

Open Board of Governors

Algoma University - Board of Governors

Virtual

Sep 29, 2021 5:30 PM - 7:00 PM EDT

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1. OPEN SESSION CALL TO ORDER

1.1. Acknowledgement of Traditional Territories

We wish to acknowledge that we are on the traditional lands of the Anishinaabek Nation. We also acknowledge that we are on sacred lands set aside for education as envisioned by Chief Shingwauk for our children and for those as yet unborn.

1.2. Chairs Opening Remarks

1.3. Declarations of Conflicts of Interest

2. APPROVALS OF MOTIONS MADE IN CLOSED SESSION

MOTION : To approve the motions that were made in the Closed Session.

3. CONSENT AGENDA

MOTION : That all items listed under the 'Consent Agenda' be approved as recommended.

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6. BUSINESS ARISING - N/A

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8. NEW BUSINESS - N/A

9. INFORMATION ITEMS

- 9.1. Fall 2021 Board Retreat Reminder - October 28, 2021**
- The Fall 2021 Board Retreat is scheduled for Thursday, October 28. All Board members are encouraged to RSVP via OnBoard and prioritize this session that will have a focus on Enterprise Risk Management.
- 9.2. Questions on Information Items**

10. MOVE INTO CLOSED SESSION

MOTION : That Board of Governors move into an additional Closed Session.

11. ADJOURNMENT

MOTION: That the Board of Governors meeting be adjourned.

OPEN AGENDA

1. OPEN SESSION CALL TO ORDER

5:30 PM

Presenter: Shelley Schell

1.1. Acknowledgement of Traditional Territories

We wish to acknowledge that we are on the traditional lands of the Anishinaabek Nation. We also acknowledge that we are on sacred lands set aside for education as envisioned by Chief Shingwauk for our children and for those as yet unborn.

1.2. Chairs Opening Remarks

1.3. Declarations of Conflicts of Interest

2. APPROVALS OF MOTIONS MADE IN CLOSED SESSION

5:35 PM

Presenter: Shelley Schell

MOTION: To approve the motions that were made in the Closed Session.

3. CONSENT AGENDA

5:36 PM

Presenter: Shelley Schell

MOTION: That all items listed under the 'Consent Agenda' be approved as recommended.

3.1. OPEN Agenda for Board Meeting

3.2. OPEN Minutes for Previous Meeting

3.3. OPEN Committee Minutes

3.3.1. Board Executive Committee

3.3.2. Board Finance Committee

3.3.3. Nominating and Governance Committee

4. REPORT FROM THE PRESIDENT

5:38 PM

Presenter: Asima Vezina

[September 2021 President's Report \(FLIPBOOK VIEW\)](#)

5. PRESENTATIONS

5.1. Research Advisory Committee: Dr. Isabel Molina

5:53 PM

Presenter: Dr. Isabel Molina - Canada Research Chair in Plant Lipid Metabolism, Department of Biology

5.2. National Day for Truth and Reconciliation

6:05 PM

Presenter: Krista McCracken - Interim Director, Shingwauk Residential Schools Centre

A presentation on Algoma University's acknowledgement of, and activities related to, the September 30th National Day for Truth and Reconciliation.

[National Day for Truth and Reconciliation: Orange Shirt Day](#)

6. BUSINESS ARISING - N/A

7. ITEMS FOR DECISION / DISCUSSION

7.1. Audited Financial Statements April 30, 2021

6:20 PM

Presenter: Kramer Rousseau

MOTION: That the Board of Governors approves the Draft Financial Statements for the year ended April 30, 2021.

7.2. Audited Statements of the Pension Plan

6:35 PM

Presenter: Kramer Rousseau

MOTION: That the Board of Governors approves the June 30, 2021 Pension Plan Financial Statements.

8. NEW BUSINESS - N/A

9. INFORMATION ITEMS

9.1. Fall 2021 Board Retreat Reminder - October 28, 2021

The Fall 2021 Board Retreat is scheduled for Thursday, October 28. All Board members are encouraged to RSVP via OnBoard and prioritize this session that will have a focus on Enterprise Risk Management.

9.2. Questions on Information Items

6:45 PM

Presenter: Shelley Schell

10. MOVE INTO CLOSED SESSION

6:47 PM

Presenter: Shelley Schell

MOTION: That Board of Governors move into an additional Closed Session.

11. ADJOURNMENT

Presenter: Shelley Schell

MOTION: That the Board of Governors meeting be adjourned.

OPEN SESSION MINUTES

Present: S. Schell (Chair), P. Quesnele (Secretary)

Y. Alphonse

S. Kosuta

S. Taylor

R. Assiniwai

M. Pitcher

M. Borowicz-Sibenik

M. Moraca

P. Dupuis

H. Stevenson

Regrets: J. Belisle, B. Lloyd, J. Pastore, E. Pitcher, P. Sewell, M. Turco, A. Vezina (President)

Guests:

1.0 CALL TO ORDER

Acknowledgment of Traditional Territories

We wish to acknowledge that we are on the traditional lands of the Anishinaabek Nation. We also acknowledge that we are on sacred lands set aside for education as envisioned by Chief Shingwauk for our children and for those as yet unborn.

1.1 Declarations of Conflicts of Interest

M. Turco declared a conflict of interest prior to the meeting. A. Vezina was not included in this meeting due to a conflict of interest.

2.0 APPROVAL OF OPEN AGENDA

MOTION: *To approve the special meeting OPEN agenda as circulated.*

Moved by: M. Pitcher

Seconded by: P. Dupuis

Carried.

3.0 MOVE INTO CLOSED SESSION

MOTION: *That the Board move into the special meeting CLOSED Session*

Moved by: P. Dupuis

Seconded by: S. Taylor

Carried.

8.0 APPROVALS OF MOTIONS MADE IN CLOSED SESSION

MOTION: *To approve the motions that were made in the CLOSED Session.*

Moved by: M. Moraca

Seconded by: H. Stevenson

Carried.

9.0 ADJOURNMENT

MOTION: *That Board of Governors special meeting be adjourned.*

Moved by: M. Pitcher

Seconded by: M. Borowicz-Sibenik

Carried.

OPEN SESSION MINUTES

Present: S. Schell (Chair), P. Quesnele (Secretary)

Y. Alphonse	S. Kousta	M. Pitcher
R. Assiniwai	B. Lloyd	H. Stevenson
J. Belisle	M. Moraca	S. Taylor
M. Borowicz-Sibenik	J. Pastore	A. Vezina (President)
P. Dupuis	E. Pitcher	

Regrets: P. Sewell, M. Turco

Guests: R. Battisti, C. Fowler, D. Rogers, M. Wabano-McKay
P. Steeves

1.0 CALL TO ORDER - 6:12pm

Acknowledgment of Traditional Territories

We wish to acknowledge that we are on the traditional lands of the Anishinaabek Nation. We also acknowledge that we are on sacred lands set aside for education as envisioned by Chief Shingwauk for our children and for those as yet unborn.

1.1 Chairs Opening Remarks

The Chair welcomed everyone to the Open session and advised that the Board is committed to actions of the Shingwauk Site Partners to ensure that every current measure available will be used to address the potential that there may be unmarked burial sites outside of the marked graves in the Shingwauk cemetery. She reiterated that this would be done in a culturally respectful and responsible way and would be guided by the Children of Shingwauk Alumni Association.

1.2 Declarations of Conflicts of Interest

None.

1.3 Consent Agenda

1.3a OPEN Agenda for meeting dated June 24, 2021

1.3b OPEN Minutes - April 29, 2021 [Appx. 1]

1.3c Reports from Board Committees/University Bodies [Appx. 2]:

Committee/University Body	Chair	Report
Board Executive	M. Moraca	i. OPEN Apr 20/21
Board Finance	S. Taylor	ii. OPEN Apr 20/21 iii. OPEN May 11/21
Nominating & Governance	E. Pitcher	iv. OPEN Apr 14/21
APC	T. Kakapshe	v. Mar 10/21

MOTION: *That all items listed under the date June 24, 2021 'Consent Agenda' be approved as amended.*

Moved by: E. Pitcher

Seconded by: H. Stevenson

Carried.

2.0 REPORT FROM THE PRESIDENT - N/A

3.0 PRESENTATIONS

3.1 Honouring our Commitment - Calls to Action [FLIPBOOK LINK]

- **SHARED STATEMENT - Shingwauk Site Partners: Commitment to Action following Kamloops Residential School Findings**

J. Jones, President of the CSAA joined M. Wabano-McKay, Vice President Nyaagaaniid: Anishinaabe Initiatives, Equity and Student Success, to address the Board regarding the shared Commitment to Action by the Shingwauk Site Partners following the recent findings of unmarked burials at various former residential school sites across Canada. J. Jones shared that the Survivors have the expertise, knowledge, patience and bravery to provide guidance through this process; he advised that this will be conducted through ceremony to ensure proper care is taken, honouring the responsibility guided by the Children of Shingwauk.

M. Wabano-McKay also presented *Honouring our Commitment*, Algoma University's recommitment to the Truth and Reconciliation Commission's Calls to Action. She advised that this was a collective effort and provided an overview of the vision from the past, present and future perspectives related to the work that has been undertaken and is yet to come in moving toward reconciliation. A. Vezina acknowledged the significant efforts of the committee.

3.2 Research Advisory Committee Presentation [Appx. 3]

- **Dr. Paulette Steeves, Associate Professor of Sociology, Canada Research Chair Tier II Healing and Reconciliation**

D. Rogers provided an introduction to Dr. Paulette Steeves who presented her research related to the denial of a human presence in the Americas prior to 11,200 years ago which led to denial of archaeological sites older than this being denied, destroyed or ignored. Her research has shown that this denial is a political construct and remains an ongoing practice of a colonial midst that has worked to erase Indigenous history, diversity and humanity. She further outlined that the acknowledgement of Indigenous peoples links to the land in deep time is crucial to education and discussions to combat racism and discrimination, as well as to inform laws, policies, and land claims. The Board was provided an opportunity to ask questions and thanked Dr. Steeves for her research presentation.

4.0 BUSINESS ARISING - N/A

5.0 ITEMS FOR DECISION / DISCUSSION

5.1 Calls to Action & Commitment to Action

MOTION: *That the Board approve "Honouring our Commitment" a renewal of the Universities original response to the Calls to Action as recommended and presented by the working group.*

Moved by: M. Moraca

Seconded by: B. Lloyd

Carried.

MOTION: *That the Board is supportive of the Shared Statement - Shingwauk Site Partners: Commitment to Action following Kamloops Residential School Findings.*

Moved by: S. Taylor

Seconded by: Y. Alphonse

Carried.

DRAFT MINUTES

5.2 2021-23 Strategic Plan Extension

A. Vezina provided an overview of the six objectives of the Strategic Plan extension which emerged from the work of a committee composed of members of the Board, Senate and administration.

MOTION: *To approve the 2021-2023 Strategic Plan Extension as recommended by the Ad Hoc Strategic Planning Committee.*
Moved by: E. Pitcher **Seconded by:** M. Pitcher **Carried.**

6.0 NEW BUSINESS ITEMS - N/A

7.0 INFORMATION ITEMS

7.1 Sociology Executive Summary Report [Appx. 4]

Questions on Information Items
None.

8.0 MOVE INTO CLOSED SESSION

MOTION: *That the Board move into the CLOSED Session*
Moved by: S. Taylor **Seconded by:** H. Stevenson **Carried.**

17.0 APPROVALS OF MOTIONS MADE IN CLOSED SESSION

MOTION: *To approve the motions that were made in the CLOSED Session.*
Moved by: S. Taylor **Seconded by:** B. Lloyd **Carried.**

18.0 ADJOURNMENT

MOTION: *That Board of Governors meeting be adjourned.*
Moved by: H. Stevenson **Seconded by:** S. Taylor **Carried.**



BOARD OF GOVERNORS

Board Executive Committee

June 15, 2021 | 7pm | Virtual

OPEN SESSION MINUTES

Present: P. Dupuis, M. Moraca (Committee Chair), M. Pitcher, P. Quesnele (Secretary),
S. Schell (Chair), A. Vezina (President)

Regrets: N/A

Guests: N/A

1.0 CALL TO ORDER

2.0 DECLARATIONS OF CONFLICTS OF INTEREST

None.

3.0 APPROVAL OF AGENDA

MOTION: *To approve the OPEN agenda as circulated.*

Moved by: B. Lloyd

Seconded by: M. Moraca

Carried.

4.0 MINUTES OF PREVIOUS MEETING - OPEN [Appendix 1]

MOTION: *To approve the OPEN minutes of the Board Executive Committee of April 20, 2021 as presented.*

Moved by: P. Dupuis

Seconded by: B. Lloyd

Carried.

5.0 BUSINESS ARISING - N/A

6.0 ITEMS FOR DECISION/DISCUSSION - N/A

7.0 NEW BUSINESS ITEMS - N/A

8.0 SETTING OF BOARD OF GOVERNORS OPEN AGENDA

8.1 OPEN Minutes - Apr. 29, 2021 [Appx 2]

The minutes were finalized.

8.3 AGM Agenda - June 24, 2021 [Appx 3]

The agenda was finalized.

8.2 OPEN Agenda - June 24, 2021 [Appx 3]

The agenda was finalized.

9.0 MOVE INTO CLOSED SESSION

MOTION: *To move into the CLOSED session of the Board Executive Committee meeting for discussion of personnel, property and/or finance related issues.*

Moved by: M. Pitcher

Seconded by: M. Moraca

Carried.

19.0 APPROVALS OF MOTIONS MADE IN CLOSED SESSION

MOTION: *To approve the motions that were made in the CLOSED Session.*

Moved by: B. Lloyd

Seconded by: P. Dupuis

Carried.

