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**Wednesday, September 30, 2020**

Meeting 1: Final Meeting 2020-2021 4:00 pm – 4:45 pm

Meeting 2: Annual General Members Meeting 4:45 pm – 5:10 pm

Meeting 3: First Meeting of 2021-2022 5:10 pm – 6:30 pm

<b>Chair:</b> Dr. David Barnett <b>Vice-Chair:</b> Dr. Marie Josée Berger  Meeting Chair: Dr. Sarita Verma, Dean, President and CEO  All Meeting Documents: <a href="https://nosm.sharepoint.com/sites/nosmBoardofDirectors/meetingsandminutes/Meetings%20and%20Agendas/Forms/AllItems.aspx">https://nosm.sharepoint.com/sites/nosmBoardofDirectors/meetingsandminutes/Meetings%20and%20Agendas/Forms/AllItems.aspx</a> [Requires Access]			Page	Decision	Discussion	Information
Time	#	ITEM	ACTION REQUIRED			
AGENDA - Meeting 1: Board of Directors Meeting (2020-2021)						
4:00 pm	1.0	<b>Welcome</b> Traditional Lands Acknowledgement and Reflection Dr. Marie Josée Berger Biography				X X
4:05 pm	2.0 2.1	<b>Call to Order</b> (Dr. Sarita Verma) Agenda Review <ul style="list-style-type: none"> <li>Additions or Edits, Declarations of Conflicts and Approval</li> </ul>		X		
4:10 pm	3.0	<b>Approval of the Previous Minutes</b> <ul style="list-style-type: none"> <li>Approval of the May 20, 2021 minutes</li> <li>Business Arising from the Minutes</li> </ul>	3-12	X		
		<b>Committee and Other Reports</b>				
4:13 pm	4.0	Finance, Audit and Risk Management Committee (Bruce Sutton)	13			X
4:18 pm	4.1	Report of the Committee	14-33	X		
4:28 pm	4.2 4.3	Audited Financial Statements – ending April 30, 2021 Appointment of External Auditors	34	X		
4:33 pm	5.0	Governance Committee (Joy Warkentin)	35			X
4:36 pm	5.1	Report of the Committee	36	X		
4:41 pm	5.2 5.3	Appointment of Directors and Confirmation of Officers for Corporation Acknowledgement of Service – Dr. Robert Haché (Dr. Sarita Verma)				X X
4:45 pm	6.0	<b>Adjournment of Meeting 1 – Board of Directors</b> The Meeting of Members will commence immediately following this meeting.				

AGENDA - Meeting 2: Annual and General Meeting of Members						
4:45 pm	1.0	<b>Welcome</b> <ul style="list-style-type: none"> <li>Mr Claude Lacroix, Laurentian Board of Governor's Chair</li> <li>Ms Angela Maltese, Lakehead Board of Governor's Chair</li> </ul> Chair: Dr. Sarita Verma				
4:48 pm	2.0 2.1	<b>Call to Order</b> (Dr Sarita Verma) Agenda Review <ul style="list-style-type: none"> <li>Declarations of Conflicts, Additions or Edits and Approval</li> </ul>		X		
4:50 pm	3.0	<b>Approval of the Previous Minutes</b> <ul style="list-style-type: none"> <li>Approval of the September 30, 2020 minutes</li> </ul> <i>**Minutes of September 30, 2020 were circulated and reviewed after the 2020 meeting for accuracy and are included in the meeting package.</i>	38-41	X		
4:53 pm	4.0 4.1 4.2 4.3	<b>Finance, Audit and Risk Management Committee</b> (Bruce Sutton) Report from Committee Audited Financial Statements Appointment of Auditors	42 43-62 63	X X X	X	
5:05 pm	5.0 5.1 5.2	<b>Governance Committee</b> (Joy Warkentin) Report of the Committee Election of Directors	64 65	X	X	
5:10 pm	6.0	<b>Adjournment of the Members Meeting</b> Next Annual Meeting of Members is September 21, 2022  The first meeting of the Board of Directors for the 2021-2022 Academic Year will commence immediately following this meeting.		X	X	

## AGENDA - Meeting 3: Board of Directors Meeting (2021-2022)

5:15 pm	1.0	<b>Welcome</b>				
5:18 pm	2.0 2.1	<b>Call to Order</b> (Dr. Sarita Verma) Agenda Review <ul style="list-style-type: none"> <li>Declarations of Conflicts, Additions or Edits and Approval <i>In Camera - Members are reminded that items arising that need in camera attention should be declared at the point of discovery.</i></li> </ul>		X		
5:20 pm	3.0 3.1 3.2	Governance Committee (Joy Warkentin) Report of the Committee Chairs and Committee Selection Report	67 68-70	X		X
5:25 pm	4.0 4.1 4.2 4.3 4.4 4.5 a) Financial Delegated Authorities b) Signing Authorizations 4.6 4.7	Finance, Audit and Risk Management Committee (John Stenger) Report of the Committee Overview of Operating Surplus and Restricted Assets Committee Workplan Joint Benefits Committee Report Renewal and Recommendation Financial Policies for Review and Approval HOOPP Status Report (Ray Hunt, COO)	71-73 74-89 90 91-94 95-109 110-130 131-133	X X X X X		X X X    X
5:35 pm	5.0	Report of the Dean, President and CEO (Dr Sarita Verma)	Separate report		X	X
	6.0	Informational Items <ul style="list-style-type: none"> <li>Board of Directors Full Virtual Day Meeting - December 2, 2021</li> </ul>				X
	7.0	Other Business (not on the agenda elsewhere)				X
6:10 pm	8.0 8.1	<i>In Camera</i> Session Status on the CCAA and NOSM University (Dr. Sarita Verma)			X	
6:30 pm	9.0	<b>Adjournment</b>				

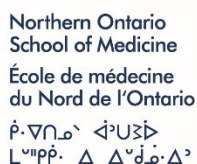
# Welcome Dr. Marie Josée Berger!



Dr. Marie Josée Berger was appointed as Provost and Vice-President, Academic at Laurentian University in August 2020. She served as Dean of Education at the University of Ottawa and Dean- Associate Vice Principal at Bishop's University. Prior to that, she was Director of the Ottawa Valley Centre of the Ontario Institute for Studies in Education of the University of Toronto. She has a wealth of classroom experience having worked for many years as a teacher in Ontario, Quebec and New Brunswick. She has, in addition to her expertise in reading, published in the areas of teaching and the assessment of learning and professional development. Her research portfolio includes books, papers in refereed journals, monographs, technical reports and refereed conferences. Dr. Berger has been a leader in University outreach both to local and to international communities. She participated in several projects of cooperation for the advancement of education and school management in different countries.







Thursday, May 20, 2021 (9:00 am – 1:00 pm ET)  
WebEx/Phone Conference

**Regrets:** Dr. Robert Haché (Vice Chair), Dr. Shemer Ratner and Donna Dorrington

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	<p>Dr. Sarita Verma referred to the updated agenda and materials circulated to all Directors and the Open materials circulated to observers and guests, accordingly, noting the updates as well as the late additions to the agenda as follows:</p> <ul style="list-style-type: none"> <li>• Updated Financial Statement for agenda item #5.2 (sent on May 19)</li> <li>• Dean, President and CEO's Report (sent on May 16)</li> <li>• Additional agenda item - #5.5 Motion and Resolution to Wind-up Manulife Pension Plan</li> </ul> <p>No conflicts of interest declared. Members were reminded if there are issues discussed that require confidentiality; it can be raised during the point of discussion.</p> <p><b>Moved: (Bruce Sutton/Mark Hartman)</b>          Approve the acceptance of the late submission received by Ray Hunt, COO prior to this meeting commencing, to be added as item 5.5 under the amended agenda.  <b>CARRIED</b></p> <p><b>Moved: (Nancy Jacko/Lucy Bonanno)</b>          Approve the updated agenda as amended.  <b>CARRIED</b></p>
	<p>Pursuant to Board Motion on April 23, 2021 – Dr. Sarita Verma, Dean, President and CEO will be Meeting Chair until further notice.</p> <p><b>Moved: (Joy Warkentin/Danielle Bélanger-Corbin)</b>          Pursuant to Board Motion on April 23, 2021; to confirm that Dr. Sarita Verma, Dean, President and CEO will be Meeting Chair until further notice.  <b>CARRIED, Abstention – Dr. Michel Bédard</b></p> <p>Dr. Sarita Verma reviewed the rules of procedure for the meeting.</p>
2.2	<p><b>Confirmation of Appointment of the Chair – NOSM Board of Directors</b>          Joy Warkentin introduced the motion for the confirmation of the appointment of the Chair of the NOSM Board of Directors.</p> <p><b>Moved: (Joy Warkentin/Bruce Sutton)</b>          Given the request by Dr. Moira McPherson, President and Vice Chancellor of Lakehead University on April 30th, 2021, to invoke Section 13.1 of the NOSM By-laws and hereby confirm that Dr. David Barnett shall assume the designated role as Chair of the NOSM Board of Directors for the remainder of this term to September 22nd, 2021.  <b>CARRIED, Abstention – Dr. David Barnett</b></p>
3.0	<p><b>Previous Minutes</b></p> <ul style="list-style-type: none"> <li>• <b>Minutes of the April 7, 2021, Open Meeting</b></li> </ul> <p>The previous minutes of the April 7, 2021, Open Meeting were pre-circulated and included in the meeting materials. Minor edits to minutes include:</p> <p>Under Agenda Item #5.2 – “unaudited financial statements”/ “financial report for the nine- month period”. Under Agenda Item #8.3, <del>on</del> at the normal time?? and tri-council <del>counsel</del></p> <p><b>Moved: (Joy Warkentin/Juliette S. Denis)</b>          Approve the Minutes of the April 7, 2021, Open Board Meeting as presented with the minor edits.</p>

