

BOARD OF GOVERNORS OF LAURENTIAN UNIVERSITY

Friday, February 17, 2022

9:00 a.m. to 10:00 a.m. – Closed Session

10:30 a.m. to 1:00 p.m. – Public Session

1:00 p.m. to 2:00 p.m. – *In Camera* Session

AGENDA

If you would like to observe the Public Session of the Board meeting, [PLEASE REGISTER HERE](#). After registering, you will receive a confirmation reply with connection details.

*Members are reminded of the requirement that they give **notice of conflict of interest** prior to consideration of any matter on the Board open and closed session agendas.*

PUBLIC SESSION				
No.	ITEM	PG	LEAD	TIME
A.	Learning and Engagement Session: MIRARCO, Goodman School of Mines and development of the Centre for Mine Waste Biotechnology.	-	N. Mykytczyk	10:30 – 11:00
1.	Adoption of Agenda	-	J. Bangs	11:00
2.	Declaration of Conflicts of Interest	-	J. Bangs	11:00
3.	Unanimous Consent Agenda 3.1. Includes Minutes of the meeting held December 2, special meetings held November 30, and the electronic vote held December 4, 2022 3.2. Revised Terms of Reference: Joint Committee on Bilingualism 3.3. Revised Terms of Reference: Property Development and Planning Committee	3-28	J. Bangs	11:00 - 11:10
4.	Business Arising from the Minutes	-	J. Bangs	11:10 - 11:15
5.	President's Report	-	S. Embleton	11:15 – 11:30
6.	Financial Update (Cash Flow, Financial Forecast, Enrolment Update, Planning Framework, Investment Returns, Pension and Endowment Fund)	29-39	M. Piché	11:30 – 11:45
7.	Audit Committee Items 7.1 Approval: External Audit Plan for Year Ended April 30, 2023 7.2 Information: Audited Financial Statements of the Retirement Plan	40-75	V. Cameron	11:45 – 12:00
8.	Property Development and Planning Committee Items 8.1 Approval: 2023-24 Deferred Maintenance Projects 8.2 Approval: Proposal to Explore the Repair of the Jenő Tihanyi Olympic Gold Pool 8.3 Information: Report of New Deferred Maintenance Assessment Methodology & Costs	123-142	D. Harquail	12:00 – 12:30
9.	Finance Committee Items 9.1 Approval: Short-Term Cash Investment Policy 9.2 Approval: Ancillary Fees and Budget for 2023-2024 9.3 Approval: Proposed Funding of 2023-24 Deferred Maintenance Projects	143-182	D. Harquail	12:30- 12:45
OTHER ITEMS				
10.	10.1 Laurentian University Native Education Council Report: February 2023 10.2 Chair's Items	183 -	J. Bangs	12:45
OTHER BUSINESS				
11.	Other Business	-	J. Bangs	12:45–13:00
IN CAMERA DISCUSSION (By Invitation)				
12.	In Camera Discussion	-	J. Bangs	13:00 – 14:00
ADJOURNMENT				
13.	Adjournment	-	J. Bangs	14:00

* Material will be provided at the meeting for items marked

** Material will be sent separately



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CLOSED SESSION

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AGENDA

*Members are reminded of the requirement that they give **notice of conflict of interest** prior to consideration of any matter on the Board open and closed session agendas.*

CLOSED SESSION				
No.	ITEM	PG	LEAD	TIME
1.	Adoption of the Closed Agenda	-	J. Bangs	9:00
2.	Declaration of Conflicts of Interest	-	J. Bangs	9:00
3.	CCAA: Update on Financial Position	-	J. Bangs and M. Piche	9:00 – 9:15
4.	Property Development and Planning Committee Items 4.1 Approval: Strategy Regarding President's House 4.2 Approval: Term Sheet regarding the Sale of University Lands**	2-5	D. Harquail	9:15 – 9:30
5.	Legal Matters: Update	-	D. Jubb	9:30 – 9:45
6.	Human Resources: Update	-	C. Cacciotti	9:45 – 10:00
OTHER BUSINESS				
7.	Other Business	-	J. Bangs	10:00
ADJOURNMENT				
8.	Adjournment of Closed Session	-	J. Bangs	10:00
BREAK				

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UNANIMOUS CONSENT AGENDA

ITEM 3.0 FOR APPROVAL

Any member who wishes to ask a question, discuss, or oppose an item that is listed below may have it removed from the consent agenda by contacting the Secretary of the Board of Governors prior to the meeting or by asking that it be removed before the Chair calls for a mover and seconder for the following motion.

Recommended: That the following items be approved or received for information by the Board of Governors by unanimous consent:

Minutes – Item 3.1

1. Minutes of the meetings Includes Minutes of the special meeting held November 30, the regular meeting held December 2, and the electronic vote held December 4, 2022.	ACTION
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Report of the Joint Committee on Bilingualism Committee – Item 3.2

2. Revised Terms of Reference: Joint Committee on Bilingualism	ACTION
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Report of the Property Development and Planning Committee – Item 3.3

3. Revised Terms of Reference: Property Development and Planning Committee	ACTION
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The Unanimous Consent Agenda

The instrument of a Consent Agenda has been described as follows:

Organizations having a large number of routine matters to approve often save time by use of a *consent agenda*, also called a *consent calendar* or *unanimous consent agenda*. This is a portion of the printed agenda listing matters that are expected to be non-controversial and on which there are likely to be no questions.

Before taking the vote, the chair allows time for the members to read the list to determine if it includes any matters on which they may have a question, or which they would like to discuss or oppose. Any member has a right to remove any item from the consent agenda, in which case it is transferred to the regular agenda so that it may be considered and voted on separately. The remaining items are then unanimously approved en bloc without discussion, saving the time that would be required for individual votes.

A number of Canadian university Boards have employed the consent agenda format to include not only routine approval items, but also information items. One reason for using this format is to allow the Board to focus on major items of business. While approval of an omnibus motion saves time at Board meetings, Board members will want to review the agenda materials carefully in order that they properly discharge their responsibilities.

How it works:

The Secretary identifies action and information items that are routine and/or likely non-controversial. In so doing, she may consult with the Chair of the Board, the relevant committee chair, and principal resource persons. If there is a report from the Committee, these items are noted in the list of items at the beginning of the report. Action and information items on the agenda and in committee reports that are not noted on the consent agenda will be presented singly for discussion and voting (when appropriate).

When members receive their Board agendas, they should review all reports in the usual manner. **If any member wants to ask a question, discuss, or oppose an item that is marked for the consent agenda, he or she can have it be removed from the consent agenda** by contacting the Secretary of the Board of Governors prior to the meeting or by asking that it be removed before the Chair calls for a mover and seconder for the motion to approve or receive, by unanimous consent, the items listed.

At the Board meeting, before the unanimous consent motion is presented for approval, the Chair of the Board (1) will advise the Board of items that are to be removed from the list, based on prior requests from Board members; and (2) will ask if there are any other items that should be removed from the list. The remaining items are then unanimously approved *en bloc* without discussion, saving the time that would be required for individual presentation and voting. Those matters that have been struck from the consent agenda will be handled in the usual way as each Committee's report is presented.

The minutes of the Board meeting will report matters approved as part of the consent agenda as "carried by unanimous consent". Information items received as part of the consent agenda will be reported as received.

BOARD OF GOVERNORS

Minutes of the Electronic Vote of December 4, 2022

Voting Members who participated in vote	Voting Members who did not participate in vote
Bangs, Jeff, <i>Chair</i> Barry, Aaron Brouillette, Robert Cameron, Vernon Duval, Don Eger, Tammy, Interim President & Vice-Chancellor Guay, André Harquail, David	Kurkimaki, Laura McCue, Meghan (GSA)

CLOSED ACTION ITEM

Request for Amendment of the conditions for Settlement Agreement Approved by the Board of Governors at its meeting of August 15, 2022

BE IT RESOLVED,

THAT the Board of Governors (“Board”) authorize the University to accept and act upon the Recommendations to amend the conditions for the Settlement Agreement as outlined and presented by the University’s Interim General Counsel in her Memorandum of December 3, 2022, and as presented to the Board by an e-VOTE as of December 4, 2022

Carried

Mark Johnson, Interim University Secretary

BOARD OF GOVERNORS
Minutes of the Meeting of December 2, 2022
9:00 a.m., Via Zoom

Present	Absent
<p><u>Voting Members Present</u> Bangs, Jeff, Chair Barry, Aaron Brouillette, Robert Cameron, Vernon Eger, Tammy, Interim President & Vice-Chancellor Guay, André Harquail, David Kurkimaki, Laura Sbaa, Nawfal</p> <p><u>Non-Voting Members Present</u> Bassett, Shannon, Senate Colin, Fabrice, LUFA Durand, Louis, LUFA Fenske, Tom, LUSU Johnson, Mark, Incoming Interim University Secretary Kwan, Kathleen, Interim University Secretary Morin, Avery (SGA) Scott, Daniel, Senate Teller, Meredith</p> <p><u>Also in attendance (Resources):</u> Biswas, Kaushik, MBA student, presenter Caron, Joseph, Interpreter Cisse, Yacine, MBA student, presenter Hodgson, Ann, Interim Associate University Secretary Jubb, Dawne, Interim General Counsel Larivière, Céline, Interim Provost & Vice-President Academic Lavalée, Normand, Associate Vice-President, Financial Services Lin, Jiaying, MBA student, presenter Olowu, Anthony, Nursing program student, presenter Piché, Michel, Interim Vice-President, Finance and Administration Rocca, Gina, Interim Executive Assistant Wilkinson, John, Counsel, Weir Foulds LLP Zhang, Handawen, MBA student, presenter Zhao, Xua, Manager, International Recruitment</p>	<p><u>Voting Members Absent</u> Duval, Don McCue, Meghan (GSA)</p> <p><u>Non-Voting Members Absent</u></p>

CLOSED SESSION

The Chair of the Board of Governors (“the **Board**”), Mr. Jeff Bangs, called the meeting to order at 9:04 a.m. and confirmed quorum. Mr. Bangs then invited Robert Brouillette to open the meeting by acknowledging the Robinson-Huron Treaty of 1850 and further recognize that Laurentian University is in the traditional lands of the Atikameksheng Anishnawbek.

The Chair welcomed Andre Guay as a new Governor, Celine LaRiviere, Interim Provost, and Mr. John Wilkinson, external legal counsel, to the session.

MOTION: Moved by Robert Brouillette and seconded by David Harqual.

THAT the meeting of the Board of Governors move into Closed Session.

Carried unanimously

CLOSED INFORMATION AND ACTION ITEMS

1. Adoption of the Closed Agenda

The Chair asked for a motion to approve the agenda of the closed session.

MOTION: Moved by Tammy Eger and seconded by David Harquail.

That the Agenda be approved as presented.

Carried Unanimously

2. Declaration of Conflicts of Interest

The Chair invited members to declare any conflicts of interest relevant to the agenda and reminded Governors that at any time during the meeting proceedings they are respectfully encouraged to consider and raise any potential conflict which may arise during discussions.

It was noted for the record by the Interim University Secretary that Mr. Harquail has previously disclosed a potential conflict he may have from time to time regarding discussions concerning the treatment of the University's endowment fund and/or deferred donor contributions

3. Post Emergence - Update

The Chair invited Interim President and Vice-Chancellor, Dr. Tammy Eger to provide an update on this item. Dr. Eger then invited the Interim General Counsel, Dawne Jubb, the Vice-President Finance and Administration, Michel Piché, the Interim University Secretary, Kathleen Kwan and external legal counsel John Wilkinson of Weir Foulds LLP to provide updates on various post-emergence related items.

CLOSED INFORMATION ITEMS

4. President's Report

The Chair invited Interim President and Vice-Chancellor, Dr. Tammy Eger, to present her report. Dr. Eger provided updates on various initiatives being done with various stakeholders to provide better engagement and build stronger partnerships with each other such as holding regular town halls. She also discussed challenges confronting the University arising from the Auditor General's report.

OTHER BUSINESS

5. Other Business

The Chair in consultation with Acting University Secretary, Kathleen Kwan confirmed there was no other business.

MOTION: Moved by David Harquail and seconded by Tammy Eger.

THAT the meeting of the Board of Governors move out of Closed Session.

Carried unanimously.

ADJOURNMENT

6. Adjournment of Closed Session

Having exhausted the agenda, the meeting of the Board of Governors was adjourned at 10:26 a.m.

PUBLIC SESSION

The Chair called the regular meeting of the Board of Governors to order at 11:03 a.m. and confirmed quorum. Mr. Bangs then opened the meeting by acknowledging the Robinson-Huron Treaty of 1850 and further recognize that Laurentian University is in the traditional lands of the Atikameksheng Anishnawbek.

INFORMATION SESSION

A. LU International Student Experience at Laurentian

The Chair invited Interim Provost & Vice-President Academic, Dr. Céline Larivière to introduce the guests who will be giving a presentation. Dr. Larivière provided further context explaining that international students at LU number nearly 600, are from across the world, and the number is growing, particularly in the graduate programs. Dr. Larivière introduced the following international students enrolled in various graduate level programs who gave a verbal presentation on their Laurentian experiences: Handawen Zhang, MBA program, Kaushik Biswas, MBA program, Anthony Olowu, Nursing program, Yacine Cisse, MBA Spec. Economics, and Jiaying Lin, MBA program.

Dr. Larivière then invited Manager of International Recruitment and International Services Xuan Zhao to provide further information on the program. Ms. Zhao provided an overview of her responsibilities and explained the various avenues and events available to international students to help them feel integrated into Canadian society and into Laurentian. Ms. Zhao spoke of a most recent event that occurred in November for international students to help them feel supported and welcomed to Laurentian University.

Each student presented some highlights about their experience as an international student at Laurentian as well as their educational and professional background, and other extra-curricular activities they are involved in.

The Chair thanked the students and staff for their inspirational presentation.

ACTION ITEMS

1. Adoption of Agenda

The Chair asked for a motion to approve the agenda of the open session.

MOTION: Moved by Tammy Eger and seconded by David Harquail.

That the agenda be approved as presented.

Carried unanimously

2. Declaration of Conflicts of Interest

The Chair invited members to declare any conflicts of interest relevant to the agenda and reminded Governors that at any time during the meeting proceedings they are respectfully encouraged to consider and raise any potential conflict which may arise during discussions.

It was noted for the record by the Interim University Secretary that Mr. Harquail has previously disclosed a potential conflict he may have from time to time regarding discussions concerning the treatment of the University's endowment fund and/or deferred donor contributions.

3. Unanimous Consent Agenda

The Chair asked for a motion and resolution to approve the consent agenda as presented in the Board materials, more particularly:

Minutes of the meeting held October 21, 2022, the Special Meetings held October 2, 2022, November 2, 2022, November 15, 2022, and the electronic votes held October 25, 2022 and November 10, 2022.

Audit Committee Terms of Reference
Executive Committee Terms of Reference
Finance Committee Terms of Reference
Nominating Committee Terms of Reference

MOTION: Moved by Tammy Eger and seconded by Vernon Cameron.

That the items listed in the Unanimous Consent Agenda be approved or received for information.

Carried unanimously

4. Business arising from minutes.

The Chair, in consultation with the Interim University Secretary confirmed there was no business arising from the minutes.

5. Executive Committee Recommendations:

5.1 Notice of Proposed Amendments to the General Bylaws of the Board of Governors of Laurentian University

The Chair invited Vice-Chair of the Executive Committee Robert Brouillette to provide further information on items 5.1 and 5.2, however due to technical issues Mr. Brouillette was not able to do so. The Chair then stepped in to explain that the General Bylaws of the Board of Governors were last amended in April 22, 2022 and due to certain items in the CCAA Plan of Arrangement further amendments were necessary. As well, this item is for information and notice only as the Board must issue a public notice of proposed changes to the by-law. Furthermore, at the next public meeting, which must be held within 60 days of the date of CCAA emergence, the Bylaw amendments would be voted upon.

5.2 Board of Governors' Statement on Equity, Diversity and Inclusion

The Chair provided a brief overview and explained that some universities have an Equity, Diversity and Inclusion statement. The importance of having such a statement is to make everyone within the

University feel welcome. He also stressed the importance of implementing it throughout the entire University.

RESOLUTION: Moved by Robert Brouillette and seconded by Tammy Eger.

THAT the Board of Governors approve the Board of Governors' *Statement on Equity, Diversity and Inclusion* to become effective immediately upon approval by the Board of Governors, as presented at its meeting of December 2, 2022.

Carried unanimously

6. Finance Committee Recommendations:

6.1 Approval of Amendment No. 2 to the Retirement Plan of Laurentian University of Sudbury

The Chair invited Mr. David Harquail, Chair of the Finance Committee, to introduce this item. Mr. Harquail advised there are four resolutions being presented to the Board for approval. He then invited the Interim Vice-President, Finance and Administration, Michel Piché, to provide more details regarding this item. Mr. Piché gave a brief background of the reason for the need of this amendment as well as explained that it has been reviewed by the Pension Committee and the Finance Committee and now requires to be approved by the Board.

Mr. Piché said a new contribution rate is needed in order to meet the eight per cent average contribution rate by both employees and the University. The new contribution rate for all member contributions will be 6.95% for Pensionable Earnings below the YAMPE and 10.60% of Pensionable Earnings above YAMPE in order to meet the average of eight per cent. The contribution rate change will apply to active employees at each of the employers who continue to participate in the Plan on and after January 1, 2023, including LUFA, LUSU, Laurentian University Administrative and Professional Staff Association, senior leaders and designated executives.

RESOLUTION: Moved by Robert Brouillette and seconded by Vernon Cameron.

THAT the Board of Governors approve Amendment No. 2 as presented at its meeting of December 2, 2022; and

Carried unanimously.

6.2 Endowment Policy

Mr. Harquail invited Interim Vice-President, Finance and Administration, Michel Piché, to present this item. Mr. Piché provided some historical information regarding the process taken to develop this new endowment policy. Mr. Piché added all endowment accounts were reviewed going back to 2007 and based on that review the endowment accounts were updated in the fiscal year 2021 and at that time the University committed to develop a new endowment policy and to update its Statement of Investment Policy and Procedures (SIPP). This proposed endowment policy was presented to the Finance Committee on November 21, 2022 and was developed based on best practices in the sector. Mr. Piché highlighted some of the significant aspects of the policy.

As a donor to the University, Mr. David Harquail declared his conflict of interest with respect to this discussion.

RESOLUTION: Moved by Vernon Cameron and seconded by André Guay.

THAT the Board of Governors approve the Endowment Policy, as presented at its meeting of December 2, 2022.

Carried. Mr. David Harquail abstained.

6.3 Amended Statement of Investment Policy and Procedures (SIPP) for Endowment and other Long-Term Investments

Mr. Harquail invited Interim Vice-President, Finance and Administration, Michel Piché, to provide more information about this item. On December 13, 2019, the Board of Governors approved the current SIPP. This SIPP applies to the assets held in the Endowment Fund and other long-term investments. The policy reflects investment objectives, investment guidelines, and monitoring responsibilities. Mr. Piché provided further context explaining with the current agreement to transfer the investments for the endowments of the Northern Ontario School of Medicine (NOSM) held by Laurentian, the University asked SEI to perform a strategic asset allocation to provide the most consistent risk-adjusted return across various market environments. As a result, SEI performed an asset allocation review, presented on Nov 21, 2022 to the Finance Committee and provided changes to the existing policy to adjust the tolerance band between public markets and alternatives and to provide additional definitions. These changes are for the Board to approve.

RESOLUTION: Moved by Robert Brouillette and seconded by Vernon Cameron.

THAT the Board of Governors approve the Statement of Investment Policy and Procedures (SIPP) for Endowment and other Long-Term Investments as presented at its meeting of December 2, 2022 Board of Governors Meeting.

Carried unanimously.

6.4 Endowment Fund Distribution Rate for 2022-2023 and 2023-2024

Mr. Harquail invited Interim Vice-President, Finance and Administration, Michel Piché, to provide more information about this item. As a result of market risks related to COVID and CCAA proceedings, up to 2% of the value of the endowment funds was distributed during 2020-21, and no funds were distributed during 2021-22. Total Laurentian endowments on April 30th, 2022, amounted to \$46.3 million of which \$37.1 million were donated funds and \$9.2 million (19.9%) related to accumulated investment income.

Mr. Piche stated that Finance reviews the endowment distribution rate annually and takes into consideration student needs, accumulated investment income, and expected market returns from the Endowment Statement of Investment Policy and Procedures.

Approving this recommended rate for 2022-23 and 2023-24 would provide budget clarity in hopes of contributing to meaningful/measurable strategic planning as Student Awards focus on allocating scholarships and bursaries to recruit and retain students. This will also allow Departments and Schools to help recruit and retain students.

RESOLUTION: Moved by Robert Brouillette and seconded by Tammy Eger.

THAT the Board of Governors approve an Endowment Fund Spending Rate for 2022-2023 and 2023-24 as follows:

- a total Endowment Fund distribution rate of 2.5% for the period ending April 30, 2023 (“First Period”)
- a total Endowment Fund distribution rate of 2.5% for the period from May 1, 2023 to April 30, 2024 (“Second Period”);
- unused distributions from the First Period may be carried over to the Second Period;

- October 31, 2022 endowment valuations will be used as the basis for the calculations
- individual endowment distributions will be limited should they encroach on original capital contributions

INFORMATION ITEMS

7.1 Financial Update

The Chair invited Interim Vice-President, Finance and Administration, Michel Piché to provide an update on this item. Mr. Piché provided an overview of the Financial Update report, as distributed in the agenda package. Mr. Piché explained this report was presented to the Finance Committee at its meeting on November 21, 2022. Mr. Piché outlined the University's cash position since February 1, 2021 to the beginning of the CCAA process. The report included the operating and segregated cash balances, which are separately listed. The operating cash balance are funds to be used to support the operation. Mr. Piché highlighted the quarterly cash flow amounts, the total operating cash balance (as of the end of October, 2022), the endowment fund, and the Fall 2022 total FTE enrolment results stating they are tracked favorably as projected previously submitted to the Ministry of Colleges and Universities.

Mr. Piché also noted the University planning framework that will be used to develop a budget for the next fiscal year. He added faculty, administration, senior leaders and labour partners will be meeting soon to begin discussion for the 2023-2024 budget.

A discussion ensued from a question asked by Tom Fenske regarding the total amounts of the salaries and benefits expenses noting there is a significant difference between the actual and projected totals and asked if these amounts are going to be realized at future discussions of the hiring of faculty and staffing positions.

Interim President and Vice-Chancellor, Dr. Tammy Eger stated that discussions will be taking place to identify where the staffing gaps are and how to ensure they are filled in order to do the work that is described in the Plan of Arrangement and the recommendations outlined by the Auditor General and the NOUS reports.

Interim Provost & Vice-President Academic, Dr. Céline Larivière added that additional conversations with labour partners would be had regarding faculty positions and the critical areas that require faculty hires. There is a tentative plan related to the process of faculty hiring that will be shared with the labour partners and aiming to action it in the new year.

A discussion ensued when Fabrice Colin expressed his surprise to see micro-credentials in the Laurentian financial plan (LU3.1) as he had no recollection that this had never been approved (or even discussed) at Senate. Mr. Colin added the approval of micro-credentials would fall under the purview and authority of Senate.

Mr. Colin also suggested implementing a one-year exchange program with other Universities. He used the example of Erasmus exchange program in Europe which fosters one-year exchanges in Europe as a way to attract more students to Laurentian. Such initiatives need to be brought forward to the Senate. The Chair welcomed Mr. Colin's suggestions and added it is a work in progress regarding the collaboration with Board and Senate and is part of the Governance review, as part of the transformative work needed for Laurentian.

8. Chair's Items

The Chair recognized and thanked the efforts of Interim President and Vice-Chancellor, Dr. Tammy Eger, for the hard work she has done in her interim role. He mentioned that Laurentian is going

through a period of healing but that we're moving forward. Also, there will soon be an announcement of the arrival of a new Interim President and Interim Provost.

Mr. Bangs also noted the announcement of three new Board members - André Guay, Aaron Barry and Angela Recollet. He also recognized the new Governor Laura Kurkimaki who recently joined the Board. Recruitment for additional Governors is still underway with more vacancies to fill.

Mr. Bangs also announced the upcoming departure of Vice-Chair Robert Brouillette, with his last day being December 16, 2022, as well as Interim University Secretary Kathleen Kwan will be leaving. Mark Johnson will be her replacement. He thanked Mr. Brouillette and Ms. Kwan for all of their dedication and tireless efforts.

9.1 President's Report

The Chair invited Interim President and Vice-Chancellor, Dr. Tammy Eger, to present her report. Dr. Eger highlighted several initiatives of staff, faculty and students at Laurentian and noted their dedication despite the challenges of going through CCAA proceedings. Dr. Eger noted initiatives of the Faculty of Education and Health, the Faculty of Arts, and the Indigenous Research Institute.

Dr. Eger provided other examples such as Assistant Professor, Dr. Shannon Bassett with the McEwan School of Architecture through scholarships awarded to students in India, a renowned architect guest from India was able to come to the University to be a judge on some of the projects that the Architecture students had completed. She also recognized the work done from the Faculty of Science and Engineering and Architecture done by Associate Professor, Dr. Brent Lievers with his design engineering challenge for his students.

OTHER BUSINESS

The Chair, in consultation with Interim University Secretary, Kathleen Kwan, advised there was no other business.

ADJOURNMENT

Having exhausted the items on the agenda Mr. Jeff Bangs, Chair adjourned the meeting at 1:01 pm.

Jeff Bangs, Chair

Mark Johnson, Interim University Secretary

BOARD OF GOVERNORS
Minutes of the Special Meeting of November 30, 2022
5:30 p.m., Via Zoom

Present	Absent
<p><u>Voting Members Present</u> Bangs, Jeff, Chair Barry, Aaron Brouillette, Robert Cameron, Vernon Eger, Tammy, Interim President and Vice-Chancellor and Vice-President, Research Guay, André Kurkimaki, Laura</p> <p><u>Non-Voting Members Present</u> Kwan, Kathleen, University Secretary (Interim) Johnson, Mark, Incoming University Secretary (Interim)</p> <p><u>Also in attendance (Resources):</u> Hodgson, Ann, Associate University Secretary (Interim) Kennedy, Michael, Counsel, Hicks Morley Rocca, Gina, Executive Assistant (Interim)</p>	<p><u>Voting Members Absent</u> Duval, Don Harquail, David McCue, Meghan (GSA)</p>

CLOSED SESSION

The Chair of the Board of Governors (“the Board”), Mr. Jeff Bangs, called the closed session to order at 5:37 pm. and confirmed quorum. Mr. Bangs then invited Vernon Cameron to open the meeting by acknowledging the Robinson-Huron Treaty of 1850 and recognize that Laurentian University is in the traditional lands of the Atikameksheng Anishnawbek.

MOTION: Moved by Robert Brouillette and seconded by Vernon Cameron.

THAT the meeting of the Board of Governors move to closed session.

Carried by unanimous consent

CLOSED ACTION AND INFORMATION ITEMS

1. Adoption of Agenda

Mr. Bangs asked for a motion to approve the agenda as presented.

RESOLUTION: Moved by Robert Brouillette and seconded by André Guay.

That the agenda be approved as presented.

Carried by unanimous consent.

2. Declaration of Conflicts of Interest

The Chair of the Board invited members of the Board to declare any conflicts of interest. The Chair in consultation with the University Secretary (Interim) noted that Interim President and Vice-Chancellor, Dr. Tammy Eger, excused herself from the meeting due to her conflict with Item 3.

3. Human Resources Matters
Senior Leadership Transition

The Chair provided the Board with a summary of the process by which Dr. Sheila Embleton and Dr. Brenda Brouwer came to become the recommended choices for President (Interim) and Provost and Vice-President Academic (Interim) of the University respectively. He referred to the memo provided in the package that outlines the history of the searches, the exemptions to the salary limits imposed upon Laurentian, and their proposed agreements.

The Chair invited external counsel, Michael Kennedy of the law firm Hicks Morley, to provide an overview of the agreements. Mr. Kennedy walked through the high points of the proposed agreements, their secondment status, and the salary exemptions.

The Chair noted that the unions had been consulted on the appointments and were supportive of them.

RESOLUTION: Moved by Robert Brouillette and seconded by Vernon Cameron:

BE IT RESOLVED,

THAT the Board of Governors approve the appointment of Dr. Sheila Embleton as Interim President and Vice-Chancellor from January 1, 2023 until such time as a new President is appointed and the successor assumes office, as presented at its meeting of November 30, 2022.

BE IT RESOLVED,

THAT the Board of Governors approve the compensation of Dr. Sheila Embleton as Interim President and Vice-Chancellor effective January 1, 2023 until such time as a new President is appointed and the successor assumes office, at a salary of \$340,000.00, paid monthly on a prorated basis, as presented at its meeting of November 30, 2022.

Carried by unanimous consent

RESOLUTION: Moved by Vernon Cameron and seconded by Robert Brouillette

BE IT RESOLVED,

THAT the Board of Governors approve the appointment of Dr. Brenda Brouwer as Interim Provost and Vice-President, Academic from January 1, 2023 until such time as a new Provost and Vice-President, Academic is appointed and the successor assumes office, as presented at its meeting of November 30, 2022.

BE IT RESOLVED,

THAT the Board of Governors approve the compensation of Dr. Brenda Brouwer as Interim Provost and Vice-President, Academic effective January 1, 2023, at a salary of \$334,793.00, paid monthly on a prorated basis, as presented at its meeting of November 30, 2022.

Carried by unanimous consent.

4. Nominating Committee Recommendations:

Appointment of New Board of Governor, Angela Recollet

Mr. Robert Brouillette, Chair of the Nominating Committee presented this item and provided an overview of the discussions held at the Nominating Committee regarding this nominee. He mentioned her work experience, skills, knowledge of Laurentian University as she is a former employee, and deep community involvement.

RESOLUTION: Moved by Laura Kurkimaki and seconded by Vernon Cameron.

WHEREAS in accordance with article 2. i. of General Bylaws (“Bylaws”), ten (10) members of the Board shall be named by the Nominating Committee of Laurentian University;

WHEREAS in accordance with article 2. iii. a) of the Bylaws “all members except the person elected from student nominations shall hold office for a period of three years, ending on the day after the annual meeting in a year named in such appointments.”

BE IT RESOLVED,

THAT the Board of Governors approve the appointment of ANGELA RECOLLET as a member of the Board of Governors for a term of three (3) years to commence upon approval by the Board, as recommended at its meeting of November 30, 2022.

Carried by unanimous consent.

MOTION: Moved by Vernon Cameron and seconded by Robert Brouillette.

THAT the meeting of the Board of Governors move out of closed session.

Carried unanimously

ADJOURNMENT

5. Adjournment of Closed Session

Having completed the agenda, the meeting of the Board of Governors was adjourned at 6:17 p.m.