20.0 ADJOURNMENT

MOTION: *That the Board Executive Committee meeting be adjourned.*

Moved by: M. Pitcher

Seconded by: P. Dupuis

Carried.



OPEN SESSION MINUTES

Present: S. Taylor (Chair), R. Battisti, B. Lloyd, M. Moraca, M. Pitcher, P. Dupuis, S. Schell, A.

Regrets: Vezina
None.

Guests: B. Grisdale-Briski, K. Rousseau, S. Sherbatov (PHN), P. Purcell (PHN), D. Galotta (PAC), D. White (PAC), G. Townsend (PAC)

1.0 CALL TO ORDER

S. Taylor called the meeting to order at 5:32 pm.

2.0 DECLARATION OF CONFLICTS OF INTEREST

None.

3.0 AGENDA

MOTION: To approve the agenda as presented.

Moved by: M. Pitcher
Carried.

Seconded by: P. Dupuis

4.0 Algoma University Investment Update (PHN presentation)

S. Sherbatov and P. Purcell of Phillips, Hagar and North (PHN) presented an update on the Pension Fund and the Endowment Fund. Discussion occurred around the performance of the funds and specific strategies used. A three-phased approach for the Pension Investment Policy review process was outlined, which includes Phase 1: Planning and Understanding; Phase 2: Investment Strategy Design; and Phase 3: Implementation. This will be further explored by administration and the Pension Advisory Committee.

The Committee thanked PHN for their presentation and the members of the Pension Advisory Committee for their participation.

5.0 APPROVAL OF THE MINUTES

MOTION: To approve the minutes of the meeting of May 11, 2021 as presented.
Moved by: S. Schell **Seconded by:** B. Lloyd
Carried.

6.0 BUSINESS ARISING

None.

7.0 ITEMS FOR DECISION /DISCUSSION

7.1 Annual Finance Committee Work Plan and TOR Review

S. Taylor presented the briefing note, highlighting the discussions that have occurred with the Nominating and Governance Committee around changes to the Finance Committee name and format. The changes include changing the name to “Risks and Resources” or “Risks, Resources, and Audit”, changing the meeting time to occur over the lunch hour, and having Committee meetings in Closed Session only.

Discussion occurred around removing the word Finance from the Committee title and most Committee members would like the word Finance to remain in the title, though Audit and or Risks could be added.

Discussion occurred around having quarterly financial updates and it was noted that this is acceptable for the Board but that the Finance Committee should have more regular reporting.

The Committee agreed that Closed Session only Committee meetings are acceptable but some members expressed concern that a new time (i.e. lunch hour) would not work for their schedule and expressed a preference for the current meeting time.

S. Taylor and R. Battisti will provide this feedback to the Nominating and Governance Committee and report back to Finance.

8.0 NEW BUSINESS ITEMS

9.0 ITEMS FOR INFORMATION

9.1 Miscellaneous Financial Updates

The briefing note was included for information.

10.0 MOVE INTO CLOSED SESSION

MOTION: To move into the CLOSED session of the Board Finance Committee meeting for discussion of personnel, property and/or finance related issues.
Moved by: M. Pitcher **Seconded by:** P. Dupuis
Carried.

11. CLOSED SESSION

19. RETURN TO OPEN SESSION

MOTION: To ratify any decisions made in closed session.
Moved by: B. Lloyd **Seconded by:** M. Moraca
Carried.

20. ADJOURNMENT

MOTION: That the Finance Committee meeting be adjourned.
Moved by: M. Moraca **Seconded by:** P. Dupuis
Carried

Time: 7:02 pm

OPEN SESSION MINUTES

Present: J. Belisle, E. Pitcher (Committee Chair), P. Quesnele (Secretary), S. Schell (Chair), A. Vezina (President & Vice Chancellor)
Regrets: None.
Guests: None.

1.0 CALL TO ORDER

2.0 DECLARATIONS OF CONFLICTS OF INTEREST

None.

3.0 APPROVAL OF AGENDA

MOTION: *To approve the OPEN agenda as circulated.*
Moved by: S. Schell **Seconded by:** E. Pitcher **Carried.**

4.0 MINUTES OF PREVIOUS MEETING - OPEN [Appendix 1]

MOTION: *To approve the OPEN minutes of the Nominating and Governance Committee of April 14, 2021 as presented.*
Moved by: S. Schell **Seconded by:** E. Pitcher **Carried.**

5.0 BUSINESS ARISING - N/A

6.0 ITEMS FOR DECISION/DISCUSSION - N/A

7.0 NEW BUSINESS ITEMS - N/A

8.0 MOVE INTO CLOSED SESSION

MOTION: *To move into the CLOSED session.*
Moved by: S. Schell **Seconded by:** E. Pitcher **Carried.**

19.0 APPROVALS OF MOTIONS MADE IN CLOSED SESSION

MOTION: *To approve the motions that were made in the CLOSED Session.*
Moved by: S. Schell **Seconded by:** A. Vezina **Carried.**

20.0 ADJOURNMENT

MOTION: *That the Nominating and Governance Committee meeting be adjourned.*
Moved by: S. Schell **Seconded by:** A. Vezina **Carried.**

SEPTEMBER 2021

PRESIDENT'S REPORT





PRESIDENT'S MESSAGE

“No one who achieves success does so without the help of others. The wise and confident acknowledge this help with gratitude.”

ALFRED NORTH WHITEHEAD

Over the past 18 months, the Algoma University community has collectively and successfully navigated the ongoing and evolving challenges of the global pandemic. We will continue this success moving into the Fall 2021 term as we welcome new and returning students back to campus. While we may continue to experience a few bumps and turns along the way, I am confident we are moving in the right direction.

This month I have been reflecting on the word gratitude. Gratitude that I live here in Ontario, gratitude for my health and my family's health; I am grateful to our faculty and staff as together, we managed to have one of the lowest university infection rates in the country while continuing to support the academic needs of our students. I am grateful to have kept my employment through the pandemic when I know many personal friends and family who lost life savings, family businesses and will face continued hardship. And while I know many of us have experienced hardship, I am grateful that we are making our way back to in-person learning and increased on-campus experiences.

As we move into the fall term, we are pleased that enrolment and new programming continue to move us toward our goal of a sustainable 3000 FTE student body by 2024. Our students and faculty have been welcomed by new and modernized facilities in Brampton and Sault Ste. Marie; in Brampton, we have grown our campus from 13,000 to over 31,000 square feet. While many other organizations have been forced to lay off staff to address financial challenges, our employee base continues to grow with over 20 new full-time positions (faculty and staff) currently being hired across the three campuses.

SEVEN GRANDFATHER TEACHINGS

LOVE AND
KINDNESS

RESPECT


BRAVERY

WISDOM

HONESTY

TRUTH

HUMILITY



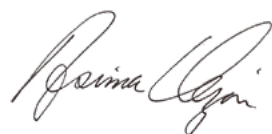
As the fall term commences, we continue to move forward a range of initiatives to support the [2021-2023 Strategic Plan](#) (extension) approved by the Board of Governors in June. This edition of the President's Report provides an overview of key achievements since our last report as well as updates on important next steps for each objective outlined within the plan.

This summer, we continued to work with the Children of Shingwauk Alumni Association and other stakeholders on plans for the ground search of the Shingwauk site. A related [update](#) to the University community was circulated earlier this month. Further updates will be posted on the newly established www.childrenofshingwauk.ca website.

Finally, I want to take a moment to express my gratitude to an amazing individual who recently passed to the spirit world - Elder Shirley Jane Roach-baa, Ozawa D'bik Giiziz Ikwe, Mukwa O'Dodem. As a survivor of the residential school era, Shirley-baa was one of the most resilient, spirited and passionate women (Nishinaabe-kwe) I have ever known. Many in our community were drawn to the strong connection she had developed to her spirituality and culture as part of her healing journey, we were drawn to her story of resilience and strength. It was a friendship that many of us will cherish for a lifetime.

Chi-Miigwetch to everyone who has played and continues to play a part in this unprecedented and exciting chapter of our history. Thank you for being resilient, adaptable, creative and committed to ensuring our students have an exceptional learning environment.

Thunderbirds protecting Thunderbirds - Thunderbirds protecting Communities!



Asima Vezina, *President and Vice-Chancellor*

PRIORITY
#1

CAMPUS CULTURE - A dynamic hub for community and student life with spaces and activities that support inspired and engaged learning and a strong sense of pride. This strategic direction will be achieved in close collaboration with student leadership to ensure all decisions reflect students' needs.

2021-22 Key Metrics/Areas of Focus

- Algoma University is a dynamic hub for community and student life
- Members of the Algoma University and broader community have a strong sense of pride in their institution
- Members of the Algoma University community are engaged and inspired in their studies, work, and extracurricular activities
- Algoma University promotes a culture of internationalization

What We've Accomplished...



ALGOMA UNIVERSITY JOINS THE



Hybrid in-person/virtual



AU PARTNERS WITH UNIVERSITIES IN





- 2020-2021 [Dean's Honour List](#) released (July 2021)
- Successful transition back to on-campus learning and activities for [Fall 2021 term](#)
- Final phase of [Smoke free campus](#) initiative successfully launched September 1st
- SSM Food Pantry - expanded service in new location
- Algoma University joins the [Sustainable Development Solutions Network](#) (SDSN), a global network of universities, colleges and research institutions that are addressing some of the world's most complex problems
- Hybrid orientation week a success with in-person and virtual events at all 3 campuses
- Eight AU faculty members and their classes engaged in new Collaborative Online International Learning (COIL), with partners at universities in seven countries: Belgium, Dominican Republic, Japan, Brazil, Philippines, Mexico and Spain
- Agreement signed with Canada Pakistan Business Council to support higher education and mentorship for women

What's Next?

- Awaiting additional Global Skills Opportunity funding announcement this fall from Employment Skills Canada and Universities Canada, for a new project on developing global leadership skills





VIBRANT PROGRAMS - An integrated suite of academic programming that is current, relevant, attractive, and aligned with students' expectations.

2021-22 Key Metrics/Areas of Focus

- ◉ Algoma University is a leader in teaching excellence
- ◉ Algoma University characterizes and distinguishes itself through the realization of its Special Mission
- ◉ Algoma University has an integrated suite of relevant programming that is linked to the broader communities

What We've Accomplished...

Algoma
UNIVERSITY

**SCHOOL OF
COMPUTER SCIENCE
& TECHNOLOGY**

NEW TEACHING & RESEARCH FACILITIES
finalized in Sault Ste. Marie and Brampton campuses

Algoma
UNIVERSITY

DEPARTMENT OF
*Geography, Geology
and Land Stewardship*

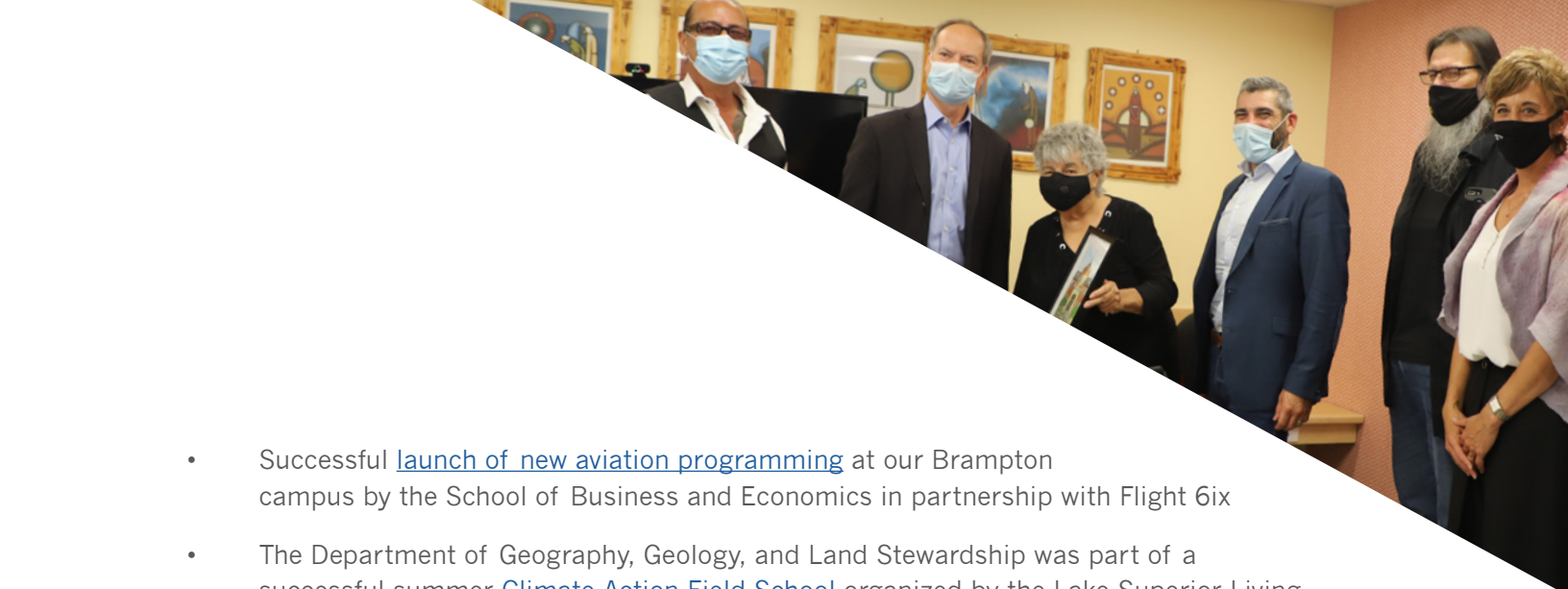
takes part in a successful summer
CLIMATE ACTION FIELD SCHOOL

Algoma
UNIVERSITY

**SCHOOL OF
BUSINESS &
ECONOMICS**

**LAUNCHES
AVIATION PROGRAMMING**
in Brampton



- 
- Successful [launch of new aviation programming](#) at our Brampton campus by the School of Business and Economics in partnership with Flight Six
 - The Department of Geography, Geology, and Land Stewardship was part of a successful summer [Climate Action Field School](#) organized by the Lake Superior Living Labs Networks (LSLLN)
 - New teaching and research facilities for the School of Computer Science and Technology finalized in time for Fall term start in Brampton and SSM
 - Ontario Mental Health and Addictions Research Institute - Continued planning and engagement with government officials to support project development. Contract currently being finalized with the firm selected to conduct the project feasibility study

What's Next?