	<b>CARRIED, Abstention – Dr. David Barnett</b>
<b>4.0</b>	<b>Executive Committee</b> Dr. Sarita Verma indicated the Executive Committee had been put on hiatus until after the completion of Laurentian University's CCAA Proceedings and that the work of the Executive Committee had been reverted to the full Board.
<b>5.0</b> <b>5.1</b> <b>5.2</b>	<b>Finance, Audit and Risk Management Committee</b> <b>Report of the Committee</b> <b>Financial Statements – ending March 31, 2021</b> Bruce Sutton referred to the Report of the Committee included in the meeting package, specifically the updated Financial Statements for the period 11-month period ending March 31, 2021 circulated on May 19, 2021 which reflect the correction to an inaccuracy on the budget forecast identified by John Stenger. An accumulated surplus reported for the current period as well as a projected surplus for the year-end due to additional COVID funding received from the Ontario government and a reduction in expenses for non-student travel, meetings, and professional development but offset by increased costs for office supplies, legal and consulting fees and reduced projected Government funding from the Northern Tuition Sustainability Fund not received. Ray Hunt added that the additional legal fees were associated with Human Right cases.  <b>Moved: (Bruce Sutton/Dr. Alexandre Anawati)</b> <b>Resolved that:</b> the Financial Statements for the 11-month period ending March 31, 2021, be approved as presented. <b>CARRIED</b>
	<i>At 9:30 am, Dr. David Barnett left the meeting (as he indicated earlier) and expected to return at 10:30 am.</i>
<b>5.3</b>	<b>Budget Presentation and Approval</b> Bruce Sutton referred to the Budget Presentation included in the meeting materials for approval. He highlighted: <ul style="list-style-type: none"> <li>• Not to budget for additional revenue from the Northern Tuition Sustainability Fund but to budget for additional government funding revenue for NOSM's expansion (\$700K) which is not an unreasonable estimate of increased funding and additional revenue from five additional Department of National Defense learners.</li> <li>• Increase in salary and benefits and faculty contracts expenditures and decrease in student travel expenditures.</li> <li>• Capital fund not budgeted; expenditures reduced.</li> <li>• Balanced budget for current year.</li> <li>• 2021-2022 Budget realistic and recognized element of risk on budgeting for additional government revenue for expansion but if funding not received to determine areas of cost savings and if necessary, to access restricted reserves funds, which requires Board approval. Uncertain if student Scholarships and Bursaries available because of impact of Laurentian University's CCAA Proceedings, another unanticipated expense, if necessary to access restricted reserves funds. Board had approved a transfer of \$3M from the unrestricted reserve fund to operations for expenses related to the impact of Laurentian University's CCAA Proceedings, balance of unrestricted reserve fund, \$2M (March 31, 2021).</li> </ul> <p>Ray Hunt indicated with the uncertainty of the recovery of the endowment funds; working with both host Universities within the court governance process to ensure student bursaries are dispersed.</p>

	<p>A discussion ensued on potential strategies on how to cover the costs of the student bursaries if endowment funds not recovered. NOSM to continue to work within the court process to recover funds to avoid dipping into NOSM's reserves and to continue to advocate for NOSM's growth and expansion by requesting for additional government funding and increased UME and PGME enrolment that could resolve NOSM's ongoing structural deficit. Multi-pronged strategies outlined and embedded within NOSM's Strategic Plan to address the issues and to meet the needs of Northern Ontario with a commitment to Francophone, Indigenous, rural and remote, climate change and NOSM's financial sustainability. Using a whole school approach; contributes to and is part of the solution.</p> <p><b>Moved: (Bruce Sutton/John P. Stenger)</b>  <b>Resolved that:</b> The Proposed Balanced Budget for the Fiscal Year – May 1, 2021 to April 30, 2022 be approved as presented.  <b>CARRIED</b></p>
5.4	<p><b>Pension Committee Audited Financial Statements</b>  Bruce Sutton referred to the Pension Committee – Audited Financial Statements for approval included in the meeting package.</p> <p><b>Moved: (Bruce Sutton/Michel Bédard)</b>  <b>Resolved that:</b> The Audited Financial Statements for the year ending December 31, 2020, for the Pension Plan for the employees of the Northern Ontario School of Medicine be approved as presented.  <b>CARRIED</b></p>
5..5	<p><b>Resolution – Termination of DC Pension Plan (added item) – For Approval</b>  Ray Hunt apologized for the late submission. He outlined the briefing note circulated to all members regarding the Resolution for the Termination of the Defined Contribution (Manulife) Pension Plan.</p> <p>He indicated Mercer has taken the lead in the change management process, the transfer of NOSM's current Defined Contribution (Manulife) Pension Plan to HOOPP. As part of the regulatory requirements, Mercer requires a formal resolution to approve the termination of NOSM's current Defined Contribution (Manulife) Pension Plan before the official transfer to HOOPP on October 1, 2021.</p> <p><b>Moved: (Bruce Sutton/Danielle Bélanger-Corbin)</b>  BE IT RESOLVED THAT:  The Board of Directors herein approves the termination and wind up of the Northern Ontario School of Medicine's Manulife Defined Contribution Pension Plan and Non-Registered Savings Plan effective September 30, 2021, as presented per the "Certified Copy of a Resolution of the Board of Directors of Northern Ontario School of Medicine".  <b>CARRIED</b></p> <p>Dr. Sarita Verma thanked all the members of the FARM Committee, Finance Team, and HR Team for their continued hard work in this process.</p>
6.0 6.1	<p><b>Governance Committee  Report of the Committee</b>  Joy Warkentin referred to the Report of the Governance Committee included in the meeting package. The 2021-2022 Board and Committee Meeting Schedule confirmed, and the Nominations</p>

	and Community Relations Subcommittee recommended the deferment of the 2021 Board recruitment until further notice.
<b>7.0</b> <b>7.1</b> <b>7.2</b>	<p><b>Dean, President &amp; CEO Report</b></p> <p><b>Presentation of the Dean's Report</b></p> <p><b>Presentation of the Strategic Plan Report</b></p> <p>Guest Presenters: Mat Litalien, Office of Institutional Intelligence and Joanne Musico, Director, Communications and External Relations (Live Presentation)</p> <p>Dr. Sarita Verma referred to the Dean's Report circulated on May 16, 2021, as well as the Dean's Annual Performance Goals and the Strategic Plan Update. She indicated in the spirit of transparency; the materials will be publicly available after the meeting.</p> <p>She indicated Joanne Musico, Director of Communications and External Relations and her team transformed the Dean's Report into a magazine theme-focused report to provide an interactive and demonstrative approach of the catalytic changes at NOSM. NOSM is made up only because of what everyone does together; therefore, the theme of the report is "<a href="#">CommUnity</a>", with unity accentuated to emphasize the collaboration and positive messages/stories from NOSM's community, stakeholders, and partners including hospital, municipal, Indigenous, Francophone, rural and remote, learners, staff, faculty, and unions. Theme has a quadruple aim - to improve clinician experience, to improve patient experience, to improve outcomes, and to lower costs and align with the underlying issues of education, research, administration, and service to allow NOSM to achieve its mandate through its Strategic Plan.</p> <p>Also included in the report:</p> <ul style="list-style-type: none"> <li>• Engagement Report (linked)</li> <li>• Anti-racism strategies identified including an event hosted by NOSM students, new agreement/accord with NAN, etc.</li> <li>• NOSM's commitment to social accountability - Centre for Social Accountability, Operation Remote Immunity and NOSM agreed to volunteer for Phase 2 of the project, outreach for youth and adolescent immunization.</li> <li>• NOSM's commitment to Indigenous partnerships, the Indigenous Health Pathway, the Indigenous Theme Network, and to the History of Indigenous Health and Indigenous Traditional Healing (Darrel Manitowabi, NOSM-AMS Hannah Chair).</li> <li>• NOSM's commitment to Francophone partnerships and communities.</li> <li>• NOSM students' activities and community activities.</li> <li>• Innovation - Medical students developed an app on accessing maloxone, a huge impact on delivery of health care to mental health and addictions populations. Research innovation – Northern Ontario Research Network based on primary care, Dr. Barb Zelek, Marathon physician.</li> <li>• Wellness - a Strategic Plan initiative.</li> <li>• Philanthropic support - Dean's performance goal set an advancement target of \$1M, superseded target. Advancement monies not for operations but had facilitated with the development of the Centre for Social Accountability and the Indigenous Health Pathway.</li> <li>• Dean's Lecture Series.</li> </ul> <p>She thanked NOSM's family which includes staff, faculty, students, and learners, and the NOSM Board who are all very committed and hardworking.</p> <p>Joanne Musico encouraged members to submit their feedback on the report which is a platform to share stories and spread the word, and next steps to include the launch of the new website, and to</p>