Jeff Bangs, Chair

Mark Johnson, University Secretary (Interim)



MEMORANDUM

DATE: February 17, 2023
TO: Board of Governors
FROM: Mark Johnson, Interim University Secretary
SUBJECT: **Revision to the JCoB Terms of Reference**

Standing committees of the Board of Governors should periodically review their terms of reference regarding mandate and membership to ensure that they have appropriate levels of delegation from the board and that they are functioning to meet the needs of the University.

A recent review of the current Joint Committee on Bilingualism Terms of Reference indicates that the terms were last amended by the Board on September 27, 2016.

To ensure a timely refresh of the Terms, it is recommended by the University Secretary that at the Board of Governors meeting of February 17, 2023, consider and approve the proposed changes to the Terms as presented.

Once the Board has completed a more thorough review of the NOUS recommendations further amendments to all Board Standing Committees' terms of references may be required.

JOINT COMMITTEE ON BILINGUALISM

Terms of Reference

The Joint Committee on Bilingualism is charged with the responsibility of evaluating progress in the implementation of the *Policy on Bilingualism* at Laurentian University. To this end, it will inform the Board on a regular basis and submit an annual report to the Board and to Senate. The Board and Senate will ensure that the Joint Committee has significant representation from both official language groups.

The Joint Committee on Bilingualism has as its mandate to promote bilingualism at Laurentian University and to make appropriate recommendations to Senate and to the Board of Governors and more specifically:

- (a) advise the President and Vice-Chancellor on official language matters at the University;
- (b) make recommendations to Senate and the Board of Governors on official language matters at the University;
- (c) recommend modifications to the list of bilingual positions at the University;
- (d) review the annual report of the President justifying exceptions to the policy with respect to the staffing of bilingual positions;
- (e) periodically review (and at least every five (5) years) the Policy on Bilingualism at the University and propose changes, as required;
- (f) undertake any other function which may unfold from its mandate.

The Joint Committee on Bilingualism shall meet at least once per semester (fall and winter).

Quorum for the Joint Committee on Bilingualism is five (5) members, three (3) of which must be voting Board members in accordance with the General Bylaws of the Board of Governors of Laurentian University.

In the course of its duties, the Joint Committee on Bilingualism can create subcommittees.

Composition of Voting Members

4 Board members

4 members appointed by Senate, including one (1) faculty member, one (1) student and one (1) member of the non-academic support staff

President and Vice-Chancellor (ex officio)

Chair of the Board of Governors (ex officio)

Vice-Chair of the Board of Governors (ex officio)

Composition of Non-Voting Members

Associate Vice-President, Academic and Francophone Affairs (ex officio)

Vice-President, Academic and Provost (ex officio)

University Secretary ~~and General Counsel~~ (ex officio)

Terms revised by the Board of Governors [February 17, 2023] – subject to approval

Terms revised by the Executive committee, in exercising all the powers of the Board, on September 27, 2016

Terms revised by the Executive Committee, in exercising all the powers of the Board, on March 25, 2014

Terms revised by the Board of Governors June 24, 2011

Terms revised by the Board of Governors February 10, 2001

Terms revised by the Board of Governors in 1992

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FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Joint Committee on Bilingualism

Re: Revised Committee Terms of Reference

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

THAT the Board of Governors approve the revised Joint Committee on Bilingualism Terms of Reference as presented at its meeting of February 17, 2023, to become effective immediately upon approval.

University Secretary (Interim)



MEMORANDUM

DATE: February 17, 2023
TO: Board of Governors
FROM: Mark Johnson, Interim University Secretary
SUBJECT: **Revision to the PDPC Terms of Reference**

Standing committees of the Board of Governors should periodically review their terms of reference regarding mandate and membership to ensure that they have appropriate levels of delegation from the board and that they are functioning to meet the needs of the University.

To ensure a timely refresh of the Terms, it is recommended by the University Secretary that at the Board of Governors meeting of February 17, 2023, consider and approve the proposed changes to the Terms as presented.

Once the Board has completed a more thorough review of the NOUS recommendations further amendments to all Board Standing Committees' terms of references may be required.

PROPERTY DEVELOPMENT AND PLANNING COMMITTEE

Terms of Reference

Authority

1. The *Property Development and Planning Committee* (the “Committee”) is a standing committee created by and responsible to the Board of Governors (the “Board”) of Laurentian University (the “University”).

Mandate of the Committee

2. The Committee shall monitor, evaluate and advise and make recommendations for the consideration of the Board with respect to the land and immovable property (“property”) of the University including principles, planning and policies, in accordance with the University’s mission and strategic plan, the *Decision-Making Requirements Associated with Current and Future Capital Projects*, and the principles and recommendations contained in the *Laurentian University 30 Year Campus Plan Guidelines 1993 - 2023*, as amended from time to time. In addition, the Committee shall consider any other property matter delegated to the Committee by the Board. Without limiting the generality of the foregoing, the Committee is mandated to review and make recommendations with respect to:
 - a. Campus planning and development, including: the use, acquisition or disposal of property, and the siting of new buildings and roads;
 - b. Proposals relating to the use and development of property, construction and renovation contracts (including amendments);
 - c. Proposals for the acquisition, disposition, encumbrance or lease of property;
 - d. Master plans or guidelines or amendments thereto;
 - e. Policies that govern the acquisition, disposal or lease of property;
 - f. The acceptance of donations of property to the University;
 - g. Standards and processes for the administration of property submissions and proposals;
 - h. The real estate portfolio of the University, giving advice and making recommendations with regard to long term planning and necessary actions;
 - i. The appointment of architects, engineer and other consultants.
3. Once construction and maintenance projects have been approved by the Board, the Committee may exercise authority delegated to it by a resolution of the Board with regard to appointment of architects and consultants, approval of designs and award of contracts.
4. Close communication is required between the *Property Development and Planning Committee* and the *Finance Committee* with regard to financing of proposed projects. This Committee may meet jointly with the *Finance Committee* or request information or reports from the Chair of the *Finance Committee*, as required.

Composition of Voting Members

4 Board Members
Chair of the Board (ex officio)
Vice-Chair of the Board (ex officio)
President and Vice-Chancellor (ex officio)

2 additional external members with expertise in construction, property development or property administration, appointed by the Board.

Composition of Non-Voting Members

Director of ~~Physical Plant and Planning~~ Operations and Maintenance (ex officio)

University Secretary ~~and General Counsel~~ (ex officio)

Vice-President, Finance and Administration (ex officio)

Terms of Reference revised by the Board of Governors on [February 17, 2023] (subject to approval)

Terms of Reference revised by the Board of Governors on June 24, 2011.

Resolution creating the Committee and approving the Terms of Reference passed by the Board on October 16, 2009. This Resolution abolishes the standing Committees formerly known as the *Property Development Committee* and the *Building and Planning Committee*.

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2 additional external members with expertise in construction, property development or property administration, appointed by the Board.

Composition of Non-Voting Members

Director of Operations and Maintenance (ex officio)

University (ex officio)

Vice-President, Finance and Administration (ex officio)

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Resolution creating the Committee and approving the Terms of Reference passed by the Board on October 16, 2009. This Resolution abolishes the standing Committees formerly known as the *Property Development Committee* and the *Building and Planning Committee*.

FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Property Development and Planning Committee

Re: Revised Committee Terms of Reference

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

THAT the Board of Governors approve the revised Property Development and Planning Committee Terms of Reference as presented at its meeting of February 17, 2023 to become effective immediately upon approval.

University Secretary (Interim)

Finance Committee

Financial Update

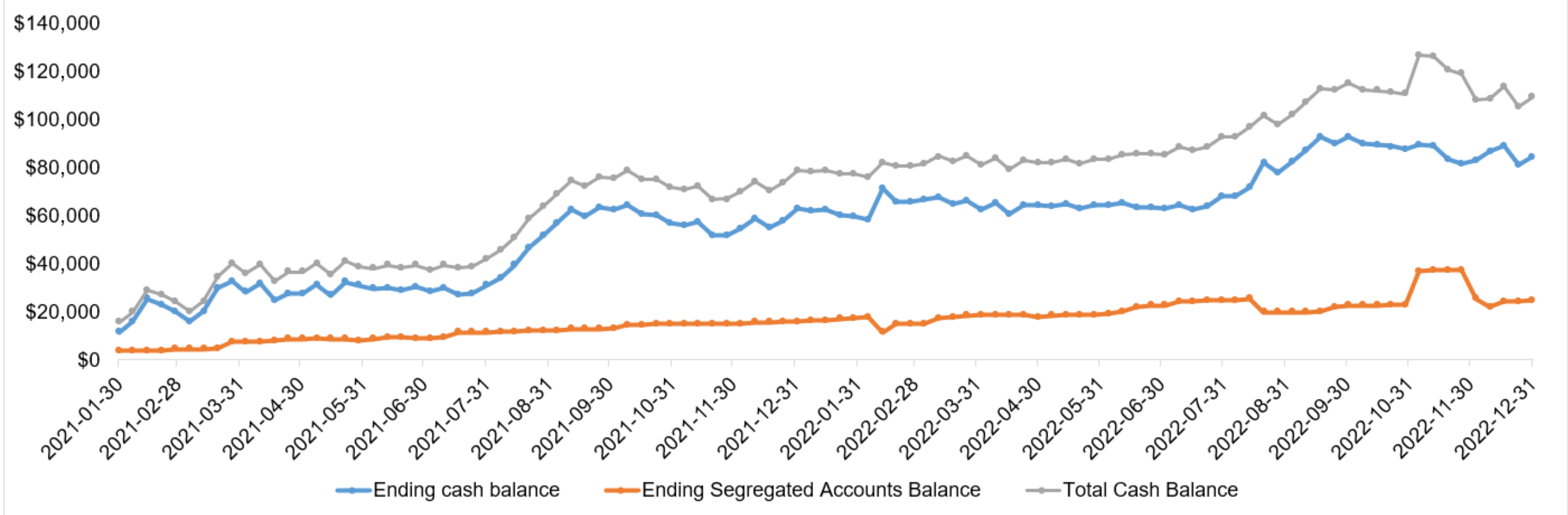


Laurentian University Université Laurentienne

February 2023

Laurentian Cash Balances January 2021 to December 2022 (\$000)

Weekly Cash Flow Actual
January 2021 to December 2022
\$000



Cash Flow Summary

February 2021 to December 2022

(\$000)



	Feb - Apr 21	May - Jul 21	Aug - Oct 21	Nov 21 - Jan 22	Feb - Apr 22	May - Jul 22	Aug - Oct 22	Nov - Dec 22
Receipts	35,402	39,130	63,952	48,307	42,348	40,807	60,705	32,714
Operating Disbursements	42,839	33,777	37,513	42,403	34,820	38,799	33,325	27,651
Net Operating Cash Flow	7,427	5,352	34,121	5,904	7,529	2,008	27,380	5,063
Non-Operating Receipts/Disbursements	2,835	4,917	7,161	4,908	3,468	2,482	3,633	7,904
Net Cash Receipts	10,262	436	26,439	995	4,061	474	23,748	2,841
Ending Cash Balance**	27,705	27,405	59,962	60,238	64,209	63,642	87,297	84,434
DIP Financing	25,000	25,000	35,000	35,000	35,000	35,000	35,000	35,000
Available Liquidity	37,705	37,405	59,962	60,238	64,209	63,642	87,297	84,434
Endowment Fund Balance	60,762	63,906	63,634	61,024	61,744	61,446	59,252	50,274
Segregated Accounts Balance	8,602	11,162	14,759	16,981	18,807	24,684	22,824	24,479

**** Excludes Segregated Accounts Balance**

Cash Forecast

January – April 2023

(\$000)



	January (2 Week Actual + 2 Week Forecast)	February	March	April
Receipts	15,195	11,175	13,038	9,597
Operating Disbursements	11,593	12,734	19,245	9,729
Net Operating Cash Flow	3,602	1,559	6,208	132
Non-Operating Receipts/Disbursements	2,310	1,957	1,500	2,346
Net Cash Receipts	1,292	3,516	7,708	2,478
Ending Cash Balance**	85,726	82,210	74,502	72,024
DIP Financing	35,000	35,000	35,000	35,000
Available Liquidity	85,726	82,210	74,502	72,024
Endowment Fund Balance	50,274	50,274	50,274	50,274
Segregated Accounts Balance	20,718	21,254	21,942	20,370

Official 2022 Fall FTE Enrolment



Laurentian University
Université Laurentienne

Fall FTE Enrolment*			Official Enrolment				Deltas						Planned Enrolments (5-Year Financial Plan)					
			Historic			Current	YoY change		Acheived compared to Planned		Planned YoY change							
Immigration Status	Academic Group	Admit Type	2019	2020	2021	2022	Delta 2022 Official vs 2021 Official		Delta 2022 Official vs 2022 Planned		Delta 2022 Planned vs 2021 Official		YR 1	YR 2	YR 3	YR 4	YR 5	
													2022	2023	2024	2025	2026	
Domestic	Undergraduate	New	1,695	1,765	1,195	1,176	- 19	-2%	209	22%	- 228	-19%	967	1,031	1,124	1,228	1,360	
		Returning	4,075	4,165	3,763	3,457	- 307	-8%	172	5%	- 478	-13%	3,285	2,913	2,741	2,712	2,787	
		Total	5,770	5,930	4,959	4,633	- 326	-7%	381	9%	- 707	-14%	4,252	3,944	3,865	3,940	4,147	
	Graduate	New	186	265	159	210	51	32%	83	66%	- 32	-20%	127	153	183	220	264	
		Returning	405	373	395	331	- 64	-16%	- 10	-3%	- 54	-14%	341	289	294	322	369	
		Total	590	638	554	542	- 13	-2%	74	16%	- 86	-16%	468	442	477	542	633	
	Total	6,360	6,568	5,513	5,175	- 338	-6%	455	10%	- 793	-14%	4,720	4,386	4,342	4,482	4,780		
	International	Undergraduate	New	97	99	60	54	- 6	-10%	6	13%	- 12	-20%	48	51	57	62	72
			Returning	216	231	230	185	- 45	-20%	- 7	-4%	- 38	-16%	192	172	168	168	172
Total			313	330	290	239	- 51	-18%	- 1	-1%	- 50	-17%	240	223	225	230	244	
Graduate		New	48	56	46	155	109	235%	119	331%	- 10	-22%	36	42	50	63	81	
		Returning	112	136	147	161	14	10%	14	9%	0	0%	147	148	153	164	183	
		Total	161	192	193	316	123	64%	133	73%	- 10	-5%	183	190	203	226	264	
Total		474	521	483	555	72	15%	132	31%	- 60	-12%	423	413	428	456	507		
Grand Total	6,834	7,090	5,995	5,729	- 266	-4%	586	11%	- 852	-14%	5,143	4,799	4,770	4,938	5,287			

*total may not add up due rounding and aggregation at a higher level

Preliminary FTE Enrolment - Winter 2023

As of the First Day of Winter Term Classes



Laurentian University
Université Laurentienne

Immigration Status	Academic Group	Admit Type	2022W	2023W	YoY change
Domestic	Undergraduate	New	170	157	-8%
		Returning	4,747	4,435	-7%
		Total	4,917	4,592	-7%
	Graduate	New	20	12	-40%
		Returning	475	469	-1%
		Total	494	481	-3%
Total			5,411	5,072	-6%
Visa	Undergraduate	New	21	32	47%
		Returning	249	217	-13%
		Total	271	249	-8%
	Graduate	New	32	213	566%
		Returning	155	246	59%
		Total	187	459	146%
Total			458	708	55%
Grand Total			5,869	5,780	-2%

Preliminary FTE Enrolment - Winter 2023



Laurentian University
Université Laurentienne

Winter terms (year over year)

Comparing the first day of winter term classes year over year:

- Overall, preliminary headcount and FTE winter enrolments are down -2%
- Currently this is less of a decrease (year over year) than the fall term (-4%), however, add/drop is on January 20th and final withdrawal (without academic penalty) is March 3rd, 2023.

A high-level breakdown of overall preliminary FTE Enrolment for Winter 2023:

- Undergraduate -7%
- Graduate +38%
- New +70%
- Returning -5%
- Domestic -6%
- International +55%
- Laurentian is seeing a significant **increase in international graduate students** (+146% or 272 FTE), particularly in new international graduate students (+566% or 181 FTE), but also in returning international graduate students (59% or 91 FTE).
- New international undergraduate students are seeing an increase (+47% or 11 FTE), however this represents a small portion of the overall student population.

It is important to note that these FTE enrolments are preliminary and are subject to change in the Official February 1st enrolment submitted to MCU on March 1st, 2023.

Laurentian Endowment Fund (SEI) Investment Returns to Dec 31, 2022



Investment returns - annualized

Laurentian University of Sudbury

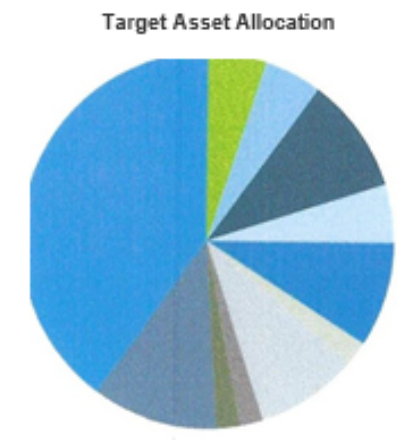
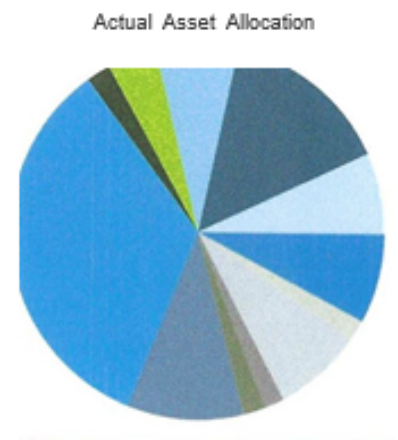
For month ending: 12/31/2022

	Total Assets (\$)	Actual Alloc (%)	Cumulative (%)			Returns for periods ending 12/31/2022					Inception 3/31/2005
			1 Month	3 Month	YTD	Trailing Years (%)					
						1 Year	3 Year	5 Year	7 Year	10 year	
Total Portfolio Return	\$47,234,249	100	-1.11	3.79	-6.53	-6.53	3.19	3.76	4.58	5.72	5.65
Total Portfolio Return Net			-1.11	3.68	-6.92	-6.92	2.80	3.38	4.20	5.34	5.27
Total Portfolio Blended Index			-1.77	3.53	-7.01	-7.01	2.76	3.57	4.66	5.32	5.41
Total Equity	\$14,592,899	31.0	-3.27	10.32	-7.62	-7.62	8.49	8.49	8.49	8.49	8.49
Canadian Equity Fund	\$3,623,344	7.7	-4.63	6.72	-3.47	-3.47	8.59	7.00	8.34	8.30	7.18
<i>S&P/TSX Cap Composite Index (CAD)</i>			-4.90	5.06	-5.81	-5.84	7.54	6.85	9.10	7.74	7.07
Canadian Small Co Equity Fund	\$837,716	1.8	-2.20	8.17	-9.28	-9.28	7.71	5.26	7.30	7.55	6.91
<i>S&P/TSX/Nesbitt Small Cap Index Blended</i>			-1.84	8.37	-9.29	-9.29	7.00	3.04	7.44	4.18	4.05
US Large Co Equity Fund	\$3,672,030	7.8	-4.94	8.71	-8.00	-8.00	7.85	9.16	8.88	14.33	8.74
<i>Russell Custom 1000 Index (Net 15%) (CAD)</i>			-5.80	5.66	-13.40	-13.40	8.68	10.57	10.57	15.57	9.48
US Small Co Equity Fund	\$804,085	1.7	-5.83	9.36	-9.71	-9.71	3.33				5.36
<i>Russell 2500/2000 Index Blended (CAD)</i>			6.02	5.87	-12.04	-12.04	6.33				8.10
Emerging Markets Equity Fund	\$880,563	1.9	-2.79	9.19	-14.98	-14.98	-0.82	0.20	5.47	5.59	6.30
<i>MSCI Emerging Markets Index (Net) (CAD)</i>			-1.40	8.18	-14.28	14.28	-1.20	0.16	4.79	4.01	6.38
World Equity Ex-US Fund	\$4,775,161	10.1	-1.14	14.36	-10.73	-10.73	2.35				4.96
<i>MSCI ACWI ex US Index (Net) (CAD)</i>			-0.80	12.70	-9.90	-9.90	1.55				4.05

Laurentian Endowment Fund (SEI) Investment Returns to Dec 31, 2022

Asset allocation

Laurentian University of Sudbury
For month ending: 12/31/2022



Security	% Actual	% Target	11/30/2022 Market Value	12/31/2022 Market Value
Money Market Fund	2.1	0.0	\$1,003,471	\$1,006,890
US High Yield Bond Fund Hedged	4.2	5.0	\$2,007,796	\$1,988,481
Bentall Kennedy Real Estate Fund	7.2	5.0	\$3,410,193	\$3,380,556
IFM Global Infrastructure LP	14.7	10.0	\$6,775,223	\$6,954,996
Structured Credit Fund	7.0	5.0	\$3,232,332	\$3,291,833
Total	100	100	\$47,767,722	\$47,234,249

Employee Retirement Fund (Eckler)

Investment Returns to Dec 31, 2022

	Estimated Return as of December 31, 2022		
	Q4 2022	1 Year	4-Year
Total Fund	3.09%	-7.48%	6.98%
Benchmark	3.82%	-6.27%	6.87%
Mawer Total Portfolio	6.38%	-10.42%	7.50%
Benchmark	5.37%	-9.56%	7.44%
PH&N Core Plus Bond Fund	0.63%	-11.22%	-
FTSE Canada Universe Bond Index	0.10%	-11.69%	-
RBC Global Equity Focus Fund	5.49%	-19.45%	-
MSCI World Index	8.24%	-12.19%	-
Addenda Commercial Mortgage Pooled Fund	0.74%	-1.00%	2.73%
FTSE Short Bond + 0.5%	0.67%	-4.04%	0.79%
TD Greystone Real Estate Fund	-1.19%	7.41%	7.03%
MSCI/REALpac Canada Property Index	1.04%	5.60%	3.96%
JPMorgan Infrastructure (C\$) ¹	9.50%	12.35%	8.83%
CPI + 4.5%			
Macquarie Infrastructure (C\$) ²	6.78%	11.03%	10.67%
CPI + 5%			

(1) As of September 30, 2022

(2) As of June 30, 2022

Employee Retirement Fund (Eckler)

Investment Returns to Dec 31, 2022



	Canadian Equities	U.S. Equities	International Equities	Global Equities	Canadian Bonds	Core Plus Bonds	Mortgage	Real Estate	Infrastructure	Cash & Short Term	Total Market Value
Mawer	56,853,701	32,630,495	29,378,443	8,409,016	31,404,719					7,778,668	166,455,042
PH&N				80,292,849		63,365,111					143,657,960
Addenda							20,397,120			2,271,645	22,668,765
TDAM								53,421,255			53,421,255
Macquarie (1)									25,930,137		25,930,137
JP Morgan (1)									27,153,377		27,153,377
RBC (Currency Hedging) (1)											585,059
Cash Account										3,980,399	3,980,399
Total											443,851,994
% Allocation	12.8%	7.4%	6.6%	20.0%	7.1%	14.3%	4.6%	12.0%	12.0%	3.2%	
Target Allocation	15.0%		30.0%			30.0%	5.0%	10.0%	10.0%	0.0%	

(1) Based on November 30, 2022 custody statements from RBC Investor & Treasury Services



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title	External Audit Plan for Year Ending April 30, 2023
Open/Closed session:	OPEN
Action Requested:	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by:	AUDIT COMMITTEE
Presenter(s):	- Committee Chair, Mr. Vernon Cameron - Vice-President Finance and Administration, Mr. Michel Piché

1. PURPOSE

To review and approve Laurentian 2022-23 year-end Audit Plan.

SYNOPSIS

Laurentian is required to undergo an external audit of its financial statements on an annual basis. In May 2022, BDO was selected as the University’s external auditor by the Board of Governors for the fiscal years ending April 30, 2022, to April 30, 2027 (5-year period).

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success

The university financial reporting requirements include the audit of several financial statements, which are relied upon by various external users. These users include the Ministry of Training, Colleges and Universities, the Council of Ontario Finance Officers (COFO), the Canadian Association of University Business Officers (CAUBO), financial institutions, and the Canada Revenue Agency. The university is in full compliance with its external reporting requirements. Annual audited financial reporting is also required to comply with the University’s legal corporate requirements and is part of ensuring sound financial and operational management of the University. The audit plan and completion of the external audits mitigate the financial, regulatory, and reputational risks posed by failing to comply with accounting standards and stated reporting requirements.

Reputational risks would relate to misstatements or non-disclosures in the university's financial statements, particularly if a qualified opinion was received by the external auditor. Management's use of experienced and qualified staff to prepare the financial statements, as well as ongoing communications with the external auditors to ensure new standards are implemented, serve to minimize such risks.

3. RECOMMENDATIONS

A Background/Issue Description

The annual financial statements are prepared and presented in accordance with the Canadian accounting standards for not-for-profit organizations by the university's management. The role of BDO, as external auditors, is to express an opinion on whether we have prepared these statements in accordance with these standards.

The year-end audit work includes assurance on the issuance of the financial statements and management letter by the University along with an Audit Findings Report that includes key audit and accounting issues, along with significant deficiencies in internal control and any other significant matters arising from the audit. The Audit Planning Report (attached) describes the approach for the audit, the significant risks identified and related to the audit,

Materiality, defined as the level at which a misstatement would reasonably influence a user of the financial statements, is set at \$1.5 million, based on 1.5% of prior year normalized expenditures.

B. Recommendation

THAT the Board of Governors approve the **Proposed External Audit Plan for Year Ending April 30, 2023**, as presented at its meeting of February 17, 2023.

C. Other options considered (*where applicable*):

Not applicable.

D. Risks including legislative compliance

Legislative Compliance and Jurisdiction	<ul style="list-style-type: none"> - General Bylaws of the Board of Governors - Audit Committee Terms of Reference, Section 2
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E. Financial Implications (*where applicable*):

Not applicable.

F. Benefits

Not applicable.

G. Consultations

Not applicable

H. Next Steps (*include timelines and if approval granted and/or if for information*)

Subject to the approval of the Board of Governors.

I. Appendices (*where applicable with each to be numbered sequentially*)

BDO Audit Planning Report

Laurentian University of Sudbury

Audit planning report to the Audit Committee
for the year ended April 30, 2023

START



To the Audit Committee of Laurentian University of Sudbury

We are pleased to provide you with this planning report to highlight and explain key issues which we believe to be relevant to the audit of Laurentian University of Sudbury (the “University”) financial statements for the year ended April 30, 2023.

The enclosed planning report includes our approach to your audit, the significant risks we have identified and the terms of our engagement. At the year-end meeting, we will provide you with a copy of our draft audit opinion and discuss the nature, extent and results of our audit work. We will also report any significant internal control deficiencies identified during our audit and reconfirm our independence.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Audit Committee in fulfilling its responsibilities. This report has been prepared solely for the use of the Audit Committee and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We look forward to completing our draft audit report opinion and discussing our conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

BDO Canada LLP
January 23, 2023



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- 1 Your dedicated BDO audit team
- 2 Audit timeline
- 3 Auditor's responsibilities
- 4 Significant risks and planned responses
- 5 Planned scope
- 6 How we audit financial statements
- 7 Our audit approach
- 8 BDO's digital audit suite
- 9 Recommended resources
- 10 Appendices

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Audit at a glance



LEAD
PARTNER
ON YOUR
AUDIT

Marcus Sconci
CPA, CA

E: msconci@bdo.ca

T: 905-272-7830



START
DATE

July 10, 2023



END DATE

July 21, 2023

Your dedicated BDO audit team



Marcus Sconci, CPA, CA

T: 905-272-7830
E: msconci@bdo.ca

Marcus has over 20 years of audit experience, with a focus on clients in the not-for-profit and education sectors. He is BDO Canada's Education Subsector Industry Leader.

Marcus will be the Engagement Partner for your assurance services. He will assume ultimate responsibility for the provision of all services, monitoring and controlling costs to ensure you receive quality, effective and value-added service.



Nina Mann, CPA

T: 905-272-7715
E: nmann@bdo.ca

Nina has over 5 years of years of experience in public accounting, working with various organizations, including many in the not-for-profit and education sectors.

Nina will be the Engagement Manager for your assurance services.



Alicia Croskery, CPA, CA

T: 705-644-0205
E: acroskery@bdo.ca

Alicia has over 18 years of experience and is one of BDO's technical experts, specializing in accounting standards for not-for-profit organizations and education sector clients.

Alicia will be the Concurring Reviewer and Quality Assurance Partner. In this role, Alicia will leverage her extensive technical and industry knowledge to provide additional audit guidance and expertise.

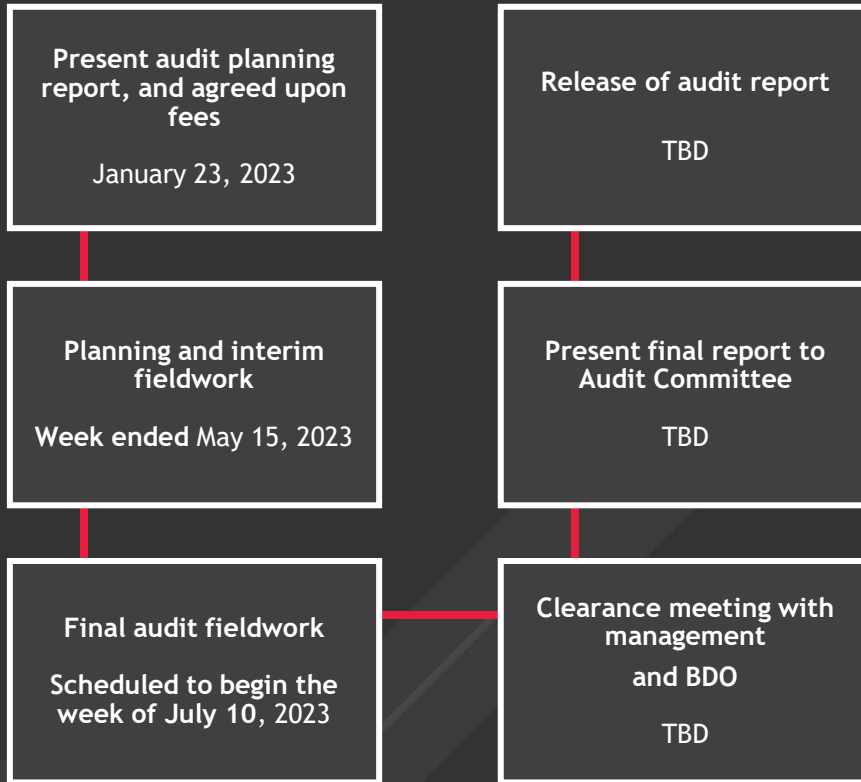
Our independence



We have complied with relevant ethical requirements and are not aware of any relationships between Laurentian University of Sudbury and our Firm that may reasonably be thought to bear on our independence.



