planning for financial constraint in the coming years.

Base budget cuts will be applied to all RPCs for 2024/25. This will require rationalizing services, finding efficiencies, and automating processes. Financial constraints should not discourage longer-term planning and opportunity seizing. Carleton will continue to encourage initiatives aimed at improving recruitment and incubating new programming.

A member inquired about the risk rating as medium and asked for clarification. P. Rankin responded that she is comfortable with the risk analysis. It is important that community members be aware of the financial situation that Carleton, the available reserves, and to be cognizant of the broader financial landscape.

On the recommendation of the Finance Committee, it was moved by A. Hamdani and seconded by D. Maseko to approve Carleton's operating budget planning framework for fiscal year 2024/25, as presented. The motion carried unanimously.

## 5.2 Borrowing Resolution – RBC Credit Agreement

An executive summary was circulated in advance.

A. Hamdani advised that the Borrowing Resolution for the Frontenac Residence was recommended for approval by the Finance Committee.

L. Dyke, Vice-President (Finance and Administration) advised the credit agreement for the Frontenac Residence in 2008 hedged the variable rate with a fixed interest rate swap. In addition to the normal requirement to renew the agreement every five years, the basis for pricing the interest rate swap has changed; therefore, Carleton is seeking approval from the Board for a renewed agreement.

A. Marcotte, Associate Vice-President (Financial Services), advised that currently the University has three loan agreements with the Royal Bank of Canada (RBC) for three of the student residences. These agreements are referred to as swaps where the variable rate loan is exchanged for a fixed rate. Every five years, the variable portion of the swap agreement must be renewed. It was due for renewal in August 2023 and at that time, the Executive Committee approved an extension due to new language not yet being available for contracts. The updated language for the Canadian Overnight Repo Rate Average (CORRA) is now available. Therefore, Board approval to renew the loan with respect to the Frontenac Residence of \$10.5 million is required. The new variable component of the loan will increase 22 basis points to 59 basis points or an all-in rate of 5.15%, an increase of \$22,000 a year.

On the recommendation of the Finance Committee, it was moved by A. Hamdani and seconded by S. Mingie to approve the borrowing resolution with reference to the Frontenac Residence credit agreement with the Royal Bank of Canada, as presented. The motion carried unanimously.

## **6. ITEMS FOR INFORMATION**

### **6.1 Report from the Chair**

Applications for the Board Award for Outstanding Community Achievement as well as for the Founders Award were open. He asked that members share within their networks and/or consider bringing forward a nomination.

He advised that the call for expressions of interest for student governors will be going out January 9, 2024. If members know any students who might be interested in being on the Board to share the call. Call for expressions of interest for one Community-at-Large governor and administrative staff governors will be going out on December 1<sup>st</sup> and February 1<sup>st</sup> respectively. Again, he asked if members know a community or staff member interested in volunteering with the Board, that they share details.

Giving Tuesday was November 28, 2023 and it is a key date in Carleton's philanthropic efforts, featuring 78 approved projects. The Carleton community made 1,745 donations totaling \$1,110,430 which, when matched, will contribute \$2,220,859 to Carleton causes. He thanked those that took up the opportunity to leave their mark through Carleton by driving social change through higher education.

He acknowledged Board member D. Greenberg on the grand opening of the Barbara Crook and Dan Greenberg Mental Health Centre at the Queensway Carleton Hospital.

A member asked about the skills being sought for the 2024/25 Community-at-Large recruitment. B. O'Connor, Chair of the Governance Committee, responded that they are seeking potential candidates with finance, accounting, capital planning and/or architecture skills. She added that there is only one vacancy for the upcoming year, but there will be six vacancies for the 2025/26 Board year.

## 6.2 Report from the President

A written report was circulated in advance.

J. Tomberlin, Interim President and Vice-Chancellor advised that it was the last week of classes of the semester, with exams starting the following week.

Fall Convocation took place on November 4, 2023 with over 1,200 graduating students crossing the stage. An honorary degree was awarded to physicist D. Sinclair for his outstanding contributions to the field of experimental sub-atomic physics and for his leading role as founding director of SNOLAB. The largest open house for student recruitment also took place on November 4<sup>th</sup>. For a second consecutive year, Carleton has been distinguished as one of Canada's top 100 employers and that the Students and Enrolment division has achieved the Canada Awards for Excellence gold level certification from Excellence Canada's Organizational Excellence Standard in 2023. Through Fall 2023, Carleton hosted an exclusive collection of Norval Morrisseau's paintings, drawings, and objects co-curated by C. Robertson at the Carleton University Art Gallery.

Regarding research, J. Davis, PhD candidate in Carleton's Norman Paterson School for International Affairs, was named as the recipient of the Social Science and Humanities Research Council's (SSHRC) 2023 Impact Award in the Talent Category for her research into the effects and outcomes of counter-terrorism policy. Additional highlights from research included:

- W. Ye, professor in the Department of Electronics, was elected Chair of the IEEE Women in Engineering (WiE) Committee;
- S. Cooke was on the world Highly Cited Researcher list for the fourth year in a row;
- J. Rocha received the 2023 Elsie MacGill - Education Award for her work on aeroacoustics; and
- E. Grey, the Academic Director of Sprott's Master of Accounting program, was elected as a Fellow by the CPA Ontario Council.