- New Institutional Quality Assurance Process for all programs being finalized
- New 5-year Academic Plan (2021-26) in final approval stages this fall
- Establishing a dual credential program with a Chinese university





RESEARCH AND INNOVATION - A culture of research and innovation that leverages existing strengths and produces an exceptional student experience while engaging with our campus communities and contributing to their sustainability.

2021-22 Key Metrics/Areas of Focus

- ◉ Algoma University capitalizes on scholarship, research and creative production to enhance student learning, support faculty growth, and contribute to local and regional social, cultural and economic development
- ◉ Algoma University cultivates a culture of research and innovation among all members of the university community

What We've Accomplished...


APPOINTED FULL-TIME
→ **Research Officer**

SECURED

\$688K+

Tri-Agency Funding for
**INTERDISCIPLINARY
& SCIENCE RESEARCH**



- Ivana Bruni appointed full-time Research Officer
- Significant Tri-Agency funding totalling more than \$688,000 for interdisciplinary and science research:
 - Dr. Vivian Jiménez-Estrada (SSHRC Partnership Development Grant), “Indigenous Women Storying and Interweaving their Experiences of Gendered and Colonial Violence in Mexico and Canada”
 - Dr. Nirosha Murugan (NSERC Discovery Grant), “Biophysical Control of Tissue Re-Programming”
 - Dr. Nirosha Murugan (NSERC New Frontiers in Research Fund Exploration Grant), “Enhancing Brain Health After Cancer Therapy: Countering Chemo Brain using Novel, Early Detection Tools”
 - Dr. Yujie Tang (NSERC Discovery Grant), “Learning-based Resource Management for Internet of Vehicles”
- Other external research funding:
 - Dr. Elaine Ho (Mitacs Accelerate Internship, supervised by Dr. István Imre), “Community-based water monitoring and two-eyed seeing in the St. Mary’s Area of Concern”
 - Four NOHFC research internships (People & Talent Program)
- Strengthened commitment to EDI in all research and innovation (research grants, Research Advisory Committee, policy development)

What’s Next?

- Continue work with Tri-Agencies on research EDI initiatives and guidelines
- Nomination for AU’s fourth Canada Research Chair
- Consultation and Development for Indigenous Research Policy
- Draft AU’s next strategic research plan



ANISHINAABE INENDAMOWIN - A recognized leader in cross-cultural sharing, healing and learning through collaborative efforts in decolonizing the university's policies, procedures, pedagogy in fulfilment of our Special Mission.

2021-22 Key Metrics/Areas of Focus

- Algoma University is recognized as a leader in Anishinaabe learning in Canada
- We are responding to the Calls to Action with strategic focus in curricula, policies, research, cross-cultural teaching and learning, community partnerships, health, land stewardship, and governance

What We've Accomplished...



- We have worked through the RFP process for the [Mukqua Waakaa'igan](#) project. We are quite excited that the project team has made it's recommendation for the architect based on a highly competitive process. An official announcement will be made following the Board of Governors meeting on September 29, 2021.
- Launched the Anishinaabe Academic Resource Centre designed to provide cultural and academic support to FNMI learners at Algoma and welcomed Paul Sayers to the inaugural Manager of Indigenous Relations, Community Development and Training role in the AARC
- The Children of Shingwauk Alumni Association (CSAA) continue to lead the work for the imminent ground search on the Algoma U portion of the Shingwauk Site. The CSAA works in collaboration with other site partners including Shingwauk Kinoomaage Gamig (SKG), Algoma District School Board, Anglican Diocese and the University. Updates on the Shingwauk ground search will be posted on the www.childrenofshingwauk.ca website.
- Continued to engage with SKG on a range of significant initiatives to support our Special Mission

What's Next?

- National Day of Truth and Reconciliation events, [Sept. 30th, 2021](#)
- Mukqua Waakaa'igan architect selection and announcement slated for late September
- Launch of the Algoma University Indigenization community engagement process in October
- [Honouring Our Commitment](#) work continues with the CSAA to create educational resources on residential school, reconciliation and Treaty Relationships designed for elementary, secondary and post-secondary students through the Shingwauk Residential School Centre
- Expanding the Gebegendaadowin (SHIFT) training through a rebrand and promotion campaign, this training will continue to be rolled out to police services, health and social service organizations across the region





INSTITUTIONAL EXCELLENCE - Institutional excellence is a university-wide commitment involving students, employees, communities aligned in the spirit of continuous improvement, institutional effectiveness, organizational resilience and strong leadership resulting in long term financial sustainability.

2021-22 Key Metrics/Areas of Focus

- Community: People and Culture
- Organizational Alignment
- Generation of New Revenue Streams
- Increase Brand Awareness

What We've Accomplished...

RECORD ENROLMENT
OVER 2700 STUDENTS enrolled across all campuses THIS FALL

HIGHEST PERCENTAGE INCREASE IN 1ST YEAR 26.3%
Ontario secondary school students in the province

GROWTH DOMESTIC **UP 9.9%**
at all **3** CAMPUSES INTERNATIONAL **UP 147%**





- Record enrolment - over 2700 students enrolled across all three campuses this Fall
- Growth at all three campuses (Brampton 239%, SSM 13.4%, Timmins 6.3%)
- Domestic and international growth (domestic 9.9%, international 147%)
- Highest percentage increase in first year ontario secondary school students in the province (26.3%)
- Implementation of enhanced covid screening protocols and vaccine policy to help support the health and well-being of all members of the Algoma U family
- University's Enterprise Risk Management (ERM) framework, first round reporting completed

What's Next?

- Results of brand validation survey will be used to refine brand positioning pillars, institutional narrative and initial creative exploration. Final brand architecture strategy to be presented to the Board in Winter 2022
- Development of a long term action plan to address the recommendations from the recently completed external operational efficiency report
- Refine the Enterprise Risk Management reporting and threshold levels





EQUITY, DIVERSITY AND INCLUSION - EDI values are embedded across the organization to fulfill Algoma University's commitment to undoing systemic and institutional discrimination and to be publicly transparent and accountable.

2021-22 Key Metrics/Areas of Focus

- Develop an EDI institutional accountability framework
- Foster EDI in Research, Teaching and Learning
- Commit to incorporating EDI into policies, processes and procedures

What We've Accomplished...

PRIDE FLAG RAISED IN JULY
Sault Ste. Marie
& Brampton campuses

2SLGBTQQIPA+
EDUCATION AND TRAINING

ALGOMA UNIVERSITY

becomes employer partner with the



Canadian Centre for Diversity and Inclusion
Centre canadien pour la diversité et l'inclusion



**EDI
REPORT
2020-21**



- 2020-2021 [EDI Annual Report](#) completed
- Comprehensive EDI Climate Research Study underway. The first phase of the study, being conducted by [Higher Education Strategy Associates](#) (HESA), involves preliminary research and engagement with key stakeholders and leaders
- HESA - EDI Climate Research Study virtual town hall (September 24, 2021)
- Review of findings of [Cultural Safety Learning Program \(CSLP\) Review of Impact Assessment](#) to help refine Fall 2021 offering
- Pride flag raised on both Sault Ste. Marie and Brampton campuses in July to symbolize Algoma's commitment to creating a welcoming and inclusive community for all while standing up against discrimination and violence towards the 2SLGBTQQIPA+ community
- Ongoing 2SLGBTQQIPA+ education and training for a number of academic and non-academic departments/units
- Participated in the [The National Forum on Anti-Asian Racism](#) hosted by the University of British Columbia.
- Algoma University became an Employer Partner with the [Canadian Centre for Diversity and Inclusion](#). This partnership will provide all students and employees ongoing EDI education and awareness training via monthly webinars and unlimited access to CCDI's knowledge repository and other EDI resources.

What's Next?

- EDI Climate Research Study Phase 2: Consultations, survey administration and monitoring, focus groups, and summary of consultation results (late September to December)
- Cultural Safety Online Learning Program - Fall sessions for both students and employees to begin September 27, 2021
- Continued work with the VPFO and HR offices to prioritize policies which move forward EDI efforts. For instance, Self Identification Policy, Change of Name Policy and procedure to respect 2SLGBTQQIPA+ pronouns and names
- Finalize Canadian Race Relations Foundation (CRRF) grant submissions to support organizations combating anti-Asian racism
- Review of the [Scarborough Charter on Anti-Black Racism and Black Inclusion in Canadian Higher Education: Principles, actions and Accountabilities](#). Decision to support charter is forthcoming
- [Canadian Centre for Diversity and Inclusion](#) - ongoing webinars and conference
- Commitment to ongoing EDI education and awareness activities and events



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ALGOMA UNIVERSITY

Sault Ste. Marie Campus

1520 Queen Street East,
Sault Ste. Marie, ON P6A 2G4
1.705.949.2301 1.888.ALGOMAU
E. info@algomau.ca
W. algomau.ca

Brampton Campus

24 Queen Street East,
Brampton, ON L6V 1A3
1.905.451.0100
E. brampton@algomau.ca
W. algomau.ca/brampton

Timmins Campus

4715 Highway 101 East,
South Porcupine, ON P0N 1H0
1.705.235.3211, ext. 2175
E. timmins@algomau.ca
W. algomau.ca/timmins

Algoma
UNIVERSITY



Research Presentation: Dr. Isabel Molina

OPEN AGENDA

Meeting Date: September 29, 2021
Action: Information

PREPARED BY:

Tiffany Gallivan, EA to the Vice-President Academic and Research;
Dr. Isabel Molina, Canada Research Chair Tier II Plant Lipid
Metabolism, Professor Biology

PURPOSE OF REPORT

Algoma University researchers to share their research projects with the Board of Governors.

RELATED DOCUMENTS

1. Presentation in Open Session

STRATEGIC PRIORITY ALIGNMENT

Strategic Priority #3: Research and Innovation - A culture of research and innovation that leverages existing strengths and produces an exceptional student experience while engaging with our campus communities and contributing to their sustainability.

BACKGROUND

Aligns with strategic priority 3 and will provide our Board members some insight into the innovative work AU Faculty researchers are engaged in.

CURRENT STATUS

Dr. Molina is a Canada Research Chair, Tier II in Plant Lipid Metabolism. She has had great success with obtaining research funding for her many collaborative projects. With this funding, Dr. Molina is able to train undergraduate, Master's and PhD students year after year. Dr. Molina has published her research in many high profile scientific journals.

FUTURE STATUS

Dr. Molina will continue with her research and training Highly Qualified Personnel (HQP) to assist our students with their journey in the STEM field.

ACTION

N/A



Plant Lipid Metabolism Lab

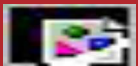
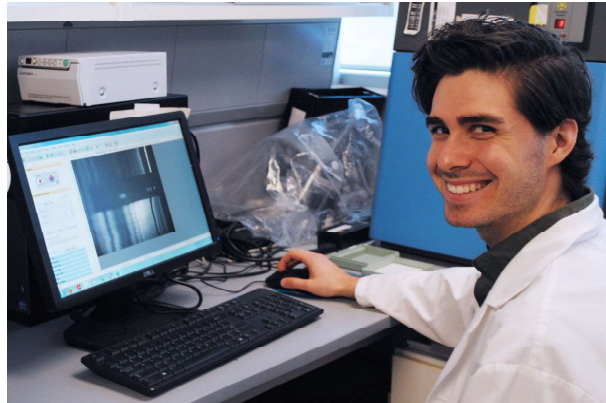
Algoma
UNIVERSITY

Exploring the multiple
facets of protective plant
lipid barriers



HOW do we conduct this research?

- Plant Genomics
- Biochemistry
- Cell Biology
- Analytical Chemistry
- Bioinformatics
- Molecular genetics

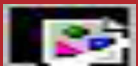


The PLANT CUTICLE is not just a layer of fat!

We study this waxy layer -an adaptation that all land plants have developed to protect themselves from the environment.