	<p>link strategic plan dashboard to the strategic plan website, an integrated way of reporting the Strategic Plan and its progress.</p> <p><b>Presentation of the Strategic Plan Dashboard Report</b></p> <p>Dr. Verma indicated Mat Litalien, Director, Office of Institutional Intelligence, and his team responsible for the collection and interpretation of the data for the strategic plan dashboard. Mat Litalien indicated “a whole School” approach applied, and all portfolios/units involved in the process, i.e., creating data process, data gathering, data analysis, data cleaning, etc. Significant and challenging change management process for NOSM but the Strategic Plan Dashboard is a single platform to store, report, demonstrate and link back to the Strategic Plan NOSM’s successes, either quantitative or qualitative outcomes/results. First draft of report, a visualization and warehouse tool which NOSM did not have, in its early stages, streamlining process and a work in progress.</p> <p>Sarita Verma added, NOSM required a platform for data to illustrate real outcomes, for example:</p> <ul style="list-style-type: none"> <li>• How many undergrad students from the MD Program practice in Northern Ontario, 52% of NOSM MD alumni stay in urban Northern Ontario.</li> <li>• With money in Postgrad not Undergrad Programs, where are the postgrad residents who train at NOSM? Where are they practicing, Urban Centres or Rural and Remote areas?</li> <li>• How can NOSM increase the number of undergrad or postgrad alumni practicing in rural Northern Ontario?</li> <li>• NOSM is the only medical school that matches 100%, but only offers 9 Residency Programs. How many students stay at NOSM for their residency? What areas of specialties and subspecialties are required?</li> <li>• What are the challenges when tracking diversity for gender? Only students who self-identify as a Francophone, Indigenous and rural and remote are reported. Professor and Associate Professor faculty level remain male centric.</li> </ul> <p>Strategic Plan Dashboard to produce targeted reports with specific data related to each of the defined strategic directions of the Strategic Plan, i.e., what is the expected diversity targets for admission for each of the groups, i.e., francophone, indigenous, etc., or what are the issues confronting racism as it pertains to NOSM’s infrastructure. Data can be tracked over time and problematic factors/areas identified.</p> <p>Dashboard currently available in English and Joanne Musico indicated the French version layout and design being prepared not only for the Strategic Plan Dashboard but the Strategic Plan Website and the new website being launched.</p> <p>Matt Litalien encouraged members to submit their feedback on the Strategic Plan Dashboard.</p> <p>Dr. Verma congratulated Joanne Musico and her team on their recent Communicator Award along with Launchfire, a leader in game-based marketing programs in the category of Individual-Contests &amp; Promotions for their online advertising and marketing work in creating <i>The NOSM Trivia Challenge</i>. There were over 6,000 entries from around the world. The Communicator Award is the largest and most competitive awards program honoring creative excellence for communications professionals.</p> <p>Members commented on the exceptional presentation of information in the report and extended appreciation to Dr. Sarita Verma, NOSM staff, faculty and learners for the remarkable work being done, especially during the past year.</p>
<p><b>8.0</b></p> <p><b>8.1</b></p>	<p><b>Generative Discussion – Transforming Health Human Resource Planning in Northern Ontario</b></p> <p><b>NOSM Admissions and Learner Recruitment</b></p> <p>Sarita Verma introduced the generative discussion – Transforming Health Human Resource</p>

	<p>Planning in Northern Ontario. NOSM's primary mission and their social accountability mandate is to determine what is NOSM's Health Human Resource output/input, what is NOSM's impact, how to measure that impact, and how does NOSM address the physician and health care needs of the people of Northern Ontario?</p> <p>Dr. Owen Prowse, Assistant Dean of Admissions and Miriam Cain, Director of Admissions referred to their presentation on how NOSM's Admissions and Learner Recruitment Process assists in Transforming Health Human Resource Planning in Northern Ontario included in the meeting materials and highlighted:</p> <ul style="list-style-type: none"> <li>• This year, over 2,000 applications received for 64 spots.</li> <li>• Five (5) seats from the Department of Defense.</li> <li>• Because of the pandemic, pivoted to online/virtual interviews. Online interviews cost effective and equitable. Relied on community members, faculty, staff, students, board members involvement in the interview process.</li> <li>• To look at specific qualities outside of academics, non-academic or non-cognitive personality traits, i.e., ethical decision-making, resilience and to research for new qualities, i.e., real identity to incorporate into the admissions process.</li> <li>• Interview pool had a substantial increase of rural applicants and self-identified indigenous applicants.</li> <li>• This year, accommodation changes and supports for Indigenous applicants implemented. Indigenous Affairs Unit hired an Indigenous Recruitment and Support Worker to provide support to Indigenous applicants.</li> <li>• Implemented an exceptional circumstances policy to recognize that some applicants may have faced barriers and adversely impacted, and they would have an opportunity to explain and provide documentation to support their request for consideration.</li> <li>• Tweaked the contact score to be able to take phone applicants.</li> <li>• To support the rural and indigenous pathways that are being created through youth recruitment and partnerships with High Schools, Science North, HSN and feed into CAMPMED.</li> <li>• CAMPMED moved online (July 12-23) and with no costs associated with interviews, a huge increase in attendance and no limits. There are 39 mentors and team leads, NOSM students and University volunteers who participate in CAMPMED online and Indigenous medicine, mental health and anti-racism workshops are included.</li> <li>• Discovery Days in Health Sciences on May 18, 2021, over 242 participants throughout Northern Ontario.</li> <li>• Continuing to connect with younger individuals from elementary to high school who work together with Medical Students via Instagram. Number of CAMPMED students are pursuing a career in medicine, inspirational.</li> </ul> <p>Each member tested their admissions knowledge using the website slide.com with an interactive quiz of five questions. Miriam Cain indicated each member to receive an ambassador kit for participating in the interactive quiz as well as a NOSM Admissions Quick Reference Guide to use when they're out in the community.</p> <p>Dr. Owen Prowse and Miriam Cain were thanked for their informative and fun presentation.</p>
8.2	<p><b>Physician Workforce Strategy at NOSM</b></p> <p>Sarita Verma introduced Dr. Sarah Newbery, a rural generalist family physician in Marathon for 25 years and Assistant Dean of Physician Workforce Strategy presentation on NOSM's transformative approach to the planning and delivery of workforce supply to eliminate the gaps in Northern Ontario Health Human Resources. She highlighted:</p>

	<ul style="list-style-type: none"> <li>• Physician workforce strategy is not just about how NOSM meets the needs of NOSM communities but also about how NOSM continue its success through NOSM's clinical faculty teaching NOSM learners who will become the next wave of clinicians.</li> <li>• Data collected on where NOSM grads have gone and where they have landed to date with those who did both their undergrad and postgrad training in the North, stay in the North. But what are NOSM's current needs?</li> <li>• In 2017, chiefs of staff of the Northwest/recruiters reported their struggle with Health Human Resources to Health Force Ontario.</li> <li>• Currently need 313 full-time equivalent physicians across Northern Ontario. A minimum of 126 family physicians, 86 of those in rural communities, 160 specialists across Northern Ontario, and 21 additional physicians who may be either family physicians or specialist physicians to work predominantly in Emergency Departments or in hospital settings in order to meet the clinical service needs of Northern Ontario. This only captures NOSM's clinical service demands reported by communities who are looking at vacant contract positions and does not include expectations of a teaching role, research leadership positions within NOSM.</li> <li>• Only 50% of NOSM classes stay in Northern Ontario. If not one single physician leaves practice in the next 10 years, then 10 years from now, NOSM will have met their current need, but there will be turnover in the coming years and an urgency to address the physician workforce needs across the North.</li> <li>• Data was aggregated by discipline and region - Northern Urban Regional Centers (Sudbury, Thunder Bay, SSM) to determine how many anesthesiologists, emergency physicians, psychiatrists, pediatricians, anesthesiologists, internal medicine, rheumatologists, etc., are required to determine what the needs are in Thunder Bay, Sudbury, rural communities, etc.</li> <li>• Reviewed the data that sets NOSM's post grad training programs indicated 60% of those who graduate from NOSM's prescribed training programs will stay in the North. Need to understand where NOSM has great potential for impact is important.</li> <li>• Require 126 Family Physicians, 86 Rural Generalists, 40 Psychiatrists.</li> </ul> <p>Sarah Newbery concluded that it is important that as NOSM continues to evolve, we need to understand data by discipline and region, the discipline specific needs. That the more NOSM can join up together in clinical service regions, the better and more resilient NOSM is as a clinical group and that we need all NOSM's partners to think about, what makes a welcoming workplace, what is an appealing contract, and how to create space for part time clinicians to welcome the women who form the bulk of NOSM's classes because NOSM's system is not designed for women entering practice.</p> <p>Dr. Sarah Newbery encouraged members to review the presentation uploaded to the portal and provide feedback or comments.</p> <p>Sarita Verma indicated in essence of time to defer the discussion on the Rural Generalist Pathway and move to Ray Hunt's presentation on the Summary of Systemic Barriers and Enablers.</p>
8.3	<p><b>Success in HHR Recruitment and Retention - Understanding the Systemic Barriers and Enablers</b></p> <p>Ray Hunt referred to his presentation, Success in HHR Recruitment and Retention - Understanding the Systemic Barriers and Enablers included in the meeting materials. He provided a summary of his background and highlighted what's working, what is not working and what has to work to enable a successful physician recruitment:</p> <ul style="list-style-type: none"> <li>• NOSM created with a mandate to improve health care outcomes in Northern Ontario, and it includes physicians' supply.</li> </ul>