Audit timeline



BDO'S DIGITAL AUDIT SUITE APT Next Gen

We use our APT Next Gen software and documentation tool to save time, streamline processes, and go paperless with your audit.

[LEARN MORE](#)

DISCOVER THE DIGITAL DIFFERENCE



Auditor's responsibilities: financial statements

We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management, with oversight by those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities. The scope of our work, as confirmed in our engagement letter attached as Appendix A to this letter, is set out below:

Year-End Audit Work

- ▶ Work with management towards the timely issuance of the financial statements, tax returns and consents for offering documents.
- ▶ Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.
- ▶ Present significant findings to the Audit Committee including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.



We are required to obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the financial statements, to determine whether adequate accounting records have been maintained and to assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.

We are required to report to you in writing about any significant deficiencies in internal control that we have identified during the audit.



Auditor's responsibilities: fraud

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- ▶ Identifying and assessing the risks of material misstatement due to fraud;
- ▶ Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- ▶ Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

Behind the audit report



Learn how we audit your financial statements

[SEE OUR PROCESS](#)

[Back to contents](#)



Auditor's responsibilities: fraud

Throughout our planning process, we performed risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the University's internal control, to obtain information for use in identifying the risks of material misstatement due to fraud and made inquiries of management regarding:

- ▶ Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- ▶ Management's process for identifying and responding to the risks of fraud in the University, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- ▶ Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in Laurentian University of Sudbury; and
- ▶ Management's communication, if any, to employees regarding its view on business practices and ethical behavior.

We are not currently aware of any fraud affecting the University. If you are aware of any instances of actual, suspected, or alleged fraud, please let us know.



Significant risks and planned responses

We have identified the following significant risks that require special audit consideration. These risks were identified based on our knowledge of the University, our past experience, and input from management. Please review these significant risks and let us know your thoughts on these or any other areas of concern.

Financial statement areas	Risks noted	Audit approach
Complex Information (IT) Technology Environment	The risk is due to the complexity of the Colleague ERP system and other systems that may be relevant to financial reporting, and the prevalence of automated processes and controls, some of which we plan to rely upon in our audit process.	<p>Our audit process includes in-depth documentation of the processes and controls in each financial reporting cycle, including a walk-through of the key automated and computer dependent controls to ensure they are operating as designed.</p> <p>BDO’s audit team includes Certified Information Systems Specialists (“CISAs”) who work with the audit team to efficiently incorporate the testing of computer-dependent controls into our audit plan.</p> <p>Our IS audit approach also includes an overall assessment of the general IT environment of the University, which includes reviewing application controls, system security controls, access controls and change controls.</p>
Presumption of Fraud Risk in Revenue	There is an inherent presumption of fraud risk in revenue that typically applies to all revenue streams of the University.	We plan to perform targeted analytical and substantive procedures on all significant revenue streams to address this risk. We may also test internal controls on certain revenue streams.
Management Override of Controls	Management, due to its authority, is in a unique position to override internal controls, which can potentially result in misleading financial information.	<p>Our planned audit procedures include testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the consolidated financial statements.</p> <p>We will also obtain an understanding of the business rationale for significant transactions that we become aware of that are outside the normal course of operations for the University, or that otherwise appear to be unusual given our understanding of the University and its environment. We will review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud.</p>



Significant risks and planned responses

We have identified the following significant risks that require special audit consideration. These risks were identified based on our knowledge of the University, our past experience, and input from management. Please review these significant risks and let us know your thoughts on these or any other areas of concern.

Financial statement areas	Risks noted	Audit approach
Operating and Research Grant Revenue and Related Deferrals	Certain grant revenue carries additional inherent risk based on magnitude and/or the unique stipulations that some of the agreements contain.	We plan to review management’s controls relating to revenue recognition and the related deferrals for both capital and non-capital grants. We will also perform substantive audit procedures that includes third-party Ministry confirmation and reviewing significant agreements that contain stipulations in order to assess revenue recognition. We will finalize our approach once our Information Systems audit has been completed.
CCAA Proceedings	<p>As of the date of this audit plan, the University has exited the Companies’ Creditor Arrangement Act (“CCAA”). The CCAA process led to a number of unique complexities within the University’s prior year financial statements. Exiting the Act carries certain unique risks relevant to the consolidated financial statements, including:</p> <ul style="list-style-type: none"> • Review of adjustments to the liabilities subject to compromise • Accounting related to specific complexities and/or agreements due to exiting CCAA • Continuing uncertainties that may require certain estimates to remain and/or be revisited • Related consolidated financial statement disclosures • Continued going concern assessment 	<p>As we conduct our audit, we will review all documents related to the CCAA process and assess the impact on the consolidated financial statements of the University. We will consult with our CCAA subject-matter expert throughout.</p> <p>We may identify additional CCAA plan implementation risks or specific area of accounting or audit complexity. These items will be communicated to the Audit Committee in more detail in our subsequent communication.</p>



Other key audit areas

We have identified the following key audit areas that are not deemed to be significant audit risks, yet still require further assessment due to their financial significance and/or complexity.

Financial statement areas	Risks noted	Audit approach
Payroll	Due to its magnitude, payroll expenditures represent a risk to the consolidated financial statements.	We plan to rely on testing controls substantively of payroll, supplemented by analytical procedures. We will finalize our approach once our Information Systems audit has been completed.
Investments	The University's investment holdings comprise various instruments measured at fair value.	We will confirm investments holdings with third parties, and where applicable, test fair values on a sample basis at year-end and subsequent to year-end based on the current volatility of equity markets.
Endowments	Certain University investments are externally endowed, which carries an inherent risk over presentation and disclosure.	We plan to substantively test endowment balances including contributions and income earned. We will also review the University's endowment policies to ensure adherence.
Capital Assets and Deferred Capital Contributions	Due to its magnitude, capital assets and deferred capital contributions present an inherent risk. Additionally, there is risk related to impairment of capital assets.	We will review management's assessment for indicators of impairment related to capital assets. We will also review management's assessment of the estimated useful life of capital assets to ensure appropriate calculations of the related amortization expense and the corresponding amortization of deferred capital contributions.
Accounts Payable and Accrued Liabilities	Accounts payable and accrued liabilities carry an inherent risk related to completeness. In addition, certain accruals may be subject to management estimation.	We will perform a search for unrecorded liabilities to ensure completeness, supplemented by analytical procedures. We will review the basis for any significant accruals with a particular emphasis on those involving estimates, if any.

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Materiality

We determined preliminary materiality to be \$2,500,000, based on 1.5% of prior year normalized expenditures. This materiality assessment includes factors such as exiting CCAA proceedings. While we do not anticipate final materiality to change substantially, we will re-assess the calculation upon receipt of the current year's consolidated financial statements.

Misstatements are considered to be material if they could reasonably be expected to influence the decisions of users based on the consolidated financial statements.

Our materiality calculation is based on the University's results. If any reason for change is discovered, we will communicate those changes to the Audit Committee as part of our year-end communication.

We will communicate all corrected and uncorrected misstatements identified during our audit to the Audit Committee, other than those which we determine to be "clearly trivial."

We encourage management to correct any misstatements identified throughout the audit process.



How we audit financial statements: Our audit process

IDENTIFY AND ASSESS RISK

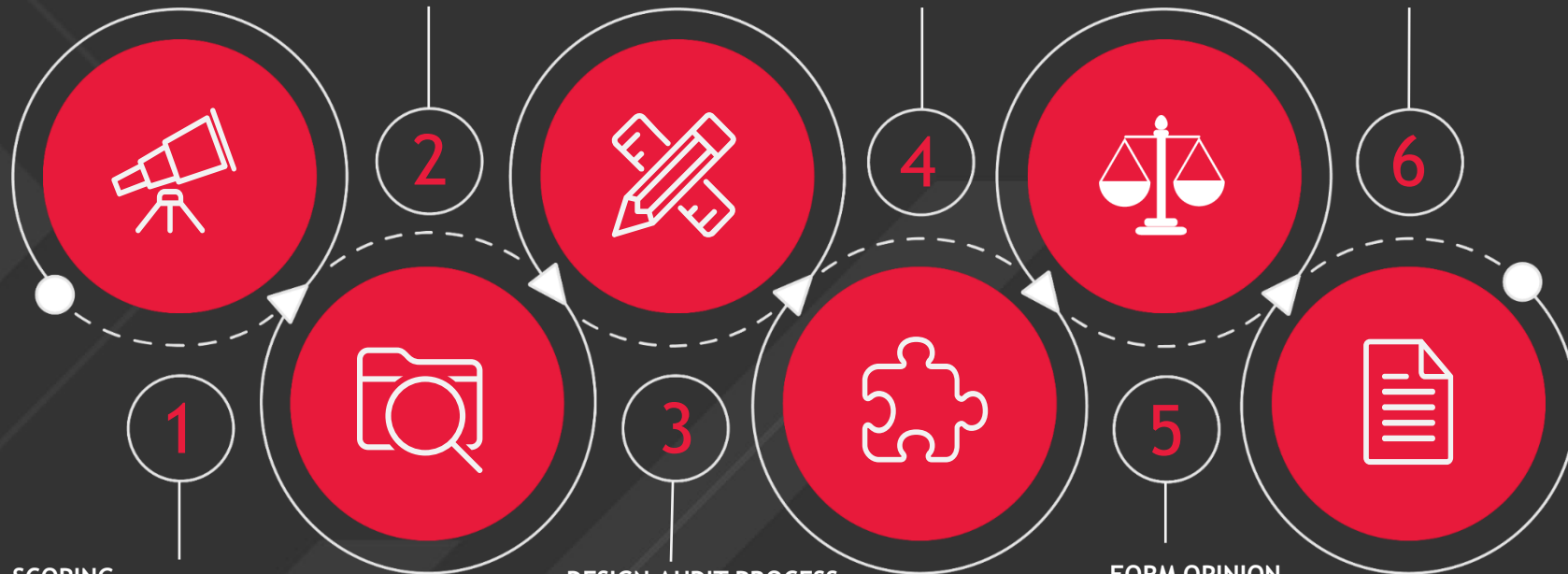
Focus on those areas of financial statements that contain potential material misstatements as a consequence of the risks you face

OBTAIN AUDIT EVIDENCE

Perform audit procedures while maintaining appropriate degree of professional skepticism, to conclude whether or not the financial statements are presented fairly

REPORT

Communicate our opinion and details of matters on which we are required to report



SCOPING

Complete a preliminary review to plan the audit, determine the materiality level, and define the audit scope

DESIGN AUDIT PROCESS

Design an appropriate audit strategy to obtain sufficient assurance and enable us to report on the financial statements

FORM OPINION

Evaluate whether we have enough evidence to conclude that the financial statements are free from material misstatement, and consider the effect of any potential misstatements found

New Standard for Audit Quality



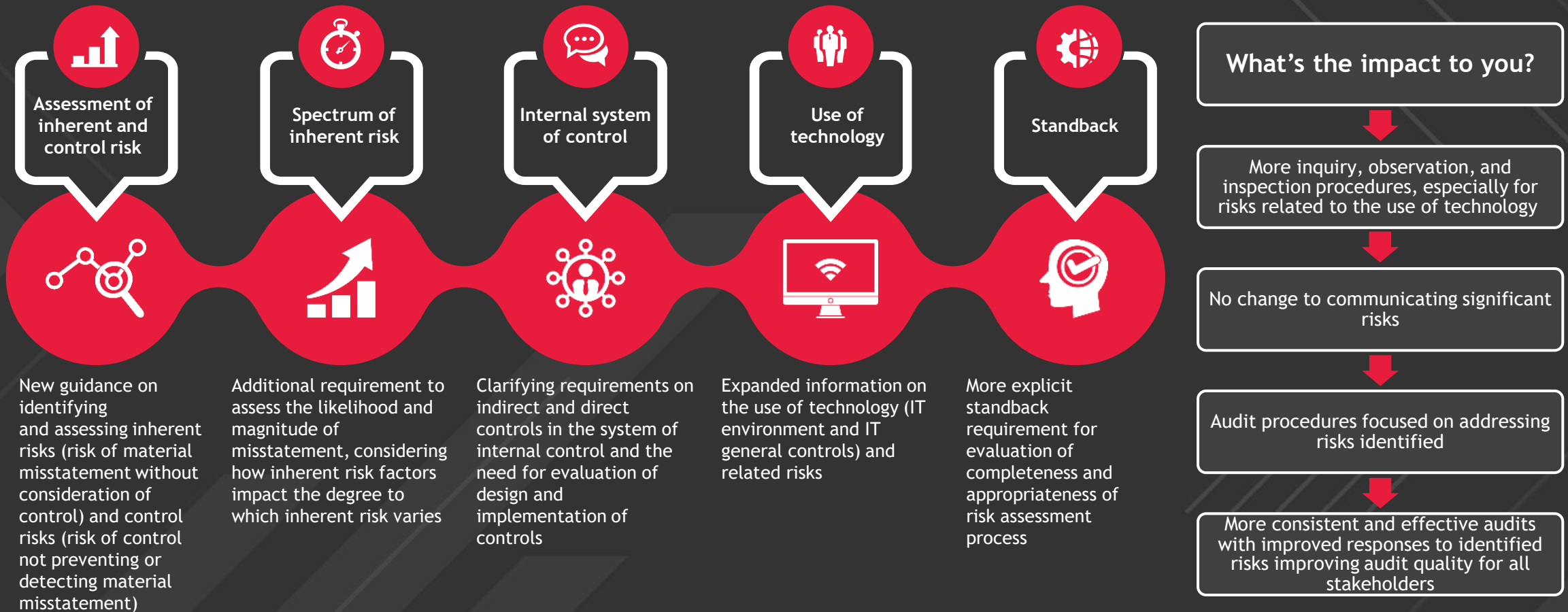
ISQM 1

The quality of an audit depends not only on the people conducting it—but also on the systems underpinning it. These new rules up the ante for your audit quality.

[SEE THE STANDARD](#)

Updates to our audit process

Canadian Auditing Standard 315, *Identifying and Assessing the Risks of Material Misstatement*, was significantly revised with a greater focus on more robust risk identification, assessment and response procedures. The standard is effective for periods beginning on or after December 15, 2021. Key enhancements include:





Our audit approach: Responsiveness in action

Our firm is deliberately structured to allow one partner to every six staff members. This means easy access to senior staff and the lead partner throughout your audit. It also helps our team gain a better understanding of your organization. Our audit process differs from the typical audit in our use of in-field reviews, subject to COVID-19 safety protocols. The benefit of these in-field reviews is that final decision-makers are on site ensuring issues are resolved and files closed quickly. We offer clients the full-service expertise of a national firm. Yet we maintain a local community focus. The comprehensive range of services we deliver is complemented by a deep industry knowledge gained from over 100 years of working within local communities.



Discover how we're accelerating audit quality



Audit Quality Report

We collected our core beliefs around audit quality, the very practical steps we take to sustain it, and the progress we have made to accelerate its quest.

[Follow our progress](#)

BDO's digital audit suite

Our digital audit suite of technologies enables our engagement teams to conduct consistent risk-based audits, both domestically and internationally, with maximum efficiency and minimal disruption to our clients' operations and people.



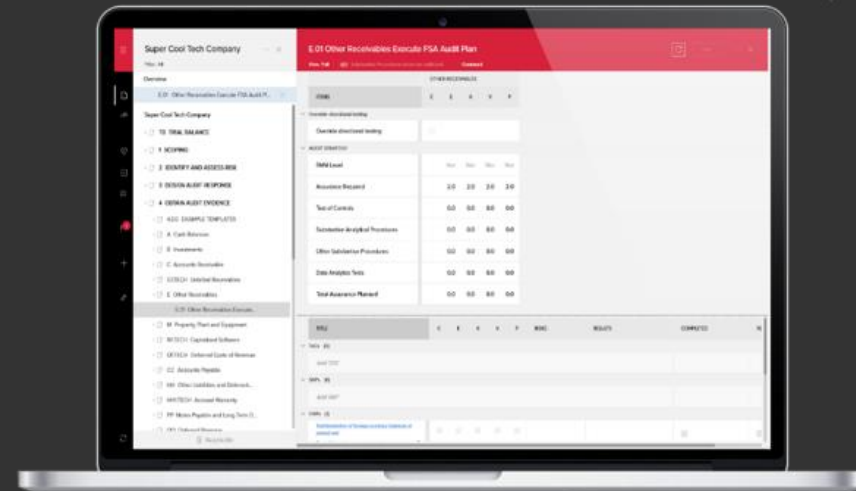
APT Next Gen

Our audit software and documentation tool, APT, is an integral part of our audit methodology. Our professionals engage APT to devise and perform appropriate, risk-based audit procedures and testing based on applicable Canadian Auditing Standards (CASs), as well as to factor in engagement and industry-specific objectives and circumstances.

APT enables us to deliver an audit that fits your organization—whether large or small; complex or basic.

This sophisticated tool also amplifies two key attributes of our audits: consistency and quality. The quality framework that we developed measures our audit performance with hard quality indicators and reflects our indispensable culture for quality. To see our audit quality and consistency in action, look no further than how our teams share best audit practices for continuous improvement.

Through a strategic alliance with Microsoft and the introduction of new technology, this global, cloud-based application can now streamline and focus the audit process in even more ways for BDO professionals and their clients.





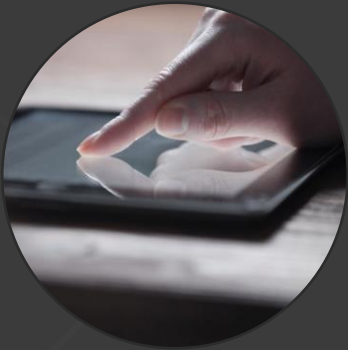
BDO Portal

BDO Portal transforms and enhances your digital experience with your BDO advisors. Available at any time, Portal enables you to access all services, tools, apps, and information and to collaborate with your advisors in a seamless way through a flexible, appealing, and secure environment.



Recommended resources

Key changes to financial reporting



When the rules of reporting change, you may need to fine-tune how to present financial statements and govern the organization.

**ACCESS OUR
KNOWLEDGE CENTRE**

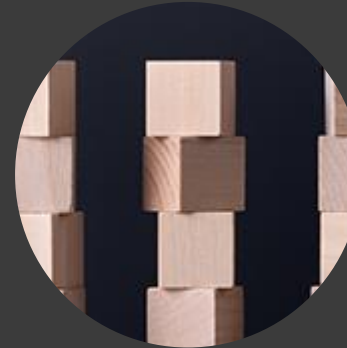
2022 Federal Budget



Understand the key elements of the 2022 Federal Budget and how it will impact you and your business

STAY ON TOP OF TAXES

7 powerful steps to financial audit readiness



Getting and staying prepared for an audit simplifies the process, cuts turnaround time, and improves your chances of overall success. Learn how you can be audit ready.

7 STEPS

Spotlight on sustainability

Fast-moving world events are pushing sustainability up the agenda of Canadian organizations. Now organizational leaders, investors, and customers are responding on three fronts: environmental, social, and governance (ESG).

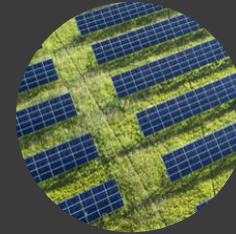
Regulators and issuers of standards are doing their part by supporting sustainability in the reporting ecosystem. Increasingly, organizations will need to go beyond the financials—and demonstrate sustainability with non-financial metrics.

5 reasons why businesses should care about ESG



[SEE 5 REASONS](#)

How climate change became a business issue worth reporting



[READ ARTICLE](#)

10 Questions about sustainability reporting



[EXPLORE QUESTIONS](#)

Accounting for going green



[LEARN MORE](#)

Why CFOs should make sustainability a part of their financial reporting today



[BUILD BACK SUSTAINABLY](#)

Rethinking sustainability: the ESG roadmap



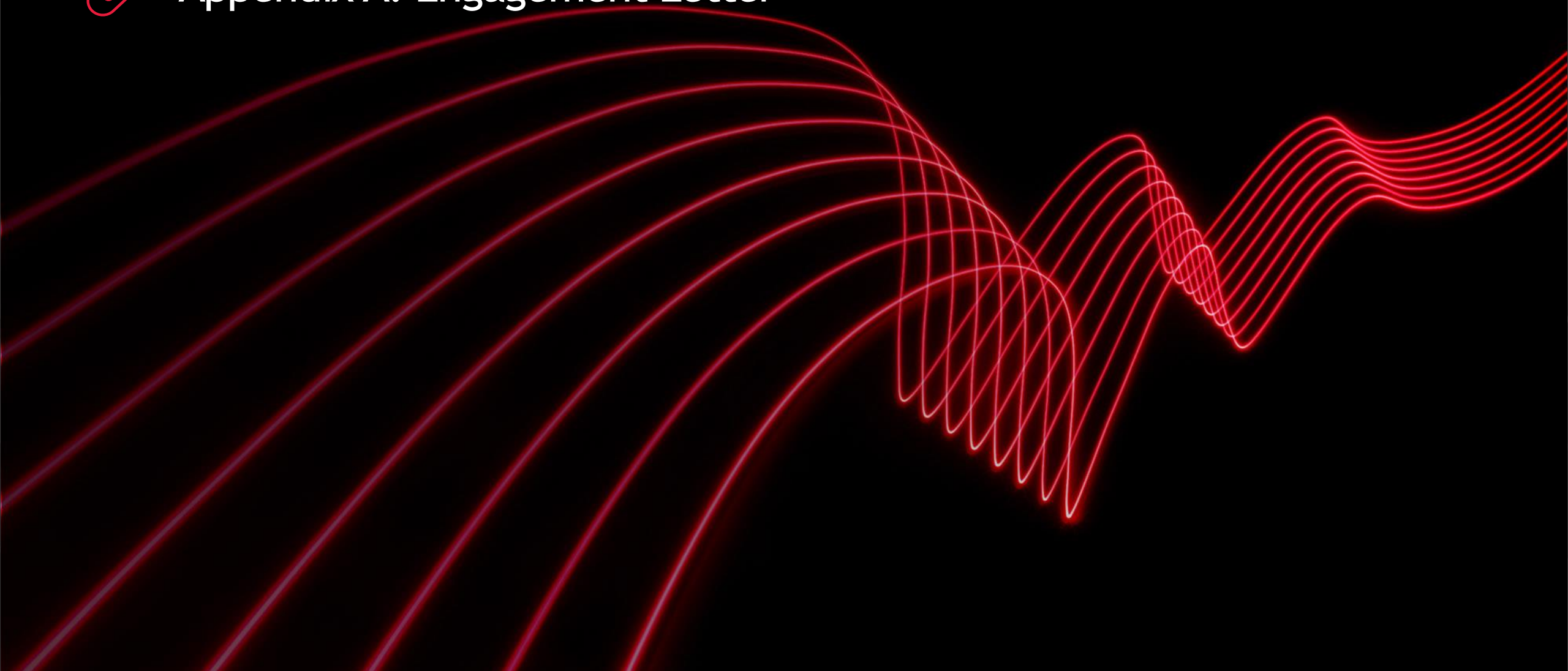
[SEE ROADMAP](#)

Appendices

- ▶ Appendix A: Engagement Letter
- ▶ Appendix B: Fees
- ▶ Appendix C: Accounting Standards for Not-For-Profit Organizations (ASNPO) Update 2022



Appendix A: Engagement Letter





Tel: 289 881 1111
Fax: 905 845 8615
www.bdo.ca

BDO Canada LLP
360 Oakville Place Drive, Suite 500
Oakville ON L6H 6K8 Canada

June 10, 2022

Laurentian University of Sudbury
935 Chemin du Lac Ramsey
Sudbury, ON
P3E 3C6

Attention: Michel Piche, Vice President Finance and Administration

We understand that you wish to appoint us as the auditors of Laurentian University of Sudbury commencing with its fiscal year ended April 30, 2022.

We are pleased to accept appointment as your auditors subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement.

Marcus Sconci will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements ("financial statements") prepared in accordance with Canadian accounting standards for not-for-profit organizations are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the board of directors.



Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Our independent auditor's report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Management and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

- (a) the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations. The audit of the financial statements does not relieve you of your responsibilities;
- (b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (c) providing us with:
 - access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that we may request for the purpose of the audit;
 - unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
 - financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to the date of our auditor's report. If it is not possible to provide all the other information prior to the date of our auditor's report, you are responsible for provision of such other information as soon as practicable; and
 - written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Communication with the Securities Regulators

If the financial statements, supporting schedules and our audit thereon are included in a document required by securities legislation, they may be subject to review and comment by the staff of a securities regulator and to their interpretation of the applicable rules and regulations. This may involve discussions and communications with them, and/or the submission of supplemental data in connection with their review. You agree to inform us of any discussion, communication or submission, which may have bearing on the financial statements, schedules and other financial data in the filings and furnish us with copies of related written communications. If we are involved in such communications with the staff of a securities regulator, we will inform you and provide you with copies of the relevant communications.



Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

- (a) prepare or change a journal entry; or
- (b) prepare or change an account code or a classification for a transaction.

As agreed, we will provide assistance in the preparation of the financial statements.

These services create a threat to our independence. We, therefore, require that the following safeguards be put into place:

- (a) that you create the source data for all accounting entries;
- (b) that you develop any underlying assumptions for the accounting treatment and measurement of entries; and
- (c) that you review and approve the draft financial statements, including the notes to the financial statements.

Tax Services

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We understand that you are not looking to BDO to provide you with any guidance or advice in regard to tax planning or compliance.

Additional Services

We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a separate written engagement agreement, the provisions of this Agreement will apply to the services.

Fee Estimation

The estimated fee for this engagement is as follows:

Audit services:	\$85,000
CCAA-related time:	At hourly rates, to be invoiced separately

For each future year we will issue a Summary of Services providing details of our Services and fees. We will notify you on a timely basis if there are any circumstances we encounter which could significantly affect our initial estimate of professional fees. Our fees will be invoiced and payable as follows:

- \$15,000 prior to commencing annual assurance engagement;
- \$45,000 interim payments;
- \$20,000 prior to issuance of assurance report; and
- \$5,000 within 10 days after issuance of our final invoice along with any additional required final payments.



Appendix B: Fees

Audit services

The projected audit fees for the year ended April 30, 2023 are as follows:

Annual Financial Statement Audit	\$89,250
Implementation of CAS315R (see page 14)	\$4,500 (estimated)
Additional time relating to complex accounting and auditing matters	Cost to vary based on scope and hours required
Audit assistance from our CCAA team	Cost to vary based on hours required
Financial Statement Translation Services	\$5,000
Annual enrolment audit	\$10,500
Special purpose funder audits	Range from \$3,500 to \$5,000 per program, depending on complexity
Total	\$

We will reconfirm our independence and provide an update of the audit fees charged in the current fiscal year before the financial statements for the year ended April 30, 2023 are approved.



Appendix C: Accounting Standards for Not-For-Profit Organizations (ASNPO) Update 2022

Assurance and Accounting

Accounting Standards for Not-For-Profit Organizations (ASNPO) Update 2022

Introduction

It was a busy year for the Accounting Standards Board (AcSB or the Board) and for Part III of the CPA Canada Handbook – Accounting: Accounting Standards for Not-for-Profit Organizations (ASNPO). As organizations continue to adapt to the ever-changing market landscape, the Board was hard at work advancing the progress of various projects, including its projects on accounting for contributions. In addition, a new standard became effective in the current year providing guidance on accounting for combinations of not-for-profit organizations (NPOs). Both of these items will be discussed in this publication.

Private sector NPOs applying ASNPO also apply the relevant standards in Part II of the CPA Canada Handbook – Accounting: Accounting Standards for Private Enterprises (ASPE) to the extent that the standards in Part II address topics applicable for NPOs that are not addressed in Part III. As a result, some changes made to ASPE also affect NPOs. This publication will discuss amendments resulting from the AcSB's projects on revenue and cloud computing arrangements and their impact on NPOs, as well as, provide an update on other projects the AcSB is working on that will impact NPOs in the future.

Standards Effective in 2022

Section 4449, Combinations by Not-for-Profit Organizations

Combinations between not-for-profit organizations ("NPOs") are becoming more frequent. As no guidance on accounting for these types of transactions was previously included in ASNPO, there was diversity in practice. After consultation with stakeholders, the Board issued new Section 4449, *Combinations by Not-for-Profit Organizations*, in March 2021 to provide guidance on accounting for such transactions. The main highlights of the standard include:

Scope

- This Section applies to a combination involving two or more NPOs that are unrelated parties or related parties.
- This Section does not apply to the acquisition of a for-profit enterprise by an NPO, a contribution of a for-profit enterprise to an NPO, a contribution of cash or other assets which do not constitute an NPO to an NPO, or the formation of a joint venture.

Distinguishing between a Merger and an Acquisition

- A combination is a transaction or event involving two or more not-for-profit organizations that is accounted for as either a merger or an acquisition. The accounting treatment for a combination depends on the characteristics of the transaction and whether certain criteria are met.
- Except for a combination of NPO's under common control, which is always accounted for as a merger, a combination is accounted for as a merger when all the following criteria are met:
 - Neither party to the combination is identified as either the acquirer or acquiree;
 - Those charged with governance of the predecessor organizations participate in determining the terms of the combined organization, including establishing the governance and management structures of the combined organization and in selecting management personnel;
 - Except for transaction costs, no significant consideration flows to a third party of the organizations combining;
 - The combined organization encompasses the purposes of each of the NPOs combined at the combination date; and
 - At the combination date, there is no significant decline or planned significant decline in the client communities served by one or more, but not all, of the combining NPOs.
- If any of the above criteria are not met, the combination is accounted for as an acquisition.

Accounting for a Combination as a Merger

- The carrying values of the assets, liabilities and net assets of the combining entities become the combined carrying values of the assets, liabilities, and net assets of the combined organization.
- Where the combining organizations have been applying different accounting policies in their separate financial statements, the combined organization makes adjustments to ensure the accounting policies are uniform in both the current and comparative period.
- Comparative information must be presented showing the combined results as though the organizations had always been combined.

Accounting for a Combination as an Acquisition

- One of the combining entities must be identified as the acquirer using the guidance in Section 4450, *Reporting Controlled or Related Entities by Not-for-Profit Organizations*.
- The reporting entity can choose to either disclose or consolidate its controlled not-for-profit organizations.
- Where the organization chooses to disclose the controlled NPO, it must identify the acquirer, the combination date, and include the disclosures required by Section 4449 and Section 4450.
- Where the organization decides to consolidate, at the combination date the acquirer recognizes the identifiable assets acquired and liabilities assumed and measures them at their acquisition-date fair values, except for certain exceptions to the recognition and/or measurement principles.
- The difference between the acquisition-date fair value of the consideration transferred and the acquisition date amount of the identifiable net assets acquired is recognized and presented separately in the statement of net assets.