Our research has:

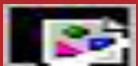
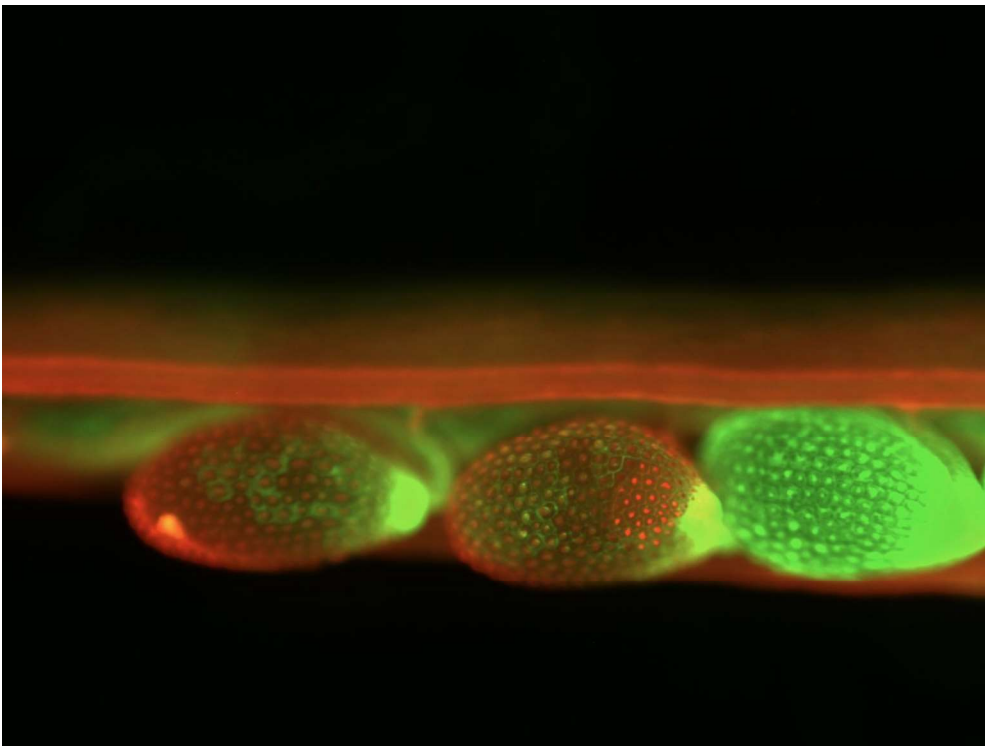
- Identified the chemical components that are necessary for the cuticle barrier function in corn leaves (Bourgault et al., 2020)
- Found that a different cuticle on specialized leaf cells is responsible for the leaf rolling observed in grasses upon drought stress (Matschi et al., 2020)
- Discovered specific genes that regulate cuticle development and its barrier function to water loss (Lin et al., 2020; Qiao et al., 2020a, Qiao et al 2020b, Lin et al., submitted)



Seed coat lipid barriers and their multiple functions

The lipid barriers of seed coats are more important than we once thought. We have found that ...

- ...these influence seed qualities that are important to farmers: how rapidly they germinate and how long they last in storage (Chai et al., 2016; Renard et al., 2020; Chai et al., 2021; Renard et al., 2021)
- ...these lipids are a critical barrier to chromium toxicity, which is common in mining sites (De Silva et al., 2021)
- We are now investigating whether these lipids determine the efficiency of agrochemicals applied to canola seeds (BASF).

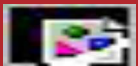


Deep Space Food Challenge



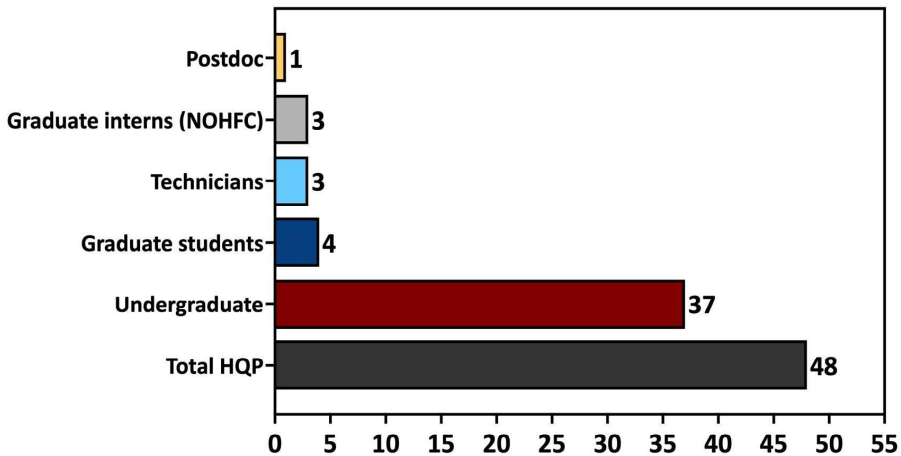
“Create novel food production technologies or systems that require minimal inputs and maximize safe, nutritious, and palatable food outputs for long-duration space missions, and which have potential to benefit people on Earth.”

<https://impact.canada.ca/en/challenges/deep-space-food-challenge/challenge>



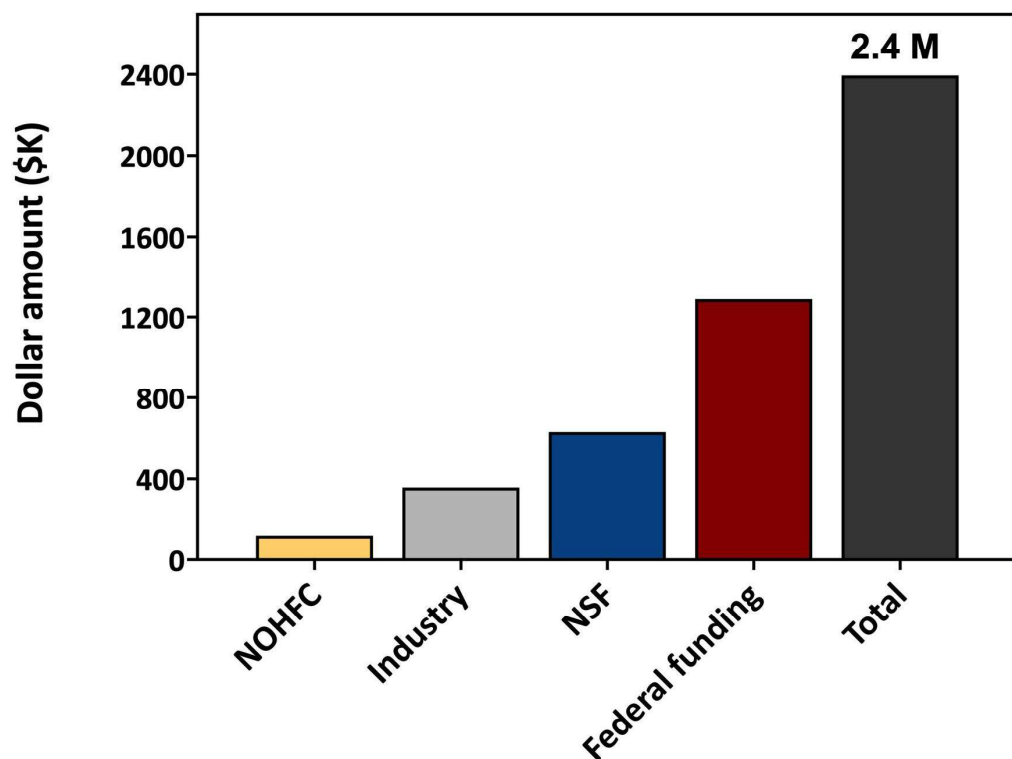
Training of Highly Qualified Personnel (HQP)

HQP Training



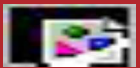
Research Grants

External Funding (2011-2021)



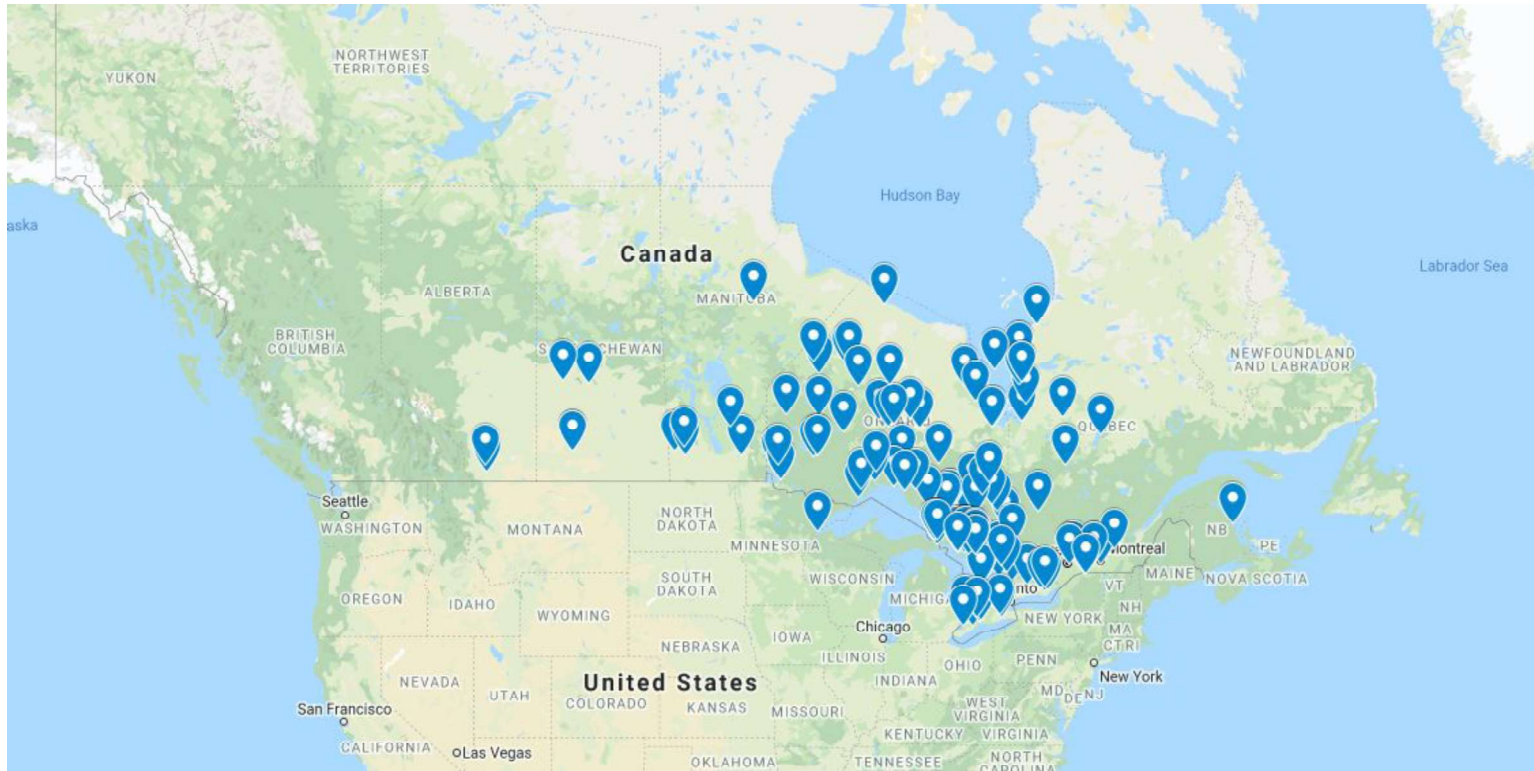
Thank you!

Questions?



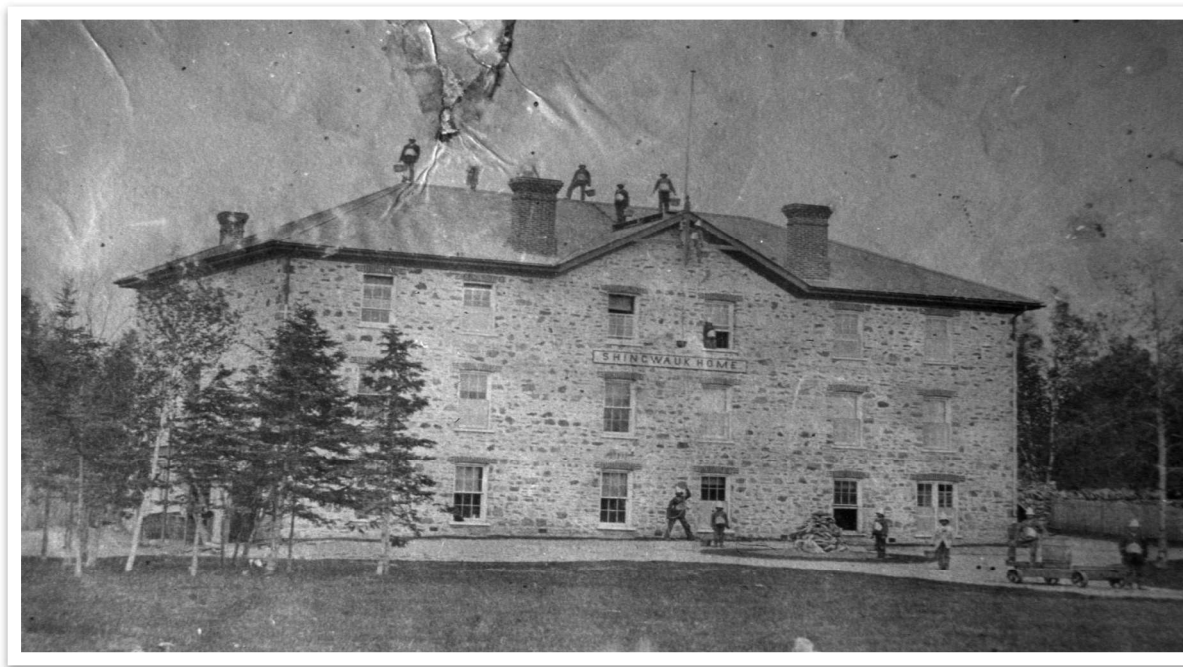
The Shingwauk Site And The National Day For Truth And Reconciliation