	<ul style="list-style-type: none"> <li>• Two elements of physician recruitment, supply, and distribution. NOSM can influence the supply as NOSM's core business is to create new physicians and by the nature of NOSM's distributed community engaged learning model can influence the distribution of physicians.</li> <li>• Based on his 20 years of experience, other ingredients/physician recruitment enablers that are required: <ul style="list-style-type: none"> <li>○ Ingredient #1: Community</li> <li>○ Ingredient #2: Academic Model</li> <li>○ Ingredient #3: Payment Models</li> <li>○ Ingredient #4: Local Physician Group</li> <li>○ Ingredient #5: Government</li> <li>○ Ingredient #6: Learner Experience</li> </ul> </li> </ul>
	<p>Dr. Verma indicated as the School grows, and moves its focus forward from being start-up to focusing on what NOSM needs to do to become more successful in the physician workforce strategy, health professional education, interprofessional education, translational and population-based research and are all important parts of the Strategic Plan and the outputs.</p> <p>She concluded that this generative discussion was an information and education session on what happens at the beginning of the process, who/what comes in for the Board. The next session will address, what happens in the middle, transforming health professional education, to be presented by Dr. Lee Toner, Dr. Rob Anderson and Dr. Catherine Cervin, a session on social accountability and finally a session on research.</p> <p>She thanked Dr. Sara Newbery, Dr. Owen Prowse, and Miriam Cain and Ray Hunt for their presentations and all their hard work.</p>
<b>9.0</b>	<p><b>Other Business</b></p> <p>There was no other business.</p>
<b>10.0</b>	<p><b>Adjournment</b></p> <p>Dr. Sarita Verma thanked everyone for their participation and input. With no further business, the Open Board of Directors Meeting adjourned at 12:47 pm.</p> <p>She indicated that after a brief recess, the Board of Directors Closed Meeting (Members Only) will commence at 1:30 pm.</p>

**CERTIFIED COPY OF A RESOLUTION OF THE  
NORTHERN ONTARIO SCHOOL OF MEDICINE  
BOARD OF DIRECTORS**

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**WHEREAS** the Northern Ontario School of Medicine (the "**School**") sponsors the Pension Plan for Employees of Northern Ontario School of Medicine, Registration No. 1128768 (the "**Plan**"); and

**WHEREAS** pursuant to Section 14.01 of the Plan, the School reserves the right to amend and terminate the Plan; and

**WHEREAS** the School wishes to fully terminate the Plan effective September 30, 2021; and

**WHEREAS** the School also wishes to fully terminate its Non-Registered Savings Plan ("**NRSP**"); and

**WHEREAS** effective October 1, 2021, members of the Plan who are part of OPSEU Unit 1 ("**Unit 1 Employees**") will have the option to participate in the Healthcare of Ontario Pension Plan ("**HOOPP**") or to establish a personal RRSP to which employees and the School will contribute; and

**WHEREAS** effective October 1, 2021, members of the Plan who are not Unit 1 Employees will have the option to commence participation in HOOPP effective October 1, 2021 or to receive a stipend in lieu of pension;

**NOW THEREFORE IT IS RESOLVED THAT:**

1. The Plan shall be fully terminated and wound-up with respect to members, former members and other persons entitled to payments under the Plan (collectively, "**Members**") effective September 30, 2021 (the "**Wind-up Date**").
2. Contributions to the Plan shall be made with respect to service with the School up to and including the Wind-up Date.
3. The School shall notify the Members entitled to payments under the Plan in accordance with the provisions of the *Ontario Pension Benefits Act*.
4. Members shall have the required options provided to them regarding the payment of their benefit entitlement in accordance with the terms of the Plan, the *Ontario Pension Benefits Act* and the *Income Tax Act* (Canada).



# Finance Audit and Risk Management Committee Report

**Report Dated:** September 22, 2021  
**Chair:** Bruce Sutton  
**Date of Last Meeting:** September 8, 2021  
**Date of Next Meeting:** November 8, 2021 (9-11 am)

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The report summarizes approvals made by the Committee at the meeting of September 8, 2021. It also presents key informational items discussed. It is presented to the Board for information.

The membership of the committee can be found online:

<https://www.nosm.ca/about/governance/board-of-directors/standing-committees/>

## 1. Financial Statements for the period ending April 30, 2021

Rosy Brizi from Grant Thornton LLP presented the draft audited Financial Statements for the period ending April 30, 2021. It is their opinion that the Financial Statements are represented fairly. Note 3 and Note 15 of the Financial Statements were discussed in detail and concerns were expressed regarding the disclosure of information relating to the Laurentian CCAA and its impact on NOSM's endowments (Note 15) and bad debt expense (Note 3). NOSM Administration was asked to review the notes to the Financial Statements and work with NOSM's legal counsel and auditor to add additional information addressing the CCAA concerns. Subsequently, a new "Note 21" has been added as an additional disclosure to this effect.

The Committee approved the Financial Statements for the period ending April 30, 2021 for presentation to the Board. **[Motion attached]**

## 2. Recommendation of Auditor

The External Auditor Request for Proposals (RFP) occurred over the summer. There were three (3) proposals received and a detailed evaluation of the three submissions was completed by the RFP Review Committee. Grant Thornton LLP was selected as the successful bidder. **[Motion attached]**





## Board of Directors

**September 22, 2021**

## Financial Statements

Northern Ontario School of Medicine

April 30, 2021

DRAFT

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# Independent Auditor's Report

Grant Thornton LLP  
Suite 300  
979 Alloy Drive  
Thunder Bay, ON  
P7B 5Z8

T +1 807 345 6571  
F +1 807 345 0032

To the Board of Directors of  
Northern Ontario School of Medicine

## Opinion

We have audited the financial statements of Northern Ontario School of Medicine ("School"), which comprise the statement of financial position as at April 30, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Northern Ontario School of Medicine as at April 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-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 Financial Statements* section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

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

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

*Grant Thornton LLP*

Thunder Bay, Canada  
DATE, 2021

Chartered Professional Accountants  
Licensed Public Accountants

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Financial Position

(Thousands of Dollars)

	As at April 30, 2021	As at April 30, 2020
<b>Assets</b>		
Current assets:		
Cash - operating	\$ 23,609	\$ 22,271
Accounts receivable (Note 2)	872	1,564
Prepaid expenses	631	442
	25,112	24,277
Capital assets (Note 4)	4,616	4,747
	\$ 29,728	\$ 29,024
<b>Liabilities, Deferred Contributions and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (Note 5)	\$ 9,376	\$ 7,983
Government payroll remittances payable	545	510
Due to host universities (Note 3)	133	158
Deferred revenue (Note 6)	4,459	2,705
	14,513	11,356
Deferred capital contributions (Note 7)	4,616	4,747
	19,129	16,103
Net assets:		
Internally restricted (Note 8)	10,599	12,921
	\$ 29,728	\$ 29,024

## Funds Held in Trust

### Assets

Cash held in trust (Note 9)	\$ 13,950	\$ 14,238
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### Liabilities

Funds held in trust (Note 9)	\$ 13,950	\$ 14,238
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The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

