



Board and Board Committee Meetings
Monday June 24, 2019

**University
of Victoria**

Open Session

Monday June 24, 2019

3:30 p.m. – 4:30 p.m.

University Centre, Senate and Board Chambers

DRAFT AGENDA

1. Approval of Agenda

MOTION:

THAT the agenda of the open session of the regular meeting of June 24, 2019 be approved.

2. Approval of Summary Record of the Meeting held May 28, 2019 (attached)

MOTION:

THAT the summary record of the open session of the regular meeting held May 28, 2019 be approved.

3. Business Arising from the Summary Record

4. Chair's Remarks

5. Correspondence

6. President's Report

7. External Relations Update

BOG-Jun24/19-17

CONSENT

8. Finance Committee (Dr. David Zussman)

**a. Collection and Remission of Student Fees for the Graduate
Students' Society (GSS) – Health and Dental Referendum
Results**

BOG-Jun24/19-06

MOTION:

THAT the Board of Governors collect and remit health and dental fees for the GSS in 2019/20 as outlined in the letter of June 10, 2019 from the Executive Director of the GSS to Gayle Gorrill, Vice-President Finance and Operations.

**b. University of Victoria Staff Pension Plan 2018 report to
Members and Financial Statements**

BOG-Jun24/19-01

- c. University of Victoria Staff Pension Plan Strategic Plan, Triennial Plan Assessment, and Compliance Report BOG-Jun24/19-02
- d. University of Victoria Staff Pension Plan Investment Performance Report for the Period Ending March 31, 2019 BOG-Jun24/19-03
- 9. Operations and Facilities Committee (Ms. Daphne Corbett)
 - a. Annual Report for Research Centres BOG-Jun24/19-13
 - b. Status Report on Capital Projects BOG-Jun24/19-07a
 - c. Due Diligence Reports 2018 BOG-Jun24/19-08

Pro Forma Motion: THAT the above items be approved by the Board of Governors by consent.

REGULAR

- 10. Finance Committee (Dr. David Zussman)
 - a. 2018/19 Year End Management Statements and Budget Review BOG-Jun24/19-04
 - b. Statement of Financial Information for the year ended March 31, 2019 (*document to follow*) BOG-Jun24/19-05

MOTION:
THAT the Board of Governors approve the Statement of Financial Information for the year ended March 31, 2019 and that the Chair of the Board of Governors and the Vice-President Finance and Operations be authorized to sign on the Board's behalf.
- 11. Operations and Facilities Committee (Ms. Daphne Corbett)
 - a. 2019/20 Five Year Capital Plan BOG-Jun24/19-09

MOTION:
THAT the Board of Governors approve the 2019/20 Five Year Capital Plan and submit capital priorities to the Ministry on the basis of the Capital Plan.

b. 2018/2019 University of Victoria Institutional Accountability Plan and Report

BOG-Jun24/19-12

MOTION:

THAT the Board of Governors approve the 2018/19 University of Victoria Institutional Accountability Plan and Report

and

THAT the Board of Governors authorize the Board Chair and the President to make any final edits to the 2018/19 University of Victoria Institutional Accountability Plan and Report prior to its submission to the Ministry.

12. Executive and Governance Committee (Ms. Beverly Van Ruyven)

a. Board Governance Checklist (attached)

MOTION:

THAT the Board of Governors approve the posting of the updated Board governance checklist, as circulated, on the university's website for 2019/2020 as part of UVic's accountability framework.

13. Other Business

- a) Review of action items identified
- b) Any other business

Adjournment



University
of Victoria

Board and Board Committee Meetings Monday May 27 and Tuesday May 28, 2019

Open Session

Tuesday May 28, 2019 11:00 a.m.

University Centre Farquhar Auditorium

DRAFT SUMMARY RECORD

Present: Ms. Beverly Van Ruyven (Chair), Mr. Merle Alexander, Mr. Pierre-Paul Angelblazer, Mr. Rizwan Bashir, Dr. Marilyn Callahan, Prof. Jamie Cassels, Ms. Ida Chong, Ms. Daphne Corbett, Dr. Peter Driessen, Ms. Kasari Govender, Ms. Cathy McIntyre, Ms. Andrea Mellor, Ms. Carrie Andersen (Secretary)

By Invitation: Dr. David Castle, Ms. Carmen Charette, Dr. Valerie Kuehne, Ms. Gayle Gorrill, Ms. Kimberley Kennard, Board Coordinator

Regrets: Dr. Elizabeth Borycki, Ms. Shelagh Rogers, Dr. David Zussman

1. Approval of Agenda

MOTION: (C. McIntyre/I. Chong)

THAT the agenda of the open session of the regular meeting of May 28, 2019 be approved.

CARRIED

2. Approval of Summary Record of the Meeting held March 26, 2019

MOTION: (C. McIntyre/D. Corbett)

THAT the summary record of the open session of the regular meeting held March 26, 2019 be approved.

CARRIED

3. Business Arising from the Summary Record

There was none.

4. Chair's Remarks

The Chair welcomed students and others in the gallery and thanked them for attending the Open session.

5. Correspondence

The Chair acknowledged that the Board had received correspondence from a student expressing concern about the university's response to requests that the university make a statement of support of the Unist'ot'en and Wet'suet'en. The Board was informed that the university has been in direct correspondence with the Native Students' Union regarding these requests. A response was also sent to the student.

The Board received correspondence from a community member regarding international tuition fees. A response was sent by the university.

Following the March Board meetings, the Board received correspondence from a group of students. The correspondence was regarding international tuition fees, divestment and responsible investing, and student engagement and representation. The correspondence was discussed by members of the Board. Ms. Van Ruyven noted the university's commitment to attracting, supporting and developing a diverse group of students. She said the Board will continue to engage management in discussions regarding international tuition fees and support for international students at both the graduate and undergraduate level. Ms. Van Ruyven said the university is committed to being a global leader in environmental, social and institutional sustainability. The Board has been informed that management is actively engaged in discussions with students regarding responsible investment. The Finance Committee also engaged in a discussion regarding responsible investment.

The Board received correspondence and a report from Divest UVic. Because it was received after the agenda deadline, the document was not included in the Open Board package, but was distributed to Board members. A preliminary review of the document took place at the Finance Committee meeting.

The Board received correspondence from 11 faculty members regarding administrative initiatives. Board members discussed the correspondence and were provided information from management regarding institutional initiatives and investments. Ms. Van Ruyven said the Board of Governors is keenly aware of the critical role our faculty members play in achieving research excellence, delivering quality education and support services to students, and contributing to the university's strategic mission.

6. President's Report

Provincial Budget

President Cassels reported that the draft budget letter had been received from the Ministry of Advanced Education, Skills and Training.

Community Engagement

President Cassels reported on the first meeting of the Indigenous Community Engagement Council. He commented on a number of other meetings that had taken place, include the executive retreat, the academic leadership retreat, and the management retreat. Many of these events had focused on implementation of the Strategic Framework and goal setting for the coming year. Prof. Cassels reported on the ConnectU Conference that had taken place.

He provided information on the upcoming Bike-To-Work-Week, taking the opportunity to note that the campus cycling plan had won the 2019 award for planning excellence merit from the Canadian Institute of Planners. Prof. Cassels reported that UVic had also won the United Way Post Secondary Challenge

Faculty

Dr. Lin Cai (Electrical and Computer Engineering) was awarded a Steacie Fellowship, an award for scientists showing tremendous promise.

Canada Research Councils

President Cassels stated that UVic is one of only ten universities to meet the “fully satisfies” standard for the new diversity requirements for applicants to NSERC Canada Research Chairs.

Spring Convocation

Ten ceremonies will take place between June 10 and June 14.

7. External Relations Update

There were no questions for Carmen Charette, Vice-President External Relations.

CONSENT

8. Operations and Facilities Committee (Ms. Daphne Corbett)

a. New and Revised Awards

BOG-May28/19-15

MOTION:

THAT the Board of Governors approve the new and revised undergraduate and graduate awards set out in the attached documents and listed below:

- Budvitch Award in Holocaust Studies (new)
- Hoy Sun Benevolent Association Scholarship (revised)*
- CFUW Victoria Diana Morgan Scholarship in Humanities (new)*
- Boehm-Hesser Graduate Research Excellence in Astronomy Award (new)*
- Dr. Lorene Kennedy Environmental Studies (Graduate) Award (revised)*
- Dr. Lorene Kennedy Graduate Award (revised)*
- Sheila Ryan and Eileen Ryan Award in Child and Youth Care (new)*
- Sheila Ryan and Eileen Ryan Award in Health Information Science (new)*
- Howlers Rugby Award (revised)*
- Sheila Ryan and Eileen Ryan Undergraduate Award in Nursing (new)*
- Sheila Ryan and Eileen Ryan Graduate Award in Nursing (new)*
- Rob and Tammy Lipson Research Scholarship (revised)*
- Silberberg Family Memorial Award (new)*
- Frances Trapp (Brown) Cameron Memorial Bursary in Visual Arts (revised)*
- Hazel T. Knox Memorial Bursary (revised)*

- L.E. Frances Druce Award in Science (revised)*
- Elizabeth Buckley School Award (new)
- Anthony Legdon Education Award (new)
- Alfred Joseph Memorial Award (new)*
- Victoria B4B Entrepreneurship Award (new)
- Dr. Marion Porath Legacy Scholarship in Education (new)
- Joyce Clearihue Graduate Co-op Scholarship (revised)*
- Chemistry Honours Scholarship (new)
- Health Information Science Scholarship (new)
- UVic Retirees Association Award (new)*
- EX-MLAS of B.C. Student Scholarship (new)*
- Corrina Ewan Memorial Scholarship (new)*
- Avis Rasmussen Award (new)*
- STÓ:LŌ Legacy Scholarship (revised)
- Ron C. Wells Geological Award (new)
- David F. & Mary J. Norton Indigenous Leadership Fellowship (revised)*

* Administered by the University of Victoria Foundation

b. Proposal to Change the Name of the Professional Specialization Certificate in Special Education to Professional Specialization Certificate in Special and Inclusive Education

BOG-May28/19-19

MOTION:

THAT the Board of Governors approve the proposal to change the name of the Professional Specialization Certificate in Special Education to Professional Specialization Certificate in Special and Inclusive Education, as described in the memorandum dated January 11, 2019.

c. Proposal to Change the Name of the Diploma in Special Education to Diploma in Special and Inclusive Education

BOG-May28/19-20

MOTION:

THAT the Board of Governors approve the proposal to change the name of the Diploma in Special Education to Diploma in Special and Inclusive Education, as described in the memorandum dated January 11, 2019.

d. Proposal to Change the Name of the Physics and Ocean Sciences (Ocean-Atmosphere Dynamics) program to Physics and Ocean-Atmosphere Sciences

BOG-May28/19-21

MOTION:

THAT the Board of Governors approve the proposal to change the name of the Physics and Ocean Sciences (Ocean-Atmosphere Dynamics) program to Physics and Ocean-Atmosphere Sciences, as described in the memorandum dated January 8, 2019.

e. Proposal to Establish New Honours and Major within the Existing Chemistry and Earth and Ocean Sciences Combined Program

BOG-May28/19-22

MOTION:

THAT the Board of Governors approve, subject to funding, the proposal to establish new honours and major within the existing Chemistry and Earth and Ocean Sciences combined program, as described in the document "Honours in Chemistry and Ocean Sciences/Major in Chemistry and Ocean Sciences", and that this approval be withdrawn should the programs not be offered within five years of the granting of approval.

f. Proposal to Establish an Honours program within the existing Chemistry for Medical Sciences (ChemMedSci) Program

BOG-May28/19-23

MOTION:

THAT the Board of Governors approve the proposal to establish an honours program within the existing Chemistry for Medical Sciences (ChemMedSci) program, as described in the document "Honours within the Existing Chemistry for Medical Sciences (ChemMedSci) Program", and that this approval be withdrawn should the program not be offered within five years of the granting of approval.

g. Proposal to Change the Name of the Bachelor of Music Major in History and Literature to Bachelor of Music Major in Musicology and Sound Studies

BOG-May28/19-24

MOTION:

THAT the Board of Governors approve the proposal to change the name of the Bachelor of Music Major in History and Literature to the Bachelor of Music Major in Musicology and Sound Studies, as described in the memorandum dated February 13, 2019.

h. Proposal to Add a Cultural, Social and Political Thought (CSPT) Option to the Master of Arts in French

BOG-May28/19-25

MOTION:

THAT the Board of Governors approve the proposal for the addition of a Cultural, Social and Political Thought (CSPT) Option within the Master of Arts in French, as described in the document "Addition of a CSPT Option within the French Graduate Program", and that this approval be withdrawn if the program should not be offered within five years of the granting of approval.

i. Proposal to Establish a Major in Recreation and Health Education in the Bachelor of Physical and Health Education Program

BOG-May28/19-26

MOTION:

THAT the Board of Governors approve the establishment of a major in Physical and Health Education in the Bachelor of Recreation and Health Education program, as described in the document "New Major in Physical and Health Education in the Recreation and Health Program", and that this approval be withdrawn should the program not be offered within five years of the granting of approval.

j. Proposal to Discontinue the Master of Arts in Dispute Resolution Program

BOG-May28/19-29

MOTION:

THAT the Board of Governors approve the proposal to discontinue the Master of Arts in Dispute Resolution Program, as described in the memorandum dated December 19, 2018.

k. Proposal to Discontinue the Graduate Certificate in Digital Humanities

BOG-May28/19-30

MOTION:

THAT the Board of Governors approve the proposal to discontinue the Graduate Certificate in Digital Humanities, as described in the memorandum dated February 14, 2019.

l. Proposal to Change the Name of the Master of Arts in Indigenous Communities Counselling to the Master of Arts in Indigenous Communities Counselling Psychology

BOG-May28/19-31

MOTION:

THAT the Board of Governors approve the name change of the Master of Arts in Indigenous Communities Counselling to the Master of Arts in Indigenous Communities Counselling Psychology, as described in the memorandum dated December 4, 2018.

**m. Proposal to Establish a Master of Engineering
(MEng) Program in Industrial Ecology**

BOG-May28/19-33

MOTION:

THAT the Board of Governors approve, subject to funding, the establishment of a Master of Engineering (MEng) program in Industrial Ecology, as described in the document "Master of Engineering (MEng) Program in Industrial Ecology", and that this approval be withdrawn should the program not be offered within five years of the granting of approval. Once Senate and the Board of Governors have approved the proposal, the proposal must be approved by the Secretariat of the Ministry of Advanced Education.

n. Status Report on Capital Projects

BOG-May28/19-10a

9. Finance Committee (Ms. Beverly Van Ruyven for Dr. David Zussman)

**a. 2018 Annual Reports and Financial Statements:
University of Victoria Combination Pension Plan and
University of Victoria Money Purchase Pension Plan**

BOG-May28/19-08

Pro Forma Motion: (D. Corbett/I. Chong)

THAT the above items be approved by the Board of Governors by consent.

CARRIED

REGULAR

10. Audit Committee (Ms. Cathy McIntyre)

a. 2018/19 Financial Statements

BOG-May28/19-05a

Ms. McIntyre reported that the Audit Committee received a presentation on the financial statements of the University for the year ended March 31, 2019. She provided an overview of the statements. With respect to the consolidated excess of revenues over expenditures, Ms. McIntyre commented on one time events that contributed to this excess, including reduction of benefits expense as result of no longer including the LTD Trust from the financial statements, surplus within ancillary areas to ensure there is funding to address future capital requirements, and transactions that do not increase the resources available to the university and operating investments in capital. Ms. McIntyre further explained that each year the University is required to invest in capital expenditures. While these expenditures are made each year, for accounting purposes the expenditures are amortized over the future life of the asset. As a result, there appears to be surplus in the year as capital expenditures are not included. Previously, the university has received approval to restrict a portion of its provincial grant for capital purposes, but approval was not granted this year.

Ms. McIntyre said the auditors had provided their report. They will be providing a qualified audit opinion on a fair presentation basis consistent with the last three years, as the presentation requirements set out by the Province differ from Public Sector Accounting Standards with respect to the treatment of funding received for capital investments.

Ms. McIntyre said that, at the June meeting, the Board will receive a report on the financial statements on a fund accounting basis. This is the accounting basis on which the University budgets and manages. At that time, there will be a more fulsome reporting on the results including comparison to budget.

MOTION: (C. McIntyre/I. Chong)

THAT the Board of Governors approve the 2018/2019 Audited Financial Statements and the appropriations as set out in the attached schedule; and

THAT the Chair of the Board of Governors and the Vice-President Finance and Operations be authorized to sign the statements on behalf of the Board of Governors.

CARRIED

11. Operations and Facilities Committee (Ms. Daphne Corbett)

a. Relocation Assistance Policy Update (HR6405)

BOG-May28/19-01

Ms. Corbett introduced the proposal and reviewed the revisions.

MOTION: (D. Corbett/C. McIntyre)

THAT the Board of Governors approve the revisions to policy HR6405 Relocation Assistance (formerly Relocation Grant Policy), effective June 1, 2019; and

THAT the Board of Governors rescind policy HR6415 Travel Allowance for Visiting and Sessional Appointments, effective June 1, 2019.

CARRIED

b. Revisions to the Procedures for the Appointment of the Chancellor (GV0295)

BOG-May28/19-18

Ms. Corbett introduced the proposal and reviewed the revisions.

MOTION: (D. Corbett/K. Govender)

THAT the Board of Governors approve the revised Procedures for the Appointment of the Chancellor (GV0295), effective June 1, 2019.

CARRIED

**c. Annual Report on Non-Academic Misconduct
Allegations and Resolutions**

BOG-May28/19-16

The annual report was received by the Board for information.

12. Finance Committee (Ms. Beverly Van Ruyven for Dr. David Zussman)

a. Responsible Investment Update

Ms. Van Ruyven stated that the Finance Committee had received a report from management with respect to Responsible Investment as well as correspondence, including a report, prepared by Divest UVic, a student group on campus. Ms. Van Ruyven said the committee received information regarding the legal relationship between the UVic Board of Governors and the Foundation Board, and actions taken by other Canadian universities with respect to responsible investment and divestment. The committee also heard about the meetings that had occurred between management and students representing Divest UVic.

Ms. Van Ruyven said the committee had a preliminary discussion and there was agreement that this is a very important matter that is directly aligned with the commitment of the university to promote sustainable futures. She said the committee expressed their desire to receive more information and education so that they can be better informed on the matter. Ms. Van Ruyven noted that the committee looks forward to hearing about the joint work of Divest UVic and management and is committed to opening dialogue with the Foundation while continuing to respect its role and jurisdiction.

Other Business

- a) Review of action items identified
There were no action items.
- b) Any other business
There was no other business to report.

Adjournment

There being no other business, the meeting adjourned at 11:24 a.m.



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

June 12, 2019

To: Board of Governors

From: Carmen Charette, Vice-President External Relations

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: External Relations Update

A handwritten signature in purple ink, likely belonging to Carmen Charette.

In support of UVic's Strategic Framework, External Relations connects UVic and the world around it by building relationships, resources and community to enhance the UVic Edge and our university's reputation. The following report provides an update on our activities in:

- Communicating the UVic mission and story
- Building meaningful partnerships
- Fostering a culture of philanthropy
- Celebrating success and excellence
- Enhancing community through cultural and other activities

COMMUNICATING THE UVIC MISSION AND STORY

This report is primarily built around the initiatives of *Sharpening Our Edge, 2018–21*, the University of Victoria's institutional communications and marketing plan, which shapes and drives much of University Communications + Marketing's work.

Supporting Communications for University Initiatives

A university's website is one of the most influential channels in shaping its reputation with key audiences. UVic's central web presence is being rebuilt from the ground up, with the goal of putting it among the best and most effective university websites in the country and beyond. The uvic.ca central website rebuild continues on schedule towards an early 2020 launch.

Providing Internal Supports

An ambassador toolkit will put anyone representing UVic in a position to represent the university's strengths and leadership and convey what makes us different from our competitors clearly and concisely, through a set of customizable tools and facts and figures available in both digital and print forms.

- Consultation to determine the elements for the UVic Ambassador Toolkit will wrap up in June. The first version of the kit will be available in late fall.
- The introduction to UVic video for international audiences is at the draft script stage, while an audit of existing footage is also taking place. The official release date will be in October for the President's trip to Australia. The video will serve as a companion to the new introductory leave behind piece developed for senior campus leaders. Both elements will be part of the Ambassador Toolkit.

Department and Unit Implementation Team (DU-IT) 2.0

The DU-IT staff work directly with university units to help them tell their stories and represent their strengths within the university's Edge framework. DU-IT 1.0 received 98% satisfaction ratings from units for its approach and materials. DU-IT 2.0 seeks to build on those strengths.

- Consultations and discussions regarding a more strategic, priority-driven and customized approach for 'DU-IT 2.0' are continuing. The proposal has received positive feedback following presentations to the Strategic Positioning Council and faculty communications officers. Presentations to the Edge Team and Communications and Marketing Council are planned for June. Representatives from the offices of VPAC, VPR and VPFO are being consulted to create a list of priority units.

Building Profile and Presence

Brand advertising campaigns, closely integrated with strategic media relations, storytelling, social media and web initiatives play a significant role in shaping perceptions of a university and its reputation.

- Phase 2 of the 2018–19 Edge student campaign wrapped up on May 17—metrics will be analyzed in the following weeks.
- The 2019–20 student campaign will focus on the Lower Mainland and target those who influence university reputations in order to achieve a cascade effect on how high-performing students perceive UVic, and thus influence the long-term growth of those students choosing us. The campaign will launch in October.
- There were more than 9,300 UVic stories carried in regional, national and international media outlets in the six months from Oct. 1, 2018–March 31, 2019, with a total reach of more than 550 million readers. This includes international outlets such as BBC, *The Washington Post*, and *TIME*, national outlets such as the CBC, CTV, Global, *Globe and Mail*, *Toronto Star* and *Ottawa Citizen*, and regional outlets such as the *Vancouver Sun*, CBC Vancouver, and *Business in Vancouver*. Many of these focused on areas of institutional strength and leadership.
- UVic's estimated share of national voice as measured against seven aspirational competitors (drawn from universities with medical schools, in the U-15 and/or major media centres such as Vancouver and Halifax) in this period was tied for third, 1 per cent off second place.

BUILDING MEANINGFUL PARTNERSHIPS

Municipal and Community Activities

- UVic and Universities Canada hosted the Social Impact Roundtable in Victoria on June 5.
- UVic hosted a booth at Car Free YYJ on June 16.
- UVic hosted the Public Policy Forum's Action Canada Session in Victoria on June 16.

Provincial Government Activities

The following activities occurred on June 10:

- President Cassels joined Ministers Melanie Mark (Advanced Education, Skills and Training) and Rob Fleming (Education) for the announcement of \$9 million in funding to co-op programs across British Columbia.
- Minister Melanie Mark brought greetings from the Government of British Columbia at the afternoon Convocation ceremony.
- Vice-President External Relations, Carmen Charette, to the Select Standing Committee on Finance and Government Services as part of their 2020 Budget Consultations. UVic also prepared a written statement for consideration.

Federal Government Activities

- Victoria MP, Murray Rankin attended the afternoon Convocation ceremony on June 11.

FOSTERING A CULTURE OF PHILANTHROPY

As at June 1, 2019, \$1.95 million has been raised from 674 donors, on a goal of \$18 million from 5030 donors in the 2019-2020 fiscal year.

Alumni Relations

The Alumni Association Annual General meeting occurred on Monday, June 17. In addition to the usual AGM agenda such as providing a summary of 2018/19 activities and election of directors, the meeting featured a presentation by guest speaker, Moussa Magassa, GCert '17. Moussa is a Human Rights Educator at UVic and his presentation focused on creating spaces for cultural diversity, inclusion and equity.

CELEBRATING SUCCESS AND EXCELLENCE

Chancellor Shelagh Rogers and President Jamie Cassels presided over the university's most recent Convocation ceremonies held from June 10 to 14. The event marked the successful completion of academic studies for 3,777 recipients of degrees, diplomas and certificates including six honorary degrees awarded to:

- Teacher and Indigenous language leader, **Sti'tum'at Ruby Peter**
- Indigenous language activist, **STOLØEL John Elliott**
- Indigenous governance trailblazer, **Joe Gallagher, k'wunəmen**
- Law-education innovator, **Neil Gold**
- Pioneering marine naturalist, **Andy Lamb**
- Mathematical biology expert, **Simon Asher Levin**

Chancellor Rogers also participated in two Indigenous Recognition Ceremonies for University of Victoria Indigenous graduates on June 11 and 13. In addition, on June 18 Chancellor Rogers represented UVic at the Queen Elizabeth II Scholarship Reception and participated in the Homewood Ravensview (previously Dunsmuir Lodge) opening ceremony.

While in the midst of planning the Convocation ceremonies, Ceremonies and Events is already planning for events starting in September including the Long Service Reception, REACH Awards and fall Convocation.

ENHANCING COMMUNITY THROUGH CULTURAL AND OTHER ACTIVITIES

Legacy Art Galleries

Legacy continues a full schedule of exhibitions and programs through the summer including the following highlights as detailed at <http://uvac.uvic.ca/events/index.html>

- Curator's Talk by Patricia Bovey occurring on Thursday, July 25 at 7pm;
- Lecture by Jim Tanaka, UVic Professor of Psychology and Cognitive Brain Sciences, on *Self Portraits to Selfies: the Psychology of Representing the Self* occurring on Thursday, July 11 at 7pm; and
- *The Ground Above Us* opens in July and is an experimental project between artists Farheen HaQ and Charles Campbell. As newcomers to Canada and guests on Coast Salish land they ask, "How does our creative work of making space for our voices and experience meet the ground and history here?"

Fall exhibitions kick-off in September with:

- *We Carry Our Ancestors: Cedar, Baskets and Our Relationship with the Land*, curated by BC Arts Council Curatorial Intern Lorilee Wastasecoot and will include an elementary school tour program
- *Urban Regalia: Contemporary Fashion by Sug-ii-t Lukxs* curated by the Williams Legacy Chair Dr. Carolyn Butler Palmer (Art History and Visual Studies)
- *Artists Archives* exhibition, curated by Bradley Clements in collaboration with UVic Libraries shows the rich holdings of the growing regional artists' archives collection at UVic and a publication launch at the end of September.

Farquhar Auditorium

The Farquhar at UVic continues to host regional high school graduation ceremonies in addition to being the venue for UVic's Convocation. After June 30, the venue will go into two months of maintenance of lighting, sound and other infrastructure.

- Parkland Grad, June 26 at 4:30 pm
- Claremont Grad, June 27 at 5:30 pm
- Stelly's Grad, June 28 at 4:00 pm
- Ballet Victoria Conservatory Recital, June 30 at 2:00 pm

The Farquhar will be formally announcing our 2019-20 presenting series in June. The coming season features:

- September 21, Michael Delamont's *Best of the West Comedy Showcase*
- September 29, Rosanne Cash *She Remembers Everything*
- October 27, Sursaut Dance *Me Squared*
- January 17, Michael Delamong *Hell Yeah! An Evening with the Devil*
- January 26, International Guitar Night
- April 11, Kalabant *Cirque Afrique*




University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR DECISION

To: FINANCE COMMITTEE

From: Vice-President Finance and Operations 

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: COLLECTION AND REMISSION OF STUDENT FEES FOR THE GRADUATE STUDENTS' SOCIETY (GSS)

Basis for Jurisdiction: University Act 27.1

Previous Consultation:

Board of Governors: #BOG-Mar26/19-07

Strategic Relevance:

Strategy 5.5 - Ensure the financial sustainability of the university and our ability to pursue excellence by optimizing existing resources through careful planning, earning public support, attracting partnerships, and pursuing a revitalized program to grow and diversify resources through philanthropic and other means.

Recommendation:

THAT the Finance Committee recommend to the Board of Governors that the Board of Governors collect and remit health and dental fees for the GSS in 2019/20 as outlined in the letter of June 10, 2019 from the Executive Director of the GSS to Gayle Gorrill, Vice-President Finance and Operations.

Background:

The Graduate Students' Society (GSS) submitted a request to the Board of Governors for approval of fees for 2019-2020. In the letter requesting approval, the GSS indicated that the Extended Health and Dental Plan fees were subject to insurance renewal negotiations that were currently underway and that, if there were increases as a result that a referendum would be required. There were increases, and a referendum occurred on May 28-30, 2019. The referendum passed and the attached letter sets out the request for approval of the new fees.

Attachment:

Letter dated June 10, 2019 from Stacy Chappel, GSS Executive Director, to Gayle Gorrill, Vice-President Finance and Operations.

Document #BOG-Mar26/19-07: Collection and Remission of Student Fees for the Graduate Students' Society (GSS)



Graduate Students' Society
UNIVERSITY OF VICTORIA

Phone (250) 472-4543
Fax (250) 721-6137
Web <https://gss.uvic.ca>

Box 1700 STN CSC Victoria BC V8W 2Y2 Canada

June 10, 2019

Ms. Gayle Gorrill
Vice-President Finance and Operations
Administrative Services Building Room A212
University of Victoria, Victoria, BC, V8P 5C2

Dear Ms. Gorrill,

I am authorized by the University of Victoria Graduate Students' Society (GSS) to send this notice to the University of Victoria with regard to collection and remission of student fees in accordance with the *University Act*.

This letter is to notify you that the GSS has held a referendum on the Extended Health and Dental Plan fees on May 28-30, 2019. The result of the referendum sets the fees as follows:

GSS Extended Health and Dental Plan fees effective September 1, 2019

GSS Extended Health Plan fee

September start, 12 months: \$ 407

January start, pro-rated, 8 months: \$ 271.33

GSS Dental Plan fee

September start, 12 months: \$ 236

January start, pro-rated, 8 months: \$ 157.33

There is no change the assessment criteria; all on-campus graduate students registered in 3.0 units, registered as a co-op student, or registered full time in project, thesis or dissertation are assessed the GSS extended health and dental plan fees once per academic year. GSS Extended Health and Dental Plan fees are assessed only once per academic year.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Stacy Chappel
GSS Executive Director

CC.

Carla Osborne, GSS Director of Finance
Carrie Andersen, University Secretary
Jim Dunsdon, AVP Student Affairs
Sabrina Jackson, Acting Director, Graduate Admissions and Records

Kristi Simpson, AVP Financial Planning and Operations
Andrew Coward, UVIC Treasurer, Financial Planning
Tory Hastings, Manager, Tuition Fee Assessments

2019-2020 Fee schedule

In accordance with the above, the 2019-2020 GSS fee schedule is as follows effective May 1, 2019:

<i>GSS 2018-19 fees by registration status</i>	<i>Regular</i>	<i>Co-op</i>	<i>Distance</i>
Operating Fund*	\$ 43.80	\$ 21.90	\$ 43.80
Capital Fund*	\$ 9.94	\$ 4.97	\$ 9.94
Childcare	\$ 1.02	\$ 0.51	\$ 1.02
VIPIRG	\$ 2.00	\$ 1.00	\$ 2.00
Anti-Violence Project	\$ 2.00	\$ 1.00	\$ 2.00
Ombudsperson	\$ 1.50	\$ 0.75	\$ 1.50
Constituency Groups	\$ 1.33	\$ 0.67	\$ 1.33
Clubs	\$ 0.50	\$ 0.25	\$ 0.50
WUSC (Student Refugee Program)	\$ 3.00	\$ 1.50	\$ 3.00
Campus food bank**	\$ 1.79	\$ -	\$ -
CFUV*	\$ 0.54	\$ -	\$ -
University 101*	\$ 0.54	\$ -	\$ -
Conference Travel fee*	\$ 4.55	\$ 2.28	\$ 4.55
Distance travel fee*	\$ 1.07	\$ 0.54	\$ 1.07
Student Advocate	\$ 1.00	\$ 0.50	\$ 1.00
TOTAL	\$ 74.58	\$ 35.86	\$ 71.71

* This fee is increased annually by the BC CPI

** this fee is generally increased by CPI; instead was increased by referendum for this year

Health and Dental Plan fees

GSS Extended Health and Dental Plan fee changes are subject to our insurance renewal negotiations, which are currently underway. Any increases to these fees will require a referendum, and, if approved, would take effect September 1, 2019. The GSS will issue a separate notice regarding these fees.

Audit

I hereby certify that the GSS circulated our 2018 audited financial statements and auditor's report at our October 23, 2018, Annual General Meeting. The GSS has satisfied the requirements of the *University Act* and of the *Society Act*; and the GSS remains in good standing with the Registrar of Societies.

Please do not hesitate to contact me at gssmgr@uvic.ca if you have any questions.

Sincerely,

Stacy Chappel
Executive Director

cc.

Carla Osborne, GSS Director of Finance
Kristi Simpson, AVP Financial Planning
Jim Dunsdon, AVP Student Affairs
Joel Lynn, Director, Student Services

Sabrina Jackson, Acting Director, Graduate Admissions and Records
Tory Hastings, Manager, Tuition Fee Assessments
Carrie Andersen, University Secretary
Janice Johnson, Executive Director, Financial Services



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: University of Victoria Staff Pension Plan
2018 Report to Members and Financial Statements

A handwritten signature in dark ink, appearing to be 'G. Smith' or similar, written over a light blue horizontal line.

Basis for Jurisdiction: Pension Benefits Standards Act (BC) Section 38.1(c)
University of Victoria Staff Pension Plan Governance Policy (Appendix A 7).

Strategic Relevance:

Strategy 5.5-

Ensure the financial sustainability of the university and our ability to pursue excellence by optimizing existing resources through careful planning, earning public support, attracting partnerships, and pursuing a revitalized program to grow and diversify resources through philanthropic and other means.

Previous Consultation:

Staff Pension Plan Investments and Administration Committee (IAC) and Pension Advisory Committee

Background:

As per the BC *Pension Benefits Standards Act*, the Plan's audited financial statements must be prepared in accordance with generally accepted accounting principles and filed with the Superintendent of Pensions within 180 days after the end of the fiscal year. As responsibility for

these statements rests with the employer, as administrator of the Plan, appropriate financial oversight is important.

At its meeting on May 16, 2019, the IAC received the audit results from the Plan's auditor and reviewed and approved the 2018 financial statements, as required under Section 7 of the Staff Pension Plan Governance Policy. These statements were also reviewed with the Plan's Advisory Committee on May 27, 2019.

Financial Statement Highlights:

As at December 31, 2018, the net assets available for pension benefits exceeded the obligations for benefits by \$27.60 million (\$36.88 million in 2017).

Item	2018	2017	Comments
Assets	\$275.96 million	\$274.70 million	
Investment performance			
Gross return	1.85%	7.65%	This performance was consistent with observed industry returns in 2018.
Contributions			
Total	\$8.62 million	\$8.52 million	
<i>Employees</i>	\$2.38 million	\$2.33 million	Employees contribute 4.78% of earnings up to \$55,900 and 6.53% of earnings above \$55,900.
<i>Employer</i>	\$5.94 million	\$5.79 million	The employer has a single required contribution rate of 12.0% of employee earnings ¹ .
Obligations for benefits			
Total	\$248.24 million	\$237.68 million	The Statement of Changes in Pension Obligations uses data prepared by the Plan's actuary.
<i>Accrued benefits</i>	\$230.98 million	\$220.84 million	
<i>Supplementary benefits</i>	\$16.27 million	\$15.85 million	
<i>Voluntary accounts</i>	\$0.99 million	\$0.99 million	
Operating expenses			
Operating expenses	\$414,000	\$457,000	

¹ As required under the BC *Pension Standards Regulations*, the employer contributed an additional \$299,000 to cover commuted value transfer deficiency payments. In addition, the University secured a Letter of Credit to fund the Plan's solvency deficiency and paid \$118,144 in related expenses; these costs for the Letter of Credit are not reflected in the Staff Pension Plan financial statements.

Planned Further Action:

The financial statements will be filed with the Superintendent of Pensions. The 2018 Report to Members, which was also approved by the IAC and reviewed by the Advisory Committee, will be distributed to Plan members along with their 2018 Annual Statement. The financial statements and Report to Members will be published on the Staff Pension Plan website in due course.

Appendices:

- Appendix 1: Staff Pension Plan 2018 Financial Statements
- Appendix 2: Staff Pension Plan 2018 Report to Members



Financial Statements

University of Victoria Staff Pension Plan

December 31, 2018

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Independent Auditors' Report

Grant Thornton LLP
Suite 650
1675 Douglas Street
Victoria, BC
V8W 2G5
T +1 250 383 4191
F +1 250 381 4623
www.GrantThornton.ca

To the Investments and Administration Committee

Opinion

We have audited the financial statements of the University of Victoria Staff Pension Plan, which comprise the statement of financial position as at December 31, 2018, and the statements of changes in net assets available for benefits and changes in obligations 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 financial statements present fairly, in all material respects, the financial position of the University of Victoria Staff Pension Plan as at December 31, 2018, and its changes in net assets available for benefits and its changes in obligations for benefits for the year then ended in accordance with Canadian accounting standards for pension plans.

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 University of Victoria Staff Pension Plan in accordance with the ethical requirements that are relevant to our audit of the 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.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the University of Victoria Staff Pension Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 University of Victoria Staff Pension 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 University of Victoria Staff Pension 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 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 University of Victoria Staff Pension Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Victoria, Canada
May 21, 2019

Grant Thornton LLP
Chartered Professional Accountants

University of Victoria Staff Pension Plan

Statement of Financial Position

December 31 (expressed in \$000s)

2018

2017

Assets

Cash \$ 25 \$ 14

Investments (Note 4)

Short-term	5,147	2,706
Canadian bonds	95,176	96,623
Mortgages	4,731	4,859
Canadian equities	33,456	36,319
Foreign equities	81,693	81,737
Real estate	26,054	24,438
Infrastructure	28,542	27,056

274,799 273,738

Receivables

Members' contributions	201	195
University contributions	558	494
Accrued interest and dividend income	237	248
Transactions to be settled and other	142	15

1,138 952

275,962 274,704

Liabilities

Accounts payable and accrued liabilities 129 151

Net assets available for benefits (Note 7)

Available for supplementary benefits	16,267	15,852
Available for accrued pension benefits	259,566	258,701

275,833 274,553

Obligations for benefits

Voluntary contribution accounts	993	988
Supplementary benefits (Notes 7 and 9)	16,267	15,852
Accrued pension benefits (Note 6)	230,978	220,835

248,238 237,675

Net assets available for benefits

less obligations for benefits \$ 27,595 \$ 36,878

Approved by


Chair, Staff Pension plan Investments and
Administration Committee, University of Victoria


Vice-President, Finance and Operations
University of Victoria

See accompanying notes to the financial statements.

University of Victoria Staff Pension Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31 (expressed in \$000s)

2018

2017

Change in net assets

Net return on investments (Note 5)

Interest and other income	\$ 4,472	\$ 3,917
Mortgage income	112	175
Dividend income	1,339	1,500
Net realized and unrealized loss (gain) on investments	(866)	14,062
Investment administration costs	(1,409)	(1,146)

3,648 18,508

Contributions (Note 1(b))

Members

Basic	2,259	2,209
Supplementary	124	121

University

Basic	5,813	5,671
Supplementary	124	121
CV transfer deficiency	299	393

8,619 8,515

Total increase in assets

12,267 27,023

Payments to or on behalf of members

Pensions to retired members

Basic	8,947	8,131
Supplementary	21	22

Pensions to disabled members

102 134

Termination payments and transfers to other plans

1,503 2,354

10,573 10,641

Operating expenses

Office and administrative costs	363	275
Actuarial fees	10	130
Audit, registration and legal fees	41	52

414 457

Total decrease of assets

10,987 11,098

Increase in net assets

1,280 15,925

Net assets available for benefits, beginning of year

274,553 258,628

Net assets available for benefits, end of year

\$ 275,833 \$ 274,553

See accompanying notes to the financial statements.

University of Victoria Staff Pension Plan

Statement of Changes in Obligations for Benefits

Year ended December 31 (expressed in \$000s)

2018

2017

Change in obligations for benefits – accrued pension benefits

Beginning balance	\$ <u>220,835</u>	\$ <u>209,893</u>
Actual plan experiences and changes in actuarial assumptions	-	1,779
Interest accrued on benefits	12,678	12,084
Benefits accrued	8,010	7,698
Benefits paid	<u>(10,545)</u>	<u>(10,619)</u>
Change in obligations for benefits	<u>10,143</u>	<u>10,942</u>
Ending balance	\$ <u>230,978</u>	\$ <u>220,835</u>

Change in obligations for benefits – supplementary benefits

Beginning balance	\$ <u>15,852</u>	\$ <u>14,601</u>
Interest accrued on benefits	189	1,031
Contributions	247	242
Benefits paid	<u>(21)</u>	<u>(22)</u>
Change in obligations for benefits	<u>415</u>	<u>1,251</u>
Ending balance	\$ <u>16,267</u>	\$ <u>15,852</u>

Change in obligations for benefits – voluntary contribution accounts

Beginning balance	\$ <u>988</u>	\$ <u>922</u>
Interest accrued on benefits	12	66
Contributions	-	-
Benefits paid	<u>(7)</u>	<u>-</u>
Change in obligations for benefits	<u>5</u>	<u>66</u>
Ending balance	\$ <u>993</u>	\$ <u>988</u>

See accompanying notes to the financial statements.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

1. Description of plan

The following description of the University of Victoria Staff Pension Plan ("the Plan"), established by the University of Victoria ("the University"), is a summary only. For more complete information, reference should be made to the Plan text, which is available from Pension Services.

(a) General

The Plan is primarily a defined benefit pension plan that covers primarily regular members of the Canadian Union of Public Employees (CUPE) locals 917, 951 and 4163 and exempt staff.

(b) Funding

In accordance with the Plan text, members are required to contribute no less than 4.53% of their basic salary up to the Canada Pension Plan Year's Maximum Pensionable Earnings ("YMPE") (\$55,900 in 2018), and 6.28% of their basic salary in excess of that amount to the Basic Plan to fund basic pension benefits. Members contribute an additional 0.25% of salary to the Supplementary Retirement Benefit Account (Note 9).

A valuation for the plan was completed for the year ended December 31, 2016 and no change to the University basic contribution rate of 11.75% was required. The University contributes an additional 0.25% of salary to the Supplementary Retirement Benefit Account (Note 9). The next valuation for the year ended December 31, 2019 will be performed in 2020.

Up to December 31, 2015, members could elect to make additional contributions to a voluntary contribution account through payroll deduction or by transfer from other registered vehicles, subject to Income Tax Act maximums. These contributions are invested with the plan's other assets and investment returns match the rates earned by the other assets of the plan.

If a future valuation requires contribution changes (up or down) as a result of normal cost changes, then the increase or decrease will be shared on a one-for-one basis between the University and plan members. If there is sufficient surplus in the plan, and the University decides to take a contribution holiday, the employees will share equally in the surplus in the form of either a one-time benefit improvement and/or an employee contribution holiday.

Minimum contribution rates will be 10.5% for the University and 4.78% for the employee (6.53% on salary above the YMPE), except at a time when the plan has excess surplus as defined under the Income Tax Act and a further reduction in contributions becomes a requirement. The parties may also negotiate a one-time benefit improvement or a combination of an employee contribution holiday and one-time benefit improvement to use the employees' share of excess surplus. Notwithstanding the above, should the University be required to make contributions as a result of a solvency and/or going concern deficiency, the University will contribute 100% of the cost and the University will then be entitled to 100% of future surplus until the amount contributed is fully recovered.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

1. Description of plan (continued)

(c) Normal retirement

All members are eligible for a retirement benefit. Normal retirement is the end of the month in which the member reaches age 65. Pension benefits are calculated using the following formula:

Benefit accrual rate x highest five year average salary x years of credited service (full time equivalent).

The benefit accrual rates since the plan's inception in 1972 are as follows:

	On average salary up to the average YMPE	On average salary over the average YMPE
On service up to December 31, 1989	1.65%	2.00%
On service during 1990 and 1991	1.30%	2.00%
On service from 1992 through 1999	1.50%	2.00%
On service from January 1, 2000	1.70%	2.00%

(d) Early retirement

Members may elect early retirement at the end of any month following attainment of age 60 with no reduction provided that the member retired from active status. Members may retire between age 55 and 60 on a reduced pension. The reduction rates for retirement on an immediate pension are 3% for each year that the member is under age 60 when the pension commences. The reduction rates for retirement from inactive status (deferred) are actuarial and are between 5% and 6% for each year that the member is under age 65 when the pension commences.

(e) Disability pensions

Prior to April 1, 2006, members who became totally and permanently disabled and were in receipt of a disability pension from Canada Pension Plan were eligible to receive a disability pension from the plan equal to the pension they would have received had they continued to contribute to the plan to normal retirement. Only those members who met disability criteria prior to April 1, 2006 are in receipt of this benefit.

(f) Adjustments to pensions

Pensions are adjusted each January 1st by reference to the change in the Canadian Consumer Price Index (CPI) to a maximum of +/-3% per year since the member's last contribution date. The change in the CPI effective January 1, 2018 was 1.5%.

When the change in the CPI exceeds 3%, the Investments and Administration Committee may authorize additional indexing from the Supplementary Retirement Benefit Account (Note 9) to pensioners who are at least age 66, provided the actuary certifies that the increase can be financed by the assets of the Supplementary Retirement Benefit Account on a sound actuarial basis.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

1. Description of plan (continued)

(g) Termination and portability benefits

Upon termination of employment, members may leave their contributions on deposit for a deferred pension or elect to transfer the lump sum commuted value of their pension to a locked-in retirement account or another registered pension plan. If the lump sum value is less than 20% of the YMPE, the member may transfer the commuted value on a non-locked-in basis or receive a cash payment, less withholding tax.

(h) Survivor benefits before retirement

If a member has a spouse, their spouse is automatically entitled to the survivor benefit; however, they can designate another beneficiary if their spouse has waived their entitlement. A spouse who has not waived their entitlement has the choice of one of the following survivor benefits:

- i) a lifetime monthly pension but guaranteed for 120 payments in any event which is the actuarial equivalent to the commuted value amount calculated in ii) below, payable the first of the month following the member's death; or
- ii) a lump sum transfer of the full commuted value of the pension accrued to the member's date of death.

A beneficiary who is not a spouse is entitled to a lump sum equal to the full commuted value of the accrued pension.

(i) Survivor benefits after retirement

The survivor benefit after retirement or commencement of a disability pension is determined by the optional form selected by the member when the pension commenced. The normal form for a member who has a spouse is a joint and last survivor pension where 50% of the benefit continues to the surviving spouse. The normal form for a member who does not have a spouse is a single life pension where payments continue for the member's lifetime with a guaranteed minimum of 10 years if the member does not survive for 10 years after retirement.

If the member has a spouse, the member must select a form which provides at least a 60% survivor benefit unless the spouse completes a waiver.

(j) Income taxes

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

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

2. Statement of compliance with Canadian accounting standards for pension plans

These financial statements have been prepared in accordance with Canadian accounting standards for pension plans.