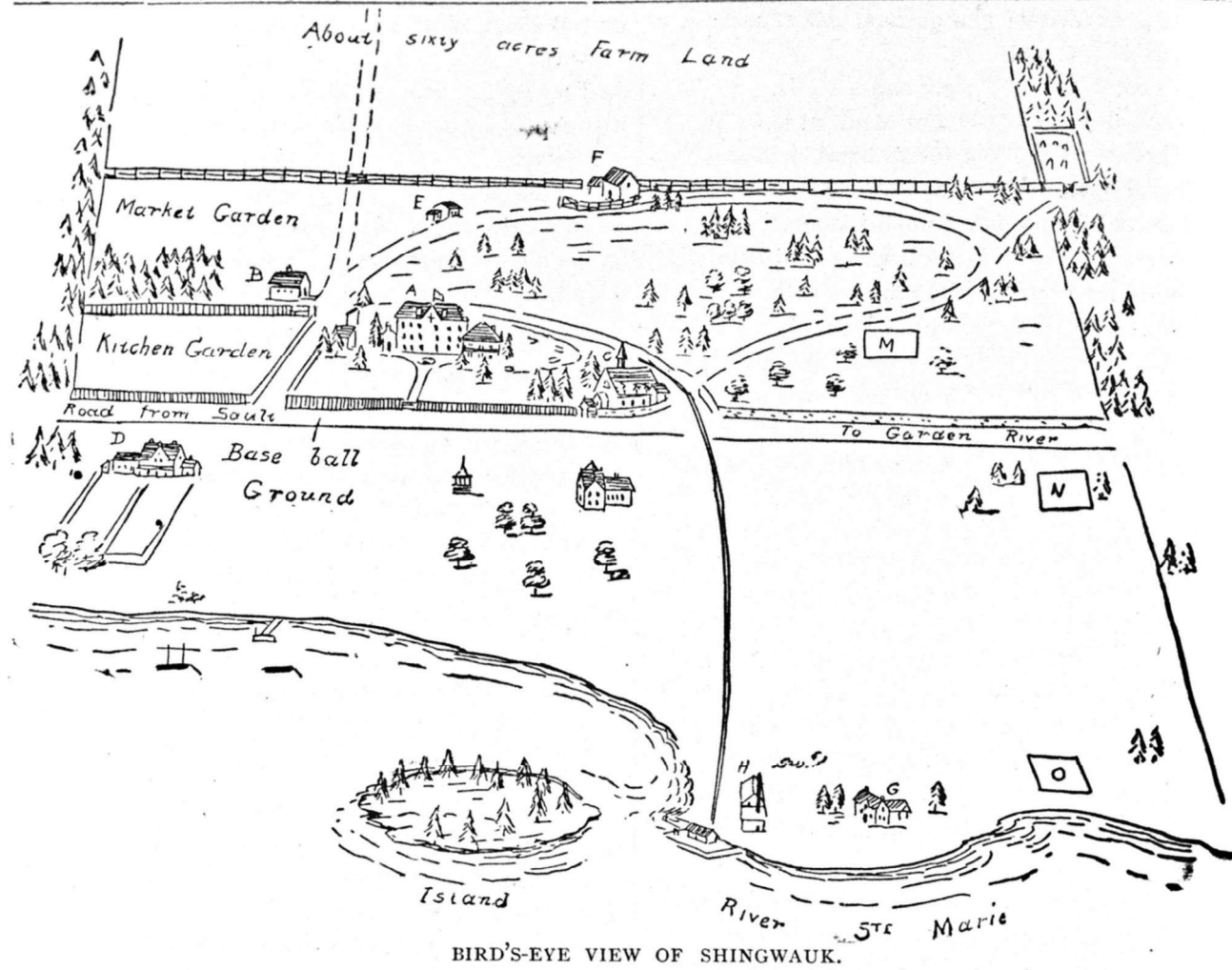
Shingwauk Communities



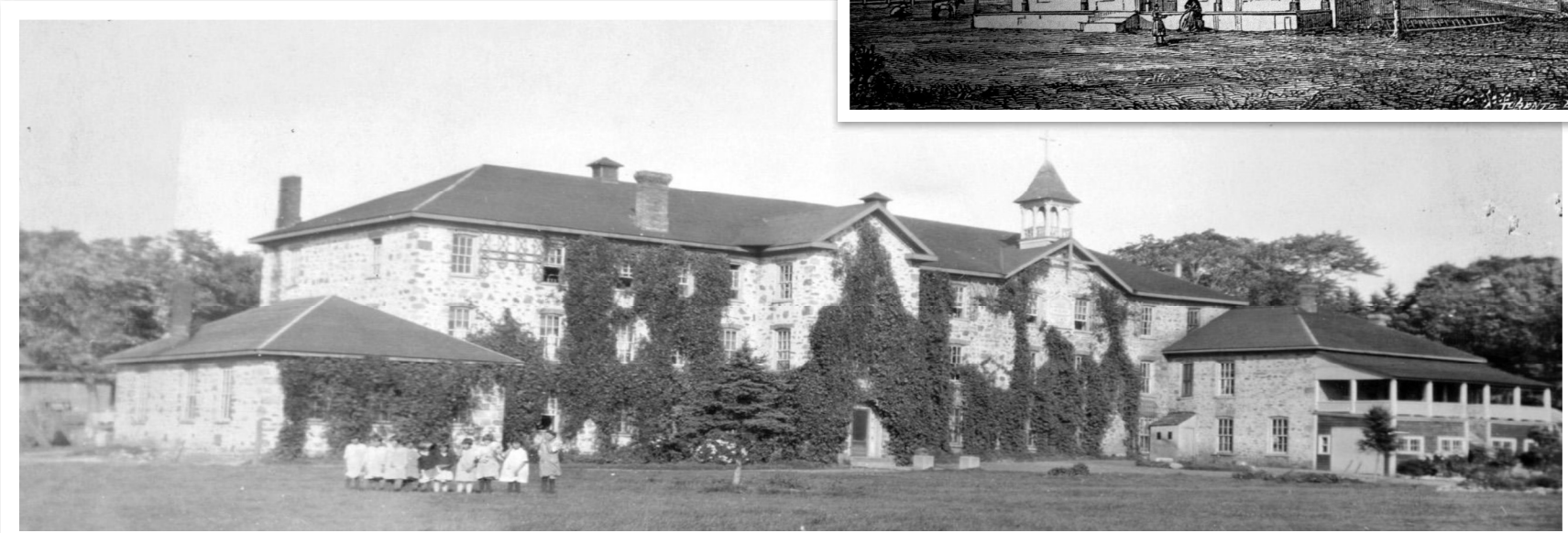
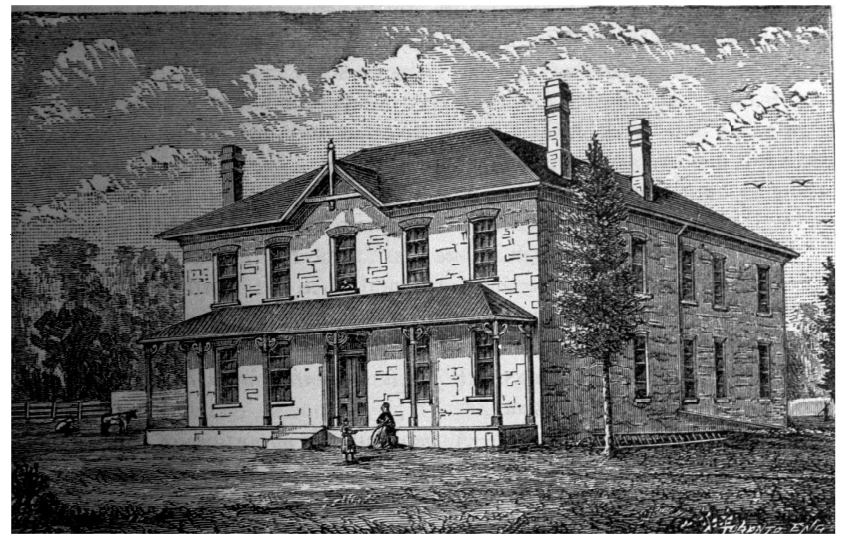
Presentation to the Board of Governors

Shingwauk Home, 1874-1935





Wawanosh Home, 1879-1894



Presentation to the Board of Governors

Shingwauk Hall, 1935-1970



Presentation to the Board of Governors

History of the National Day

- 2013 Orange Shirt Day
- 2017 national encouragement to participate
- 2018 consideration of statutory holiday honouring Residential Schools
- May 28, 2021 Bill passed House of Commons unanimously
- June 3, 2021 bill passed the Senate



Honouring Survivors and Those Who Didn't Return Home

- Focus on education, community building, and raising awareness
- Mixture of in-person and virtual events
- Open to all campuses and community members



AlgomaU Events

- Sacred Fire
- Historical Site Tours
- Invited talks
- Keynote - Survivor Shirley Horn
- Walk to Bellevue Park



2020-21 Audited Consolidated Financial Statements

September 29, 2021 - Open Agenda

Audit Opinion

- External Auditors, BDO Canada
- Clean audit opinion - fair presentation of the consolidated financial statements, in all material respects



Consolidated Statement of Financial Position

Total Assets - \$119.1M, an increase of \$34.2M from the prior year, including:

- Cash increase of \$24.3M with positive cash flow from operations including student deposits for future terms
- Capital Assets increase of \$5.3M

Total Liabilities - \$91.6M, an increase of \$23.5M from the prior year including:

- Increase of \$11.9M in student deposits on hand
- Increased deferred revenue of \$6.4M,
- Increased deferred capital contributions of \$5.7M



Consolidated Statement of Operations

Excess of revenue over expenses (surplus) of \$7.5M compared to \$7.4M in 2019-20 year.

Current year comprised of:

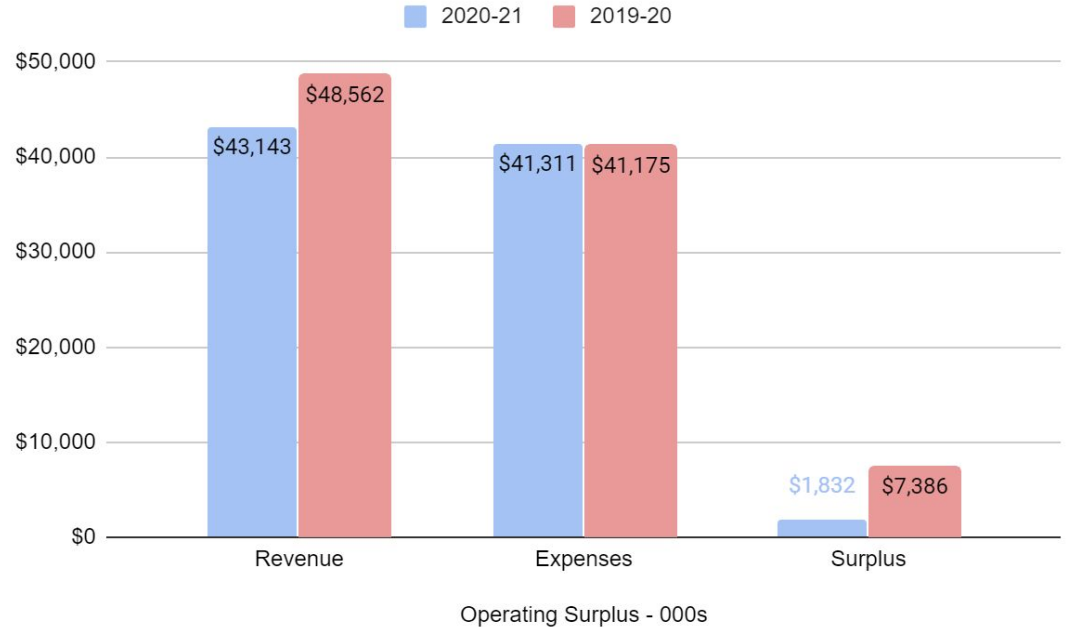
- \$1.8M operating surplus
- \$377K investment income
- \$5.3M one time COVID-19 relief funding



Operating Surplus - \$1.8M

Decrease in revenue of \$5.4M - primarily reduction of international student enrolment

Expenses consistent at \$41.3M - increase in scholarships and bursaries offset by reduced operating and advertising and communication costs



Consolidated Statement of Changes in Net Assets

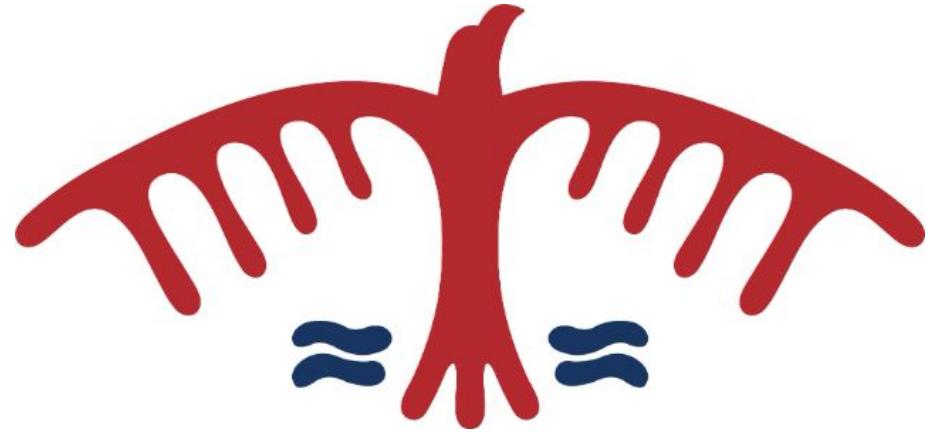
Total net assets of \$27.5M compared to \$16.8M in the prior year consisting of:

- Unrestricted net investment in capital assets of \$7.6M
- Internally restricted net assets of \$16.1M consisting of:
 - \$4.7M of operating reserves
 - \$8.3M in future capital reserves
 - \$3.1M related to the defined benefit pension plan
- Endowment balance of \$3.8M