\_\_\_\_\_ Chair, Board of Directors

\_\_\_\_\_ Dean



# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Operations

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	2021	2020
<b>Revenue:</b>		
Government grants - Ministry of Colleges and Universities	\$ 23,127	\$ 22,915
Government grants - Ministry of Health	16,145	16,192
Government grants - Paymaster Program (Note 10)	15,368	14,041
Government grants - Medical Student Bursary Program (Note 11)	602	547
Government and other grants for restricted purposes	2,510	2,723
Tuition fees	6,012	6,036
Administrative Services Fees (Note 12)	-	29
Investment income	156	431
Bursary and Advancement income	1,211	702
Miscellaneous income	1,018	1,125
Amortization of deferred capital contributions	964	889
<b>Total revenue</b>	<b>\$ 67,113</b>	<b>\$ 65,630</b>
<b>Expenses:</b>		
Salaries, benefits, and other compensation	\$ 39,089	\$ 36,572
Salaries, benefits, and other compensation - Paymaster Program (Note 10)	15,368	14,041
Travel and accommodations	156	1,423
Travel and accommodations - Learners	2,164	2,742
Office	1,746	1,404
Bad debt expense (Note 3)	1,268	-
Curriculum and faculty development	1,171	1,926
Library	971	843
Technology and telecommunications	1,327	1,321
Facilities	1,182	1,346
Research - General Expenses and Supplies	1,357	1,152
Consulting	677	809
Medical Student Bursary Program (Note 11)	629	547
Bursaries	1,366	981
Amortization of capital assets	964	889
<b>Total expenses</b>	<b>\$ 69,435</b>	<b>\$ 65,996</b>
<b>Deficit of revenue over expenses</b>	<b>\$ (2,322)</b>	<b>\$ (366)</b>
Transfers - Internally Restricted Net Assets	\$ 2,322	\$ 366
<b>Change in Unrestricted Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>

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

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Changes in Net Assets

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	Unrestricted	Internally Restricted	Total 2021	Total 2020
Net assets, beginning of year	\$ -	\$ 12,921	\$ 12,921	\$ 13,287
Deficit of revenue over expenses	(2,322)	-	(2,322)	(366)
Transfers	2,322	(2,322)	-	-
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>\$ 10,599</b>	<b>\$ 10,599</b>	<b>\$ 12,921</b>

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

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Cash Flows

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	2021	2020
<b>Operating Funds</b>		
Cash flows from operating activities:		
Deficit of revenue over expenses	\$ (2,322)	\$ (366)
Items not involving cash:		
Amortization of deferred capital contributions	(964)	(889)
Amortization of capital assets	964	889
Changes in non-cash working capital (Note 13)	3,660	(518)
	1,338	(884)
Cash flows from financing and investing activities:		
Deferred capital contributions	833	1,270
Capital assets acquired	(833)	(1,270)
	-	-
<b>Net increase in cash</b>	1,338	(884)
Cash, beginning of year	22,271	23,155
<b>Cash, end of year</b>	\$ 23,609	\$ 22,271
Represented by:		
Cash - operating	\$ 23,609	\$ 22,271
<b>Funds Held in Trust</b>		
Cash flows from financing and investing activities:		
Research Chair in Aboriginal and Rural Health Trust Funds		
Investment income	\$ 28	\$ 76
AMS Hannah Chair in the History of Aboriginal Health Trust Funds		
Investment income	24	66
Northern Ontario Academic Medicine Association Transitional Funds		
Funds granted	7,392	7,749
Investment income	60	161
Disbursements	(7,792)	(7,976)
	(288)	76
Cash, beginning of year	14,238	14,162
<b>Cash, end of year</b>	\$ 13,950	\$ 14,238
Represented by:		
Cash held in trust	\$ 13,950	\$ 14,238

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

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### General

The Northern Ontario School of Medicine ("School") was incorporated without share capital under the laws of Ontario. Working under the auspices of Lakehead University and Laurentian University ("host universities"), the purpose of the School is to establish and operate a medical school which is responsive to the needs of students and to the healthcare needs of the people of Northern Ontario.

The School has received full accreditation for its educational program leading to a medical doctorate from the Liaison Committee on Medical Education and the Committee on Accreditation of Canadian Medical Schools.

### 1. Significant accounting policies:

The financial statements of the School have been prepared in accordance with Canadian accounting standards for not for profit organizations and follow the accounting policies summarized below:

#### (a) Revenue recognition:

The School accounts for contributions under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grant amounts relating to future periods are deferred and recognized in the subsequent period when the related activity occurs. Grants approved but not received are accrued.

Tuition fees which relate to academic terms or parts thereof occurring after April 30 are recorded as deferred revenue.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Any surplus that is repayable to the contributor is recorded as accounts payable.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

#### (b) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, bank balances, and guaranteed investment certificates with a duration of less than three months.

#### (c) Investments:

Investments, which consist of deposit receipts and guaranteed investment certificates, are carried at fair market value.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 1. Significant accounting policies (continued):

#### (d) Capital assets:

Capital asset purchases are recorded at cost with amortization provided for in the period in which the assets are put into use. Capital assets are amortized on a straight line basis over their estimated useful lives, which are:

Computer software	2 years
Furniture and equipment	5 years
Leasehold improvements	25 years

#### (e) Internally restricted net assets:

The School restricts use of portions of its operating surplus for specific future uses. When incurred, the related expenses are charged to operations, and the balance of internally restricted net assets is reduced accordingly. Internally restricted net assets are established through Board resolution or Board approved policies.

#### (f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Areas of key estimation include allowance for doubtful accounts, asset useful lives, conditional grant revenue earned/repayable, and allocation of shared expenses. Actual results could differ from those estimates.

#### (g) Financial instruments:

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. Changes in fair value of financial instruments related to trust funds are recorded directly in net assets. All other financial instruments are subsequently 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 re-measured at fair value at each statement of financial position date and charged to the financial instruments for those measured at amortized cost.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

### 1. Significant accounting policies (continued):

#### (h) Employee Future Benefits:

The School accrues its obligation under the Notional DC SuRP benefit plan as the employees render the services necessary to earn the pension and other retirement benefits.

The School accounts for the Notional DC SuRP component of the pension plan using the immediate recognition approach. The School recognizes the amount of the accrued benefit obligation, net of the fair value of the plan assets measured at year-end, adjusted for any valuation allowance, in the statement of financial position. Experienced gains and losses are included in the cost of the plan for the year. The accrued benefit obligation for the pension plan is determined based on an actuarial valuation using accounting assumptions.

### 2. Accounts receivable:

	2021	2020
Government and other grants and miscellaneous receivables	\$ 432	\$ 912
Harmonized sales tax recoverable	334	642
Ministry of Health	106	10
	<u>\$ 872</u>	<u>\$ 1,564</u>

### 3. Due to/(from) host universities:

	2021	2020
Lakehead University	\$ 76	\$ 312
Laurentian University	57	(154)
	<u>\$ 133</u>	<u>\$ 158</u>

The balances are non-interest bearing without fixed terms of repayment.

On February 1, 2021, Laurentian University filed for creditor protection under the Companies' Creditors Arrangement Act (CCAA). This filing means that the collection of funds held or received by Laurentian on behalf of NOSM prior to that date, related to tuition and research, could now be doubtful. A bad debt expense totaling \$1,268 has been recorded related to \$1,226 in tuition and \$42 in research grants and other receivables. This reduction is recorded against NOSM's receivable from Laurentian at April 30, 2021.



# NORTHERN ONTARIO SCHOOL OF MEDICINE

Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

## 4. Capital assets:

	2021			2020		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture and equipment	\$ 22,474	\$ 21,066	\$ 1,408	\$ 21,830	\$ 20,441	\$ 1,389
Computer software	1,483	1,483	-	1,483	1,359	124
Leasehold improvements	5,393	2,185	3,208	5,204	1,970	3,234
	\$ 29,350	\$ 24,734	\$ 4,616	\$ 28,517	\$ 23,770	\$ 4,747

## 5. Accounts payable and accrued liabilities:

	2021	2020
Accounts payable and accrued liabilities	\$ 2,987	\$ 2,512
Accrued salaries, benefits, and other compensation	1,964	1,691
Ministry of Health	4,425	3,780
	\$ 9,376	\$ 7,983

## 6. Deferred revenue:

Deferred revenue represents unspent externally restricted monies received in the current and prior years for services to be provided in a future year as follows:

	2021	2020
Ministry of Health	\$ 424	\$ 590
Ministry of Colleges and Universities	812	403
Tuition fees	449	460
Bursary and Advancement income	1,598	87
Government and other grants and miscellaneous income	1,176	1,165
	\$ 4,459	\$ 2,705

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 7. Deferred capital contributions:

Deferred capital contributions represent the unamortized and unspent balances of grants utilized for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2021	2020
Balance, beginning of year	\$ 4,747	\$ 4,366
MCU funding	833	1,270
Amortization of deferred capital contributions	(964)	(889)
Balance, end of year	\$ 4,616	\$ 4,747

### 8. Internally restricted net assets:

	2021	2020
Student Bursaries	\$ 704	\$ 854
Advancement funds	1,350	905
Research funds	2,053	1,655
Research equipment	400	400
Clinical education infrastructure	14	14
IT infrastructure	1,164	1,319
Facilities regeneration	508	654
Accreditation costs	47	77
Union negotiations	182	264
Legal costs	81	170
Recruitment costs	62	79
Short-term leave	-	300
Strategic plan implementation & initiatives	1,268	2,586
General reserves	2,471	3,349
Self-insurance	295	295
Balance, end of year	\$ 10,599	\$ 12,921

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 9. Funds held in trust:

	2021	2020
Research Chair in Aboriginal and Rural Health - Trust Funds	3,728	3,700
AMS Hannah Chair in the History of Aboriginal Health – Trust Funds	3,256	3,232
Northern Ontario Academic Medicine Association – Trust Funds	6,966	7,306
Balance, end of year	\$ 13,950	\$ 14,238

#### (a) Research Chair in Aboriginal and Rural Health - Trust Funds

During a previous fiscal year, the School received \$1,500 from the Ministry of Colleges and Universities to establish a Research Chair in Aboriginal and Rural Health. This grant was matched with a grant of \$1,500 from the Heart and Stroke Foundation of Ontario to bring the total funds held in trust to \$3,000. During the current fiscal year, \$28 (2020 - \$76) was earned on these funds and \$NIL (2020 - \$NIL) of disbursements were charged to these funds, to bring the funds held in trust to \$3,728 (2020 - \$3,700).