An update on enrolment was provided. Some decline in first-year undergraduate enrolment was noted. As of November 1, 2023, enrolment was down 2.6% for domestic

and 13.0% per international; however, at the graduate level, enrolment was up 33% for domestic and 18.4% for international students. Regarding the budget, the University was expecting a \$500,000 negative variance for fire maintenance work and slightly increased utility costs. Given world events, Carleton will continue to monitor student bad debt as this may impact international students' ability to move money out of their home country and pay tuition.

As part of the Advancement update, he highlighted a collaboration between Carleton and Ross Video, which will include co-op and talent development as well as philanthropic and sponsorship commitments. University Advancement continues its focus on planning and preparation for the next fundraising campaign aiming for a \$40 million annual revenue goal.

### 6.3 Committee Chair Updates

#### 6.3.1 Building Program

C. Tessier, Chair of the Building Program Committee, advised that the Committee met on November 16, 2023, and considered four items for information and discussion:

- A high-level status report of the Major Capital Plan which prioritizes all projects valued over \$5 million or greater and are expected to be in planning or implementation stages during the next year. Projects underway included the new student residence, Teraanga Commons Dining hall and Kitchen expansion, the decommissioning and demolition of P9, and the Loeb Envelope Remediation and Replacement. The projects under planning included the Paterson Hall Building Retrofit and renewal. The projects under consideration are the Regional Aquatics and Wellness Hub and the Sustainability Research Centre;
- S. MacDonald, Director of Energy and Sustainability Services, provided a progress update on the Strive for Sustainability Plan which highlighted Carleton's commitments to sustainability as well as awards and recognition. The presentation also highlighted Carleton's programming to reach carbon neutrality by 2050, including investments, procurement, active travel, and bird-friendly glazing;
- M. Monreal, Project Management for Integration provided an interactive presentation on the use of ArcGIS and Building Information Modeling (BIM) to create 3D visualizations of the campus infrastructure to assist with design and construction of new and existing buildings as well as facilities management of the campus; and
- An update on the ongoing capital and deferred maintenance currently underway on campus with projects totaling \$228 million. Items of note included the schematic design for the Loeb Building exterior envelope remediation and replacement are underway, a BIM model of the interior and

exterior of Paterson Hall have been completed, site survey's geotechnical and environmental studies for the decommissioning of the P9 parking garage are underway and the tender documents have been released for the Teraanga Commons Dining and Kitchen Expansion.

### 6.3.2 Finance

A. Hamdani, Chair of the Finance Committee, advised that the Committee met on November 16, 2023. There were two items for approval, both of which were recommended to the Board and were approved earlier in the meeting:

- The Framework for the 2024/25 Operating Budget which outlined the planning priorities as undergraduate recruitment and retention, program refresh, new online markets, service rationalization, and process modernization. The framework also outlined expected revenues and expenses and proposed a 3% base expenditure budget cut for all operating RPCs, which is a value of approximately 10%; and
- A borrowing resolution for an RBC credit agreement related to Frontenac House Residence loan for an all-in interest rate of 5.15%.

The Committee also received a number of items for information:

- An update on the 2023/24 operating budget which showed minor variances, tuition revenue is slightly below budget, no changes are anticipated in the government grant or investment income, some minor negative variances in some university budgets and saving is expected in the contingency budgets to produce a break-even budget at year-end;
- an update on the 2023/24 ancillary budget showed a return in revenue to pre-pandemic levels, ancillary results are on-track to meet budget;
- A capital budget update showed all projects are on budget;
- A Pension Plan Report was provided by A. Urquhart, Executive Director, Pension Fund Management, which outlined the fund's net return was 11.8% and a market value of \$1.6 billion at June 30, 2023. The Plan's financial position is strong on both a going-concern and solvency ratio basis;
- The first Responsible Investment (RI) Report for the Endowment and Non-Endowed Funds which provided highlight of the University partnership with RI coalitions, external investment manager commitments to global climate initiatives, proxy voting and engagement by public equity managers, climate change metrics and case studies; and
- In response the Auditor General's special report on Laurentian University, The Ministry of Universities and Colleges is developing a framework for financial oversight called the Financial Accountability Framework for Ontario Universities.

### 6.3.3 Governance

B. O'Connor, Chair of the Governance Committee, advised that the Committee met on November 21, 2023 and reviewed four items for approval:

- Student Governor Handbook and Election Progress;
- Administrative Staff Governor Handbook and Election Process;
- 2023/24 Board Self-Assessment; and
- Signing Authorities Policy.

There were two items for discussion. The first was a review of the approach for Community-at-Large Recruitment, noting that there will be one vacancy to fill for the 2024/25 Board year. The Secretariat Office maintains an evergreen list of potential qualified candidates which was reviewed by the Chair and Vice-Chair. The Committee also heard a review of the senior executive appointment guidelines, which will return to the Committee in the new year.

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

No other 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 3:45 p.m.