3. Summary of significant accounting policies

Basis of presentation

Accounting standards for pension plans require entities to select accounting policies for accounts that do not relate to its investment portfolio or pension obligations. The University has chosen to apply International Financial Reporting Standards ("IFRS") for such accounts on a consistent basis and to the extent that these standards do not conflict with the requirements of the accounting standards for pension plans.

Investments

Investments are stated at fair value. Fair value is determined using market values where available. Fair value for international investments held by BC Investment Management Corporation, are estimated based on preliminary market values supplied by the BC Investment Management Corporation, and any differences between the estimated values and final market values are adjusted in the subsequent period. Where listed market values are not available, estimated values are calculated by discounted cash flows or based on other approved external pricing sources. Price comparison reports are used to compare the prices of the bonds and publicly traded equities held in pooled funds against a secondary source. Mortgages are valued at the end of each month based on a discounted cash flow model. Real estate investments are valued quarterly by BC Investment Management Corporation's real estate investment managers and, at least once every ten to eighteen months, by accredited independent appraisers to establish current market values. At the end of each quarter BC Investment Management Corporation uses financial statements provided by the external managers and general partners or valuation reports to calculate the share values and the unit values for the externally managed holding corporations and limited partnerships. Investment sales and purchases are recorded on trade date. Infrastructure investments are held through limited partnership units investing in infrastructure assets. The fair value of limited partnership units are stated at values reported in their respective audited financial statements. Investments are valued twice annually based on the most recent external managers' valuations of the underlying infrastructure assets.

Investment income

Investment income is recorded on the accrual basis. Any adjustments to investments due to the fluctuation of market prices are reflected as part of the return on investments in the statement of changes in net assets available for benefits.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

3. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for pension plans, requires management, within the assumption parameters regarding pension liabilities approved by the Plan's actuaries, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in assets during the period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of investments and the estimate of the actuarial position of the obligations for benefits.

4. Investments (fair value)

The Plan's investments are recorded at fair value or at amounts that approximate fair value. Fair value is the amount at which the investment could be exchanged in a current financial transaction between willing parties. The investments are categorized according to a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs that are unobservable for the asset or liability.

The Plan's proportionate share of investments in each fund, categorized according to the fair value hierarchy, is as follows:

		2018	2017
Short-term	Level 1	\$ 5,147	\$ 2,706
Canadian bonds	Level 1	38,512	29,310
Canadian bonds	Level 2	56,664	67,313
Mortgages	Level 1	4,731	4,859
Canadian equities	Level 1	33,456	36,319
Foreign equities	Level 2	81,693	81,737
Real estate	Level 3	26,054	24,438
Infrastructure	Level 3	28,542	27,056
		\$ 274,799	\$ 273,738
Fair value hierarchy			
Level 1		\$ 81,846	\$ 73,194
Level 2		138,357	149,050
Level 3		54,596	51,494
		\$ 274,799	\$ 273,738

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

4. Investments (fair value) (continued)

The following table summarizes the changes in the fair value of the Plan's financial instruments classified as level 3 investments:

	Real Estate	Infrastructure	Total
Beginning balance, January 1, 2018	\$ 24,438	\$ 27,056	\$ 51,494
Purchases	-	1,683	1,683
Sales	-	(1,541)	(1,541)
Unrealized gains	1,616	1,344	2,960
Ending balance, December 31, 2018	\$ 26,054	\$ 28,542	\$ 54,596
Beginning balance, January 1, 2017	\$ 23,239	\$ 24,144	\$ 47,383
Purchases	-	7,515	7,515
Sales	-	(5,755)	(5,755)
Unrealized gains	1,199	1,152	2,351
Ending balance, December 31, 2017	\$ 24,438	\$ 27,056	\$ 51,494

Short-term notes consist of Canadian money market securities, such as treasury bills, with terms of 12 months or less. Canadian bonds consist of government and corporate bonds and debentures. Mortgages consist of units in a pool of first mortgages on income-producing property in Canada. Equities consist of publicly traded shares. Real estate investments consist mainly of diversified Canadian income-producing properties. Infrastructure investments refer collectively to the roads, bridges, rail lines, and similar public works that are required for an industrial economy, or a portion of it, to function. Investments may be segregated or consist of units of pooled investment portfolios of the investment manager.

Currency contracts may be held individually by BC Investment Management Corporation. The contracts are used for defensive purposes in order to protect clients' foreign investments from the impact of an appreciating Canadian dollar (relative to the foreign currency). The manager purchases and sells currencies through the spot market, forward contracts, and/or futures. Unit values are calculated based on the net realized and unrealized gains/losses of the derivative financial instruments.

Commitments

The Plan has commitments in the amount of \$12.0 million (2017: \$2.7 million) to fund private equity infrastructure investments. It is anticipated that these commitments will be met in the normal course of operations.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

5. Net return on investments

The Plan realized a gross rate of return of 1.85% (2017: 7.65%) and a net rate of return of 1.17% (2017: 7.01%). Net returns are as follows:

	2018	2017
Interest		
Cash and short-term notes	\$ 64	\$ 32
Bonds	2,933	2,739
Mortgages	112	175
Other income	1,475	1,146
Dividends from Canadian equities	1,339	1,500
Net realized gains	6,390	16,901
Net unrealized gains	(7,256)	(2,839)
	<u>5,057</u>	<u>19,654</u>
Investment costs		
Manager fees	1,221	1,009
Custodial fees	65	75
Other	123	62
	<u>1,409</u>	<u>1,146</u>
Total net investment return	\$ <u>3,648</u>	\$ <u>18,508</u>

6. Obligations for pension benefits

The present value of accrued pension benefits was determined using the projected benefit method prorated on service and administrator's best estimated assumptions. An actuarial valuation was made as of December 31, 2016 by Willis Towers Watson. The calculations to December 31, 2018 are based upon an extrapolation from the December 31, 2016 valuation. The next required valuation will be as at December 31, 2019, completed in 2020.

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant long-term actuarial assumptions used in the valuation were:

	December 31, 2018	December 31, 2017
Economic Assumptions:		
Interest - assets	5.65%	5.65%
Interest – liabilities	5.65%	5.65%
Salary escalation		
2016 to 2018	2.00%	2.00%
2019 onwards	2.50%	2.50%
Cost of living increase	2.00% per annum	2.00% per annum

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

6. Obligations for pension benefits (continued)

	December 31, 2018	December 31, 2017
Demographic Assumptions:		
Mortality table	110% of the 2014 Canadian Pensioners Mortality Table (2014CPM) projected generationally using improvement scale CPM-B	110% of the 2014 Canadian Pensioners Mortality Table (2014CPM) projected generationally using improvement scale CPM-B

7. Net assets available for benefits

The net assets available for benefits as at December 31 have been allocated as follows:

	2018	2017
Basic Plan	\$ 258,573	\$ 257,713
Supplementary Retirement Benefit Account	16,267	15,852
Additional Voluntary Contribution Accounts	993	988
	\$ 275,833	\$ 274,553

8. Actuarial valuation for funding purposes

The Plan is subject to the Pension Benefits Standard Act (BC) regulations ("PBSA"), which require solvency and going concern actuarial valuations to be performed every three years, at which time the Plan must take measures to eliminate any funding deficiencies that may arise. For this purpose, the plan actuary values both accrued assets and benefit obligations to the financial statement date, as well as contributions and benefits for future service.

The valuation on a going concern basis disclosed an actuarial surplus of \$46.0 million (2013: \$26.5 million). The solvency valuation resulted in a solvency deficiency of \$64.8 million (2013: \$41.9 million). Under the PBSA, the solvency deficiency must be amortized over a period of five years, unless an extension is granted, or a letter of credit is secured in lieu of making the payments. The University has arranged a letter of credit to secure the solvency deficiency payment.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

9. Supplementary retirement benefit account

The Supplementary Retirement Benefit Account is a reserve to provide pensioners who have reached age 66 with increases that are supplemental to the increases provided under the Basic Plan (Note 1(f)). Supplementary increases are authorized by the Staff Pension Plan Investments and Administration Committee in consultation with the plan actuary and are subject to the availability of funds in the Supplementary Retirement Benefit Account. The increases are limited so that the total increase in any one year from the combined basic and supplementary provisions does not exceed the increase in the Canadian CPI.

10. Related party transactions

Administrative costs of \$363 (2017: \$275) represent a portion of the general administration costs incurred by the University and charged to the Pension Plan. The costs include salaries for Pension Services and other operating and administrative costs.

11. Risk management

The Plan's investments are recorded at fair value. Other financial instruments consist of cash, receivables, and payables and accruals. The fair value of these financial instruments approximates their carrying values. Fair values of investments are exposed to price risk, liquidity risk and credit risk.

Price risk

Price risk is comprised of currency risk, interest rate risk, and market risk.

Currency risk: Currency risk relates to the possibility that the investments will change in value due to future fluctuations in US, Euro and other international foreign exchange rates. For example, a 5% strengthening (weakening) of the Canadian dollar against foreign currencies at December 31, 2018 would have decreased (increased) the value of foreign equities and infrastructure investments by approximately \$5.5 million (2017: \$5.4 million).

Currency risk associated with foreign equities may be hedged at the discretion of the Global Equity Manager, BC Investment Management Corporation, in order to protect the value of foreign equity investments from the impact of an appreciating Canadian dollar (relative to the foreign currency).

The Fixed Income Manager, the Foreign Equity Manager and the Infrastructure Manager will (or may) purchase securities denominated in foreign currencies. The Investments and Administration Committee may give discretion to a manager to hedge some or all of its foreign currency exposures. The Committee will make such direction for either defensive or strategic reasons.

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

11. Risk management (continued)

Price risk (continued)

Interest rate risk: Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates and that pension liabilities are exposed to the impact of changes in long term market interest rates. Duration is an appropriate measure of interest rate risk for fixed-income funds as a rise in interest rates will cause a decrease in bond prices – the longer the duration, the greater the effect. At December 31, 2018, the average duration of the bond portfolio was 7.36 years (2017: 7.35 years). Therefore, if interest rates were to increase by 1%, the value of the bond portfolio would drop by 7.36% (2017: 7.35%).

Market risk: Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices. This risk is reduced by the investment policy provisions approved by the Board of Governors for a structured asset mix to be followed by the investment managers, the requirement for diversification of investments within each asset class and credit quality constraints on fixed income instruments. Market risk can be measured in terms of volatility, i.e., the standard deviation of change in the value of a financial instrument within a specific time horizon. Based on the volatility of the Plan's current asset class holdings shown below, the expectation is that over the long-term, the Plan will return around 6.1% (2017: 5.8%), within a range of +/- 9.1% (i.e., results ranging from -3.0% to 15.2%). The volatility measures are calculated as average annual standard deviations over 20 years.

Price risk (continued)

	<u>Estimated volatility %</u>
Short-term holdings	+/- 2.5
Bonds and mortgages	+/- 5.1
Canadian equities	+/- 21.0
Foreign equities	+/- 18.0
Real estate	+/- 10.1
Infrastructure	+/- 17.7

Benchmark for investments	<u>% change</u>	<u>Net impact on market value</u> (in thousands)
FTSE TMX Canada 91-day Treasury Bill Index	+/- 2.5	+/- 129
FTSE TMX Canada Universe Bond Index	+/- 5.1	+/- 5,095
S&P/TSX Capped Composite Index	+/- 21.0	+/- 7,026
MSCI World ex-Canada Net Index	+/- 18.0	+/- 14,705
Canadian Consumer Price Index (real estate)	+/- 10.1	+/- 2,631
Canadian Consumer Price Index (infrastructure)	+/- 17.7	+/- 5,052

University of Victoria Staff Pension Plan

Notes to the Financial Statements

December 31, 2018 (expressed in \$000s)

11. Risk management (continued)

Liquidity risk

Liquidity risk is the risk of being unable to generate sufficient cash or its equivalent in a timely and cost effective manner in order to meet commitments as they come due. The primary liabilities in the Plan are future benefit obligations (Note 6) and operating expenses. Liquidity requirements are managed through income generated by monthly contributions and investing in sufficiently liquid (e.g. publicly traded) equities, pooled funds and other easily marketable instruments.

Credit risk

Credit risk relates to the possibility that a loss may occur from failure of a fixed income security issuer or derivative contract counter-party to meet its debt obligations. At December 31, 2018, the maximum risk exposure for this type of investment is \$105 (2017: \$104).

The Plan limits the risk in the event of non-performance related to derivative financial instruments by dealing principally with counter-parties that have a credit rating of A or higher as rated by the Dominion Bond Rating Service or equivalent.

The following shows the percentage of fixed income holdings in the portfolio by credit rating:

<u>Rating</u>	<u>Allocation</u>
Cash and short-term securities	6.6%
AAA	27.4%
AA	34.6%
A	15.1%
BBB	11.9%
BB and below	0.5%
Mortgages	<u>4.0%</u>
Total	100.0%

12. Capital disclosures

The purpose of Plan is to provide benefits to plan members. As such, when managing capital, the objective is to preserve assets in a manner that provides the Plan with the ability to continue as a going-concern. With the assistance of an outside consultant, the Plan's Investments and Administration Committee and Pension Services regularly monitor the asset mix to ensure compliance with the Statement of Investment Policies and Goals so that both immediate and long-term obligations can be met within an acceptable level of risk. An Asset-Liability Modeling Study (ALM) was also completed in 2018 for the purpose of determining a strategic asset mix that meets the objectives of the Plan given its underlying liability structure. The results of the study were used in the development of a strategic asset mix that meets the objectives of the Plan.



Staff Pension Plan 2018 Report to Members



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**** NEW ****

In the spirit of sustainability, some sections of this report have been extracted and added to Pension Services' new and improved website. Please visit the Staff Plan website or contact Pension Services to access the following information:

- Pension formula & adjustments
- Survivor benefits & optional forms
- Leaving UVic & changes to your employment

Audited financial statements continue to be available on the Staff Plan website.



Photo credit: [3dman_eu](#)

INTRODUCTION

Dear Plan members:

The Staff Pension Plan Report to Members for the year ended December 31, 2018 provides a summary of the Plan's financial health at the end of the year, membership statistics, and highlights of the activities that have taken place during the year.



This year, the plan benefit information that was previously included in this report have been moved to the Staff Plan website, where it can be more easily accessed when needed. Your feedback is important to us. If you would like to suggest content for future publications, please let us know (contact information is included at the end of this report).

Investments & Administration Committee
University of Victoria Staff Pension Plan

PLAN GOVERNANCE



For the purposes of the British Columbia *Pension Benefits Standards Act*, the University is the “Administrator” of the Plan, and has ultimate legal responsibility for the administration of the Plan and the investment of the Trust Fund.

To carry out its responsibilities, the Board of Governors has constituted three committees, whose roles and membership are described below.

GOVERNANCE COMMITTEE

KANE KILBEY (CHAIR), JOHN GILFOYLE, GAYLE GORRILL,
KRISTI SIMPSON, CHRISTA TAYLOR

This Committee is tasked with strategic planning.
As such, is it responsible for establishing and overseeing the Plan's mission, goals, and policies.

INVESTMENTS & ADMINISTRATION COMMITTEE

KRISTI SIMPSON (CHAIR), DON BARNHARDT, ANDREW COWARD, TONY EDER,
AMY ERRINGTON (FROM APRIL 2018), KANE KILBEY, TOM PHIPPS (TO JUNE 2018),
MARK STEPHENSON, DAVID WOLOWICZ (FROM OCTOBER 2018)

This Committee is responsible for overseeing investments, operations, and benefit administration.

ADVISORY COMMITTEE

KRISTI SIMPSON (CHAIR), KANE KILBEY
CUPE 917: CLAUDE CHAMPAGNE, JODI MCLEAN
CUPE 951: KARA WHITE, KIRSTEN KOPP (FROM JULY 2018)
EXEMPT: SHARI WINTER
RETIREE: LILLIAN CARRIE (TO MAY 2018)

This Committee provides input on member communications and on the administration of the Plan and promotes awareness and understanding of the Plan among members

STRATEGIC UPDATES

Strategic plan (2017 - 2019)

In 2018, the Committees established a list of priorities focusing on five broad strategic goals, which were described in more details in the 2017 Report to Members. A summary of the Strategic Plan and its guiding principles can be found on the Staff Plan website.


MISSION STATEMENT

To provide sound governance and prudent oversight of the management of the plan assets and administration so that current and retired plan members are assured a secure pension.

2018 Asset Liability Modeling Study (ALM)

An ALM is a risk management tool that provides a thorough assessment of the Fund's assets and liabilities based on a number of different scenarios.

An ALM was completed in 2018 and as a result, the Investments & Administration Committee (IAC) recommended some adjustments to the Fund's asset allocation to help improve outcomes. These changes are shown in the accompanying table, and will be implemented in 2019.

Change	Asset	2018 target	2019 target
	Global equities	27%	30%
	Infrastructure	10%	15%
	Canadian equities	13%	10%
	Fixed income	40%	35%

2018 Investment beliefs

The IAC began developing a formal set of investment beliefs to address such topics as currency hedging, portfolio management, and responsible investing, as summarized below. The IAC will continue to work on formulating other beliefs in 2019 and 2020.

PORTFOLIO MANAGEMENT

- Active investment management will add value relative to its benchmark net of fees;
- The number of mandates within an asset class should be dictated by the size of the mandate, the size of the investable universe and the ability to achieve the diversification benefits within an asset class with multiple managers; and
- Diversification is a core portfolio management strategy.

CURRENCY HEDGING

Over the long term, investment returns are not materially affected by currency fluctuations; however, short term variability of returns can arise from these positions.

RESPONSIBLE INVESTING

- As a long term investor, responsible investing and taking environmental, social and governance (ESG) factors into consideration, can have a positive effect on long term performance;
- Measures consistent with the United Nations Principles for Responsible Investing (UNPRI) are applied in the evaluation and monitoring of current and prospective investment managers; and
- All existing managers provide regular reporting on ESG factors and, if applicable, proxy voting.

INVESTMENT POLICY

A Statement of Investment Policies and Goals (SIP&G) sets out the investment objectives, asset mix, and categories of permitted investments for the Staff Plan. The Plan's investment managers invest in accordance with the requirements of the SIP&G and applicable legislation.

Please visit the Staff Plan website for more information.

Investment objectives

**LONG
TERM
OBJECTIVE:**
CPI + 4%

Pension plans have long-term investment horizons. The long term objective of the Fund is to achieve a net annualized return of four percentage points in excess of the Consumer Price Index (CPI). This real return objective is consistent with the level of risk assumed to ensure the Plan's obligations can be met, and progress toward this goal is monitored quarterly and assessed over four-year periods.

A defined benefit plan!

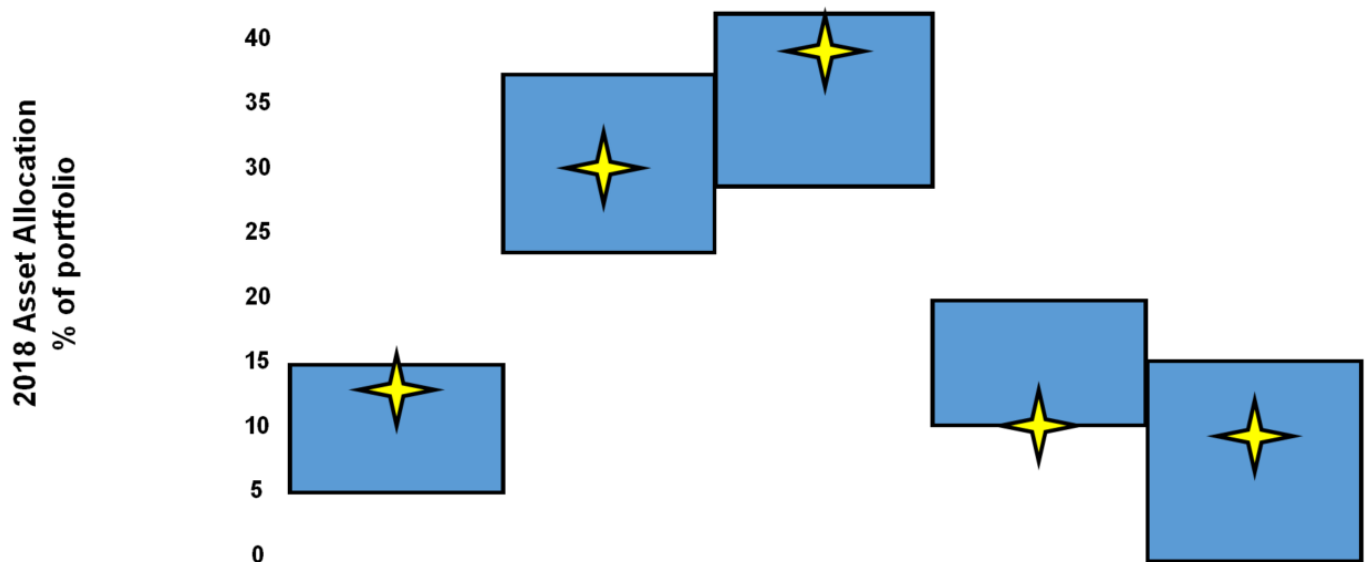
Investment performance is an important mechanism for funding the Plan's benefits. However, as the Staff Pension Plan is a defined benefit plan, investment performance does not directly affect members' monthly pensions.

2018 asset allocation

To achieve this long-term investment goal and to manage risk, a well-diversified portfolio of asset classes and managers was established.

As per the requirements of the SIP&G, the Fund's asset allocation is monitored against established allowable ranges for each asset class. The investment managers are monitored carefully, and they regularly report to the Investments and Administration Committee on investment performance and strategy, responsible investing, and other important topics.

The 2018 asset allocation is reflected in the chart below. As reported on the previous page, the Fund portfolio was revised in January 2019 as a result of an Asset Liability Modeling Study completed in 2018.



Asset class	Canadian equities	Global equities	Fixed income	Infrastructure	Real estate
Actual	12	30	39	10	9
Allowable range	5-15	24-36	28-42	10-20	0-15

ACTUARIAL VALUATIONS

Actuarial valuations assess the financial health of a Plan and determine the contribution requirements. They are completed at least once every three years. The next valuations will be completed in 2020 (for the 2016 to 2019 period).

There are two types of valuations: going concern and solvency. The results of the last valuations were reported in more detail in the 2017 Report to Members. In summary:

Valuations (for the period ended December 31, 2016)			
Going Concern valuation		Solvency valuation	
Assumes the Plan will continue to exist. Allows to determine the appropriate contribution rate for the following three years. Contribution rates have been stable since 2011.		Assumes the Plan is terminated on the valuation date. Required under BC pension legislation.	
Actuarial surplus Assets-liabilities. Expressed in \$000's	46,033	Solvency deficiency Assets - liabilities. Expressed in \$000's	(64,803)
Funded ratio Assets / liabilities	122%	Solvency ratio Assets / liabilities	80%

On a going concern basis, 122% funded ratio is considered healthy, and the assumption that the Plan will continue to operate is reasonable.

On the other hand, the solvency deficiency tells us that, if the Plan had terminated at the end of 2016, the value of the Plan's assets would not have been sufficient to cover the benefits at that time. However unlikely this scenario may be, UVic is required to fund the solvency deficiency, and a Letter of Credit was secured to do so for 2018. UVic is also required to fund transfer deficiencies that occur when inactive members elect to transfer out of the Plan.

In 2018, UVic paid a total of \$417,144 as a result of the Staff Plan solvency deficiency.

POSSIBLE REFORM TO SOLVENCY REQUIREMENTS

In 2018, the BC Ministry of Finance released a consultation paper to review the current solvency funding framework, and set out several possible reforms with related questions.

UVic engaged in the consultation process, and an update from the Ministry is expected in 2020.

PLAN AMENDMENT

Following a cyclical review by the Canada Revenue Agency (CRA) of the Plan's compliance with the *Income Tax Act*, the CRA requested amendments to two sections of the Staff Plan Document. In both cases, these changes were housekeeping in nature and did not have any effect on the Plan benefits or the administration of the Plan.

The amended Plan Document was approved by the Board of Governors in 2019, with an effective date of November 2018, as requested by the CRA.

Please visit the Staff Plan website to obtain a copy of the Staff Pension Plan Document.



Photo credit: [3dman_eu](#)

2018 MEMBERSHIP HIGHLIGHTS

The Staff Pension Plan covers primarily regular members of the Canadian Union of Public Employees (CUPE) locals 917, 951 and 4163 and exempt staff.

ACTIVE MEMBERS

are currently employed by the University and actively contributing to the Plan.

INACTIVE MEMBERS

have changed pension plan or left UVic. As a result, they are no longer contributing but are not yet receiving a pension.

PENSIONERS

are members and beneficiaries who are receiving a monthly pension from the Plan.

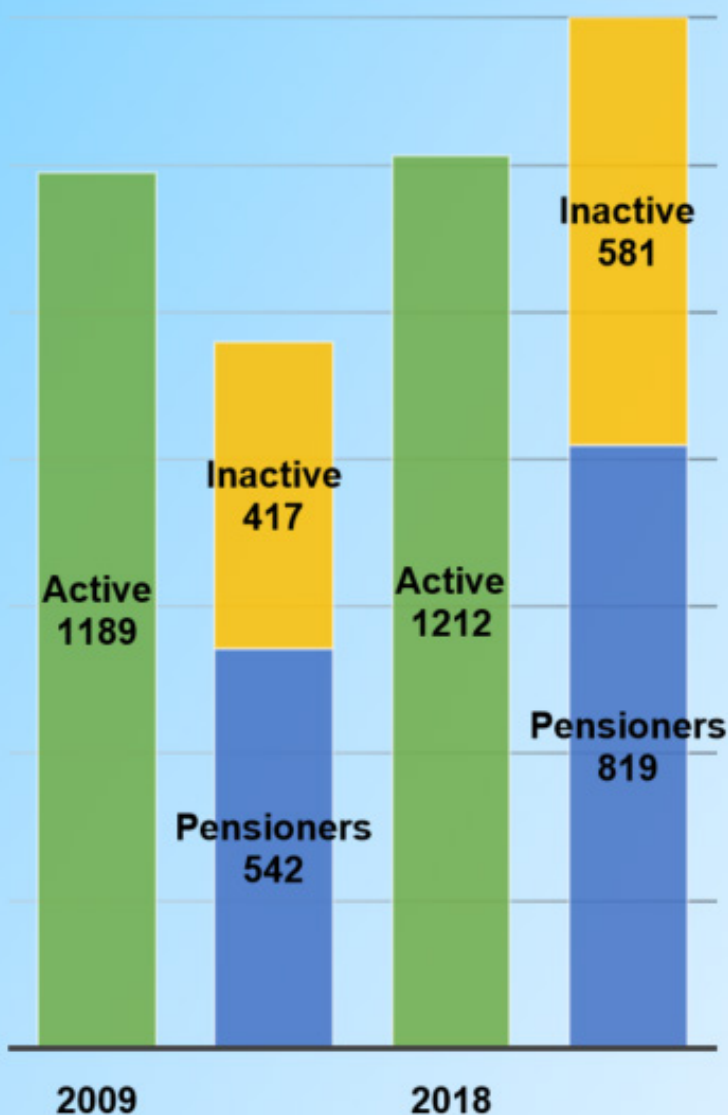
Membership growth		
Year	2009	2018
Active	1189	1212
Inactive	417	581
Pensioners	542	819
Total	2148	2612

The table above reports on the Plan's membership in 2018, compared to 2009. Of note, the Plan membership grew to 2612 members in 2018, which represents a net gain of 464 over the last 10 years.

The accompanying chart illustrates how the number of active members, who are contributing to the Plan, has remained relatively stable since 2009. However, this group's relative size, as a percentage of total membership, is decreasing over time (from 55% in 2009, to 47% in 2018).

In contrast, pensioners have experienced a significant gain during the same period, and the number of non-contributing members (pensioners combined with inactive members), is growing faster than active members.

Distribution of membership 10 years at a glance



2018 FINANCIAL SUMMARY¹

	2018	2017
	Expressed in \$000's	
CONTRIBUTIONS		
Members Current service	2,259	2,209
Voluntary	0	0
Supplementary retirement benefit	124	121
University Current service	5,813	5,671
Supplementary retirement benefit	124	121
CV Transfer Deficiency	299	393
Total contributions	8,619	8,515
INVESTMENT GAIN/(LOSS)	3,648	18,508
BENEFIT PAYMENTS		
Retirement pensions	(8,968)	(8,153)
Disability pensions ²	(102)	(134)
Withdrawals and transfers on termination and death	(1,503)	(2,354)
Total benefit payments	(10,573)	(10,641)
OPERATING EXPENSES		
Pension Services	(363)	(275)
Actuarial	(10)	(130)
Consulting, Audit & Legal	(28)	(39)
Provincial registration	(13)	(13)
Total operating expenses	(414)	(457)
NET INCREASE (DECREASE) IN THE FUND	1,280	15,925
FUND AT BEGINNING OF YEAR	274,553	258,628
FUND AT END OF YEAR	275,833	274,553
FUNDS AVAILABLE FOR BENEFITS		
Basic Plan	258,574	257,713
Supplementary Retirement Benefit Account	16,266	15,852
Additional Voluntary Contribution Accounts ³	993	988
Total funds	275,833	274,553

Complete financial statements are available on the Staff Pension Plan website (www.uvic.ca/pensions/staff-plan/governance/reports) or by request from Pension Services.

1 Some inconsistencies may exist due to rounding.

2 Only members who met the criteria prior to April 1, 2006, are in receipt of this benefit.

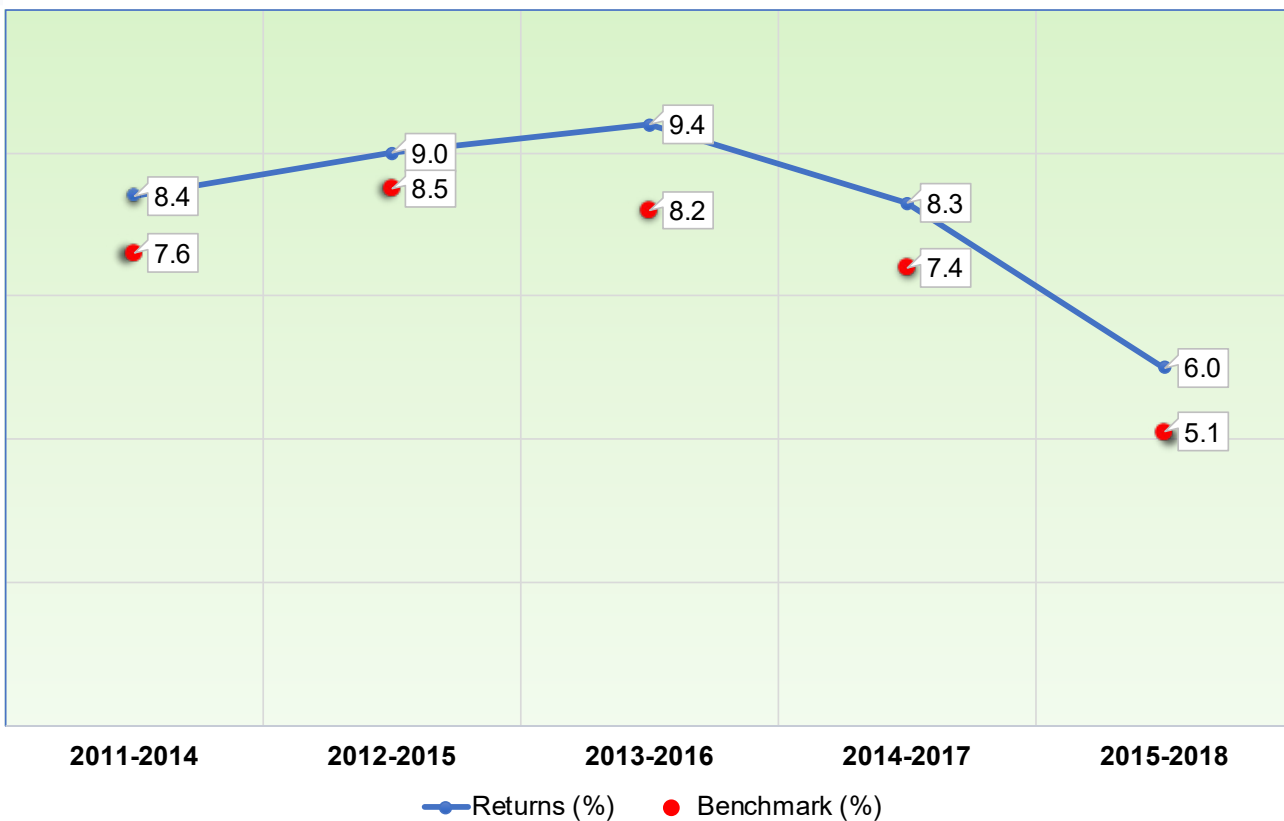
3 As of December 2015, Voluntary Contributions are no longer allowed but previous contributions remain in the Plan until paid.

2018 PERFORMANCE SUMMARY¹

Annualized returns by asset class

	1 year			4 year		
	%			%		
	Returns	Benchmark	Difference	Returns	Benchmark	Difference
Canadian equity	(7.9)	(8.9)	1.0	1.2	2.5	(1.3)
Foreign equity	1.6	(0.1)	1.7	10.1	9.1	1.0
Fixed income	1.5	1.4	0.1	2.8	2.3	0.5
Real estate	6.9	6.1	0.8	6.0	5.8	0.2
Infrastructure	12.7	7.1	5.6	12.2	6.8	5.4
Total Fund²	2.1	0.7	1.4	6.0	5.1	0.9

Four year performance (total fund, 2011 to 2018)

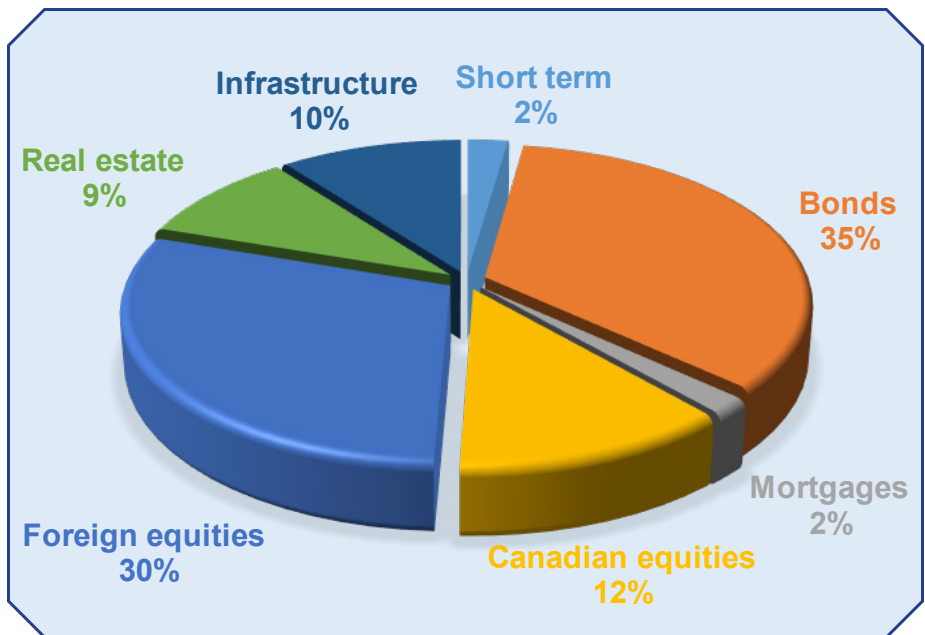


¹ Source: Willis Towers Watson Performance Monitoring Report for the period ended December 31, 2018

² The long term total fund target is CPI + 4%. The total fund benchmark includes:
 10.0% S&P/TSX Capped Composite Index + 30.0% MSCI World ex-Canada Net +
 35.0% FTSE TMX Universe Bond + 10.0% CPI+4% + 15.0% CPI+5%.

2018 ASSET MIX

2018 Market value of investments ¹	
Expressed in \$000's	
Short term	6,310
Bonds	95,176
Mortgages	4,731
Canadian equities	33,456
Foreign equities	81,693
Real estate	26,054
Infrastructure	28,542
Total	275,962



¹ As at December 31, 2018.

2018 SERVICE PROVIDERS

Investment managers	BC Investment Management Corp (BCI)	Foreign equity, Real estate
	Phillips, Hager & North	Fixed income
	Burgundy Asset Management Ltd.	Canadian equity
	Macquarie Infrastructure	Infrastructure
	J.P. Morgan Asset Management	Infrastructure
Auditors	Grant Thornton LLP	
Actuary	Willis Towers Watson	
Consultant	Willis Towers Watson	<ul style="list-style-type: none"> Investment consultant Performance measurement Actuary
Trustee of Fund	RBC Investor & Treasury Services Trust	<ul style="list-style-type: none"> Trustee of Plan assets Payment service provider



Photo credit: [3dman_eu](#)

CONTACT US

Thinking about retirement? Questions about your pension? Please contact Pension Services!

We provide free pension estimates and individual consultations are also available by appointment.

Phone: (250) 721-7030

Email: pensions@uvic.ca

Website: www.uvic.ca/pensions/staff-plan

Address:

Pension Services
University of Victoria
Michael Williams Building
(Formerly ASB) Room B278
Victoria BC V8P 5C2

Mailing address:

Pension Services
University of Victoria
PO Box 1700 STN CSC
Victoria, BC V8W 2Y2



DISCLAIMER

The description of the University of Victoria Staff Pension Plan included in this report is a summary only.
For more information, please refer to the Plan Document, which is available on the Staff Plan website, or by request from Pension Services.

We make every effort to ensure that all information in this report is accurate and complete. However, should any discrepancy exist between this report and the Plan Documents or regulations, the latter will apply.

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University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

A handwritten signature in black ink, likely belonging to the Vice-President of Finance and Operations.

cc: President and Vice-Chancellor

Meeting Date: June 25, 2019

**Subject: University of Victoria Staff Pension Plan
Strategic Plan, Triennial Plan Assessment, and Compliance Report**

Basis for Jurisdiction:

University of Victoria Staff Pension Plan Governance Policy Section I.1.(a)(i)

Strategic Relevance:

Strategy 5.5-

Ensure the financial sustainability of the university and our ability to pursue excellence by optimizing existing resources through careful planning, earning public support, attracting partnerships, and pursuing a revitalized program to grow and diversify resources through philanthropic and other means.

Previous Consultation:

University of Victoria Staff Pension Plan Governance Committee

Background:

Annually, the Staff Pension Plan Governance Committee reports to the Board of Governors regarding compliance with the requirements of applicable legislation during the previous calendar year.

The Compliance Report attached as Appendix 1 outlines the primary requirements of the *Pension Benefits Standards Act* (BC), the *Family Law Act* (BC), the *Statistics Act* (Canada) and the *Income Tax Act* (Canada). The format this year has been updated to separate administrative activities from higher level governance activities.

In prior years, compliance was tracked and reported based on activities of the University's Pension Services Department. This year, compliance was reviewed based on overall activities of the University as a whole. That is, individual departments provide certain membership-related information to Pension Services through various channels, and these activities have an impact on the ability of Pension Services to meet certain requirements the University of Victoria must achieve.

Through the expansion of the compliance reporting, only one area of concern has been noted. This relates to the requirement for a member/employee to be provided a Statement on Termination of Membership within 60 days after termination of employment. Pension Services issues this Statement within 60 days after termination when advised on a timely basis. Regular audits are performed by Pension Services to flag and follow-up on members who have not made contributions and where notice of termination has not been received. A recent audit revealed there had been a small number of non-compliant events in 2018. Pension Services is collaborating with its partners to improve efficiency and ensure we are able to meet our responsibility in this regard. It is expected that, through these efforts, improvements will be achieved in 2019.

Appendix:

Appendix 1: Compliance Report

University of Victoria Staff Pension Plan Compliance Report

For the year ended December 31, 2018

The following requirements are substantially fulfilled by UVic Pension Services, partnering with HR Benefits and Payroll as indicated.

Summary of primary requirements	Complies (yes/no)	Comments
Enrollment of New Members <ul style="list-style-type: none"> Enroll all regular continuing employees Provide option to all other eligible employees with earnings, in each of 2 consecutive calendar years, not less than 35% of the Year's Maximum Pensionable Earnings. Provide new members with plan summary within 30 days of employment or, if enrolment is not immediate, at least 30 days before meeting eligibility. 	<p>yes</p> <p>yes</p> <p>yes</p>	<p>Pension Services records employee enrolments after they are processed by HR Benefits. Payroll ensures pension contributions are deducted from pay.</p> <p>There are no eligible employees in this category</p> <p>Information is provided in the <i>Employee Benefit Handbook</i>.</p>
Remitting of Contributions <ul style="list-style-type: none"> Within 30 days of end of month 	<p>yes</p>	<p>Contributions are remitted directly to the Plan's custodian by Payroll. Pension Services also regularly reviews pension contribution amounts collected and remitted to ensure accurate calculations for member and University contributions. Contribution adjustments are made as needed.</p>
Statement on Retirement <ul style="list-style-type: none"> Content meets regulatory requirements Issue on or before the later of 60 days of receipt of request or 120 days before pension commencement date 	<p>yes</p> <p>yes</p>	
Statement on Termination of Membership <ul style="list-style-type: none"> Content meets regulatory requirements Issue within 60 days after termination of employment Allow a minimum of 90 days for member to exercise option 	<p>yes</p> <p>no</p> <p>yes</p>	<p>Pension Services issues within 60 days after termination when advised of event on a timely basis. Regular audits are performed by Pension Services to flag and follow-up on members who have not made contributions and where notice of termination has not been received. A recent audit revealed there had been a small number of non-compliant events in 2018. Pension Services is working with its partners to improve reporting.</p>

Summary of primary requirements	Complies (yes/no)	Comments
Statement on Death Before Pension Commencement <ul style="list-style-type: none"> Content meets regulatory requirements Issue within 60 days of receipt of proof of death 	yes yes	
Payment of Termination Benefits <ul style="list-style-type: none"> Pay within 60 days of receipt of all required documentation Recalculate commuted value if more than 180 days has elapsed from effective date of calculation 	yes yes	
Spousal waivers <ul style="list-style-type: none"> Ensure waiver is on file for members who have a spouse and who designate someone other than a spouse as the beneficiary Ensure waiver is completed no more than 90 days before retirement for members who select an option that provides less than 60% spousal survivor benefits Ensure waivers note being witnessed outside presence of member 	yes yes yes	
Annual Statement to Members <ul style="list-style-type: none"> Content meets regulatory requirements Issue within 180 days after end of fiscal year 	yes yes	Also provide <i>Report to Members</i> annually Year ending 2017: completed Year ending 2018: in progress; due June 30, 2019
Annual Statement to Retired Members <ul style="list-style-type: none"> Content meets regulatory requirements Issue within 180 days after end of fiscal year 	yes yes	Also provide <i>Annual Report to Members</i> Year ending 2017: completed Year ending 2018: in progress; due June 30, 2019 Also provide <i>Annual Pension Increase and Confirmation of Pension Information Statement</i> each December
Family Law Act <ul style="list-style-type: none"> Acknowledge forms within 30 days of receipt Provide information within 60 days of receipt Provide limited members with 30 days notice of transactions affecting the pension (e.g., retirement of member) Provide annual statements to limited members within 180 days after end of fiscal year 	yes yes yes yes	Also provide <i>Report to Members</i> annually
Pension Adjustments (PAs) <ul style="list-style-type: none"> Reported on employee T4s 	yes	Pension Services provides PA reporting to Payroll to be included on employee T4s

Summary of primary requirements	Complies (yes/no)	Comments
Pension Adjustment Reversals (PARs) <ul style="list-style-type: none"> Report PARs to CRA within 60 days of quarter end, except for the 4th quarter, which is reported within 30 days of quarter end 	yes	
Past Service Pension Adjustments (PSPAs) <ul style="list-style-type: none"> Report to CRA as they arise 	yes	There are no purchase of service provisions in the Staff Plan
Records Retention <ul style="list-style-type: none"> Retain key documents from a member's file for at least 7 years after the final transaction, and a recorded summary of a member's file permanently thereafter Records retention policy and rules in place 	yes yes	
Annual Returns <ul style="list-style-type: none"> File Pension Standards "Pension Plan Annual Information Return" and CRA "Schedule 1" within 180 days after the end of the fiscal year Pay filing fees of \$6.15 for each active member and \$4.50 for each inactive member File audited financial statements within 270 days after end of fiscal year 	yes yes yes	Year ending 2017: completed Year ending 2018: in progress; due June 30, 2019 Year ending 2017: completed Year ending 2018: in progress; will be sent with Annual Information Return
Statistics Canada <ul style="list-style-type: none"> Complete biennial "Census of Trusteed Pension Plans" by May 1st 	yes	Completed by Fund Custodian. Latest census completed for December 31, 2018.

The following requirements are fulfilled by the Investments & Administration Committee or the Governance Committee

Summary of primary requirements	Complies (yes/no)	Comments
Policies <ul style="list-style-type: none"> A written governance policy that meets the prescribed criteria has been established in respect of the structures and processes for overseeing, managing and administering the plan A written funding policy that meets the prescribed criteria has been established respecting funding objectives and the intended method for achieving those objectives A written Statement of Investment Policies and Guidelines that meets the prescribed criteria has been established in respect of the plan's portfolio of investments The plan is administered in accordance with the policies 	yes yes yes yes	

Summary of primary requirements	Complies (yes/no)	Comments
Actuarial Valuation Report <ul style="list-style-type: none"> Prepared at intervals not exceeding 3 years, or upon request File within 270 days of review date 	yes yes	The last actuarial valuation was performed as at December 31, 2016
Triennial Plan Assessment <ul style="list-style-type: none"> Prepared at intervals not exceeding 3 years 	yes	The first Plan Assessment for the fiscal year ending December 31, 2016 was completed by December 31, 2017




University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR INFORMATION

To: FINANCE COMMITTEE

From: Vice-President Finance and Operations 

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: University Of Victoria Staff Pension Plan Investment Performance Report for the Period Ended March 31, 2019

Basis for Jurisdiction: University of Victoria Staff Pension Plan Governance Policy, Appendix A (Duties of the Investments and Administration Committee, Section 4)

Strategic Relevance:
Strategy 5.5-

Ensure the financial sustainability of the university and our ability to pursue excellence by optimizing existing resources through careful planning, earning public support, attracting partnerships, and pursuing a revitalized program to grow and diversify resources through philanthropic and other means.

Background:

The university contracts with Willis Towers Watson to provide investment consulting services to the Staff Pension Plan Investments and Administration Committee. The consultant measures the investment performance of the fund and compares that performance against a selection of generally comparable funds. The services of the consultant include measurement of the performance of major asset classes by fund and manager, commentary on manager performance and issues, updates on industry trends, investment issues, best practices, and legislative developments and their potential relevance to the Plan.

The Staff Pension Fund's managers invest in a number of different types of assets within the constraints established by the Statement of Investment Policies and Goals (SIP&G). Investment performance is compared against the performance of a theoretical "benchmark" portfolio. Although the managers are measured against a benchmark asset mix, they may vary the asset mix, within established ranges, in order to add value.

