



## **CALL TO ORDER**

The Chair called the meeting to order at 6:02 p.m.

## **REGRETS**

The Chair noted regrets from Governors Denise Jones, Mike Shields, and participants Joanna Campbell and Lyn McLeod.

## **INTRODUCTION OF GUESTS**

The Chair advised that Ken Knox was to join the meeting but was unable to attend this evening. Gary Polonsky advised that Ken is the past Chair of the Ontario Innovation Trust, and will be joining UOIT on a part-time contract basis to enhance the UOIT research portfolio.

Donna McFarlane introduced Erin Boniface, incoming DC Student Governor, going into her third year of the Human Resources Program, currently working for the summer in Human Resources, and Marc Rosen, Dean, Faculty of Engineering & Applied Science, UOIT. She noted that Jason Hunt, Legal Counsel from Kitchen, Kitchen, Simeson & McFarlane, would join us later in the evening.

## **ADDITIONS/DELETIONS TO THE AGENDA**

The Chair noted the addition of items 14.2, Congratulations to a Governor, 14.3, Alumnus of Distinction Award, and 14.4, Report on the Board Evaluation.

## **CONFLICT OF INTEREST DECLARATIONS**

None was noted.

## **APPROVAL OF PREVIOUS MINUTES**

The minutes of the 392nd Regular Board Meeting of May 11, 2005 were accepted, as presented.

## **ACTION ARISING FROM PREVIOUS MINUTES**

Margaret Greenley is reviewing the Accessibility Policy and will report in September.

The Foundation Board will discuss options at its meeting on June 23, 2005, with a view to making recommendations to the DC and UOIT Boards of Governors in September.

A congratulatory letter was sent to John Woodward and his team commending them on the re-registration of the Whitby Campus' ISO status.

A congratulatory letter was sent to student John Bresky re his animation award at the Great Canadian Art Competition.

## **DECISION ITEMS**

### **2005-2006 Business Plan**

Bev Balenko reported on the Business Plan and advised that the College Charter requires the submission of a Business Plan every year. She remarked that the Business Plan established outcomes and a plan to achieve outcomes within the framework of the Strategic Plan.

Moved by Gerry Warman

Seconded by Karen Hodgins

MOTION #DC4845 “That the Board of Governors of Durham College of Applied Arts and Technology approve the 2005-2006 Business Plan, as presented.”

CARRIED

### **2004-2005 Annual Report**

Bev Balenko advised that the Financial Statements will be included in the Annual Report after they have been approved by the Board.

Karen Hodgins asked if we have received s.28 approval for the Athletics expansion and Terry advised that today he submitted the Term Sheet to the O.F.A., as well as the agreement between the Student Association and the Institution re the increase in student fees. Terry noted that we can move ahead once approval is received. Pierre asked re a timeframe for s.28 approval and Terry suggested that they are hoping approval will arrive by the end of July.

Moved by Debbie Kinkaid

Seconded by Beth Wilson

MOTION #DC4846 “That the Board of Governors of Durham College of Applied Arts and Technology approve the 2004-2005 Annual Report, as presented.”

CARRIED

### **New Program Development Plan**

Judy Moreton stated that about eighteen months ago there were fifteen new programs being considered. Judy advised that they currently have the number down to twelve and a plan to reduce that to about six by September, 2006.

Gerry Warman asked if research was done and what process was used to choose the programs. Judy stated that an advisory group, including faculty, met to review the programs, which were then given to a research person to review. The list of programs then came back to the advisory group, allowing faculty and additional in-depth research to advise as to which new programs should be developed. Gerry asked if high school students were approached for their input and Judy replied no.

Joanne Burghardt asked what is being done regarding the Computer Program and Judy advised that the existing program is being modified. Joanne then asked if Judy has KPI's for that program and Judy replied that she does know that employment in the field is a problem and that employers were approached, and they suggested that more training is required. She also stated that research indicates a turn-around in the area of I.T. Patrick then asked if the Board has to approve the cancellation of programs and was told yes.

Moved by Rocky Simmons

Seconded by Joanne Burghardt

MOTION #DC4847 “That the Board of Governors of Durham College of Applied Arts and Technology approve the New Program Development Plan, as presented.”