Disclosure

- For both a merger and an acquisition, the reporting organization discloses information that enables financial statement users to evaluate the nature and financial effects of the combination.

Section 4449 is effective for fiscal years beginning on or after January 1, 2022 and is applied prospectively. For additional information on this new standard refer to our [ASNPO at a Glance: Section 4449 – Combinations by Not-for-Profit Organizations publication](#).

Significant amendments to Section 3400, Revenue

In 2017, the AcSB issued a survey asking stakeholders for feedback on issues they encountered when applying the guidance in Section 3400, *Revenue*. NPOs follow the guidance in this Section when accounting for revenue transactions that are not within the scope of Section 4410, *Contributions – Revenue Recognition*. As a result of the feedback provided by stakeholders, the Board issued amendments to Section 3400 to provide additional guidance on the following complex areas:

- Identifying the units of account – guidance on how to determine whether an arrangement consists of a group of contracts or a single contract and identifying the units of account in an arrangement;
- Bill-and-hold arrangements – guidance on how to determine if revenue can be recognized when the delivery of the goods or services has yet to occur;
- Multiple-element arrangements – guidance on how to allocate consideration to elements in multiple deliverable arrangements using the relative stand-alone selling price basis, as well as, methods to be used for estimating the stand-alone selling price when not directly observable;

- Percentage of completion method – guidance on how to determine the degree of completion and compute the revenue to be recognized in a period, as well as, additional disclosure requirements for contracts in progress at the end of the reporting period; and
- Reporting revenue gross or net - added additional indicators to aid in determining whether revenue should be recognized on a gross or net basis.

These amendments are effective for fiscal years beginning on or after January 1, 2022 and are to be applied retroactively. However, transitional relief has been provided for certain situations, where an organization would not be required to make retrospective adjustments for long-term contracts accounted for using the percentage of completion method, or when accounting for multiple element arrangements. For additional information refer to our [ASPE at a Glance: Section 3400 – Revenue publication](#).

As part of the above project, the Board also added additional guidance to Section 3400 on when revenue should be recognized for upfront non-refundable fees/payments. However, as organizations started to apply these amendments the Board received feedback from stakeholders, particularly member-benefit organizations, on concerns about the decision-usefulness of deferring upfront non-refundable fees over long membership durations and the costs of applying the amendments. As a result, the Board decided that additional research on these issues was needed. The Board issued an Exposure Draft in July proposing to defer the effective date of the amendments for upfront non-refundable fees/payments to fiscal years beginning on or after January 1, 2025 to give it time to carry out this research. Respondents agreed with the proposals and the Board approved the deferral of the effective date at its September 2022 meeting.

Amendments to Section 3462, Employee Future Benefits

In 2018, Ontario's pension regulator introduced a new reserve, the provision for adverse deviations (PfAD), in the going concern funding valuation for defined benefit plans. This reserve is meant to cover unexpected adverse deviations in such plans. Similarly, in 2016 Quebec enacted Bill 57, which eliminated the requirement to fund a pension plan on a solvency basis.

Instead, plans are funded on a going concern basis with a new requirement to establish a reserve called a stabilization provision, the purpose of which is similar to that of the PfAD. Other Provinces have also introduced similar legislation. Stakeholders raised questions on whether the PfAD and the stabilization provision should be included in the measurement of the defined benefit obligation when an entity makes an accounting policy choice to use a funding valuation under Section 3462, *Employee Future Benefits*, as there was diversity in practice.

As a result, the AcSB amended Section 3462 to clarify the accounting as follows:

When an entity has defined benefit plans without a legislative, regulatory, or contractual requirement to prepare an actuarial valuation for funding purposes, the obligations for these plans are measured using an actuarial valuation prepared for accounting purposes. The previous accounting policy choice to measure such plans on a funding valuation basis has been removed due to the complexities in applying this method and the diversity it caused in practice.

- When an entity has defined benefit plans with a legislative, regulatory or contractual requirement to prepare an actuarial valuation for funding purposes, the obligations for these plans are measured using either an actuarial valuation prepared for accounting purposes or the most recently prepared actuarial valuation prepared for funding purposes provided specific criteria is met.
- When an entity elects to use a funding valuation to measure the defined benefit obligation for defined benefit plans that have a funding valuation requirement:
 - The defined benefit obligation would be measured at the amount that is required to be funded by contributions in accordance with legislative, regulatory, or contractual requirements; and
 - The aggregate of all underlying components of the legislative, regulatory, or contractual requirements would be included in that measurement of the defined benefit obligation (for example the Ontario PfAD and Quebec stabilization provision would be included).

The amendments are effective for fiscal years beginning on or after January 1, 2022 with certain transitional provisions. For additional information refer to our [ASPE at a Glance: Section 3462 – Employee Future Benefits](#) publication, as well as, our publication [Employee Future Benefits – What you Need to know about Sections 3462 and 3463](#).

2021 Annual Improvements

The Board has adopted an annual improvement process to amend standards to help clarify guidance/ wording or correct for unintended consequences or conflicts. Any large amendments or the issuance of new standards are outside the scope of this process. During the 2021 annual improvement process, Section 1501, *First Time Adoption by Not-for-Profit Organizations*, was amended to allow organizations that had previously applied ASNPO but whose most recent annual financial statements were not reported under ASNPO, to either apply Section 1501 again upon re-adoption of ASNPO, or to apply the standards retrospectively in accordance with Section 1506, *Accounting Changes*. This amendment is effective for fiscal years beginning on or after January 1, 2022.

Amendments to Section 3856, Financial Instruments

Canada and many jurisdictions across the globe have taken recommendations from the Financial Stability Board's (FSB) report on Reforming Major Interest Rate Benchmarks and are replacing the existing Interbank Offered Rates (IBORs) (for example, the London interbank offered rate (LIBOR), and the Canadian dollar offered rate (CDOR)) with alternative benchmark rates (IBOR reform). As a result of this transition, many debt and derivative contracts that reference these rates will be modified. Section 3856, *Financial Instruments*, requires entities to perform qualitative and quantitative assessments, such as the 10% test, to determine if modifications should be accounted for as extinguishments. For entities with numerous instruments that reference IBOR, this could be very onerous. Also, under Section 3856 a change in the benchmark rate for derivative contracts designated in a hedging relationship would lead to the discontinuation of hedge accounting. These outcomes would not provide financial statements users with useful information.

The Board understood these concerns and issued amendments to Section 3856 to simplify the accounting analysis for debt modifications solely due to IBOR reform, as well as, to allow hedge accounting to continue where there is a change in certain critical terms related to IBOR reform. The main points of the amendments are outlined below:

- **Debt Modifications:** Entities are given the option to apply a practical expedient to not account for a modification made to one or more contractual terms in an arm's-length debt instrument due to IBOR Reform as an extinguishment, but instead to account for the modification as a continuation of the existing debt instrument. If the practical expedient is applied, it must be applied to all debt instruments that reference IBOR.
- **Hedge Accounting:** Exceptions to the hedge accounting guidance would apply where critical terms have changed as a direct result of IBOR Reform and as a result the hedging relationship would not be discontinued. The exception would cease being applied once all changes related to the IBOR reform have been made to the hedging and hedged items. The exception would apply to only the following hedging relationships where critical terms are expected to be modified due to IBOR reform:
 - An interest-bearing asset or liability hedged with an interest rate swap to mitigate the effect of changes in interest rates; and
 - A foreign currency denominated interest-bearing asset or liability hedged with a cross-currency interest rate swap to mitigate the effect of changes in interest rates and foreign currency exchange rates.

The amendments are effective for fiscal years ending on or after February 1, 2022, and are applied retrospectively, except for certain situations as outlined in Section 3856. Some additional disclosures are required.

Projects on the Go

The AcSB currently has a number of projects in progress that propose future changes that will impact NPOs. The following provides a brief discussion of these projects.

Consultation Paper - Contributions – Revenue Recognition and Related Matters

The AcSB wants to ensure that the guidance on accounting for contributions in Part III of the Handbook is still appropriate. The existing contributions standard has remained largely unchanged since it was established almost 25 years ago. However, research suggests that the landscape for many NPOs has changed over the years and that contribution agreements are becoming more complex. Additionally, the AcSB has heard from users of NPO financial statements that the current accounting policy choice for recognizing contributions (deferral method or restricted fund method) adds complexity to NPO financial statements and creates a lack of comparability among the financial statements of similar NPOs. On the other hand, preparers of NPO financial statements have informed the AcSB that the accounting policy choice accommodates the diverse needs of NPOs and their users and allows individual NPO's to clearly communicate their operations and results.

The Board has undertaken extensive research over the past few years to gain a preliminary understanding of the benefits of, and issues with, the existing contributions guidance. Then in May of 2020, the Board issued a Consultation Paper seeking input from NPO stakeholders, including financial statement users, preparers, and practitioners. The Board reviewed the feedback received on this Consultation Paper and plans to issue an Exposure Draft. At this point, the main proposals the Board is considering for the Exposure Draft include:

- Externally restricted contributions should be deferred and subsequently recognized in revenue when the external restrictions are met. A contribution would be considered externally restricted when the resources are designated for a specific purpose or period and this is explicitly communicated between the organization and the contributor.
- Contributions with external restrictions requiring that the resources be maintained for a specific period should be accounted for like other restricted contributions.
- Capital asset contributions should be deferred and amortized into income over the useful life of the asset.
- Endowment contributions should be recognized as direct increases in net assets in the period in which the organization is entitled to the contribution.
- Organizations can choose to recognize contributed materials and services when their fair value can be reasonably estimated, they are used in the normal course of the organization's operations, and they would have otherwise been purchased.

- Pledges and bequests should not be recognized until the contributed assets are received since an organization cannot control access to the benefit of these contributions until that point.
- Disclosure and presentation requirements.

The Board plans to issue the Exposure Draft in the first quarter of 2023. We would encourage NPOs to stay up to date on this project and respond to the Exposure Draft when it is issued. The latest information on this project is available on the [Contributions page of the FRAS Canada website](#).

Exposure Draft – Customer's Accounting for Cloud Computing Arrangements

Recently, more entities have begun using cloud-computing arrangements to access software. In the past, entities would do an outright purchase of software that would then be physically installed onto their own hardware. In a cloud computing arrangement, customers have the right to use software through remote access whereby the actual software resides on the vendor's hardware. These arrangements contain varying contractual terms and the accounting can be complex, which has led to diversity in practice. There are also concerns that the accounting outcome for implementation expenditures incurred for an arrangement that is a service contract does not reflect the economic benefits an entity receives over time. The AcSB heard stakeholders' concerns, and in March 2022 issued an Exposure Draft proposing the issuance of Accounting Guideline ACG-20, *Customer's Accounting for Cloud Computing Arrangements*, to provide guidance on this topic. The main proposals include:

- Clarification that an entity may determine a method on a rational and consistent basis to allocate the arrangement consideration to the significant separable elements in a cloud computing arrangement;
- Clarification that an entity applies Section 3064, *Goodwill and Intangible Assets*¹, to account for the significant elements in the arrangement, unless the elements are tangible assets or rights to use tangible assets;
- An optional simplification approach to permit an entity to expense as incurred the expenditures related to the elements in a cloud computing arrangement that would fall within the scope of Section 3064;
- For those entities that do not apply the simplification approach, the Guideline provides factors to assist them in applying the control principle in Section 3064 to determine whether the cloud computing arrangement includes a software intangible asset;
- For a software that is a service, there is an accounting policy choice to either:
 - Apply an exception to capitalize directly attributable implementation costs and present these costs as prepaid expenses; or

1. NPO's follow the guidance in Section 4434, *Intangible Assets Held by Not-for-Profit Organizations*, when accounting for intangible assets. However, Section 4434 only provides guidance on specific items unique to NPOs and refers NPOs to the guidance in Section 3064 for all other items.

- Continue to expense as incurred such implementation costs in accordance with the existing requirements in Section 3064;
- Disclosure requirements to help users understand how the cloud computing arrangement is accounted for in the entity's financial statements; and
- Illustrative examples to assist entities in applying the guidance.

The Board approved the issuance of AcG-20 at its September 2022 meeting and anticipates issuing it in the Handbook in November 2022. AcG-20 will be effective for fiscal years beginning on or after January 1, 2024, with earlier application permitted. The Guideline will be applied retrospectively, with certain transitional relief.

Project – Financial Statement Concepts

In March 2019, the AcSB approved a project to review the financial statement concepts in both Part II and Part III of the CPA Canada Handbook. The project will focus on:

- Elements (definition of an asset, liability, revenue and net assets);
- Recognition;
- Measurement;
- Disclosure; and
- Unit of account

The first items to be addressed will be the definition of an asset and liability. The Board will consider this project while developing its Exposure Draft on Contributions.

Conclusion

As we head closer to the end of the year, now is the time to check in with your BDO advisor about how the changes made to the ASNPO Handbook and the projects on the go will affect your organization. Reach out to us today.

The information in this publication is current as of October 15, 2022.

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO Canada LLP to discuss these matters in the context of your particular circumstances. BDO Canada LLP, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

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FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Audit Committee

Re: Proposed External Audit Plan for Year Ending April 30, 2023

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

THAT the Board of Governors approve the **Proposed External Audit Plan for Year Ending April 30, 2023**, as presented at its meeting of February 17, 2023;

UNIVERSITY SECRETARY (INTERIM)



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title	Audited Financial Statements of the Retirement Plan of Laurentian
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Open/closed session:	OPEN
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ITEM

Action Requested:	<input type="checkbox"/> For Approval <input checked="" type="checkbox"/> For Information
Proposed by:	BOARD AUDIT COMMITTEE
Presenter(s):	- Committee Chair, Mr. Vernon Cameron - Vice-President Finance and Administration, Mr. Michel Piché

1. PURPOSE

To present the June 20, 2022 Audited Financial Statements of the Retirement Plan of Laurentian University along with the Audit Findings Report.

SYNOPSIS

Laurentian’s Retirement Plan audited financial statements must be filed annually with the Financial Services Regulatory Authority of Ontario (FSRA) no later than six months after the end of the plan year. The June 30, 2022, statements were filed with the regulator on Dec. 23, 2022. The financial statements and audit finding report are presented to the Audit Committee for information as part of their oversight of the University’s risk management.

RESOLUTION TO CONSIDER [*if for approval*]:

None

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management	<input type="checkbox"/> Relationship with Stakeholders
<input type="checkbox"/> Faculty and Staff	<input type="checkbox"/> Reputation
<input checked="" type="checkbox"/> Funding and Resource Management	<input type="checkbox"/> Research Enterprise
<input type="checkbox"/> IT Services, Software and Hardware	<input type="checkbox"/> Safety
<input type="checkbox"/> Leadership and Change	<input type="checkbox"/> Student Success
<input type="checkbox"/> Physical Infrastructure	

3. RECOMMENDATIONS

None

A. Background/Issue Description

The audit of the Financial Statements of the Retirement Plan of Laurentian University of Sudbury (the Fund) was conducted during November/December 2022 by the auditor, BDO. The financial statements were issued without reservation. The Financial Statements and Audit Findings Report (attached) will be provided to the Pension Committee for their review at the next meeting.

The filing of the Fund audited financial statements on an annual basis is required under the regulations governing retirement plans registered in Ontario. This annual requirement assists the University in performing its obligations as Sponsor of the Retirement Plan Laurentian University. It similarly assists the Audit Committee and the Board of Governors in overseeing the Plan's operations. The Financial Statements were filed on December 23, 2022, with the Financial Services Regulatory Authority (FSRA) of Ontario as required by regulation.

For the period ending June 30, 2022, the net assets of the Fund decreased by \$79.6 million (from \$489.0 million in 2021 to \$409.4 million in 2022). The decrease reflects total investment loss of \$24.3 million in 2022 (investment gain of \$61.1 million in 2021) and pension payments for retirements, termination, and death benefits of \$63.3 million (\$48.0 million in 2022). Total administrative expenses for Trustee fees, actuarial fees, consulting fees, investment management fees, and other costs amounted to \$4.0 million (\$3.2 million in 2021). Total employee and employer contributions were \$12.0 million (\$17.1 million in 2021). Pension payments for 2022 were considerably higher than previous years as a result of the CCAA related restructuring (see note 1 to the Financial Statements).

The Audited Financial Statements are for the Retirement Fund only, which is comprised of the investments supporting the Retirement Plan. The financial position of the Plan is assessed separately through periodic actuarial valuations.

B. Recommendation

None

C. Other options considered (*where applicable*):

Not applicable.

D. Risks including legislative compliance

Not applicable.

Legislative Compliance and jurisdiction	- General Bylaws of the Board of Governors - Audit Committee Terms of Reference, Sections 2 and 4
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E. Financial Implications (*where applicable*):

Not applicable.

F. Benefits

Not applicable.

G. Consultations

- University Pension Committee
- Board Audit Committee

H. Next Steps

Not applicable.

I. Appendices

Fund Financial Statements of

**RETIREMENT PLAN OF LAURENTIAN
UNIVERSITY OF SUDBURY**

Year ended June 30, 2022

Independent Auditor's Report

To the Pension Committee of
Retirement Plan of Laurentian University of Sudbury

Opinion

We have audited the fund financial statements of the Retirement Plan of Laurentian University of Sudbury Ontario Registration Number: 0267013 (the "Plan"), which comprise the statement of net assets available for benefits as at June 30, 2022, and the statement of changes in net assets available for benefits for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying fund financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as at June 30, 2022, and the changes in its net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act, 1990 (Ontario).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the fund financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2 to the fund financial statements, which describes the basis of accounting. The fund financial statements are prepared to assist the Administrator of the Plan to meet the requirements of the Financial Services Regulatory Authority of Ontario. As a result, the fund financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Administrator of the Plan and the Financial Services Regulatory Authority of Ontario and should not be used by parties other than the Administrator of the Plan and the Financial Services Regulatory Authority of Ontario.

Other Matter

The fund financial statements for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those fund financial statements on December 16, 2021.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these fund financial statements in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act, 1990 (Ontario), and for such internal control as management determines is necessary to enable the preparation of fund financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the fund financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the fund financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these fund financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the fund financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the fund financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the fund financial statements, including the disclosures, and whether the fund financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
December 22, 2022

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Statement of Net Assets Available for Benefits


June 30, 2022, with comparative information for 2021

	2022	2021
Assets		
Cash	\$ 5,492,568	\$ 4,974,010
Contributions receivable:		
Employee	468,672	422,367
Employer	531,651	464,736
Prepaid expenses	57,375	54,956
Investments (note 4):		
Canadian pooled equity funds	56,336,593	66,931,395
Foreign pooled equity funds	130,543,214	179,007,130
Infrastructure and real assets	104,100,740	93,341,521
Canadian bonds	108,404,090	133,600,364
Mortgage funds	22,459,948	22,659,182
Cash and money market funds	7,582,770	10,294,641
Total investments	429,427,355	505,834,233
Total assets	435,977,621	511,750,302
Liabilities		
Accrued expenses	1,181,768	793,544
Accrued retirement benefits	30,347	171,044
Accrued termination benefits (note 6)	25,378,056	21,745,102
Total liabilities	26,590,171	22,709,690
Net assets available for benefits	\$ 409,387,450	\$ 489,040,612

See accompanying notes to fund financial statements.

On behalf of the Pension Committee:


 _____ Trustee


 _____ Trustee

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Statement of Changes in Net Assets Available for Benefits

Year ended June 30, 2022, with comparative information for 2021

	2022	2021
Increase in net assets:		
Investment income (note 5)	\$ 19,288,781	\$ 23,214,594
Net realized gain on sale of investments	11,307,774	9,591,197
Net unrealized gain on investments	-	30,262,092
Employer contributions:		
Current service	5,739,771	8,358,245
Special	819,646	1,736,308
Employee contributions:		
Required	5,436,981	6,995,265
	<u>42,592,953</u>	<u>80,157,701</u>
Decrease in net assets:		
Net unrealized loss on investments	54,972,278	-
Benefits (note 6)	63,255,005	48,024,218
Administrative expenses (note 7)	4,018,832	3,224,567
	<u>122,246,115</u>	<u>51,248,785</u>
Increase (decrease) in net assets available for benefits	(79,653,162)	28,908,916
Net assets available for benefits, beginning of year	489,040,612	460,131,696
Net assets available for benefits, end of year	<u>\$ 409,387,450</u>	<u>\$ 489,040,612</u>

See accompanying notes to fund financial statements.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

1. Plan description:

The Retirement Plan of Laurentian University of Sudbury (the "Plan") is a registered pension plan in the Province of Ontario under registration number 26701. Prior to July 1, 2011, the Plan provided for all members to earn pension benefits under hybrid defined contribution and defined benefit provisions (the "Hybrid Provisions"). Certain members commenced earning pension benefits under the final average earnings defined benefit plan provisions (the "FAE DB Provisions") for service on and after July 1, 2011. All members earned pension benefits under the FAE DB Provisions for service between July 1, 2012 and June 30, 2021. On and after July 1, 2021, all members earn pension benefits under the career average earnings defined benefit provisions (the "CAE DB Provisions"). Members retain their entitlements to pensions earned under the Hybrid Provisions and FAE DB Provisions, as applicable, for service before July 1, 2021. Entitlements under the Hybrid Provisions are determined based on member's defined contribution account balances to their date of retirement, termination of service or death, and earnings to June 30, 2021. Entitlements under the FAE DB Provisions are determined based on member's earnings to June 30, 2021.

As of April 7, 2021, active members who, upon leaving employment, have already reached their early retirement date (July 1st coincident with or next following their 55th birthday) will be eligible to receive a monthly pension and will not be eligible to elect a commuted value transfer payment option.

On February 2, 2021, the Plan's sponsor, Laurentian University, commenced a proceeding under the *Companies' Creditors Arrangement Act* ("CCAA"). In the context of the CCAA proceedings, Laurentian University, its union, and its faculty association adopted a pension term sheet, effective July 1, 2021, that was approved by court order on May 2, 2021. Included in the pension term sheet are registered pension plan design changes that limit portability, modify early retirement provisions, limit the receipt of pension benefits while employed, freeze the best average pensionable earnings, adjust for future service reduced career average earnings lifetime benefit formula integrated with enhanced CPP, and specify conditions for indexation. The pension term sheet also specifies changes to the contribution requirements of the plan sponsor and members.

Also, in the context of the CCAA proceedings, Laurentian University disclaimed its federation agreements with University of Sudbury and Thorneloe University. Accordingly, employees of these universities ceased to accrue pension benefits under the Plan effective December 31, 2021. For pension benefits accrued prior to December 31, 2021, University of Sudbury and Thorneloe University will continue to fund the pension benefits in accordance with legislative requirements. Other plan restructuring in the year included provisions whereby employees of Huntington University ceased to be members of the Plan effective June 30, 2021. As of this date, these members ceased to accrue pension benefits in the Plan and contributions into the Plan on behalf of these members ceased.

Effective July 1, 2021, the trust agreement with RBC Investor Services Trust was modified to change the name of the Plan from the "Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities" to "Retirement Plan of Laurentian University of Sudbury".

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

1. Plan description (Continued):

Pursuant to the pension term sheet referenced above, both the employer and employee contribute to the Plan based on a percentage of pensionable earnings. The employer is required to contribute amounts sufficient to meet the current service costs and amortize any unfunded liabilities of the Supplementary Fund in such manner as to comply with the solvency provisions of the Ontario Pension Benefits Act.

The actuary is Eckler Consultants and Actuaries and the most recent valuation was completed effective July 1, 2021 with respect to the calculated actuarially determined going concern, solvency and windup funding positions.

2. Basis of preparation:

(a) Basis of presentation:

As permitted under Section 76 of Regulation 909 to the Pension Benefits Act (Ontario), the Plan may prepare fund financial statements in accordance with Canadian accounting standards for pension plans or in accordance with Canadian accounting standards for pension plans excluding pension obligations and any resulting surplus or deficit. The Plan has prepared these fund financial statements in accordance with Canadian accounting standards for pension plans excluding pension obligations and any resulting surplus or deficit.

In selecting or changing accounting policies that do not relate to its investment portfolio or pension obligations, Canadian accounting standards for pension plans require the Plan to comply (on a consistent basis) with either International Financial Reporting Standards ("IFRS") in Part I of The Chartered Professional Accountants of Canada ("CPAC") Handbook - Accounting or Canadian accounting standards for private enterprises in Part II of the CPA Canada Handbook - Accounting. The Plan has chosen to comply on a consistent basis with IFRS.

These fund financial statements have been prepared to assist the Pension Committee of the Retirement Plan of Laurentian University of Sudbury in meeting the requirements of the Financial Services Regulatory Authority of Ontario. As a result, these fund financial statements may not be suitable for another purpose.

These fund financial statements of the Plan do not purport to show the adequacy of the Plan's assets to meet its pension obligation. Such an assessment requires additional information, such as the Plan's actuarial reports and information about the University's financial health.

(b) Functional and presentation currency:

These fund financial statements are presented in Canadian dollars, which is the Plan's functional currency.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

2. Basis of preparation (Continued):

(c) Use of estimates and judgements:

The preparation of the fund financial statements in conformity with Canadian accounting standards for pension plans and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the statement of net assets available for benefits and the reported amounts of changes in net assets available for benefits during the year. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

3. Significant accounting policies:

(a) Foreign currency:

Transactions in foreign currencies are translated into Canadian dollars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Canadian dollars at the exchange rate at that date.

Foreign currency differences arising on retranslation are recognized in the statement of changes in net assets available for benefits as a change in net unrealized gains on investments.

(b) Income recognition:

Investment income is recorded on an accrual basis and includes interest income, dividends and other income.

Employee and Employer contributions are recorded in the period for which payroll deductions were calculated.

(c) Financial assets and financial liabilities:

(i) Non-derivative financial assets:

Financial assets are recognized initially on the trade date, which is the date that the Plan becomes a party to the contractual provisions of the instrument. Upon initial recognition, attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred.

The Plan measures all of its investments at fair value through the statement of changes in net assets available for benefits.

All other non-derivative financial assets including contributions receivable are measured at amortized cost.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

3. Significant accounting policies (Continued):

(c) Financial assets and financial liabilities (Continued):

(i) Non-derivative financial assets (continued):

The Plan derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Plan neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognized in the statement of changes in net assets available for benefits as a net realized gain (loss) on sale of investments.

(ii) Non-derivative financial liabilities:

All financial liabilities are recognized initially on the trade date at which the Plan becomes a party to the contractual provisions of the instrument.

The Plan derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of net assets available for benefits when, and only when, the Plan has a legal right to offset the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Plan considers its accrued liabilities to be a non-derivative financial liability.

(d) Fair value measurement:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

In determining fair value, the Plan has adopted the guidance in IFRS 13, Fair Value Measurement ("IFRS 13"), in Part I of the CPA Canada Handbook - Accounting. As allowed under IFRS 13, if an asset or a liability measured at fair value has a bid and an ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The Plan uses closing market price as a practical expedient for fair value measurement.

When available, the Plan measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

3. Significant accounting policies (Continued):

(d) Fair value measurement (continued):

If a market for a financial instrument is not active, then the Plan establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

All changes in fair value, other than interest and dividend income and expense, are recognized in the statement of changes in net assets available for benefits as part of the net unrealized gains on investments.

Fair values of investments are determined as follows:

- (i) Pooled funds and investments in limited partnerships are recorded at fair value based on net asset values obtained from each of the funds' administrators.
- (ii) Bonds and equities are valued at year-end quoted closing prices where available. Where quoted prices are not available, estimated fair values are calculated using comparable securities.
- (iii) Short-term notes and treasury bills maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

(e) Net realized gain (loss) on sale of investments:

The net realized gain (loss) on sale of investments is the difference between proceeds received and the average cost of investments sold.

(f) Income taxes:

The Plan is a registered pension plan, as defined by the Income Tax Act (Canada) and, accordingly, is not subject to income taxes.

(g) Pension Benefits:

Pension payments are shown as expenditures in the period of payment with the exception of terminations which are accrued at the year-end date.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

4. Investments:

(a) Investments by type:

	2022 Fair Value	2022 Cost	2021 Fair Value	2021 Cost
Canadian pooled equity funds	\$ 56,336,593	\$ 54,084,906	\$ 66,931,395	\$ 55,904,939
Foreign pooled equity funds	130,543,214	119,170,779	179,007,130	129,933,316
Infrastructure and real estate	104,100,740	80,388,356	93,341,521	78,034,350
Canadian bonds	108,404,090	126,805,083	133,600,364	135,462,417
Mortgage funds	22,459,948	22,890,887	22,659,182	22,123,516
Cash and money market funds	7,582,770	7,582,770	10,294,641	10,294,641
	\$ 429,427,355	\$ 410,922,781	\$ 505,834,233	\$ 431,753,180

(b) Investment allocation:

(i) By manager (percentage of total investments at fair value):

	Fund Policy %	Target %	2022 %	2021 %
Mawer Investment Management Ltd. – balanced	30-45	37.5	36.7	38.5
RBC Global Asset Management – global equity	10-25	17.0	14.6	16.4
RBC Global Asset Management – core plus	10-30	20.5	18.0	19.8
Real Estate Manager	5-15	10.0	12.4	9.0
Infrastructure Managers	5-15	10.0	11.8	9.6
Mortgage Manager	0-10	5.0	5.2	4.5
Cash			1.3	2.2
		100.0	100.0	100.0

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

4. Investments (Continued)

(b) Investment allocation (continued):

(ii) Overall asset allocation policy (percentage of total investments at fair value):

	Fund Policy %	Target %	2022 %	2021 %
Cash	0.0 - 10.0	0.0	4.6	4.0
Fixed income	22.5 - 47.5	30.0	24.6	25.8
Mortgages	0.0 - 10.0	5.0	5.1	4.5
Total fixed income	30.0 - 50.0	35.0	34.3	34.3
Canadian equities	7.5 - 25.0	15.0	12.4	13.0
Foreign equities	20.0 - 40.0	30.0	29.4	34.7
Total equities	35.0 - 55.0	45.0	41.8	47.7
Infrastructure	5.0 - 15.0	10.0	11.5	9.0
Real estate	5.0 - 15.0	10.0	12.4	9.0
Total real assets	15.0 - 25.0	20.0	23.9	18.0
		100.0	100.0	100.0

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

5. Investment income:

	2022	2021
Canadian pooled equity funds	\$ 7,529,223	\$ 5,427,544
Foreign pooled equity funds	4,557,223	3,626,569
Infrastructure and real assets	2,943,739	4,051,823
Canadian bonds	3,472,062	9,293,573
Mortgage funds	767,371	771,174
Cash and money market funds	19,163	43,911
	\$ 19,288,781	\$ 23,214,594

6. Benefits:

	2022	2021
Retirement benefits	\$ 17,091,755	\$ 14,779,131
Termination benefits	45,507,799	33,064,735
Death benefits	655,451	180,352
	\$ 63,255,005	\$ 48,024,218

The Plan recognizes the full amount of termination benefits at the time a member applies to receive a commuted value payout. The Plan has a wind-up funding deficiency and therefore defers a portion of certain termination benefits. The amounts deferred bear interest at prescribed rates. The deferred amounts, plus interest, are reflected as a liability and will be paid at the earlier of five years or the date upon which the Plan is fully funded.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

7. Administration expenses:

		2022		2021
Trustee and administrative fees	\$	180,023	\$	178,317
Actuarial and consulting fees		1,731,973		1,137,842
Investment management fees		1,813,446		1,862,499
Other		293,390		45,909
	\$	4,018,832	\$	3,224,567

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

8. Statutory disclosure:

The following information is provided in respect of individual investments with a cost or fair value in excess of 1% of the cost or fair value of the Plan, as required by the Regulation to the Pension Benefits Act (Ontario).