The Fund is currently invested as follows:

- Canadian Equities, managed by Burgundy Asset Management;
- Global Equities, managed by BC Investment Management Corporation (BCI);
- Fixed Income, managed by Phillips, Hager and North (PH&N);
- Real Estate, managed by BCI; and
- Infrastructure, managed by Macquarie Infrastructure and JP Morgan Asset Management.

The Fund's asset allocation remains within the established allowable ranges for each asset class. The investment managers are monitored carefully, and they regularly report to the Investments and Administration Committee on investment performance and strategy, responsible investing, and other important topics.

The Investments and Administration Committee completed an Asset Allocation Modelling Study in 2018 and as a result, recommended decreasing the portfolio's allocation to Canadian equities and Canadian Fixed Income in favour of Global Equities and Infrastructure. This strategy was approved by the Board of Governors in January 2019, and implemented thereafter.

The attached Appendix 1 shows the Fund's market value, current and policy asset allocation, fund performance, and relevant benchmarks for periods ended March 31, 2019. In summary:

	Total Fund performance	Benchmark performance
1 year	8.6%	6.8%
4 year	6.3%	5.2%
10 year	9.1%	8.0%

On an absolute basis, the one year return was driven by strong equities (Canadian and global) and Real Estate performance. Real Estate and Infrastructure allocations have performed well, and these strategies have reduced volatility in the Fund over the long term, as intended. As a result, the Staff Plan's total asset mix has led to favourable performance from return and risk adjusted return perspective.

The university remains in compliance with the provisions of the Plan, *BC Pension Benefits Standards Act* and the *Income Tax Act* relating to the investment of the Fund.

Appendix 1:

Willis Towers Watson, University of Victoria Staff Pension Plan - Performance Monitoring Report for Periods Ending March 31, 2019.

Plan Structure and Performance

As of March 31, 2019

Ending March 31, 2019																			
	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	2 Yrs (%)	Rank	3 Yrs (%)	Rank	4 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
Total Fund	292,701,541	100.0	100.0	7.0	--	7.0	--	8.6	--	7.3	--	8.2	--	6.3	--	7.6	--	9.1	--
Total Fund Benchmark				6.5	--	6.5	--	6.8	--	5.8	--	6.9	--	5.2	--	6.6	--	8.0	--
CPI + 4.0% p.a.				2.5	--	2.5	--	5.9	--	6.2	--	6.0	--	5.8	--	5.7	--	5.8	--
Canadian Equity	37,746,267	12.9	10.0	12.8	26	12.8	26	10.7	8	4.2	46	8.0	67	4.1	80	4.0	84	8.8	93
Burgundy Canadian Equity	37,746,267	12.9	10.0	12.8	26	12.8	26	10.7	8	4.2	46	8.0	67	4.1	80	4.0	84	--	--
S&P/TSX Capped 10%				13.3	12	13.3	12	8.1	16	4.9	37	9.3	39	5.1	53	5.4	54	9.5	82
Foreign Equity	91,023,443	31.1	30.0	12.2	20	12.2	20	10.5	26	12.0	24	13.3	30	10.0	31	12.5	35	14.4	33
BCI Foreign Equity	91,023,443	31.1	30.0	12.2	20	12.2	20	10.5	26	12.0	24	13.3	30	10.0	31	12.5	35	14.4	33
MSCI World Ex Canada Net				9.9	50	9.9	50	7.8	49	9.0	55	12.0	49	8.6	55	11.2	59	13.3	61
Canadian Fixed Income	108,745,416	37.2	35.0	3.8	77	3.8	77	5.2	74	3.3	53	3.1	36	2.7	22	4.2	11	5.4	15
PH&N Bonds	108,745,416	37.2	35.0	3.8	77	3.8	77	5.2	74	3.3	53	3.1	36	2.7	22	4.2	11	5.4	15
FTSE Universe Bond				3.9	56	3.9	56	5.3	60	3.3	60	2.7	84	2.2	85	3.8	70	4.4	90
Real Estate	26,849,128	9.2	10.0	3.0	--	3.0	--	7.8	--	7.1	--	6.9	--	6.6	--	6.8	--	8.2	--
BCI Real Estate	26,849,128	9.2	10.0	3.0	--	3.0	--	7.8	--	7.1	--	6.9	--	6.6	--	6.8	--	8.2	--
CPI + 4.0% p.a.				2.5	--	2.5	--	5.9	--	6.2	--	6.0	--	5.8	--	5.7	--	5.8	--
Infrastructure	28,337,288	9.7	15.0	0.0	--	0.0	--	12.7	--	10.1	--	12.6	--	12.4	--	10.7	--	8.3	--
JP Morgan Infrastructure	7,679,098	2.6		-1.9	--	-1.9	--	6.8	--	7.4	--	--	--	--	--	--	--	--	--
CPI + 5.0% p.a.				2.7	--	2.7	--	7.0	--	7.2	--	7.0	--	6.8	--	6.7	--	6.8	--
Macquarie Infrastructure	20,658,190	7.1	15.0	0.7	--	0.7	--	15.0	--	11.0	--	13.1	--	12.8	--	11.0	--	8.5	--
CPI + 5.0% p.a.				2.7	--	2.7	--	7.0	--	7.2	--	7.0	--	6.8	--	6.7	--	6.8	--

Notes:

- All returns shown are gross of fees, except Macquarie which are net of fees
- Current Total Fund Benchmark: 10.0% S&P/TSX Capped 10% + 30.0% MSCI World Ex Canada Net + 35.0% FTSE Universe Bond + 10.0% CPI+4% + 15.0% CPI+5%
- Burgundy Canadian Equity Fund inception December, 2013. Representative pooled fund returns shown for periods prior to fund inception for illustrative purposes only
- Asset class returns and market values include cash since October 2011. Returns and market values exclude cash for prior periods



University
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SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

June 10, 2019

To: Operations and Facilities Committee
From: David Castle, Vice-President Research
cc: President and Vice-Chancellor
Meeting Date: June 24, 2019
Subject: Annual Report for Research Centres

A handwritten signature in black ink, appearing to read 'D. Castle'.

Basis for Jurisdiction: Establishment and Review of Research Centres RH8300

Strategic Relevance: The requirement for reporting to Senate and Board of Governors on research centre activity is articulated in the *Establishment and Review of Research Centres RH8300* policy, and the accompanying *Guidelines for the Review of Research Centres*.

Previous Consultation: Senate – May 3, 2019

Background: An annual report of the establishment, renewal and closure of UVic-approved research centres is provided to Senate and Board members for their information, in accordance with governance requirements.

Summary: The 2018-2019 annual report is appended for the information of Board members, along with the approval authorities (Attachment B) and list and description of current centres (Attachment C).

Planned Further Action: Continue to report on an annual basis to the May or June BOG meeting.

Attachment(s): Annual Report to Board 2018-2019

ANNUAL REPORT TO BOARD 2018/19

Establishment, renewal and closure of UVic-approved research centres

The purpose of this annual report is to provide Senate with information about the establishment, renewal and closure of UVic-approved centres.

ESTABLISHMENT OF NEW RESEARCH CENTRES

There were no new research centres established in the 2018-19 academic year.

REVIEW OF EXISTING CENTRES

Inter-institutional

No inter-institutional research centres were reviewed in the 2018-19 academic year.

Multi-faculty

Centre for Biomedical Research (CFBR)

On the recommendation of the Senate Committee on Planning from the meeting of April 2, 2019, the review and recommendation to renew CFBR for a two-year term was considered and approved by Senate at the meeting on May 3, 2019.

Institute on Aging and Lifelong Health (IALH)

On the recommendation of the Senate Committee on Planning from the meeting of April 2, 2019, the review and recommendation to renew IALH for a five-year term was considered and approved by Senate at the meeting on May 3, 2019.

Institute for Integrated Energy Systems (IESVic)

On the recommendation of the Senate Committee on Planning from the meeting of February 13, 2019 (via electronic approval), the review and recommendation to renew IESVic for a five-year term was approved by Senate at the meeting on March 1, 2019.

Inter-faculty

No inter-faculty research centres were reviewed in the 2018-19 academic year.

Intra-faculty

No intra-faculty research centres were reviewed in the 2018-19 academic year.

MAJOR CHANGES TO EXISTING RESEARCH CENTRES

No major changes to existing research centres occurred in the 2018-19 academic year.

DISESTABLISHMENT / CLOSURE OF EXISTING RESEARCH CENTRES

No closures of existing research centres occurred in the 2018-19 academic year.

UVIC-APPROVED RESEARCH CENTRES

Approval levels for establishment, renewal and closure (as required by policy/procedures RH8300)

ACTIONS					
Establishment of new centres	Dean(s)	VPR	SCP	Senate	BOG
Inter-institutional	consult	recommend	recommend	recommend	approve
Multi-faculty	consult	recommend	recommend	approve	information
Inter-faculty	recommend	approve	information	information	information
Intra-faculty	approve	information		information	information
Renewal/closure/disestablishment of existing centres					
Inter-institutional	consult	recommend	recommend	recommend	approve
Pacific Institute for Climate Solutions (PICS)					
Multi-faculty	consult	recommend	recommend	approve	information
Canadian Institute for Substance Use Research (CISUR)					
Centre for Advanced Materials and Related Technology (CAMTEC)					
Centre for Asia Pacific Initiatives (CAPI)					
Centre for Biomedical Research (CFBR)					
Centre for Global Studies (CFGS)					
Centre for Indigenous Research and Community-Led Engagement (CIRCLE)					
Centre for Studies in Religion and Society (CSRS)					
Centre for Youth and Society (CFYS)					
Institute for Integrated Energy Systems (IESVic)					
Institute on Aging and Lifelong Health (IALH)					
Inter-faculty	recommend	approve	information	information	information
None at present					
Intra-faculty	approve	information		information	information
Astronomy Research Centre (ARC)					
Institute for Applied Data Analytics (Matrix Institute)					
Centre for Forest Biology (FORB)					
Centre for Social and Sustainable Innovation (CSSI)					
Victoria Subatomic Physics and Accelerator research centre (VISPA)					

BACKGROUND INFORMATION ON UVIC-APPROVED RESEARCH CENTRES

UVic Research centres are organizations made up of **a group of faculty members who collaborate on an area of research**. Their work provides added value over and above their individual research programs. UVic encourages the establishment of research centres that will enhance and facilitate disciplinary and interdisciplinary research collaboration, knowledge transfer and training. At UVic, the purposes of establishing a Research Centre are listed in the policy on [Establishment and Review of Research Centres \(and Associated Procedures\)](#) RH8300, and include:

- a) Promote and facilitate collaborative and/or interdisciplinary research and enhancement of research networking capacity and infrastructure.
- b) Increase and effectively manage the resources and research support for its members and the wider university community.
- c) Provide education and training in research and related skills, especially for graduate and undergraduate students and thereby enhance the academic programs of their constituent academic units.
- d) Contribute to the university's strategic educational and research missions and to support synergies between research, teaching and learning.
- e) Transfer and mobilize knowledge gained through research for the benefit of society, via a variety of mechanisms as appropriate.
- f) Enhance the reputation of its members, the constituent academic units, and the university through the quality of its work.

UVic currently has 16 research centres (one established in April 2018), 11 of which report to the Vice-President Research (currently delegated to the Associate Vice-President Research) and the rest reporting to a Dean or Deans.

The administrative requirements, approval and renewal processes, breadth of activities, and other aspects of Research Centres occur along a continuum that is proportionate to the breadth of their academic constituencies. This proportionality is primarily based on the location of the majority of the membership and activities of the centre and approximately parallels a department-faculty- university structure. Information about the UVic-approved research centres is listed under their categories below. More information can be found on the Research website:
<https://www.uvic.ca/research/learnabout/home/centres/index.php>

INTER-INSTITUTIONAL - membership and activities between multiple universities

Pacific Institute for Climate Solutions (PICS)

Date of establishment: 11 March 2008

Name of Director: Dr. Sybil Seitzinger

The mission of PICS is to partner with governments, the private sector, other researchers and civil society, in order to undertake research on, monitor, and assess the potential impacts of climate change and to assess, develop and promote viable mitigation and adaptation options to better inform climate change policies and actions.

MULTI-FACULTY - membership and activities normally between 3 or more faculties

Canadian Institute for Substance Use Research (CISUR) (formerly CARBC)

Date of establishment: 1 April 2003

Name of Director: Dr. Tim Stockwell

CISUR's mandate involves the study of psychoactive substance use, with particular attention to the exploration of ways to minimize negative impacts on individuals and society. Substance use, like other human behaviours, is influenced by multiple factors: personal, social and environmental. Effectively addressing the negative impacts requires understanding the various factors that influence substance use and that contribute to the differential impact of that use (positive or negative).

Centre for Advanced Materials and Related Technology (CAMTEC)

Date of establishment: 1 November 1992

Name of Director: Dr. Alexandre Brolo

CAMTEC is a research centre committed to interdisciplinary work on advanced materials and technology. CAMTEC's objectives are to carry out fundamental and applied research in advanced materials, to train technical and academic personnel in these areas, and to disseminate the knowledge gained from the research through scientific publications, conferences, workshops and seminars.

Centre for Asia Pacific Initiatives (CAPI)

Date of establishment: 1 April 1989

Name of Director: Dr. Victor V. Ramraj

The Centre's primary mandate is to conduct and facilitate research on policy issues related to the Asia-Pacific region. In addition, the Centre serves as a regional research facility to the University and to the larger community.

Centre for Biomedical Research (CFBR)

Date of establishment: 1 January 2002

Name of Director: Dr. Stephanie Willerth

The Centre for Biomedical Research (CBR) is a collaborative group of scientists and clinicians who are investigating a number of important biomedical problems. The CBR is a multidisciplinary unit with an emphasis on genetics, molecular biology, and biotechnology. The centre was created to promote interdisciplinary basic and translational biomedical research.

Centre for Global Studies (CFGS)

Date of establishment: 1 July 2000

Name of Director: Dr. Oliver Schmidtke

CFGS is committed to fostering reflection on the complex array of social forces associated with an increasingly interconnected world characterized by new forms of economic activity, artistic production, politics, media, nationalism, ethnicity, spirituality and community that increasingly transcend local, national and regional boundaries.

Centre for Indigenous Research and Community-Led Engagement (CIRCLE)

Date of establishment: 1 June 2008

Name of Director: Dr. Jeff Corntassel

The mandate of CIRCLE involves providing opportunities for collaborative Indigenous research development and implementation as well as capacity development and support for diverse Indigenous and allied research partners. The centre also facilitates and supports the development, implementation and utilization of Indigenous research that is interdisciplinary, inter-institutional, and community-led.

Centre for Studies in Religion and Society (CSRS)

Date of establishment: 1 April 1991

Name of Director: Dr. Chris Douglas

The Centre for Studies in Religion and Society (CSRS) is a leading centre in Canada for scholarly interdisciplinary research on topics at the intersection of religion and public life. We host several national public policy research networks, sponsor visiting fellowships for senior and junior scholars and members of the community, and produce a dynamic annual program of public lectures and seminars.

Centre for Youth and Society (CFYS)

Date of establishment: 1 April 2002

Name of Director: Dr. Fred Grouzet

Youth & Society aims to promote the well-being of youth from diverse social, economic, and ethnic backgrounds, across developmental transitions, and in evolving societal circumstances. The core mandate of the Centre is to promote research and action that contribute to the well-being of youth.

Institute on Aging and Lifelong Health (IALH)

Date of establishment: 1 May 1993

Name of Director: Dr. Scott Hofer

The Centre's mandate is to promote and conduct basic and applied research throughout the lifespan. Research is conducted in partnership with seniors, their families, organizations, health care providers, and the government. The research conducted includes needs assessments and social surveys, experimental research, program evaluations, development of clinical diagnostic tools, and social policy research; some of which is conducted using the Survey Research Centre.

Institute for Integrated Energy Systems (IESVic)

Date of establishment: 1 February 1994

Name of Director: Dr. Andrew Rowe

The Institute for Integrated Energy Systems at the University of Victoria (IESVic) is unique in its big picture approach to sustainable energy research. Collaboration between mechanical engineers, economists and environmental scientists is the norm rather than the exception. Students get hands-on experience, examining entire sustainable energy systems – from harnessing, storing and converting energy sources to delivering end-user services.

INTER-FACULTY - membership and activities normally between 2 faculties

None at present.

INTRA-FACULTY - membership and activities normally within a single department, a non-departmentalized Faculty, or between departments in a single faculty

[Astronomy Research Centre \(ARC\)](#)

Date of establishment: 1 April 2015

Faculty: Science

Name of Director: Dr. Kim Venn

ARC brings together world-renowned researchers with the expertise to answer many basic questions about our universe. UVic scientists work closely with colleagues at the nearby [NRC Herzberg](#) Astronomy and Astrophysics centre and at the [TRIUMF Laboratory](#) in Vancouver to form one of the largest concentrations of astronomy talent in Canada. Members are engaged in research ranging from observational planetary and stellar astrophysics, to computational astrophysics and cosmology, and observational galactic and extra-galactic astronomy. ARC is also involved in the development of some of the next-generation astronomical facilities, including the Thirty Meter Telescope, and leading edge technologies such as high contrast imaging and adaptive optics.

[Centre for Forest Biology \(FORB\)](#)

Date of establishment: 10 December 1990

Faculty: Science

Name of Director: Dr. Peter Constabel

The Centre for Forest Biology carries out fundamental and applied research in forest biology, and trains graduate students and postdoctoral fellows. Research projects emphasize the adaptations of trees and their interactions with the environment. The Centre is now embarking on a major research and training initiative, the NSERC CREATE Program in Forests and Climate Change, which supports graduate students for research on the interaction of trees and forests with climate change, including carbon sequestration.

[Centre for Social and Sustainable Innovation \(CSSI\)](#)

Date of establishment: January 2011

Faculty: Business

Name of Director: Dr. Monika Winn

The Centre for Social and Sustainable Innovation (CSSI) is powered by the constantly charging battery of action, ideas and research housed at the Peter B. Gustavson School of Business. Our goal is to open a door to the array of resources that help students, faculty and staff incorporate all kinds of sustainability into their studies, careers and lives. Business leaders can learn how our research affects their industries, enlist students for creative sustainability solutions, and speak to our classes about their field experiences.

[Institute for Applied Data Analytics \(Matrix Institute\)](#)

Date of establishment: April 2018

Faculty: Engineering

Name of Director: Dr. Ted Darcie & Dr. Margaret-Anne Storey

The Institute for Applied Data Analytics (known as the Matrix Institute) is a new research centre that is looking to coordinate, expand research capacity, and enhance the UVic brand as a world-class destination for research and teaching in leading-edge Data Science. The Institutes plans to engage a broad spectrum of experts from diverse disciplines, including law, business, science, healthcare and social sciences to address vital social and public policy issues related to security, privacy, economics, environment and the impact of data-driven technology on society.

Victoria Subatomic Physics and Accelerator research centre (VISPA)

Date of establishment: January 2011

Faculty: Science

Name of Director: Dr. Randall Sobie

The Victoria Subatomic Physics and Accelerator (VISPA) Research Centre brings together people with the skills and expertise to investigate the fundamental constituents of the Universe. VISPA members work together on leading international particle physics experiments, share computing and laboratory resources, jointly support and manage technical staff, provide a natural home for adjunct faculty from other institutions, and support high quality graduate and post-doctoral training.



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR INFORMATION

To: OPERATIONS AND FACILITIES COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

A handwritten signature in black ink, appearing to read "G. Smith".

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: STATUS REPORT ON CAPITAL PROJECTS

Basis for Jurisdiction: Committee's Terms of Reference

Strategic Relevance:

1.5 Increase the vibrancy of campus life by enhancing the natural and built environment to create more opportunities for interaction and collaboration; and develop infrastructure and programmatic initiatives, including additional student housing and increased opportunities for recreation, cultural activities and social interaction.

Previous Consultation:

Report provided to Board of Governors Operations and Facilities Committee at each meeting.

Background:

Attached please find the regular Board reports on the status of capital projects for current approved capital projects.

Attachment(s):

VPFO/FMGT Project Updates: June 01, 2019

1. District Energy Plant
2. Student Health & Wellness Centre
3. Student Housing

PROJECT: DISTRICT ENERGY PLANT		
Project No:	16-02534	
Project Consultants:	DIALOG/FVB Energy Inc.	
Construction Manager:	Farmer Construction Ltd.	
BUDGET STATUS:	APPROVED BUDGET 01-Sept-2016	FMGT Forecast Costs 01-Jun-2019
Consulting	\$2,888,770	\$2,950,000
Construction	\$13,900,000	\$16,100,000
Completion	\$1,900,000	\$822,110
Contingency	<u>\$780,000</u>	<u>\$0</u>
Sub-Total	\$19,468,770	\$19,872,110
GST (1.65%)	<u>\$321,230</u>	<u>\$327,890</u>
TOTAL PROJECT COSTS	\$19,790,000	\$20,200,000

- Total commitments to date are nearing \$19,900,000, representing 98% of the forecasted cost of \$20,200,000.
- Projected costs are greater than budget by \$410K or 2%. The expected cost overruns are a result of challenges in commissioning the plant. This delayed project completion resulting in increased project management and consultant costs. Included in the forecasted cost is the estimated cost (\$162K) for the necessary mechanical changes identified during the commissioning process. Additional information on the cost overruns will be incorporated into the Close Out report. As the costs are required, the project is almost complete, and there are no alternative approaches/scope changes possible, a request for budget increase is not being presented. All of the funds in the project budget are being provided by the Province. The cost overruns will be funded by carryforward reserves within the Utility budget.

SCHEDULE STATUS:	Target Date 01-Apr-2018	Actual / Forecasted Date 01-Jun-2019
PHASE 1 – New Building w/3 Boilers, Underground Services		
Schematic Design - Complete	Jun 2016	Jun 2016
Design Development - Complete	Oct 2016	Oct 2016
Construction Documents	Mar 2017	Mar 2017
Tender	Apr 2017	May 2017
Construction Stage	Feb 2018	Mar 2019
Commissioning	Mar 2018	May 2019
Operation	Apr 2018	Jun 2019
PHASE 2 – Energy Transfer Station Renovations		
Construction Documents	Apr 2018	Dec 2017
Tender	Jun 2018	Jan 2018
Construction Stage	Feb 2019	Feb 2019
Commissioning	Mar 2019	June 2019

Major Risks:

- Cost overruns due to delayed completion.
- Proposed design changes resulting from commissioning process will require further testing to ensure optimal boiler performance is attained.

PROJECT:	STUDENT HEALTH & WELLNESS CENTRE
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Project No: 17-03034

Project Consultants: KASIAN Architecture Ltd.

General Contractor: TBD

BUDGET STATUS:	APPROVED BUDGET 27-Nov-2018	FMGT Forecast Costs 01-Jun-2019
Consulting	\$390,000	\$390,000
Construction	\$4,610,000	\$4,610,000
Completion	\$1,000,000	\$1,000,000
Contingency	<u>\$200,000</u>	<u>\$200,000</u>
Sub-Total	\$6,200,000	\$6,200,000
GST (1.65%)	<u>\$100,000</u>	<u>\$100,000</u>
TOTAL PROJECT COSTS	\$6,300,000	\$6,300,000

- Total commitments to date are approximately \$180,235 represents 2.86% of the approved Budget of \$6,300,000.

SCHEDULE STATUS:	Target Date 27-Nov-2018	Actual / Forecasted Date 01-Jun-2019
Schematic Design - Complete	April 2018	April 2018
Design Development	November 2018	November 2018
Construction Documents	March 2019	May 2019
Tender	April 2019	July 2019
Construction Phase	January 2020	January 2020
Commissioning and Warranty	February 2020	February 2020
Fit-up and Move In	March 2020	March 2020
Operation	May 2020	May 2020

Major Risks:

- None at this time

PROJECT:	STUDENT HOUSING & DINING
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Project No: 16-02265
Project Consultants: Perkins + Will Canada Architects
Construction Manager: EllisDon-Kinetic

BUDGET STATUS:	Approved Budget 27-Mar-2018	FMGT Forecast Costs 01-Jun-2019
Consulting	\$16,400,000	\$17,034,123
Construction	\$163,700,000	\$168,889,450
Completion	\$6,400,000	\$5,213,233
Contingency	\$7,500,000	\$3,500,000
Sub-Total	\$194,000,000	\$194,636,806
GST (1.65%)	\$3,200,000	\$3,211,507
TOTAL PROJECT COST	\$197,200,000	\$197,848,313

- Total commitments to date are \$28,737,536, or 14.57% of the approved Budget of \$197,200,000.

SCHEDULE STATUS:	Target Date 01-Jan-2019	Actual / Forecasted Date 01-Jun-2019
Schematic Design	<i>Complete</i>	August 2018
Design Development	<i>Complete</i>	March 2019
Construction Documents	November 2019	November 2019

Tender Package 01 Early Works – Service Road, Walkway Removals

Tender	<i>Complete</i>	April 2019	April 2019
Construction Stage		August 2019	August 2019

Tender Package 02 – Modular Food Services Facility

Installation	June 2020	June 2020
Decommission	October 2022	October 2022

Tender Package 03 – Site Services, Abatement, Deconstruction

Tender	November 2019	November 2019
Construction Stage	March 2020	March 2020

Tender Package 04 – Construction Building One and Building Two

Tender	July 2020	July 2020
Construction Building One (398 beds, Dining)	August 2022	August 2022
Construction Building Two (385 Beds, Conference, Classrooms)	April 2023	April 2023

Major Risks:

- None at this time.



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR INFORMATION

June 10, 2019

To: OPERATIONS AND FACILITIES COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

A handwritten signature in black ink, appearing to read "G. Smith".

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: DUE DILIGENCE REPORTS 2018
– Financial Services
– Occupational Health, Safety and Environment

Basis for Jurisdiction: University Act Section 27(2) (y) and Due Diligence Report.

Strategic Relevance:

1.3 Advance service excellence and collaboration by updating systems, spaces, processes and policies so they fully underpin research and teaching, maximize efficiency, and ensure our accountability and responsibility to our people, partners and society as a whole.

Previous Consultation:

Annual reporting to the Board of Governors.

Attachments - Statements of Compliance with:

Financial Services -

- Business Practices and Consumer Protection Act
- Employment Standards Act
- Provincial Sales Tax (PST), Goods and Services Tax (GST) and Harmonized Sales Tax (HST)
- Canada Income Tax
- Provincial Sales Tax on Accommodation and Municipal, and Regional District Tax

Occupational Health, Safety and Environment -

- Canadian Environmental Protection Act
- PCB Regulations under CEPA
- Chemical Weapons Convention Implementation Act
- Hazardous Products Act
- Controlled Products Regulations
- Transportation of Dangerous Goods Act and Regulation
- Nuclear Safety and Control Act
- ANSI Z136.1-2007 American National Standard for Safe Use of Laser
- Radiation Emitting Devices Act
- Integrated Pest Management Act and Regulation
- Human Pathogens and Toxins Act
- Environmental Management Act and Hazardous Waste Regulation
- Sewer Use Bylaw
- Workers Compensation Act and Occupational Health and Safety Regulation

DUE DILIGENCE REPORTS – FINANCIAL SERVICES – April 2019

Legislative Requirement	Report
Business Practices and Consumer Protection Act	<p>The University is required to provide an annual report confirming that:</p> <p>Any interest charges levied by the University are in compliance with the Interest Act (Canada) and the Consumer Protection Act; and Tuition refund policies are in compliance with the Consumer Protection Act.</p> <p>The Interest Act (Canada) and the Consumer Protection Act have been reviewed. The University of Victoria is in full compliance in respect of the refund of tuition and the charging of interest.</p>
Employment Standards Act	<p>The Employment Standards Act of BC has been reviewed as it pertains to:</p> <ul style="list-style-type: none"> Deductions from salary and wages Payment of wages Payroll records Remission of statutory deductions <p>To the best of our knowledge the University is in full compliance with this Act.</p>
Social Services Tax Act (PST) and Goods And Services (GST)	<p>The University collects tax on the sale of certain goods and services. Generally, taxes collected under the Excise Sales Tax Act or the Provincial Social Services Tax Act have been remitted appropriately to the Canada Revenue Agency or the Province of BC.</p> <p>The university will be subject to a GST audit in the coming weeks covering the period April 1, 2015 through March 31, 2018. The audit team is scheduled to arrive at UVIC on May 15, 2019.</p>
Canada Income Tax	<p>The University is required to report to the Board any Notices of Assessment received from the Canada Revenue Agency for taxes that the University is alleged to have failed to withhold and the University's response to these Notices.</p> <p>No notices of assessment have been received in the last year.</p>
Hotel Tax	<p>As required by the Province of British Columbia Hotel Tax Act the University collects tax on certain rentals of accommodation in the University's Residence facilities.</p> <p>All taxes collected under this Act have been remitted to the Province of BC.</p>

DUE DILIGENCE REPORTS
OCCUPATIONAL HEALTH, SAFETY and ENVIRONMENT (OHSE)
Calendar Year 2018

Legislative Requirement	Report
Canadian Environmental Protection Act (Federal Act) (CEPA)	<ul style="list-style-type: none"> Environment and Climate Change Canada collects information on select chemical and biological substances through the Domestic Substances List (DSL). As in previous years, UVic did not manufacture or import any reportable quantities of DSL substances, and no reports were submitted in 2018.
PCB Regulations under CEPA (Federal Regulation)	<ul style="list-style-type: none"> The University is required to report any polychlorinated biphenyls (PCB) inventories to ensure compliance with “end-of-use” dates. No PCB-containing liquids or equipment were identified in any of the reporting categories in 2018. Registration with Environment Canada and annual reporting is not required in the absence of PCB inventories.
Chemical Weapons Convention Implementation Act (Federal Act)	<ul style="list-style-type: none"> The University submitted its annual Declaration of Past Activities to the Canadian National Authority (CNA). Four departments indicated activities with regulated chemicals, but all were below reporting thresholds. UVic has not been involved in any activities with reportable quantities of regulated chemicals since 2003.
Hazardous Products Act (Federal Act) Controlled Products Regulations (Federal Regulation)	<ul style="list-style-type: none"> Workplace Hazardous Materials Information System 2015 (WHMIS 2015) training was provided to 820 individuals on campus, both through web-based and classroom courses. WHMIS compliance is audited through regular inspections.
Transportation of Dangerous Goods Act and Regulation (Federal Act and Regulation)	<ul style="list-style-type: none"> Transportation of Dangerous Goods (TDG) training is provided to those individuals involved in shipping and receiving dangerous goods in accordance with TDG and CNSC legislation. TDG training is provided to Science Stores and OHSE staff on a regular basis using both online and classroom courses. Training is also provided to researchers requiring certification due to fieldwork or other off-campus activities. There were no issues of non-compliance in 2018.

<p>Nuclear Safety and Control Act (Federal Act)</p>	<ul style="list-style-type: none"> • The University holds a consolidated licence for the use of radioactive materials in teaching and research from the Canadian Nuclear Safety Commission (CNSC). The licence is valid from June 1, 2017 to May 31, 2022. • The radiation safety program includes training, inspections, dosimetry, signage and waste management. • A staff member from OHSE acts as the Radiation Safety Officer (RSO) as required by CNSC. Another OHSE staff acts as the Alternate RSO. • There were no reportable incidents involving radioactive materials in 2018.
<p>Radiation Emitting Devices Act (Federal)</p>	<ul style="list-style-type: none"> • All radiation emitting devices imported into Canada must conform to the RED Act, including both x-ray devices and lasers. • There were no issues of non-compliance in 2018.
<p>ANSI Z136.1-2014 <i>American National Standard for Safe Use of Lasers</i></p>	<ul style="list-style-type: none"> • A staff member from OHSE acts as the Laser Safety Officer (LSO), as required by the ANSI Standard and WorkSafeBC. • The laser safety program includes training, inspections, signage and baseline eye exams for operators of Class 3B and 4 lasers. The UVic laser safety course was redesigned as a classroom course in 2018, and two new “refresher” and “awareness” courses will be launched in 2019 to facilitate online learning. • No accidents or incidents involving Class 3B or 4 lasers occurred in 2018.
<p>Human Pathogens and Toxins Act and Regulation (Federal Act and Regulation)</p>	<ul style="list-style-type: none"> • The Human Pathogens and Toxins Act and Regulations (HPTA/R) require facilities carrying out work with human pathogens and toxins to obtain a licence. UVic obtained a Pathogen and Toxin License from the Public Health Agency of Canada (PHAC) in August 2016 which is valid for 5-years. This was amended in 2018 to update the licence holder contact information. • Repairs to the containment level 2 labs are continuing on campus to comply with the HPTA. Eight labs have been entirely renovated to the new containment level 2 requirements as specified in the Canadian Biosafety Standards. • There was 1 material exported and 2 domestic transfers completed in compliance with the HPTA.

<p>Human Pathogens and Toxins Act and Regulation (Federal Act and Regulation) <i>continued...</i></p>	<ul style="list-style-type: none"> • A staff member from OHSE acts as the Biosafety Officer (BSO) as required by PHAC. Another OHSE staff acts as the Alternate BSO. • There were 2 reportable potential exposure incidents involving biohazardous materials in 2018. Both incidents were reviewed by the BSO, corrective actions completed, and our reports accepted by PHAC as compliant with no further action required. • PHAC initiated an audit of export activities at UVic. UVic submitted a report in July 2018, which was accepted by PHAC as compliant with no further action required.
<p>Health of Animal Act (Federal Act and Regulations)</p>	<ul style="list-style-type: none"> • The Health of Animal Act (HAA) requires permits for the importation of foreign animal disease pathogens, animals and animal by-products, and aquatic pathogens. • There was 1 aquatics pathogen containment level 2 inspection and 1 animal pathogen containment level 2 inspection successfully conducted in 2018. There were also 2 import permits obtained from the Canadian Food Inspection Agency (CFIA) for aquatic animal pathogens and 2 for animal products/by-products in 2018. • There were no issues of non-compliance in 2018.
<p>Plant Protection Act (Federal Act and Regulations)</p>	<ul style="list-style-type: none"> • The Plant Protection Act requires permits for the importation of plant pests into Canada. • There was 1 plant pest containment level 1 inspection successfully conducted in 2018. There was also 1 transfer request obtained from the CFIA for plants under the Plant Protection Act in 2018. • There were no issues of non-compliance in 2018.
<p>Integrated Pest Management Act and Regulation (Provincial Act and Regulation)</p>	<ul style="list-style-type: none"> • Disposal of pesticide wastes is part of the University's hazardous waste management program. • No pesticide wastes were generated or disposed of in 2018.

<p>Environmental Management Act (Provincial Act)</p> <p>Hazardous Waste Regulation (Provincial Regulation)</p>	<ul style="list-style-type: none"> • OHSE is responsible for administering the University's Hazardous Waste Management Program. A specialized hazardous waste contractor provides operational services. • A total of 103,085 kg of chemical and biological wastes was disposed in 2018, which was a 0.5% increase from the previous year. • There were no issues of non-compliance in 2018.
<p>CRD Sewer Use Bylaw (Municipal)</p>	<ul style="list-style-type: none"> • The University complies with the CRD Sewer Use Bylaw and Codes of Practice by capturing chemical, biological and radioactive contaminated wastes at source and sending the waste for off-site treatment and disposal. Compliance is also addressed through the use of discharge permits and treatment/discharge practices that are reviewed and approved by CRD. • The Outdoor Aquatics Unit was inspected by the CRD in March and November of 2018. There were no issues of non-compliance with the facility's discharge permit, and one recommendation was made regarding chemical storage that was implemented by UVic.
<p>Workers Compensation Act (Provincial Act)</p> <p>Occupational Health & Safety Regulation (Provincial Regulation)</p>	<ul style="list-style-type: none"> • The University has a policy on Environmental Health and Safety, issued under the Board of Governors' authority. The policy was approved in March 2012, and is currently undergoing a scheduled review and update • The University Safety Committee meets monthly to discuss and monitor campus health and safety policies and programs in accordance with WorkSafeBC regulations. • There are currently 26 joint local safety committees organized along faculty/departmental reporting lines, which also meet monthly and complete annual self-evaluations of their performance in accordance with WSBC requirements. • The University received 12 WSBC inspection reports and 1 order in 2018 to document our compliance progress from the 2017 ammonia plant inspection; and to provide documents related to the university's bullying and harassment program and investigation of a complaint. All WSBC orders for the ammonia plant were completed in July 2018, and the bullying and harassment documents were accepted by WSBC as compliant with no further action required. • No warning letters or administrative penalties were issued by WorkSafeBC.



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

June 10, 2019

FOR INFORMATION

To: FINANCE COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

A handwritten signature in black ink, appearing to read "G. Smith".

cc: PRESIDENT and VICE-CHANCELLOR

Meeting Date: June 24, 2019

Subject: 2018/19 YEAR END MANAGEMENT STATEMENTS AND BUDGET REVIEW

Basis for Jurisdiction: University Act 27 (1)

Strategic Relevance:

Strategy 5.5: Ensure financial sustainability of the university and our ability to pursue excellence by optimizing existing resources through careful planning, earning support, attracting partnerships and pursuing a revitalized program to grow and diversify resources through philanthropic and other means.

Background:

As required, the university's audited financial statements are prepared in accordance with Public Sector Accounting Standards supplemented with regulations 257/2010 and 198/2011 issued by the Province of BC Treasury Board. The presentation of these statements is similar to those found in the public sector and therefore focuses on a government's ability to meet financial obligations, maintain

the level and quality of services and determine future tax and other revenue requirements. While this information may be useful for external reporting purposes, it does not reflect well the financial results of the university from a management perspective, as the university manages its operations on a fund accounting basis. This approach is consistent with how other universities manage their resources, as the focus is on the stewardship of resources through ensuring that restricted grants and donations and other contributions are spent only for the purposes intended.

Given the above, the university annually produces fund accounting statements and schedules along with management commentary on the results. The purpose of this report is to provide management and the board information to assess operating results and performance against budget (operating fund and ancillary fund).

Attachments:

- Financial Results and Analysis for the Year Ended March 31, 2019 on a Fund Accounting Basis
- Consolidated Fund Accounting Financial Statements and Schedules for the University of Victoria
 - Year ended March 31, 2019 with comparative information for the year ended March 31, 2018

Financial Results and Analysis for the Year Ended March 31, 2019 on a Fund Accounting Basis

Presentation of Management Information

To enhance accountability, budgetary control and stewardship of resources, the university maintains separate funds of assets, liabilities, revenues and expenditures for its many activities. Fund accounting is used by the university for its operating budget allocations and to ensure that restricted grants, donations and other contributions are spent only for the purposes intended. These funds are grouped as General Operating, Ancillary Enterprises, Specific Purposes, Sponsored Research, Capital and Endowment funds and are defined as follows:

- The General Operating Fund reports revenue and expense related to the general operations of the university.
- The Ancillary Enterprises Fund reports revenue and expense related to service operations that are expected to be self-sufficient. These operations comprise the bookstore, food services, student residences, parking services, child care services, donated property rental, hotel and brew-pub operations, and the Vancouver Island Technology Park.
- The Specific Purposes Fund accounts for revenue and expense relating to contract services, special projects and endowment funds.
- The Sponsored Research Fund accounts for monies designated for the support of research.
- The Capital Fund accounts for monies designated for the acquisition of capital assets and major renovations. Where monies designated for capital use are received as part of the resources for general operations, ancillary enterprises, specific purposes and sponsored research activities - generally for equipment, furnishings, computer equipment and library holdings - the revenue and expense related to those assets are accounted for in those respective funds.
- The Endowment assets, held as invested principal, comprise the accumulation of endowment contributions and the portion of investment income that is required to be added to the fund to offset the eroding effect of inflation.

The university conducts certain activities through related entities. These financial statements consolidate financial information of the entities described in [Appendix A](#).

An amendment to the LTD Trust agreement during the year resulted in the university no longer controlling the LTD Trust. As a consequence of this change in control, as of March 31, 2019, the financial statements do not include the accounts of the University of Victoria Long Term Disability Trust (LTD Trust) which administers an employee benefit plan on behalf of the university's faculty and administrative professional staff. There were no changes to employee benefits as a result of this change.

Balance Sheet – Statement 1

A key feature of fund accounting is that capital assets are recorded on the balance sheet without amortization, unlike the accounting treatment within the external audited financial statements. Treatment within fund accounting is to record capital assets at original cost, with buildings, land and site development recorded until disposal, and equipment and furnishings written off after 8 years.

Key balance sheet highlights are as follows:

- Total assets increased by \$74.3M mainly as a result of a \$46.3M increase in capital assets, reflecting site improvements of \$2.4M, buildings of \$37.8M, equipment and furnishings of \$3.4M, and library holdings by \$2.8M. The largest single increase in buildings (\$10.34M) was related to the District Energy Plant.
- Cash and temporary investments increased ~\$19M reflecting funding received in advance of expenditures and a one-time transfer to the University resulting from a change in the timing of distributions from the University of Victoria Foundation.
- Endowment investments, which are recorded at fair value, increased \$13.4M to \$466.6M. The \$13.4M increase is a result of :

<i>(in millions of dollars)</i>		2019	2018
Donations	\$	9.2	\$ 8.0
Investment Income		36.8	31.3
Disbursements (fees and awards)		(27.3)	(17.6)
Changes in receivables/payables		(5.3)	1.1
Total	\$	13.4	\$ 22.8

- Liabilities decreased by \$14.0M as a result of a \$2.0M decrease in long-term debt from regularly scheduled payments and a decrease of \$15.1M in Funds held for employee future benefits. These funds, excluding any unfunded portion total \$11.2M and are made up as follows:

<i>(in millions of dollars)</i>		2019	2018
Vested sick leave benefits	\$	3.5	\$ 3.0
Supplemental pension obligations		6.9	7.1
Group life insurance		0.8	1.6
Long Term Disability liability		-	14.6
Total	\$	11.2	\$ 26.3

- Fund balances increased by \$39.3M with the largest increase from Endowment principal funds, held primarily in the UVic Foundation, which increased by \$16.0M due to external donations of \$8.5M, UVic transfers of \$460K and capitalized investment income of \$7.0M.
- Equity in plant assets increased by \$49.0M due to capital additions of \$69.1M and debt repayment of \$2.7M less \$22.7M of equipment, furnishings and library holdings written off.

Statement of Appropriated Expendable Balances – Statement 2

Departments are required to save (i.e., to appropriate) from their annual operating budgets sufficient funds in order to invest in equipment such as computers, vehicles, scientific and other equipment. Interest is paid on these equipment reserves in order to encourage savings and was 2.25% for this year. Statement 2 summarizes these appropriations as well as amounts resulting from the university's carry forward policy whereby departments can retain 100% of their carry forward up to the prior year level and 75% of anything above (with some exceptions). These amounts are appropriated at the Faculty or administrative department level for spending in future years. These two policies permit departments to plan for new projects, restructuring, and equipment needs over a longer timeframe than an annual cycle. Should a department incur a deficit in a fiscal year, that deficit becomes a first charge on its operating budget for the following year. Unspent carry forward balances are categorized according to how departments plan to use these balances in the future. Statement 2 reflects these categorizations.

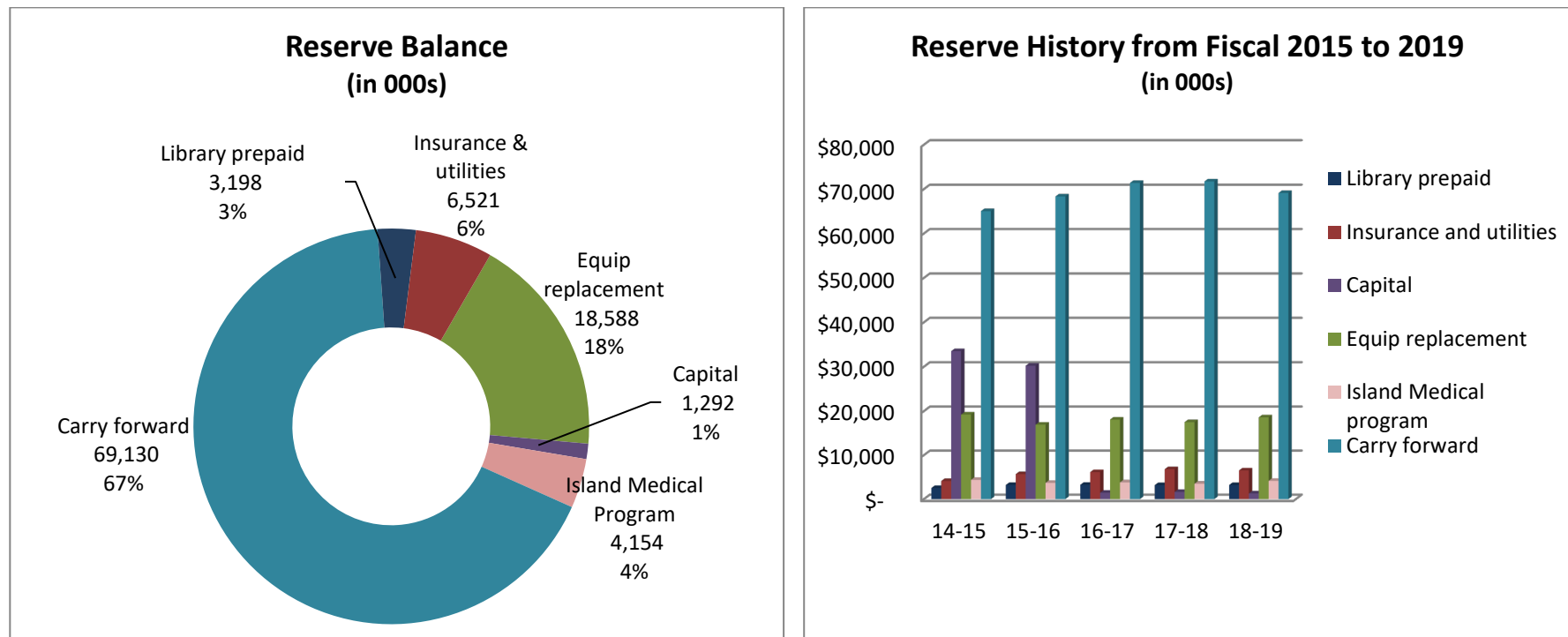
Ancillary operations are expected to be self-sustaining and, therefore, each ancillary enterprise must budget to fund operations and provide for periodic renovation, replacement and expansion of its facilities. This approach often means that an ancillary will have an annual surplus to build sufficient funding for large capital expenditures. As such, there are appropriated funds from ancillary operations in order to be able to make these investments in equipment and capital improvements.

Due to restrictions in the ability of the university to borrow externally and to make use of cash reserves available, appropriated fund balances are used on a temporary basis to fund capital projects. These projects must be able to generate future revenues from which to repay the internal loan (e.g., student housing).