CARRIED

Patrick McNeil asked how they will decide which existing programs will be eliminated and Judy advised that until this year student demand and job demand mostly dictated the programs. A new program review model now allows programs to be viewed in a broader cycle. She added that programs are reviewed at least every four years.

### **Post-Secondary Academic Policy Revision**

Judy noted that sample documentation has been provided and stated that the policy remains value-driven. She advised that the old policy contained non-policy portions which were moved into the procedural document. Judy also noted that definitions were expanded, specifically on the benefits to the students.

Moved by Gerry Warman

Seconded by Paul McErlean

MOTION #DC4848 “That the Board of Governors of Durham College of Applied Arts and Technology approve the revised Post-Secondary Academic Policy, as presented.”

CARRIED

### **Financial Signing Authority**

Moved by Karen Hodgins

Seconded by Joanne Burghardt

MOTION #DC4849 “That the Board of Governors of Durham College of Applied Arts and Technology appoint Terry Caputo, Assistant Vice President of Finance, as a signing officer of the College, effective June 1, 2005.”

CARRIED

### **Report of the Nominating Committee Meeting held May 31, 2005 and Update re CCAC Appointments**

Mark Moorcroft stated that the Nominating Committee had reviewed the composition of the Board Committees and this is being brought forward to the Board for approval. Mark reported that CCAC approval has been received for Aileen Fletcher and Charlie Peel.

Moved by Joanne Burghardt

Seconded by Beth Wilson

MOTION #DC4850 “That the following recommendations of appointment for the period covering September 1, 2005 to August 31, 2006 be accepted, as presented.

BOARD CHAIR  
BOARD VICE-CHAIR  
SECRETARY  
(By-Law Art. 6)  
Treasurer (By-Law Art. 6)

Lorraine Sunstrum-Mann  
Patrick McNeil  
Cathy Pitcher  
Terry Caputo

**AUDIT & FINANCE COMMITTEE**  
(By-Law No. 21)

Denise Jones, Chair  
Aileen Fletcher  
Paul McErlean  
Lorraine Sunstrum-Mann  
Beth Wilson  
Gary Polonsky  
Terry Caputo, Treasurer\*

**BUILDING COMMITTEE**

Phillip (Rocky) Simmons, Chair  
Joanne Burghardt  
JoAnne Horruzey  
Deborah Kinkaid  
Charlie Peel  
Lorraine Sunstrum-Mann  
Gary Polonsky

**EXECUTIVE COMMITTEE**  
(By-Law No. 20)

Lorraine Sunstrum-Mann, Chair  
Karen Hodgins  
Denise Jones  
Patrick McNeil  
Mark Moorcroft  
Phillips (Rocky) Simmons  
Gary Polonsky

**JOINT RELATIONS**

Peter Bagnall, Chair (UOIT)  
Joanne Burghardt  
JoAnne Horruzey  
Lorraine Sunstrum-Mann  
Gerry Warman  
Gary Polonsky

**NOMINATING COMMITTEE**

Mark Moorcroft, Chair  
Erin Boniface  
Karen Hodgins  
Inez Pinder  
Lorraine Sunstrum-Mann  
Gary Polonsky

\*staff appointment

**MENTOR ASSIGNMENTS FOR 2005-2006**

New Governor

Erin Boniface  
Aileen Fletcher  
Charlie Peel

Veteran Governor

Pierre Hinse (UOIT)  
Karen Hodgins  
Dave Broadbent (UOIT)".

CARRIED

**Report of the Audit & Finance Committee Meeting held May 31, 2005 and June 7, 2005**

Beth Wilson reported that the DC Financial Statements were reviewed and discussed for approval. Beth noted that it was an informative meeting. She advised that Allan Faux and Bernie Chandler from Deloitte & Touche reviewed the audit reports, but could not recommend approval of the DC Consolidated Statements until the DCEN Statements are available for review. Beth noted that the Committee met again on June 7 to review the DCEN Statements and subsequently approved the DC Financial Statements.

**DC 2004-2005 Audited Financial Statements**

Terry Caputo reviewed the DC 2004-2005 Audited Financial Statements. He began with the Statement of Operations, noting key changes from last year. Accounts receivable have decreased by \$7M, due to a decrease of \$10M in the DCEN accounts receivable. He noted that \$1.3M in income tax payable last year is recoverable due to write-offs in our accounts receivable. Terry advised that the U.S. does not allow a write-off without proof that everything possible was done to try to collect the debt. He stated the Assets are consistent.