Fund name	Fund operator	Nature of investments held	Fair value
Addenda Commercial Mortgages Pooled Funds	Addenda Management	Mortgage funds	\$ 22,459,948
JP Morgan IIF Canadian	J.P. Morgan Asset Management	Infrastructure and real assets	22,149,226
Mawer Canadian Bond Pooled Fund	Mawer Investment Management	Canadian bonds	30,340,894
Mawer Canadian Equity Pooled Fund	Mawer Investment Management	Canadian pooled equity funds	53,862,040
Mawer Canadian Money Market Fund	Mawer Investment Management	Pooled money market funds	6,160,124
Mawer Global Small Capped Fund	Mawer Investment Management	Foreign pooled equity funds	8,098,232
Mawer International Equity Pooled Fund	Mawer Investment Management	Foreign pooled equity funds	26,718,891
Mawer US Equity Fund Class O	Mawer Investment Management	Foreign pooled equity funds	31,948,705
MIRA Infrastructure Global Solution	MAM Americas	Infrastructure and real assets	28,211,290
PH&N Core Plus Bond	RBC Global Asset Management	Canadian bonds	78,063,197
RBC Global Equity Focus-O	RBC Global Asset Management	Foreign pooled equity funds	63,777,386
TD-Greystone Real Estate Fund	TD Asset Management	Infrastructure and real assets	53,740,223

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

9. Capital risk management:

The Plan considers its capital to be its net assets available for benefits. The Plan's main objective when managing its capital is to sustain a certain level of net assets in order to meet the actuarially determined pension obligations of the University, which are not presented or discussed in these fund financial statements. The Plan fulfils its primary objective by adhering to specific investment policies outlined in its Statement of Investment Policies and Procedures (the "SIPP"), most recently amended and approved effective December 2021 and within the applicable regulatory limits. The Plan's SIPP is reviewed annually by the pension committee. The Plan manages net assets by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (current year's employee and employer contributions) in accordance with the approved SIPP. Increases in net assets available for benefits are a direct result of investment income generated by investments held by the Plan and contributions in to the Plan by eligible employees and by the University. The main use of net assets available for benefits is for benefit payments to eligible Plan members. The Plan is required to file fund financial statements with the Financial Services Regulatory Authority of Ontario (FSRA).

The primary investment objective of the Plan is to ensure the assets are invested in a prudent manner so that sufficient assets, investment earnings and liquidity are available to meet the Plan's obligations, in conformance with all applicable pension legislation. The Plan seeks to maximize total return, while protecting capital and minimizing risk. In specific terms, the pension committee identified an overall investment objective for the Plan to earn a total fund average annual rate of return over any given four-year period equal to the greater of: a) at least 3% plus the average annual increase in the Consumer Price Index, b) the return of a passively managed balanced portfolio, net of fees, with the asset allocation as described in the SIPP, and c) at least median when compared to a universe of similar funds. Actual results related to the Plan's investment portfolio are disclosed in Note 5.

There have been no changes in what the Plan considers to be its capital and there have been no significant changes to the Plan's capital management objectives, policies and processes in the year.

10. Financial instrument risks:

The Plan's investing activities expose it to a variety of direct and indirect financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). These risks have not changed from the prior year.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

10. Financial instrument risks (Continued):

(a) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation that is entered into with the Plan. The risk of default on transactions in listed securities is considered minimal, as the trade will fail if either party to the transaction does not meet its obligation. While the Plan may be exposed to credit risk with respect to bonds, it manages this risk by primarily investing in investment-grade and government bonds. The Plan also has credit risk to the extent that contributions receivable are not collectible. The Plan manages this risk by closely monitoring delinquent contributors and ensuring late contributions and deviations are pursued.

As at June 30, 2022 the Plan's Canadian bonds by credit rating are as follows:

	2022	% of	2021	% of
	Canadian Bonds	total	Canadian Bonds	total
Cash	\$ 2,341,896	2	\$ 11,796,055	9
AAA	28,332,049	26	23,439,247	18
AA	30,133,300	28	43,256,733	32
A	24,896,022	23	22,028,723	16
BBB	14,113,872	13	20,085,305	15
<BBB	4,527,665	4	9,078,976	7
Unrated	1,483,200	2	1,095,814	1
Mortgages	2,576,086	2	2,819,511	2
	\$ 108,404,090	100.0	\$ 133,600,364	100.0

(b) Liquidity risk:

The Plan is also exposed to *liquidity risk* in the event that investments must be sold quickly. The Plan's assets are invested in securities that are traded in an active market and can be readily disposed of as liquidity needs arise, assuming orderly markets.

The Plan's investments in infrastructure, real estate and mortgages may be exposed to a higher degree of liquidity risk.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

10. Financial instrument risks (Continued):

(c) Market risk:

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value of financial instruments. It arises when the Plan invests in interest-sensitive investments such as bonds and other fixed income investments that will fluctuate due to changes in prevailing levels of market interest rates. The Plan mitigates this risk by investing in interest-bearing investments with varying maturity dates. As at June 30, the terms to maturity of interest-bearing investments are as follows:

2022 (millions)	Less than 1 year	1 - 5 years	5 - 10 years	> 10 years	Total
Canadian bonds	\$ 6	\$ 37	\$ 32	\$ 33	\$ 108

2021 (millions)	Less than 1 year	1 - 5 years	5 - 10 years	> 10 years	Total
Canadian bonds	\$ 17	\$ 34	\$ 38	\$ 45	\$ 134

As at June 30, 2022, had prevailing interest rates increased or decreased by 1%, with all other variables held constant, net assets available for benefits would have decreased or increased, by approximately \$8.0 million (2021 - \$10.6 million) respectively.

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currencies.

As at June 30, 2022, had the Canadian dollar appreciated or depreciated by 5% relative to other currencies, with all other variables held constant, net assets available for benefits would have decreased or increased, by approximately \$9.1 million (2021 - \$11.3 million) respectively.

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

10. Financial instrument risks (Continued):

(c) Market risk (continued):

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market.

The Plan manages market risk by diversifying investments in accordance with the Statement of Investment Policies and Procedures, which is approved by the Trustees. As at June 30, 2022, had market prices of equities, pooled equity funds, infrastructure and real estate funds and mortgage funds increased or decreased by 10%, with all other variables held constant, net assets available for benefits would have increased or decreased, by approximately \$31.3 million (2020 - \$36.2 million) respectively.

(d) Financial instruments fair value hierarchy:

Disclosure of a three-level hierarchy for fair value measurements is based upon transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1:

For securities valued based on unadjusted quoted prices in active markets for identical assets.

Level 2:

For securities valued based on inputs, other than quoted prices included in Level 1, that are observable for the asset, either directly or indirectly.

Level 3:

For securities valued based on inputs that are based on unobservable market data.

As at June 30, 2022, the following table represents a summary of investments held by level:

	2022		2021	
Level 1 – equity pooled funds, cash and money market funds	\$	194,462,578	\$	256,233,166
Level 2 – Canadian bonds		108,404,090		133,600,364
Level 3 – infrastructure and real estate and mortgage		126,560,687		116,000,703
	\$	429,427,355	\$	505,834,233

RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Fund Financial Statements

Year ended June 30, 2022

10. Financial instrument risks (Continued):

(d) Financial instruments fair value hierarchy (continued):

The schedule below presents a reconciliation of Level 3 investments measured at fair value using unobservable inputs during the year. Realized and unrealized gains are included in investment income.

	2022	2021
Balance, beginning of year	\$ 116,000,703	\$ 115,582,846
Purchases	24,343	-
Sales	(1,003,549)	-
Realized gains	4,100,583	-
Unrealized fair value adjustments	7,438,607	417,857
	\$ 126,560,687	\$ 116,000,703

In the year, based on the underlying holding of the investment funds, certain investments that had previously been presented as Level 2 within the fair value hierarchy are now presented as Level 1 or Level 3 within the fair value hierarchy and the comparative amounts have been updated accordingly.

11. Impact of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. The Plan has experienced fluctuations in the fair value of investments and investment income.

At this time, these factors present uncertainty over future cash flows, may cause significant changes to the investment value and may have a significant impact on net assets available for benefits. As indicated in Note 9, capital risk management, capital is managed by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (current year's employee and employer contributions) in accordance with the approved SIPP. An estimate of the financial effect is not practicable at this time.

12. Comparative Amounts

Certain comparative figures presented in the financial statements have been reclassified to conform with the current year's presentation.



RETIREMENT PLAN OF LAURENTIAN UNIVERSITY OF SUDBURY

AUDIT FINDINGS REPORT TO THE PENSION COMMITTEE

December 22, 2022



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BDO Canada LLP
360 Oakville Place Drive
Oakville, ON L6H 6K8 Canada

December 22, 2022

Pension Committee of the
Retirement Plan of Laurentian University of Sudbury

Dear Pension Committee:

We are pleased to present the results of our audit of the financial statements for the Retirement Plan of Laurentian University of Sudbury (the "Plan"), for the year ended June 30, 2022.

The purpose of our report is to summarize certain aspects of the audit that we believe to be of interest to the Pension Committee and should be read in conjunction with the draft financial statements and our draft audit reports.

This report has been prepared solely for the use of the Pension Committee and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We wish to express our appreciation for the co-operation we received during the audit from the staff, who have assisted us in carrying out our work. We look forward to meeting with you to discuss the contents of this report and any other matters that you consider appropriate.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Veld', is written over a light blue horizontal line.

David M. Veld, CPA, CA
Partner through a corporation

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

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EXECUTIVE SUMMARY

STATUS OF THE AUDIT

As of the date of this report, we have substantially completed our audit of the 2022 financial statements, pending the completion of the following items:

- ▶ Receipt of signed management representation letter
- ▶ Subsequent events review through to financial statement approval date
- ▶ Approval of financial statements by the Pension Committee

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement.

MATERIALITY

For the purposes of our audit, we have concluded that materiality levels based on 2% of net assets, is appropriate. Final materiality was \$8,000,000.

INDEPENDENCE

Appendix A provides our annual letter confirming our independence.

AUDIT FINDINGS

Our audit focused on the risks specific to your business and key accounts.

ADJUSTED AND UNADJUSTED DIFFERENCES

All adjusted differences identified during the course of our audit engagement have been discussed with the Pension Committee.

There were no unadjusted differences identified by us through the course of our audit engagement.

MANAGEMENT REPRESENTATION

During the course of our audit, management and the Pension Committee made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial statements. We were provided with representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with the Pension Committee and written representations received.

We have provided you with a copy of the management representation letter which summarizes the representations we have requested in Appendix B.

FRAUD DISCUSSION

Through our planning process, and current and prior years' audit, we have developed an understanding of your oversight processes. We are not currently aware of any fraud.

If you are aware of changes to process or are aware of any instances of actual, suspected or alleged fraud affecting the Plan we request that you provide us with this information.

INTERNAL CONTROL MATTERS

We are required to report to you in writing, any significant deficiencies in internal control that we have identified. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of the Pension Committee.

There were no significant deficiencies in internal control identified.

TERMS OF REFERENCE

Our overall responsibility is to form and express an opinion on the financial statements. These financial statements are prepared by management with oversight by the Pension Committee. The audit of the financial statements does not relieve the management or the Pension Committee of their responsibilities. The scope of our work, as confirmed in our engagement letter (Appendix C), is set out below.

ENGAGEMENT OBJECTIVES

- Forming and expressing an audit opinion on the financial statements.
- Present significant findings to the Pension Committee including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.
- Provide timely and constructive management letters, if applicable. This will include deficiencies in internal control identified during our audit.
- Consult regarding accounting and reporting matters as requested throughout the year.
- Work with the management and Pension Committee towards the timely issuance of financial statements, and tax returns, as applicable.

RESPONSIBILITIES

It is important for the Pension Committee to understand the responsibilities that rest with the management, those that rest with the external auditor and the responsibilities of those charged with governance. BDO's responsibilities are outlined within the engagement letter. The oversight and financial reporting responsibilities of the management and the Pension Committee are summarized below.

MANAGEMENT'S RESPONSIBILITIES

- Maintain adequate accounting records and maintain an appropriate system of internal control for the Plan.
- Select and consistently apply appropriate accounting policies.
- Prepare the annual financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).
- Safeguard the Plan's assets and take reasonable steps for the prevention and detection of fraud and other irregularities.
- Make available to us, as and when required, all of the Plan's accounting records and related financial information.

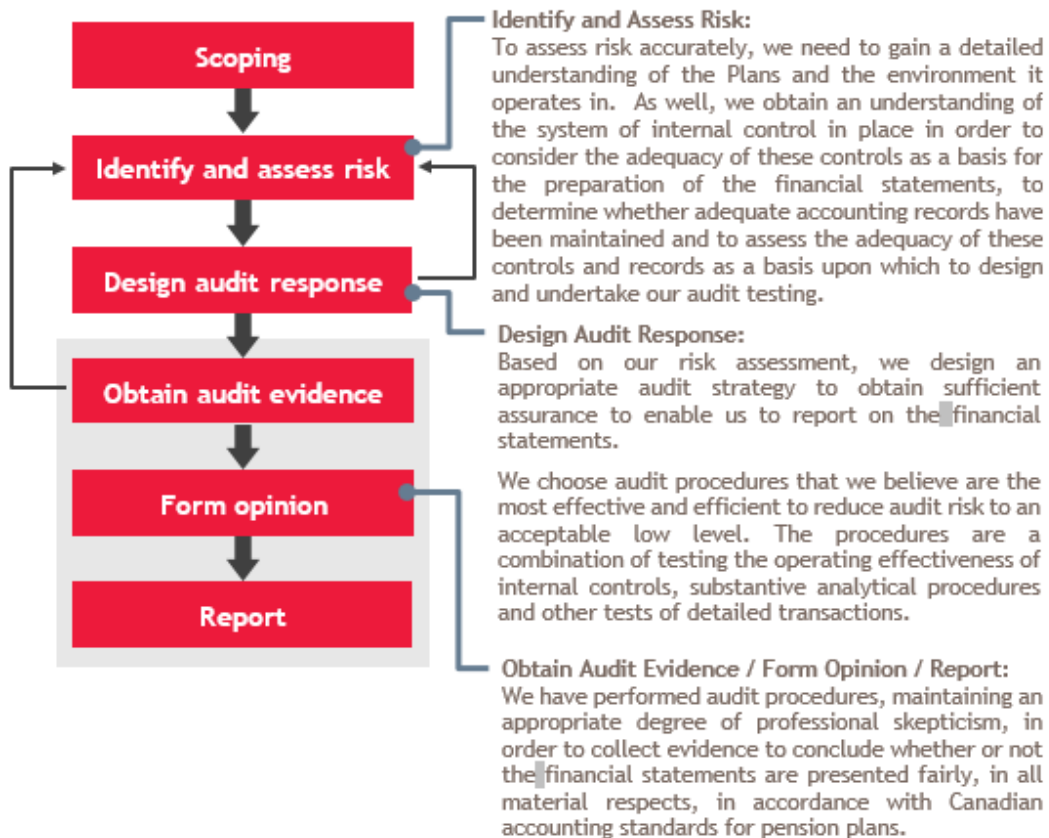
PENSION COMMITTEE'S RESPONSIBILITIES

- Engage the external auditor for the purpose of issuing an independent auditor's report.
- Facilitate the resolution of disagreements between the management and the external auditor regarding financial reporting matters.
- Pre-approve all non-audit services to be provided to the Plan by the external auditor.
- Review and approve the financial statements.

AUDIT STRATEGY

Our overall audit strategy involved extensive partner and manager involvement in all aspects of the planning and execution of the audit and was based on our overall understanding of the Plan.

We performed risk-based audit which allowed us to focus our audit effort on higher-risk areas and other areas of concern for the Pension Committee.



MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances and include an assessment of both quantitative and qualitative factors and can be affected by the size or nature of a misstatement, or a combination of both.

For the purposes of our audit, we have concluded that materiality levels based on 2% of net assets, is appropriate. Final materiality was \$8,000,000.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Plan's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

ADJUSTED AND UNADJUSTED DIFFERENCES

All adjusted differences identified during the course of our audit engagement have been discussed with the management.

There were no unadjusted differences identified by us through the course of our audit engagement.

FRAUD DISCUSSION

Canadian generally accepted auditing standards require us to discuss fraud risk with the Pension Committee on an annual basis. We have prepared the following comments to facilitate this discussion:

Required Discussion	BDO Response	Question to Pension Committee
<p>Details of existing oversight processes with regards to fraud.</p>	<p>Based on our discussions during the planning of our audit, the Pension Committee’s oversight processes include:</p> <ul style="list-style-type: none"> • Discussions at Committee meetings; • Review of related party transactions; and • Discussions with the third-party administrator. 	<p>Are there any new processes or changes in existing processes relating to fraud since the date of our previous discussions, that we should be aware of?</p>
<p>Knowledge of actual, suspected or alleged fraud.</p>	<p>Currently, we are not aware of any actual, suspected or alleged fraud.</p>	<p>Are you aware of any instances of actual, suspected or alleged fraud affecting the Plan?</p>

AUDITOR’S RESPONSIBILITIES FOR DETECTING FRAUD

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- Identifying and assessing the risks of material misstatement due to fraud;
- Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

During the audit, we performed risk assessment procedures and related activities to obtain an understanding of the Plan and its environment, including the Plan's internal control, to obtain information for use in identifying the risks of material misstatement due to fraud and have made inquiries of the Pension Committee and/or management regarding:

- Their assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- Their process for identifying and responding to the risks of fraud in the entity, including any specific risks of fraud that have been identified or that have been brought to their attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist; and
- Management's communication, if any, to the Pension Committee regarding its processes for identifying and responding to the risks of fraud in the Plan.

Canadian Auditing Standards highlight that there is a presumed fraud risk due to management's ability to override controls that otherwise appear to be operating effectively.

In response to our risk assessment and our inquiries, we performed procedures to address the assessed risks, which included the following:

- Inquire of management, the Pension Committee, and others related to any knowledge of fraud, suspected fraud or alleged fraud;
- Perform disaggregated analytical procedures and consider unusual or unexpected relationships identified in the planning of our audit;
- Incorporate an element of unpredictability in the selection of the nature, timing and extent of our audit procedures; and
- Perform additional required procedures to address the risk of the override of controls including:
 - Testing internal controls designed to prevent and detect fraud;
 - Testing the appropriateness of a sample of adjusting journal entries and other adjustments for evidence of the possibility of material misstatement due to fraud;
 - Reviewing accounting estimates for biases that could result in material misstatements due to fraud, including a retrospective review of significant prior years' estimates; and
 - Evaluating the business rationale for significant unusual transactions.

Based upon our audit testing, we did not identify any matters that would suggest management has attempted to override controls in the financial statement process.

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the administrator's internal control environment:

- Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- Discussed and considered potential audit risks with the management.

The results of these procedures were considered in determining, the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of the Board of Trustees.

As the purpose of the audit is for us to express an opinion on the Plan's financial statements, our audit cannot be expected to disclose all matters that may be of interest to you. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

There were no significant deficiencies in internal control identified.

OTHER MATTERS

Cybersecurity

The global economy has experienced a surge in cybersecurity attacks in recent years and, given their wealth of personal information, pension plans may be appealing targets. A fulsome cybersecurity strategy is now a baseline requirement for all organizations. Insurance may cover financial loss, assuming the organization has fully complied with the policy, however insurance is a response to an issue, as opposed to preventing it. We suggest that the Pension Committee continues to monitor its cybersecurity vulnerabilities and ensure the Plan has a cybersecurity strategy which includes training, frameworks and standards, risk assessment, governance, security operations, security engineering and incident response. Should this be of interest to the Pension Committee, we can introduce our cybersecurity team.

COVID-19

As global reactions and responses to coronavirus (COVID-19) continue to evolve and change, BDO Canada has issued a number of publications on the financial reporting and tax implications resulting from the outbreak to assist companies in navigating these challenging times. This includes publications on the accounting implications arising from changing economic conditions, understanding available government assistance, crisis management and responding to liquidity changes.

APPENDIX A
Independence Letter



Tel: 289-881-1111
Fax: 905-845-8615
www.bdo.ca

BDO Canada LLP
360 Oakville Place Drive
Oakville, ON L6H 6K8 Canada

December 22, 2022

Pension Committee of the
Retirement Plan of Laurentian University of Sudbury

Dear Pension Committee:

We have been engaged to audit the financial statements of Retirement Plan of Laurentian University of Sudbury (the "Plan") for the year ended June 30, 2022.

Canadian generally accepted auditing standards (GAAS) require that we communicate at least annually with you regarding all relationships between the Plan and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- Holding a financial interest, either directly or indirectly in a client;
- Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- Economic dependence on a client; and
- Provision of services in addition to the audit engagement.

We are aware of the following relationships between the Plan and us that, in our professional judgment, may reasonably be thought to have influenced our independence. The following relationships represent matters that have occurred from June 28, 2022, to December 22, 2022.

We have provided assistance in the preparation of the financial statements, including adjusting journal entries and/or bookkeeping services. These services created a self-review threat to our independence since we subsequently expressed an opinion on whether the financial statements presented fairly, in all material respects, the statement of net assets available for benefits as at June 30, 2022, and the statement of changes in net assets available for benefits for the year then ended.

We, therefore, are required that the following safeguards be put in place related to the above:

- Management created the source data for all the accounting entries.
- Management reviewed and approved all journal entries prepared by us, as well as changes to financial statement presentation and disclosure.
- Someone other than the preparer reviewed the proposed journal entries and financial statements.

We hereby confirm that we are independent with respect to the Retirement Plan of Laurentian University of Sudbury within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario as of December 22, 2022.



Tel: 289-881-1111
Fax: 905-845-8615
www.bdo.ca

BDO Canada LLP
360 Oakville Place Drive
Oakville, ON L6H 6K8 Canada

This letter is intended solely for the use of the Pension Committee and should not be used for any other purposes.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Veld', is written in a cursive style.

David M. Veld, CPA, CA
Partner through a corporation

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

APPENDIX B
Representation Letter

Retirement Plan of Laurentian University of Sudbury
935 Chemin du Lac Ramsey
Sudbury, Ontario
P3E 3C6

December 22, 2022

BDO Canada LLP
Chartered Professional Accountants
360 Oakville Place Drive
Suite 500
Oakville Ontario
L6H 6K8

This representation letter is provided in connection with your audit of the financial statements of Retirement Plan of Laurentian University of Sudbury for the year ended June 30, 2022, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated June 28, 2022, for the preparation of the financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario); in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).
- All events subsequent to the date of the financial statements and for which the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario) require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.
- We have reviewed and approved all journal entries recommended by the practitioners during the audit. A list of the journal entries is attached to the representation letter.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and

- unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - the Administrator;
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- All financial instruments have been appropriately recognized and measured in accordance with the financial reporting provisions of Section 76 of Regulation 909 under the Pension Benefits Act, 1990 (Ontario).
- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).

- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity, except as disclosed in the financial statements.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.

Yours truly,

Signature

Position

Signature

Position

Retirement Plan of Laurentian University of Sudbury
 Adjusting Entries
 June 30, 2022

<i>Account</i>	<i>Name</i>	<i>DR</i>	<i>CR</i>
1560	Laurentian University - Macquarie	\$ 3,733,640.10	
4220	Unrealized Gain/Loss		\$ 3,733,640.10
1570	Laurentian University - JP Morgan		\$ 3,337,131.44
4220	Unrealized Gain/Loss	\$ 3,337,131.44	

To adjust to values per investment manager confirmation for JP Morgan and Macquarie investments.

APPENDIX C
Engagement Letter

June 28, 2022

Retirement Plan of Laurentian University of Sudbury
and its Federated and Affiliated Universities (1975)
935 Chemin du Lac Ramsey
Sudbury, Ontario
P3E 3C6

**PLEASE SIGN
AND RETURN**

Attention: Michel Piche

Dear Sirs/Mesdames:

We understand that you wish to appoint us as the auditors of Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities (1975) commencing with its fiscal year ended June 30, 2022.

We are pleased to accept appointment as your auditors subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement.

David M. Veld, CPA, CA will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements prepared in accordance with the financial reporting provisions of Section 76 of Regulation 909 to the Pension Benefits Act (Ontario) are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.



We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the Administrator.

Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with the financial reporting provisions of Section 76 of Regulation 909 to the Pension Benefits Act (Ontario).

Our independent auditor's report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Administrator and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

- (a) the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 to the Pension Benefits Act (Ontario). The audit of the financial statements does not relieve you of your responsibilities;
- (b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (c) providing us with:
 - access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that we may request for the purpose of the audit;
 - unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
 - financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to the date of our auditor's report. If it is not possible to provide all the other information prior to the date of our auditor's report, you are responsible for provision of such other information as soon as practicable; and
 - written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Communication with the Securities Regulators

If the financial statements, supporting schedules and our audit thereon are included in a document required by securities legislation, they may be subject to review and comment by the staff of a securities regulator and to their interpretation of the applicable rules and regulations. This may involve discussions and communications with them, and/or the submission of supplemental data in connection with their review. You agree to inform us of any discussion, communication or submission, which may have bearing on the financial statements, schedules



and other financial data in the filings and furnish us with copies of related written communications. If we are involved in such communications with the staff of a securities regulator, we will inform you and provide you with copies of the relevant communications.

Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

- (a) prepare or change a journal entry; or
- (b) prepare or change an account code or a classification for a transaction.

As agreed, we will provide assistance in the preparation of the financial statements.

These services create a threat to our independence. We, therefore, require that the following safeguards be put into place:

- (a) that you create the source data for all accounting entries;
- (b) that you develop any underlying assumptions for the accounting treatment and measurement of entries; and
- (c) that you review and approve the draft financial statements, including the notes to the financial statements.

Tax Services

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We understand that you are not looking to BDO to provide you with any guidance or advice in regard to tax planning or compliance.

Additional Services

We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a separate written engagement agreement, the provisions of this Agreement will apply to the services.

Fee Estimation

The estimated fee for this engagement is as follows:

Audit services: \$32,000

For each future year we will issue a Summary of Services providing details of our Services and fees.

We will notify you on a timely basis if there are any circumstances we encounter which could significantly affect our initial estimate of professional fees. Our fees will be invoiced and payable as follows:

- \$8,000 prior to commencing annual assurance engagement;
- \$11,200 interim payment;
- \$11,200 prior to issuance of assurance report; and



- \$1,600 within 10 days after issuance of our final invoice along with any additional required final payments.

We reserve the right to suspend our Services if any of our invoices become delinquent. Fees that are not paid within 30 days of an invoice or by a specified payment deadline will be considered delinquent.

Additional information relating to our fees is provided in the Standard Terms and Conditions.

Terms and Conditions

The terms of the Client-Supplier Agreement dated the 10th of June 2022 will apply to this engagement.

Please sign and return the attached copy of this Agreement to indicate your agreement with it. If you have any questions concerning this Agreement, please contact us before signing it.

It is a pleasure for us to be of service and we look forward to many future years of association with you.

Yours truly,

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Agreement of all the terms and conditions in this Agreement is hereby acknowledged by:

Retirement Plan of Laurentian University of Sudbury and its Federated and Affiliated Universities (1975)

August 22, 2022

Signature

Date

Normand Lavallee

AVP, Financial Services

Name (please print)

Position

Please carefully review this Agreement including the Client-Supplier Agreement prior to signing it. A complete copy of the signed engagement letter should be returned to us.



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title:	Approval of 2023-2024 Deferred Maintenance Projects
----------------------	--

Open/closed session:	Open
-----------------------------	------

ITEM

Action Requested:	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by:	BOARD PROPERTY DEV. AND PLANNING CTTEE
Presenter(s):	Committee Chair, Mr. David Harquail Vice-President, Finance and Administration, Mr Michel Piché

1. PURPOSE

To provide a status of deferred maintenance projects and receive authority to proceed with planned 2023-24 projects.

EXECUTIVE SUMMARY

Deferred maintenance projects at Laurentian University are managed with the Facility Services Department. Historically, projects were selected based on criticality, accessibility, safety, and available funding.

The Facility Services department has recently shared with the Property Development and Planning Committee a 5-year Deferred Maintenance Plan (September 29, 2022) based on the University's financial forecast submitted to the Ministry of Colleges and Universities (MCU). This Plan called for deferred maintenance spending of \$7.6 million annually – see Appendix 1 for more details.

PROPOSED DEFERRED MAINTENANCE PROJECTS 2023-24

Facility Services has identified several critical deferred maintenance projects to be addressed in fiscal year 2023-24, totalling \$8.4 million (per Appendix 2), as compared to the 5-year plan forecast of \$7.6 million. Of these, projects worth \$2.6 million are expected to be funded from the Facilities Renewal Program (FRP), and \$5.8 million from Laurentian's operating fund. The projects also include \$1.6 million for ancillary projects (residence). It is important to note that to meet 2023-24 construction timelines, a tender process must begin no later than February 2023.

RESOLUTION TO CONSIDER:

That the Board of Governors approve the 2023-24 Deferred Maintenance Projects totalling \$8.4 million, subject to funding as recommended by the Finance Committee and upon approval by the Board, as presented at its meeting of February 17, 2023.

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input checked="" type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input checked="" type="checkbox"/> Safety <input type="checkbox"/> Student Success

3. RECOMMENDATION

Facility Services has developed a 5-year capital renewal plan to address its deferred maintenance backlog, previously estimated at \$135M in 2019. For 2023-24, management recommends that the Committee approves the list of projects totalling \$8.4 million, subject to funding approval by the Finance Committee and the Board.