Motion

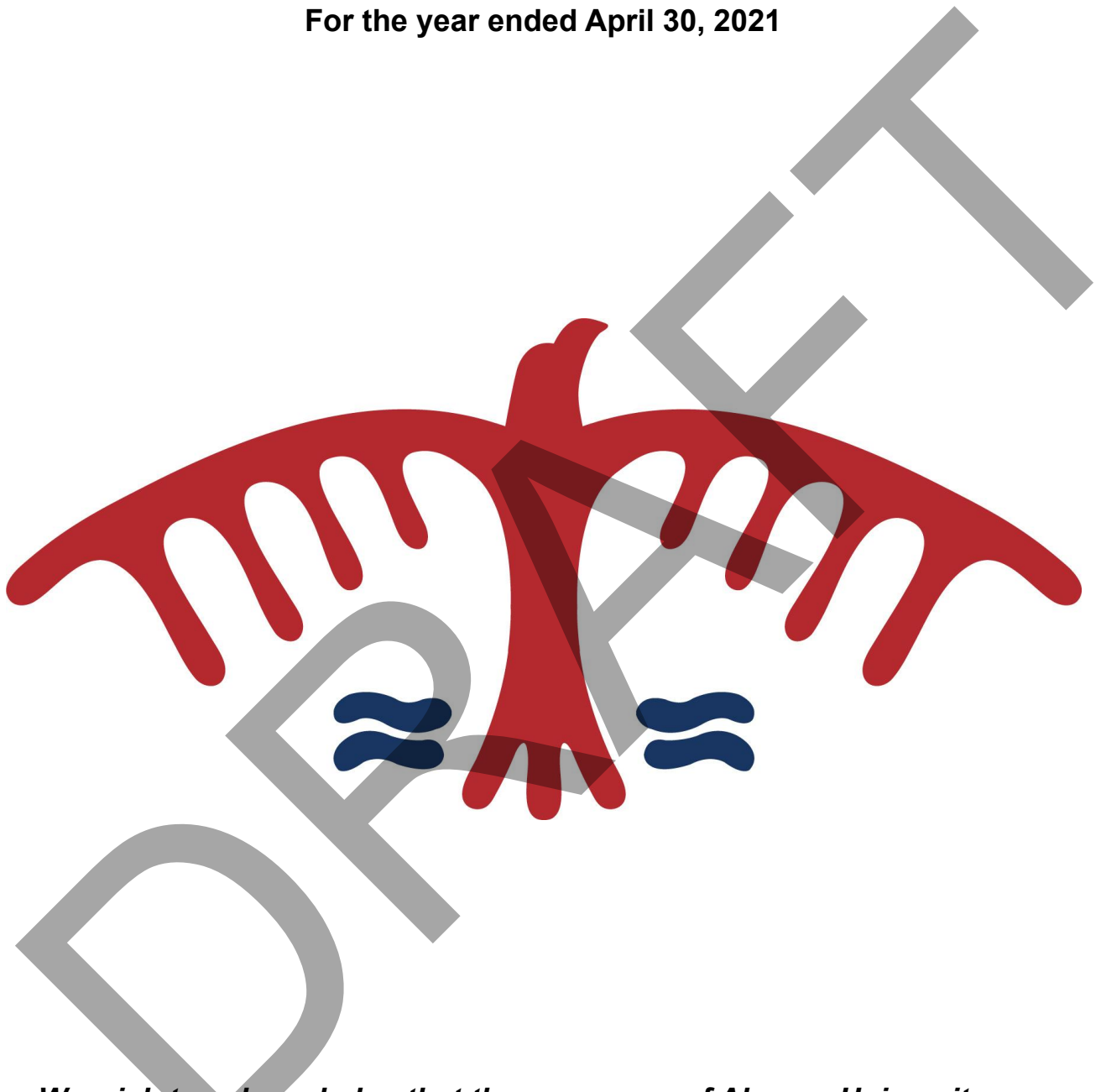
That the Board of Governors approve the Audited Financial Statements for the year ended April 30, 2021 as recommended by the Risk and Finance Committee.



Algoma University

Consolidated Financial Statements

For the year ended April 30, 2021



We wish to acknowledge that the campuses of Algoma University are located on the traditional lands of the Anishinaabek, the Mississaugas of the Credit, and the Mushkegowuk Cree, as well as hereditary lands of the Métis Nation. We also acknowledge that the Sault Ste. Marie campus is located on sacred lands set aside for education as envisioned by Chief Shingwauk for our children and for those as yet unborn.

Algoma University

Consolidated Financial Statements

For the year ended April 30, 2021

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Independent Auditor's Report

To the Board of Governors of Algoma University

Opinion

We have audited the consolidated financial statements of Algoma University and its controlled entities (the University), which comprise the consolidated statement of financial position as at April 30, 2021, and the consolidated statements of operations, the consolidated changes in net assets and the consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as at April 30, 2021, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Consolidated Financial Statements* section of our report. We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the University'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 or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Independent Auditor's Report (continued)

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 consolidated 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'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'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 consolidated 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the University to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
September 29, 2021

Algoma University
Consolidated Statement of Financial Position
As at April 30, 2021 and April 30, 2020

	Notes	April 30, 2021	April 30, 2020 Restated (Note 16)
Assets			
Current assets			
Cash		\$ 51,372,721	\$ 27,062,952
Accounts receivable fees	2	2,129,208	1,221,460
Accounts receivable other	2	2,471,048	2,873,676
Prepaid expenses and inventory		407,164	449,562
Total current assets		56,380,141	31,607,650
Non-current assets			
Accrued pension asset	7	3,078,000	-
Investments	3	7,064,439	6,037,152
Capital assets	4	52,601,109	47,266,864
Total non-current assets		62,743,548	53,304,016
Total assets		\$ 119,123,689	\$ 84,911,666
Liabilities and Net Assets			
Current liabilities			
Accounts payable and accrued liabilities		\$ 6,719,842	\$ 6,028,881
Fees received in advance		19,246,798	7,347,949
Deferred government grants, program and campaign revenue		20,641,996	14,199,563
Current portion of long term debt	6	1,365,050	802,366
Total current liabilities		47,973,686	28,378,759
Non-current liabilities			
Long term debt	6	9,956,546	11,535,230
Accrued pension obligation	7	-	213,000
Deferred contributions - capital assets	8	33,705,275	27,979,762
Total non-current liabilities		43,661,821	39,727,992
Total liabilities		91,635,507	68,106,751
Net assets			
Unrestricted	9	7,574,238	6,949,506
Internally restricted	10	16,107,318	6,120,872
Endowments	11	3,806,626	3,734,537
Total net assets		27,488,182	16,804,915
Total liabilities and net assets		\$ 119,123,689	\$ 84,911,666

On behalf of the Board of Governors

Shelley Schell, Chair

Mike Moraca, Vice-Chair

The accompanying notes are an integral part of these consolidated financial statements

Algoma University
Consolidated Statement of Changes in Net Assets
For the years ended April 30, 2021 and 2020

For the year ended April 30	Unrestricted	Internally Restricted	Endowments	Total April 30, 2021	Total April 30, 2020 Restated (Note 16)
Balance, beginning of year	\$ 6,949,506	\$ 6,120,872	\$ 3,734,537	\$ 16,804,915	\$ 10,704,981
Excess of revenues over expenses	7,492,567	-	-	7,492,567	7,506,834
Post employment benefit remeasurement	(100,300)	3,291,000		3,190,700	(1,406,900)
Endowment fund contributions and other adjustments	(72,089)		72,089	-	-
Internal restrictions					
Transfer to internal restrictions	(6,695,446)	6,695,446		-	-
Balance, end of year	\$ 7,574,238	\$ 16,107,318	\$ 3,806,626	\$ 27,488,182	\$ 16,804,915

The accompanying notes are an integral part of these consolidated financial statements

Algoma University
Consolidated Statement of Operations
For the years ended April 30, 2021 and 2020

	2021	2020 Restated (Notes 16 & 18)
Revenue		
Student tuition	\$ 23,513,995	\$ 26,705,834
Government grants	13,744,997	13,667,865
Sales and services	1,574,923	3,063,269
Research revenue	1,306,467	796,198
Foundation revenue	284,917	619,051
Miscellaneous income	1,299,812	2,435,525
Amortization of deferred capital contributions	1,417,899	1,274,000
	43,143,010	48,561,742
Expenses		
Salaries and benefits	24,883,497	24,171,709
Operating and research	5,659,670	7,430,777
Scholarships and bursaries	3,242,709	659,535
Amortization	2,577,712	2,268,865
Advertising and communication	2,307,821	3,803,149
Occupancy	2,332,330	2,508,466
Interest	307,490	332,910
	41,311,229	41,175,411
Excess of revenue over expenses from operations	1,831,781	7,386,331
Investment gain (loss)	376,878	(1,419)
COVID-19 relief funding (Note 17)	5,283,908	0
Excess of revenue over expenses	7,492,567	7,384,912
Post-employment benefit remeasurement (recovery)	3,190,700	(1,406,900)
Recognition of prior surplus amounts	-	121,922
Net Surplus	\$ 10,683,267	\$ 6,099,934

The accompanying notes are an integral part of these consolidated financial statements

Algoma University
Consolidated Statement of Cash Flows
For the years ended April 30, 2021 and 2020

	April 30, 2021	April 30, 2020 Restated (Note 16)
Cash flows from operating activities		
Excess of revenue over expenses	\$ 10,683,267	\$ 6,099,934
Items not involving cash		
Amortization of tangible capital assets	2,577,712	2,268,865
Gain (loss) on sale of marketable securities	(376,878)	1,419
Amortization of deferred contributions	(1,417,899)	(1,274,000)
	11,466,202	7,096,218
Changes in non-cash working capital balances		
Accounts receivable - fees	(907,748)	(650,252)
Accounts receivable - other	402,628	(460,858)
Prepaid expenses and inventory	42,398	314,079
Accrued pension obligation (net of changes in measurement)	(3,291,000)	1,119,000
Accounts payable and accrued liabilities	690,961	4,277,300
Fees received in advance	11,898,849	3,027,621
Deferred government grants and program revenue	6,442,433	2,202,083
	26,744,723	16,925,191
Cash flow from investing activities		
Purchase of tangible capital assets	(7,911,957)	(4,171,260)
Unrealized (gain) loss of investments	(709,744)	503,018
Sale (purchase) of investments	59,335	(468,836)
	(8,562,366)	(4,137,078)
Cash flow from financing activities		
Repayment of long term debt	(1,016,000)	(789,454)
Deferred capital contributions received	7,143,412	770,337
	6,127,412	(19,117)
Increase in cash and cash equivalents	24,309,769	12,768,996
Cash and cash equivalents, beginning of year	27,062,952	14,293,956
Cash and cash equivalents, end of year	\$ 51,372,721	\$ 27,062,952

The accompanying notes are an integral part of these consolidated financial statements

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

1. Summary of significant accounting policies

Nature of operations

Algoma University is a provincially funded university offering educational programs and upgrading to the accessing communities. The University is a registered charity and under the provisions of Section 149 of the Income Tax Act (Canada) is exempt from income taxes.

Basis of accounting

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of consolidation

These consolidated financial statements reflect the assets, liabilities and the results of the Northern Ontario Research, Development, Ideas and Knowledge Institute (Nordik Research Institute) as it is a controlled entity.

Inventory

Inventory is valued at the lower of cost or net realizable value, with cost being determined on a first-in, first-out basis.

Revenue recognition

The University follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are allocated directly to net assets in the year received. Income generated from endowment funds are recognized in the statement of operations.

Tuition fees for courses which are offered substantially after the fiscal year end are deferred.

Sales and services revenue is recognized at point of sale or when services have been provided.

Endowment funds

Net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the resources be maintained permanently. Net investment income earned is available for distribution according to the terms of the endowment.

Algoma University
Notes to Consolidated Financial Statements
For the years ended April 30, 2021 and 2020

1. Summary of significant accounting policies (continued)

Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Specifically, estimates related to rate of return on assets used in valuing the future pension benefit obligation are affected by the uncertainty of predictions concerning future events. Should the underlying assumptions change, the estimated pension benefit obligation disclosed in notes to the consolidated financial statements may change by a material amount. Other items subject to such estimates and assumptions include the carrying amount of capital assets; valuation allowances for accounts receivable; and accrued liabilities. These estimates are reviewed periodically, and, as adjustments become necessary, they are recognized in the financial statements in the year in which they become known.

Tangible capital assets

Tangible capital assets are recorded at cost. Amortization, based on the estimated useful life of the asset, is provided by the straight line basis over the following periods:

Buildings	20 - 40 years
Furniture and equipment	5 years
Library books	5 years
Parking lot	15 years
Computer software system	5 -10 years
Leasehold improvements	10 years

Construction in progress is capitalized as work is completed. Upon completion of the projects, capitalized construction in progress costs are transferred to the various categories of tangible capital assets and will be amortized on a basis consistent with similar assets. Contributed rare books and other collections are recorded as revenue and expensed at fair market value at the date of contribution.

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

1. Summary of significant accounting policies (continued)

Employee future benefits

The University maintains a defined benefit plan covering the faculty and management staff employed by the University up to 2006. Contributions to the pension plan are made in accordance with the Pension Commission of Ontario actuarial requirements. The University accounts for its employee benefit plans using the immediate recognition approach. The University recognizes the amount of the accrued benefit obligations, net of the fair value of plan assets at year end, adjusted for any valuation allowances. Current service and finance costs are expensed during the year. Remeasurements and other items related to actuarial gains and losses and differences between actual and expected returns on plan assets and past service costs are recognized as direct increase or decrease in net asset. The accrued benefit obligations for employee benefit plans are determined based on actuarial valuation reports prepared for funding purposes. These reports are required to be prepared at least on a triennial basis. In years where actuarial valuations are not prepared, the University uses a roll-forward technique to estimate the accrued liability using assumptions from the most recent actuarial valuation reports. Subsequent to 2006, faculty, management and staff are eligible to participate in a defined contribution group retirement savings plan.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value with any unrealized gains and losses reported in operations. In addition, all balanced funds are classified in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each consolidated statement of financial position date and charged to the financial instrument for those measured at amortized cost. Freestanding derivative instruments that are not in a qualifying hedging relationship that are quoted in an active market are subsequently measured at fair value.