Total appropriated expendable funds were as follows:

<i>(in millions of dollars)</i>		2019	2018	change
General operating	\$	102.8	\$ 104.3	\$ (1.5)
Ancillary enterprises		16.3	12.7	3.6
Less loans for Capital		(12.3)	(23.6)	11.3
Total	\$	106.8	\$ 93.4	\$ 13.4

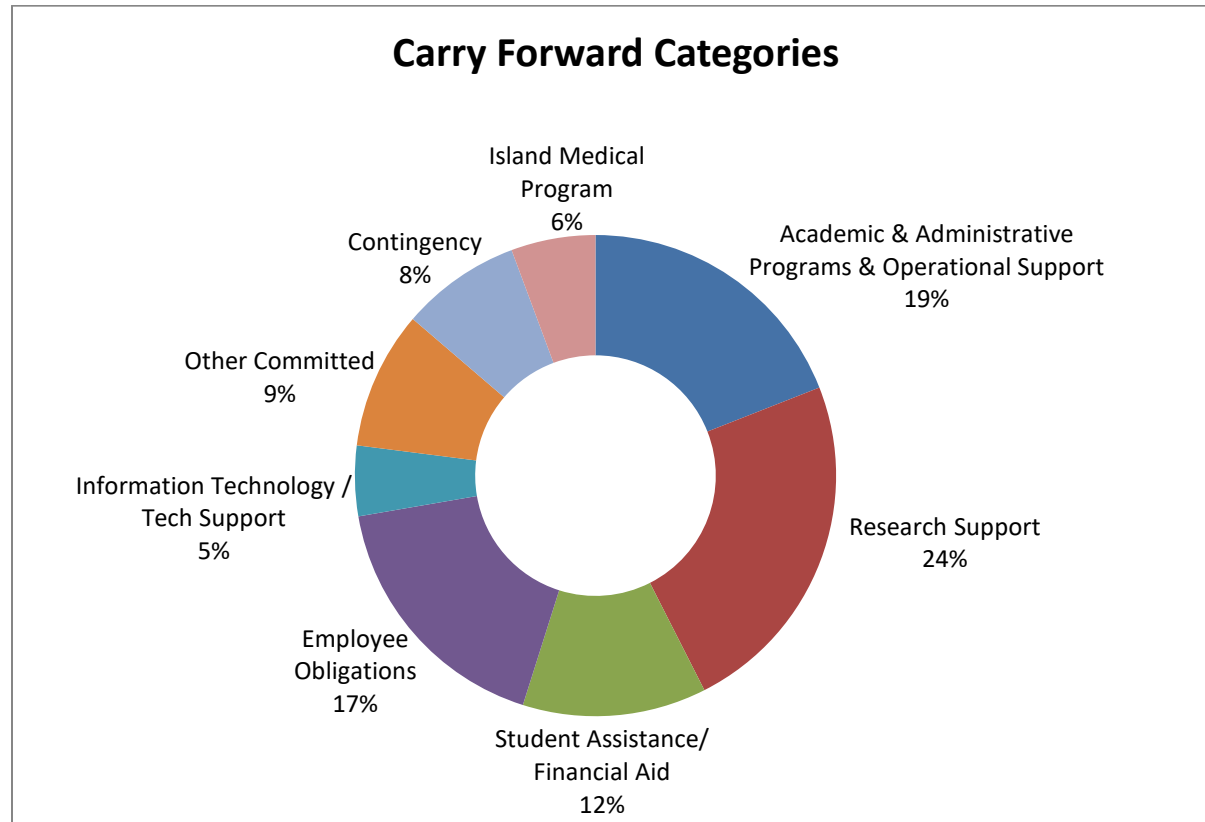
The following charts show the distribution of the appropriated funds (reserves) within the major categories of: capital, equipment, carry forward¹, library prepaid and insurance. It also shows how these reserves have changed over time.



As shown in the table above, total operating fund appropriations decreased slightly by \$1.5M in 2019. This overall decrease reflects increases within Equipment (\$1.1M), Academic and Administrative Programs and Operational Support (\$0.3M), Research Support (\$0.8M), Student Financial Assistance (\$1.0M), Employee Obligations (\$0.3M), Contingency (\$0.1M) and the Island Medical Program (\$0.7M) categories. These increases were offset by decreases in other categories, including funds set aside for Information and Technology (\$1.7M), Other Commitments (\$3.5M), Capital Projects (\$0.3M), and Insurance and Utilities (\$0.3M).

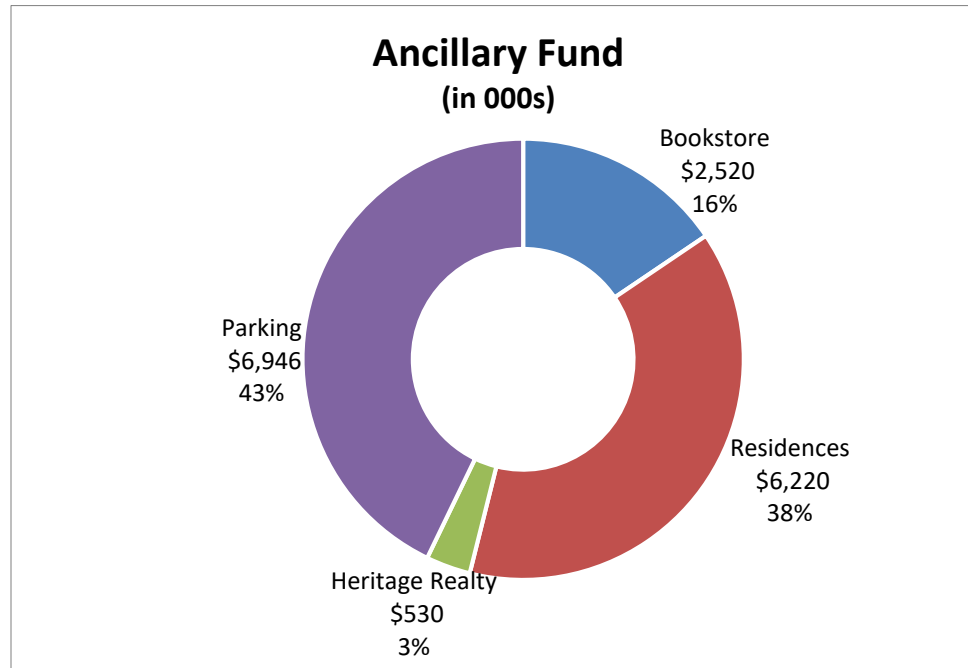
¹ This category includes academic & Administrative program development and operation support, research support, student assistance/ financial aid, employee obligations, information technology / tech support, other commitments, and contingency. The externally funded Island Medical Program has been allotted its own category.

The following chart summarizes the intended use of the carry forward balances (including the Island Medical Program): of \$73.3M



The largest allocation of carry forward (24%) is for research support which is generally made up of commitments to individual faculty for research start-up, travel grants, etc while academic and administrative programs and operational support represents 19% which is used for academic course or program development, administrative and academic projects, sessional support costs, and / or term or casual support costs. Employee obligations represents 17% and includes accrued leave and other contractual commitments. Another category of note is the Island Medical Program which represents 6% of the total and is not available for reallocation as it was received for a specific purpose.

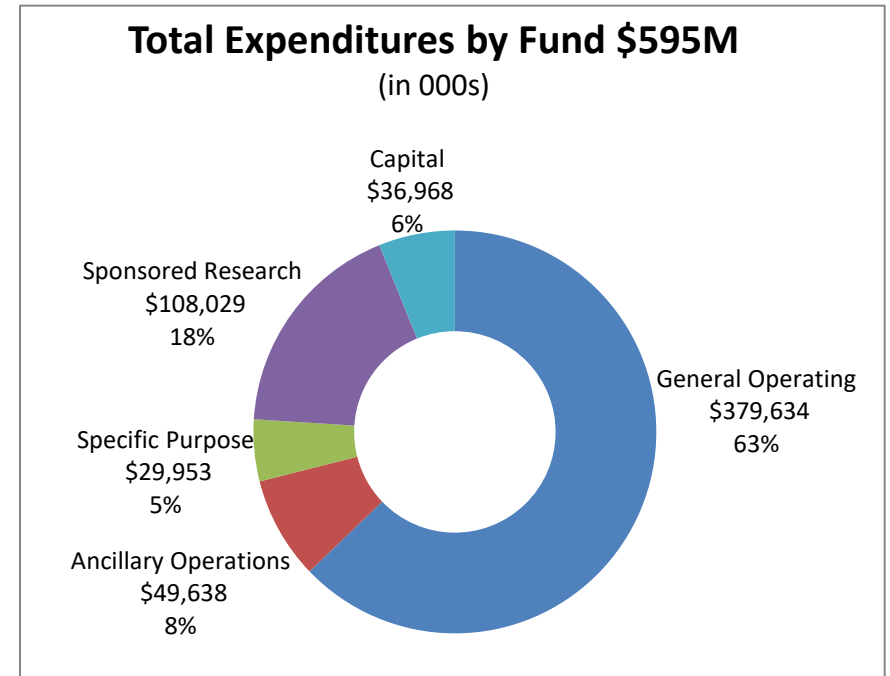
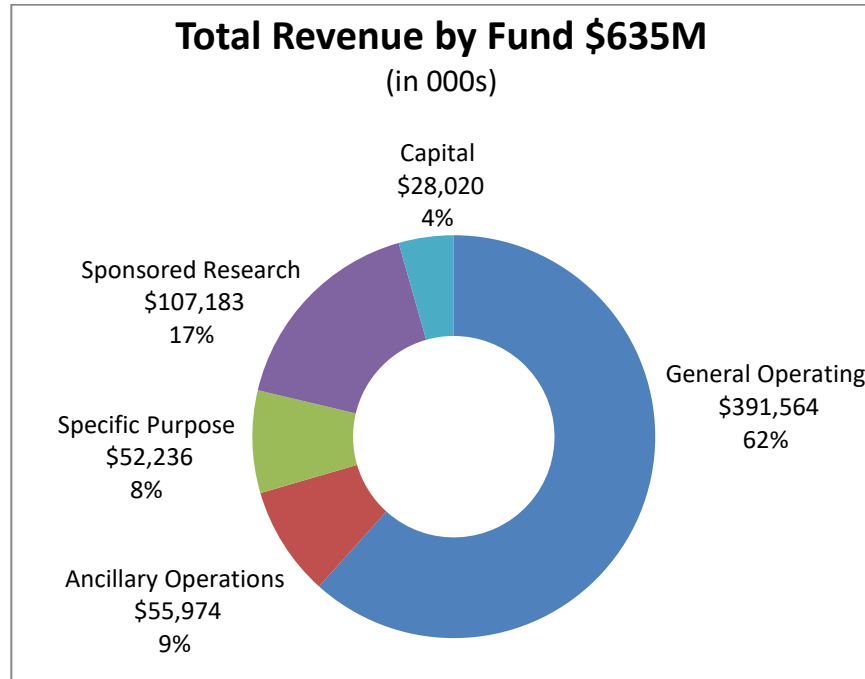
The Ancillary appropriated fund balance of \$16.3M is made up of reserves for the following purposes:



Unappropriated Expendable Funds – Statement 3

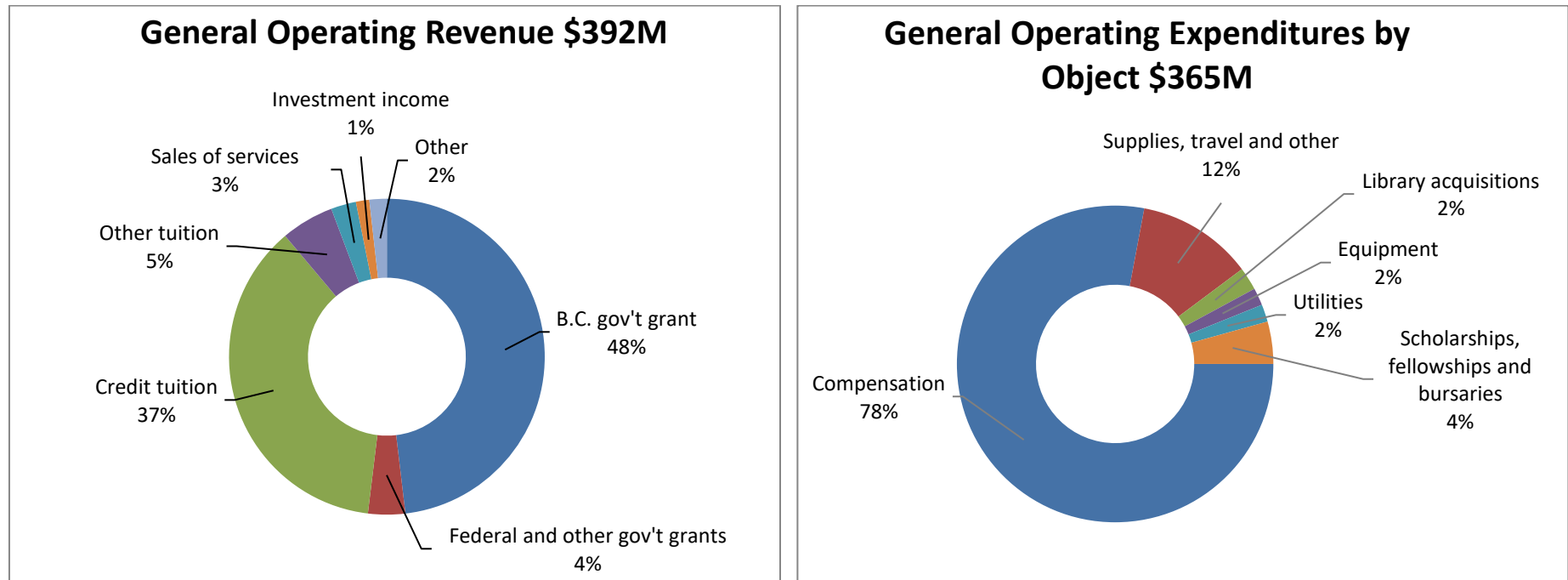
Total revenue across all five funds increased by \$0.6M or 0.1% to \$635.0M, while total expenditures increased by \$8.3M or 1.4% to \$604.2M. On a total fund basis, total revenues exceeded expenditures by \$30.8M. After transferring \$7.5M to endowment principal and \$13.4M (net) to appropriated reserves, total unappropriated expendable fund balances increased by \$9.9M. This increase is distributed across the Specific Purpose, and Ancillary funds, with offsetting decreases in the Sponsored Research and Capital funds. There was no increase in the unappropriated Operating Fund. Each of the fund balances will be discussed subsequently in this report.

Total revenue and expenditures are broken down by fund as follows:



General Operating Fund (GOF) – Schedule A

The General Operating Fund represents 62% of the university's activities. Total General Operating revenues and expenditures are made up as follows:

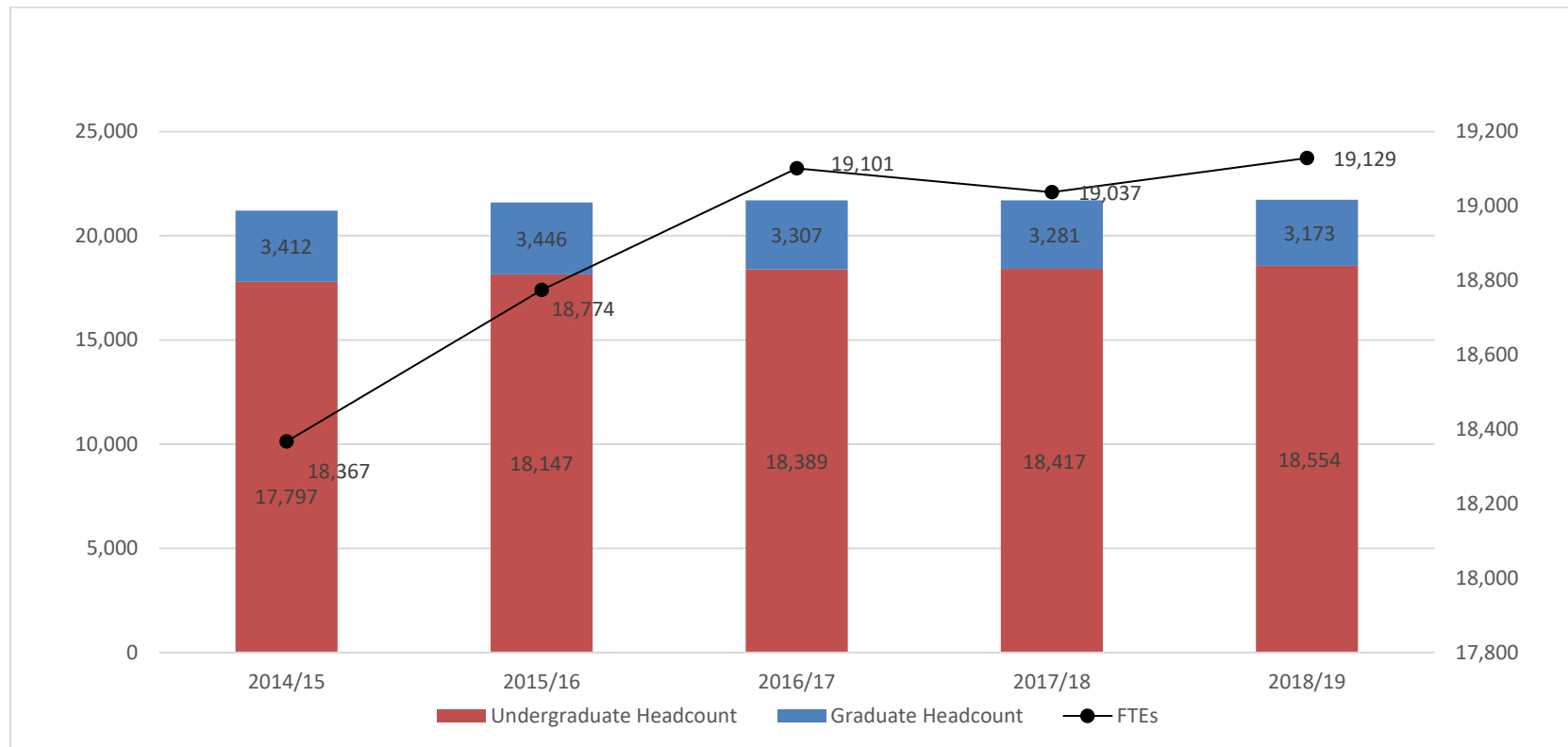


Total revenue in the General Operating Fund increased by \$17.6M (5%). The majority of this increase is from the Provincial Operating Grant reflecting additional funding for collective agreement costs (excluding progression through the ranks or ranges) and funding for year 1 of Engineering and Computer Science expansion. Government grants and tuition accounted for 94% of total revenue. Total expenditures increased by \$14.8M (4%) largely from compensation cost increases. Compensation costs (i.e., salary and benefits) accounted for 78% of total expenses.

Revenue exceeded expenditures by \$11.9M or 3.0% of total revenue of \$391.6M. This excess of revenue over expenditures was, for the most part, planned as \$13.4M of funds were allocated through transfers to other funds to support capital and other priorities.

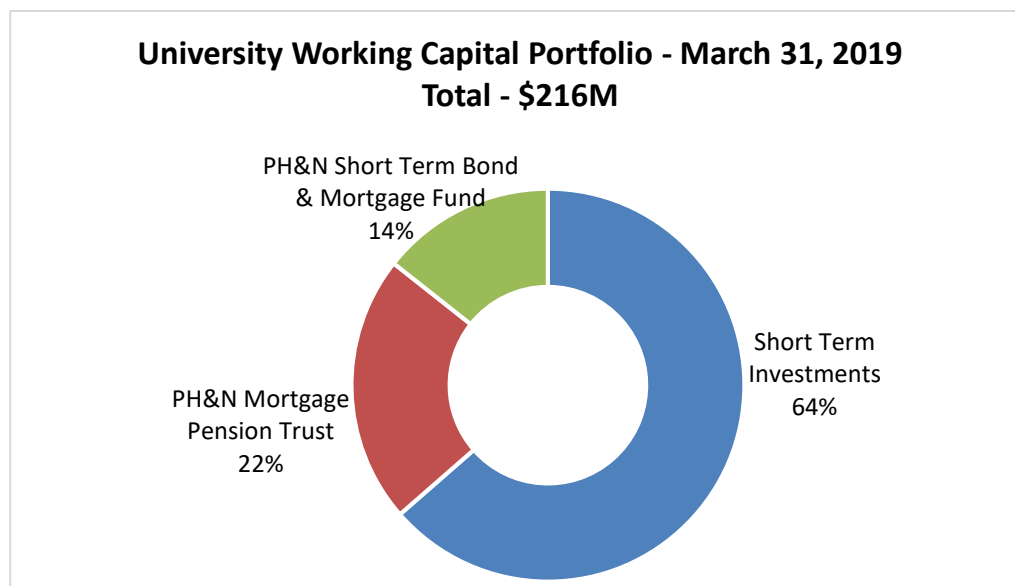
Provincial government grants totaled \$188.4M, while federal government grants totalled \$7.0M, largely representing the research support fund grant that is provided to partially support the indirect costs of research. The other government grants amount of \$7.9M represents funding from the University of BC designated for the Island Medical Program.

Credit tuition increased by \$7.0M, made up of \$2.2M for domestic student fees and \$4.8M for international student fees. Credit tuition increased due to a 2% increase in domestic fees, an increase in international fees of 4% graduate student and undergraduates students enrolled before April 2018 and 20% for those undergraduate students enrolled after April 2018 plus a modest increase in international student enrolment.



Investment income was up significantly over the prior year reflecting a return on the university's working capital of 2.9% compared to last year's return of 1.4%.

The short-term investments of the portfolio are invested in Guaranteed Investment Certificates (GICs), all with terms to maturity under 1 year. The long-term investments of the working capital portfolio are professionally managed by Phillips Hager and North (PH&N). The working capital portfolio provides daily liquidity along with enhanced returns from investments with a longer duration. The investments are as shown in the working capital portfolio chart.



Academic salaries increased by \$4.4M reflecting progression through the ranks, negotiated increases and Economic Stability dividend increase. Support staff salaries increased by \$5.6M with progression and Economic Stability Dividend increases for Professional Employees Association staff, limited salary increases for Management Exempt staff due to the impact of the Provincial Executive Compensation wage freeze, and negotiated increases for CUPE local 915 and local 917 staff. Employee benefits increased by \$1.9M due to the new employer health tax in January 2019 which is set at 1.95% of salaries. This cost was slightly offset by the 50% reduction to medical services plan rates which came into effect in January 2018 and will be eliminated completely in January 2020.

Ancillary Enterprises Fund – Schedule B

As noted above, an ancillary operation is a department that is required to be financially self-sufficient. That is, each operation must generate sufficient revenue to not only cover its annual operating costs, including any compensation changes, but also provide adequate funding to address building maintenance, renovation requirements and major capital projects.

Schedule B of the attached fund accounting schedules show the financial results of university ancillary operations, both on and off campus.

Off-campus Business Enterprises include the operations of the Broad Street commercial/residential rental properties owned by the university and the property rental and hotel operations owned by Heritage Realty Properties Ltd., both accounted for using the equity method of accounting. The hotel operations and rental properties, received as part of the Michael C. Williams' estate, provide a large and sustainable cash flow to the university. During the year \$1.1M was provided by Heritage Realty to the university to support initiatives consistent with the wishes of the donor.

Off-campus Business Enterprises also include the Vancouver Island Technology Park Trust and the operations of the University of Victoria Properties Investments Inc. The University of Victoria Properties Investments Inc. acts as trustee for the Trust and also manages the Marine Technology Centre owned by the university. The Vancouver Island Technology Park provides a range of commercial space for external high-tech companies and some UVic research and teaching activities. The Trust is intended to be self-funding with a return on investment provided to the university. During the year \$750K was provided by VITP Trust to support university programs.

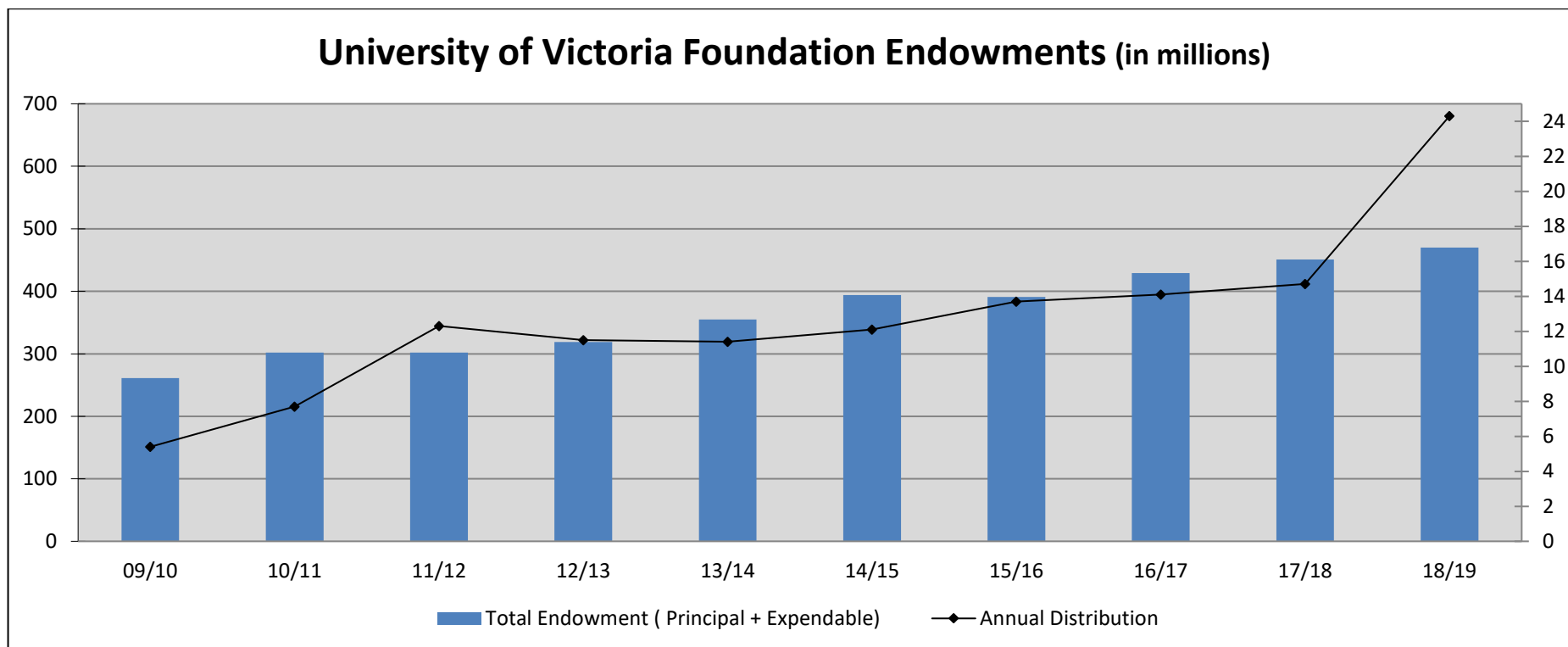
The results of the on campus ancillary operations including the bookstore, housing food and conference services, parking and child care are summarized in the Ancillary Budget – Schedules K through O.

Specific Purposes Fund – Schedule C

The Specific Purposes Fund includes the expendable funds of the University of Victoria Foundation, the Foundation for the University of Victoria and the U.S. Foundation for the University of Victoria. It also includes the revenues and expenses of UVic Industry Partnerships.

Overall, revenue exceeded expenditures by \$22.3M. After interfund transfers of \$7.3M, the majority of which was capitalized to endowment principal, the Specific Purpose fund balance increased by \$14.9M to \$132.0M. The portion of funds within the UVic Foundation is \$100.3M, referred to as the expendable fund, which is available to be expended in accordance with the terms of the endowment.

Most endowment funds benefitting the university and its students are held by the University of Victoria Foundation. The Foundation's investments experienced a similar return compared to the prior year with investment income of \$36.8M representing a 8.4% net return for the year ended March 31 (\$30.1M and 7% for the prior year). With the receipt of \$9.2M of endowment contributions less disbursements of \$27.2M, the total market value of the UVic Foundation endowment fund increased from \$451M to \$459M, comprised of \$369.4M of principal and \$100.3M of expendable funds.



The Foundation Annual Distribution for 2018/19 included a one-time transfer to the university of unspent distributions from prior years of \$8.6M.

The Foundation's investments are managed by external investment managers with different managers for Canadian equity and Canadian fixed income mandates, global equity mandates split evenly between two managers, a real estate manager and an infrastructure manager. The Foundation's investment policy provides for a target asset mix of 25% fixed income, 15% Canadian equities, 40% global equities, 10% real estate and 10% infrastructure. External investment consultants assist the Foundation's Board in monitoring performance and considering an appropriate asset mix.

The Foundation's endowment management policy follows a "total-return" approach, with awards based on 4.0% of the December 31 inflation adjusted balance of the funds principal, with an additional 0.5% available for funds with a market value in excess of 108% of inflation adjusted principal. Strong investment performance over the last four years (net 7.1% annualized) has led to 61% (813) of the funds being allocated a 4.5% distribution for the 2019/20 year. In most years, an amount is capitalized to the principal of each endowment to protect against the eroding effects of inflation, and for this year the amount added to the principal for this purpose was \$7.0 million.

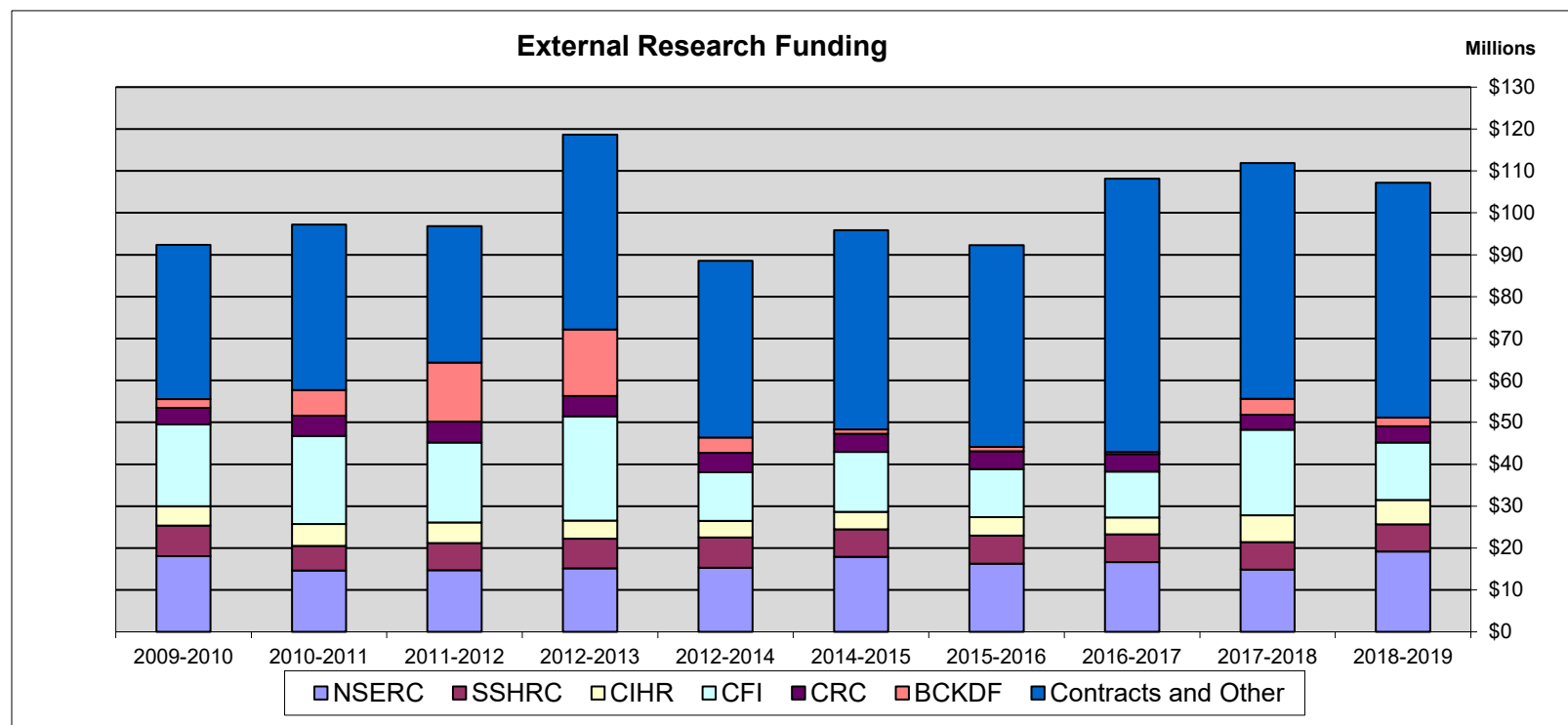
Sponsored Research Fund – Schedule D

The Sponsored Research fund includes the revenues and expenses of the related entities, including Oceans Networks Canada, Pacific Climate Impacts Consortium, TRIUMF and WCUMSS.

Sponsored Research expenditures exceeded revenue by \$0.8M. A net amount of \$0.3M was transferred to other funds resulting in a net decrease in the fund balance of \$1.1M bringing the fund balance to \$65.5M. This balance represents external grant funding that has been received but not yet spent.

Revenues decreased by \$4.7M (3.3%) to \$107.2M while expenditures increased by \$1.2M (1.1%). The university's faculty continued their high level of success in attracting research grants and contracts. The university ranks second amongst Canadian comprehensive research intensive universities in total research funding, first in NSERC/CIHR grants and fourth in SSHRC grants.

The following shows the trend of sponsored research funding over the last 10 years.



Capital Fund – Schedule E

The Capital Fund includes monies designated for the acquisition of major capital assets and renovations, although capital assets such as equipment, furnishings, computer equipment and library holdings are recorded as expenditures in other funds to match the funding source. Revenues in the Capital Fund decreased by \$19.9M this year, due primarily to one-time events which occurred in 2017/18: \$8.9M proceeds from the sale of Dunsmuir lodge, a \$2.7M recovery of GST on historical capital expenditures, and a \$4.0M impact of renewing a loan for the Technology Enterprise Facility (TEF) building. Provincial funding decreased slightly from last year by \$0.6M.

Expenditures decreased by \$11.5M to \$37.0M. This was in part due to the TEF loan which was renewed in 2017/18 and resulted in a \$4.0M expenditure (loan repayment) offsetting the \$4.0M revenue for the loan renewal. Lower construction additions in 2018/19 compared to prior year contributed to the decrease in expenditures. Construction continued on the \$20M District Energy Plant project and renovations to the Queenswood Campus were completed. Other projects of note include the Student Housing and Dining project and renewal of science labs.

Operating Budget Schedules F through J

Each year the budget office prepares operating fund budget schedules in order to provide management and the Board of Governors with information to assess the financial performance of operations for the fiscal year. These schedules differ from the fund accounting statements (Statements 1 to 3 and Schedules A through E) in that they compare actual results, both revenue and expense, for the fiscal year against the budget plan, whereas the fund accounting statements provide a comparison of actual results with those of the previous year. These budget schedules provide useful information to determine whether changes to budget or changes in activity should be made for the current or future fiscal years.

Another difference between the budget schedules and the fund accounting statements is that they are prepared on a function basis, as compared to an object basis (i.e., type of expense), which better reflects university budgetary responsibility, accountability and control.

The detailed budget versus actual schedules for the year ended March 31, 2019 can be found on schedules F through J. These schedules compare actual operating results for fiscal 2018-19 with the total budget for the year. The total budget column includes not only the base budget for each functional area or revenue item, but also any non-recurring / one time entries for that year. These entries include one-time items such as a drawdown of carry forward or equipment reserves, budget reallocations between different functional areas or an allocation from a central budget (e.g., project funding, enrolment management funds or salary increase budget) to a department.

The following points should be kept in mind when reviewing these schedules:

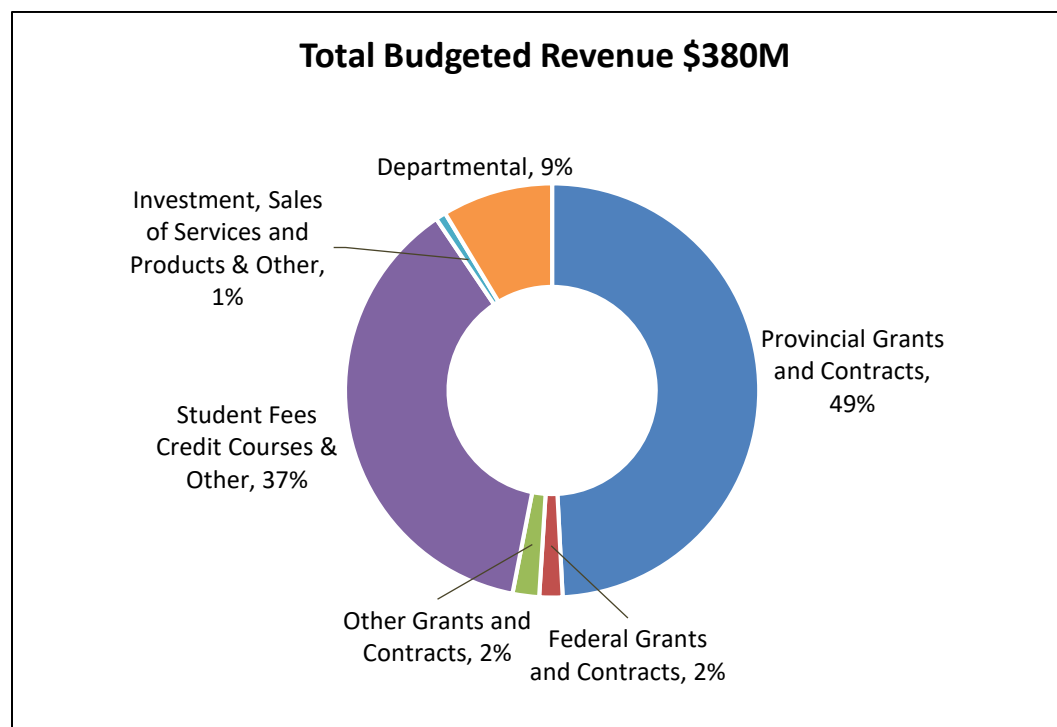
- unfavourable variances from the budget (i.e., either revenues or cost recoveries are less than budget; or expenditures are greater than budget) are shown with brackets;

- benefits are budgeted and accounted for centrally and, therefore, costs within each function do not include benefits, whereas the external statements prepared in accordance with Public Sector Accounting Standards have benefits allocated to functions;
- the revenue amounts per schedule F will not align with the revenue on Statement 3 or Schedule A of the fund accounting statements as statement F shows department revenue separately. Department revenue will include revenue from sources such as provincial and federal grants, student fees etc; and
- variations from budget are sometimes offset by variations in related revenues or expenditures. For example, an apparent shortfall in revenues may be offset by reduced expenditures or, alternatively, an expenditure in excess of budget may be compensated for by increased revenues or cost recoveries (see schedule J for a summary).

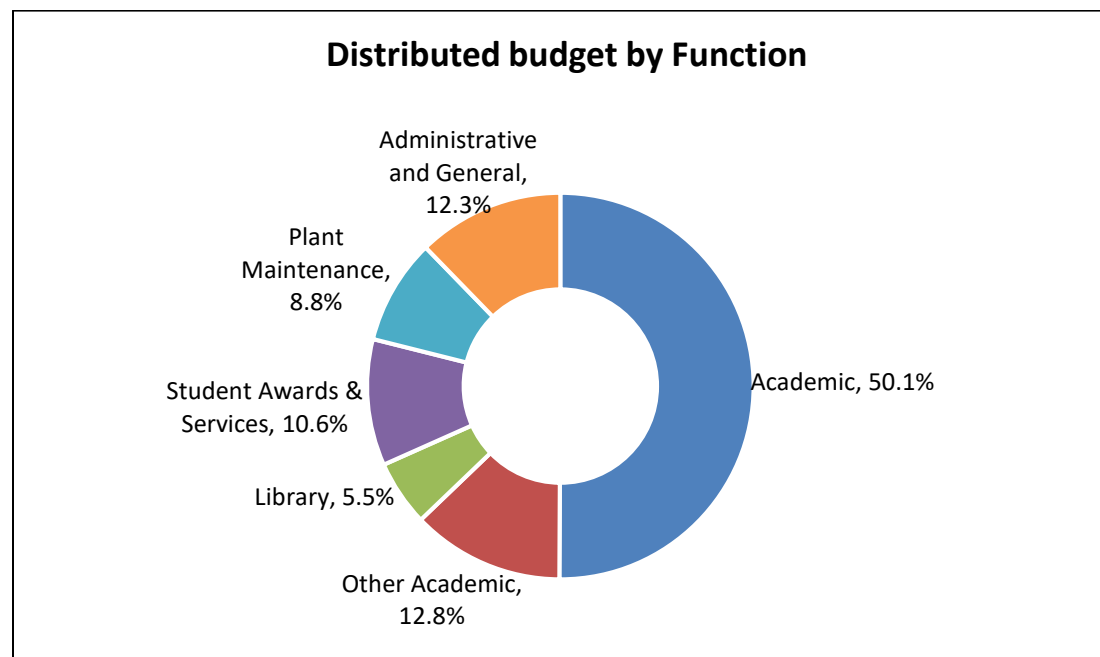
Operating Budget – Schedule F

Revenue and Expenditure Overview

Total budgeted revenue in 2018-19 was \$380M comprised of the following sources:



The majority of this funding was allocated to support academic purposes as follows:



Year End Results

In comparing actual results to total budget there was an overall positive result of \$0.5M, comprised of \$11.7M in additional revenue offset by \$11.2M in additional expenditures. From a budget responsibility point of view this overall positive variance is derived as follows (in millions):

Central revenue ²	\$ 5.4
Central expenditures and recoveries ³	-\$ 16.0
Variance from central accounts	-\$ 10.5
Variance from departmental accounts	\$ 11.0
Total	<u>\$ 0.5</u>

² Provincial, federal and other grants, student fees, investments income, sales of services and products, other

³ Benefits, overhead and centrally allocated budgets which includes transfers to capital

Central Revenue Accounts

The primary sources of general operating revenue are government grant, tuition and investment income. In 2018-19 the additional revenue of \$5.4M or 1.6% of central revenue budgets resulted from:

1. Tuition revenue \$ 1.8M

The variance is the result of higher student enrolment. The 3 year budget plan was developed to reflect an overall steady state for domestic and international students. This approach will result in years where revenue is higher than other years as a large single year cohort moves through their program to graduation. This fluctuation was anticipated and the additional revenue was allocated to one time or non-recurring priorities.

2. Investment income (\$3.7M - \$0.2M)..... \$ 3.5M

Schedule F shows a budget variance of \$3.7M for investment income. This amount, however, is offset by a negative variance of \$0.2M from internal loans, which is shown under administrative and general in Schedule I as it is an internal allocation. Therefore the Investment income budget, once internal financing is taken into account, was \$3.5M higher than budget. Investment income exceeded budget mostly as a result of higher money market yields than forecasted, which increased in line with short term interest rates. In addition, the rate of return expectations on both the PH&N Short Bond & Mortgage Fund (3.4%) and Mortgage Pension Trust (4.3%) funds exceeded forecasted expectations.

As per the university policy to encourage multi-year financial planning for equipment replacement, \$0.2M of the investment income was allocated to department equipment reserves and \$0.1M was allocated to ancillary reserves.

3. Sales of Services and Products and Other income -\$0.01M

The small negative variance is the result of an accumulation of small amounts from various accounts.

Impact on Future Budgets from Revenue Variances

Each year in developing the overall university budget, tuition revenue is modeled for the coming 3 year cycle. In assessing revenue we look at what the base budget should be as well as any potential incremental funding above base that won't necessarily persist year to year, but should be allocated to one time priorities. This approach ensures that all anticipated revenue is allocated annually while protecting against fluctuations year to year.

With respect to investment income, the current budget is considered appropriate based on levels of cash and current interest rates. This will be assessed over the next couple of years, given a potentially rising interest rate environment and higher internal loans (e.g., student housing).

Central Expenditures and Recoveries

Central accounts include compensation (benefits, salary, position turnover etc.), overhead recoveries as well as contingency funds. In 2018-19 the negative central variance of \$16M resulted from a combination of results as follows:

1. Benefits \$1.2M

The benefit accounts continue to have a positive result annually, mainly due to departmental position vacancies (\$2.0M) and a slight decline in the overall average benefit rate. This positive result is projected each year and funding allocated to institutional priorities (see below).

2. Overhead recoveries (\$0.1M)

This negative variance is the result of less than anticipated overhead research income which can vary year to year based on actual research income.

3. Centrally Allocated Budgets (\$17.1M)

As noted above, centrally allocated budgets include those budgets required to fund compensation costs for the year. They also include funds to top-up vacant positions once filled and a contingency amount to cover unforeseen events. These accounts are reviewed each year as part of the development of the annual budget to ensure they remain appropriate. The negative overall budget in this account will occur each year as a result of the requirement to utilize operating funding for capital priorities. Funds are transferred to the capital fund based on funding requirements for specific capital projects (e.g., routine capital funding, Saunders project etc.). While the magnitude each year will change, these accounts overall will generally end in a negative position as positive variances from other accounts are anticipated (e.g., benefits) and used to fund these projects or are allocated to other functional areas for spending (e.g., student financial assistance, IT projects etc.).

Impact on Future Budgets from Expenditure Variances

The positive benefits budget variance will continue as long as there are vacant positions. We will continue to project these positive variances and allocate the additional funding to one time priorities such as capital.

The overhead variance is not considered significant but is reviewed each year based on information from research on projected contract revenue and the revenue trend over the last few years.

As noted above, centrally allocated budgets will continue to have negative total budgets each year as incremental funding from other budget lines (benefits, tuition, etc.) is transferred to the capital fund to support institutional capital priorities (as noted above) or transferred to other functional areas as determined through the integrated planning process.

Departmental Accounts

As noted above, overall department budgets had a year-end positive variance of \$11.0M. Departments are expected, for the most part, to have favourable year end balances as they are required to put aside funds to address future equipment replacement and capital needs. In 2018-19 departments planned to allocate \$3.4M to reserves for this purpose with actual transfers totaling \$7.5M.

A large source, \$6.3M, of positive budget variances within departments resulted from actual departmental revenue exceeding budget. Departmental revenue is largely comprised of external funding, and as such, is not always consistent year to year, making it difficult for departments to predict or rely on for on-going expenditures; most departments, therefore, budget this line conservatively. Some examples of departmental revenue received in 2018/19 include non-credit tuition and non-credit course fees in Continuing Studies (\$11.9M), athletic fees (\$3.4M), application fees (\$2.9M), external cost recoveries (\$1.6M) for programs and services such as GSB Executive Education and Physics and Astronomy (recoveries from Vancouver Island Cancer Centre, Arctic Research Foundation and TRIUMF), labour recoveries (\$2.0M) for various areas such as the Pension Office and GSB Executive Education, space rentals (\$1.2M) for space such as the Ian Stewart Complex-Rink, Auditorium, CARSA, and McKinnon & Fields, and activity fees for the Fitness and Weight Centre (\$1.1M). For some departments the positive revenue result is offset by increased expenditures (see Schedule J).