A. Background/Issue Description

RECENT DEFERRED MAINTENANCE PROJECTS

Since 2020, Facility Services have completed deferred maintenance projects based solely on funding provided by the MCU's Facilities Renewal Program. Recent deferred maintenance projects have included:

FRP 2020-21 funded projects:

Arts Building Lower Roof Replacement	\$ 24,715
Education Building Cladding Replacement	871,400
JND Chiller Compressor Replacement	86,650
Science 2A Electrical Switchgear Replacement	151,650
Science 1 Lab Vacuum Replacement	69,110
Emergency Generator Fuel Tank Updates (design)	20,530
BAS System Upgrades	<u>405,505</u>
	\$1,629,560

FRP 2021-22 funded projects:

Health Sciences Roof and HRV Replacement	\$ 293,350
Roof Designs (RD Parker, Alphonse Raymond, Science 2A)	4,115
NOSM HVAC Humidification Replacement	123,445
Emergency Generator Designs	11,600
Alphonse Raymond Chiller Replacement	<u>356,000</u>
	\$ 788,510

FRP 2022-23 funded projects:

Ben Avery Roof Replacement	\$1,189,350
Roof Designs (Arts, Science 1, Science 1/2A/2B lower, Parker 11th)	\$70,900
Boiler Replacements (LWL and MSOA)	\$164,100
LWL and pneumatic BAS upgrades	\$156,450
Exterior Stairs Repairs (design)	\$44,250
JND Emergency Power upgrades	\$207,000
Facilities Emergency Generator replacement	\$175,000
Campus Washroom Upgrades	\$150,000
Campus Roadway Improvement Program (consulting services)	<u>\$150,000</u>
	\$2,307,050

The projects shown for 2022-23 are expected to be completed by March 31, 2023, as per FRP 2022-23 funding requirements.

B. Alignment with Strategic Objective of University

The submission of Laurentian 2023-24 deferred maintenance projects and its 5-year deferred maintenance plan addresses the Auditor General's recommendation to provide information on the University's annual capital life cycle maintenance report that clearly shows significant areas where such maintenance is being deferred.

C. Other options considered (where applicable):

The amount of funding allocated to deferred maintenance projects was determined based on the capacity of the University to deliver on these projects and 5-year financial plan approved by MCU as part of the CCAA exit loan financing.

D. Risks including legislative compliance

It has been shown that the cost to repair failed systems is 80% higher than proactive maintenance or replacement of the same systems. Proactive and strategic renewal/replacement extends the life of our facilities and reduces the operational costs associated with emergency repairs. The risks of under-investing in capital renewal (deferred maintenance) could impact the university's recruitment and achievement of strategic goals. Other risks include procurement and construction. Costs of labour and materials can be impacted by fluctuation in supply and demand. To mitigate such risks strategic project planning is required to coordinate and develop planned improvements with selected vendors that will be familiar with the campus infrastructure.

E. Financial Implications (where applicable):

As indicated in the Financial Forecast submitted to MCU, Laurentian expects to spend around \$7.6 million per year for the period 2023-24 to 2027-28 to address its deferred maintenance backlog, part of which is included in the operating budget (between \$4.1 to \$4.5 million per year) and the remaining part is included in the capital budget.

F. Benefits

A well-maintained campus will attract new students and support research initiatives. By investing in our assets, strategically coordinating functional improvements, and coordinating project requirements with key stakeholders, Laurentian will be able to attract new students, manage operational costs and improve our reputation as a campus to be proud of.

G. Consultations (where applicable)

- Ongoing with the:
 - Board Property Development and Planning Committee
 - Board of Governors

H. Next Steps (include timelines and if approval granted and/or if for information)

Tender, award, construction and/or consulting for the 2023 construction season.

I. Appendices (where applicable with each to be numbered sequentially)

Laurentian 2023-24 – 2027-28 Deferred Maintenance Plan
List of Projects

CAMPUS RENEWAL AND PROJECTS LIST 2023 TO 2024

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,946,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,714,785
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,410,200
Total DM Funds	\$7,571,027

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Alphonse Raymond roofing replacement	\$1,400,000	\$210,000	\$241,500	\$63,136	\$1,915,000
Emergency Generator Fuel Tank Replacements/Repairs Construction	\$260,000	\$15,000	\$41,250	\$10,784	\$328,000
Ben Avery Pool Repairs	\$300,000	\$5,200	\$0	\$0	\$306,000
Science 2 Steam Boiler Replacement	\$450,000	\$0	\$0	\$0	\$450,000
Incoming water at SC1, piping and pump replacements	\$110,000	\$16,500	\$18,975	\$4,961	\$150,500
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$1,283,458

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Subtotals 2	\$0	\$0	\$0	\$0	\$0
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					\$500,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts Building Corridor Improvements (asbestos removal, lighting and heating)	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
Subtotals 3	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
DM Safety underspent (+ve) / overspent (-ve)					-\$350,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
Subtotals 2	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$376,900

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR renewal (exterior envelope and stairs) design		\$42,000	\$6,300	\$1,647	\$50,000
UCR remove exterior stairs and build a new walkway	\$300,000	\$30,000	\$40,100	\$12,620	\$382,800
Residence Roofing audit		\$50,000			\$50,000
East residence cladding review	\$20,000	\$3,000	\$3,450	\$902	\$28,000
Food Services renovation design		\$60,000	\$9,000	\$2,353	\$71,400
Residence Flooring Renewal Program	\$300,000	\$45,000	\$51,750	\$13,529	\$411,000
Residence Common Area Renewal Program	\$250,000	\$37,500	\$43,125	\$11,274	\$342,000
Campus Washroom Renewal Program (student street)	\$200,000	\$30,000	\$34,500	\$9,019	\$274,000
Subtotals 3	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
DM Residence underspent (+ve) / overspent (-ve)					\$105,585

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
2 - ACCESSIBILITY AND EQUITY	\$0	\$0	\$0	\$0	\$0
3 - SAFETY	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
5 - RESIDENCE	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
Proposed Spending (All Subtotals)	\$3,680,000	\$637,700	\$505,475	\$134,285	\$5,811,800
Total underspent (+ve) / overspent (-ve)					-\$650,973

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2A mechanical penthouse and roof replacement	\$1,459,390	\$72,970	\$229,854	\$60,091	\$1,822,400
Arts roof replacement	\$200,000	\$20,000	\$33,000	\$8,627	\$270,000
Parker lower third floor north-east, north-west, and east roof replacement	\$195,000	\$15,000	\$31,500	\$8,235	\$250,000
RD Parker Ventilation Upgrades	\$60,000	\$0	\$9,000	\$2,353	\$72,000
Science 1 Recladding design		\$50,000	\$7,500	\$1,961	\$60,000
Security Camera Upgrades (Campus Safety)	\$100,000	\$0	\$15,000	\$3,922	\$119,000
Subtotals 1	\$160,000	\$50,000	\$31,500	\$8,235	\$2,593,400
FRP funding underspent (+ve) / overspent (-ve)					-\$183,200

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$3,840,000	\$687,700	\$536,975	\$142,520	\$8,405,200
Total underspent (+ve) / overspent (-ve)					127 of 183 -\$834,173

CAMPUS RENEWAL AND PROJECTS LIST 2024 TO 2025

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Parker 11th floor inverted roof replacement	\$900,000	\$135,000	\$155,250	\$40,588	\$1,240,000
Maintenance roof replacement design		\$20,000	\$0	\$682	\$20,700
Alphonse Raymond ventilation SF-1, SF-7, SF-8 and SF-9 replacement design		\$30,000	\$0	\$1,023	\$31,100
Card/RFID Access Technology Upgrade		\$20,000	\$0	\$682	\$20,700
Parker Elevator Modernization (phase 1 - south car)	\$550,000	\$52,500	\$90,375	\$23,627	\$716,600
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$900,000	\$135,000	\$155,250	\$40,588	\$2,109,100
DM Building and Facilities underspent (+ve) / overspent (-ve)					-\$563,058

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Asbestos Management Plan Update		\$30,000	\$4,500	\$11,765	\$46,265
Subtotals 3	\$700,000	\$105,000	\$120,750	\$31,568	\$46,265
DM Safety underspent (+ve) / overspent (-ve)					\$453,736

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$450,000	\$67,500	\$67,500	\$19,949	\$610,000
Subtotals 2	\$450,000	\$67,500	\$67,500	\$19,949	\$610,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$110,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR elevators (Phase 1 - East car)	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
MSR interior renovations - sanitary and mechanical risers	\$750,000	\$25,000	\$116,250	\$30,392	\$921,700
UCR basement heating piping, valves, pumps, automation and electrical	\$190,000	\$28,500	\$32,775	\$8,568	\$260,000
East residence cladding review	\$15,000	\$2,250	\$2,588	\$676	\$21,000
Subtotals 3	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
DM Residence underspent (+ve) / overspent (-ve)					\$17,300

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$900,000	\$135,000	\$155,250	\$40,588	\$2,109,100
2 - ACCESSIBILITY AND EQUITY	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
3 - SAFETY	\$700,000	\$105,000	\$120,750	\$31,568	\$46,265
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
5 - RESIDENCE	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
Proposed Spending (All Subtotals)	\$2,655,000	\$310,750	\$434,738	\$115,957	\$4,998,065
Total underspent (+ve) / overspent (-ve)					-\$252,023

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC1 Exterior Cladding Upgrades	\$1,500,000	\$225,000	\$258,750	\$67,646	\$2,060,000
Science 1 roofing repairs/replacement	\$1,100,000	\$165,000	\$189,750	\$49,607	\$1,510,000
Alphonse Raymond electrical switchgear replacement	\$650,000	\$97,500	\$112,125	\$29,313	\$890,000
Science 2A and 2B Window Replacement	\$605,000	\$90,750	\$104,363	\$27,284	\$828,000
Subtotals 1	\$2,355,000	\$353,250	\$406,238	\$106,204	\$3,228,000
FRP funding underspent (+ve) / overspent (-ve)					-\$447,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$5,010,000	\$664,000	\$840,975	\$222,161	\$8,226,065
Total underspent (+ve) / overspent (-ve)					-\$699,023

CAMPUS RENEWAL AND PROJECTS LIST 2025 TO 2026

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC1, 2A, 2B lower roof replacement	\$550,000	\$82,500	\$94,875	\$24,803	\$752,200
Parker Elevators Modernization (Phase 2 - north car + DA)	\$700,000	\$105,000	\$120,750	\$31,568	\$960,000
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$1,250,000	\$267,500	\$215,625	\$56,372	\$1,792,200
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$246,158

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accesibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts electrical switchgear replacement	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
Subtotals 3	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
DM Safety underspent (+ve) / overspent (-ve)					\$80,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Great Hall patio and stairs repairs	\$350,000	\$52,500	\$60,375	\$15,784	\$478,700
Campus Roadway Renewal	\$750,000	\$0	\$0	\$25,575	\$780,000
Subtotals 4	\$750,000	\$0	\$0	\$25,575	\$1,258,700
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$758,700

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
UCR Elevator replacement	\$700,000.00	\$105,000	\$120,750	\$31,568	\$960,000
MSR elevators (Phase 2 - West car)	\$350,000	\$52,500	\$60,375	\$15,784	\$478,700
MSR two-pipe heating distribution system replacement	\$600,000	\$90,000	\$103,500	\$27,058	\$830,000
Subtotals 5	\$1,650,000	\$247,500	\$284,625	\$74,410	\$2,268,700
DM Residence underspent (+ve) / overspent (-ve)					-\$568,700

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$1,250,000	\$267,500	\$215,625	\$56,372	\$1,792,200
2- ACCESSIBILITY AND EQUITY	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
3- SAFETY	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$750,000	\$0	\$0	\$25,575	\$1,258,700
5 - RESIDENCE	\$1,650,000	\$247,500	\$284,625	\$74,410	\$2,268,700
Proposed Spending (All Subtotals)	\$3,650,000	\$515,000	\$500,250	\$156,357	\$6,289,600
Total underspent (+ve) / overspent (-ve)					-\$1,543,558

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC2A Building Elevator Modernization (phase 1 south)	\$559,395	\$83,909	\$96,496	\$25,227	\$765,100
SC2B Building Elevator Modernization	\$255,000	\$38,250	\$43,988	\$11,500	\$348,800
Alphonse Raymond ventilation SF-1, SF-7, SF-8 and SF-9 replacement	\$1,235,000	\$185,250	\$213,038	\$55,695	\$1,690,000
Subtotals 1	\$2,049,395	\$307,409	\$353,521	\$92,422	\$2,803,900
FRP funding underspent (+ve) / overspent (-ve)					-\$22,900

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$5,699,395	\$822,409	\$853,771	\$248,779	\$9,093,500
Total underspent (+ve) / overspent (-ve)					-\$1,566,458

CAMPUS RENEWAL AND PROJECTS LIST 2026 TO 2027

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2B roofing repairs/replacement	\$650,000	\$97,500	\$112,125	\$29,313	\$890,000
Maintenance Building Lower Roof Replacement	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$950,000	\$222,500	\$163,875	\$42,842	\$1,390,000
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					\$156,042

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Subtotals 2	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$190,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Ben Avery electrical switchgear replacement	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
Subtotals 3	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
DM Safety underspent (+ve) / overspent (-ve)					-\$115,500

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Parking Gate Technology Upgrade	\$500,000	\$20,000	\$0	\$17,732	\$540,000
Subtotals 4	\$500,000	\$20,000	\$0	\$17,732	\$540,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$40,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Food Services renovation design		\$50,000	\$7,500	\$1,961	\$59,500
East and West upper mechanical rooms floor sealing	\$100,000	\$15,000	\$17,250	\$4,510	\$136,800
Residence wireless access for apartments	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
UCR roof replacement	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
UCR sanitary and roof drain line replacements	\$50,000	\$7,500	\$8,625	\$2,255	\$68,400
UCR & SSR DHW backfeed	\$100,000	\$15,000	\$17,250	\$4,510	\$136,800
Subtotals 5	\$1,100,000	\$215,000	\$197,250	\$51,568	\$1,571,500
DM Residence underspent (+ve) / overspent (-ve)					\$128,500

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$950,000	\$222,500	\$163,875	\$42,842	\$1,390,000
2- ACCESSIBILITY AND EQUITY	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
3- SAFETY	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$500,000	\$20,000	\$0	\$17,732	\$540,000
5 - RESIDENCE	\$1,100,000	\$215,000	\$197,250	\$51,568	\$1,571,500
Proposed Spending (All Subtotals)	\$2,550,000	\$457,500	\$361,125	\$112,142	\$4,807,000
Total underspent (+ve) / overspent (-ve)					-\$60,958

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC2A Building Elevator Modernization (phase 2 - north)	\$559,395	\$83,909	\$96,496	\$25,227	\$765,100
Campus Roadway Renewal	\$1,500,000	\$225,000	\$258,750	\$67,646	\$2,051,400
Subtotals 1	\$2,059,395	\$308,909	\$355,246	\$92,873	\$2,816,500
FRP funding underspent (+ve) / overspent (-ve)					-\$35,500

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$4,609,395	\$766,409	\$716,371	\$205,015	\$7,623,500
Total underspent (+ve) / overspent (-ve)					-\$96,458

CAMPUS RENEWAL AND PROJECTS LIST 2027 TO 2028

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Fraser Auditorium complete renovation (Phase 1)	\$1,825,000	\$273,750	\$314,813	\$82,302	\$2,500,000
Subtotals 1	\$1,825,000	\$273,750	\$314,813	\$82,302	\$2,500,000
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$953,958

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
		\$0	\$0	\$0	\$0
Subtotals 3	\$0	\$0	\$0	\$0	\$0
DM Safety underspent (+ve) / overspent (-ve)					\$500,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$200,000	\$0	\$0	\$6,820	\$210,000
Subtotals 4	\$200,000	\$0	\$0	\$6,820	\$210,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$290,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Food Services - upgrade to Tim's	\$550,000	\$82,500	\$94,875	\$24,803	\$760,000
Food Services - upgrade to kitchen in DA	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
SSR - HVAC Ventilation Units distribution ductwork	\$250,000	\$37,500	\$43,125	\$11,274	\$350,000
Subtotals 5	\$1,150,000	\$172,500	\$198,375	\$51,862	\$1,590,000
DM Residence underspent (+ve) / overspent (-ve)					\$110,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending (All Subtotals)	\$3,575,000	\$506,250	\$582,188	\$159,023	\$4,850,000
Total underspent (+ve) / overspent (-ve)					-\$103,958

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Art exterior stonework remediation	\$150,000	\$22,500	\$25,875	\$6,765	\$210,000
Classroom roofing repairs	\$175,000	\$26,250	\$30,188	\$7,892	\$240,000
Underground Feed (Ramsey to SC2, SC1 to DA)	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Arts second and third floor ceiling abatement and new lighting	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Arts middle stairwell remediation	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
Arts east and west stairwells remediation	\$475,000	\$71,250	\$81,938	\$21,421	\$650,000
Subtotals 1	\$1,325,000	\$198,750	\$228,563	\$59,754	\$2,960,000
FRP funding underspent (+ve) / overspent (-ve)					-\$179,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$4,900,000	\$705,000	\$810,750	\$218,777	\$7,810,000
Total underspent (+ve) / overspent (-ve)					-\$282,958

CAMPUS RENEWAL AND PROJECTS LIST 2023 TO 2024

Item 8.1 c
17-Feb-2023
BG Open Session

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,946,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,714,785
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,410,200
Total DM Funds	\$7,571,027

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Alphonse Raymond roofing replacement	\$1,400,000	\$210,000	\$241,500	\$63,136	\$1,915,000
Emergency Generator Fuel Tank Replacements/Repairs Construction	\$260,000	\$15,000	\$41,250	\$10,784	\$328,000
Ben Avery Pool Repairs	\$300,000	\$5,200	\$0	\$0	\$306,000
Science 2 Steam Boiler Replacement	\$450,000	\$0	\$0	\$0	\$450,000
Incoming water at SC1, piping and pump replacements	\$110,000	\$16,500	\$18,975	\$4,961	\$150,500
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$1,283,458

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Subtotals 2	\$0	\$0	\$0	\$0	\$0
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					\$500,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts Building Corridor Improvements (asbestos removal, lighting and heating)	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
Subtotals 3	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
DM Safety underspent (+ve) / overspent (-ve)					-\$350,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
Subtotals 2	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$376,900

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR renewal (exterior envelope and stairs) design		\$42,000	\$6,300	\$1,647	\$50,000
UCR remove exterior stairs and build a new walkway	\$300,000	\$30,000	\$40,100	\$12,620	\$382,800
Residence Roofing audit		\$50,000			\$50,000
East residence cladding review	\$20,000	\$3,000	\$3,450	\$902	\$28,000
Food Services renovation design		\$60,000	\$9,000	\$2,353	\$71,400
Residence Flooring Renewal Program	\$300,000	\$45,000	\$51,750	\$13,529	\$411,000
Residence Common Area Renewal Program	\$250,000	\$37,500	\$43,125	\$11,274	\$342,000
Campus Washroom Renewal Program (student street)	\$200,000	\$30,000	\$34,500	\$9,019	\$274,000
Subtotals 3	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
DM Residence underspent (+ve) / overspent (-ve)					\$105,585

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
2 - ACCESSIBILITY AND EQUITY	\$0	\$0	\$0	\$0	\$0
3 - SAFETY	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
5 - RESIDENCE	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
Proposed Spending (All Subtotals)	\$4,430,000	\$659,200	\$555,475	\$162,298	\$5,811,800
Total underspent (+ve) / overspent (-ve)					-\$650,973

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2A mechanical penthouse and roof replacement	\$1,459,390	\$72,970	\$229,854	\$60,091	\$1,822,400
Arts roof replacement	\$200,000	\$20,000	\$33,000	\$8,627	\$270,000
Parker lower third floor north-east, north-west, and east roof replacement	\$195,000	\$15,000	\$31,500	\$8,235	\$250,000
RD Parker Ventilation Upgrades	\$60,000	\$0	\$9,000	\$2,353	\$72,000
Science 1 Recladding design		\$50,000	\$7,500	\$1,961	\$60,000
Security Camera Upgrades (Campus Safety)	\$100,000	\$0	\$15,000	\$3,922	\$119,000
Subtotals 1	\$2,014,390	\$157,970	\$325,854	\$85,189	\$2,593,400
FRP funding underspent (+ve) / overspent (-ve)					-\$183,200

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$6,444,390	\$817,170	\$881,329	\$247,487	\$8,405,200
Total underspent (+ve) / overspent (-ve)					132 of 183 -\$834,173

FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Property Development and Planning Committee

Re: Approval of 2023-2024 Deferred Maintenance Projects

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

That the Board of Governors approve the 2023-24 Deferred Maintenance Projects totaling \$8.4 million, subject to funding as recommended by the Finance Committee and upon approval by the Board, as presented at its meeting of February 17, 2023.

UNIVERSITY SECRETARY (INTERIM)



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title:	Approval of Proposal to Explore the Repair of the Jenó Tihanyi Olympic Pool
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Open/closed session:	Open
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ITEM

Action Requested	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by	BOARD PROPERTY DEVL'T AND PLANNING CTTEE
Presenter(s)	- Committee Chair, Mr. David Harquail - Vice-President, Finance and Administration, Mr Michel Piché

1. PURPOSE

To proceed with the necessary investigations to assess the safe re-opening of the Laurentian Jenó Tihanyi pool at a cost not to exceed \$300,000.00.

SYNOPSIS

The pool is used primarily by community groups such as the Sudbury Synchro Club and the Sudbury Swim Club. Revenues generated in past years did not cover operating costs (re. KPMG Sept 16, 2020, report). It was shut down in the spring of 2020 because of the COVID pandemic and around mid-February 2022 the pool started to leak. It emptied completely within a couple of months. While under CCAA expenditure control, there was limited funding available to perform non-critical repairs and the decision to re-open was postponed. Now that Laurentian has successfully exited CCAA, a decision is required on completing the necessary repairs to safely re-open the pool in the short-term, and with the understanding that external financial support will be required to ensure the long-term financial sustainability of that facility.

RESOLUTION TO CONSIDER [*if for approval*]:

THAT the Board of Governors approve the work required to investigate and repair the leak of the *Jenó Tihanyi Olympic Gold Pool* at a cost not to exceed \$300,000.00, as presented at its meeting of February 17, 2023.

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input checked="" type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input checked="" type="checkbox"/> Safety <input type="checkbox"/> Student Success

3. RECOMMENDATION

It is recommended that work be completed to repair the pool leaks when identified by Aquatic Associates, and if successful that the lights be replaced along with the other recommendations of J.L. Richards. It is also recommended that the longer-term viability of the pool and Ben Avery Athletic facility be reviewed as part of the University's Strategic Planning process. It is also recommended that Aquatic Associates assist Facility Services in establishing a short term (2-5 years) and a long term (10+ years) deferred maintenance plan for the pool and its associated mechanical and electrical systems.

A. Background/Issue Description

The Jenő Tihanyi pool was shut down in the spring of 2020 because of the COVID pandemic. In the fall of 2020, the engineering consulting firm of J.L Richards was engaged to assess the structural integrity of the pool. Their report provided in Appendix 1, received in mid-February 2022, indicated that concrete exterior wall structural repair costs of an estimated \$130,000 would be required to prevent further deterioration of the pool structure. Around the same time, the pool started to leak and emptied completely within a couple of months. Canadian Leak Detection was hired in May 2022 to review the integrity of the mechanical piping to and from the pool.

In addition to the repair costs identified by J.L. Richards and Canadian Leak Detection, there are outstanding deferred maintenance projects that need to be addressed prior to reopening. One of which includes the overhead lights that have created a safety hazard and need to be replaced at an estimated cost of \$150,000 (See Appendix 2). The post-draining inspection also revealed an immediate need for a thorough cleaning and partial re-grouting of the tiles.

Facility Services has retained Aquatic Associates as a consultant to lead the investigative process and repairs of the pool (See Appendix 3). They are an aquatic specialist company which provides consulting services to commercial aquatic facility operators and programmers. They have completed similar inspections including the Etobicoke Olympium - Toronto, Dalpex – Halifax and Harry Bailey Aquatic Centre – Saskatoon. They are currently working with Trent University and the City of Elliot Lake on the same type of upgrades. They have also worked with Canadian Leak Detection.

Aquatic Associates has advised that the investigative process may require that the pool be filled and drained to verify the integrity of its mechanical systems and piping. The cost of filling the 620,000-gallon pool is approximately \$10,000.

As of today, the source of the leak(s) remains unknown. To properly address the operating issues, a comprehensive review as identified above is required. Aquatic Associates confirmed that the investigative process and repairs could take from 6 months to 1 year.

While the University was subject to CCAA expenditure control, there was limited funding available to perform non-critical repairs and the decision to re-open was postponed. Now that Laurentian has successfully exited CCAA, a decision is required on completing the necessary repairs to safely re-open the pool in the short-term, and with the understanding that external financial support will be required to ensure the long-term financial sustainability of that facility.

B **Alignment with Strategic Objective**

Rehabilitation and maintenance of the physical infrastructure of the University.

C **Other options considered (where applicable):**

At this time, we have not considered the option of permanently closing the pool.

D **Risks including legislative compliance**

The pool was constructed in 1972 and requires considerable investment to extend its useful life. It is an asset that serves both the Northern Ontario communities and some Laurentian's academic programming such as the Outdoor Adventure Leadership (ADVL) program as well as within the School of Kinesiology and Health Sciences (formerly School of Human Kinetics). If the pool was permanently shuttered, it could impact the viability of local swim clubs such as Sudbury Synchro Club and the revenue that competitive events bring to the Sudbury community.

The pool is used primarily by community groups such as the Sudbury Synchro Club and the Sudbury Swim Club, and revenues generated in past years did not cover operating costs (re. KPMG Sept 16, 2020, report). Once re-opened there is a risk that relying on limited groups to fund direct operating expenses will require ongoing subsidies from Laurentian that can range in the \$100's per year. There is also a concern that the University will not be able to fund required capital maintenance projects with the risk that the pool may again have to be shut down.

E **Financial Implications (where applicable):**

Capital investments not to exceed \$300,000 required and ongoing operating subsidies by Laurentian (TBD).

F **Benefits**

The pool is used mostly by community groups and can bring economic benefits through competitive events, from out-of-town visitors. There is minimal use by Laurentian's students and staff.

G **Consultations (where applicable)**

Consultations are ongoing with key external stakeholders for financial support to ensure the ongoing financial sustainability of the pool.

H **Next Steps (include timelines and if approval granted and/or if for information)**

TBD

I **Appendices (where applicable with each to be numbered sequentially)**

N/A

FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Property Development and Planning Committee

***Re: Proposal to Approve the Work Required to Investigate and Repair Jenó Tihanyi Pool
Presented to the Board of Governors at its meeting of February 17, 2023***

BE IT RESOLVED,

THAT the Board of Governors approve the work required to investigate and repair the leak of the *Jenó Tihanyi Olympic Gold Pool* at a cost not to exceed \$300,000.00, as presented at its meeting of February 17, 2023.

UNIVERSITY SECRETARY (INTERIM)



LaurentianUniversity
Université**Laurentienne**



LAURENTIAN

 For all the right reasons



Facility Condition Assessment

Board of Governors

February 17, 2023

Céline Beaupré, P. Eng - Manager Planning and Projects
for: Pierre Fontaine - Director, Operations and Maintenance

Facility Services 139 of 183



Facility Condition Assessment

- Ontario Colleges and Universities have been using VFA software to compile Facility Condition Assessment database for +20 years. Facility Condition Assessments are used primarily as standard measure used to compare relative building conditions across the sector. Each building from Ontario Colleges and Universities can be calculated into a Facility Condition Index (FCI) to quickly identify the condition and use it as a benchmarking tool between all other ontario universities regardless of size and composition.
- The Ontario Ministry of Colleges and Universities (MCU) has selected SLAM CAP as the sector's Capital Asset Management Software (CAMS) through the OECM Procurement Process. SLAM CAP is co-owned by Roth IAMS Ltd.
- From October 2022, Roth IAMS has been migrating all Universities to SLAM CAP and training is currently ongoing with all Ontario universities.
- Noticeable changes from former VFA database to SLAM:
 - Increased flexibility and accuracy in reporting and updating database for owners.
 - Better tracking of MOI ID, BPSB ID and FRP Eligibility for easier reporting.
 - Multi asset/element/system level review; aligning unformat codes, conditions, **costing**, etc. to align with OAPPA structure. (i.e. all ontario universities data's will be organized the same way)
- Next steps - LU will review all data (+/- 54,000 points)

Note: The latest deferred maintenance backlog (2020) for Laurentian was estimated at \$135 million. This amount is expected to be significantly higher under the new methodology

Ensemble
TOGETHER
Maamwi



LaurentianUniversity
Université **Laurentienne**



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title	Approval of Short-Term Cash Investment Policy
Open/closed session:	Open

ITEM

Action Requested	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by	BOARD FINANCE COMMITTEE
Presenter(s)	- Committee Chair, Mr. David Harquail - Vice-President, Mr. Michel Piché

1. PURPOSE

To approve Laurentian’s new Short-Term Cash Investment Policy.

SYNOPSIS

The purpose of the proposed policy is to provide direction to the University to support the effective management of Laurentian University’s cash balances. As part of its ongoing operations, the University accumulates cash balances, which fluctuate during the fiscal year and may not be immediately required. It is expected that the University would optimize investment earnings on excess cash balances while protecting capital invested. Therefore, excess funds not immediately required to support operations should be invested in a manner that provides appropriate security, liquidity, and diversification. The primary objective for the short-term investments is to earn a rate of return, net of fees, that exceeds the rate of return earned on Current Account bank balance.

RESOLUTION TO CONSIDER:

THAT the Board of Governors approve Laurentian’s Short-Term Cash Investment Policy as presented at its meeting of February 17, 2023;

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input checked="" type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input type="checkbox"/> Safety <input type="checkbox"/> Student Success

3. RECOMMENDATIONS

A. Background/Issue Description

Laurentian ended fiscal 2021-22 with cash and short-term investments of \$84.0 million (including \$10.1 million of segregated cash) compared to \$37.0 million in the previous year.

As of the end of December 2022, the University had total cash balances of \$109.0 million, which included \$84.6 million in the regular operating account and \$24.4 million in the segregated fund. The 5-year financial forecast provided to the Ministry of Colleges and Universities showed total annual cash balances of between \$86.0 million and \$99.5 million.

These funds are maintained with RBC and include two main accounts; an operating account to cover day-to-day expenses, and a segregated account to hold external restricted grants and non-endowed donations. Presently, there is an agreement with RBC (2003) that the bank will pay Laurentian on its operating account an interest rate equal to the average RBP less 1.750% per annum. The RBP is the annual rate of interest announced by RBC from time to time as a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada. The average RBP is determined each month by dividing the aggregate daily RBP for the month by the number of days in that month. The interest rate paid on Laurentian's operating account is currently 4.70% (6.45% less 1.75%). At this time, there is no interest being paid on Laurentian segregated account.

Discussions are underway with RBC to review existing banking arrangements, including interest to be paid on the University's operating and segregated fund accounts.