#### (b) AMS Hannah Chair in the History of Aboriginal Health - Trust Funds

During previous fiscal years, the School received \$2,000 from Associated Medical Services Incorporated and the School internally allocated \$1,000, the required amount of matching funds to establish a Research Chair in the History of Aboriginal Health. During the current fiscal year, \$24 (2020 - \$66) was earned on these funds bringing the funds held in trust to \$3,256 (2020 - \$3,232).

#### (c) Northern Ontario Academic Medicine Association – Trust Funds

During the current fiscal year, the School received \$7,392 (2020 - \$7,749) from the Ministry of Health to hold in trust for the Northern Ontario Academic Medicine Association. These funds are to be used by the Northern Ontario Academic Medicine Association to fund the operations of the Academic Health Science Centre Alternative Funding Plan. The balance of these funds held by the school at April 30, 2021 is \$6,966 (2020 - \$7,306).

### 10. Paymaster Agreement

On July 1, 2007, the School accepted residents into its own accredited Post Graduate Family Medicine program. In an agreement with the Ministry of Health, the School provides the payroll services for these residents' salaries and benefits in accordance with the Professional Association of Residents of Ontario (PARO) agreement.

During the fiscal year, the School paid residents' salaries totaling \$15,368 (2020 - \$14,041). During the fiscal year, the School received funding related to residents' salaries totaling \$15,368 (2020 - \$14,041).

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 11. Medical Student Bursary Program

Beginning in January 2013, the School entered into a funding agreement to administer the Final Year Medical Student Bursary Program that provides bursary payments to medical students in their final year of medical school. The agreement provided funding to pay the bursaries to the students as well as administration costs.

During the fiscal year, the School paid bursaries and administration costs totaling \$602 (2020 - \$547). During the fiscal year, the School received funding related to bursaries and administration costs totaling \$629 (2020 - \$547).

### 12. Administrative Services Fees:

The School entered into service agreements to provide administrative services to third parties. The School provides accounting and payment services under these agreements and is reimbursed for all incurred expenses and charges an administrative service fee for providing these services.

### 13. Changes in non-cash working capital:

	2021	2020
Cash provided by (used in):		
Accounts receivable	\$ 692	\$ 439
Due to host universities	(25)	(240)
Prepaid expenses	(189)	60
Accounts payable and accrued liabilities	1,393	(868)
Government payroll remittances payable	35	37
Deferred revenue	1,754	54
	<u>\$ 3,660</u>	<u>\$ (518)</u>

### 14. Financial Instruments:

#### (a) Fair Values

The School's financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities, and due to/from host universities.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities, and due to/from host universities approximate their carrying value because of the short term nature of these instruments.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 14. Financial Instruments (continued):

#### (b) Risks arising from Financial Instruments

It is management's opinion that the School is not exposed to significant currency or interest rate risk.

#### Credit Risk

Credit risk is the risk of financial loss to the School if a member or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the School's accounts receivable and short term investments. The School mitigates its potential credit risk from accounts receivable through credit evaluation, approval, and monitoring processes. Furthermore, it evaluates the collectability of accounts receivable and records an allowance for doubtful accounts, which reduces the receivables to the amount management reasonably believes will be collected.

#### Liquidity Risk

Liquidity risk is the risk that the School will not be able to meet all cash flow obligations as they come due. The School mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting.

### 15. Related party transactions:

		Lakehead University	Laurentian University
Goods and services	- 2021	\$ 1,315	\$ 1,133
	- 2020	\$ 1,494	\$ 1,413
Endowment funds	- 2021	\$ 303	\$ 398
	- 2020	\$ 386	\$ 430

The host universities and the School have agreed to collaborate via a Relationship Agreement in connection with services. These services include facilities and support services, technology and telecommunications services, registration and fee collection, development support, bursary receipt and disbursement, and other educational, research, and operational matters.

The host universities hold and administer the endowment funds on behalf of the School. The use of these funds is restricted for student bursaries. The balance of these funds held at Lakehead University as at April 30, 2021 is \$12,370 (2020 - \$11,482). The balance of the funds held at Laurentian at April 30, 2021 are unconfirmed at this time due to the CCAA process, however, the balance at April 30, 2020 was \$14,006. The aggregate balance at April 30, 2020 was \$25,488.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

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### 16. Other information:

The School, as a result of its affiliation with Laurentian University and Lakehead University, is participating in a reciprocal exchange of insurance risks in association with fifty-eight Canadian universities. This self-insurance co-operative involves a contractual agreement to share the insurance property and liability risks of member universities. In the event that premiums are not sufficient to cover claim settlements, the member universities would be subject to an assessment in proportion to their participation.

### 17. Pension plan:

The School operates a defined contribution pension plan in which the School contributes a set amount to the plan in respect of individual employees. Contributions made by the School during the year ended April 30, 2021 amounted to approximately \$1,343 (2020 - \$1,258).

Effective September 30, 2021 the School will be winding up the School run defined contribution pension plan. The School will be joining Healthcare of Ontario Pension Plan (HOOPP) on October 1, 2021. All employees of the School will have the option of joining HOOPP or managing their own personal retirement options.

Prior to January 1, 2005, some NOSM employees participated in the Retirement Plan for the Staff of Laurentian University of Sudbury and its Federated and Affiliated Colleges (1975). Two employees have also accumulated benefits in the Laurentian Supplementary Retirement Plan (SuRP) for compensation of benefits in excess of the limits prescribed by the Income Tax Act. This Laurentian SuRP has been transferred to NOSM as approved by a resolution of the Board of Directors in May 2007 and set up as a Notional DC SuRP.

The benefit obligations as per the most recent actuarial valuation performed as at April 30, 2021, are equal to \$350 (2020 - \$294). The assets as at April 30, 2021 that consist of cash and cash equivalents, are equal to \$92 (2020 - \$91). The pension expense for the fiscal year ended April 30, 2021 is a charge of \$10 (2020 - charge of \$11). The expense includes \$15 (2020 - \$15) in expected interest costs during the fiscal year ended April 30, 2021. The assets set aside for the Notional DC SuRP are part of NOSM's general assets. No cash payments of future benefits were made during the fiscal year (2020 - NIL).

The Fiscal year 2021/2022 expense is estimated to equal \$12. The final 2021/2022 expense will be adjusted to incorporate actual interest credited on the notional account balances and investment returns upon the valuation scheduled as at April 30, 2022. The calculation of the fiscal 2020/2021 and estimated fiscal 2021/2022 Notional DC SuRP pension expense are based on actual interest cost of 5.10% per annum in 2020/2021 and expected cost of 4.55% per annum in 2021/2022 and actual return on assets of 1.80% per annum in 2020/2021 and expected return on assets of 1.80% per annum in 2021/2022. The plan's experienced gains and losses shall be fully recognized in the year that they occur.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 18. Economic Dependence:

The School is dependent upon transfer payments from the Ministry of Colleges and Universities, the Ministry of Health, and other various government agencies to finance its continuing operations. These government agencies also set guidelines and limits on the total learner numbers, learner intake numbers, and tuition increases or decreases.

### 19. Contingencies:

The School is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved.

### 20. Comparative Financial Statements:

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the April 30, 2021 financial statements.

### 21. Laurentian University CCAA:

On February 1, 2021, Laurentian University filed for creditor protection under the Companies' Creditors Arrangement Act (CCAA). This filing means that the collection of funds held or received by Laurentian on behalf of NOSM prior to that date, related to tuition and research, could now be doubtful and a bad debt expense has been incurred (Note 3).

Endowment funds held by Laurentian University on behalf of NOSM are invested by Laurentian University and income earned on the investments are paid as bursaries to NOSM students each year (Note 15). The Laurentian CCAA will likely have a direct impact on the ability of the School to pay student bursaries from these funds to NOSM students. There is a risk that the School will need to generate new income to fund future annual bursary payments to NOSM students should the endowment funds be forfeited to creditors at risk due to the Laurentian University CCAA process. The loss of these funds or the inability to pay student bursaries from these funds, could have an undetermined future financial and reputational impact on the School.