Algoma University
Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

2. Accounts receivables

	2021	2020
Student accounts receivable	\$2,623,467	\$1,644,039
Allowance for doubtful accounts	(494,259)	(422,579)
Accounts receivable - fees	\$2,129,208	\$1,221,460
Accounts receivable - other	\$2,471,048	\$2,873,676

3. Investments

	2021	2020
Pooled fund at cost	\$6,746,038	\$8,194,802
Pooled fund at market	\$7,064,439	\$6,037,152

Algoma University
Notes to Consolidated Financial Statements
For the years ended April 30, 2021 and 2020

4. Tangible capital assets

	2021		2020	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Land	\$371,816	\$-	\$371,816	\$-
Buildings	63,773,495	23,078,282	63,773,495	21,362,617
Leasehold improvements	2,750,792	494,243	2,168,847	219,164
Furniture and equipment	8,808,185	8,414,417	8,708,288	8,216,081
Computer software system	3,051,312	530,686	250,616	250,616
Parking lot	2,129,431	1,774,135	2,129,431	1,665,572
Library	645,303	645,303	645,303	645,303
Construction in progress	6,007,842	-	1,578,421	-
	\$87,538,175	\$34,937,066	\$79,626,217	\$32,359,353
Net book value		\$52,601,109		\$47,266,864

5. Line of credit

The University has an operating line of credit due on demand in the amount of \$2,000,000. The facility bears interest at the bank's prime lending rate minus 0.5% with advances made in multiples of \$25,000. As at April 30, 2021, the entire facility was available to the University.

Algoma University
Notes to Consolidated Financial Statements
For the years ended April 30, 2021 and 2020

6. Long term debt

	2021	2020
TD George Leach Centre loan, repayable \$12,089 monthly including interest at 1.40%, secured by a general security agreement, maturing November 2025	\$1,912,500	\$2,026,364
Bank of Montreal parking lot loan, repayable \$8,600 monthly plus interest at 2.75%, paid in full February 2021	-	348,000
Scotiabank Bioscience and Technology Convergence Centre interest rate swap loan(a), repayable \$30,267 monthly including interest at 1.90%, secured by property with a carrying amount of \$13,363,433 and general security agreement, matured March 2021	-	3,536,557
TD Bioscience and Technology Convergence Centre loan, repayable \$20,964 monthly including interest at 1.82%, secured by a general security agreement, maturing March 2026	3,278,471	-
Scotiabank Windsor Park Retirement Home Inc. loan, repayable \$7,749 monthly including interest at 2.23%, secured by a general security agreement, maturing March 2022	826,583	900,244
Scotiabank Students' Residence interest rate swap loan (b), repayable \$32,816 monthly including interest at 3.55%, secured by property with a carrying amount of \$5,712,254 and a general security agreement, maturing April 2023	5,304,042	5,526,431
Total	11,321,596	12,337,596
Less: current portion	1,365,050	802,366
Long term debt	\$9,956,546	\$11,535,230

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

6. Long term debt (continued)

Interest on long term debt during the year amounted to \$307,490 (2020 - \$332,910).

Principal payments required on long term debt for the next five years and thereafter, assuming refinancing under similar terms, with the exception of the Windsor Park loan which is anticipated to be paid in full in March 2022, are as follows:

Year	Amount
2022	\$1,365,050
2023	556,914
2024	548,520
2025	562,537
2026	572,267
Thereafter	7,716,308
Total	\$11,321,596

(a). The University had entered into an interest rate derivative agreement to manage the volatility of the interest rate on the loan. The University converted floating rate of debt for fixed rate of debt of 1.15%. The interest rate swap agreement expired in March 2021. The change in the fair value of the interest rate swap of \$19,048 was not recorded by the entity in 2020.

(b). The University has entered into an interest rate derivative agreement to manage the volatility of the interest rate on the loan. The University converted floating rate of debt for fixed rate of debt of 2.8%. The change in the fair value of the interest rate swap of \$218,900 (2020 – \$334,596) is not recorded by the entity. The interest rate swap agreement expires in April 2023.

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

7. Pension plans

Defined benefit pension plan

The University maintains a defined benefit plan covering faculty hired prior to 2006. Actuarial reports, which were based on projections of employee's compensation levels to the time of retirement, indicate the net assets available to provide for benefits, and the present value of accrued pension benefits at April 30, are as follows:

	2021	2020
Assets, at market value	\$30,436,000	\$26,585,000
Pension benefit obligation	(27,358,000)	(26,798,000)
Plan surplus (deficit)	\$3,078,000	\$(213,000)

The most recent actuarial valuation for post-employment benefits was performed as at April 30, 2018.

The plan assets consist of the following asset categories:

	2021	2020
Canadian equities	36%	35%
Foreign equities	21%	23%
Fixed income	43%	42%
Cash and short term deposits	-%	-%
	100%	100%

The pension expense amounts totaled \$501,700 (2020 - \$419,100) and is included in salaries and benefits on the statement of operations. Employer contributions paid and payable during the year were \$602,000 (2020 - \$707,000).

The discount rate used is 4.90% (2020 - 4.90%), the estimated rate of salary increases used is 2.50% (2020 - 2.50%) and the estimated rate of return on assets used is 4.90% (2020 - 4.90%).

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

7. Pension plans (continued)

Group retirement savings plan

Employees hired subsequent to 2006 are eligible to participate in a defined contribution group retirement savings plan. Employer contributions totaled \$914,349 for 2021 (2020 - \$786,759) and were fully expensed.

8. Deferred contributions related to tangible capital assets

Deferred contributions related to tangible capital assets relate to grants received for purchase or construction of tangible capital assets and are amortized over the life of the tangible capital assets. The changes in deferred contributions are as follows:

	2021	2020
Balance, beginning of year	\$27,979,762	\$28,483,425
Contributions	7,143,412	770,337
Transfers to revenue	(1,417,899)	(1,274,000)
Balance, end of year	\$33,705,275	\$27,979,762

9. Unrestricted net assets

	2021	2020
Investment in capital assets		
Capital assets	\$52,601,109	\$47,266,864
Long term debt	(11,321,596)	(12,337,596)
Deferred capital contributions	(33,705,275)	(27,979,762)
Investment in capital assets, net of financing	7,574,238	6,949,506
Accumulated deficit	-	-
Unrestricted net assets	\$7,574,238	\$6,949,506

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

10. Net assets internally restricted

The following balances represent net assets set aside by the Board of Governors for the specific purpose of:

	2021	2020 Restated (Note 16)
Operating	\$3,194,809	\$1,852,859
Future capital projects	8,288,104	3,558,481
Defined benefit pension plan	3,078,000	(213,000)
Foundation	(507,157)	(558,320)
Advancement	1,145,666	994,937
Nordik Institute	101,450	95,342
Anishinaabe Peoples' Council operating	133,434	194,177
Anishinaabe Peoples' Council capital	173,012	173,012
Future research initiatives	500,000	-
HII	-	862
ISRI	-	9,460
CAPT	-	13,062
Restricted net assets	\$16,107,318	\$6,120,872

11. Endowments (Restated - Note 16)

Endowments consist of externally restricted donations received by the University. The endowment principal is required to be maintained intact. The investment income generated from endowments must be used in accordance with the various purposes established by donors. The University ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided. The market value of the investment portfolio for endowed funds included in the total investments disclosed in Note 3 is equal to \$3,806,626 (2020 - \$3,734,537).

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

12. Contingent liabilities

The University is a member of the Canadian Universities Reciprocal Insurance Exchange ("CURIE"). CURIE insures general liability, university property and errors and omissions. Annual premiums paid by the university are determined by the CURIE Board, on the advice of the actuary. There is a provision under the agreement for assessments to all member universities if these premiums are not sufficient to cover losses. As of December 31, 2020, the date of the latest financial statements available, CURIE had a surplus of \$99,400,000 (2019- \$90,200,000). Additional insurance for automoves, artwork, miscellaneous property, and major construction projects is purchased through commercial insurers to provide coverage for losses not insured by CURIE.

The University is involved with pending litigation and claims which arise in the normal course of operations. In the opinion of the administration, a liability that may arise from such contingencies would not have a significant adverse effect on the financial statements of the university.

13. Government remittances

Included in accounts payable and accrued liabilities are the following government remittances:

	2021	2020
EHT Payable	\$162,751	\$37,630

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

14. Commitments

The following are the future minimum annual lease payments for campus buildings and capital commitments for online learning platform due over the next five years:

Year	Amount
2022	\$3,368,225
2023	2,911,645
2024	1,890,395
2025	1,477,408
2026	859,602
Total	\$10,507,275

15. Financial instruments

The University's management monitors, evaluates and manages the principal risks assumed with financial instruments on a daily basis. The risks that arise from transacting financial instruments include liquidity risk, credit and concentration of credit risk.

Liquidity risk

Liquidity risk arises from the University's management of accounts payable, long term debt and other current liabilities. It is the risk that the University will encounter difficulty in meeting its financial obligations as they fall due. The University's policy to minimize this risk is to ensure an adequate line of credit exists for the University.

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

15. Financial instruments (continued)

Credit and concentration of credit risk

Credit risk arises principally from the University's cash and accounts receivable. The cash is held at a reputable institution. The University is also exposed to normal credit risk resulting from the possibility that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The majority of the University's receivables are from student fees and the University sends any overdue accounts more than two years old to the credit bureau for collection. In addition, students are not allowed to register for a future semester if their fees from previous semesters are not paid in full. For the 2020 Spring and Fall semesters, the University allowed students to proceed to register with outstanding balances as a response to the COVID-19 pandemic (Note 16), however this practice ended as of the 2021 Winter semester.

Interest rate risk

Interest rate risk arises principally from the University's credit facilities. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The credit facilities have variable interest rates. Changes to the bank's prime lending rate can cause fluctuations in interest payments and cash flows. The University uses derivative financial instruments to alter the effect of this risk through an interest rate swap.

Market volatility risk

Market volatility risk arises from the University's investment portfolio, which contains various pooled funds. It is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of general economic and other market factors affecting equity prices.

16. Prior prior adjustment

During the year, it was discovered that endowment funds were overstated. As a result of endowment funds being overstated, both deferred revenue and internally restricted net assets were understated. The financial statement amounts that are presented for comparative purposes have been restated to correct these errors as follows:

Increase in 2020 deferred revenue - \$859,964
Increase in 2020 internally restricted net assets - \$994,937
Decrease in 2020 endowments - \$1,854,901

Algoma University

Notes to Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

17. COVID-19

In March 2020, the World Health Organization declared the spread of coronavirus (“COVID19”) to constitute a global pandemic. This has resulted in governments worldwide enacting emergency measures to combat the spread of the virus including travel restrictions in and out of Canada and provincially, and stay at home orders. These restrictions impacted the operations of the University and resulted in the closure of physical premises of all post-secondary institutions.

The extent of such adverse effects on the University’s business and financial and operational performance are uncertain and difficult to assess. The financial impacts will depend on future developments, including the duration, spread and severity of the outbreak, physical distancing requirements, the duration and geographic scope of related travel advisories and restrictions, and the extent of disruptions to businesses globally and its related impact on the economy.

During 2021, the levels of on-campus activity were significantly reduced and campus services such as residences, fitness area, and parking revenue were negatively impacted.

COVID-19 also impacted global commercial and financial activities. This led to significant volatility and declines in the global public equity markets towards the end of fiscal 2020. These markets subsequently recovered their losses and continued to generate strong returns through the remainder of fiscal 2021, resulting in strong returns for the University’s investments. It is uncertain whether market volatility relating to COVID-19 will occur again in the future.

In response, the Ontario Ministry of Colleges and Universities issued additional funding to assist institutions through the pandemic. In 2021 the University received \$5,283,908 in additional one time funding.

The University’s budgets and forecasts have taken the expected impacts of the pandemic into account and management continues to manage the University’s liquidity to ensure that obligations are met as they become due. The University has access to sufficient liquid resources to support operations in the coming year. Given the outcome and timeframe to a recovery from the current pandemic is highly unpredictable, it is not practicable to estimate and disclose its financial effect on future operations at this time.

18. Comparative figures

Comparative figures have been restated where necessary to conform to current year presentation.



Financial Performance: Draft Audited Pension Plan Financial Statements - June 30, 2021

OPEN AGENDA

Meeting Date: September 29, 2021

Action: Approval

PREPARED BY:

Kramer Rousseau, Director Financial Services

PURPOSE OF REPORT

Risk and Finance Committee to review and recommend to the Board of Governors the approval of the Algoma University Pension Plan Financial Statements for the year ended June 30, 2021.

RELATED DOCUMENTS

1. Appendix A - Draft AU 2020-21 Pension Plan Financial Statements

STRATEGIC PRIORITY ALIGNMENT

5. Institutional Excellence: facilitate the ongoing improvement of the University by focusing on problem solving, teamwork, and leadership.

BACKGROUND

The Algoma University Pension Plan is a defined benefit pension plan that has been closed to new members since 2006. Up until that time, employees in either the full-time faculty or administration employee groups were eligible for membership.

As part of the regulatory reporting the Board of Governors approval is required prior to being sent to the Financial Service Commission of Ontario (FSCO) prior to December 31, 2021.