Discussing Liabilities, Terry advised that \$6.9M indebtedness to the bank last year has been reduced to \$6.2M this year. Terry noted that the decrease in Accounts Receivable is in part due to the completion of the Residence and advised that this long-term debt has become a mortgage.

Regarding Employer Future Benefits, Terry stated that this includes future benefits provided to early retirees, future retirees and employees currently on long term disability. These are actuarial assumptions and must be shown on the statement.

Terry advised that the majority of net assets are invested in capital assets as we have invested in our own infrastructure. He noted that overall, the amortization expense increases every year. Inez Pinder asked for an explanation of this statement and Terry stated that the balance of \$3.6M represents any funds not used. He advised that accrued vacations and sick leave must be noted and are also represented in the \$3.6M.

In discussion of the Operating Statement of Operations, Terry noted that the operating grant has increased from 3.38% to 3.45%, explaining that some of the training at the Whitby campus has moved into the postsecondary area, allowing for increased student fees and Government grants. He stated that ancillary costs are due mostly to the Residence. Some of the Corporate Training revenue has moved to the postsecondary area. In Expenditures, Terry noted an increase in certain costs such as insurance. There has also been an increase in interest, as well as bad debts last year were recovered while this year they were written off. Terry stated that amortization expense will increase each year.

Patrick McNeil asked how close we were to our projections and Terry commented that we had planned to break even, advising that we have actually surpassed our projection.

Terry explained that DCEN was in breach of the covenant at March 31, 2005 and that a waiver has been requested from the bank. He stated that there has also been a request for new covenants and the bank has assured him that the proposal will revise the covenants. Terry noted that he doesn't expect DCEN to be in breach again. Inez Pinder asked when he expects to receive the waiver and Terry stated that he expects to receive it in the next few days. Beth Wilson advised that Deloitte & Touche will review the letter of waiver.

Moved by Gerry Warman

Seconded by Paul McErlean

MOTION #DC4851 “That the Board of Governors of Durham College of Applied Arts and Technology approve, as amended, the 2004-2005 Durham College Financial Statements, as prepared by management, audited by Deloitte & Touche, LLP and reviewed by the Audit & Finance Committee, on condition that the waiver received from the bank conforms to expectations.”

CARRIED

#### **Approval of External Auditors**

Beth Wilson advised that auditors need to be appointed and noted that a best practices discussion had taken place re rotating a lead member of the current accounting firm. She advised that the Chair of the Audit & Finance Committee will approach Deloitte & Touche to discuss this potential rotation.

Moved by JoAnne Horruzey

Seconded by Karen Hodgins

MOTION #DC4852 “That the Board of Governors of Durham College of Applied Arts and Technology approve Deloitte & Touche, LLP, as the external auditors for Durham College for the fiscal year ending March 31, 2006.”

CARRIED

Jason Hunt joined the meeting at this time.

Beth thanked Terry for his presentation.

## **Decreasing the Number of Board Meetings**

Lorraine Sunstrum-Mann stated that the subject of the number of Board meetings has been discussed at a number of meetings and Retreats. Joanne Burghardt asked how a reduced number of meetings might affect the workload of the Board and Lorraine suggested that over the next year a major focus will be on the Presidential Search, explaining that some of the workload may not require meetings of the full Board.

Gerry Warman asked if the Presidential Search will require a large time commitment from the members and Lorraine replied yes, commenting on timelines and the amount of front-end work required to decide on criteria and profile. She advised that there is a potential delay in the timeline for the ad, noting that the Committee is not quite struck.

Joanne Burghardt again asked how a reduced number of meetings might affect the workload. Lorraine responded that until now, the Board's focus has been finances, suggesting that this issue is now clarified, relieving some of the pressure. She advised that there would be a need for some streamlining of the agendas, with a strategic focus.

Mark Moorcroft asked if the Retreat in October will become what would have been the monthly meeting and Lorraine stated that the Retreat will remain as a Retreat. The only Board business that might be dealt with at the Retreat would have to be a matter of urgency. Mark then suggested that he is concerned about the March meeting, noting that this month historically deals with budgets and fiscal year end.

Beth Wilson remarked that we did not want to extend the length of the meetings. She stated that if we reduce the number of meetings, it follows that we reduce interaction with the new President. She then asked how we reinforce the vision.