As at April 30, 2021, management has assessed the going concern assumptions related to the Laurentian University CCAA and the impact on the School and believes there are no issues, given the School has a strong working capital base and access to liquid resources to support operations in the coming year. Any additional adverse effects on the School's business, reputation, and financial and operational performance as a result of the Laurentian University CCAA are uncertain and difficult to assess at this time. As endowment funds held by Laurentian University, on behalf of NOSM, do not directly impact NOSM's financial operations and only directly impact NOSM students, it is not viewed as impacting the School's going concern assumptions.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

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### 22. COVID-19:

In March 2020, the World Health Organization declared the spread of coronavirus ("COVID-19") 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 and within Canada, barring gathering of people and requirements to stay at home. These restrictions impacted the operations of the School and resulted in the closure of physical premises of all post-secondary institutions. The impact of COVID-19 also adversely impacted global commercial activity and contributed to the significant volatility in certain equity and debt markets. This led to significant volatility and declines in the global public equity markets and it is uncertain how long this volatility will continue.

The extent of such adverse effects on the School'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 the disruptions to businesses globally and its related impact on the economy.

As at April 30, 2021, the School did not have significant adjustments to reflect the possible future impact of COVID-19. Extra emphasis was put on the collectability of receivables and other estimates with the financial statements as at April 30, 2021. Management has assessed the going concern assumptions and believes there are no issues, given the School has a strong working capital base and access to 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.

### 23. Subsequent Event:

On June 3, 2021, the Government of Ontario passed the NOSM University Act, to make the Northern Ontario School of Medicine (NOSM) a university. In order to proceed as a university, several regulations and proclamation of the Act by the Lieutenant Governor in Council are still required and are to occur over the coming months.



**Meeting:** Board of Directors

**Date:** September 22, 2021

**Decision Requested:**

Appointment of External Auditor

**[Moved/Seconded]**

**Resolved that:**

The Finance, Audit and Risk Management Committee recommends that Grant Thornton LLP be appointed as auditors of the corporation for the fiscal year ending April 30, 2022 and that the Board of Directors be authorized to fix the remuneration for Grant Thornton LLP in that regard.

Further that this recommendation be approved as presented.

**Context and Background:**

A Request for Proposal was issued in July 2021 for External Audit Services. A total of three proposals were received and reviewed. A review committee was comprised of the current Chair of the FARM Committee, the incoming Chair of the FARM Committee, the COO and the Interim Director of Finance. A detailed evaluation of the three submissions was completed and Grant Thornton LLP was selected as the successful bidder. The terms of the proposal were for two years with an option to renew for an additional two year term.

**Submitted by:** Interim Director of Finance, Dan Burrell



## Governance Committee Report

<b>Report Dated:</b>	September 22, 2021
<b>Chair:</b>	Joy Warkentin
<b>Date of Last Meeting:</b>	September 8, 2021
<b>Date of Next Meeting:</b>	November 5, 2021

The report summarizes discussions, decisions and information shared by the Governance Committee. This report includes items for the September 22, 2021, Board and Annual and General Meeting of Members.

Based on the decision of the Governance Committee the governance review was deferred until next year.

### Board and Committee meeting Schedule

At the meeting the Governance Committee discussed the meeting schedule as it relates to logistics and timing. To accommodate the unpredictable changes related to the pandemic and restrictions as well as the topics that will be discussed at future Board meetings, the Governance Committee has agreed with the following recommendations:

- September 22, 2021, pursuant to the agenda items presented from the Committees the meeting was extended 30 additional minutes.
- December 2, 2021 will be a virtual day of sessions and a Board meeting. No in person/travel required.
- March 16, 2022, be extended one hour (4:00 pm – 7:00 pm)

### New Appointment

Pursuant to Section 13.1 and Section 31.1 of the NOSM By-Laws, effective September 1, 2021, and until further notice, Dr. Robert Haché delegated his responsibilities as a Director of the NOSM Board of Directors to the Laurentian University Provost and Vice-President, Academic, Dr. Marie Josée Berger. A bio page has been included in the meeting package.

- [Board Members and Community Members Bios](#)

Appreciation and thanks is extended to Dr. Robert Haché in his role as Chair and Vice Chair of the Board of Directors.

### Appointments to the Board

As part of the annual process, the list of Directors and Officers for the Corporation was confirmed presented at the September 8<sup>th</sup> Governance Committee meeting. This is presented to the Board for approval and subsequent presentation to the Members to elect the Corporation's Directors. **[Motion]**

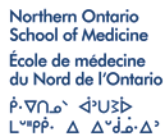
### Board Committee Appointments

This item will be presented for approval at the third meeting today under a separate report.



**Date:** September 22, 2021





**Wednesday, September 30, 2020 Part 2**  
5:00 p.m. to 5:15 p.m.  
WebEx Conference

**In-coming Directors (as guests):**  
Sue Lebeau, Virginia May (Mae) Katt, Dr. Shemar Ratner, John Stenger, Mark Hartman and Craig Abotossway

#	Minutes of the Meeting
1.0	<p><b>Welcome</b></p> <p>Robert Haché, Chair welcomed everyone to the meeting. He stated that Notice of this meeting had been given to all of the Members in accordance with the By-laws of the Corporation and, therefore, the meeting was regularly constituted for the transaction of business.</p> <p>There was a regular Board of Directors' Meeting that preceded this meeting at 4:00 pm today. He noted for the NOSM Board of Directors and guests present, that the two Members of the</p>

	<p>Corporation, Mr. Claude Lacroix, Laurentian University Board of Governors Chair and Ms. Angie Maltese, Lakehead University Board of Governors Vice-Chair are the only two individuals required or able to vote on the matters presented in this meeting.</p> <p>Bruce Sutton, Treasurer and Chair of the Finance, Audit and Risk Management Committee to present the Committee Report and items as well, Mark Hurst, Chair will present the Governance Committee Report and items.</p> <p>Quorum was confirmed.</p>
<b>2.0</b>	<p><b>Call to Order</b> The meeting was called to order at 4:07pm.</p>
<b>2.1</b>	<p><b>Agenda Review</b> Declarations of Conflicts, Additions or Edits and Approval</p> <p>The agenda was circulated in advance and in the meeting materials. Agenda reviewed and approved as presented. There were no declarations of conflict of interest.</p> <p>Upon motion duly made, seconded and carried unanimously. Motion M2020-01: Angie Maltese, Claude Lacroix Be it resolved that the Agenda be approved as presented.</p>
<b>3.0</b> <b>3.1</b>	<p><b>Approval of the Previous Minutes</b> <b>Approval of the draft minutes</b> The Chair indicated that the draft Minutes of September 18, 2019 were circulated and reviewed by the Members after the meeting for accuracy and are included in the meeting materials.</p> <p>Upon motion duly made, seconded and carried unanimously.</p> <p><b>Motion M2020-02: Claude Lacroix, Angie Maltese</b> Be it resolved that the Minutes of September 18, 2019 be approved as presented.</p>
	<b>Committee and Other Reports</b>
<b>4.0</b> <b>4.1</b>	<p><b>Finance, Audit and Risk Management Committee</b> Report of the Committee Bruce Sutton referred to the Committee Report included in the meeting package</p> <p>4.1.1 Audited Financial Statements for Approval Bruce Sutton referred to the Audited Financial Statements for the year ended April 30, 2020 included in the meeting package for approval.</p> <p>Upon motion duly made, seconded and carried unanimously. Motion M2020-03: Angie Maltese, Claude Lacroix Be it resolved that the Audited Financial Statements for the year ended April 30, 2020 be approved as presented.</p>