Within the expenditures budgets, the largest source of positive variance is in student awards and services (\$2.7). This variance is mainly the result of purposeful savings in advance of the strategic enrolment management program launch in order to be able to implement a range of different initiatives to support the plan. The positive variance in other academic (\$1.1M) is mainly due to unallocated research awards, while the positive variance in the academic budgets (\$0.9M) is mainly attributable to faculty start-up allocations not yet spent.

At the individual faculty and department level, all were on or under budget when available carry forward is taken into account. Some units within a faculty or department, however, were over budget by small amounts. These deficits will be a first charge against the unit's budget in 2018-19 or have been offset by carryover, or alternatively, have been covered at the faculty level.

Operating Budget – Schedule G

This schedule provides a breakdown of departmental revenue by functional area. Some highlights include:

- The department / faculty with the largest budgeted departmental revenue is continuing studies at \$16.3M. Continuing studies is a mainly self-funded Division and, as such, tuition for their programs is allocated to them directly. As well, they are required to fund salary increases within the program areas. The Division has also used revenues to support capital expansion, including the recently completed addition to the Continuing Studies building.

- Student services departmental revenue is mainly comprised of student athletic and recreation fees, physiotherapy fees, and external funding for Health Services.

Operating Budget – Schedules H through J

Schedules H and I summarize total budget, actual results and a comparison to the prior year of expenditure budgets by function. These schedules provide information on relative sizes of faculties and departments, with the largest expenditure budgets held by the tri-faculties - Science at \$26.4M, Social Sciences at \$24.5M and Humanities at \$22.9M. The 'other academic projects' budget of \$26.2M is comprised of many smaller functions such as Academic Advising, Learning and Teaching Centre, faculty professional development, faculty research - internal grants and travel, research services and centres, overhead research, and academic related information technology.

In most areas, expenditures increased as compared to the prior year, largely a result of compensation increases including the progression through the ranks or ranges and the settlement agreements. Increases in non-academic areas are also mainly comprised of compensation increases from the settlement agreements and progress through range for some employee groups.

Schedule J, as noted previously, compares additional departmental revenue against expenditures to demonstrate that additional revenue is often offset by additional expenditures. (e.g., the positive variance in Fine Arts' department revenue of \$210K is partially offset by a negative expenditure variance of \$116K).

Ancillary Budget – Schedules K through O

Schedule B of the attached fund accounting schedules shows the financial results of university ancillary operations both on and off campus. The results of the off campus businesses were noted above. This section will focus on the results of the on campus ancillary operations as well as provide information on some key performance indicators (KPI).

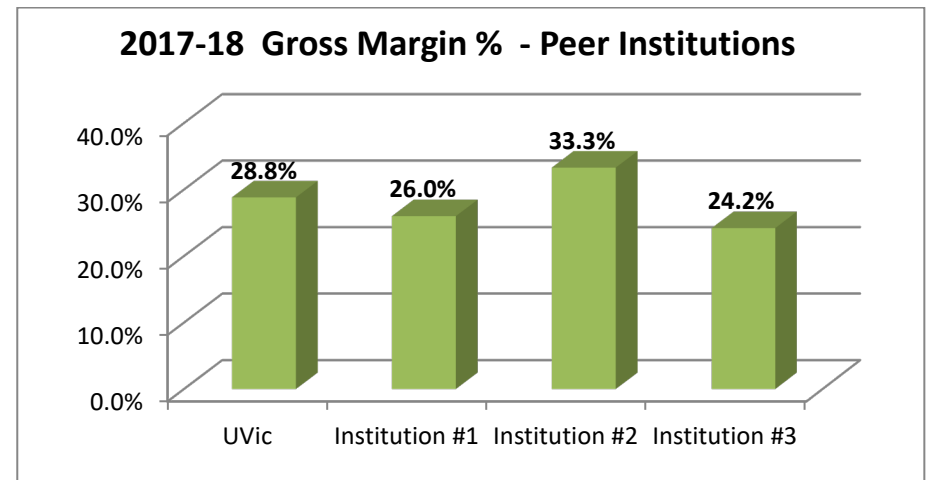
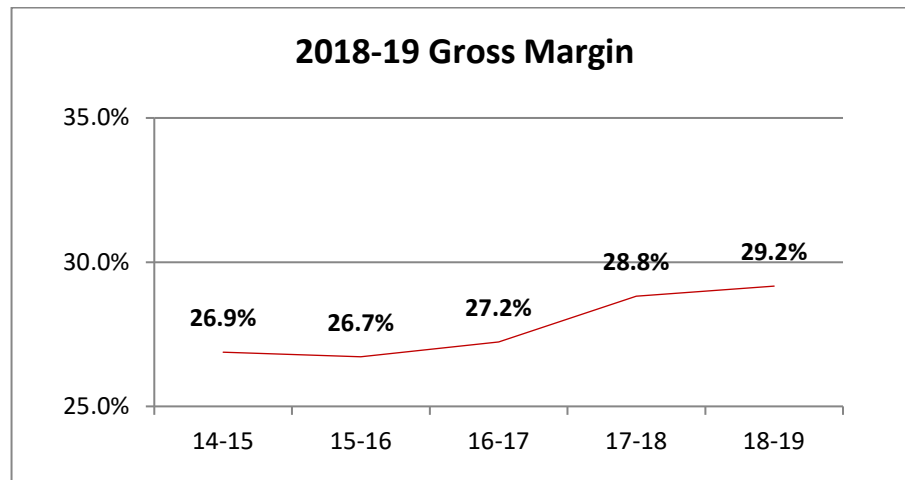
While these operations are often viewed as on campus "businesses," it is important to know that while they are required to be financially self-sufficient, they also contribute to student life on campus and are, therefore, important service areas. The result of this approach is that each area may make program decisions that are not necessarily financially driven. For example, parking services subsidizes employee and student bus passes in an effort to reduce traffic to campus, residence services operates student life programs, and food services has extended hours to support academic purposes even though these extended hours may not provide for a return during these hours. Given the above, it is difficult to compare these operations to what appear to be similar off campus businesses.

Bookstore – Schedule K

Schedule K (attached) shows the financial results of the bookstore operations, which include the computer store, compared to budget as well as the results of the prior year. As budgeted, both revenue and expenses for fiscal 2019 are less than the prior year.

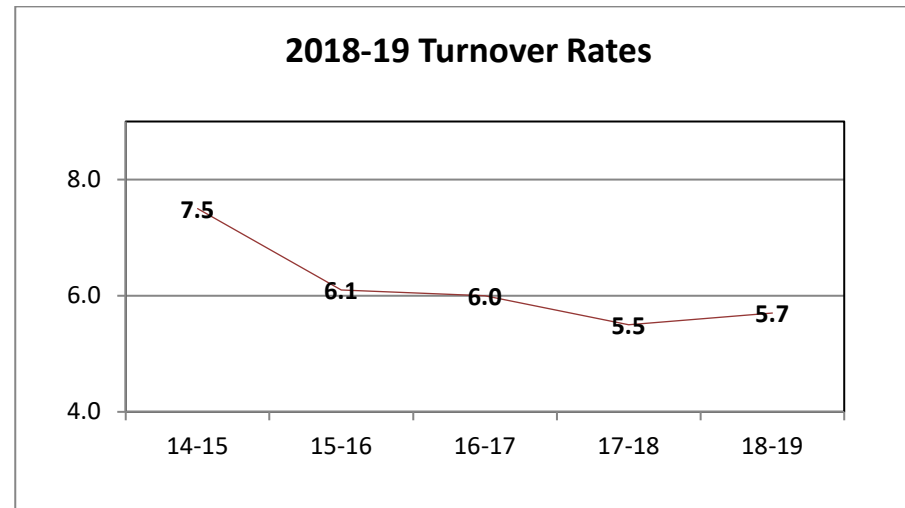
The majority of the sales decrease was in textbook sales; however, UVic remained very close to industry trends. The overall financial results for the store were higher than budgeted by \$360K, mainly as a result of higher than anticipated merchandise sales and computer store sales, which saw a 15.8% increase. This enabled a larger than anticipated transfer to the capital reserve at year end.

The following KPIs provide useful information against which to assess the operations of the Bookstore:



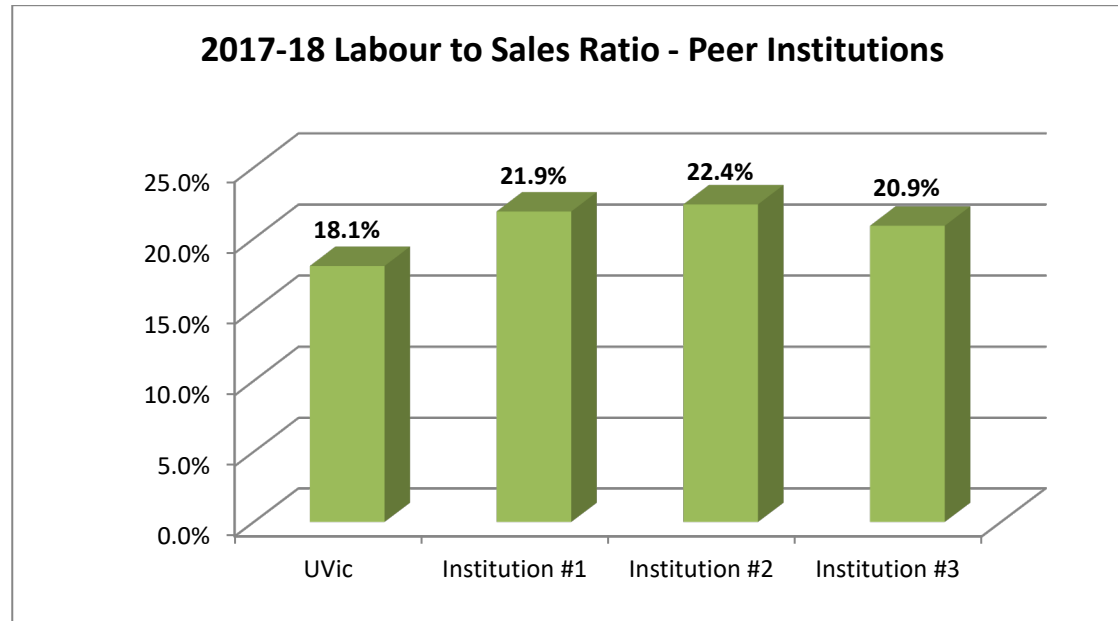
The above charts show that gross margin as a percentage of sales has increased almost annually since 2014-15 to 29.2% in 2018-19. As well, the Bookstore's gross margin compares well with other similar sized institutional bookstores (peer institutions using 2017-18 as the most recent data for comparison).

While textbook sales again declined in 2018-19 (8%), the decline wasn't as steep as in 2017-18 (11%). This has resulted in a slight increase in the 2018/19 turnover rate, which continues to be strong at 5.7 times compared to current industry standards:



Labour costs⁴ in relation to total sales reflects continued oversight and control over labour costs. Duties from vacated positions are redistributed to other existing positions as opportunities arise. The chart below shows UVic's labour to sales ratio for 2017-18 as compared to our peer institutions. The average labour to sales ratio of the peer group is 21.7%, which indicates UVic's Bookstore operations are slightly leaner as compared to the peer institutions.

⁴ Labour includes wages and benefits



The above comparison data is from the National Association of College Stores – Large Stores Group and has been shared on a confidential basis; therefore, the names have not been included.

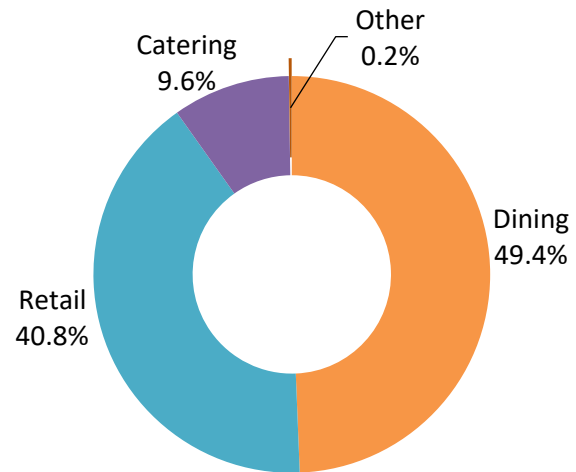
Food Services – Schedule L

Schedule L shows the 2018-19 results of the food service operation on campus. Total revenue grew by 2.2% compared to the prior year, while total expenses increased by 2.5% and includes the debt repayment of \$601K related to Mystic Market renovations. The 2018-19 financial results over the prior year declined slightly, with a net operating gain of \$208K compared to \$251K in 2017-18. This positive result, though, reduced the overall deficit for food services by one-half to \$187K, putting the operation on track to eliminate the deficit next year. The financial result reflects a number of initiatives led by the leadership team in University Food Services (UNFS) to adjust its financial course and ensure the operations are sustainable long term. These initiatives include improved staffing and labour cost controls, food cost management and alternative products and pricing.

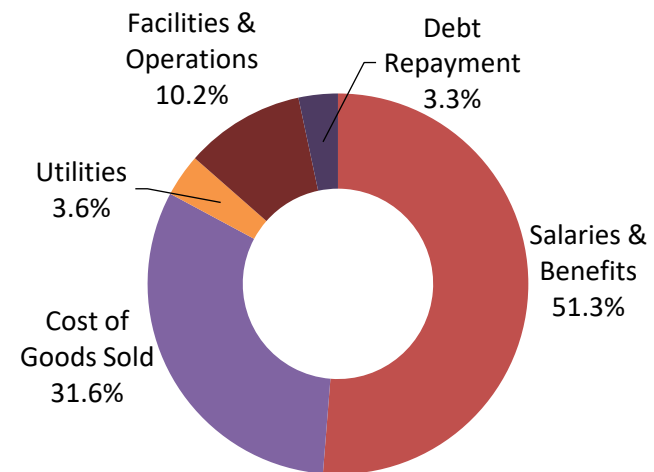
UNFS' positive result reflects a commitment to agility and long term financial and social sustainability. This requires ensuring that the operations have a positive result, but also that there are sufficient returns to provide for an allocation to reserve each year in order to ensure future capital renewal can occur. UNFS sustainability goals were an influencing factor in UVic attaining its FAIR TRADE designation. The Fair Trade Campus designation is a reflection of UVic's and Food Services' strong commitment to sustainability.

The majority of food service revenue comes from on campus housing through the student residence dining program (49.4%), with retail sales and catering contributing 40.8% and 9.6% respectively. As for expenses, the majority stem from salaries and benefits (51.3%) and cost of goods sold (31.6%):

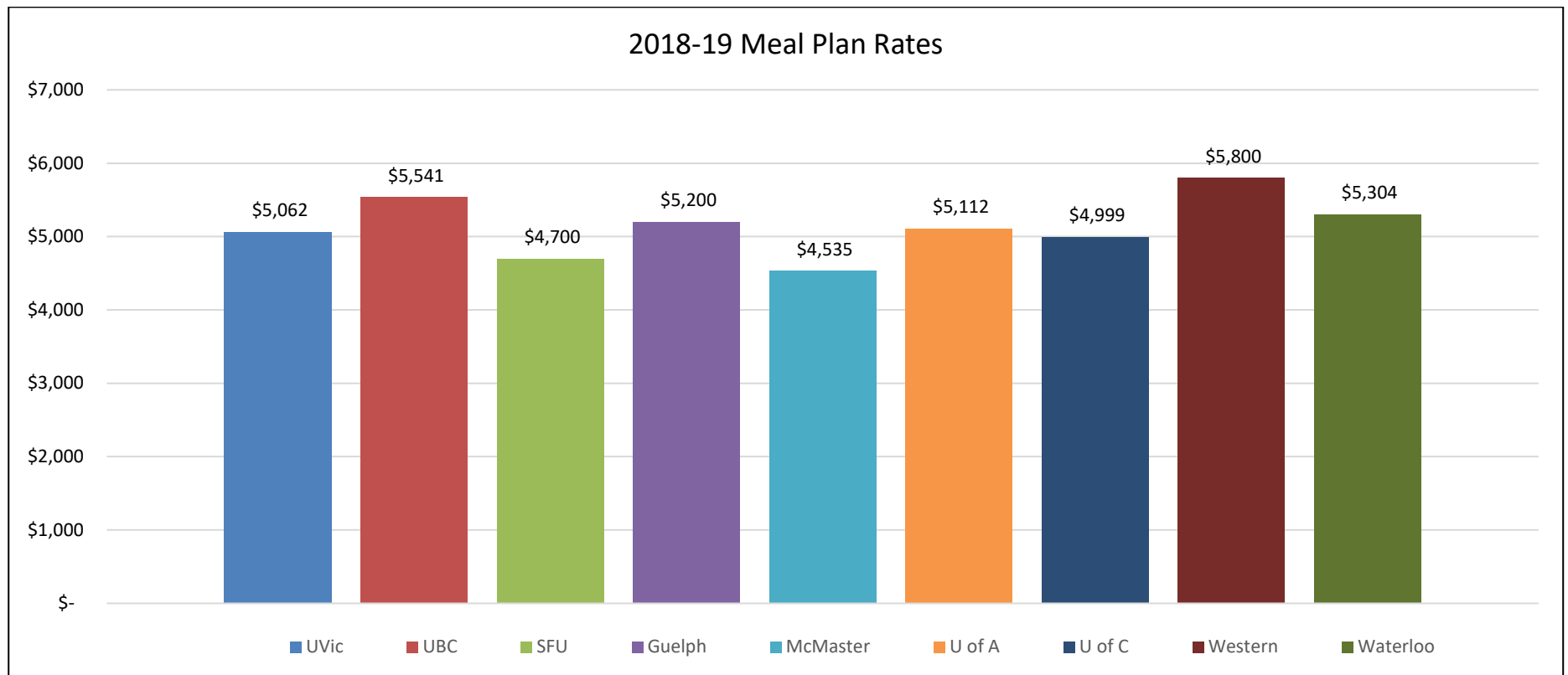
2018-19 Revenue



2018-19 Expenses

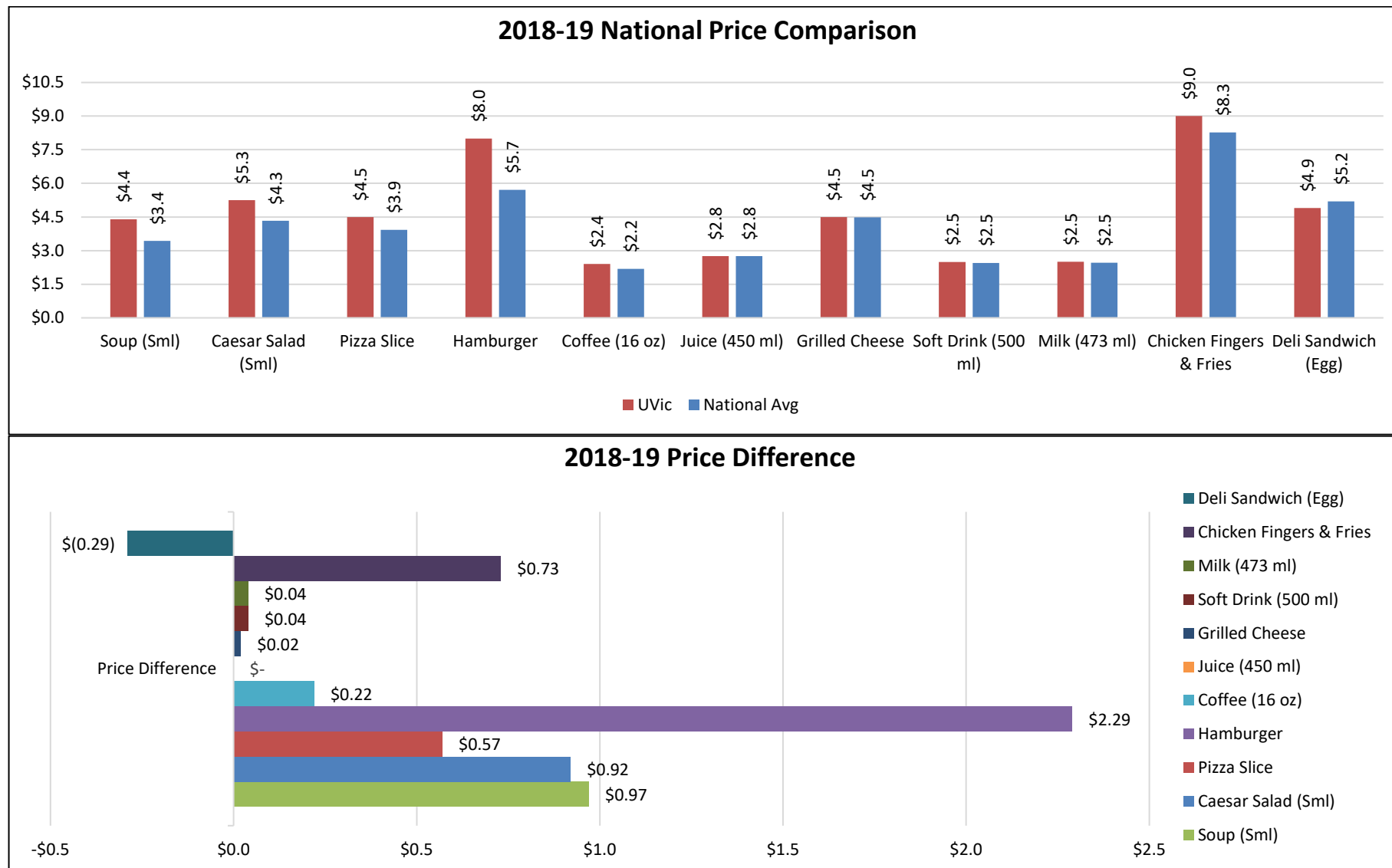


With regard to pricing, food services monitors both the mandatory meal program and specific product pricing. For the meal program, UVic pricing is comparable to peer institutions as follows:



On food product pricing, the university's food service department is a self-operation, whereas most campuses across Canada contract out their food operations. This fact makes comparing information nationally difficult as, unlike bookstores, information on operations is not readily available.

There is information, however, on product pricing available through the Canadian College and University Food Service Association (CCUFSA). Using this information, UVic's retail pricing compares as follows:



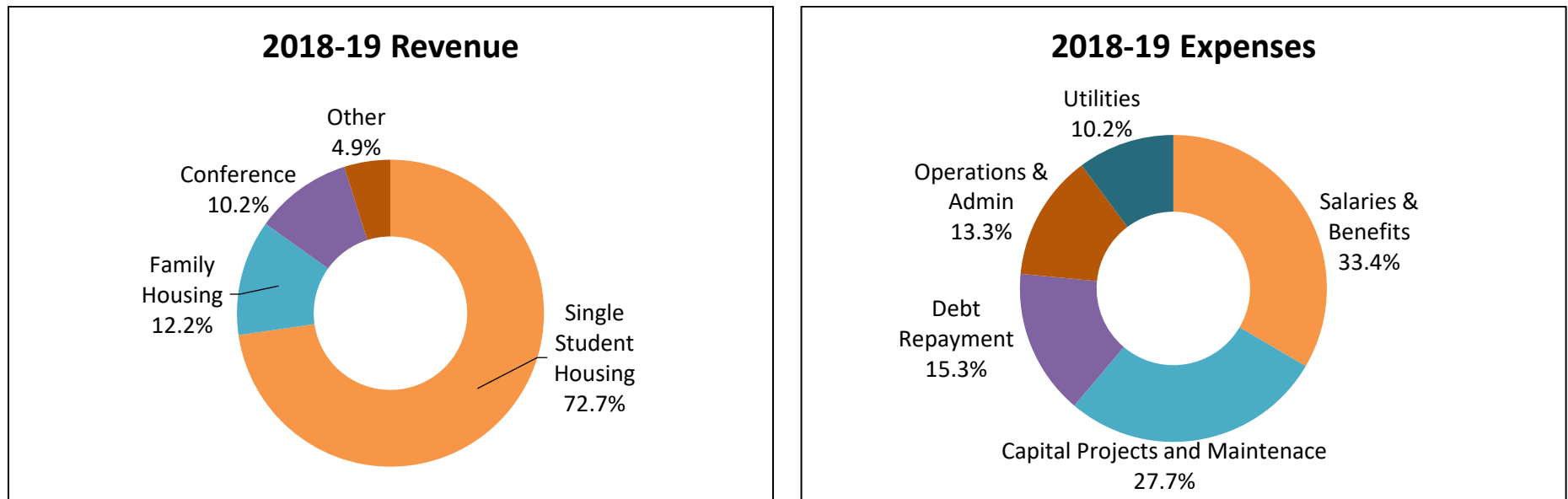
UVic's prices are generally in line with the national average. The department pays a very competitive wage compared to other Food Services operations and contributes significantly to the overall university sustainability program.

Residence Services – Schedule M

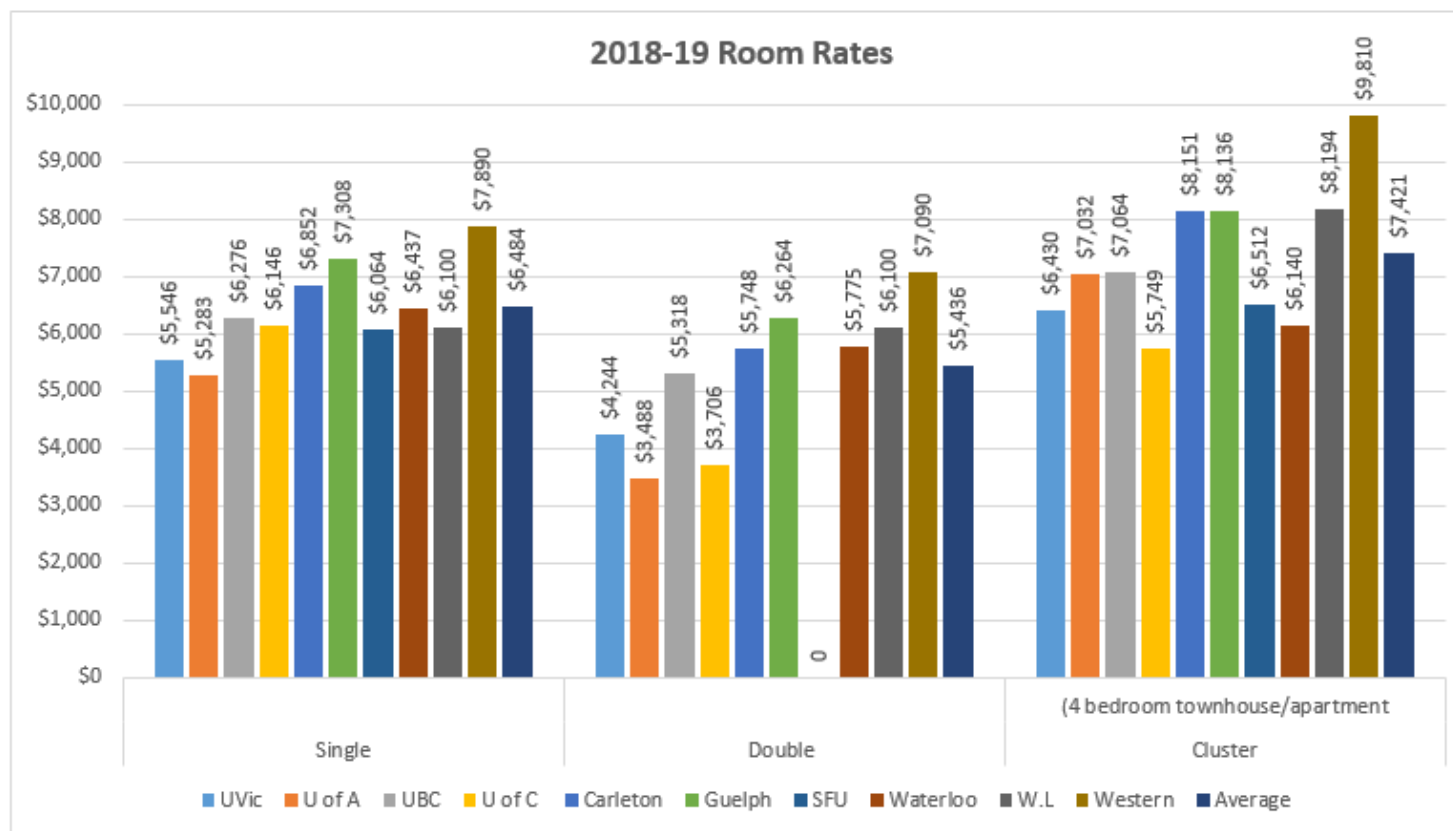
For 2018-19 schedule M shows that revenue for residence services has increased by 4.7% compared to the prior year, while expenses have decreased by 6.7%, which allowed for a \$1.6M contribution to the equipment and capital replacement reserve. A 10 year capital renewal plan was developed in 2014/15 with intentions to complete approximately \$82M in related projects over ten years. During 2018-19, a total of \$2.9M was invested in renewal and capital projects, bringing the total over 5 years to \$15.5M. The level of renewal is lower than originally anticipated due to current focus on expansion and that two buildings slated for renewal will be deconstructed.

The multi-year renewal plan was developed after the 2011-2013 external assessment of the university's deferred maintenance was completed. This assessment work included looking at the residence inventory and reviewed each building's physical condition using an industry standard index called the facilities condition index or FCI. The FCI for housing in 2014-15 when the 10 year plan started was 0.40, which is considered poor to critical. As of May 2019, the FCI index has increased only slightly to 0.407, reflecting investments in renewal. This increase will be mitigated by the replacement of two of our older buildings, Emily Carr and Margaret Newton, (that have high FCIs) with our new buildings to be opened in 2022/23. FCI is calculated by dividing total cost of existing deficiencies by the current replacement value of the facility. A score of 0.00 indicates excellent building condition while a score of 1.00 indicates a facility in the poorest condition. The 2018-19 year-end reserve balance is now at \$6.2M. This fund will continue to be used to support planned capital renewal and address deferred maintenance with the goal of reversing the decline in the condition of the buildings, and support the university's recruitment and retention goals through safe and affordable accommodation for students.

The majority of housing revenue (72.7%) is generated from dorm/apartment revenue, followed by family housing at 12.2% and conferences at 10.2%. With respect to expenses, the majority is for salaries and benefits at 33.4% and capital projects and maintenance at 27.7%:



UVic's residence rates for dorm and apartment style rooms remain considerably below the rates of peer institutions. As shown in the following graph, UVic's rate for a dorm single was \$5,546 or 13% less than the average of our comparable institutions at \$6,390 as follows:

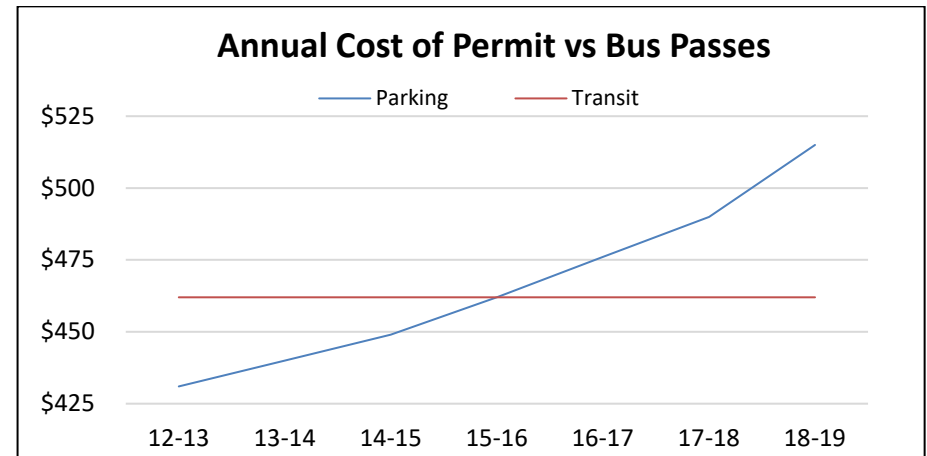
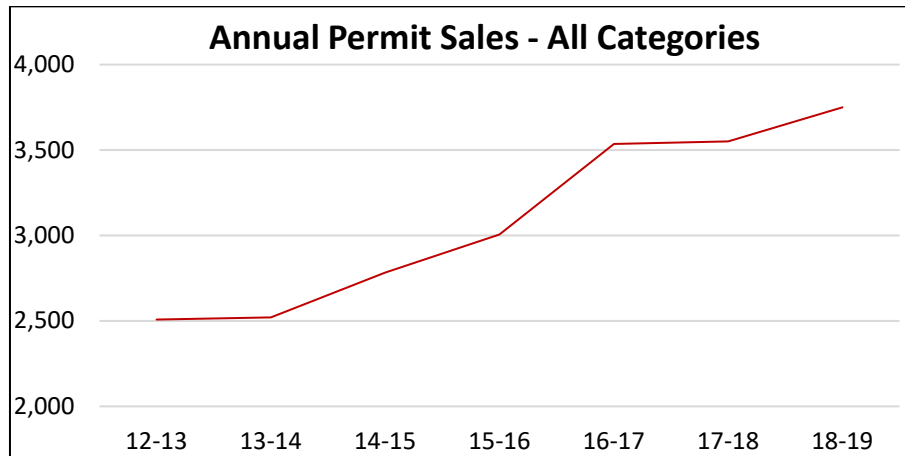


While living in residence is not directly comparable to off-campus living, the average rate for a single room in residence was \$693.25 per month, whereas, according to the 2018 CMHC data, the average rental rates in Victoria ranged from \$926 (bachelor); to \$1076 (one bedroom), to \$1,406 (two bedroom).

Parking Services – Schedule N

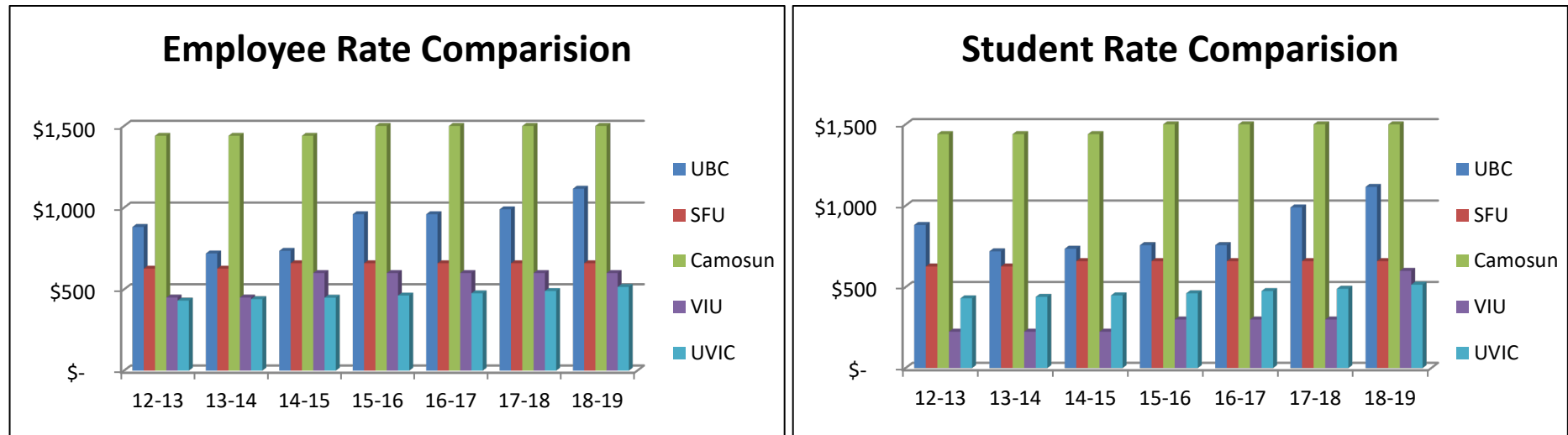
The parking services budget includes revenue and expenses associated with the management of parking on campus as well as the university's travel choices program which includes, among other things, the student and staff bus pass programs. Schedule N attached shows that revenue and expenses increased by 8% and 13% respectively, and net financial results were slightly less than anticipated with \$1.5M transferred to reserve compared to the budget plan of \$1.55M.

The following charts outline some of the KPIs that parking services monitor:

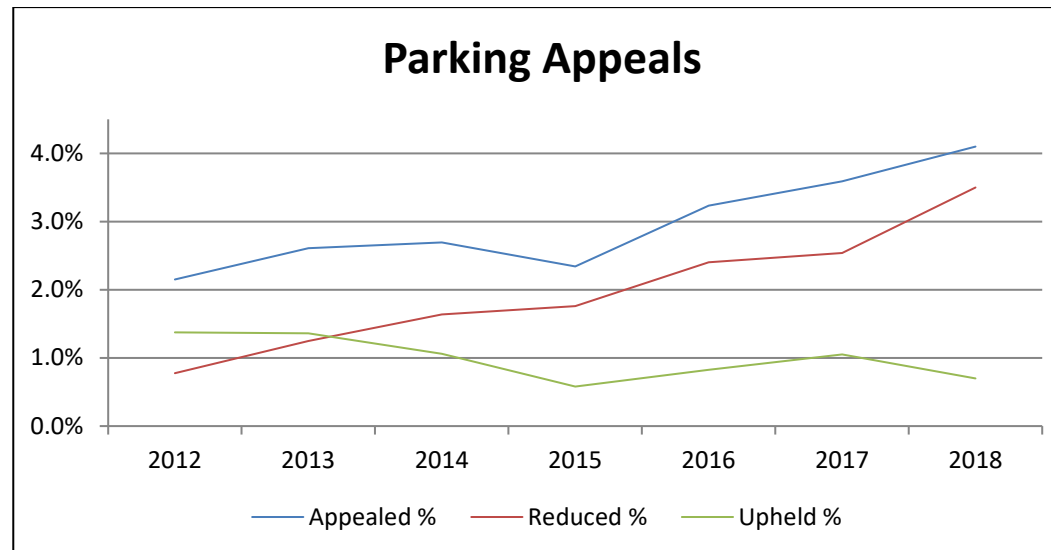


While normally a goal for a parking operation would be to grow permit sales, the university is committed to minimizing vehicle traffic to campus and promoting sustainable transportation options. The chart on the left shows that from 2013 to 2014, sales were static and began to increase in 2015. Parking Services and Campus Planning and Sustainability are reviewing the current Travel Choices program as well as permit rates to determine the appropriate long term approach that will best support institutional sustainability goals, while understanding and respecting that there are barriers for many to utilize other transportation options than a car. The chart on the right outlines one of the strategies UVic employs to encourage alternative transportation. Over time, through permit increases and subsidies for the bus pass, the price of a parking permit now surpasses the price of the subsidized employee bus pass (though they are roughly equal once the taxable benefit of the bus pass is considered).

Employee and student parking rates, for an annual parking pass, are either less than or comparable to peers institutions as follows:



Another source of revenue for parking services is fines. While this is a source of revenue, the objective of issuing citations (fines) is to ensure the safety (e.g., parking in fire lanes) and access (parking without paying) of patrons. While the department issued over 19,000 fines in a year, the chart below shows that very few of the fines are appealed:

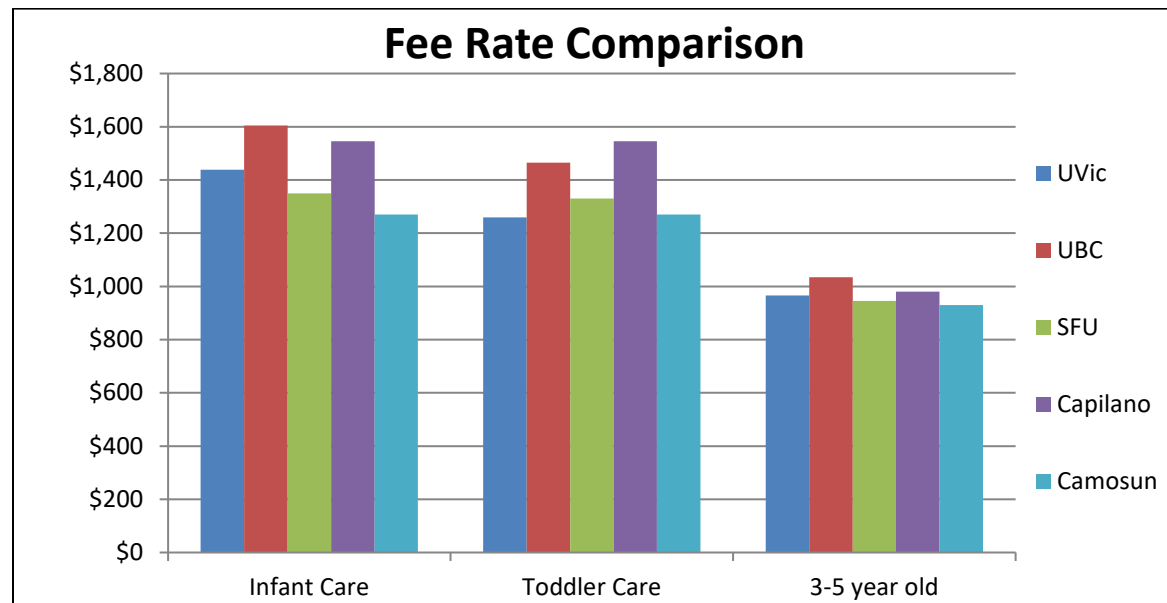


Of those appealed through an independent committee made up of representatives from the campus community, most are upheld with only 3.5% reduced.

Child Care – Schedule O

Child Care services provides full and part time day programs for children aged 6 months to 5 years. Schedule O (attached) shows that revenue and expenses increased by 7% and 3% respectively, with revenues for the year exceeding expenditures by \$70K.

Child care monitors the rates of other comparable institutions to ensure parent fees are reasonable. The following chart compares UVic 2018 fees at various care levels to other educational institutions:

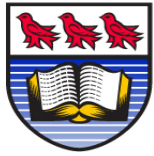


This chart shows that our child care fees are in line with other similar institutions.