B. Alignment with Strategic Objectives of the University

Revenue generation and financial stability.

C. Other options considered (where applicable)

Not Applicable

D. Risks including legislative compliance

Through the CCAA process, Laurentian lost its ability to access debt financing. The Exit Loan Agreement also restricts the ability of the University to incur debt. As a result, the University must maintain sufficient cash balances to fund its operations and capital investments and maintain reserves against future provide contingencies. Laurentian updates its cash forecast monthly, which can serve to determine excess cash balances. Investments of excess cash balances must ensure that the capital is secure, liquid to ensure that sufficient cash resources are available to meet obligations as they become due, and manageable with existing limited resources.

E. Financial Implications (where applicable):

Based on projected cash requirements and interest rates, the University could expect to generate in the range of between \$3-\$4 million per year in investment income, which would help offset payments required on the \$35 million exit loan financing with the Ministry of Colleges and Universities. This loan bears an annual interest rate of 6.11%, with combined principal and interest of \$3,567,352 until 2038.

F. Benefits

Not Applicable

G. Consultations (where applicable)

Not Applicable

H. Next Steps (include timelines and if approval granted and/or if for information)

Laurentian to review its banking arrangements with RBC to maximize the rate of interest applicable to its operating and segregated fund accounts, and also explore other short-term investment opportunities with RBC and other institutions. Laurentian will also put in place ongoing reporting of its investment.

I. Appendices (where applicable with each to be numbered sequentially)

1. Short-Term Cash Investment Policy

DRAFT

Short-Term Cash Investment Policy

Office of Administration:	Office of Vice-President, Administration and Finance
Approval Authority:	Board of Governors
Approval Date:	February 17, 2023 – subject to approval
Next Review:	<i>[tbd]</i>
Review History:	

1. Purpose

The purpose of the policy is to provide direction that will support the effective management of Laurentian University’s cash balances. As part of its ongoing operations, the University accumulates cash balances, which fluctuate during the fiscal year and may not be immediately required. It is expected that the University would optimize investment earnings on excess cash balances while protecting capital invested. Therefore, excess funds not immediately required to support operations should be invested in a manner that provides appropriate security, liquidity, and diversification. The primary objective for the short-term investments is to earn a rate of return, net of fees, that exceeds the rate of return earned on Current Account bank balance.

2. Scope

This policy does not apply to the University’s Endowment and or Pension funds, which are covered by separate Statement of Investment Policy and Procedures (SIPP).

3. Policy Statement

The Board of Governors provides oversight for assets invested by the University. Responsibility for investment management of short-term investments is delegated to the Financial Services Department, under the direction of the Vice-President Finance and Administration.

The Financial Services Department is responsible to:

- i. Managing cash flow to meet ongoing liquidity needs
- ii. Investing excess cash funds in accordance with this Policy
- iii. Providing regular reports to the Board regarding investment performance and compliance with the Policy

4. Investment Objectives

The investment of excess cash balances must satisfy the following investment criteria:

- Capital Preservation – Security of the invested funds must be a prime consideration in selecting investments. Investments shall be undertaken in a manner that ensures the preservation of capital in the overall portfolio whilst managing credit risk and interest rate risk
- Liquidity – A high level of liquidity must be maintained in the portfolio of investments to meet all reasonably anticipated operating and capital requirements and to provide the ability to adjust the portfolio in changing market conditions. This will be achieved by limiting investments to readily marketable securities
- Maturity Terms – Maturity terms are selected which ensure that sufficient cash resources are available to meet obligations as they become due
- Investment Returns – Investment yield, while an important factor, will be subordinate to security and liquidity considerations. The portfolio will be constructed with the objective of attaining a competitive rate of return while meeting the other objectives
- Manageability – Given that the University has limited staff resources, the investment strategy must be manageable without a requirement for day-to-day management.

5. Permitted Investments

Cash held by the University that is not immediately required for operations or restricted by the terms of a funding agreement, may ~~only~~ be invested in one or more of the following:

- i. Cash on hand and demand deposits
- ii. Treasury bills issued by the federal and provincial governments and their agencies
- iii. Obligations of trust companies and Canadian and foreign banks chartered to operate in Canada, including bankers' acceptances and bearer deposit notes
- iv. Guaranteed Investment Certificates
- v. Federal/ Provincial Bonds
- vi. Municipal Bonds
- vii. Commercial paper and term deposits, and
- viii. Bank issued Asset Backed Commercial Paper.

Minimum Quality Standards

To ensure the University's risk is minimized, the investment portfolio must maintain the following minimum quality standards:

- i. The minimum quality standard for individual short-term investments is "R-1 low" or equivalent and for bonds, a debt rating of "A" or higher as rated by a recognized bond rating agency, at the time of purchase
- ii. All investments shall be reasonably liquid with no term to maturity greater than 2 years and a minimum of 30% of the portfolio invested in securities with terms of maturity of less than 1 year.

For the purposes of this Policy, the following rating agencies shall be considered to be "recognized bond rating agencies": Dominion Bond Rating Services, Standard and Poor's,

and Moody's Investors Services.

Diversification

The cumulative investment of any one money market investment will not exceed 35% of the total portfolio except for the following:

- Canadian Chartered Banks deposits
- Government of Canada T-Bills, Notes & Bonds
- Crown Corporations & Agencies, Government of Canada guaranteed Notes

It is the intention of this policy to rebalance the portfolio on a quarterly basis through changes in cash balances or by redirecting funds between investments.

6. Prohibited Investments

In order to meet the University's minimum risk tolerance, the following investments are prohibited:

- i. Equity investments
- ii. Pooled investment funds
- iii. Non-bank issued Asset-Backed Commercial Paper
- iv. Any investment not specifically permitted by the Policy

7. Approval Authority

All investing activities are to be approved according to the following:

- i. Terms to Maturity of less than one year; any two of the following:
 - Vice-President (Finance and Administration)
 - Associate Vice-President, Finance
 - President
 - Vice-President (Academic and Provost)
- ii. Term to Maturity exceeding one year, Vice-President (Finance and Administration), plus any one of the following:
 - Associate Vice-President, Finance
 - President
 - Vice-President (Academic and Provost)

8. Records & Accounting

Records of investing activities, including matured and outstanding investments will be held and maintained by Financial Services. The Treasury Manager is responsible for ensuring that the investing transactions are accounted for and disclosed in accordance with the generally accepted accounting principles and the University's accounting policies and practices.

A report on the Short-term Investment of Excess Cash shall be submitted quarterly to the Finance Committee providing performance data with appropriate benchmark comparisons and information on compliance with the Policy.

Contact Officer: Associate Vice-President, Finance

Date for Next Review: *[subject to approval date]*

DRAFT

Short-Term Cash Investment Policy

Office of Administration:	Office of Vice-President, Administration and Finance
Approval Authority:	Board of Governors
Approval Date:	February 17, 2023 – subject to approval
Next Review:	[tbd]
Review History:	

1. Purpose

The purpose of the policy is to provide direction that will support the effective management of Laurentian University’s cash balances. As part of its ongoing operations, the University accumulates cash balances, which fluctuate during the fiscal year and may not be immediately required. It is expected that the University would optimize investment earnings on excess cash balances while protecting capital invested. Therefore, excess funds not immediately required to support operations should be invested in a manner that provides appropriate security, liquidity, and diversification. The primary objective for the short-term investments is to earn a rate of return, net of fees, that exceeds the rate of return earned on Current Account bank balance.

2. Scope

This policy does not apply to the University’s Endowment and or Pension funds, which are covered by separate Statement of Investment Policy and Procedures (SIPP).

3. Policy Statement

The Board of Governors provides oversight for assets invested by the University. Responsibility for investment management of short-term investments is delegated to the Financial Services Department, under the direction of the Vice-President Finance and Administration.

The Financial Services Department is responsible to:

- i. Managing cash flow to meet ongoing liquidity needs
- ii. Investing excess cash funds in accordance with this Policy
- iii. Providing regular reports to the Board regarding investment performance and compliance with the Policy

4. Investment Objectives

The investment of excess cash balances must satisfy the following investment criteria:

- Capital Preservation – Security of the invested funds must be a prime consideration in selecting investments. Investments shall be undertaken in a manner that ensures the preservation of capital in the overall portfolio whilst managing credit risk and interest rate risk
- Liquidity – A high level of liquidity must be maintained in the portfolio of investments to meet all reasonably anticipated operating and capital requirements and to provide the ability to adjust the portfolio in changing market conditions. This will be achieved by limiting investments to readily marketable securities
- Maturity Terms – Maturity terms are selected which ensure that sufficient cash resources are available to meet obligations as they become due
- Investment Returns – Investment yield, while an important factor, will be subordinate to security and liquidity considerations. The portfolio will be constructed with the objective of attaining a competitive rate of return while meeting the other objectives
- Manageability – Given that the University has limited staff resources, the investment strategy must be manageable without a requirement for day-to-day management.

5. Permitted Investments

Cash held by the University that is not immediately required for operations or restricted by the terms of a funding agreement, may be invested in one or more of the following:

- i. Cash on hand and demand deposits
- ii. Treasury bills issued by the federal and provincial governments and their agencies
- iii. Obligations of trust companies and Canadian and foreign banks chartered to operate in Canada, including bankers' acceptances and bearer deposit notes
- iv. Guaranteed Investment Certificates
- v. Federal/ Provincial Bonds
- vi. Municipal Bonds
- vii. Commercial paper and term deposits, and
- viii. Bank issued Asset Backed Commercial Paper.

Minimum Quality Standards

To ensure the University's risk is minimized, the investment portfolio must maintain the following minimum quality standards:

- i. The minimum quality standard for individual short-term investments is "R-1 low" or equivalent and for bonds, a debt rating of "A" or higher as rated by a recognized bond rating agency, at the time of purchase
- ii. All investments shall be reasonably liquid with no term to maturity greater than 2 years and a minimum of 30% of the portfolio invested in securities with terms of maturity of less than 1 year.

For the purposes of this Policy, the following rating agencies shall be considered to be "recognized bond rating agencies": Dominion Bond Rating Services, Standard and Poor's,

and Moody's Investors Services.

Diversification

The cumulative investment of any one money market investment will not exceed 35% of the total portfolio except for the following:

- Canadian Chartered Banks deposits
- Government of Canada T-Bills, Notes & Bonds
- Crown Corporations & Agencies, Government of Canada guaranteed Notes

It is the intention of this policy to rebalance the portfolio on a quarterly basis through changes in cash balances or by redirecting funds between investments.

6. Prohibited Investments

In order to meet the University's minimum risk tolerance, the following investments are prohibited:

- i. Equity investments
- ii. Pooled investment funds
- iii. Non-bank issued Asset-Backed Commercial Paper
- iv. Any investment not specifically permitted by the Policy

7. Approval Authority

All investing activities are to be approved according to the following:

- i. Terms to Maturity of less than one year; any two of the following:
 - Vice-President (Finance and Administration)
 - Associate Vice-President, Finance
 - President
 - Vice-President (Academic and Provost)
- ii. Term to Maturity exceeding one year, Vice-President (Finance and Administration), plus any one of the following:
 - Associate Vice-President, Finance
 - President
 - Vice-President (Academic and Provost)

8. Records & Accounting

Records of investing activities, including matured and outstanding investments will be held and maintained by Financial Services. The Treasury Manager is responsible for ensuring that the investing transactions are accounted for and disclosed in accordance with the generally accepted accounting principles and the University's accounting policies and practices.

A report on the Short-term Investment of Excess Cash shall be submitted quarterly to the Finance Committee providing performance data with appropriate benchmark comparisons and information on compliance with the Policy.

Contact Officer: Associate Vice-President, Finance

Date for Next Review: _____

FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Finance Committee

Re: Approval of Short-Term Cash Investment Policy

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

THAT the Board of Governors approve Laurentian's Short-Term Cash Investment Policy as presented at its meeting of February 17, 2023.

UNIVERSITY SECRETARY (INTERIM)



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title	Approval of Ancillary Fees and Budget for 2023-24
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Open/closed session:	Open
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ITEM

Action Requested	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by	BOARD FINANCE COMMITTEE
Presenter(s)	- Committee Chair, Mr. David Harquail - Vice-President, Mr. Michel Piché

1. PURPOSE

To approve Laurentian’s Ancillary Fees and Budget for fiscal year 2023-24.

SYNOPSIS

Laurentian ancillary units cover Housing, Food and Campus Services, Parking, and Print Hub. Ancillary units are expected to generate sufficient revenue to cover their operating and capital costs (deferred maintenance). In addition, they should maintain operating reserves to cover contingencies. Laurentian’s 2023-24 Ancillary Budget shows total revenue of \$9.1 million, operating expenses of \$5.7 million, and \$1.7 million for deferred maintenance projects for a budgeted Excess of Revenue over Expenses of \$1.6 million. This compares with a projected surplus of \$1.7 million in 2022-23. The 2023-24 budget assumptions contain a targeted 10% reduction in residence fees for University College, and no increase to other residence fees, or parking fees. The budget presentation (Attached as Appendix 1.) provides comparative data with previous years, a 5-year forecast and various supporting charts and schedules.

RESOLUTION TO CONSIDER [if for approval]:

That the Board of Governors approve Laurentian’s Ancillary Fees and Budget for fiscal year 2023-24, as presented at its meeting of February 17, 2023.

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input checked="" type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input checked="" type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input checked="" type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input checked="" type="checkbox"/> Safety <input checked="" type="checkbox"/> Student Success

3. RECOMMENDATIONS

That the Finance Committee approves the proposed 2023-24 ancillary fees and operating/capital budget. The proposed fees include a 10% reduction on University College Residence fees and a freeze on the other residence fees.

As part of its 2023-24 budget submission, Laurentian recommends reducing the double room rate and single room rate for its University College Residence (UCR) by 10% to address on-campus competing pressures. It is anticipated that 1st year students will choose to live in the UCR, freeing up space in the apartment-style SSR residence, which is a preferred facility for mature and international students. A further recommendation is to maintain all other residence fees at the same level as 2022-2023 to encourage Laurentian students to live on campus.

Management also recommends maintaining the parking related fees at the same level as 2022-2023. In addition to the financial relief for students, it will also provide some relief to staff & faculty whose salaries have been restricted during the last number of years.

A. Background/Issue Description

Ancillaries are comprised of the following units: Housing, Food and Campus Services, Parking, and Print Hub. The Business Development Office is responsible for ancillary operations. The Office is currently working to admit students into the residence program, with early offers occurring in mid-February and needs to confirm ancillary rates for 2023-24. The cost of residence is a critical factor for out-of-town students when deciding on which university to attend. Approval of residence and parking fees will support the annual budgeting process, and outward projections.

In addition to campus housing provided by Laurentian, the former Federated Universities also provide housing for students as direct competitors. These non-affiliated residences are dormitory style, and generally offer lower rates, and do not require a meal plan.

The proposed budget includes targeted reductions in residence fees (University College Residence) to address competing pressures and a freeze on other residence fees to help in the recruitment of out-of-town students.

- Housing, Food, Campus Services: budgeted operating surplus of \$2.8 million. Housing is proposing a targeted reduction of 10% in the University College residence, and a nil increase on all other residence fees. Meal plan rates are managed through a 3rd party contractor and are expected to increase by 3% in 2023-24. The University receives a commission from food sales. In 2023-24, \$1.7 million is earmarked for deferred maintenance projects, including exterior stair replacements, roofing audits, accessible washroom renewals, and a flooring renewal program. Currently, there is a \$22.3 million of deferred maintenance backlog.

Annual increases to residence fees from 2024-25 - 2027-28 are projected to be between 1-3% depending on building / room style. Labour rates are assumed to increase by 2% annually, and operating expenses are budgeted by 2-3%. Projected occupancy rates can be found in the presentation document.

- Parking Services: budgeted operating surplus of \$0.6 million. Parking Services is proposing a nil increase on all parking permits in 2023-24. As a result of lower campus parking utilization, the University has negotiated with Infrastructure Ontario, through CBRE, to lease parking spaces from Lots 1 and 15 to support parking needs of tenants of the Willet Green Miller Centre.
- The Print Hub: budgeted to break-even. Most of the revenue relates to internal income related to printing, which has slowed considerably as a result of CCAA. The Print Hub does engage a number of external clients, and with the successful emergence from CCAA, there are plans to increase production from outside the University community.

B. Alignment with Strategic Objectives of the University

Revenue generation and financial stability.

C. Other options considered (where applicable):

N/A

D. Risks including legislative compliance

Ancillary services support the academic and research mission of the University and directly affect the student campus experience. The University must strive to provide cost-effective services that are competitive with other institutions. Failure to do so could have an impact on the University's reputation and recruitment. Ancillary fees are reviewed annually to ensure that they are competitive with other institutions. Although ancillary operations have been successful in generating surpluses in past years, aging infrastructure, and changing demand presents increasing financial, operational, and reputational risks. Prudent and sustainable budgeting assists with mitigating the risks associated with ancillary operations.

E. Financial Implications:

As previously indicated, ancillary services must be self-funding. The 5-year financial projections show excess revenue over expenses of between \$1.6 million (2023-24) and \$3.9 million (2027-28). These surpluses are necessary to address the growing deferred maintenance backlog and serve as a contingency against unexpected events such as lower demand for housing on campus.

F. Benefits

Being able to offer students quality campus accommodation and services can be a significant recruiting factor and can ease the transition to university life. Students living on campus have more opportunities to join clubs, attend campus events, meet new people, and develop friendships.

G. Consultations

- As per the LUFA Collective Agreement, which requires the university to consult on Parking Fees, the Business Development Office has arranged a meeting with representatives from LUFA, LUSU, LUAPSA and the student leadership to discuss the proposed 2023/2024 rates.
- Board Finance Committee

H. Next Steps:

Upon approval of the 2023-24 ancillary fees and budget, the Business Development Office will post the approved rates, and engage with the Marketing, Communications, and Student Recruitment Teams to create a campaign to promote Laurentian as a place to stay & study.

I. Appendices (where applicable with each to be numbered sequentially)

- Appendix 1 - 2023-24 Ancillary Budget Presentation
- Appendix 2 - Residence Occupancy Rates

Finance Committee

Ancillary Budget
2023-24



Laurentian University
Université **Laurentienne**

February 2023

Current State

- Pricing pressures from on-campus competitors (including meal plan requirements)
- Overall residence occupancy of 60.7%
- Annual debt stayed as a result of CCAA - \$3.5 million

Future State

- Budgeted occupancy for 2023/2024 will be 49 beds higher than 2022/2023 (down 32% from pre-COVID/CCAA)
- Meal plan increase of 3% annually per existing contract
- Labour increases of approximately 2%
- Other Operating cost increases of 2-3%
- Annual residence rate increases between 1-3% annually between 2024/25 - 2027/28

2023-24 Ancillary Fees

- **Reduce the double room rate and single room rate in University College Residence (UCR) by 10%**
 - Supports price conscious Laurentian students to consider living on campus
 - Competes on price with the non-affiliated campus residences
 - Frees up space in the apartment-style SSR residence, which is more appealing to mature/international students
- **Maintain all other residence fees at the same level as 2022-2023**
 - Allows for some financial relief to students who have been dealing with inflationary increases
- **Maintain parking related fees at the same level as 2022-2023**
 - Allows for some financial relief to students who have been dealing with inflationary increases
 - Allows for some relief to staff & faculty whose salaries have been restricted

Ancillary Services - 2023-2024 Budget

(\$000)	2021-22 Actual	2022-23 Forecast	2023-24 Budget	Variance 22/23 - 23/24
Housing/Food/Campus Services	9,216	7,450	7,616	166
Parking	1,215	1,200	1,200	0
Print Hub & Copier	336	228	281	53
Total Revenue	10,768	8,878	9,097	219
Salaries and Benefits	1,455	1,632	1,773	141
Operating	3,748	3,862	3,964	102
Total Expenses	5,203	5,494	5,737	244
Operating Surplus	5,565	3,384	3,360	(24)
Deferred Maintenance Projects	0	1,715	1,715	0
ANCILLARY EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES	5,565	1,669	1,645	(24)

Ancillary Services 5-Year Projections

(\$000)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Housing/Food/Campus Services	7,450	7,616	7,957	8,765	9,732	9,969
Parking	1,200	1,200	1,325	1,473	1,525	1,525
Print Hub & Copier	228	281	308	336	361	361
Total Revenue	8,878	9,097	9,590	10,575	11,617	11,855
Salaries and Benefits	1,632	1,773	1,799	1,823	1,848	1,873
Operating	3,862	3,964	4,076	4,192	4,292	4395
Total Expenses	5,494	5,737	5,875	6,015	6,140	6268
Operating Surplus	3,384	3,360	3716	4,559	5,478	5586
Deferred Maintenance Projects	1,715	1,715	1,715	1,715	1,715	1,715
ANCILLARY EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES	1,669	1,645	2,001	2,845	3,763	3,872

Proposed Residence Fees

Residence/Room Type 8-month term (September - April)		2020/2021	2021/2022	2022/2023	Proposed Rate 2023/2024
University College Residence	Double Room	\$6,806*	\$7,160*	\$7,375*	\$6,638
	Single Room	\$7,997*	\$8,387*	\$8,639*	\$7,775
Single Student Residence	Double Room	\$6,806*	\$7,160*	\$7,375*	\$7,375*
	Single Room	\$7,997*	\$8,387*	\$8,639*	\$8,639*
West Residence & East Residence	Single Room	\$8,242*	\$8,639*	\$8,898*	\$8,898*
Mature Student Residence	1BR Apartment	\$9,104	\$9,376	\$9,846	\$9,846

*Not including a \$100 refundable damage deposit

Other Fees	2020/2021	2021/2022	2022/2023	Proposed 2023/2024
Lost Keys	\$50/key	\$50/key	\$50/key	\$50/key
Early Move-in / Late Departure	\$50/night	\$50/night	\$50/night	\$50/night
MSR Furniture Rental	\$400/set	\$400/set	\$400/set	\$400/set
Early Cancellation Fee	\$750	\$750	\$750	\$750
Room Change	\$100	\$100	\$100	\$100

Residence Occupancy Rates

Residence Building	# of beds	Occupancy Rate (%)							
		20/21	21/22	22/23	23/24 Budget Assumptions	24/25 Budget Assumption	25/26 Budget Assumption	26/27 Budget Assumption	27/28 Budget Assumption
University College (UC)	240 Beds 60 Single beds 180 Double beds	0	43.75 S-56.67 D-43.89	0	50.00 Single 25.00 Doubles	50.00 Single 35.00 Doubles	70.00 Single 50.00 Doubles	75.00 Single 75.00 Doubles	75.00 Single 75.00 Doubles
Single Student Residence (SSR)	387 Beds 117 Single beds 270 Double beds	0	54.00 S-71.79 D-50.37	50.12 S-71.79 D-40.74	50.00 Single 50.00 Doubles	50.00 Single 50.00 Doubles	60.00 Single 60.00 Doubles	75.00 Single 75.00 Doubles	75.00 Single 75.00 Doubles
East Residence (East)	236 Beds All single rooms	84.96	88.14	91.10	85.00	90.00	90.00	90.00	90.00
West Residence (West)	223 Beds All single rooms	85.43	92.38	92.82	90.00	90.00	90.00	90.00	90.00
Mature Student Residence (MSR)	128 One-bedroom apartments	76.17	78.91	94.53	90.00	90.00	90.00	90.00	90.00

Proposed Parking Fees

Parking Lot / Pass Type		2020/2021	2021/2022	2022/2023	Proposed 2023/2024
Upper Lot Parking (Lots 1-14, 16,17)	Annual	\$678.70	\$678.70	\$678.70	\$678.70
	September - April	\$630.00	\$630.00	\$630.00	\$630.00
	Semester Rate	\$350.00	\$350.00	\$350.00	\$350.00
	Calendar Month	\$100.00	\$100.00	\$100.00	\$100.00
Lower Lot Parking (Lot 15)	Annual	\$265.10	\$265.10	\$265.10	\$265.10
	September - April	\$240.00	\$240.00	\$240.00	\$240.00
	Semester Rate	\$150.00	\$150.00	\$150.00	\$150.00
Pay & Display Lots	\$2/hr - \$8 Daily maximum				

Capital Renewal & Deferred Maintenance

2023-2024 Capital Renewal & Deferred Maintenance Projects (*)	Budget
MSR renewal (exterior envelope and stairs) design	\$50,000
UCR remove exterior stairs and build a new walkway	\$382,000
Residence Roofing audit	\$50,000
East residence cladding review	\$28,000
Food Services renovation design	\$71,400
Residence Flooring Renewal Program	\$411,000
Residence Common Area Renewal Program	\$342,000
Campus Washroom Renewal Program (student street)	\$274,000
Emergency Deferred Projects	\$105,585
	\$1,714,785

*** Total Residence DM Backlog = \$22.3 Million**



Appendices

Appendix 1 - 5-Year Projections



	2022-23	DRAFT 2023-24	PROJECTED 2024-25	PROJECTED 2025-26	PROJECTED 2026-27	PROJECTED 2027-28
REVENUES						
HOUSING/FOOD/CAMPUS SERVICES	7,450,247	7,615,955	7,957,103	8,764,906	9,731,909	9,969,131
PARKING	1,200,000	1,200,000	1,325,000	1,473,389	1,524,857	1,524,857
PRINT HUB & COPIER	228,312	280,662	308,082	335,574	360,574	360,574
	8,878,559	9,096,617	9,590,185	10,573,869	11,617,340	11,854,562
SALARIES & BENEFITS						
HOUSING/FOOD/CAMPUS SERVICES	1,280,185	1,415,934	1,438,416	1,457,497	1,476,674	1,496,341
PARKING	128,455	131,846	133,164	135,606	138,320	141,085
PRINT HUB & COPIER	223,111	225,085	227,335	230,002	232,777	235,948
	1,631,751	1,772,865	1,798,915	1,823,105	1,847,771	1,873,374
OPERATING						
HOUSING/FOOD/CAMPUS SERVICES	3,319,213	3,413,656	3,508,053	3,605,281	3,705,427	3,808,576
PARKING	486,403	494,802	503,402	513,194	513,194	513,194
PRINT HUB & COPIER	55,893	55,304	64,064	73,168	73,168	73,168
	3,861,509	3,963,762	4,075,519	4,191,643	4,291,789	4,394,938
CAPITAL RENEWAL AND DEFERRED MAINTENANCE	1,714,785	1,714,785	1,714,785	1,714,485	1,714,485	1,714,485
ANCILLARY EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES	1,670,514	1,645,205	2,000,967	2,844,636	3,763,295	3,871,765

Appendix 2- Residence Fee Comparison

DOUBLE PERSON ROOM - DORMITORY STYLE		2020-2021	2021-2022	2022-2023
Brock University	Double Dorm (DeCew)	\$7,564.00	\$7,870.00	\$8,120.00
Huntington	Huntington Double	\$5,460.00	\$5,460.00	\$5,625.00
Laurentian	Double Dorm (UC)	\$6,906.00	\$7,160.00	\$7,375.00
Ottawa	Double Dorm (8 month) (Stanton)	\$7,120.00	\$7,093.00	\$7,472.00
Trent	Double (Otonabee) (*Meal Plan - not incl. In avg)	\$11,090.00 *	\$6,934.00	\$7,308.00
University of Sudbury	Sudbury Double	\$5,505.00	NA	NA
Wilfrid Laurier	Double Dorm (Bouckaert Hall)	\$6,471.76	\$6,601.20	\$6,865.24
Windsor	Double Dorm (Laurier Hall)	NA	NA	\$6,729.00
AVERAGE		\$6,504.46	\$6,853.03	\$7,070.61

SINGLE BEDROOM - DORMITORY STYLE		2020-2021	2021-2022	2022-2023
Brock University	Single Dorm (DeCew)	\$8,340.00	\$8,670.00	\$8,920.00
Huntington	Huntington Single	\$6,510.00	\$6,510.00	\$6,705.00
Lakehead	Basic Single (Bartley) (Meal Plan - not incl. In avg)	\$11,066.00	\$11,196.00	\$11,512.00
Laurentian	Single Dorm (UC)	\$8,097.00	\$8,387.00	\$8,639.00
Ottawa	Single Dorm (8 month) (Stanton)	\$8,494.00	\$8,464.00	\$9,016.00
Thorneloe	Thorneloe Single	\$7,170.00	\$7,430.00	\$7,650.00
Trent	Single Dorm (Otonabee)	\$7,790.00	\$8,101.00	\$8,538.00
University of Sudbury	Sudbury Single	\$6,587.00	NA	NA
Wilfrid Laurier	Single Dorm (Bouckaert Hall)	\$6,471.76	\$6,601.20	\$6,865.24
Windsor	Single Dorm (Laurier Hall)	\$7,636.00	\$7,817.00	\$7,989.00
AVERAGE		\$7,455.08	\$7,747.53	\$8,040.28

Laurentian University proposed 2023-2024 Price: \$6,638

Laurentian University proposed 2023-2024 Price: \$7,775

Appendix 2- Residence Fee Comparison



DOUBLE PERSON ROOM - APARTMENT STYLE		2020-2021	2021-2022	2022-2023
Brock	Double suite (Lowenberger)	\$8,140.00	\$8,370.00	\$8,620.00
Laurentian	Double Apartment (SSR)	\$6,906.00	\$7,160.00	\$7,375.00
Trent	Double in Suite (Champlain)	\$9,540.00	\$7,125.00	\$7,509.00
Wilfrid Laurier	Double Apt. (Regina Res.)	\$7,003.26	\$7,118.84	\$7,403.60
Windsor	Double Apt. (Cartier Hall)	\$7,316.00	NA	\$8,398.00
AVERAGE		\$7,341.32	\$7,443.46	\$7,861.12

Laurentian University proposed 2023-2024 Price: \$7,375

SINGLE BEDROOM - STAND ALONE APARTMENT		2020-2021	2021-2022	2022-2023
Laurentian University	Single Apartment (MSR)	\$1,138.00	\$1,172.00	\$1,230.75
Sudbury	CMHC - Zone 1 Vacancy Rate - 1 Bedroom (%)	0.6	0.2	-%
Sudbury	CMHC - Zone 1 Average Rent - 1 Bedroom (\$/mo)	\$1,126.00	\$1,317.00	-

Laurentian University proposed 2023-2024 Price: \$1,230.75

SINGLE BEDROOM - APARTMENT STYLE		2020-2021	2021-2022	2022-2023
Brock University	Single Suite (Earp)	\$8,940.00	\$9,170.00	\$9,420.00
Cambrian	Single Suite	\$7,500.00	\$7,615.00	\$7,700.00
Lakehead	Single Suite (North & South Apts).	\$7,462.00	\$7,571.00	\$7,740.00
Laurentian	Single Suite (West / East)	\$8,342.00	\$8,639.00	\$8,898.00
Laurentian	Single Apartment (SSR)	\$8,097.00	\$8,387.00	\$8,639.00
Nippissing	Single Suite (Chancellor's House)	\$6,525.00	\$6,525.00	\$6,800.00
Ottawa	Single Apt. (Hyman Soloway) (*indicates 12 mo lease)	\$11,649.00*	\$8,910.00	\$9,488.00
Trent	Single in Suite	\$10,740.00	\$8,292.00	\$8,739.00
Wilfrid Laurier	Single Apt./Suite (Bricker)	\$8,716.72	\$8,866.58	\$9,221.24
Wilfrid Laurier	Single Apt. (University Place)	\$7,399.66	\$7,523.18	\$7,824.10
Windsor	Single Suite (Alumni Hall)	\$8,396.00	\$8,556.00	\$8,907.00
AVERAGE		\$7,930.93	\$8,186.80	\$8,488.76

Laurentian University proposed 2023-2024 Price: \$8,639 , \$8,898

Appendix 3- Planned Enrolment

Fall FTE Enrolment*			Official Enrolment				Planned Enrolments (5-Year Financial Plan)			
			Historic			Current				
Immigration Status	Academic Group	Admit Type	2019	2020	2021	2022	YR 2	YR 3	YR 4	YR 5
							2023	2024	2025	2026
Domestic	Undergraduate	New	1,695	1,765	1,195	1,176	1,031	1,124	1,228	1,360
		Returning	4,075	4,165	3,763	3,457	2,913	2,741	2,712	2,787
		Total	5,770	5,930	4,959	4,633	3,944	3,865	3,940	4,147
	Graduate	New	186	265	159	210	153	183	220	264
		Returning	405	373	395	331	289	294	322	369
		Total	590	638	554	542	442	477	542	633
Total		6,360	6,568	5,513	5,175	4,386	4,342	4,482	4,780	
International	Undergraduate	New	97	99	60	54	51	57	62	72
		Returning	216	231	230	185	172	168	168	172
		Total	313	330	290	239	223	225	230	244
	Graduate	New	48	56	46	155	42	50	63	81
		Returning	112	136	147	161	148	153	164	183
		Total	161	192	193	316	190	203	226	264
Total		474	521	483	555	413	428	456	507	
Grand Total			6,834	7,090	5,995	5,729	4,799	4,770	4,938	5,287

*total may not add up due rounding and aggregation at a higher level

FOR ACTION

Resolution of the Board of Governors on the Recommendation of the Finance Committee

Re: Approval of Ancillary Fees and Budget for 2023-24

Presented to the Board of Governors at its meeting of February 17, 2023

BE IT RESOLVED,

That the Board of Governors approve Laurentian's Ancillary Fees and Budget for fiscal year 2023-24, as presented at its meeting of February 17, 2023.