CURRENT STATUS

The following are the highlights of the draft audited financial statements - June 30, 2021, when comparing year over year:

Statement of Net Assets Available for Benefits

Overall the net assets available for benefits increased from \$27.1M to \$31.4M

- The contribution receivables for the current year include contributions to the plan for two months prior to the statement date. The slight decrease is due to having two fewer contributing members in June 2021 compared to June 2020.
- Managed assets increased by \$4.3M to a balance of \$31.5M
- The liabilities consist mainly of quarterly costs for both actuarial (\$74K) and investment management (\$67K) fees.



Statement of Changes in Net Assets Available for Benefits

Overall the net increase in net assets for the year was \$4.3M.

- Income from investments of \$5.0M was \$4.3M greater than the prior year, due having a \$570K realized gain in the year compared to a \$2.3M realized loss in the prior year as well as an unrealized gain of \$3.5M compared to \$1.1M in the prior year. Offsetting these increases is a reduction in investment income from \$1.9M in the prior year to \$923K in the current year.
- Total contributions decreased \$57K or 6.9% mainly due to the prior year employee current service contribution having a one time retrospective payment being made.
- Total decrease in net assets remained consistent at \$1.5M with a decrease of 3.8% from the prior year

Notes to the Financial Statements

Some note disclosure to highlight include the following

- Note 2 - Table 1 - Managed Investments - The market and book values of the assets within the plan are illustrated in this note and have a market value greater than book value by \$4.5M
- Note 2 - Table 2- Statutory Disclosure - outlines the asset mix of the pension plan as at June 30, 2021 and it meets the acceptable target levels as per the Statement of Investment Policies and Procedures (SIPP).

FUTURE STATUS

Management will continue to work with the Pension Advisory Committee (PAC) in its advisory role of monitoring the administration of the plan, making recommendations in the administration of the pension and promoting awareness and understanding of the pension plan. The audited pension plan financial statements will be presented at the next PAC meeting.

ACTION

MOTION: "That the Board of Governors approves the June 30, 2021 Pension Plan Financial Statements."

Algoma University - Pension Plan
Statement of Net Assets Available for Benefits
As at June 30, 2021 and June 30, 2020

	Notes	June 30, 2021	June 30, 2020
Assets			
Contribution receivable			
Employee		\$ 22,596	\$ 26,742
Employer		72,797	82,293
		95,393	109,035
Managed investments			
	2	31,474,632	27,155,446
		31,570,025	27,264,481
Liabilities			
Accrued administrative expenses			
	3	186,684	153,369
Net assets available for benefits		\$31,383,341	\$27,111,112

On behalf of the Pension Plan

Shelley Schell, Chair

Mike Moraca, Vice-Chair

Algoma University - Pension Plan
Statement of Changes in Net Assets Available for Benefits
For the years ended June 30, 2021 and June 30, 2020

	Notes	June 30, 2021	June 30, 2020
Increase in net assets:			
Income			
Investment income	4	\$ 923,323	\$ 1,881,807
Net realized gain (loss) on sale of investments		570,122	(2,280,348)
Net unrealized gains		3,501,615	1,139,429
		4,995,060	740,888
Contributions			
Employer - current service		322,508	372,686
Employer - contribution towards unfunded actuarial liability		296,000	296,000
		618,508	668,686
Employee - current service		151,412	158,274
		769,920	826,960
Total increase in assets		5,764,980	1,567,848
Decrease in net assets:			
Administrative expenses:			
Investment management		120,205	106,561
Actuarial		87,595	130,279
Custodial fees		39,281	23,593
Ministerial fees and other		20,051	19,297
Audit		8,527	7,847
		275,659	287,577
Pension benefits		1,217,092	1,263,960
Total decrease in assets		1,492,751	1,551,537
Net increase in net assets		4,272,229	16,311
Net assets available for benefits, beginning of year		27,111,112	27,094,801
Net assets available for benefits, end of year		\$31,383,341	\$27,111,112

On behalf of the Pension Plan

Shelley Schell, Chair

Mike Moraca, Vice-Chair

Algoma University - Pension Plan

Notes to Financial Statements

For the years ended June 30, 2021 and 2020

The Algoma University Pension Plan ("the Plan") is a defined benefit pension plan and provides benefits based on length of service and best average earnings. The Plan is registered in Ontario under the Pension Benefits Act registration number 0575209. Effective July 1, 2006, the Plan was closed to new members.

1. Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the financial reporting provisions of Section 76 of Regulation 909 to the Pension Benefits Act, 1990 (Ontario) as required by the Financial Services Regulatory Authority of Ontario. These regulations require pension plans to adhere to the provisions of Section 4600 - Pension Plans in Part IV - Accounting Standards for Pension Plans of the Chartered Professional Accountants (CPA) Canada Handbook, although they permit the exclusion of the actuarial liabilities of the Plan. Consequently, these financial statements do not purport to show the adequacy of the Plan's assets to meet its pension obligations. As the financial statements do not include the pension obligations, these financial statements are pension fund financial statements. For accounting policies that do not adhere to the Plan's investment portfolio, the Plan has elected to apply Canadian accounting standards for private enterprises.

Contributions and funding policy

Contributions are recognized on the accrual basis of accounting.

Members are required to contribute 8% of their compensation to the Plan subject to the maximum contribution limits permitted under the Income Tax Act. Algoma University, as plan sponsor, is required to contribute the funding necessary to ensure that benefits will be fully provided. The determination of the value of these benefits is made on the basis of a periodic actuarial valuation prepared at least once every three years.

Members can also make additional voluntary contributions to the Plan. Voluntary contributions are not matched, in whole or in part, by the University.

Pension benefits

Pension benefits are shown as expenditures in the year of payment.

Algoma University - Pension Plan

Notes to Financial Statements

For the years ended June 30, 2021 and 2020

1. Summary of significant accounting policies (continued)

Investments

Investments are stated at fair value. In determining fair values, adjustments have not been made for transaction costs as they are not considered to be significant. The change in the difference between the fair value and cost of investments at the beginning and end of each year is reflected in the statement of changes in net assets available for benefits as net unrealized gains.

Pooled fund investments are valued at the unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair values determined using closing market prices.

Net realized gain on sale of investments

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

Investment income

Investment income which is recorded on the accrual basis, includes interest income and dividends.

Foreign currency translation

The fair values of foreign currency denominated investments included in the statement of net assets available for benefits are translated into Canadian dollars at year-end rates of exchange. Gains and losses arising from translations are included in net unrealized gains (losses). Foreign currency denominated transactions as well as cost amounts included in Note 2 to the financial statements, are translated into Canadian dollars at the rates of exchange on the dates of the related transactions.

Actuarial valuation

For the purpose of review of the defined benefit, actuarial valuations are made every three years. The date of the last actuarial on July 1, 2018 was prepared by Willis Tower Watson. This valuation showed a going concern surplus of \$323,000 and a solvency deficit of \$2,290,000. The next actuarial valuation is being completed as at July 1, 2021 and will be available by June 30, 2022.

Algoma University - Pension Plan

Notes to Financial Statements

For the years ended June 30, 2021 and 2020

1. Summary of significant accounting policies (continued)

Income tax status

The Plan is a Registered Pension Trust as defined by the Income Tax Act (Canada) and, as such, is not subject to income taxes.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of increases and decreases in assets during the reported period. Actual results could differ from management's best estimate as additional information becomes available.

2. Managed investments

	2021		2020	
	Market	Cost	Market	Cost
PH&N Cdn Bond Fund	\$13,171,019	\$13,260,937	\$11,771,712	\$11,175,851
BonaVista Cdn Equity Fund (PH&N)	11,550,570	9,427,124	9,272,113	10,122,424
PH&N US Equity Fund	3,387,467	2,110,202	3,035,607	2,281,464
PH&N Overseas Equity Fund	3,365,576	2,210,927	3,076,014	2,611,880
PH&N Cdn Money Market Fund	-	-	-	-
Cash	-	-	-	-
	\$31,474,632	\$27,009,190	\$27,155,446	\$26,191,619

The manager of the funds is RBC Global Asset Management Inc. The trustee is RBC Investor & Treasury Services.

Algoma University - Pension Plan

Notes to Financial Statements

For the years ended June 30, 2021 and 2020

2. Managed investments (continued)

The Statement of Investment Policies and Procedures ("SIPP") establishes a target mix among fixed income, equity, and short-term investments to ensure diversification across assets and classes with the following actual results

	Range	Target	2021	2020
Fixed income	25% to 65%	45%	41.8%	43.4%
Canadian Equity	30% to 70%	35%	36.7%	34.1%
US Equity	0% to 30%	10%	10.8%	11.2%
Global Equity	0% to 30%	10%	10.7%	11.3%
Money Market	0% to 10%	0%	0%	0%
Cash	0% to 10%	0%	0%	0%

3. Accrued administrative expenses

	2021	2020
Investment management fees	\$66,520	\$27,363
Actuarial fees	73,965	101,742
Custodial fees	11,570	6,097
Audit fees	16,059	9,603
Minister of finance fees	1,488	822
Pension benefits guarantee fee	37,967	18,941
HST recoveries	(20,885)	(11,199)
	\$186,684	\$153,369

Algoma University - Pension Plan

Notes to Financial Statements

For the years ended June 30, 2021 and 2020

4. Investment income by investment category

	2021	2020
Canadian Fixed Income Fund	\$500,186	\$330,362
Canadian Equity Fund	335,723	1,427,594
United States Equity Fund	44,577	47,431
Global Equity Fund	42,837	75,213
Canadian Pooled Money Market Fund	-	1,207
	\$923,323	\$1,881,807

5. Capital risk management

The Plan considers its capital to be its net assets available for benefits. The Plan's objective when managing capital is to sustain a certain level of net assets in order to meet the pension obligations of the University, which are not presented or discussed in these specified purpose financial statements. The Plan fulfils its primary objective by adhering to the specific investment policies outlined in its SIPP, which is reviewed annually by the management of Algoma University and was last amended in February 2020.

The Plan manages net assets by engaging investment managers who are charged with the responsibility of investing new and existing funds in accordance with the approved SIPP. The investment goal of the Fund is to achieve a rate of return, after deducting management fees, equal to 100% of the annual change in Consumer Price Index for Canada plus 4.0% when calculated as an annual compounded rate over a complete capital market cycle.

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

Although there are no regulatory requirements relating to the level of net assets and/or funding to be maintained by the Plan, the Plan is required to file financial statements to the Financial Services Regulatory Authority of Ontario as well as files an Annual Information Return with the Minister of Finance, Revenue Operations and Client Services Branch.

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Notes to Financial Statements

For the years ended June 30, 2021 and 2020

6. Financial risk management

Investments are exposed to market price, liquidity, foreign currency, credit and interest rate risks. These risks have been assessed with no change from the prior year. The Plan has formal policies and procedures to monitor this risk exposure.

a) Liquidity risk

Liquidity risk is the risk that the Plan will not be able to meet its financial obligations because of an inability to liquidate assets. The Plan's approach to managing liquidity is to evaluate current and expected liquidity requirements to ensure that it maintains sufficient cash and cash equivalents to meet its liquidity requirements in the short and longer term. All of the Plan's investments are in liquid securities traded in the public market and can be readily disposed of, assuming orderly markets.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an investment will fluctuate because of changes in foreign exchange rates. Foreign currency exposure arises from the Plan holding investments denominated in currencies other than the Canadian dollar. The exposure to currency risk at June 30, 2021 is significant but indirect due to the Plan's investment in US and Global pooled funds.

c) Market price risk

Market price risk is the risk that the fair values or future cash flows of an investment will fluctuate because of changes in market prices (other than those arising from foreign currency risk and interest rate risk), whether those changes are caused by factors specific to an individual investment or its issuer or factors affecting all similar securities traded in the market. All investments present a risk of loss of capital. The maximum risk resulting from investments is equivalent to their fair value. As all of the Plan's investments are carried at fair value with fair value changes recognized in the statement of change in net assets available for benefits, all changes in market conditions will directly result in an increase (decrease) in net assets.

An immediate hypothetical decline of 10% in values of the pooled funds will impact the Plan's investments by an approximate loss of \$3,147,000 (2020 - \$2,716,000).

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Notes to Financial Statements

For the years ended June 30, 2021 and 2020

6. Financial risk management (continued)

d) Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Plan is exposed to interest rate risk associated with its investments. Investments are diversified and held with reputable parties in order to manage this risk.

Interest rate risk is the sensitivity of the Plan's financial position to movements in market interest rates. The SIPP has established restrictions on concentration, which are designed to mitigate the risk of interest rate volatility.

While the Plan has interest rate risk, the risk to the Plan is indirect in nature as the Plan is not directly holding any interest sensitive investments.

e) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Plan. The maximum credit risk exposure as at June 30, 2021 represents the total value of the investments.

The SIPP establishes the minimum quality standard of "BBB" for individual bonds, while requiring that at least 95% of the market value of short-term securities have a credit rating of at least A or its equivalent.

Fair Value Hierarchy

The Plan uses a fair value hierarchy in order to disclose the Plan's financial assets and financial liabilities that are measured at fair value in the statement of net assets available for benefits.

The fair value hierarchy has the following levels:

- Level 1 – quoted market prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted market prices included in Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and,
- Level 3 – unobservable inputs such as inputs for the asset or liability that are not based on observable market data.

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Notes to Financial Statements

For the years ended June 30, 2021 and 2020

6. Financial risk management (continued)

e) Credit risk (continued)

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

As at June 30, 2021, all investments are Level 1 within the fair value hierarchy. There were no transfers between levels during the year.

7. COVID-19

The global COVID-19 pandemic has disrupted economic activities and supply chains. Although the disruption is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact on the Plan's investments cannot be reasonably estimated at this time. The pension plan continues to operate throughout these unprecedented times. The long term impact of the COVID-19 pandemic cannot be determined at this time.