Attachments: Appendix A – Consolidated Entities
Consolidated Fund Accounting Financial Statements and Schedules (Statements 1 through 3 and schedules A through O)

Appendix A – Consolidated Entities

Entity	Description	Entity Type	Consolidated Method	Schedule
UVic Industry Partnerships	Assists with intellectual property management and commercialization of research discoveries	Wholly Owned By UVic	Fully consolidated	Specific Purpose
UVic Properties Investments Inc.	Manages the university's real estate holdings including the Vancouver Island Technology Park Trust.	Wholly Owned By UVic	Fully consolidated	Ancillary
Ocean Networks Canada Society	Manages the university's VENUS and NEPTUNE ocean observatories	Wholly Owned By UVic	Fully consolidated	Sponsored Research
Pacific Climate Impacts Consortium	Stimulates collaboration to produce climate information for education, policy and decision making.	Wholly Owned By UVic	Fully consolidated	Sponsored Research
Byron Price & Associates Ltd.	Holds land in North Saanich that was donated to the University	Wholly Owned By UVic	Fully consolidated	Ancillary
University of Victoria Foundation	Encourage financial support of the University and administer the University's endowment funds	Wholly Owned By UVic	Fully consolidated	Specific Purpose
Foundation for the University of Victoria		Wholly Owned By UVic	Fully consolidated	Specific Purpose
U.S. Foundation for the University of Victoria		Wholly Owned By UVic	Fully consolidated	Specific Purpose
TRIUMF	Operates a research facility for sub-atomic physics located at the University of British Columbia	7.14% owned by UVic	Proportionate consolidation	Sponsored Research
WCUMSS	Operates a marine research facility at Bamfield on the west coast of Vancouver Island	20% owned by UVic	Proportionate consolidation	Sponsored Research
Heritage Realty Properties Ltd.	Manages the property rental and downtown hotel and brew-pub operation donated by the late Michael C. Williams	Profit-oriented subsidiaries	Modified Equity	Ancillary
VITP	Provides leased space to technology companies on Vancouver Island	Profit-oriented subsidiaries	Modified Equity	Ancillary
GSB Executive Education Inc.	Provides executive education and other non-credit education	Profit-oriented subsidiaries	Modified Equity	Specific Purpose



**University
of Victoria**

Consolidated Fund Accounting Financial Statements and Schedules

for the

UNIVERSITY OF VICTORIA

Years ended March 31, 2019 and 2018

UNIVERSITY OF VICTORIA**BALANCE SHEET**

As at March 31, 2019 (in thousands of dollars)

(Prepared without audit)

	2019	2018
ASSETS		
Cash and temporary investments	136,433	117,425
Accounts receivable	56,250	58,996
Prepaid expenses	16,271	17,726
Inventories	3,824	3,392
Long-term investments	99,935	100,613
Endowment investments	466,552	453,148
(2019 cost \$419,269; 2018 cost \$410,709)		
PLANT ASSETS		
Land and site improvements	67,094	64,656
Buildings	863,061	825,294
Equipment and furnishings	201,732	198,378
Library holdings	139,107	136,342
	<u>2,050,259</u>	<u>1,975,970</u>
LIABILITIES		
Accounts payable and accrued liabilities	31,462	29,088
Deferred revenue	14,738	13,969
Long-term debt	47,833	49,824
Employee future benefits	11,229	26,349
FUND BALANCES		
Expendable funds		
Appropriated (Statement 2)		
General Operating	102,883	104,345
Ancillary Enterprises	16,276	12,705
Capital Fund	(12,348)	(23,637)
Unappropriated (Statement 3)		
General Operating	-	-
Ancillary Enterprises	12,373	10,912
Specific Purposes	132,021	117,078
Sponsored Research	65,459	66,578
Capital	16,432	21,827
Non-expendable funds		
Student Loan	22	22
Endowment Principal	369,368	353,400
EQUITY IN PLANT ASSETS	<u>1,242,511</u>	<u>1,193,510</u>
	<u>2,050,259</u>	<u>1,975,970</u>

UNIVERSITY OF VICTORIA
SCHEDULE OF CHANGES IN APPROPRIATED EXPENDABLE FUNDS
Year ended March 31, 2019 (in thousands of dollars)

FUND ACCOUNTING -STATEMENT 2
(Prepared without audit)

	Balance at beginning of year	Released to meet expenditures	Additions and/ or transfers during year	Balance at end of year
GENERAL OPERATING FUND				
Equipment				
Printing and duplicating	1,226		169	1,395
Network services	1,742		801	2,543
Other departments	14,526	3,111	3,235	14,650
Capital and renovation projects	1,624	609	278	1,293
Academic and administrative program development and operation support	13,623	2,705	3,033	13,951
Research support	16,363	3,249	4,098	17,212
Student assistance and financial aid	8,029	834	1,861	9,056
Employee obligations, training and support	12,424	423	756	12,757
Information technology and technical support	5,144	2,304	621	3,461
Other commitments	10,350	1,149	(2,407)	6,794
Contingency	5,790	993	1,102	5,899
Externally funded Island Medical Program	3,501	127	779	4,153
Insurance and utilities	6,811	814	524	6,521
Library prepaid expenses	3,192	3,192	3,198	3,198
	<u>104,345</u>	<u>19,510</u>	<u>18,048</u>	<u>102,883</u>
ANCILLARY ENTERPRISES FUND				
Equipment replacement and capital improvements				
Bookstore	2,129	39	430	2,520
Student residences	4,600		1,620	6,220
Parking services	5,446		1,500	6,946
Heritage Realty Properties	530			530
Childcare	-		60	60
	<u>12,705</u>	<u>39</u>	<u>3,610</u>	<u>16,276</u>
CAPITAL FUND				
Plant Assets funded to/from Appropriations				
Capital reserve	28,103		3,285	31,388
Residences	(1,497)		561	(936)
Centre for Athletic Recreation aand Special Abilities	(27,811)		7,387	(20,424)
Others	(22,432)	5,210	5,266	(22,376)
	<u>(23,637)</u>	<u>5,210</u>	<u>16,499</u>	<u>(12,348)</u>
TOTAL APPROPRIATED EXPENDABLE FUNDS	<u>93,413</u>	<u>24,759</u>	<u>38,157</u>	<u>106,811</u>
2018 COMPARATIVE	<u>90,379</u>	<u>28,143</u>	<u>31,177</u>	<u>93,413</u>

UNIVERSITY OF VICTORIA
SCHEDULE OF CHANGES IN UNAPPROPRIATED EXPENDABLE FUNDS

Year ended March 31, 2019 (in thousands of dollars)

FUND ACCOUNTING -STATEMENT 3

(Prepared without audit)

	General Operating	Ancillary Operations	Specific Purpose	Sponsored Research	Capital	Total 2019	Total 2018
REVENUE AND OTHER ADDITIONS							
Government grants and contracts-provincial	188,443	1,825	3,863	9,130	25,864	229,125	221,910
-federal	6,964		66	69,784	350	77,164	82,754
-other	7,912		55	11,094		19,061	18,764
Student fees-credit courses	144,594		609			145,203	138,170
- non credit courses	12,723		23			12,746	11,967
- other	8,508		514			9,022	7,886
Gifts, grants and bequests	2,024	56	6,855	12,640	124	21,699	23,009
Sales of services and products	10,070	51,271	1,949	4,028	451	67,769	68,638
Investment income	5,374	1,330	37,222	2	389	44,317	36,191
Equity in earnings of long term investments		1,321	(150)			1,171	1,751
Other revenue	4,952	171	1,230	505	842	7,700	19,383
Capital borrowing	-	-	-	-		-	3,984
	391,564	55,974	52,236	107,183	28,020	634,977	634,407
EXPENDITURE AND OTHER DEDUCTIONS							
Salaries - academic	113,492		2,307	5,011		120,810	115,790
- other instruction and research	17,512		2,869	25,276	3	45,660	43,176
- support staff	119,055	17,867	904	10,864	2	148,692	141,582
Total salaries	250,059	17,867	6,080	41,151	5	315,162	300,548
Employee benefits	45,885	4,088	740	5,393	1	56,107	54,116
Travel	7,029	57	1,691	6,245	6	15,028	13,372
Library acquisitions	8,887		930			9,817	9,878
Supplies and expenses	34,949	6,265	7,793	26,372	8,788	84,167	79,678
Equipment additions and replacements	6,749	466	262	14,269	1,167	22,913	22,774
Equipment rental and maintenance	4,856	184	50	3,479	13	8,582	8,570
Utilities	6,753	2,074	6	206		9,039	8,412
Scholarships, fellowships and bursaries	16,376	16	7,581	12,119		36,092	36,358
Cost of goods sold		12,107				12,107	12,430
Debt service	1,726	1,231			1,857	4,814	9,632
Construction and renovation contracts	324	1,317	5	58	28,690	30,394	40,092
Internal cost allocations	(3,959)	3,966	4,815	(1,263)	(3,559)	-	-
	379,634	49,638	29,953	108,029	36,968	604,222	595,860
TRANSFERS AND APPROPRIATIONS							
Inter-fund transfers	(13,392)	(1,304)	(7,340)	(273)	14,842	(7,467)	(5,807)
Appropriations released to meet expenditures	19,510	39			5,210	24,759	28,143
New appropriations	(18,048)	(3,610)			(16,499)	(38,157)	(31,177)
	(11,930)	(4,875)	(7,340)	(273)	3,553	(20,865)	(8,841)
NET INCREASE DURING YEAR	-	1,461	14,943	(1,119)	(5,395)	9,890	29,706
FUND BALANCES AT BEGINNING OF YEAR	-	10,912	117,078	66,578	21,827	216,395	186,689
FUND BALANCES AT END OF YEAR	-	12,373	132,021	65,459	16,432	226,285	216,395

(Prepared without audit)

UNIVERSITY OF VICTORIA
CHANGES IN GENERAL OPERATING FUND
Year ended March 31, 2019 (in thousands of dollars)

	2019	2018
REVENUE		
Government grants and contracts -provincial	188,443	181,903
-federal	6,964	6,767
-other	7,912	8,007
Student fees-credit courses	144,594	137,642
-non credit courses	12,723	11,946
-other	8,508	7,827
Gifts, grants and bequests	2,024	2,023
Sales of services & products	10,070	10,208
Investment income	5,374	2,437
Other revenue	4,952	5,219
	<u>391,564</u>	<u>373,979</u>
EXPENDITURE		
Salaries - academic	113,492	109,142
- other instruction and research	17,512	16,671
- support staff	119,055	113,480
Total salaries	<u>250,059</u>	<u>239,293</u>
Employee benefits	45,885	43,957
Travel	7,029	6,489
Library acquisitions	8,887	8,772
Supplies and expenses	34,949	32,369
Equipment additions and replacements	6,749	9,932
Equipment rental and maintenance	4,856	4,525
Utilities	6,753	5,990
Scholarships, fellowships and bursaries	16,376	16,353
Debt service	1,726	2,208
Construction and renovation contracts	324	82
Internal cost allocations	(3,959)	(5,176)
	<u>379,634</u>	<u>364,794</u>
TRANSFERS AND APPROPRIATIONS		
Inter-fund transfers	(13,392)	(8,963)
Appropriations released to meet expenditures	19,510	22,635
New appropriations	(18,048)	(22,857)
	<u>(11,930)</u>	<u>(9,185)</u>
NET INCREASE DURING YEAR	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-
FUND BALANCE AT END OF YEAR	-	-

(Prepared without audit)

UNIVERSITY OF VICTORIA

CHANGES IN ANCILLARY ENTERPRISES FUND

Year ended March 31, 2019 (in thousands of dollars)

Off-Campus Business

Enterprises

	(1) Bookstore & Shop	Food Services	Residence Services	Parking Services	Child Care	UVic Broad Street Properties	UVic Properties	Heritage Realty Properties	Van. Island Technology Park Trust	Byron Price & Associates	Total 2019	Total 2018
REVENUE												
Sales of services and products	9,832	16,286	17,063	5,485	753	649	1,203				51,271	50,292
Government grants - provincial	167	580	50		1,028						1,825	1,452
Gifts, grants and bequests	1	43	6		6						56	44
Investment income	48		104	122	1	912			143		1,330	1,036
Equity in earnings of long term investments								(271)	1,592		1,321	1,727
Other revenue	33	70	12	3	3	50					171	183
	10,081	16,979	17,235	5,610	1,791	1,611	1,203	(271)	1,735	-	55,974	54,734
EXPENDITURE												
Salaries-support staff	1,761	7,314	4,916	1,437	1,303		1,136				17,867	17,353
Employee benefits	352	1,987	922	341	268		218				4,088	4,015
Travel	13	20	18	6							57	67
Supplies and expenses	295	1,310	3,000	1,233	89	296	35			7	6,265	4,603
Equipment additions and replacements	39	42	122	240	23						466	849
Equipment rental and maintenance	14	53	62	50	5						184	171
Utilities	70	491	1,431	14	25	43					2,074	2,251
Scholarships, fellowships and bursaries			16								16	17
Cost of goods sold	6,419	5,688									12,107	12,430
Debt service			1,231								1,231	1,232
Renovation contracts		(7)	1,318	6							1,317	3,486
Property purchases											-	-
Internal cost allocations	725	(127)	2,574	789	5						3,966	3,580
	9,688	16,771	15,610	4,116	1,718	339	1,389	-	-	7	49,638	50,054
TRANSFERS AND APPROPRIATIONS												
Inter-fund transfers						(867)	163		(600)		(1,304)	(1,335)
Appropriations released to meet expenditures	39										39	270
New appropriations	(430)		(1,620)	(1,500)	(60)						(3,610)	(1,925)
	(391)	-	(1,620)	(1,500)	(60)	(867)	163	-	(600)	-	(4,875)	(2,990)
NET INCREASE (DECREASE) DURING YEAR	2	208	5	(6)	13	405	(23)	(271)	1,135	(7)	1,461	1,690
FUND BALANCE AT BEGINNING OF YEAR	202	(395)	302	52	(12)	2,504	(20)	1,370	7,408	(499)	10,912	9,222
FUND BALANCE AT END OF YEAR	204	(187)	307	46	1	2,909	(43)	1,099	8,543	(506)	12,373	10,912

(1) Revenues are for external sales to faculty, staff and students and do not include \$38,000 (2018 - \$51,000) of internal sales through the Computer Store to University departments. Of the internal cost recovery net of expenses, \$13,000 (2018 - \$17,000) represents the margin on those sales.

(Prepared without audit)

UNIVERSITY OF VICTORIA
CHANGES IN SPECIFIC PURPOSES FUND
Year ended March 31, 2019 (in thousands of dollars)

	2019	2018
REVENUE		
Government grants and contracts - provincial	3,863	2,224
- federal	66	90
- other	55	1
Student fees - credit courses	609	523
- non-credit courses	23	21
- other	514	59
Gifts, grants and bequests	6,855	6,726
Sales of services and products	1,949	3,127
Investment income	37,222	31,607
Equity in earnings of long term investments	(150)	24
Other revenue	1,230	1,552
	<u>52,236</u>	<u>45,954</u>
EXPENDITURE		
Salaries - academic	2,307	2,150
- other instruction and research	2,869	2,485
- support staff	904	895
Total salaries	<u>6,080</u>	<u>5,530</u>
Employee benefits	740	980
Travel	1,691	1,236
Library acquisitions	930	1,106
Supplies and expenses	7,793	8,396
Equipment additions and replacement	262	300
Equipment rental and maintenance	50	32
Utilities	6	6
Scholarships, fellowships and bursaries	7,581	7,487
Construction and renovation contracts	5	-
Internal cost allocations	4,815	584
	<u>29,953</u>	<u>25,657</u>
INTER-FUND TRANSFERS	<u>(7,340)</u>	<u>(10,456)</u>
NET INCREASE DURING YEAR	14,943	9,841
FUND BALANCE AT BEGINNING OF YEAR	117,078	107,237
FUND BALANCE AT END OF YEAR	<u>132,021</u>	<u>117,078</u>

(Prepared without audit)

UNIVERSITY OF VICTORIA
CHANGES IN SPONSORED RESEARCH FUND
Year ended March 31, 2019 (in thousands of dollars)

	2019	2018
REVENUE		
Government grants and contracts - provincial	9,130	9,880
- federal	69,784	72,548
- other	11,094	10,756
Student fees - non credit courses		5
Gifts, grants and bequests	12,640	14,085
Sales of services and products	4,028	4,380
Investment income	2	6
Other revenue	505	213
	<u>107,183</u>	<u>111,873</u>
EXPENDITURE		
Salaries - academic	5,011	4,498
- other instruction and research	25,276	24,020
- support staff	10,864	9,854
Total salaries	<u>41,151</u>	<u>38,372</u>
Employee benefits	5,393	5,164
Travel	6,245	5,571
Supplies and expenses	26,372	27,318
Equipment additions and replacements	14,269	9,700
Equipment rental and maintenance	3,479	3,842
Utilities	206	137
Scholarships, fellowships and bursaries	12,119	12,501
Construction and renovation contracts	58	336
Internal cost allocations	(1,263)	3,930
	<u>108,029</u>	<u>106,871</u>
INTER-FUND TRANSFERS	(273)	5,070
NET INCREASE DURING YEAR	(1,119)	10,072
FUND BALANCE AT BEGINNING OF YEAR	66,578	56,506
FUND BALANCE AT END OF YEAR	<u>65,459</u>	<u>66,578</u>

(Prepared without audit)

UNIVERSITY OF VICTORIA
CHANGES IN CAPITAL FUND

Year ended March 31, 2019 (in thousands of dollars)

	2019	2018
REVENUE		
Government grants and contracts - provincial	25,864	26,451
- federal	350	3,349
Gifts, grants and bequests	124	131
Sales of services and products	451	631
Investment income	389	1,105
Other revenue	842	12,216
Capital borrowing		3,984
	<u>28,020</u>	<u>47,867</u>
EXPENDITURE		
Salaries - other instruction and research	3	
- support staff	2	
Employee benefits	1	
Travel	6	9
Supplies and expenses	8,788	6,992
Equipment additions and replacements	1,167	1,993
Utilities	13	28
Debt service	1,857	6,192
Construction and renovation contracts	28,690	36,188
Internal cost allocations	<u>(3,559)</u>	<u>(2,918)</u>
	<u>36,968</u>	<u>48,484</u>
TRANSFERS AND APPROPRIATIONS		
Inter-fund transfers	14,842	9,877
Appropriations released to meet expenditures	5,210	5,238
New appropriations	<u>(16,499)</u>	<u>(6,395)</u>
NET INCREASE DURING YEAR	(5,395)	8,103
FUND BALANCE AT BEGINNING OF YEAR	21,827	13,724
FUND BALANCE AT END OF YEAR	16,432	21,827

UNIVERSITY OF VICTORIA
SCHEDULE OF CHANGES IN GENERAL OPERATING
UNAPPROPRIATED EXPENDABLE FUNDS - BY FUNCTION
Year Ended March 31, 2019 (in thousands of dollars)

Schedule F
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
General Revenue					
Provincial Grants and Contracts	186,842	186,842	(0)	0%	180,334
Federal Grants and Contracts	6,881	6,881	(0)	0%	6,693
Other Grants and Contracts	7,877	7,877	0	0%	7,978
Student Fees Credit Courses & Other	142,360	144,125	1,765	1%	137,121
Investment Income	1,702	5,374	3,672	216%	2,437
Sales of Services and Products	90	92	2	0%	89
Other Revenue	1,274	1,257	(16)	-1%	1,450
Total General Revenue	347,025	352,447	5,422	1.6%	336,102
Departmental Revenue	32,834	39,117	6,284	19%	37,877
Total Revenue	379,858	391,564	11,706	3%	373,979
Expenditures					
Academic	170,093	169,169	923	1%	164,467
Other Academic	43,329	42,220	1,110	3%	41,075
Library	18,666	19,001	(335)	-2%	18,690
Student Awards & Services	35,936	33,255	2,681	7%	31,887
Plant Maintenance	29,935	29,735	200	1%	27,292
Administrative and General	41,679	41,496	183	0%	38,290
Benefits	46,550	45,312	1,238	3%	44,062
Overhead Recoveries	(650)	(555)	(95)	-15%	(969)
Centrally Allocated Budgets	(17,111)	-	(17,111)	100%	-
Total Expenditures	368,428	379,634	(11,206)	-3%	364,794
Transfers and Appropriations					
Interfund transfers	(14,148)	(13,392)	756		(8,963)
Appropriations released to meet expenditures	19,510	19,510	-		22,635
New appropriations	(16,793)	(18,048)	(1,255)		(22,857)
Total Transfers and Appropriations	(11,431)	(11,930)	(500)		(9,185)
Fund Balance at End of Year	-	-	-		-

UNIVERSITY OF VICTORIA
SCHEDULE OF DEPARTMENTAL REVENUE - BY FUNCTION
Year Ended March 31, 2019 (in thousands of dollars)

Schedule G
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	2017-2018 Actual
Academic				
Business	668	1,030	362	1,130
Education	291	479	188	395
Engineering	1	778	777	590
Fine Arts	139	348	210	333
Human & Social Development	4	99	95	87
Humanities	75	349	274	350
Law	303	339	36	332
Sciences	(71)	471	542	1,283
Social Sciences	16	136	121	137
Medical Sciences	23	414	391	290
Cooperative Education	-	3	3	9
Graduate Studies	9	25	16	62
Total Academic	1,457	4,471	3,015	4,998
Other Academic				
Continuing Studies	16,272	16,579	307	15,813
Other Academic Projects	537	678	141	767
Total Other Academic	16,809	17,257	448	16,580
Library	114	459	345	353
Student Awards & Services	9,046	9,724	678	9,542
Plant Maintenance	2,069	2,587	519	2,385
Administrative and General	3,339	4,619	1,280	4,019
Total Departmental Revenue	32,834	39,117	6,284	37,877

UNIVERSITY OF VICTORIA
GENERAL OPERATING FUND EXPENDITURES
ACADEMIC AND OTHER ACADEMIC
Year Ended March 31, 2019 (in thousands of dollars)

Schedule H
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Academic					
Business	13,204	13,744	(541)	-4%	13,096
Education	13,354	13,238	116	1%	12,442
Engineering	19,292	19,555	(263)	-1%	18,235
Fine Arts	11,222	11,339	(116)	-1%	11,113
Human & Social Development	19,257	18,759	498	3%	18,587
Humanities	22,887	22,807	80	0%	21,741
Law	6,086	5,974	112	2%	5,264
Science	26,444	26,193	251	1%	26,015
Social Sciences	24,461	24,042	419	2%	23,526
Medical Sciences	7,838	7,475	362	5%	8,367
Cooperative Education	5,111	5,094	18	0%	5,129
Graduate Studies	937	951	(13)	-1%	952
Total Academic	<u>170,093</u>	<u>169,169</u>	<u>923</u>	<u>1%</u>	<u>164,467</u>
Other Academic					
Continuing Studies	17,121	17,428	(307)	10%	16,416
Other Academic Projects	26,208	24,791	1,416	6%	24,659
Total Other Academic	<u>43,329</u>	<u>42,220</u>	<u>1,110</u>	<u>3%</u>	<u>41,075</u>

UNIVERSITY OF VICTORIA
GENERAL OPERATING FUND EXPENDITURES
BY FUNCTIONAL AREA
Year Ended March 31, 2019 (in thousands of dollars)

Schedule I
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Library					
Library Acquisitions	8,662	8,794	(132)	-2%	9,162
Library Operations	10,004	10,208	(204)	-2%	9,528
Total Library	<u>18,666</u>	<u>19,002</u>	<u>(336)</u>	<u>-2%</u>	<u>18,690</u>
Student Awards & Services					
Student Awards	19,401	16,579	2,822	15%	16,642
Student Services	16,535	16,676	(141)	-1%	15,245
Total Student Awards & Services	<u>35,936</u>	<u>33,255</u>	<u>2,681</u>	<u>7%</u>	<u>31,887</u>
Plant Maintenance					
Utilities	6,008	5,883	125	2%	5,324
Other	23,926	23,852	74	0%	21,968
Total Plant Maintenance	<u>29,935</u>	<u>29,735</u>	<u>200</u>	<u>1%</u>	<u>27,292</u>
Administrative and General					
Executive Offices	6,206	6,201	5	0%	5,887
Alumni and Development	3,340	3,383	(43)	-1%	3,025
Administrative Registrar	5,644	5,624	21	0%	5,376
Student Recruitment	3,514	3,301	213	6%	3,143
Budget and Capital Planning	2,284	2,118	166	7%	1,902
Financial Services	4,722	4,676	46	1%	3,796
Human Resources	4,141	4,065	75	2%	3,934
Chief Information Officer	3,547	3,715	(168)	-5%	3,575
Internal Financing	(1,562)	(1,382)	(180)	12%	(1,503)
Other Expenses	9,844	9,795	49	0%	9,155
Total Administrative and General	<u>41,679</u>	<u>41,496</u>	<u>183</u>	<u>0%</u>	<u>38,290</u>

UNIVERSITY OF VICTORIA
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION
Year Ended March 31, 2019 (in thousands of dollars)

Schedule J
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	2017-2018 Actual
Academic				
Business				
Departmental revenue	668	1,030	362	1,130
Expenses	13,204	13,744	(541)	13,096
Total	<u>(12,536)</u>	<u>(12,715)</u>	<u>(179)</u>	<u>(11,966)</u>
Education				
Departmental revenue	291	479	188	395
Expenses	13,354	13,238	116	12,442
Total	<u>(13,063)</u>	<u>(12,759)</u>	<u>305</u>	<u>(12,046)</u>
Engineering				
Departmental revenue	1	778	777	590
Expenses	19,292	19,555	(263)	18,235
Total	<u>(19,291)</u>	<u>(18,777)</u>	<u>514</u>	<u>(17,645)</u>
Fine Arts				
Departmental revenue	139	348	210	333
Expenses	11,222	11,339	(116)	11,113
Total	<u>(11,084)</u>	<u>(10,990)</u>	<u>93</u>	<u>(10,780)</u>
Human & Social Development				
Departmental revenue	4	99	95	87
Expenses	19,257	18,759	498	18,587
Total	<u>(19,253)</u>	<u>(18,660)</u>	<u>593</u>	<u>(18,501)</u>
Humanities				
Departmental revenue	75	349	274	350
Expenses	22,887	22,807	80	21,741
Total	<u>(22,812)</u>	<u>(22,458)</u>	<u>354</u>	<u>(21,391)</u>

UNIVERSITY OF VICTORIA
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION
Year Ended March 31, 2019 (in thousands of dollars)

Schedule J
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	2017-2018 Actual
Academic				
Law				
Departmental revenue	303	339	36	332
Expenses	6,086	5,974	112	5,264
Total	<u>(5,784)</u>	<u>(5,635)</u>	<u>148</u>	<u>(4,932)</u>
Sciences				
Departmental revenue	(71)	471	542	1,283
Expenses	26,444	26,193	251	26,015
Total	<u>(26,515)</u>	<u>(25,722)</u>	<u>793</u>	<u>(24,732)</u>
Social Sciences				
Departmental revenue	16	136	121	137
Expenses	24,461	24,042	419	23,526
Total	<u>(24,445)</u>	<u>(23,905)</u>	<u>540</u>	<u>(23,389)</u>
Medical Sciences				
Departmental revenue	23	414	391	290
Expenses	7,838	7,475	362	8,367
Total	<u>(7,815)</u>	<u>(7,061)</u>	<u>753</u>	<u>(8,077)</u>
Cooperative Education				
Departmental revenue	-	3	3	9
Expenses	5,111	5,094	18	5,129
Total	<u>(5,111)</u>	<u>(5,090)</u>	<u>21</u>	<u>(5,121)</u>
Graduate Studies				
Departmental revenue	9	25	16	62
Expenses	937	951	(13)	952
Total	<u>(928)</u>	<u>(925)</u>	<u>3</u>	<u>(890)</u>

UNIVERSITY OF VICTORIA
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION
Year Ended March 31, 2019 (in thousands of dollars)

Schedule J
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	2017-2018 Actual
Other Academic				
Continuing Studies				
Departmental revenue	16,272	16,579	307	15,813
Expenses	17,121	17,428	(307)	16,416
Total	<u>(849)</u>	<u>(849)</u>	<u>0</u>	<u>(603)</u>
Other Academic Projects				
Departmental revenue	537	678	141	767
Expenses	26,208	24,791	1,416	24,659
Total	<u>(25,671)</u>	<u>(24,113)</u>	<u>1,557</u>	<u>(23,892)</u>
Library				
Departmental revenue	114	459	345	353
Expenses	18,666	19,002	(336)	18,690
Total	<u>(18,552)</u>	<u>(18,543)</u>	<u>9</u>	<u>(18,337)</u>
Student Services				
Departmental revenue	9,046	9,724	678	9,542
Expenses	35,936	33,255	2,681	31,887
Total	<u>(26,890)</u>	<u>(23,532)</u>	<u>3,359</u>	<u>(22,344)</u>
Plant Maintenance				
Departmental revenue	2,069	2,587	519	2,385
Expenses	29,935	29,735	200	27,292
Total	<u>(27,866)</u>	<u>(27,147)</u>	<u>718</u>	<u>(24,907)</u>
Administrative and General				
Departmental revenue	3,339	4,619	1,280	4,019
Expenses	41,679	41,496	183	38,290
Total	<u>(38,341)</u>	<u>(36,878)</u>	<u>1,463</u>	<u>(34,272)</u>

UNIVERSITY OF VICTORIA
CHANGES IN ANCILLARY ENTERPRISES FUND - BOOKSTORE
UNAPPROPRIATED EXPENDABLE FUNDS
Year Ended March 31, 2019 (in thousands of dollars)

Schedule K
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Revenue					
¹ Sales of services and products		9,832			10,212
² Sales of services and products - internal		457			510
Subtotal sales of services and products	10,172	10,289			10,722
Government grants - provincial		167			166
Investment income		48			18
Other revenue		34			33
Total Revenue	10,172	10,538	367	4%	10,939
Expenditures					
Salaries and benefits	2,107	2,113	(6)		2,241
Cost of goods sold	7,863	6,419	1,444		6,787
³ Operating expenses	168	1,613	(1,445)		1,602
Total Expenditures	10,138	10,145	(7)	0%	10,630
Transfers and Appropriations					
Interfund transfers			-		
Appropriations released to meet expenditures		39	39		
New appropriations	(33)	(430)	(397)		(315)
Total Transfers and Appropriations	(33)	(391)	(358)		(315)
NET INCREASE (DECREASE) DURING YEAR	-	2	2		(6)
FUND BALANCE AT BEGINNING OF YEAR		202	202		208
Fund Balance at End of Year	-	204	204		202

¹ Revenues are for external sales to faculty, staff and students and do not include \$457K (2018-\$510K) of internal sales to departments.

² Sales of services and products - internal - in Schedule B, internal revenue is part of internal cost allocation in the expenditure section. Internal sales in above note have been reclassified to this line.

³ Operating expenses - expenses are greater than in Schedule B, as in Schedule B, internal revenue is offset by internal

UNIVERSITY OF VICTORIA
CHANGES IN ANCILLARY ENTERPRISES FUND - FOOD SERVICES
UNAPPROPRIATED EXPENDABLE FUNDS
Year Ended March 31, 2019 (in thousands of dollars)

Schedule L
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Revenue					
Sales of services and products - external		16,286			15,836
¹ Sales of services and products - internal		1,240			1,332
Subtotal sales of services and products		17,525			17,168
Government grants - provincial		580			580
Investment income		-			
Other revenue		113			74
Total Revenue	18,646	18,218	(428)	-2%	17,821
Expenditures					
Salaries and benefits	9,177	9,301	(124)		9,009
Cost of goods sold	5,872	5,688	184		5,643
² Operating expenses	3,282	3,022	260		2,919
Total Expenditures	18,331	18,011	320	2%	17,571
Transfers and Appropriations					
Interfund transfers		-			
Appropriations released to meet expenditures		-			
New appropriations	(315)	-	315		
Total Transfers and Appropriations	(315)	-	315		-
NET INCREASE (DECREASE) DURING YEAR	-	208	208		251
FUND BALANCE AT BEGINNING OF YEAR		(395)	(395)		(646)
Fund Balance at End of Year	<u>-</u>	<u>(187)</u>	<u>(187)</u>		<u>(395)</u>

¹ Sales of services and products - internal - in Schedule B, internal revenue is part of internal cost allocation in the expenditure section.

² Operating expenses - expenses are greater than in Schedule B, as in Schedule B, internal revenue is offset by internal expenses.

UNIVERSITY OF VICTORIA
CHANGES IN ANCILLARY ENTERPRISES FUND - RESIDENCE SERVICES
UNAPPROPRIATED EXPENDABLE FUNDS
Year Ended March 31, 2019 (in thousands of dollars)

Schedule M
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Revenue					
Sales of services and products		17,063			16,347
¹ Sales of services and products - internal		12			19
Subtotal sales of services and products		17,075			16,366
Government grants - provincial		50			51
Investment income		104			49
Other revenue		18			12
Total Revenue	16,963	17,247	284	2%	16,478
Expenditures					
Salaries and benefits	5,541	5,838	(297)		5,736
Capital projects	3,500	2,950	550		4,533
² Operating expenses	7,689	6,834	855		6,474
Total Expenditures	16,730	15,622	1,108	7%	16,743
Transfers and Appropriations					
Interfund transfers		-	-		
Appropriations released to meet expenditures		-	-		270
New appropriations	(233)	(1,620)	(1,387)		
Total Transfers and Appropriations	(233)	(1,620)	(1,387)		270
NET INCREASE (DECREASE) DURING YEAR	-	5	5		5
FUND BALANCE AT BEGINNING OF YEAR		302	302		297
Fund Balance at End of Year	-	307	307		302

¹ Sales of services and products - internal - in Schedule B, internal revenue is part of internal cost allocation in the expenditure section.

² Operating expenses - expenses are greater than in Schedule B, as in Schedule B, internal revenue is offset by internal expenses.

UNIVERSITY OF VICTORIA
CHANGES IN ANCILLARY ENTERPRISES FUND - PARKING SERVICES
UNAPPROPRIATED EXPENDABLE FUNDS
Year Ended March 31, 2019 (in thousands of dollars)

Schedule N
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual
Revenue					
Sales of services and products		5,485			5,160
¹ Sales of services and products - internal		77			59
Subtotal sales of services and products		5,562			5,219
Investment income		123			38
Other revenue		3			4
Total Revenue	5,294	5,688	394	7%	5,261
Expenditures					
Salaries and benefits	1,799	1,778	21		1,651
² Operating expenses	1,950	2,416	(466)		2,074
Total Expenditures	3,749	4,194	(445)	-12%	3,725
Transfers and Appropriations					
Interfund transfers		-	-		-
Appropriations released to meet expenditures		-	-		
New appropriations	(1,545)	(1,500)	45		(1,610)
Total Transfers and Appropriations	(1,545)	(1,500)	45		(1,610)
NET INCREASE (DECREASE) DURING YEAR	-	(6)	(6)		(74)
FUND BALANCE AT BEGINNING OF YEAR		52	52		126
Fund Balance at End of Year	-	46	46		52

¹ Sales of services and products - internal - in Schedule B, internal revenue is part of internal cost allocation in the expenditure section.

² Operating expenses - expenses are greater than in Schedule B, as in Schedule B, internal revenue is offset by internal expenses.

UNIVERSITY OF VICTORIA
CHANGES IN ANCILLARY ENTERPRISES FUND - CHILD CARE SERVICES
UNAPPROPRIATED EXPENDABLE FUNDS
Year Ended March 31, 2019 (in thousands of dollars)

Schedule O
Budget vs. Actual

	2018-2019 Total Budget	2018-2019 Actual	Variation from Budget	%	2017-2018 Actual	
Revenue						
Sales of services and products		752	752		997	
Government grants - provincial		1,028	1,028		655	
Investment income		1	1			
Other revenue		9	9		16	
Total Revenue	<u>1,783</u>	<u>1,791</u>	<u>-</u>	<u>0%</u>	<u>1,668</u>	107.36%
Expenditures						
Salaries and benefits	1,533	1,571	(38)		1,537	
Operating expenses	<u>238</u>	<u>147</u>	<u>91</u>		<u>126</u>	
Total Expenditures	<u>1,771</u>	<u>1,718</u>	<u>53</u>	<u>3%</u>	<u>1,663</u>	103.31%
Transfers and Appropriations						
Interfund transfers		-	-			12
Appropriations released to meet expenditures		-	-			
New appropriations	<u>(12)</u>	<u>(60)</u>	<u>(48)</u>			
Total Transfers and Appropriations	<u>(12)</u>	<u>(60)</u>	<u>(48)</u>		<u>-</u>	
NET INCREASE (DECREASE) DURING YEAR	-	13	13		5	
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>(12)</u>	<u>(12)</u>		<u>(17)</u>	
Fund Balance at End of Year	<u><u>-</u></u>	<u><u>1</u></u>	<u><u>1</u></u>		<u><u>(12)</u></u>	



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

June 10, 2019

To: OPERATIONS AND FACILITIES COMMITTEE

From: VICE-PRESIDENT FINANCE AND OPERATIONS

cc: President and Vice-Chancellor

Meeting Date: June 24, 2019

Subject: 2019/20 FIVE YEAR CAPITAL PLAN

A handwritten signature in black ink, appearing to read "G. Smith".

Strategic Relevance:

1.5 Increase the vibrancy of campus life by enhancing the natural and built environment to create more opportunities for interaction and collaboration; and develop infrastructure and programmatic initiatives, including additional student housing and increased opportunities for recreation, cultural activities and social interaction.

Recommendations:

THAT the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve the 2019/20 Five Year Capital Plan and submit capital priorities to the Ministry on the basis of the Capital Plan.

Background:

UVic has a rolling five-year capital plan that is generally updated annually to ensure it reflects institutional priorities and to update for progress made against the plan. The capital plan is prepared for planning purposes to support management and the Board of Governors. The capital plan is developed and updated to reflect priorities identified and discussed as part of the Integrated Planning process.

A five-year capital plan is required by the provincial government. The capital plan format is outlined by the provincial government and is submitted to the Ministry of Advanced Education, Skills and Training. It is used by the Ministry to better understand university priorities and funding requirements.

Attachment:

2019/20 Five Year Capital Plan

2019/20

FIVE-YEAR CAPITAL PLAN



District Energy Plant

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A. EXECUTIVE SUMMARY and PRIORITIES

The University of Victoria's success is built on the provision of high-quality education and outstanding student experience, excellence in research and the conscious integration of research and teaching, within a diverse and welcoming environment. The university's five-year capital plan reflects the academic priorities of the university as articulated in its Strategic Framework, its Planning and Budget Framework, the Indigenous Plan, the Campus Plan and our Institutional Accountability Plan and Report to the Ministry of Advanced Education, Skills and Training. One of the six key areas of our Strategic Framework is to cultivate an extraordinary academic environment that allows for the creation, dissemination and mobilization of knowledge. Our capital plan is a key planning document that outlines the university's infrastructure needs, which are a vital component required to achieve this key goal.

Our top priorities include providing an exceptional student experience, both curricular and co-curricular, meeting existing and anticipated program demand, advancing research excellence, and fostering respect and reconciliation. The university's five-year capital requirements for 2019/20 to deliver on these priorities include:

1. Addition to the Engineering and Computer Science Building:
Thanks to significant support from this government, UVic will be welcoming an additional 500 FTE undergraduate students to our Computer Science and Engineering programs by 2022/23. Government has also committed to supporting that growth with a capital expansion. UVic's top capital priority, therefore, is a project that includes an addition to our Engineering and Computer Science building and an adjacent high-bay structures lab estimated at \$89.6, which is required to meet our new funded enrolment targets, in programs with some of the highest number of anticipated job openings of any in-demand occupations.
2. National Centre for Indigenous Law - An Addition to the Fraser Building:
The addition will house UVic's new dual degree program in Common Law and Indigenous Legal Orders (JD/JID), that welcomed its first cohort of students in Fall 2018, and will serve as a national centre for critical engagement for research and education in Indigenous Law. This program, funded by this government for 96 FTE JD/JID students, will have transformational effects in communities across Canada, realizing the Truth and Reconciliation Commission's (TRC) hope that Indigenous and non-Indigenous peoples should live together in peace and prosperity. This project is a key step towards UVic's goal of being a global leader in creating better opportunities for Indigenous students, entering respectful educational and research partnerships with Indigenous Communities, and directly responding to the TRC's call to action 50. As well as the addition, the project includes renovations to the Fraser building for office and student gathering spaces. To realize this vision, UVic requires a \$27.1M for the addition to the Fraser Building, including associated renovations costs. UVic has received a commitment of \$9M from the Federal government in support of the project.
3. An addition to the Business and Economics Building:
Student demand for Business programs, including entrepreneurship and innovation, has been very strong. UVic's Peter B. Gustavson School of Business has expanded to meet this demand by creating two additional cohorts and expanding its BCom Minor program. Another UVic

capital priority, to accommodate this growth, is therefore an expansion to the existing Business and Economics building.

4. Addressing Deferred Maintenance and Seismic:

Renewal of the Fraser Building:

The quality of our academic programs is impacted by the condition of the facilities in which they are provided. In order to address pedagogical needs and provide the experience our students require to be ready for the job market, the university has developed a program of building renewal which addresses both deferred maintenance and seismic needs across campus. The next priority project in this ongoing renewal program is the Fraser Building, estimated at \$27.1M. Some components of this renewal could be undertaken in conjunction with the addition noted above. During planning for the National Centre for Indigenous Law, the extent of renewal that would benefit from being undertaken at the same time will be determined.

Seismic Upgrading:

Over the course of the last few years, detailed planning was undertaken to develop seismic upgrade plans for several campus buildings. This work is now complete and seismic upgrades are complete for the Campus Security and Saunders buildings. As well, work has commenced on upgrading the MacLaurin D wing.

Facilities planning is continuous in order to address changes in student program demand and support services, as well as evolving research and teaching requirements to ensure they reflect societal need. To address these changing needs, the university undertakes planning activities that inform future capital requirements, both major capital and annual routine capital. Over the next few years this work will include reviewing space needs for the Faculty of Social Science, the Faculty of Science and the Faculty of Humanities. As well, work will be undertaken to plan for future expansion requirements beyond five years that take into account our strategic framework goal *to promote more collaboration, partnerships and interdisciplinary approaches*. This goal leads to thinking about and planning for more flexible, multipurpose shared space.

B. BACKGROUND

University facilities and infrastructure are a critical component of providing an extraordinary academic environment, for delivering on our commitment to making a vital impact and providing a hands-on experience, integrated with research-inspired teaching. The annual renewal of our five-year capital plan is therefore an important process that ensures that over the longer term, our physical assets will continue to support the realization of our institutional priorities and goals.

The Ministry of Advanced Education, Skills and Training (AEST) provides guidance in the development of capital priorities, both through the articulation of Provincial goals and priorities and through the development of post-secondary space and deferred maintenance standards/benchmarks. Provincial priorities align with university priorities, and include supporting the alignment of academic programs

to in-demand jobs, increasing affordable housing, reducing carbon, enhancing climate resiliency, incorporating wood first building design and the renewal of existing infrastructure. With respect to deferred maintenance, the AEST funded and implemented a province-wide system to assess levels of deferred maintenance. For overall space, AEST standards outline the total campus space that an institution should have, based on programs offered, enrolment levels, number of faculty and staff, library volumes, etc. University inventory is then compared to this standard to assess an overall space gap or shortfall. Capital planning reflects institutional needs, priorities and goals within this space gap context and projects are developed that address these institutional needs and goals, influenced by provincial government objectives and priorities.

The university, based on the AEST space standards, has a gap of 25,297 net assignable square metres (NASM). This is approximately 13% below standard, as outlined in appendix 1. Using this overall institutional assessment as a starting point, planning work is undertaken to confirm the priority projects for addressing the space pressures that result from the gaps in academic office space, maintenance space, student and central service space¹ and laboratories, as noted in appendix 1. These space pressures are a consequence of overall student growth and from realignments and shifts in programs due to student demand.

UVic responds to changing student and societal demands by shifting (creating new) student FTEs to programs aligned with the provincial labour market outlook, including the most in-demand jobs. Thanks to significant support from government, our proactive approach will result in UVic welcoming an additional 500 FTE undergraduate students to our Computer Science and Engineering programs by 2022/23. Government has also committed to supporting this growth with a capital expansion. Much like the demand for Computer Science and Engineering, student demand for Business, including entrepreneurship and innovation, has been very strong. UVic's Peter B. Gustavson School of Business has expanded by creating two additional cohorts.

Programs of requirements have been developed to address the needs of Computer Science and Engineering and Business. Based on this planning, it has been determined that their needs can be addressed through additions to current facilities that support these programs – an addition to the Engineering Computer Science Building and an addition to the Business and Economic Building.

Another priority building addition is to the Fraser Building. This addition will house the university's new dual degree program in Common Law and Indigenous Legal Orders (JD/JID) and serve as a national centre for research and education in Indigenous Law. Indigenous peoples are increasingly exercising jurisdiction over their lands, resources, and affairs. In doing so, they seek to draw upon their own legal traditions and principles of social order. For enduring Indigenous self-government, there is a need to create strong institutions grounded in the communities they serve, run by individuals who have the skills to reason with Canadian law and Indigenous legal traditions. UVic has responded to this need through the creation of this dual degree program.

UVic welcomed its first cohort of students in the fall of 2018. This program, funded by the provincial government for 96 FTE JD/JID students, will have transformational effects in communities across

¹ Student and central services includes: food services, bookstore, AV/TV, data centre, student computer labs, health, student lounge space, student office and support space and general assembly such as galleries auditorium etc.

Canada, realizing the Truth and Reconciliation Commission's hope that Indigenous and non-Indigenous peoples should live together in peace and prosperity. It also responds to both federal and provincial government commitments to recognize the rights and traditions of Indigenous Peoples and forge the nation-to-nation relationship. It is a key step towards UVic's goal of being a global leader in creating better opportunities for Indigenous students, entering respectful educational and research partnerships with Indigenous Communities, and advancing respect, reconciliation and mutual understanding.

In addition to addressing academic priorities, another priority in the new strategic framework is to expand on-campus housing to address student demand and housing pressures in the community. As a destination university, students choose UVic for the quality and breadth of our programs and travel from across the province, Canada and the world to attend. The vast majority of our incoming class of 5,000 students are therefore new to Victoria and require accommodation. The university has an unmet on-campus housing need of ~1,500 beds and will be able to substantially respond to this demand through the construction of 620 incremental beds on campus. This additional capacity provides incremental revenues sufficient to fund the costs associated with the debt required for the expansion. This expansion will help alleviate pressure in the community for lower cost housing as more students live on campus. We are thankful to the Provincial Government for their support through approval in 2018 to borrow \$122.7M that, combined with other will sources, will be sufficient to fund this needed expansion.

As well as housing, there are significant space pressures and delivery challenges with respect to the provision of appropriate Health Services for students. The current building where this program is located is inadequate in both size and functionality, and given its age and location can't cost effectively be renovated to meet current Vancouver Island Health Authority requirements and student demand levels. To address the gaps and to better respond to the overall student physical and mental health needs, planning is currently underway to repurpose space within the Technology Enterprise Facility (TEF) made available through the relocation of Ocean Networks Canada to the newly renovated space at UVic's Queenswood Ocean and Climate Campus. Renovations to TEF will enable the creation of a new Health and Wellness Centre for students, in close proximity to the Centre for Athletics, Recreation and Special Abilities (CARSA), thereby creating a wellness hub.

In 2007, the university started the process to assess campus renewal needs. The initial assessment was completed for the university's six oldest buildings, as well as the university's Athletics, Recreation and School of Exercise Science, Physical and Health Education facilities. Two projects emerged out of these assessments: the Renewal Program funded through the Knowledge Infrastructure Program (KIP), and CARSA, which included a program of renewal for the McKinnon Building. The KIP renewal project was completed in 2011 and the CARSA building and renewal to portions of McKinnon were completed in 2015 and 2016 respectively.

While the KIP renewal program addressed some deferred maintenance and infrastructure issues, overall the university's infrastructure is aging and deferred maintenance issues need to be addressed. As noted above, the Ministry of Advanced Education, Skills and Training funded an assessment of the university's deferred maintenance. This assessment work included looking at all academic buildings on campus to determine each building's physical condition using an industry standard index called the

Facilities Condition Index or FCI. The overall FCI of our buildings at that time was 32%. An FCI number below 10 indicates that the buildings are generally in good condition and an FCI rating between 10 and 30 is considered poor. At that time, the investment that would have been required to address all deferred maintenance and capital renewal over the next five years was estimated at \$361M. The VFA data is reviewed and updated annually, taking into account further aging of the buildings, pricing changes and any projects undertaken to address deferred maintenance. While government has increased annual funding available to address deferred maintenance through the Routine Capital program, the university's FCI continues to increase. The university's current FCI (January 2019) is 45%, with the value of the work required over the next five years (excluding seismic) estimated at \$505M (excluding housing)². Given the magnitude of these infrastructure issues, and the fact that these values will continue to grow over time, deferred maintenance continues to be a capital priority.

With all the above, it is critical that capital planning efforts over the next five years address expansion for academic program requirements to support government funded growth (computer science and engineering and JD/JID), as well as deferred maintenance in order to continue to address building renewal and seismic projects. The capital projects and projects in planning outlined in this document reflect the institutional priorities as articulated in our indigenous plan, our campus plan, our research plan and our planning and budget framework. All of these plans support the university's overall key strategic priorities as articulated in its strategic framework:

- Cultivate an extraordinary environment;
- Advance research excellence and impact;
- Intensify dynamic learning;
- Foster respect and reconciliation;
- Promote sustainable futures; and
- Engage locally and globally.

In addressing the above goals, the university's Sustainability Action Plan: Campus Operations, provides the following guidance that will inform specific project planning:

- Institutional greenhouse gas emissions reduction of 30%³ by 2019;
- Reduce campus electricity consumption intensity by 8%³ by 2019;
- Reduce campus natural gas consumption intensity by 12%³ by 2019;
- Develop systems that provide for the reduction, measurement and reporting of construction and demolition waste; and
- Ensure all new buildings and major renovation projects achieve the standard of LEED Gold or equivalent certification.

Capital priorities are reflected in annual fund raising goals and priorities established by the university as appropriate.

² Student housing deferred maintenance (estimated at \$119M) is being addressed annually through a 10 year prioritized plan to undertake \$82M in projects. These projects are all under \$5.0M and are therefore not included in this plan.

³ Baseline of 2010

C. PLANNING ASSUMPTIONS

As noted above, the university experienced significant student growth during the first decade of this century. This growth was largely a result of substantial investments by the provincial government to increase post-secondary access in British Columbia. Over the most recent few years, the rate of growth has moderated, with domestic student enrolment growing modestly and international enrolment growing more significantly, though over a much smaller enrolment base. Such growth is not expected to continue and overall, the university over the next five years is expected to remain about the same size. Enrolment, however, is not distributed uniformly across the university – programs that have felt and will continue to feel the strongest pressure from rising international numbers and domestic shifts and realignments are Engineering and Computer Science, Business, and Economics. In addition and as noted earlier, government funding will support an increase in Engineering and Computer Science students and, in the fall of 2019, the university's Law Program will continue to expand - welcoming its second cohort of students for the joint degree program in Common Law and Indigenous Legal Orders (JD/JID). These areas of growth reflect student demand, institutional priorities with respect to fostering respect and reconciliation, and alignment with provincial government priorities. The capital priorities outlined in this document have been developed to address the academic space pressures resulting from this growth.

During 2015/16 the university updated its campus plan. This plan sets out the long term vision for the campus, including complementary goals and guiding principles. Capital projects within this Five-Year Plan are developed within this overall long term framework.

D. PROJECT DETAILS

Capital projects fit into three categories: recently completed, currently under construction or in planning. While the focus of the five-year capital plan is projects in planning, the following section also outlines information on recently completed and current projects, in order to provide a comprehensive picture as well as to provide continuity between approved plans.