MOVED BY:

Signature

SECONDED BY:

Signature

UNIVERSITY SECRETARY (INTERIM)



BOARD EXECUTIVE SUMMARY

BOARD OF GOVERNORS

Agenda Title:	Approval of Proposed Funding of 2023-2024 Deferred Maintenance Projects
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Open/closed session:	Open
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ITEM

Action Requested	<input checked="" type="checkbox"/> For Approval <input type="checkbox"/> For Information
Proposed by	BOARD FINANCE COMMITTEE
Presenter(s)	- Committee Chair, Mr. David Harquail - Vice-President, Mr. Michel Piché

1. PURPOSE

To approve the funding of deferred maintenance projects for planned 2023-24 projects.

EXECUTIVE SUMMARY

Deferred maintenance projects at Laurentian University are managed with the Facility Services Department. Historically, projects were selected based on criticality, accessibility, safety, and available funding.

The Facility Services department has recently shared with the Property Development and Planning Committee a 5-year Deferred Maintenance Plan (September 29, 2022) based on the University’s financial forecast submitted to the Ministry of Colleges and Universities (MCU). This Plan called for deferred maintenance spending of \$7.6 million annually – see Appendix 1 for more details.

PROPOSED DEFERRED MAINTENANCE PROJECTS 2023-24

Facility Services has identified several critical deferred maintenance projects to be addressed in fiscal year 2023-24, totalling \$8.4 million (per Appendix 2), as compared to the 5-year plan forecast of \$7.6 million. Of these, projects worth \$2.6 million are expected to be funded from the Facilities Renewal Program (FRP), and \$5.8 million from Laurentian’s operating fund. The projects also include \$1.6 million for ancillary projects (residence). It is important to note that to meet 2023-24 construction timelines, a tender process must begin no later than February 2023.

RESOLUTION TO CONSIDER:

That the Board of Governors approve the funding of the 2023-24 Deferred Maintenance projects totaling \$8.4 million as presented at its meeting of February 17, 2023.

2. RISK ANALYSIS

Please note below the specific institutional risk(s) this proposal is addressing.	
<input type="checkbox"/> Enrolment Management <input type="checkbox"/> Faculty and Staff <input type="checkbox"/> Funding and Resource Management <input type="checkbox"/> IT Services, Software and Hardware <input type="checkbox"/> Leadership and Change <input checked="" type="checkbox"/> Physical Infrastructure	<input checked="" type="checkbox"/> Relationship with Stakeholders <input type="checkbox"/> Reputation <input type="checkbox"/> Research Enterprise <input checked="" type="checkbox"/> Safety <input type="checkbox"/> Student Success

3. RECOMMENDATION

Facility Services has developed a 5-year capital renewal plan to address its deferred maintenance backlog, previously estimated at \$135M in 2019. For 2023-24, management recommends that the Committee approves funding for the list of projects totalling \$8.4 million.

A. Background/Issue Description

RECENT DEFERRED MAINTENANCE PROJECTS

Since 2020, Facility Services have completed deferred maintenance projects based solely on funding provided by the MCU's Facilities Renewal Program. Recent deferred maintenance projects have included:

FRP 2020-21 funded projects:

• Arts Building Lower Roof Replacement	\$ 24,715
• Education Building Cladding Replacement	871,400
• JND Chiller Compressor Replacement	86,650
• Science 2A Electrical Switchgear Replacement	151,650
• Science 1 Lab Vacuum Replacement	69,110
• Emergency Generator Fuel Tank Updates (design)	20,530
• BAS System Upgrades	<u>405,505</u>
	\$1,629,560

FRP 2021-22 funded projects:

• Health Sciences Roof and HRV Replacement	\$ 293,350
• Roof Designs (RD Parker, Alphonse Raymond, Science 2A)	4,115
• NOSM HVAC Humidification Replacement	123,445
• Emergency Generator Designs	11,600
• Alphonse Raymond Chiller Replacement	<u>356,000</u>
	\$ 788,510

FRP 2022-23 funded projects:

● Ben Avery Roof Replacement	\$1,189,350
● Roof Designs (Arts, Science 1, Science 1/2A/2B lower, Parker 11th)	\$70,900
● Boiler Replacements (LWL and MSOA)	\$164,100
● LWL and pneumatic BAS upgrades	\$156,450
● Exterior Stairs Repairs (design)	\$44,250
● JND Emergency Power upgrades	\$207,000
● Facilities Emergency Generator replacement	\$175,000
● Campus Washroom Upgrades	\$150,000
● Campus Roadway Improvement Program (consulting services)	<u>\$150,000</u>
	\$2,307,050

The projects shown for 2022-23 are expected to be completed by March 31, 2023, as per FRP 2022-23 funding requirements.

B. Alignment with Strategic Objective of University

The submission of Laurentian 2023-24 deferred maintenance projects and its 5-year deferred maintenance plan addresses the Auditor General's recommendation to provide information on the University's annual capital life cycle maintenance report that clearly shows significant areas where such maintenance is being deferred.

C. Other options considered (where applicable):

The amount of funding allocated to deferred maintenance projects was determined based on the capacity of the University to deliver on these projects and 5-year financial plan approved by MCU as part of the CCAA exit loan financing.

D. Risks including legislative compliance

It has been shown that the cost to repair failed systems is 80% higher than proactive maintenance or replacement of the same systems. Proactive and strategic renewal/replacement extends the life of our facilities and reduces the operational costs associated with emergency repairs. The risks of under-investing in capital renewal (deferred maintenance) could impact the university's recruitment and achievement of strategic goals. Other risks include procurement and construction. Costs of labour and materials can be impacted by fluctuation in supply and demand. To mitigate such risks strategic project planning is required to coordinate and develop planned improvements with selected vendors that will be familiar with the campus infrastructure.

E. Financial Implications (where applicable):

As indicated in the Financial Forecast submitted to MCU, Laurentian expects to spend around \$7.6 million per year for the period 2023-24 to 2027-28 to address its deferred maintenance backlog, part of which is included in the operating budget (between \$4.1 to \$4.5 million per year) and the remaining part is included in the capital budget.

F. Benefits

A well-maintained campus will attract new students and support research initiatives. By investing in our assets, strategically coordinating functional improvements, and coordinating project requirements with key stakeholders, Laurentian will be able to attract new students, manage operational costs and improve our reputation as a campus to be proud of.

G. Consultations (where applicable)

- Ongoing with the:
 - Board Property Development and Planning Committee
 - Board Finance Committee
 - Board of Governors

H. Next Steps (include timelines and if approval granted and/or if for information)

Tender, award, construction and/or consulting for the 2023 construction season.

I. Appendices (where applicable with each to be numbered sequentially)

- a) Laurentian 2023-24 – 2027-28 Deferred Maintenance Plan
- b) List of Projects

CAMPUS RENEWAL AND PROJECTS LIST 2023 TO 2024

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,946,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,714,785
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,410,200
Total DM Funds	\$7,571,027

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Alphonse Raymond roofing replacement	\$1,400,000	\$210,000	\$241,500	\$63,136	\$1,915,000
Emergency Generator Fuel Tank Replacements/Repairs Construction	\$260,000	\$15,000	\$41,250	\$10,784	\$328,000
Ben Avery Pool Repairs	\$300,000	\$5,200	\$0	\$0	\$306,000
Science 2 Steam Boiler Replacement	\$450,000	\$0	\$0	\$0	\$450,000
Incoming water at SC1, piping and pump replacements	\$110,000	\$16,500	\$18,975	\$4,961	\$150,500
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$1,283,458

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Subtotals 2	\$0	\$0	\$0	\$0	\$0
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					\$500,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts Building Corridor Improvements (asbestos removal, lighting and heating)	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
Subtotals 3	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
DM Safety underspent (+ve) / overspent (-ve)					-\$350,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
Subtotals 2	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$376,900

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR renewal (exterior envelope and stairs) design		\$42,000	\$6,300	\$1,647	\$50,000
UCR remove exterior stairs and build a new walkway	\$300,000	\$30,000	\$40,100	\$12,620	\$382,800
Residence Roofing audit		\$50,000			\$50,000
East residence cladding review	\$20,000	\$3,000	\$3,450	\$902	\$28,000
Food Services renovation design		\$60,000	\$9,000	\$2,353	\$71,400
Residence Flooring Renewal Program	\$300,000	\$45,000	\$51,750	\$13,529	\$411,000
Residence Common Area Renewal Program	\$250,000	\$37,500	\$43,125	\$11,274	\$342,000
Campus Washroom Renewal Program (student street)	\$200,000	\$30,000	\$34,500	\$9,019	\$274,000
Subtotals 3	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
DM Residence underspent (+ve) / overspent (-ve)					\$105,585

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
2 - ACCESSIBILITY AND EQUITY	\$0	\$0	\$0	\$0	\$0
3 - SAFETY	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
5 - RESIDENCE	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
Proposed Spending (All Subtotals)	\$3,680,000	\$637,700	\$505,475	\$134,285	\$5,811,800
Total underspent (+ve) / overspent (-ve)					-\$650,973

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2A mechanical penthouse and roof replacement	\$1,459,390	\$72,970	\$229,854	\$60,091	\$1,822,400
Arts roof replacement	\$200,000	\$20,000	\$33,000	\$8,627	\$270,000
Parker lower third floor north-east, north-west, and east roof replacement	\$195,000	\$15,000	\$31,500	\$8,235	\$250,000
RD Parker Ventilation Upgrades	\$60,000	\$0	\$9,000	\$2,353	\$72,000
Science 1 Recladding design		\$50,000	\$7,500	\$1,961	\$60,000
Security Camera Upgrades (Campus Safety)	\$100,000	\$0	\$15,000	\$3,922	\$119,000
Subtotals 1	\$160,000	\$50,000	\$31,500	\$8,235	\$2,593,400
FRP funding underspent (+ve) / overspent (-ve)					-\$183,200

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$3,840,000	\$687,700	\$536,975	\$142,520	\$8,405,200
Total underspent (+ve) / overspent (-ve)					175 of 183 -\$834,173

CAMPUS RENEWAL AND PROJECTS LIST 2024 TO 2025

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Parker 11th floor inverted roof replacement	\$900,000	\$135,000	\$155,250	\$40,588	\$1,240,000
Maintenance roof replacement design		\$20,000	\$0	\$682	\$20,700
Alphonse Raymond ventilation SF-1, SF-7, SF-8 and SF-9 replacement design		\$30,000	\$0	\$1,023	\$31,100
Card/RFID Access Technology Upgrade		\$20,000	\$0	\$682	\$20,700
Parker Elevator Modernization (phase 1 - south car)	\$550,000	\$52,500	\$90,375	\$23,627	\$716,600
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$900,000	\$135,000	\$155,250	\$40,588	\$2,109,100
DM Building and Facilities underspent (+ve) / overspent (-ve)					-\$563,058

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Asbestos Management Plan Update		\$30,000	\$4,500	\$11,765	\$46,265
Subtotals 3	\$700,000	\$105,000	\$120,750	\$31,568	\$46,265
DM Safety underspent (+ve) / overspent (-ve)					\$453,736

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$450,000	\$67,500	\$67,500	\$19,949	\$610,000
Subtotals 2	\$450,000	\$67,500	\$67,500	\$19,949	\$610,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$110,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR elevators (Phase 1 - East car)	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
MSR interior renovations - sanitary and mechanical risers	\$750,000	\$25,000	\$116,250	\$30,392	\$921,700
UCR basement heating piping, valves, pumps, automation and electrical	\$190,000	\$28,500	\$32,775	\$8,568	\$260,000
East residence cladding review	\$15,000	\$2,250	\$2,588	\$676	\$21,000
Subtotals 3	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
DM Residence underspent (+ve) / overspent (-ve)					\$17,300

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$900,000	\$135,000	\$155,250	\$40,588	\$2,109,100
2 - ACCESSIBILITY AND EQUITY	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
3 - SAFETY	\$700,000	\$105,000	\$120,750	\$31,568	\$46,265
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
5 - RESIDENCE	\$1,305,000	\$108,250	\$211,988	\$55,421	\$1,682,700
Proposed Spending (All Subtotals)	\$2,655,000	\$310,750	\$434,738	\$115,957	\$4,998,065
Total underspent (+ve) / overspent (-ve)					-\$252,023

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC1 Exterior Cladding Upgrades	\$1,500,000	\$225,000	\$258,750	\$67,646	\$2,060,000
Science 1 roofing repairs/replacement	\$1,100,000	\$165,000	\$189,750	\$49,607	\$1,510,000
Alphonse Raymond electrical switchgear replacement	\$650,000	\$97,500	\$112,125	\$29,313	\$890,000
Science 2A and 2B Window Replacement	\$605,000	\$90,750	\$104,363	\$27,284	\$828,000
Subtotals 1	\$2,355,000	\$353,250	\$406,238	\$106,204	\$3,228,000
FRP funding underspent (+ve) / overspent (-ve)					-\$447,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$5,010,000	\$664,000	\$840,975	\$222,161	\$8,226,065
Total underspent (+ve) / overspent (-ve)					-\$699,023

CAMPUS RENEWAL AND PROJECTS LIST 2025 TO 2026

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC1, 2A, 2B lower roof replacement	\$550,000	\$82,500	\$94,875	\$24,803	\$752,200
Parker Elevators Modernization (Phase 2 - north car + DA)	\$700,000	\$105,000	\$120,750	\$31,568	\$960,000
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$1,250,000	\$267,500	\$215,625	\$56,372	\$1,792,200
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$246,158

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accesibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts electrical switchgear replacement	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
Subtotals 3	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
DM Safety underspent (+ve) / overspent (-ve)					\$80,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Great Hall patio and stairs repairs	\$350,000	\$52,500	\$60,375	\$15,784	\$478,700
Campus Roadway Renewal	\$750,000	\$0	\$0	\$25,575	\$780,000
Subtotals 4	\$750,000	\$0	\$0	\$25,575	\$1,258,700
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$758,700

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
UCR Elevator replacement	\$700,000.00	\$105,000	\$120,750	\$31,568	\$960,000
MSR elevators (Phase 2 - West car)	\$350,000	\$52,500	\$60,375	\$15,784	\$478,700
MSR two-pipe heating distribution system replacement	\$600,000	\$90,000	\$103,500	\$27,058	\$830,000
Subtotals 5	\$1,650,000	\$247,500	\$284,625	\$74,410	\$2,268,700
DM Residence underspent (+ve) / overspent (-ve)					-\$568,700

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$1,250,000	\$267,500	\$215,625	\$56,372	\$1,792,200
2- ACCESSIBILITY AND EQUITY	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
3- SAFETY	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$750,000	\$0	\$0	\$25,575	\$1,258,700
5 - RESIDENCE	\$1,650,000	\$247,500	\$284,625	\$74,410	\$2,268,700
Proposed Spending (All Subtotals)	\$3,650,000	\$515,000	\$500,250	\$156,357	\$6,289,600
Total underspent (+ve) / overspent (-ve)					-\$1,543,558

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC2A Building Elevator Modernization (phase 1 south)	\$559,395	\$83,909	\$96,496	\$25,227	\$765,100
SC2B Building Elevator Modernization	\$255,000	\$38,250	\$43,988	\$11,500	\$348,800
Alphonse Raymond ventilation SF-1, SF-7, SF-8 and SF-9 replacement	\$1,235,000	\$185,250	\$213,038	\$55,695	\$1,690,000
Subtotals 1	\$2,049,395	\$307,409	\$353,521	\$92,422	\$2,803,900
FRP funding underspent (+ve) / overspent (-ve)					-\$22,900

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$5,699,395	\$822,409	\$853,771	\$248,779	\$9,093,500
Total underspent (+ve) / overspent (-ve)					-\$1,566,458

CAMPUS RENEWAL AND PROJECTS LIST 2026 TO 2027

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2B roofing repairs/replacement	\$650,000	\$97,500	\$112,125	\$29,313	\$890,000
Maintenance Building Lower Roof Replacement	\$300,000	\$45,000	\$51,750	\$13,529	\$420,000
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$950,000	\$222,500	\$163,875	\$42,842	\$1,390,000
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					\$156,042

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Subtotals 2	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$190,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Ben Avery electrical switchgear replacement	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
Subtotals 3	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
DM Safety underspent (+ve) / overspent (-ve)					-\$115,500

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Parking Gate Technology Upgrade	\$500,000	\$20,000	\$0	\$17,732	\$540,000
Subtotals 4	\$500,000	\$20,000	\$0	\$17,732	\$540,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					-\$40,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Food Services renovation design		\$50,000	\$7,500	\$1,961	\$59,500
East and West upper mechanical rooms floor sealing	\$100,000	\$15,000	\$17,250	\$4,510	\$136,800
Residence wireless access for apartments	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
UCR roof replacement	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
UCR sanitary and roof drain line replacements	\$50,000	\$7,500	\$8,625	\$2,255	\$68,400
UCR & SSR DHW backfeed	\$100,000	\$15,000	\$17,250	\$4,510	\$136,800
Subtotals 5	\$1,100,000	\$215,000	\$197,250	\$51,568	\$1,571,500
DM Residence underspent (+ve) / overspent (-ve)					\$128,500

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$950,000	\$222,500	\$163,875	\$42,842	\$1,390,000
2- ACCESSIBILITY AND EQUITY	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
3- SAFETY	\$450,000	\$67,500	\$77,625	\$20,294	\$615,500
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$500,000	\$20,000	\$0	\$17,732	\$540,000
5 - RESIDENCE	\$1,100,000	\$215,000	\$197,250	\$51,568	\$1,571,500
Proposed Spending (All Subtotals)	\$2,550,000	\$457,500	\$361,125	\$112,142	\$4,807,000
Total underspent (+ve) / overspent (-ve)					-\$60,958

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
SC2A Building Elevator Modernization (phase 2 - north)	\$559,395	\$83,909	\$96,496	\$25,227	\$765,100
Campus Roadway Renewal	\$1,500,000	\$225,000	\$258,750	\$67,646	\$2,051,400
Subtotals 1	\$2,059,395	\$308,909	\$355,246	\$92,873	\$2,816,500
FRP funding underspent (+ve) / overspent (-ve)					-\$35,500

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$4,609,395	\$766,409	\$716,371	\$205,015	\$7,623,500
Total underspent (+ve) / overspent (-ve)					-\$96,458

CAMPUS RENEWAL AND PROJECTS LIST 2027 TO 2028

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,546,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residence	\$1,700,000
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,781,000
Total DM Funds	\$7,527,042

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Fraser Auditorium complete renovation (Phase 1)	\$1,825,000	\$273,750	\$314,813	\$82,302	\$2,500,000
Subtotals 1	\$1,825,000	\$273,750	\$314,813	\$82,302	\$2,500,000
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$953,958

2- ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Washrooms Renewal	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
Subtotals 2	\$400,000	\$60,000	\$69,000	\$18,039	\$550,000
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					-\$50,000

3- SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
		\$0	\$0	\$0	\$0
Subtotals 3	\$0	\$0	\$0	\$0	\$0
DM Safety underspent (+ve) / overspent (-ve)					\$500,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$200,000	\$0	\$0	\$6,820	\$210,000
Subtotals 4	\$200,000	\$0	\$0	\$6,820	\$210,000
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$290,000

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Food Services - upgrade to Tim's	\$550,000	\$82,500	\$94,875	\$24,803	\$760,000
Food Services - upgrade to kitchen in DA	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
SSR - HVAC Ventilation Units distribution ductwork	\$250,000	\$37,500	\$43,125	\$11,274	\$350,000
Subtotals 5	\$1,150,000	\$172,500	\$198,375	\$51,862	\$1,590,000
DM Residence underspent (+ve) / overspent (-ve)					\$110,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending (All Subtotals)	\$3,575,000	\$506,250	\$582,188	\$159,023	\$4,850,000
Total underspent (+ve) / overspent (-ve)					-\$103,958

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Art exterior stonework remediation	\$150,000	\$22,500	\$25,875	\$6,765	\$210,000
Classroom roofing repairs	\$175,000	\$26,250	\$30,188	\$7,892	\$240,000
Underground Feed (Ramsey to SC2, SC1 to DA)	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Arts second and third floor ceiling abatement and new lighting	\$500,000	\$75,000	\$86,250	\$22,549	\$690,000
Arts middle stairwell remediation	\$350,000	\$52,500	\$60,375	\$15,784	\$480,000
Arts east and west stairwells remediation	\$475,000	\$71,250	\$81,938	\$21,421	\$650,000
Subtotals 1	\$1,325,000	\$198,750	\$228,563	\$59,754	\$2,960,000
FRP funding underspent (+ve) / overspent (-ve)					-\$179,000

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$4,900,000	\$705,000	\$810,750	\$218,777	\$7,810,000
Total underspent (+ve) / overspent (-ve)					-\$282,958

CAMPUS RENEWAL AND PROJECTS LIST 2023 TO 2024

DEFERRED MAINTENANCE (DM) FUNDS BREAKDOWN	DM FUNDS
DM for Facilities and Building Systems	\$1,946,042
DM for Accessibility and Equity	\$500,000
DM for Safety	\$500,000
DM for Civil and Underground Infrastructure	\$500,000
DM for Residences	\$1,714,785
Self-Funded Projects	\$0.00
External funding (incl. FRP)	\$2,410,200
Total DM Funds	\$7,571,027

1 - FACILITIES AND BUILDING SYSTEMS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Alphonse Raymond roofing replacement	\$1,400,000	\$210,000	\$241,500	\$63,136	\$1,915,000
Emergency Generator Fuel Tank Replacements/Repairs Construction	\$260,000	\$15,000	\$41,250	\$10,784	\$328,000
Ben Avery Pool Repairs	\$300,000	\$5,200	\$0	\$0	\$306,000
Science 2 Steam Boiler Replacement	\$450,000	\$0	\$0	\$0	\$450,000
Incoming water at SC1, piping and pump replacements	\$110,000	\$16,500	\$18,975	\$4,961	\$150,500
Facility Condition Assessment		\$80,000			\$80,000
Subtotals 1	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
DM Buildings and Facilities underspent (+ve) / overspent (-ve)					-\$1,283,458

2 - ACCESSIBILITY AND EQUITY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Subtotals 2	\$0	\$0	\$0	\$0	\$0
DM Accessibility and Equity underspent (+ve) / overspent (-ve)					\$500,000

3 - SAFETY	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Arts Building Corridor Improvements (asbestos removal, lighting and heating)	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
Subtotals 3	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
DM Safety underspent (+ve) / overspent (-ve)					-\$350,000

4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Campus Roadway Renewal	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
Subtotals 2	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
DM Infrastructure and Site underspent (+ve) / overspent (-ve)					\$376,900

5 - RESIDENCE	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
MSR renewal (exterior envelope and stairs) design		\$42,000	\$6,300	\$1,647	\$50,000
UCR remove exterior stairs and build a new walkway	\$300,000	\$30,000	\$40,100	\$12,620	\$382,800
Residence Roofing audit		\$50,000			\$50,000
East residence cladding review	\$20,000	\$3,000	\$3,450	\$902	\$28,000
Food Services renovation design		\$60,000	\$9,000	\$2,353	\$71,400
Residence Flooring Renewal Program	\$300,000	\$45,000	\$51,750	\$13,529	\$411,000
Residence Common Area Renewal Program	\$250,000	\$37,500	\$43,125	\$11,274	\$342,000
Campus Washroom Renewal Program (student street)	\$200,000	\$30,000	\$34,500	\$9,019	\$274,000
Subtotals 3	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
DM Residence underspent (+ve) / overspent (-ve)					\$105,585

LU FUNDED TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
1 - FACILITIES AND BUILDING SYSTEMS	\$2,520,000	\$326,700	\$301,725	\$78,881	\$3,229,500
2 - ACCESSIBILITY AND EQUITY	\$0	\$0	\$0	\$0	\$0
3 - SAFETY	\$750,000	\$21,500	\$50,000	\$28,013	\$850,000
4 - CIVIL AND UNDERGROUND INFRASTRUCTURE	\$90,000	\$13,500	\$15,525	\$4,059	\$123,100
5 - RESIDENCE	\$1,070,000	\$297,500	\$188,225	\$51,345	\$1,609,200
Proposed Spending (All Subtotals)	\$4,430,000	\$659,200	\$555,475	\$162,298	\$5,811,800
Total underspent (+ve) / overspent (-ve)					-\$650,973

EXTERNAL FUNDED PROJECT LIST	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Science 2A mechanical penthouse and roof replacement	\$1,459,390	\$72,970	\$229,854	\$60,091	\$1,822,400
Arts roof replacement	\$200,000	\$20,000	\$33,000	\$8,627	\$270,000
Parker lower third floor north-east, north-west, and east roof replacement	\$195,000	\$15,000	\$31,500	\$8,235	\$250,000
RD Parker Ventilation Upgrades	\$60,000	\$0	\$9,000	\$2,353	\$72,000
Science 1 Recladding design		\$50,000	\$7,500	\$1,961	\$60,000
Security Camera Upgrades (Campus Safety)	\$100,000	\$0	\$15,000	\$3,922	\$119,000
Subtotals 1	\$2,014,390	\$157,970	\$325,854	\$85,189	\$2,593,400
FRP funding underspent (+ve) / overspent (-ve)					-\$183,200

PLANNED EXPENDITURES TOTALS	EST CONSTR BUDGET	EST SOFT COSTS (15%)	CONTINGENCY (15%)	LU NET TAXES (3.41%)	RECOMMENDED BUDGET
Proposed Spending	\$6,444,390	\$817,170	\$881,329	\$247,487	\$8,405,200
Total underspent (+ve) / overspent (-ve)					180 of 183 -\$834,173

FOR ACTION

***Resolution of the Board of Governors on the Recommendation of the Finance Committee
Re: Approval of Proposed Funding of 2023-2024 Deferred Maintenance Projects
Presented to the Board of Governors at its meeting of February 17, 2023***

BE IT RESOLVED,

That the Board of Governors approve the funding of the 2023-24 Deferred Maintenance projects totaling \$8.4 million as presented at its meeting of February 17, 2023.

UNIVERSITY SECRETARY (INTERIM)



MEMORANDUM

TO: Board of Governors

FROM: Dominic Beaudry, Associate Vice-President Academic and Indigenous Programs (AVPAIP)

CC: Martin Bayer, Chair of LUNEC
Angela Recollet, Board Representative to LUNEC

DATE: February 8th, 2023

RE: Report on LUNEC meetings– Nov 10, 2022, Dec 8, 2022, Jan 12, 2023. All meetings were held via zoom.

1. Dominic Beaudry commenced his duties as Laurentian University's Associate Vice-President of Academic and Indigenous Programs on October 1, 2022 and met with the LUNEC members.
2. LUNEC sent a letter dated October 19, 2022 to the Board of Governors for Laurentian University Board Representation. The Indigenous community and LUNEC requests that 4 Indigenous representatives be appointed to the Board of Governors.
3. A Maamwizing Conference 2022 update was provided to LUNEC in November: the event was a success.
4. LUNEC welcomed new committee members in November: Maureen Peltier representing Wikwemikong Board of Education, Suzanne Fortin representing Métis Nation of Ontario, and Aurora Corkery representing School of Indigenous Relations Student Council.
5. LUNEC received an update during its December meeting for the National Day of Truth and Reconciliation (NDTR) 2023 which is planned for September 29, 2023. The event is being proposed to LU for a Professional Development Day as a "Cultural and Collective Healing" for all staff. Dr. John Milloy and award-winning writer Tanya Talaga will be keynotes at our NDTR 2023 event.
6. LUNEC received an update during its December 8th meeting for a proposed/planned Bachelor of Arts in Indigenous Interdisciplinary Studies program.
7. LUNEC welcomed Angela Recollet as the new Board of Governors representative on the committee during its January 12th meeting. We also welcomed Martin Bayer as the Sudbury Urban Indigenous Representative for LUNEC; he further accepted the role as the Chair of LUNEC.

8. LUNEC sent a letter to the Vice-President, Academic and Provost on January 20, 2023 to express concern regarding faculty and staff requirements.
9. LUNEC received information that the Indigenous Sharing and Learning Centre will be hosting weekly Anishinaabemowin classes with Elder Lorney Bob.
10. LUNEC received a financial update for the MCU Indigenous Student Success Fund budget and everything is on track.