It was asked if reducing the number of meetings was just a trial or permanent and Rocky suggested that meetings be held every five weeks, instead of four. It was suggested that we try to reduce the number of meetings, and that the meetings would need to be tighter, focusing on the issues. If necessary, we can make adjustments. It was agreed not to schedule a meeting in October and December.

Moved by JoAnne Horruzey

Seconded by Joanne Burghardt

MOTION #DC4853 "That the Board of Governors of Durham College of Applied Arts and Technology approve reducing the number of regularly scheduled Board meetings from ten meetings to eight meetings per year on a trial basis."

CARRIED

## **ACKNOWLEDGEMENTS AND REPORTS**

### **Report and Minutes of the Joint Relations Committee Meeting held May 17, 2005**

Peter Bagnall reported that this was the inaugural meeting for the Joint Relations Committee and noted that the discussion went well. He suggested that there are a lot of areas with which to become familiar and different types of areas in which the Committee could get involved. Peter advised that the staff were asked to provide a draft process basis, and reported that overall it was a positive meeting.

## **CONSENT CALENDAR**

The item on the Consent Calendar was accepted, as presented.

## **INTERIM FINANCIAL REPORT**

Terry Caputo stated that we are on track, recognizing that July is an important revenue month.

## **REPORT OF THE PRESIDENT**

### **Recent Media Coverage about our Community**

Donna McFarlane briefly summarized the recent media coverage, noting that the Communications and Marketing Department tracks DC/VOIT coverage in the media. She advised that during February and March, there were approximately one hundred articles on DC/VOIT, covering a broad array of subjects. For example, Harvard University ran an article regarding the pub in the Student Centre and the Toronto Star covered the announcement of Gary Polonsky's retirement.

Joanne Burghardt asked if VOIT is still overshadowing DC and Donna replied yes but this is being worked on, noting that things are gradually reaching a balance. She also made reference to our branding activity.

### **2005 Ontario Skills Competition**

John Woodward advised that four students have won medals in the Ontario Skills Competition. It was noted that congratulatory letters had been sent to the students.

### **Continuous Education Enrolment Numbers**

Judy Moreton advised that the growth in Continuous Education has taken place mostly in the postsecondary programs. She stated that on-line programming is almost at the top.

Inez Pinder asked if there is any specific area for the growth and Judy replied that online and the Uxbridge Campus have shown the most growth.

### **DC's Ranking Enrolment Growth in Ontario**

Richard Levin noted that a review in market share showed a substantial increase of 27% from 1998-2004. Gail MacKenzie asked why there was a marked increase at Conestoga and Richard replied that he didn't know.

## **REPORT OF THE CHAIR**

### **Upcoming Events**

The Chair noted the following upcoming events: DC Convocation – Friday, June 17, Civic Auditorium; DC Foundation Board of Directors and Annual General Meeting, Thursday, June 23, Community Room; and the DC/VOIT 2005 Legacy Gala – Saturday, September 24.

### **Congratulations to a Governor**

Lorraine Sunstrum-Mann congratulated Governor Aaron Keating on his new job. Aaron explained that he is working in his field of Human Resources, managing surveys.

### **Alumnus of Distinction Award**

Lorraine congratulated Terry Slobodian for being chosen as an Alumnus of Distinction by Western University.

### **Report on the Board Evaluation**

Gail MacKenzie advised that further diligence is needed on the Board's self-evaluation. She noted that it will be sent to Governors via email next week and the information will be used at the Retreat. Gail stated that the evaluation is user friendly and suggested that each year the evaluation should be completed. Gail

suggested that the evaluation would be reviewed each year and asked that completed surveys be returned by the end of June.

**COMMUNITY INFORMATION**

Gary noted that Terry Caputo and Bev Balenko were President and Honorary Chair respectively of the Light the Night for Leukemia event.

Inez Pinder inquired re Community Day and Donna McFarlane replied that there were approximately 1,000 visitors and was viewed to be very successful. She stated that the organizers accomplished what they had hoped to and the decision has been made to hold the event every two years.

**TERMINATION OF MEETING**

There being no further business, the Chair declared the meeting terminated at 7:48 p.m.

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Lorraine Sunstrum-Mann, Chair

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Gary Polonsky, President