1) Successfully Completed Projects

The expansion to the Saunders complex was completed during 2018-19. This project included the construction of a new service building of ~530 square metres north of the current Saunders building. The budget was \$4.7M and was funded by institutional capital funding. Another major project completed over the past year was the Petch renewal project. As noted above, addressing the university's accumulated deferred maintenance is an institutional priority. As a step towards addressing renewal requirements multiple projects within the Petch Building were commenced in 2016/17. These projects included both deferred maintenance and functional requirements of the Faculty of Science. The budget totaled \$20M and was funded by the Province. The last major project completed during 2018-19 was the renewal and renovations to Queenswood which now houses Ocean's Network Canada. The total costs of the project were \$9.9M and was funded through a combination of federal (\$3.5M), provincial (\$0.85) and UVic funding (\$5.55M).

Also during 2018-19, there were several smaller scale projects completed, including:

- Post-disaster seismic upgrade to the Saunders complex to ensure the facility housing essential services will be available after an earthquake;
- Various projects aimed at supporting campus renewal, including roofing, elevators, building alarm monitoring systems (multiyear project), life safety upgrades etc.; and
- Phase 1 installation of energy transfer stations to increase the energy efficiency of the district energy system.

The above smaller projects were supported by the Provincial Government through their routine capital program, the funding of which has increased to ~\$15M per year, including the university's required contribution of 25%.

2) Projects Currently under Construction

There are two new building projects currently under construction as follows:

i) District Energy Plant

The university uses a district hot water heating loop to provide space heating and domestic hot water heating to 32 of its buildings. The heating loop is part of a campus heating system that can be fed by central boiler plants from different buildings. The objective of this project is to replace the boilers in the plant with modern, energy efficient, industrial-grade boilers in order to mitigate the risk of boiler failure, as well as reduce energy use and carbon emissions of the system. This project will transform the district heating system and improve system efficiency by allowing operating temperatures to be adjusted to meet the specific requirements of research and teaching labs, and ensure greater optimization and efficiency of the research environment. Replacement of the heat exchangers and controls in each building served by the district heating system will also be required to improve the system efficiency by allowing operating temperatures to be lowered. This project requires the construction of a new facility to house the new boiler plant to be built on parking lot 6 in the southwest portion of campus. The total budget for this project is \$19.8M, funded by the Province, and will be completed in 2019.

ii) Student Housing and Dining Project

UVic is a destination university with over 75% of our students coming from outside of Victoria. A comprehensive student housing demand study was completed in 2013 (and updated in 2017), and found an immediate need for, at a minimum, a 600-bed facility. With this level of unmet need, combined with continued low vacancy rates within Greater Victoria, it is difficult for returning students to obtain housing (first year student have a housing guarantee). A program of requirements and massing work was completed in early

2018, which provides for 620 additional beds. Aside from the additional beds, the program also includes the requirement for a new dining facility in order to meet increased demand from the additional beds.

The project program will be achieved through the construction of two separate buildings. The first building, located along Ring Road, will contain 418 beds and the new dining facility. This will necessitate the removal of the current Margaret Newton and Emily Carr Buildings, both of which have significant deferred maintenance. The second building, located on the current Cadboro Commons site, will contain 364 new beds, two new classrooms, cultural support space and institutional conference and meeting space. The conference and meeting space is a required component of the project as the Cadboro Commons building currently contains the university's conference and meeting spaces. The project was initially to be completed in two phases to allow for the completion of the new dining facility before deconstructing Cadboro Commons. The project will now be completed in a single phase through utilizing a modular dining solution to be located on parking lot B. This approach allows the project to be completed 16 months sooner than a two phase approach.

Project design is complete and early construction work started in May 2019 in order to be ready for groundbreaking in May 2020. The first building along ring road is expected to be complete in summer 2022, with the second building complete in spring 2023.

The approved project budget is \$197.2M and is funded primarily from incremental housing and food revenue as a result of the additional 620 beds. Given the size of the project, university cash balances are not sufficient to proceed to construction; therefore, debt is required to move the project forward. The Ministry of Advanced Education, Skills & Training approved borrowing of \$122.7M in fall 2018.

Aside from these expansion projects, as noted above, over the next year construction will commence on the new student health and wellness centre within the TEF building. The budget for this project is \$6.3M, from institutional funds, and is expected to be complete in 2020/21.

3) Capital Projects in Planning

This section outlines the priority capital projects for the university for the coming five years. Ministry guidelines classify major capital projects into three categories:

- I. New priority requests, which include new buildings or additions to current buildings;
- II. Whole asset replacement and renewal projects, which are those projects where 50% or more of the asset is renovated; and
- III. Student Housing.

With this categorization, some projects that would be considered major capital by the university given their size (over \$5.0M) are now categorized as Major Maintenance and Rehabilitation (MMR). MMR projects are those projects, with no dollar limit, where the renovation is less than 50% of the asset value. These projects have a separate Ministry funding process from whole asset replacement and renewal, and are therefore not considered part of the five-year capital plan process. In order to provide a complete picture of significant capital priorities on campus, current university priorities with respect to MMR greater than \$5.0M have been included below in their own section.

The following, in priority order, are the major capital projects for the campus:

1) Addition to Engineering and Computer Science Building (category I – new priority)

UVic has responded to changing student and societal demands for programs by shifting resources and programs to align with provincial labour market outlooks. To support this demand, UVic added a Civil Engineering program to the Faculty of Engineering which has a unique focus on training engineers to develop infrastructure with reduced environmental impacts, while continuing to meet social and economic needs of communities, cities and regions. Demand for computer science and engineering programs overall has been high, resulting in a decline in the percentage of students accepted and thereby increasing the high school grade point average cut-off for admission, resulting in decreased access for students. To meet this growing demand, government has committed to providing the university operating funding to support expansion by 500 FTEs. While operating funding is available to support the program, capital funding is necessary to be able to accommodate this level of growth.

An addition to the Engineering and Computer Science Building (ECSB) plus an adjacent high bay structure building will provide the space required to support this expansion. The addition will provide office, teaching and research space required to mount a world class teaching and research program. Such space includes design space, building science and materials labs, environmental labs and geotechnical labs. In order to undertake research and teaching with respect to structures, the adjacent building is required for the large volume high bay lab space required for the structures component of the civil program that cannot be accommodated within the building addition, given site constraints. The addition, to the south end of the current ECSB, would total ~5,450 square metres, with the high bay structures lab located south of the engineering lab wing totaling ~1,100 metres. Siting, programming and preliminary design work is complete and the project is ready to move forward once funding is secured.

Project Funding

The total cost for the addition to the ECSB and the high bay structure is \$89.6M, including a fully built out lower level for the high bay structure. This project addresses one of the institutional space priorities - incremental space for the Faculty of Engineering. It is

expected to be supported primarily through funding from the Ministry of Advanced Education, Skills and Training together with philanthropic and university funding.

2) National Centre for Indigenous Law – An Addition to the Fraser Building (category I - new priority)

An addition to the Fraser Building would allow for the creation of the national centre for indigenous law. This national centre will house the university's new dual degree program in Common Law and Indigenous Legal Orders, as well as serve as a centre for critical engagement for research and education in Indigenous Law. The program meets the demand for professionals who can work across Common and Indigenous Law in governance, resource management, child welfare and many other areas. It directly answers the Truth and Reconciliation Commission's Call to Action 50 which states that, *"to fund the establishment of Indigenous law institutes for the development, use, and understanding of Indigenous laws and access to justice in accordance with the unique cultures of Aboriginal peoples in Canada."* The program will help to forge a new relationship, and to recognize the rights identified in the United Nations Declaration on the Rights of Indigenous Peoples and the Tsilhqot'in Supreme Court decision. Students will graduate in four years with a dual JD/JID degree and a deep understanding of Indigenous law and governance, the knowledge and experience to pursue a career in common law, and a strong sense of how to create and manage institutions functioning across both spheres. The National Centre would be created through an addition to the south west side of the Fraser Building that will include classroom, office, ceremonial and gathering spaces.

Project Funding

The estimated cost for an addition to the Fraser Building is \$27.1M. These costs are expected to be supported primarily through funding from the Ministry of Advanced Education, Skills and Training, the Government of Canada and philanthropic sources.

3) Addition to Business and Economics Building (category I – new priority)

Much like the demand for Computer Science and Engineering, student demand for Business, including entrepreneurship and innovation, has been very strong. UVic's Peter B. Gustavson School of Business has expanded by creating two additional cohorts and expanding its BCom minor program. Like Engineering, Business graduates are in demand.

This project includes an addition to the current Business and Economics (BEC) building (on the north side of the building) to provide for additional capacity to address program growth and will provide incremental space for classroom and seminar spaces, academic offices and student support spaces. The preliminary planning for the building expansion indicates that the addition will be ~4,000 gross square metres.

Project Funding

The estimated cost for expansion is \$25M. This project addresses one of the space priorities noted above, which includes incremental space for the Faculty of Business. It is expected to be funded through a combination of philanthropic sources, Ministry of Advanced Education, Skills and Training and university funding. Project timing will be dependent upon securing philanthropic and Ministry funding.

4) Campus Renewal Program (category II – whole asset replacement and renewal)

The university has undertaken a preliminary review of buildings on campus to identify next stage building renewal priorities. Projects identified considered the state of the current building condition in relation to preliminary seismic risk screening, as undertaken for the Gordon Head campus buildings in early 2012. With significant renewals in Petch completed over the last two years, the next major renewal projects are the Fraser and McPherson Library buildings. The Fraser project fits within the whole asset replacement category as the project costs are over 50% of the building's value, and is therefore provided for in this plan, while the McPherson project will be a future project within Major Maintenance and Rehabilitation. These renewal projects will be completed in conjunction with seismic work where possible. Some or all of this project would ideally be completed in conjunction with the construction of the National Centre for Indigenous Law noted as priority 2 above, as it is an addition to the Fraser building. Planning will be undertaken in 2019/20 to determine which components can be included in the overall project and funding sources.

Project Funding

The projected budget for the Fraser Renewal is estimated at \$27.1M and is expected to be funded primarily from the Ministry of Advanced Education, Skills and Training.

Major Maintenance and Rehabilitation Projects (MMR)

As noted previously, the Knowledge Infrastructure Program (KIP), funded by the federal and provincial governments, provided funding to undertake renewal and seismic work within six of our oldest buildings on campus. One of the requirements of the program was that the work had to be completed by a required deadline. Given the program time constraints, some seismic components could not be completed while still maintaining classes. As such, seismic work still needs to be completed for Clearihue, MacLaurin, Elliot Lecture Theatre and the University Centre Auditorium (the KIP buildings).

With respect to the remaining buildings on campus, a preliminary structural study has been completed that evaluated building risk during a seismic event affecting the campus. This information, in combination with the deferred maintenance assessment, will be used to develop future overall building renewal and seismic programs. In order to advance the seismic

program, during 2016/17, detailed planning work to tender-ready documentation, was completed for McPherson, MacLaurin, Petch, Campus Security, Saunders and the University Centre Auditorium. Seismic work has been completed for both Saunders and Campus Security buildings, and as part of the routine capital funding envelope from the Province, has started on MacLaurin D Wing. This project will be a multi-year project in order that teaching capacity can be maintained on campus.

The estimated budget to address all the seismic work in the McPherson library, Petch and University Centre totals ~\$60M. Detailed cost estimates for Clearihue and Elliot Lecture Theatre have not yet been completed. These projects are expected to be funded primarily from the Ministry of Advanced Education, Skills and Training and will not proceed without this funding.

E. PLANNING ACTIVITIES

In order to ensure that institutional infrastructure and future five-year capital plans continue to reflect institutional needs and priorities, each year planning activities are undertaken to inform future capital development and planning. Over the next couple of years such planning activities are expected to include:

a) Academic and Non-Academic Support Needs

The current five-year capital plan has a number of expansion priorities that address needs within specific faculties to generally address space pressures resulting from student enrolment growth. We are hopeful that funding for the top two priority projects will be secured over the next year. As these projects move from planning to implementation it is important that planning for future capital requirements is started, as the timelines from project vision to project completion are often significant for capital projects.

One of the strategies in our Strategic Framework 2018-2023 is to promote more collaboration, partnerships and interdisciplinary approaches. This goal leads to thinking about and planning for more flexible, multipurpose shared space. Most of the current buildings on campus, however, are discipline based and have therefore been built to address particular needs. While this approach ensures that infrastructure for specific programs are addressed, current space planning and configurations generally don't support well the above strategy.

In order to address this strategy we need to consider and plan space differently. In developing the next large expansion, project planning should include broad space type requirements that can be used across faculties and /or departments, and that can be built to provide for future flexibility. Planning should also consider that some of our current buildings were never intended to accommodate many of the current research requirements and trying to renovate to address these needs can be extremely costly. As a result, it may be better to build newer facilities and convert current spaces to other purposes.

In developing capital expansion based on space types, consideration can still be made for how these spaces can support the needs in various faculties with overall space pressures. The current capital plan is based on planning undertaken five years ago that analyzed overall space needs. This work indicated that the need was most acute for the Faculties of Engineering, Science, Social Sciences and Business. The current plan provides for additions to support Engineering and Business, and work over the last two years has provided some incremental space in the coming year for Social Sciences and Science. Given this, an updated needs assessment should be undertaken that can inform the overall space type planning process. This work can also consider specific needs such as regulatory requirements related to the storage of the university's art collection, requirements for student common space, and space to support indigenous and other institutional priorities.

b) Alternative Fuel Options

While the primary purpose of the district energy plant project was to replace our aging infrastructure its completion along with the installation of associated energy transfer station installations has improved the overall efficiency of our district energy system. This efficiency will help to reduce our institutional carbon emissions and will help with getting us close to attaining our goal of a 30% greenhouse gas (GHG) reduction below 2010 levels. The new plant is still powered by natural gas, and natural gas consumption accounts for ~90% of UVic's GHG emissions. In order to fully realize our reduction goal and to move beyond it, the university needs to explore alternative energy sources. Over the next couple of years, in conjunction with the renewal of the sustainability action plan, alternative energy sources will be explored, including the potential use of bio-solids. While alternative energy sources will be explored, it is expected that the district energy plant will continue to play a critical role in heating the campus for the foreseeable future.

c) Space Optimization

Recognizing that program needs change over time and therefore so do the required associated resources and infrastructure, a review of the use and function of spaces on campus is a key component of space management. Over the last few years, space optimization studies were undertaken in the Faculty of Engineering, the Faculty of Fine Arts and the Library, which reviewed current use of space and potential reallocations that could occur to best meet overall program needs and priorities. This information has been used to make incremental and better overall use of space, as well as to inform overall longer term planning within the respective areas. Reviews are currently underway within the Faculty of Humanities and the Faculty of Social Sciences.

d) Future Parking Requirements

The student housing and dining project construction will commence in spring 2020, and over the next five years there could be significant additional construction activity should the priority expansion projects noted above also be approved. This level of construction activity, combined with growth in student, faculty and staff for these programs, will put

significant pressures on campus parking infrastructure. Work has already begun to look at options to not only manage through this period of high construction activity but to develop a longer term plan for parking. As part of this planning, we are also examining our transportation choices program as well as parking permit pricing.

F. SUMMARY

The University of Victoria's five-year capital plan reflects the academic priorities of the university. As demonstrated in our own Planning and Budget Framework, our Institutional Accountability Plan and Report to the Ministry of Advanced Education, Skills and Training, our top priorities are to support all students; meet existing and anticipated program demand; and ensure our programs are of the highest quality. In order to support these institutional priorities, capital planning efforts over the next five years will need to address both academic program and student housing space (in progress) pressures through some expansion, health services pressures, as well as deferred maintenance requirements through renewal and seismic projects.

The above plan outlines the projects required or in process to support these important institutional goals. The top priority new projects are an addition to Engineering and Computer Science building, an addition to the Fraser building, an addition to the Business and Economics building and a campus building renewal program.

APPENDIX 1: Space Inventory Compared to Standards

Space Category Number	Space Category Name	BC Space Standards Formula	Nov 1, 2018 Age Adjusted* Inventory	NASM Surplus	NASM Shortfall	Inventory as a Percentage of BC Standards
1	Classrooms	17,468	15,978		1,490	91.5%
2	Undergraduate Labs	22,544	21,978		566	97.5%
3	Research Labs	22,660	21,078		1,582	93.0%
4	Academic Offices	47,748	33,378		14,370	69.9%
10	Administrative Offices	21,122	18,240		2,882	86.4%
5	Library Stack/Study/Service	20,848	20,286		562	97.3%
6	Recreation/Athletics	12,123	13,207	1,084		108.9%
7, 8, 11-15	Student and Central Services	27,320	22,064		5,256	80.8%
9	Maintenance Space	3,333	3,661	328		109.8%
				1,411	26,708	
TOTAL NASM		195,166	169,869		25,297	87.0%



University
of Victoria

SUBMISSION TO THE UVIC BOARD OF GOVERNORS

FOR DECISION

June 10, 2019

To: Operations and Facilities Committee

From: Valerie S. Kuehne, Vice-President Academic and Provost

cc: President and Vice-Chancellor

Meeting Date: June 25, 2019

Subject: 2018/19 University of Victoria Institutional Accountability Plan and Report

Basis for Jurisdiction: University Act, s. 27

Strategic Relevance:

The attached Institutional Accountability Plan and Report (“Report”) demonstrates how we are working with the Ministry to build a better BC together, delivering on our commitments to our community and the province.

Framed by our Strategic Framework goals, the Report highlights institutional achievements from the past year. Together, these make a strong statement about our university’s priorities and alignment with the Ministry’s service plan and our mandate letter. They also emphasize our values and what sets UVic apart—such as our research excellence and commitment to fostering respect and reconciliation—while reinforcing our leadership in vital areas—such as dynamic learning and sustainable futures.

Previous Consultation: Executive Council

Recommendation:

That the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors approve the 2018/19 University of Victoria Institutional Accountability Plan and Report.

and

That the Operations and Facilities Committee recommend to the Board of Governors that the Board of Governors authorize the Board Chair and the President to make any final edits to the 2018/19 University of Victoria Institutional Accountability Plan and Report prior to its submission to the Ministry.

Background:

Annually, the Ministry of Advanced Education, Skills and Training requires all post-secondary institutions in British Columbia to submit an Institutional Accountability Plan and Report. The Report is posted on the websites of both the Ministry and the university.

The Ministry provides guidelines on requirements for the Report including alignment to Ministry priorities and measures related to institutional and system performance. This year, government requires a direct response on priorities articulated in last year's mandate letter and university plans in support of priorities highlighted in the current year's mandate letter. Additionally, institutions are asked to complete a section (Appendix B) illustrating our institutional commitments implementing the United Nations Declaration of the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission.

A cover letter signed by the Board Chair and the President will accompany the Report after its approval. We ask the Board of Governors to authorize the Board Chair and the President to make final editorial changes to the report after its approval and prior to its submission to the Ministry.

Planned Further Action:

The Institutional Accountability Plan and Report will be submitted to the Ministry on July 15, 2019 after the Board Chair and President make any necessary adjustments.

Attachment:

- 2018/19 UVic Institutional Accountability Plan and Report

2018/19 Institutional Accountability Plan and Report

University of Victoria

July 2019

Submitted by



University
of Victoria



Letter from Board Chair and President

July 15, 2019

Honourable Melanie Mark
Minister of Advanced Education, Skills and Training
PO Box 9080 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister Mark,

We are pleased to submit the University of Victoria's Institutional Accountability Plan and Report for the 2018/19 reporting cycle.

Framed by our university's Strategic Framework 2018-2023 goals, the Report highlights institutional achievements from the past year and outlines our priorities for the coming year. Together, these make a strong statement about our progress and alignment with the Ministry's service plan and our mandate letter. The university continues to meet the targets provided under the Ministry's accountability framework, including submitting a balanced budget.

The Report also emphasizes our values and what sets UVic apart—such as our research excellence and commitment to fostering respect and reconciliation—while reinforcing our leadership in vital areas—such as dynamic learning and sustainable futures. In the first year implementing our Strategic Framework, we have made great progress toward our goal of being the Canadian research university that best integrates outstanding scholarship, engaged learning and real-life involvement to contribute to a better future for people and the planet.

Many of our important accomplishments and initiatives from across the university could not have been possible without our community, research, industry and government partners. We look forward to continuing to work with you and the Ministry to achieve our shared goal of delivering quality education programs and services that people count on, building a better BC together.

Beverly Van Ruyven
Chair, Board of Governors

Jamie Cassels, QC
President and Vice-Chancellor

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Territorial acknowledgement

We acknowledge with respect the Lekwungen-speaking peoples on whose traditional territory the University of Victoria stands, and the Songhees, Esquimalt and WSÁNEĆ peoples whose historical relationships with the land continue to this day.

University overview

Since its establishment in 1963, the University of Victoria (UVic) has emerged as one of Canada's best comprehensive universities, ranked among the world's top research institutions. Year after year, we are recognized as one of Canada's best diversity employers as well as one of its greenest.

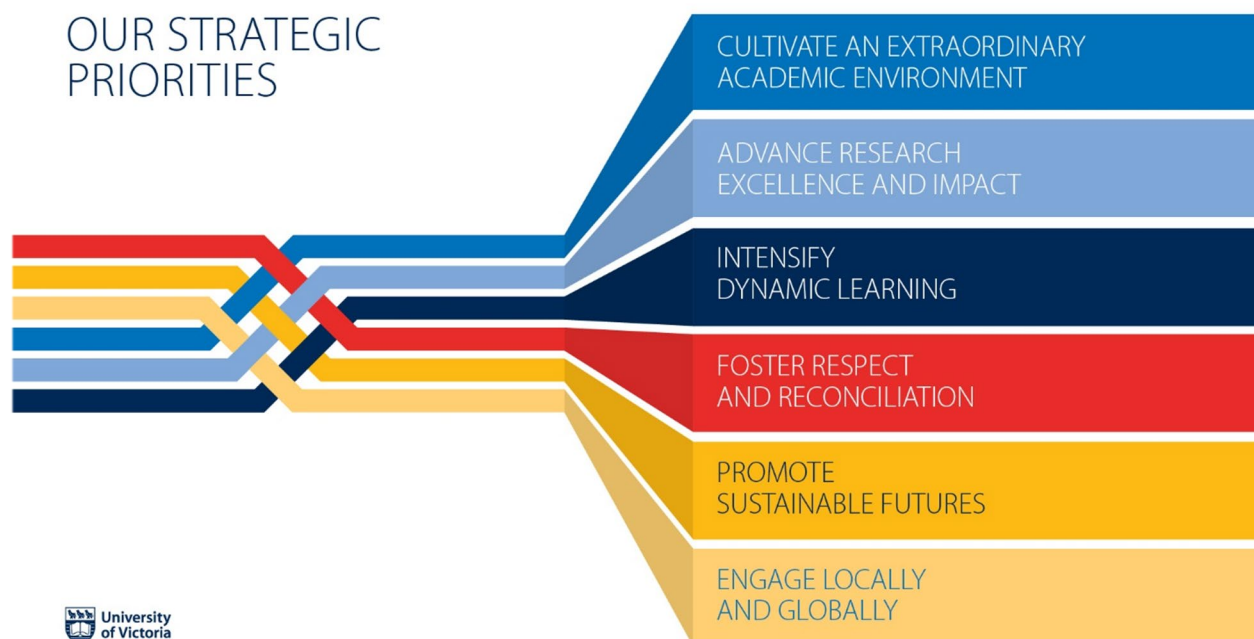
We offer over 120 undergraduate and 160 graduate programs to more than 21,000 students on our diverse and welcoming West Coast campus. To date, we have conferred over 130,000 degrees, certificates and diplomas and our alumni continue to have an impact on the world around us.

Our faculty, centres and networks work with strategic partners to conduct important research that tackles social, economic and environmental issues that matter. Issues like climate change, ocean health, clean growth, healthy communities and Indigenous law.

Strategic direction

We are deeply committed to contributing to a better future for people, places and the planet. Our vision is to be the Canadian research university that best integrates outstanding scholarship, engaged learning and real-life involvement to contribute to a better future for people and the planet.

The [University of Victoria's Strategic Framework 2018-2023](#) serves as a guide to our future—setting out high-reaching priorities in six key interconnected areas and articulating strategies to realize them.



Major accomplishments of 2018/19

The following initiatives make a strong statement about UVic's priorities and alignment with the Ministry's service plan and our mandate letter. The university is committed to excellence in research and creative activity, as well as teaching and engagement that serve students, communities and the world. Our priorities reflect our values and are what set UVic apart, while also reinforcing our leadership position in vital areas.

Cultivate an extraordinary academic environment

Our goal is to be recognized internationally as a university of choice for talented students, faculty and staff. That's why our institutional plans—including our Strategic Enrolment Management Plan, Indigenous Plan and International Plan—are positioning us to attract, support and develop a diverse community here on the West Coast of British Columbia.

Building a more equitable and inclusive campus

UVic remains strongly committed to an inclusive and safe campus, and for the eighth time in as many years, UVic has been recognized as one of [Canada's Best Diversity Employers](#). Our Office of Equity and Human Rights continues to find ways to foster and support cross-portfolio collaboration on issues related to equity, diversity and inclusion. In support of the government's commitment to improving student safety and overall well-being, UVic has developed and implemented sexualized violence prevention programs—offering training and education to faculty, staff and students on this important issue. We also continue to implement our [Employment Equity Plan 2015-2020](#), including expanding training opportunities for committees and individuals.

Student recruitment and retention

We launched our [Strategic Enrolment Management \(SEM\) Plan](#) in April 2019. The plan will guide university recruitment, retention and student success initiatives for the next five to ten years. In the context of remaining about the same size, our commitments include recruiting the very best undergraduate students, diversifying our international undergraduate student population, increasing our enrolment of Indigenous students, and increasing under-represented populations on our campus. We also aim to increase the proportion of graduate student enrolment.

Students with lived experience in care

Working closely with our School of Child and Youth Care, UVic has developed supports for students with lived experience in care—from transition to university through to graduation. The UVic Youth in Care Tuition Award and Tuition Waivers are offered to assist students who are former BC Youth in Care, as defined by the Child, Family and Community Service Act. The award covers tuition and mandatory fees required for the completion of a first undergraduate degree. Eligible applicants may also receive funding for books, supplies and living expenses.

Align institutional processes with K-12 curriculum changes

We continue to work on aligning our admission and course pre-requisite requirements with the new K-12 curriculum. Senior university leaders are working with the Ministry of Education, Ministry of Advanced Education Skills and Training, and other post-secondary institutions to align institutional process with curriculum changes. A number of working groups are reviewing internal processes and supports for students to ensure seamless transition and support their academic success.

High student satisfaction

UVic consistently receives excellent feedback from our students through surveys such as the National Survey of Student Engagement, the Baccalaureate Graduate Follow-up Survey, and the Canadian Undergraduate Survey

Consortium. In a recent follow-up survey, conducted two years after graduation, 92 per cent of recent UVic grads were satisfied or very satisfied with their overall program, and 94 per cent were satisfied or very satisfied with the quality of instruction they received.

Advance research excellence and impact

We are working to excel in diverse forms of research and creative activity, advancing human knowledge, improving and enriching lives and tackling global challenges. Our investments in capital projects, faculty positions and university-wide research initiatives will foster high-quality collaborations—heightening our place in the top tier of the world’s research universities.

Our research strengths

Sustainability, healthy societies, social justice, jobs and a strong economy are at the core of UVic’s commitment to meaningful change. Our [Strategic Research Plan 2016-2021](#) describes eight areas of research strength: creativity and culture; data science and cyber physical systems; environment, climate and energy; global studies and social justice; health and life sciences; Indigenous research; ocean science and technology; and physical sciences and engineering, mathematics and computer science.

Ocean and climate research

UVic’s \$9.5 million Ocean-Climate Building officially opened in January, thanks in part to significant government funding. The complex provides physical space for collaborations among one of Canada’s largest concentrations of climate and ocean researchers. UVic hosts three research and knowledge-sharing institutes focused on ocean and climate: Ocean Networks Canada, Pacific Climate Impacts Consortium and the Institute for Integrated Energy Systems. We also host and lead the Pacific Institute for Climate Solutions, a collaboration with BC’s three other research-intensive universities. In addition, UVic is home to two Environment Canada labs: the Canadian Centre for Climate Modelling and Analysis and the Water and Climate Impacts Research Centre.

Canada Research Chairs

UVic now holds 41 Canada Research Chairs in the areas of health sciences, engineering, natural sciences, social sciences and humanities. We were one of only 10 universities to achieve the “Fully Satisfies” rating on equity, inclusion and diversity associated with the Canada Research Chairs programs. In 2018, we welcomed a Canada 150 Research Chair, who will lead development of the Laboratory for Synthetic Self-Assembled Materials.

Rankings and reputation

We are ranked as one of Canada’s leading universities, consistently outperforming our peers—especially for our size. UVic is third among all Canadian universities in citation impact per faculty member, and we’re 97th in the world across all fields (*QS Rankings*, 2018). UVic-based researchers wrote a higher proportion of top-performing papers based on international collaborations than any other university in North America (*Leiden Rankings*, 2019). In the nine years the Leiden Rankings have been released, UVic has claimed this spot eight times. We are ranked as the second best comprehensive school in Canada and have consistently ranked in the top three since this ranking’s inception (*Maclean’s*, 2019).

Intensify dynamic learning

UVic continues to build on our dual commitment to excellence in teaching and research, working towards our goal of being Canada’s leader in research-enriched and experiential learning. In order to ensure every student is

able to engage in dynamic learning, we have made substantial investments directly in the faculties, strengthened our supports in experiential learning and community engagement, and explored new international opportunities.

Preparing students for great careers with co-op

Last year, our co-operative education program—one of Canada’s largest—created more than 4,000 domestic and international job placements for students across a wide range of employers, including government, non-profits and private businesses. Nearly three in four UVic co-op students receive an offer of employment before they graduate.

Community and international opportunities for students

More than 6,500 students participate in community-engaged learning at UVic each year, and we offer over 1,300 community engagement initiatives in 85 countries. Our recently created Experiential Learning Fund will enhance opportunities for students to participate in experiential learning with not-for-profit organizations and NGOs. Support activities include wage subsidies for co-op placements and travel subsidies for students engaged in opportunities outside Victoria.

New academic programs

We continue to develop and evolve high-quality academic programs that align with our strengths and directions. In the past year, we launched a joint JD/JID Indigenous law program, a Certificate in Indigenous Language Proficiency and an Indigenous Studies Major. Our Master of Engineering in Applied Data Science prepares students and professionals for high-demand careers that tackle large and complex data sets, and work is underway to deliver a Master of Engineering in Industrial Ecology. Both programs align with the government’s commitment to expand programs for the growing knowledge-based economy.

Experiential learning notation

As outlined in our SEM Plan, we have set a goal that by 2024, 100 per cent of all graduating undergraduate students will have the opportunity to complete at least one significant experiential learning opportunity. Upon completion, students will receive an experiential learning notation on their transcript or co-curricular record.

Foster respect and reconciliation

One of UVic’s defining features is our profound commitment to reconciliation with Canada’s Indigenous Peoples. Launching the world’s first Indigenous law degree program and hosting the National Building Reconciliation Forum are just two of the significant steps UVic has taken this year towards becoming a global leader in creating opportunities for Indigenous students and advancing reconciliation. We continue our work responding to the TRC’s Calls to Action and UNDRIP (see [Appendix B](#)) and supporting the government’s commitments in developing a comprehensive post-secondary strategy.

World’s first Indigenous law program

In 2018, Elders, national and provincial leaders, scholars and members of the university community gathered to launch the world’s first Indigenous law program. Graduates of UVic’s joint JD/JID degree program will be able to pursue a career in common law enhanced with a deep understanding of Indigenous legal knowledge. In 2019, we secured significant provincial and federal funding to expand this program—including \$9 million from the federal government to help build a new national centre for Indigenous law and reconciliation.

National Building Reconciliation Forum

In 2018, UVic welcomed 250 participants to the fourth National Building Reconciliation Forum, in partnership with

Universities Canada. The annual gathering explored how universities, government and Indigenous communities can work together to answer the Truth and Reconciliation Commission's Calls to Action.

Pathways for Indigenous youth

UVic has created or expanded several pathway opportunities in recent years, including the Indigenous Youth 3C Challenge—a non-credit entrepreneurship program to encourage Indigenous youth to engage in the economy in their own terms—and Indigenous Student Mini-University—a week-long summer camp that gives BC youth a taste of university life. UVic's Indigenous student enrolment has grown dramatically over the past 10 years, and as part of our SEM Plan, we are further committed to doubling enrolment over the next 10 years.

Support for Indigenous students

Since fall 2017, Indigenous students have accessed 19 new awards and scholarships funded by donors. Coupled with other university funding, this totals more than \$1.8 million in support for Indigenous students. We also expanded our unique and award-winning International Indigenous Co-operative Education Program.

Recruitment of Indigenous faculty and staff

Over the past 18 months, UVic has appointed five Indigenous faculty members to newly funded tenure-track positions in humanities, law, nursing and public administration. We have also hired 20 Indigenous staff across the university. Our Indigenous-focused units include the Centre for Indigenous Research and Community-Led Engagement; Office of Indigenous and Academic Community Engagement; and the recently created Department of Indigenous Education in the Faculty of Education.

Our respect and reconciliation priorities, goals and strategies are outlined in our [Indigenous Plan 2017-2022](#). Learn more about how we're implementing the TRC's Calls to Action and UN Declaration on the Rights of Indigenous Peoples in [Appendix B](#).

Promote sustainable futures

Our faculty and students are passionate about tackling real issues related to climate change and the environment—and it shows. UVic has become a global leader in environmental, social and institutional sustainability through research, partnerships and campus policies. We continue to be recognized as one of Canada's Greenest Employers, and we are listed in the top 100 green employers in the world—9th in North America—for doctoral institutions by the Sustainability Tracking, Assessment & Rating System.

Sustainability research and academia

Over 130 faculty and researchers across 30 academic departments are engaged in sustainability research, including the School of Environmental Studies, the School of Earth and Ocean Sciences, the Department of Geography, and the Gustavson School of Business, home to the Centre for Social and Sustainable Innovation. In 2018/19, we offered nearly 600 undergraduate and graduate courses that include sustainability themes in various disciplines.

Campus Cycling Plan

Our first Campus Cycling Plan—designed to create a more bicycle-friendly campus—was approved in 2018 following significant campus-wide consultation. The plan is an important step towards our goal of increasing sustainable modes of transportation to campus. For this, we received the New and Emerging Planning Initiatives merit award from The Canadian Institute of Planners.

District Energy Plant

The new high-efficiency District Energy Plant will be the backbone of campus heating when it comes online this summer. With its new natural gas boilers, it's expected to result in about a 10 per cent reduction in energy use and greenhouse gas emissions. All nine buildings constructed on campus in the past 12 years have been LEED Gold certified.

Cultivating a culture of philanthropy

Our five-year development plan is advancing the culture of philanthropy on campus and in the community, and we're continuing to build valuable relationships with new donors. This year, we raised nearly \$19 million from 4,795 donors—surpassing our fiscal year goal of \$16 million.

Engage locally and globally

UVic is fostering connections and mobilizing knowledge—from the local Ideafest research festival to the national Building Reconciliation Forum to our international partnerships. We continue to work with the Ministry to develop a balanced approach to international education while also enhancing our reputation, building off the success of our faculty and alumni and using The UVic Edge to position ourselves to the world.

International opportunities for students

We have seen increases in a number of international student mobility initiatives since implementing our International Plan. In 2018, we saw a 9 per cent increase in the number of outbound international student exchanges and a 17 per cent increase in inbound student exchanges. Thanks to 18 new partnerships with international institutions to support faculty and student exchanges for teaching and research, we now have 216 active agreements. Since 2016, we have offered 27 international field schools.

Arts and culture

We have BC's only stand-alone Faculty of Fine Arts, home to nationally and internationally recognized creative scholars and practitioners. With one of the most comprehensive applied theatre programs in North America, UVic attracts students from around the world who use performance art to spark social change. The faculty offers over 150 community events a year—from concerts and theatre performances to readings and exhibits—and our Farquhar Auditorium has been an important cultural centre on campus for our broader community for 40 years.

Healthy communities

Working with community groups and leaders, governments, health authorities and other health care agencies, more than 200 UVic researchers are providing evidence-based knowledge to improve the health and well-being of Canadians. We have several centres of research excellence that support healthy societies, including the Institute on Aging and Lifelong Health, Canadian Institute for Substance Use Research, and Centre for Indigenous Research and Community-Led Engagement.

Celebrating alumni success

UVic grants about 5,000 degrees per year and our alumni continue to have an impact on people, places and the planet. UVic writing alumna Esi Edugyan won the 2018 Scotiabank Giller Prize and is one of only three authors to twice win the Giller Prize, along with M.G. Vassanji and Alice Munro. *The Globe and Mail* named her their 2018 artist of the year.

Major priorities for 2019/20

We are a campus that continues to evolve, and there are several exciting academic and capital projects underway to support students and faculty. Our SEM Plan will guide our student recruitment efforts, and we are making progress in advancing our reputation worldwide, building research partnerships, improving our rankings and positioning ourselves as a destination of choice for students, faculty and staff.

National centre for Indigenous law and reconciliation

The national centre for Indigenous law and reconciliation will house the province-funded joint JD/JID as well as the Indigenous Law Research Unit. The centre will be designed to reflect and honour the long-standing relationships between UVic Law and the Songhees, Esquimalt and WSÁNEĆ Peoples. UVic has received significant federal funding for this project.

Student health and wellbeing

Work is underway to create a new Health and Wellness Centre to integrate physical health and counselling for students. The on-campus facility will advance UVic's holistic model of student health and wellness by providing educational, collaborative and shared support spaces.

On-campus housing and dining

As a destination university in one of the most constrained rental markets in Canada, there is high demand for additional student housing. Work is underway on UVic's largest construction project—a \$197 million expansion of our on-campus student housing and dining facilities. The project will provide 782 beds (620 net new) and will make campus a more welcoming, accessible and inclusive space for students while also freeing up much needed rental spaces in our community. Design and construction is targeting both LEED Gold and Passive House Standard. The province is providing financing for \$123 million that UVic will pay back as a loan, from housing fees.

Engineering and computer science expansion

Thanks to provincial support, we are expanding our engineering and computer science programs, which includes 500 new student spaces, new faculty positions and student supports. In 2019, we will finalize plans with the province to build an addition to the Engineering/Computer Science Building on campus to accommodate this growth.

Health Sciences Initiative

Consultative work is underway to enhance the quality and raise the profile of health research and academic programs at UVic. The Health Sciences Initiative will integrate research in lifelong health—including healthy aging, translational medicine, Indigenous health and mental health—and health-related programming in various disciplines.

Website redesign

Our website is our most accessible and heavily used student recruitment tool, and it's often how partners learn about us. Progress is underway to launch a new UVic website in early 2020, which aims to enhance our reputation and create an improved experience for all of our audiences.

Economic and social impact

UVic operations generate \$3.7 billion in annual economic activity—including direct and indirect expenditures such as salaries and benefits, spin-off companies, patents and licenses, student and visitor spending, taxes and the effects of an educated workforce. Our research and technology innovation accounts for \$1.09 billion of that.

Every day in communities around the world, UVic alumni are making a difference—starting right here. The one in eight adults in Greater Victoria who are UVic alumni, totalling over 42,000 people, are key contributors to the thriving knowledge economy, wellbeing and vibrant cultural life of our region. Over 71,000 of our alumni reside in BC. Globally, UVic has approximately 130,000 living UVic alumni in 131 countries around the world.

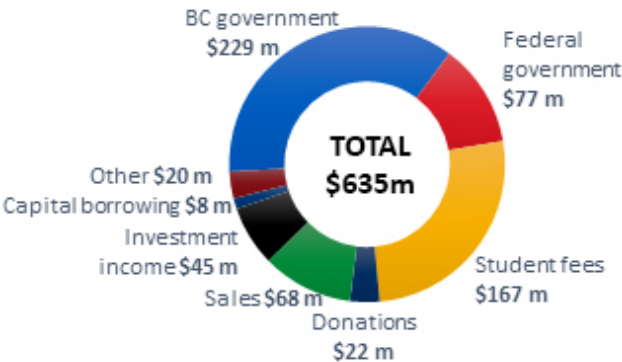
UVic has an approximately \$110 million a year research enterprise. We are consistently selected by Re\$earch Infosource as one of Canada’s Research Universities of the Year, and we continue to heighten our place in the top tier of the world’s universities.



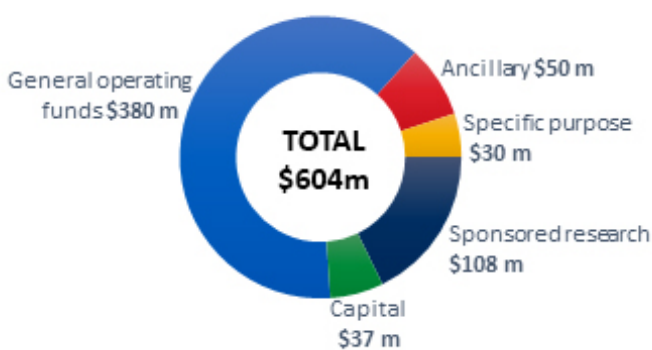
Sound financing for our university

Annually, the university develops a balanced budget that provides for financial flexibility in order to mitigate potential financial challenges. In recent years, thanks in part to the implementation of the Enhanced Planning Tools and revisions to our Budget Model, our planning and budgeting processes have become more transparent and data-informed, better aligning our resources with our priorities.

Revenues by source 2018/19



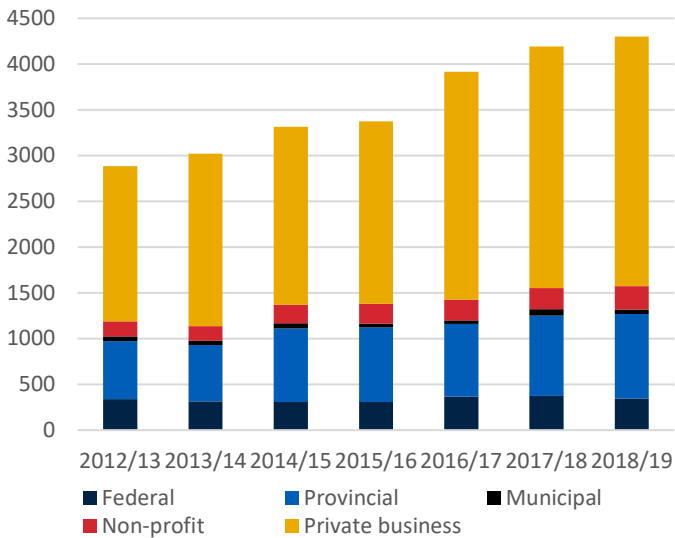
Expenditures by fund 2018/19



Building skills and careers

UVic is committed to providing experiential learning opportunities for students so that they are equipped for personal success and to contribute effectively as alumni and global citizens. We have one of Canada's largest and oldest co-op programs in Canada, which creates more than 4,000 job placements every year. More than 40 per cent of our eligible students take part in co-op. We also have an extensive program of practica placements. Graduates from all of our programs achieve excellence labour market outcomes.

Co-op and community service learning placements by employer type*



Employment rates by degree type—two years after graduation

UVIC GRADUATES BY FACULTY	EMPLOYMENT RATE	AVERAGE ANNUAL INCOME
BUSINESS	91%	\$62,334
EDUCATION	86%	\$48,177
ENGINEERING	92%	\$75,833
FINE ARTS	88%	\$45,042
HUMAN & SOC. DEV.	96%	\$64,858
HUMANITIES	85%	\$41,774
LAW	100%	\$84,633
SCIENCE	70%	\$52,264
SOCIAL SCIENCES	86%	\$48,156
UVIC TOTAL	87%	\$57,647

**Note for BoG: Data for 2018/19 is an estimation only. Will be verified before submitting to Ministry.*

Indigenous youth are Canada’s fastest growing demographic, with nearly 300,000 young people on the cusp of entering the workforce. In the past 10 years, our Indigenous student participation in co-op has grown from near-zero to 19 per cent—thanks to work-integrated programs specific to Indigenous students. Our dedicated Indigenous co-op coordinator has helped tailor career development opportunities and reduce financial barriers.

For more financial information, see our [Audited Financial Statements](#).

A final thought

Guided by our institutional Strategic Framework and Ministry priorities, UVic will continue to deliver on our commitments to people, places and the planet. Our work with government, business and community partners—at home in Canada and in communities around the globe—has helped make UVic a leader in a wide range of fields, including Indigenous languages and law, clean energy, earth and oceans, climate change, high-energy physics and health. Together, we are working to build a better BC.

Alignment with Ministry Strategic Objectives

Mandate Letter 2018/19 Required for Report	
1. Actively participate in an engagement process with the Ministry and Indigenous partners to develop a comprehensive post-secondary strategy that responds to the TRC Calls to Action and UN Declaration on the Rights of Indigenous Peoples.	One of UVic's defining features is our profound commitment to reconciliation with Canada's Indigenous Peoples. We continue to respond to the TRC's Calls to Action and UNDRIP and support government's key commitments in developing a comprehensive post-secondary strategy. This year, we launched the world's first Indigenous law degree program and hosted the National Building Reconciliation Forum. These are just two of the significant steps we have taken towards becoming a global leader in creating opportunities for Indigenous students and advancing reconciliation.
2. Work closely and in collaboration with government to support the implementation of priority initiatives, including those outlined in the Minister's mandate letter. Specific actions include, but are not limited to:	
b. Continue to improve the education success of former youth in care who pursue post-secondary education, including implementation of the tuition waiver program and other supports at your institution.	UVic has developed supports for students with lived experience in care—from transition to university through to graduation. The UVic Youth in Care Tuition Award and Tuition Waivers are offered to assist students who are former BC Youth in Care. The award covers tuition costs and mandatory fees required for the completion of an undergraduate degree. Eligible applicants may also receive funding for books, supplies and living expenses.
c. Expand technology-related programming and other programs that align with the growing knowledge-based economy.	UVic has launched a Master of Engineering in Applied Data Sciences and our Board of Governors have recently approved a Master of Engineering in Industrial Ecology. Both programs are key to the knowledge-based economy.
3. Improve student mental health, safety and overall well-being, including creating greater awareness of available supports.	<p>UVic offers a variety of supports, services and opportunities to promote student mental health. Supports and services are available to students from all areas of the UVic community, and information and training is available to faculty and staff to assist in responding to students, including but not limited to:</p> <ul style="list-style-type: none"> • A Student Mental Health website and student-run blog;

	<ul style="list-style-type: none"> • The Office of Equity and Human Rights, which offers various supports for students and staff; • A Sexualized Violence Prevention and Support website and workshops, with information on respect and consent; • Bringing in the Bystander, an in-person workshop that empowers students to become active bystanders; • Step In, Speak Up, an online training program for new students to learn about bystander intervention and community expectations; • Let's Get Consensual, a campaign offered by the UVic Student Society in partnership with various campus groups and offices as part of our Sexualized Violence Awareness Week; • The Anti-Violence Project, a campus group committed to addressing and ending gender-based violence at UVic and beyond; • Multifaith Services, which offers spiritual support and care for students and staff as well as regular mental health events; and • The Student Mental Health Literacy Program, a new training program for faculty, instructors, TAs and staff.
4. Align your institutional processes with the K–12 curriculum changes to ensure the seamless transition of students entering post-secondary education.	UVic continues to work on aligning our admission and course pre-requisite requirements with the new K-12 curriculum. Senior university leaders are working with the Ministry of Education, Ministry of Advanced Education Skills and Training, and other post-secondary institutions to align institutional process with curriculum changes. A number of UVic working groups are reviewing internal processes and supports for students to ensure seamless transition and support their academic success.
5. Work closely with the Ministry to develop a balanced approach to international education.	Informed by the principles articulated in our International Plan, our SEM Plan sets out ambitious goals to attract, retain and support a diverse population of international students. UVic works with its Board of Governors, student societies and international students to achieve a balanced approach to international education, aligned with BC's International Education Framework.
6. Comply with government's two percent cap on tuition and mandatory fee increases.	UVic continues to comply with the 2 per cent limit on tuition and mandatory fees.

Mandate Letter 2019/20

Required for Planning/Implementation

1. Implement the education-related TRC Calls to Action relevant to your institution and actively participate in an engagement process with the Ministry and local, regional and other Indigenous partners to develop and implement a comprehensive strategy that increases student success and responds to the TRC Calls to Action and UN Declaration on the Rights of Indigenous Peoples.	UVic's Strategic Framework, SEM Plan and Indigenous plan all contain strategies, goals and action plans to respond to the TRC Calls of Action and UNDRIP. UVic continues to make progress as noted in the reporting template (Appendix B) and we plan to continue to address and implement more actions in the coming year.
2. Work closely with government to support implementation of priority initiatives, including those outlined in the Minister's mandate letter. Specific actions include, but are not limited to:	
a. Improving access to post-secondary education with a focus on vulnerable and under-represented students.	Our SEM Plan will guide the university's recruitment, retention and student success initiatives for the next five to ten years. In the context of remaining about the same size, our commitments include improving access for and increasing under-represented populations on our campus.
b. Expanding programming aligned with high demand occupations and priority sectors (such as trades, technology and health).	We are expanding our engineering and computer science programs, which includes 500 new student spaces, new faculty positions and student supports. In addition, we are working with government on an expansion of Nurse Practitioner spaces. Consultative work is underway on our Health Sciences Initiative, which will integrate research in lifelong health and health-related programming in various disciplines including priority areas such as Health Information Sciences.
c. Expanding co-op and work-integrated learning opportunities for all students.	<p>Our co-operative education program is one of Canada's largest, and we create more than 4,000 domestic and international job placements for students every year. We have created new co-op coordinator positions to support Indigenous students and in response to the growth in engineering.</p> <p>Recently, we were selected by the province to be the lead institution for Work Integrated Learning pilot projects in BC.</p>

3. Improve student safety and overall well-being in the areas of mental health and the prevention of sexual violence and misconduct, including creating greater awareness of available supports.	UVic remains strongly committed to an inclusive and safe campus. Work is underway to create a new Health and Wellness Centre to integrate physical health and counselling for students. We will continue to offer workshops and programs in our Office of Equity and Human Rights and promote our various campus events and supports.
4. Ensure that students are able to seamlessly transition into post-secondary education with the implementation of the new B.C. Graduation Program.	UVic continues to work on aligning our admission and course pre-requisite requirements with the new K-12 curriculum. Senior university leaders will continue to work with the Ministry of Education, Ministry of Advanced Education Skills and Training and with other post-secondary institutions to align institutional process with curriculum changes and provide supports for students to ensure seamless transition and support their academic success.
5. Continue to actively participate in the implementation of the EducationPlannerBC common application system for all undergraduate applicants.	UVic and EducationPlanner BC (EPBC) project teams are meeting regularly to discuss and plan the integration of UVic undergraduate applications to the EPBC service. The two teams met for a half-day session in May to develop new joint timelines, including a revised scope. Our current go live date is September 2020, determined jointly with EPBC and the project team.
6. Work closely with the Ministry to develop a balanced approach to international education, participating in the development and implementation of a provincial framework for international education.	Informed by the principles articulated in our International Plan, our SEM Plan sets out ambitious goals to attract, retain and support a diverse population of international students. UVic works with its Board of Governors, student societies and international students to achieve a balanced approach to international education, aligned with BC's International Education Framework.
7. Meet or exceed the financial targets identified in the Ministry's three-year Service Plan tabled under Budget 2018, including maintaining balanced or surplus financial results.	Annually, the university develops a balanced budget that provides for financial flexibility in order to mitigate potential financial challenges. We anticipate continuing to meet financial targets and deliver a balanced budget.
8. Comply with the Tuition Limit Policy, which sets a two percent cap on tuition and mandatory fee increases for domestic students to ensure courses and programs are affordable.	UVic will continue to comply with the Tuition Limit Policy for domestic students and has created more financial supports for all students. Our budget for the upcoming year includes an additional \$2 million for both undergraduate and graduate scholarships, bursaries and graduate fellowships. Additionally, we are pleased to work with the government on the new BC Graduate Scholarship Program.

Appendix A: Performance Measure Results

Performance Measure (PM) ¹	Reporting year					
	2017/18 Actual		2018/19 Target	2018/19 Actual		2018/19 Assessment ²
Capacity (PM1): Student spaces						
Total student spaces	16,767		15,918	16,796		Achieved
Nursing and other allied health programs	653		710	602		Not achieved
	Under-enrolment in Nursing is due to enrolment attrition from institutional partners. Persistence plan with partners is now in place.					
Capacity (PM2): Credentials awarded						
Number	4,295		4,303	4,283		Substantially achieved
Access (PM3): Aboriginal student spaces						
Total Aboriginal student spaces	841		830	844		Achieved
Ministry (AEST)	841			844		
Industry Training Authority (ITA)	N/A			N/A		
Quality (PM4): Student satisfaction with education						
	%	+/-		%	+/-	
Bachelor degree graduates	92.2%	0.9%	0.9%	92.8%	1.0%	Achieved
Quality (PM5): Student assessment of the quality of instruction						
	%	+/-		%	+/-	
Bachelor degree graduates	92.5%	0.9%	≥ 90%	93.4%	0.9%	Achieved
Quality (PM6): Student assessment of skill development						
	%	+/-		%	+/-	
Bachelor degree graduates	83.9%	1.1%	≥ 85%	84.4%	1.1%	Achieved
Relevance (PM7): Student assessment of the usefulness of knowledge and skills in performing job						
	%	+/-		%	+/-	
Bachelor degree graduates	83.2%	1.6%	≥ 90%	85.0%	1.6%	Substantially achieved
Relevance (PM8): Unemployment rate						
	%	+/-		%	+/-	
Bachelor degree graduates	6.8%	1.0%	≥ 8.0%	7.8%	1.1%	Exceeded
Capacity (PM9): Sponsored research funding						
Sponsored research funding from all sources (million \$)	\$114.9		≥ previous year	\$111.9		Substantially achieved
Federal sources (million \$)	\$68.7			\$72.5		
Provincial sources (million \$)	\$21.1			\$9.9		
Other sources (million \$)	\$25.1			\$29.4		

Performance Measure (PM)	Reporting year					
	2017/18 Actual		2018/19 Target	2018/19 Actual		2018/19 Assessment*
Quality (PM6A-J): Bachelor degree graduates' assessment of skill development						
	%	+/-		%	+/-	
Skills development (avg. %)	83.9%	1.1%	≥ 85%	84.4%	1.1%	Achieved
Written communication	83.9%	1.3%		83.0%	1.4%	
Oral communication	80.2%	1.4%		79.0%	1.6%	
Group collaboration	78.9%	1.4%		80.3%	1.5%	
Critical analysis	91.6%	1.0%		92.5%	1.0%	
Problem resolution	78.4%	1.5%		77.8%	1.6%	
Learn on your own	88.5%	1.1%		89.1%	1.2%	
Reading and comprehension	86.9%	1.2%		89.2%	1.2%	

¹Consult the [2018/19 Standards Manual](#) for a current description of each measure.

²Scale for target assessments

Assessment	Percentage
Exceeded	110% or more of the target
Achieved	100% - 109% of the target
Substantially achieved	90% - 99% of the target
Not achieved	Less than 90% of the target
Not assessed	Survey results with less than 20 respondents or a margin of error of 10% or greater, descriptive

Appendix B: Progress on implementation of TRC's Calls to Action and articles of the UN Declaration on the Rights of Indigenous Peoples (Mandate Priority #1)

Using the template provided by the Ministry, the University of Victoria has addressed our progress towards relevant TRC Calls to Action and articles of the UN Declaration on the Rights of Indigenous Peoples. Our efforts have been largely guided by our [Indigenous Plan 2017–2022](#).

TRC CALL TO ACTION ¹ and UN DECLARATION on the RIGHTS OF INDIGENOUS PEOPLES ARTICLE	PROGRESS (N/A, In Progress, Implemented) ²	INITIATIVE AND PARTNERSHIP DETAILS (Please provide key progress details for initiatives relating to each Call to Action and UN Declaration on the Rights of Indigenous Peoples article and how your institution's relations and collaborative partnerships with local First Nations and Métis communities are contributing to implementation. Please include links where relevant/possible.)
1: SOCIAL WORK We call upon the federal, provincial, territorial, and Aboriginal governments to commit to reducing the number of Aboriginal children in care by ... Ensuring that social workers and others who conduct child-welfare investigations are properly educated and trained about the history and impacts of residential schools. ... Ensuring that social workers and others who conduct child-welfare investigations are properly educated and trained about the potential for Aboriginal communities and families to provide more appropriate solutions to family healing.	Implemented	<ul style="list-style-type: none"> • Since 2000-2001, a Bachelor of Social Work (BSW) Indigenous Specialization and a Bachelor of Social Work Indigenous Child Welfare Specialization have been offered for Indigenous students. A Masters of Social Work (MSW) Indigenous Specialization for Indigenous students was launched in 2009. Similar to the standard BSW and MSW programs, each specialization interrogates historically oppressive practices within a specific context and considers alternative methods of engagement that are centered in the values of anti-oppression and social justice. • All UVic BSW students complete two required Indigenous content-centered courses. • Within the master's program, one unit is dedicated to theory/practice pertaining to Indigenous peoples, and additional relevant content is incorporated throughout the curriculum.
12: EARLY CHILDHOOD EDUCATION We call upon the federal, provincial, territorial, and Aboriginal governments to develop culturally appropriate early childhood education programs for Aboriginal families.	Implemented	<ul style="list-style-type: none"> • UVic's School of Child and Youth Care has an Indigenous specialization stream that introduces students to critical theory and necessary protocols for respectful entry into child and youth care practice within Indigenous contexts. This specialization is intended for both Indigenous and non-Indigenous students. Students' final practicum must be in an Indigenous setting. • The Early Childhood Education Years specialization consists of four courses that address the impacts of colonization on early childhood.
16: INDIGENOUS LANGUAGE DEGREE AND DIPLOMA PROGRAMS We call upon post-secondary institutions to create university and college degree and diploma programs in Aboriginal Languages.	Implemented	<ul style="list-style-type: none"> • Indigenous language teaching at UVic is informed by more than 40 years' experience offering Indigenous language programming in community in order to enable adult language learners to increase language proficiency and support language revitalization in their communities. • UVic offers the following undergraduate Indigenous language programs: <ul style="list-style-type: none"> ○ Certificate in Aboriginal Language Revitalization ○ Certificate in Indigenous Language Proficiency ○ Diploma in Indigenous Language Revitalization

¹ "..." represents omitted text not related to post-secondary education from the original Call to Action.

² Use N/A if there is no relevant program on this subject offered at institution.

		<ul style="list-style-type: none"> ○ Bachelor of Arts in Indigenous Studies ○ Bachelor of Education in Indigenous Language Revitalization • UVic offers the following graduate non-degree and degree programs: <ul style="list-style-type: none"> ○ Certificate in Indigenous Nationhood ○ Graduate Certificate in Indigenous Language Revitalization ○ Master of Arts in Indigenous Language Revitalization ○ Master of Education in Indigenous Language Revitalization
23: HEALTH-CARE PROFESSIONALS We call upon all levels of government to increase the number of Aboriginal professionals working in the health-care field, ensure the retention of Aboriginal health-care providers in Aboriginal communities, and provide cultural competency training for all healthcare professionals.	Implemented	<ul style="list-style-type: none"> • The Island Medical Program (IMP), delivered in partnership with UBC and Island Health, has graduated 22 students who self-identified as Indigenous, with nine currently enrolled. IMP admissions includes an Indigenous pathway that aims to fill 5% of seats with qualified Indigenous applicants. • Students in our Bachelor of Arts in Health and Community Services can focus on Indigenous Peoples' Health and as part of the program requirements take three courses on traditional healing in Indigenous communities, wise practices in Indigenous community health and Indigenous global health.
24: MEDICAL AND NURSING SCHOOLS We call upon medical and nursing schools in Canada to require all students to take a course dealing with Aboriginal health issues, including the history and legacy of residential schools, the United Nations Declaration (UN Declaration) on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, and Indigenous teachings and practices. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.	Implemented	<ul style="list-style-type: none"> • IMP students are trained to work with Indigenous communities through meetings with key health contacts and leaders. They explore systemic practices, learn Indigenous perspectives on wellness, cultural humility, cultural safety approaches in health care practice and celebration of diversity, enabling them to better address the needs of Indigenous individuals and communities. • School of Nursing offers a course that develops student's understanding of socio-cultural history and current context that shapes the lives of Indigenous people and their communities' health in Canada.
28: LAW SCHOOLS We call upon law schools in Canada to require all law students to take a course in Aboriginal people and the law, which includes the history and legacy of residential schools, the UN Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and antiracism.	Implemented	<ul style="list-style-type: none"> • In 2018, UVic launched a four-year joint degree program in Canadian Common Law (JD) and Indigenous Legal Orders (JID). Elements of the program are taught through intensive, mutually-illuminating comparison in courses that deal with Canadian law and one or more Indigenous legal traditions. • The compulsory Coast Salish Legal Studies course introduces the legal tradition of this region, using legal categories drawn from that tradition and exploring how those categories relate to concepts within Coast Salish languages. A crucial dimension of the program is its community-based field schools. Students learn from community-based experts on a particular Indigenous Peoples' legal order, observe the ways in which Indigenous legal processes are

		being employed today, and work with the community on law-related projects. The study enables students to acquire an understanding of the institutions, sources of law, forms of reasoning, principles, and procedures particular to that Indigenous Peoples' law.
57: PUBLIC SERVANTS We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the UN Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.	Implemented	<ul style="list-style-type: none"> • UVic's School of Public Administration offers a Diploma in Indigenous Community Development and Governance, which was founded on the vision of Indigenous leaders and administrators. The program's purpose is to train and strengthen the capacity of Indigenous and non-Indigenous administrators who are working or plan to work for Indigenous communities and organizations. • Our Certificate in the Administration of Indigenous Governments provides students who are practicing or aspiring managers in the public and non-profit sector to broaden their understanding and intercultural competency. Students can use credits earned towards a Diploma in Public Sector Management.
62: TEACHER EDUCATION We call upon the federal, provincial, and territorial governments, in consultation and collaboration with Survivors, Aboriginal peoples, and educators, to: ... Provide the necessary funding to post-secondary institutions to educate teachers on how to integrate Indigenous knowledge and teaching methods into classrooms.	Implemented	<ul style="list-style-type: none"> • In the Faculty of Education, every student teacher requires one mandatory course on Indigenous Education in their program of study. By addressing changes in history, education, and policies as well as the contributions to the Canadian landscape by Aboriginal people in the preparation of future teachers, we hope to contribute to the inclusion and expansion of relevant content in the K-12 curriculum and programs. We are working closely with local school districts and with our Advisory Board on Indigenous Education. • Indigenous education has been growing in the Faculty of Education since 1999, and in 2017, we created the Department of Indigenous Education. We wrapped up the first study of the Mentor-Apprentice Program (MAP) in BC this fall. The research project—<i>NETOLNEW</i>—was funded through a SSHRC Partnership Development Grant.
86: JOURNALISM AND MEDIA SCHOOLS	N/A	<ul style="list-style-type: none"> • N/A
92: BUSINESS SCHOOLS We call upon the corporate sector in Canada to ... Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the UN Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and	Implemented	<ul style="list-style-type: none"> • Our MBA and BCOM students are introduced to human rights in general and the UNDRIP, including the rights to development and self-determination. • Students also learn about a range of issues that have been endured by Indigenous peoples, with particular attention given to the context related to extractive industry projects and Indigenous communities. • Within the context of Indigenous community relations with extractive industries, students are trained to use a framework for stakeholder

<p>Aboriginal–Crown relations. This will require skills based training in intercultural competency, conflict resolution, human rights, and anti-racism.</p>		<p>engagement and consultation that conforms with UNDRIP as well as the UN Guiding Principles on Business & Human Rights (Murphy and Vives, 2013). Students practice using this framework in a stakeholder dialogue simulation exercise that simulates a dialogue process between multiple Indigenous communities, a mining company, and a national government.</p> <ul style="list-style-type: none"> • MBA students are also provided a broader introduction to the history of Indigenous peoples in Canada by a visiting First Nations elder. This includes the effects of the Residential School system as well as an introduction to cultural values that guide many Indigenous communities in terms of development.
<p>UNITED NATIONS DECLARATION ON THE RIGHTS OF INDIGENOUS PEOPLES IMPLEMENTATION</p> <p>How is your institution working with Indigenous peoples and communities to implement the United Nations Declaration on the Rights of Indigenous Peoples, and in particular the articles related to education, which include the following:</p> <p><i>Article 14</i></p> <ol style="list-style-type: none"> 1. Indigenous peoples have the right to establish and control their educational systems and institutions providing education in their own languages, in a manner appropriate to their cultural methods of teaching and learning. 2. Indigenous individuals, particularly children, have the right to all levels and forms of education <p><i>Article 15</i></p> <ol style="list-style-type: none"> 1. Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education and public information. <p><i>Article 21</i></p>	<p>Implemented</p>	<ul style="list-style-type: none"> • Chaired by the President and the Executive Director, Indigenous Academic and Community Engagement, UVic has established an Indigenous Community Engagement Council. The Council advises on matters related to Indigenous education and research, the educational goals and aspirations of Indigenous communities, and the promotion of mutual understanding and respect between UVic and local Indigenous communities. • UVic offers the Verna Kirkness Science and Engineering Education Program to increase the number of First Nations, Métis and Inuit students entering science and engineering programs in Canada. • The week-long Indigenous Student Mini-University summer camp gives BC youth in grades 8 to 12 a taste of university life. Mini-U is open to Indigenous students (First Nations, status/non-status, Métis and Inuit). • UVic offers a Pathways & Opportunities initiative for adult learners supported by the Aboriginal Service Plan, which provides a way to learn about the benefits of a post-secondary education and envision educational options in the future. Sessions take place in community, at Camosun College and at UVic. Our Indigenous language revitalization programs, offered in collaboration with the Department of Linguistics and the Division of Continuing Studies, seek to support Indigenous communities to retain and revive their own language. • LE, NONET provides a suite of programs and courses designed to welcome and support Indigenous students (status, non-status, Inuit, Métis) throughout their university journey(s). A weekly seminar provides students with the knowledge and skills necessary to work in Indigenous communities, with Indigenous organizations, or within campus-based academic research teams through a research apprenticeship or community internship. It includes a basic overview of historical and contemporary issues facing Indigenous peoples, and an

<p>1. Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including, inter alia, in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security.</p>		<p>introduction to western and Indigenous research methodologies. A graduate seminar offers an opportunity to explore themes and issues related to Indigenous research methods and community engagement.</p> <ul style="list-style-type: none"> • The Aboriginal Canadian Entrepreneurs (ACE) in the Gustavson School of Business helps aspiring Aboriginal entrepreneurs through an innovative curriculum focused on bridging Aboriginal culture with business start-up. The ACE program is built around providing individual support and mentorship, providing students with resources to build their careers and have a real-world impact. • UVic's Gustavson School of Business Executive Programs, in partnership with TRICORP, presents important training for Canada's Aboriginal Financial Institutions and community band officers. • The Empowering Aboriginal Generation of Leaders and Entrepreneurs Program (EAGLE) is focused on energizing and enabling all adult First Nations individuals to explore opportunities in order to realize the dreams they have for themselves and their community through leadership and entrepreneurship. • UVic's Faculty of Education offers a wide array of diplomas, certificates, undergraduate and graduate programs to honour Indigenous languages. For over 40 years, UVic researchers, instructors, students and collaborators have been deeply immersed in local and national efforts, working with Indigenous communities, organizations, Elders, community-based researchers, language-revival specialists, community language experts and educators. This includes our Bachelor of Education, diploma and master's in Indigenous language revitalization.
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OFFICE OF THE UNIVERSITY SECRETARY

Michael Williams Building, Room A138 | PO Box 1700 STN CSC Victoria BC V8W 2Y2
Phone: 250-721-8100 | Email: univsecretaryuvic.ca

DATE: June 12, 2019

TO: Members of the Executive and Governance Committee

FROM: Carrie Andersen, University Secretary



RE: Board Governance Checklist

The Board Governance Checklist was first developed in 2005/06 and is posted on the university's website. Since then, the Executive and Governance Committee has reviewed the checklist annually in light of the results of the board evaluation. The committee revises it if and as appropriate and recommends it for reposting on the university's website as part of the university's accountability framework.

Attached is the version of the checklist that was reviewed by the Board of Governors in June 2018 and approved for posting. The only changes proposed this year are editorial, and primarily in response to an amendment to the University Act.

MOTION:

THAT the Executive and Governance Committee recommend to the Board of Governors that the Board of Governors approve the posting of the updated board governance checklist, as circulated, on the university's website for 2019/20 as part of UVic's accountability framework.



University
of Victoria

UNIVERSITY OF VICTORIA BOARD GOVERNANCE CHECKLIST

The University of Victoria is governed by British Columbia's *University Act*. Recognizing that universities flourish best and serve society most effectively when they have strong academic direction and autonomy, *The Act* provides for bicameral governance. The Board of Governors is responsible for the University's management, administration and business affairs; the Senate, for its academic governance. This special governance model – long characteristic of universities in Canada and elsewhere – fosters the development of academic programs and research of high quality within the context of sound fiscal and administrative management.

The University of Victoria strives to achieve high standards in governance, as it does in its educational and research activities, its service to the community, and its management and business practices. Consistent with its commitment to account for its performance to government, students, donors, its community, other stakeholders and society at large, this sets out the Board governance practices to which the University has committed itself and by which its performance in this aspect of its governance should be measured.

The checklist comprises three elements:

- A. A list of practice guidelines (in italics). These include items from the *Orientation for B.C. Public Post-Secondary Institution Board Members* published by the Ministry of Advanced Education in June 2016 and the *Best Practice Guidelines* for public sector organizations issued in 2005 by British Columbia's Board Resourcing and Development Office. They also include several practices identified by the Association of Governing Boards (R.T. Ingram, *Effective Trusteeship: A Guide for Board Members of Public Colleges and Universities*, Association of Governing Boards, 2004) as integral to the effectiveness of public university boards, practices identified by the Office of the Auditor General of British Columbia in *Report 2: May 2012 – Crown Agency Governance* – and others to which we at the University of Victoria have committed ourselves, by virtue of our aspiration to lead amongst Canadian universities and to be a university of choice for outstanding students, faculty and staff from British Columbia, Canada and the world.
- B. A symbol next to each guideline indicates that: the University's existing practice is in alignment with the guideline (✓); action will be taken to bring the practice in question into alignment with the guideline (*); or that: the University's practice differs from the guideline, for reasons which are explained (◇).

- C. A summary description of the existing practice (where it is in alignment with the guideline or deliberately varies from it) or of the steps being taken to improve upon the existing practice (where the latter should but does not yet fully meet the guideline).

1. Board Composition and Succession

- a) *“The Board identifies and recommends to government new candidates based on an understanding of the competencies required and the government selects candidates to fill the existing competency gaps.” (Source OAG of BC, Report 2:May 2012 – Report on Crown Agency Governance, p. 49)*

√ As outlined below, the Board of Governors makes recommendations to government based on an understanding of the competencies required and identifies individuals for recommendation whose appointment will equip the Board with the required skills and experience.

- b) *“The board is made up of individuals who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively.” (Source: BC BRDO, Best Practice Guidelines, p. 12)*

√ The Board of Governors is composed, consistent with the *University Act*, of 15 members: the chancellor; the president; 2 faculty members elected by the faculty members; 8 persons appointed by the Lieutenant Governor in Council, 2 from among persons nominated by the alumni association; 2 students elected by the students; and one person elected by and from the employees of the university who are not faculty members. Elections of the representatives of the faculty, students and staff are conducted in accordance with the Act and the university’s regulations. Appointments are made consistent with the Act and the Crown Agencies and Board Resourcing Office’s *Appointment Guidelines* for Governing Boards and other Public Sector Organizations. These election and appointment processes combine to provide the Board with the collective knowledge, competencies, experience and attributes it needs to govern the University effectively.

- c) *“Unless specified otherwise in the governing legislation, board members are independent from management and have no material interest in the organization.” (Source: BC BRDO, Best Practice Guidelines, p. 12)*

◇ As noted above, the *University Act*, by which the University of Victoria is governed, specifies that the membership of the board is to include the president and elected representatives of the faculty, students and staff.

Their presence and participation greatly enhances the knowledge and experience of university affairs – and the diversity of perspectives – on the Board, thereby contributing to its performance. Any potential conflict of interest arising from the presence of employees on the Board (which is a standard feature of Canadian university governance) is addressed by the University's *Statement of the Responsibilities of the Board of Governors and its Members*, ~~section 23(1) (g) of the University Act~~, and the Board's Procedures on Conflict of Interest. The latter provide that Board members must make full disclosure of all real, potential and apparent conflicts of interest (annually and as they emerge) and must not take part in discussions or votes on such matters.

- d) *"The board has a committee that develops director selection criteria and identifies and evaluates potential candidates."* (Source: BC BRDO, *Best Practice Guidelines*, p. 12)

✓ In accordance with the Board's Procedures, its Executive and Governance Committee "review[s] the needs assessment for potential governors, taking into consideration the Board's short-term needs and long-term plans and shall advise the President and Chair on the criteria for new governors and potential candidates for recommendation to the government".

- e) *"The board has a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency "gaps" on the board and direct the search for new candidates."* (Source: BC BRDO, *Best Practice Guidelines*, p. 12)

✓ The Executive and Governance Committee has developed and uses such a matrix.

- f) *"The board has a board succession plan to recommend to Government the orderly turnover of directors."* (Source: BC BRDO, *Best Practice Guidelines*, p. 12)

✓ The competency matrix is regularly reviewed and updated, so that the Executive and Governance Committee can identify successors whose appointment will equip the Board with the skills and experience it needs.

- g) *"The board publishes the name, appointment term and a comprehensive biography of each director."* (Source: BC BRDO, *Best Practice Guidelines*, p. 12)

✓ This information is published annually in the University's newspaper, *The Ring*, and is available on the Board page of the University's web site.

2. Board Responsibilities

- a) *“The board publishes a charter that details its roles and responsibilities and the governance processes used to fulfill them.” (Source: BC BRDO, Best Practice Guidelines, p. 12)*

✓ The *University Act*, which sets out the Board’s powers, responsibilities and statutory requirements, is accessible through the Board page of the University’s web site. The Board’s Procedures are also published there.

- b) *The board and its members understand and appreciate the special roles of universities in society and the particular mission of the University of Victoria.*

✓ The Board has a sound grasp of the roles of universities in general and of the mission of the University of Victoria, in particular.

- c) *The board understands and respects the role of the university senate in the governance of the university.*

✓ The Board has a productive relationship with the University’s Senate. Its understanding of the University’s mission and academic governance -- and of developments in higher education at large -- is fostered by annual retreats conducted jointly with the Senate and by regular educational presentations. Information concerning the role and responsibilities of the Senate and academic governance at large has been included in orientation and other materials. Opportunities for Board members from outside the university to learn about ongoing learning, teaching, research and related creative and other activities are provided through visits to different parts of the campus, scheduled over the course of the year.

- d) *“The board understands and respects the academic culture and institutional norms.... It respects the chief executive and his or her office with regard to communication with the faculty and other internal constituencies.” (Source: R. Ingram, *Effective Trusteeship*, Association of Governing Boards, Washington, D.C.: 2004, p. 55)*

✓ The Board respects the academic culture and entrusts communication with the faculty and other internal constituencies to the President and the Provost.

- e) *"The board has a good record of balancing its responsibility to hold the institution accountable with its responsibility to advocate for its needs in serving current and future generations." (Source: R. Ingram, Effective Trusteeship, Association of Governing Boards, Washington, D.C.: 2004, p. 58)*

✓ The Board has a strong record of ensuring that the University is accountable. Through its website, the University of Victoria makes available reports and data, which provide a public accounting of its accomplishments and progress in fulfilling its mission.

- f) *The board distinguishes between strategy and policy, on one hand, and management and administration, on the other. It does not involve itself in the day-to-day management of the institution.*

✓ The Board's Statement of the Responsibilities of the Board of Governors and its Members requires that matters of policy (Board responsibility) be distinguished from matters of administration (President's responsibility).

3. Board Meetings and Activities

- a) *"[The university's] chief executive and board leaders work hard to keep [board member] focused on long-term strategy, priorities, and goals. [The board uses] 'consent agendas' (groupings of required approvals on operational matters). Also, by emphasizing discussion over 'presentation', our board members are more engaged, more stimulated and motivated, more knowledgeable about the key issues, and more willing and able to serve as effective advocates." (Source: R. Ingram, Effective Trusteeship, Association of Governing Boards, Washington, D.C.: 2004, p. 58)*

✓ As noted above, the Board distinguishes between strategy and policy, on one hand, and management and administration, on the other. Consent agendas for Board meetings have long been used for efficiency. Consent agendas are used for committees, when appropriate. Board meetings are organized so as to provide opportunity for discussion. Opportunities to enlist Board members' knowledge and expertise in consideration of strategic issues facing the institution will continue in ~~2018~~2019/1920.

- b) *The number, length and organization of Board meetings enable it to carry out its work effectively and efficiently.*

✓ The *University Act* calls for the Board to meet as often as is necessary to transact its business and at least once every three months. By tradition, the UVic Board meets six times per year.

Our most recent annual evaluation confirmed that the number, timing, length, agendas and conduct of Board meetings enable it to carry out its work effectively and efficiently. Continued attention will be devoted to structuring agendas and dockets so as to focus on key items while ensuring that all necessary business is completed.

4. Committees

- a) *"The Board has committees that address the Finance, Governance, Human Resources and Compensation, and Audit functions, as well as any other committees relevant to board operations."* (Source: BC BRDO, *Best Practice Guidelines*, p. 15)

√ Since 2010/11, the Board has had the following committees: Executive and Governance Committee; Finance Committee; Operations and Facilities Committee; Audit Committee; Compensation and Review Committee.

- b) *"Each board committee has written terms of reference that are available publicly and that outline its composition and responsibilities."* (Source: BC BRDO, *Best Practice Guidelines*, p. 15)

√ The committees' terms of reference are contained in the Board's Procedures, which are published on the Board page of the University's web site.

- c) *"Each committee keeps informed about emerging best practices in corporate governance relevant to its functions."* (Source: BC BRDO, *Best Practice Guidelines*, p. 15)

√ Committees keep apprised of best practices in their areas. Pertinent articles and publications from sources such as the Association of Universities and Colleges of Canada, the Association of Governing Boards and *The Chronicle of Higher Education* will be circulated to Board members.

- d) *"Every board task force and working group established to address special board needs has written terms of reference outlining its composition, responsibilities, working procedures and termination date."* (Source: BC BRDO, *Best Practice Guidelines*, p. 15)

√ Such terms of reference are prepared when special task forces or groups are established.

5. Audit Committee

- a) *“Audit Committee members are financially literate and at least one member has accounting or related financial management expertise.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The Audit Committee’s terms of reference state that, “The majority of members of the Committee shall be financially literate, being defined as having the ability to read and understand financial statements of the breadth and complexity comparable to those of the university and at least one member of the Committee shall have accounting or related financial management expertise. All committee members should possess an inquiring attitude, objectivity, independence and sound judgment”. The Committee’s membership accords with this standard.

- b) *“Members of the Audit Committee are independent from the external auditors.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ Members of the Audit Committee are independent from the external auditors.

- c) *“The Audit Committee has written terms of reference that set out its roles and responsibilities.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The Audit Committee has written terms of reference, setting out its roles and responsibilities, which are published on the University’s web site.

- d) *“The Audit Committee annually reviews its terms of reference and assesses its effectiveness in meeting the needs of the board of directors.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The Audit Committee’s terms of reference specify that it shall “annually review its mandate and make any recommendation for updating it to the Executive and Governance Committee of the Board”. The terms of reference also require that: (i) Committee members annually assess the effectiveness of the Committee against its mandate and report the results of the assessment to the Executive and Governance Committee of the Board. (This is done through the annual Board and Board committee evaluation process).

- e) *“The external auditor reports directly to the Audit Committee, not to management.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The Audit Committee's terms of reference include the following:

- The Committee reviews the independence and performance of the external auditors and recommends to the Board the appointment of the external auditors or approval of any discharge of auditors when circumstances warrant on a cycle approved by the Board.
- On an annual basis, the Committee reviews and discusses with the external auditors all significant relationships they have with the University that could impair the auditors' independence. This review should include a review of non-audit services performed by the external auditors.
- The Committee reviews the external auditors' audit plan—discuss and approve audit scope, staffing, locations, reliance upon management and internal audit, and general audit approach.
- Prior to releasing the year-end financial statements, the committee discusses the results of the audit with the external auditors. It also discusses certain matters required to be communicated to the Committee in accordance with the standards established by the Canadian Institute of Chartered Accountants.
- The Committee considers the external auditors' judgments about the quality and appropriateness of the accounting principles as applied in the financial reporting.
- The Committee meets in executive session with the external auditor.

f) *"The Audit Committee has an auditor independence policy or reviews and pre-approves all non-audit services to be provided to the organization or its subsidiaries by the external auditor."* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ An auditor independence policy is in place.

g) *"The Audit Committee periodically reviews the need for an internal audit function."* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The University of Victoria has had an internal audit function since 1981.

h) *"If the organization has an internal audit function:*

i. *the internal audit group reports functionally to the Audit Committee and administratively to the Chief Executive Officer;"*

◇ The internal auditor reports to the Audit Committee and, for administrative purposes, to the Vice-President Finance and Operations. The reporting relationship to the Vice-President Finance and Operations was reviewed in the course of an external validation of the Internal Audit function conducted by KPMG in 2008 and was deemed to be appropriate.

ii) *“The Audit Committee oversees the work of the internal audit group.”*
(Source: BC BRDO, *Best Practice Guidelines*, p. 20)

√ The Audit Committee’s terms of reference include the following:

- The Committee reviews the mandate and objectives of the internal audit function.
- The Committee approves the appointment and reviews the compensation of the chief auditor within the parameters set for Excluded Management and Confidential Staff approved by the Board.
- The Committee reviews the budget, staffing and resources of the Internal Audit function and makes recommendations to the Vice President Finance and Operations.
- The Committee reviews the internal auditor’s audit plan including discussion and approval of audit scope, staffing, locations, timing and general audit approach.
- The Committee reviews audit reports and discusses the results of the internal audit work plan.
- The Committee meets in executive session with the internal auditor.

i) *“The Audit Committee meets from time to time with the external and internal auditors without management present.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

√ The Audit Committee holds *in camera* sessions with the internal auditor and with the external auditors at each meeting.

j) *“The Audit committee reviews any proposed changes to the position of the organization’s chief financial officer.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

√ The Audit Committee’s terms of reference provide for it to “review any significant proposed changes in the position description of the university’s chief financial officer, the Vice-President Finance and Operations.”

- k) *"The Audit Committee has the authority to engage independent counsel and other advisors, with prior approval from the board chair."* (Source: BC BRDO, *Best Practice Guidelines*, p. 20)

✓ The Audit Committee's terms of reference give it "authority to conduct any investigation appropriate to fulfilling its responsibilities" and provide that it "may request the Board of Governors to retain special legal, accounting, consulting or other experts the Committee deems necessary in the performance of its duties".

6. The Board Chair

- a) *"The position of chair and CEO are separate."* (Source: BC BRDO, *Best Practice Guidelines*, p. 22)

✓ The position of Board Chair and University President are separate.

- b) *"The board chooses its own chair on the basis of merit and leadership abilities; neither the govern[ment] nor anyone else does so, either directly or indirectly. Moreover, [the board's] bylaws do not require [] that the incumbent vice chair of the board will succeed the incumbent chair...The board [has] flexibility and responsibility to choose its own leaders."* (Source: R. Ingram, *Effective Trusteeship*, Association of Governing Boards, Washington, D.C.: 2004, p. 54)

✓ The Board elects its own Chair annually. Section 19.2(1) of the *University Act* requires that the Chair be elected from among the 8 members of the Board appointed by the Lieutenant Governor in Council under section 19(1) (d).

- c) *"The board publishes a position description that sets out in detail the responsibilities of the chair."* (Source: BC BRDO, *Best Practice Guidelines*, p. 22)

✓ The role and responsibilities of the Board Chair are set forth in the Board's Procedures, which are published on the Board page of the University's web site. A detailed Board Chair Position Description has also been developed.

- d) *"The chair and responsible Minister communicate regularly to build their working relationship."* (Source: BC BRDO, *Best Practice Guidelines*, p. 22)

◇ The University's Board Chair communicates and meets with the Minister as needed, as well as welcoming and introducing him or her at events on campus.

- e) *"The Board Chair provides leadership to ensure the Board can effectively govern a post-secondary institution. The Board Chair guides Board activities, and works closely with the President to cultivate an effective relationship between the Board and institution management."* (Source: *Orientation Manual for BC Public PSE Board Members*, p.6)

√ This expectation is set out in the Board Chair Position Description and fulfillment assessed and confirmed through an annual Chair evaluation process.

7. Individual Directors

- a) *"The board publishes a charter or similar document for directors that details the expectations of individual board members."* (Source: BC BRDO, *Best Practice Guidelines*, p. 24)

√ The Board has approved a *Statement of the Responsibilities of the Board of Governors and its Members*.

- a) *"In carrying out their Board duties, members must consider their:*
- *Fiduciary duty to act in the best interest of the organization.*
 - *Requirement to represent the interests of the institution as a whole, rather than the interests of individual constituents.*
 - *Commitment to maintaining high ethical standards and integrity in decision-making.*
 - *Commitment to respectful communication and interaction with other Board members and institution management.*
 - *Compliance with the Code of Conduct for the institution....*
 - *Commitment to effective governance"*

(Source: *Orientation Manual for BC Public PSE Board Members*, p.7)

√ These expectations are reflected in the *Statement of the Responsibilities of the Board of Governors and its Members*.

- b) *"The board develops and publishes minimum attendance expectations for directors and makes public the directors' attendance records."* (Source: BC BRDO, *Best Practice Guidelines*, p. 24)

◇ Under the *University Act*, s. 22(2), a member who does not attend at least half of the regular meetings of the board in any year is deemed to have vacated his or her seat, unless excused by a resolution of the Board.

- d) *“As part of public sector transparency, the organization annually discloses the amount of compensation paid to each individual director for the preceding year.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 24)

◇ Consistent with practice at other major Canadian universities, members of the Board are not compensated for their service. (Reimbursement is provided for expenses incurred in attending Board meetings).

- e) *“Board members must abide by individual Board policies about who will be the spokesperson for the Board. Boards should speak with one voice. Once debate in the boardroom is over and a decision is made, that decision stands as a united position of the Board. It is very important that Board members respect issues of confidentiality and not disclose information they learn at Board meetings which has been imparted in confidence.”*

(Source: *Orientation Manual for BC Public PSE Board Members*, p.7)

√ These expectations are reflected in the *Statement of the Responsibilities of the Board of Governors and its Members*.

8. The Chief Executive Officer or President

- a) *“The board has a job description that sets out in detail the responsibilities of the CEO.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 26)

√ There is a detailed position description for the President.

- b) *“The board annually establishes performance expectations for the CEO.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 26)

√ The Procedures for the Annual Review of the President provide for the establishment of annual goals. The report of an examination of university board governance in British Columbia conducted by the Office of the Auditor General in 2013, in which the University of Victoria was included, stated that:

We found that the [UVic] Board approves the President’s goals on an annual basis.

Subsequent to this, the Board, through its Compensation and Review Committee, performs a mid-year and end-of-year review of the President's performance before submitting a final report to the Board.

Establishing and agreeing to annual goals and evaluating the President's performance are important practices. They support the President's motivation and development, as well as the performance of the university in achieving its strategic goals. For universities, this accountability mechanism is particularly important given that the President is a voting board member under the Act as well as the Board's one employee. The evaluation helps ensure proper separation between the Board and management. (Source: BC OAG, University Board Governance Examinations, February 2014, p. 27, www.bcauditor.com)

- c) *"The board annually assesses the CEO's performance against the position description and the performance expectations."* (Source: BC BRDO, *Best Practice Guidelines*, p. 26)

√ In accordance with the Procedures for the Annual Review of the President, the Board Chair and the Compensation and Review Committee review the President's accomplishments relative to six general criteria and to the prior year's goals. In the process, input is sought from all Board members.

- d) *The "Board[is]responsible for setting and disclosing appropriate compensation for Presidents and senior executives at the institution within the parameters of the compensation framework set by Government."*

√ The Board of Governors sets compensation in accordance with the approved Executive Compensation Plan and the framework established by government and posts an executive compensation disclosure report annually.

- e) *"The directors regularly meet together without management present."*
(Source: BC BRDO, *Best Practice Guidelines*, p. 26)

◇ As noted above, in accordance with the *University Act*, by which the University of Victoria is governed, the President is a member of the Board of Governors. This provision, typical of universities and necessary for their effective governance, would render meetings without management inappropriate. (The President of course absents them self from any Board or committee meeting dealing with their appointment, review or terms of employment.)

9. Corporate Secretary

- a) *“The board has a position description that sets out in detail the responsibilities of the corporate secretary.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 27)

√ There is a detailed position description for the University Secretary.

10. Code of Conduct and Ethics

- a) *“The board has adopted a Code of Conduct and Ethics that is consistent with The Standards of Ethical Conduct for Public Sector Organizations.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 28)

- b) *“The organization publishes its Code of Conduct and Ethics.”* (Source: BC BRDO, *Best Practice Guidelines*, p. 28)

√ The Board’s Procedures include sections on Duties, Conflict of Interest and Confidentiality. They specify that “Board members must annually sign a statement disclosing any real or apparent conflicts of interest and acknowledging that they have read and understood the Board procedures on conflict of interest”. The *Statement of the Responsibilities of the Board of Governors and its Members* also outlines expectations with respect to ethics.

11. Orientation and Professional Development

- a) *The board has a comprehensive orientation program for new directors.* (Source: BC BRDO, *Best Practice Guidelines*, p. 30)

√ New board members receive extensive briefing materials and a thorough in-person orientation.

- b) *The board has a culture that encourages new directors to participate fully and effectively in board activities as soon as possible.* (Source: BC BRDO, *Best Practice Guidelines*, p. 30)

√ New Board members are encouraged and expected to participate fully as soon as possible.

- c) *The board provides ongoing educational opportunities for directors to learn about the organization, its sector and its corporate governance practices, and maintains a policy encouraging directors to take advantage of these opportunities. (Source: BC BRDO, Best Practice Guidelines, p. 30)*

√ Ongoing educational opportunities include: visits to academic and other units and/or other opportunities to interact with members of the campus community; presentations to the Board concerning major initiatives at the university; an annual one-day retreat, held jointly with the Senate, on an issue of strategic importance to the university; participation by Board officers in meetings of the Canadian University Boards Association; and subscription to electronic university news services.

12. Board, Committee and Director Assessment

- a) *The board annually assesses its performance and the performance of each of its committees against their respective charters or terms of reference. (Source: BC BRDO, Best Practice Guidelines, p. 32)*
- b) *The board annually assesses the performance of the chair against the chair's position description. (Source: BC BRDO, Best Practice Guidelines, p. 32)*
- c) *The board annually assesses the performance of individual directors against the directors' Charter of Expectations. (Source: BC BRDO, Best Practice Guidelines, p. 32)*

√ In 2005/06, mechanisms were put in place for annual assessment of Board and Board committee procedures and practices and of the effectiveness of the Chair. Annual Board member self-assessment is also practiced. The report of the examination of university board governance in BC conducted by the Office of the Auditor General in 2013 stated that:

We found that the [UVic] Board has a strong evaluation process covering key areas such as board effectiveness, committee effectiveness, roles and responsibilities of the Board and management, as well as several other areas pertaining to board operations. The evaluation process also included individual member self-assessments covering areas pertaining to the member's understanding of the organization, his/her governance role and contributions to the Board, as well as several other important areas. Regular evaluations support the continued growth and effectiveness of the Board. (Source: BC OAG, University Board Governance Examinations, February 2014, p. 28, www.bcauditor.com)

13. Communications Strategy

- a) *An appropriate communication strategy is in place that meets the needs of all stakeholders, employees and Government and reflects a public sector organization's requirement for transparency and accountability. (Source: BC BRDO, Best Practice Guidelines, p. 32)*

√ Appropriate mechanisms are in place for communicating Board decisions and for obtaining input into those decisions. Additional steps to communicate the composition, role and activities of the Board took place in 2015/16 and continue.

- b) *The board chair is the authorized spokesperson for the board and the CEO is the primary spokesperson for the organization. (Source: BC BRDO, Best Practice Guidelines, p. 32)*

√ The only person authorized to speak for the Board is the Chair or his or her express delegate. The President is the primary spokesperson for the organization.

14. Review and Approval of Institutional Accountability Report

- a) *The Board fulfills its oversight responsibility for UVic's accountability reporting. (Source: BC OAG, University Board Governance Examinations, February 2014, p. 28, www.bcauditor.com)*

√ The Board reviews and approves the institutional accountability plan annually.

15. Oversight of Risk Management

- a) *The Board oversees a risk management framework. (Source: BC OAG, University Board Governance Examinations, February 2014, p. 28, www.bcauditor.com)*

√ The report of the examination of university board governance in BC conducted by the Office of the Auditor General in 2013 stated that:

We found that the Board oversees management's progress in identifying, ranking, and preparing mitigation strategies for risks. Risks are presented to the relevant board committee and eventually to the audit committee and the Board as a whole.

Risk management is an important control supporting the achievement of UVic's objectives. (Source: BC OAG, University Board Governance Examinations, February 2014, p. 27, www.bcauditor.com)

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