	<p><b>4.1.2 Appointment of Auditors for Approval</b></p> <p>Bruce Sutton indicated the Appointment of Auditors Grant Thornton LLP for the fiscal year ending April 30, 2021 is included in the meeting package for approval.</p> <p>Upon motion duly made, seconded and carried unanimously.</p> <p>Motion M2020-04: Claude Lacroix, Angie Maltese</p> <p>Be it resolved that Grant Thornton LLP be appointed as auditors of the Corporation for the fiscal year ending April 30, 2021 and that the Board of Directors be authorized to fix the remuneration for Grant Thornton LLP in that regard.</p>																																
<p><b>5.0</b></p> <p><b>5.1</b></p>	<p><b>Governance Committee</b></p> <p><b>Report of the Committee</b></p> <p>Mark Hurst referred to the Governance Committee Report included in the meeting package.</p>																																
	<p><b>5.1.1 Confirmation of Appointment of Directors</b></p> <p>Mark Hurst referred to the motion for the confirmation of Appointment of Directors.</p> <p>Upon motion duly made, seconded and carried unanimously.</p> <p>Motion M2020-05: Angie Maltese, Claude Lacroix</p> <p><b>Resolved that:</b> the following individuals be elected to the NOSM Board of Directors for the terms as follows (see attached):</p> <p><b>Ex-Officio Members:</b></p> <p>Dr. Robert Haché, President, Laurentian University - <b>Chair</b> of the NOSM Board September 2020 to September 2021</p> <p>Dr. Moira McPherson, President, Lakehead University - <b>Vice-Chair</b> of the NOSM Board September 2020 to September 2021</p> <p>Dr. Sarita Verma, NOSM Dean, President and CEO of the Corporation</p> <p><b>Elected Members:</b></p> <table> <tr> <td>Bruce Sutton</td><td>2018-2021</td></tr> <tr> <td>Mark Hurst</td><td>2018-2021</td></tr> <tr> <td>Danielle Bélanger-Corbin</td><td>2018-2021</td></tr> <tr> <td>Dr. Alexandre Anawati</td><td>2018-2021</td></tr> <tr> <td>Nancy Jacko</td><td>2016-2022</td></tr> <tr> <td>Lucy Bonanno</td><td>2016-2022</td></tr> <tr> <td>Joy Warkentin</td><td>2016-2022</td></tr> <tr> <td>Dr. Michel Bédard</td><td>2018-2022</td></tr> <tr> <td>Juliette S. Denis</td><td>2019-2022</td></tr> <tr> <td>Donna Dorrington</td><td>2019-2022</td></tr> <tr> <td>Suzanne (Sue) Lebeau</td><td>2020-2023</td></tr> <tr> <td>Virginia May (Mae) Katt</td><td>2020-2023</td></tr> <tr> <td>Dr. Shemer Ratner</td><td>2020-2023</td></tr> <tr> <td>John Stenger</td><td>2020-2023</td></tr> <tr> <td>Mark Hartman</td><td>2020-2022</td></tr> <tr> <td>Craig Abotossaway</td><td>2020-2022</td></tr> </table>	Bruce Sutton	2018-2021	Mark Hurst	2018-2021	Danielle Bélanger-Corbin	2018-2021	Dr. Alexandre Anawati	2018-2021	Nancy Jacko	2016-2022	Lucy Bonanno	2016-2022	Joy Warkentin	2016-2022	Dr. Michel Bédard	2018-2022	Juliette S. Denis	2019-2022	Donna Dorrington	2019-2022	Suzanne (Sue) Lebeau	2020-2023	Virginia May (Mae) Katt	2020-2023	Dr. Shemer Ratner	2020-2023	John Stenger	2020-2023	Mark Hartman	2020-2022	Craig Abotossaway	2020-2022
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	<p><b>5.1.2 Confirmation of Officers for Corporation</b></p> <p>Mark Hurst referred to the List of Officers for the Corporation included in the meeting package for approval.</p> <p>Upon motion duly made, seconded and carried unanimously.</p> <p><b>Motion M2020-06: Claude Lacroix, Angie Maltese</b></p> <p><b>Resolved that:</b> Pursuant to the Corporate By-Law, the following list of Officers of the Corporation as indicated are approved as presented:</p> <p><b>Chair:</b> Dr. Robert Haché, President, Laurentian University <b>Vice Chair:</b> Dr. Moira McPherson, President, Lakehead University <b>Dean, President and CEO:</b> Dr. Sarita Verma, Northern Ontario School of Medicine <b>Treasurer:</b> Bruce Sutton, Director <b>Corporate Secretary:</b> Gina Kennedy</p>
<b>6.0</b>	<p><b>Adjournment</b></p> <p>The next Annual Meeting of the Members is scheduled for <b>Wednesday, September 22, 2021</b>. The first meeting of the Board of Directors for the 2020-2021 Academic Year to commence immediately following this meeting. With no further business, the meeting was adjourned at 4:57pm.</p>





# Finance Audit and Risk Management Committee Report

**Report Dated:** September 22, 2021  
**Chair:** Bruce Sutton  
**Date of Last Meeting:** September 8, 2021  
**Date of Next Meeting:** November 8, 2021 (9-11 am)

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The report summarizes approvals made by the Committee at the meeting of September 8, 2021. It also presents key informational items discussed. It is presented to the Board for information.

The membership of the committee can be found online:

<https://www.nosm.ca/about/governance/board-of-directors/standing-committees/>

## 1. Financial Statements for the period ending April 30, 2021

Rosy Brizi from Grant Thornton LLP presented the draft audited Financial Statements for the period ending April 30, 2021. It is their opinion that the Financial Statements are represented fairly. Note 3 and Note 15 of the Financial Statements were discussed in detail and concerns were expressed regarding the disclosure of information relating to the Laurentian CCAA and its impact on NOSM's endowments (Note 15) and bad debt expense (Note 3). NOSM Administration was asked to review the notes to the Financial Statements and work with NOSM's legal counsel and auditor to add additional information addressing the CCAA concerns. Subsequently, a new "Note 21" has been added as an additional disclosure to this effect.

The Committee approved the Financial Statements for the period ending April 30, 2021 for presentation to the Board. **[Motion attached]**

## 2. Recommendation of Auditor

The External Auditor Request for Proposals (RFP) occurred over the summer. There were three (3) proposals received and a detailed evaluation of the three submissions was completed by the RFP Review Committee. Grant Thornton LLP was selected as the successful bidder. **[Motion attached]**



**Date:** September 22, 2021

Audited Financial Statements for the fiscal year ended April 30, 2021

The Audited Financial Statements for the year ended ending April 30, 2021 be approved as presented.

The audited Financial Statements for the fiscal year ended April 30, 2021 were reviewed and discussed. The Finance, Audit and Risk Management Committee has approved the Draft Audited Financial Statements to be presented to the Board of Directors for approval.

Audited Financial Statements for the fiscal year ended April 30, 2021

**Submitted by:** Interim Director of Finance, Dan Burrell

## Financial Statements

### Northern Ontario School of Medicine

April 30, 2021

DRAFT

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Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 17

# Independent Auditor's Report

Grant Thornton LLP  
Suite 300  
979 Alloy Drive  
Thunder Bay, ON  
P7B 5Z8

T +1 807 345 6571  
F +1 807 345 0032

To the Board of Directors of  
Northern Ontario School of Medicine

## Opinion

We have audited the financial statements of Northern Ontario School of Medicine ("School"), which comprise the statement of financial position as at April 30, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Northern Ontario School of Medicine as at April 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-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 Financial Statements* section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

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

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

*Grant Thornton LLP*

Thunder Bay, Canada  
DATE, 2021

Chartered Professional Accountants  
Licensed Public Accountants

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Financial Position

(Thousands of Dollars)

	As at April 30, 2021	As at April 30, 2020
<b>Assets</b>		
Current assets:		
Cash - operating	\$ 23,609	\$ 22,271
Accounts receivable (Note 2)	872	1,564
Prepaid expenses	631	442
	25,112	24,277
Capital assets (Note 4)	4,616	4,747
	\$ 29,728	\$ 29,024

## Liabilities, Deferred Contributions and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (Note 5)	\$ 9,376	\$ 7,983
Government payroll remittances payable	545	510
Due to host universities (Note 3)	133	158
Deferred revenue (Note 6)	4,459	2,705
	14,513	11,356
Deferred capital contributions (Note 7)	4,616	4,747
	19,129	16,103
Net assets:		
Internally restricted (Note 8)	10,599	12,921
	\$ 29,728	\$ 29,024

## Funds Held in Trust

### Assets

Cash held in trust (Note 9)	\$ 13,950	\$ 14,238
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### Liabilities

Funds held in trust (Note 9)	\$ 13,950	\$ 14,238
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The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

\_\_\_\_\_ Chair, Board of Directors

\_\_\_\_\_ Dean

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Operations

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	2021	2020
Revenue:		
Government grants - Ministry of Colleges and Universities	\$ 23,127	\$ 22,915
Government grants - Ministry of Health	16,145	16,192
Government grants - Paymaster Program (Note 10)	15,368	14,041
Government grants - Medical Student Bursary Program (Note 11)	602	547
Government and other grants for restricted purposes	2,510	2,723
Tuition fees	6,012	6,036
Administrative Services Fees (Note 12)	-	29
Investment income	156	431
Bursary and Advancement income	1,211	702
Miscellaneous income	1,018	1,125
Amortization of deferred capital contributions	964	889
<b>Total revenue</b>	<b>\$ 67,113</b>	<b>\$ 65,630</b>
Expenses:		
Salaries, benefits, and other compensation	\$ 39,089	\$ 36,572
Salaries, benefits, and other compensation - Paymaster Program (Note 10)	15,368	14,041
Travel and accommodations	156	1,423
Travel and accommodations - Learners	2,164	2,742
Office	1,746	1,404
Bad debt expense (Note 3)	1,268	-
Curriculum and faculty development	1,171	1,926
Library	971	843
Technology and telecommunications	1,327	1,321
Facilities	1,182	1,346
Research - General Expenses and Supplies	1,357	1,152
Consulting	677	809
Medical Student Bursary Program (Note 11)	629	547
Bursaries	1,366	981
Amortization of capital assets	964	889
<b>Total expenses</b>	<b>\$ 69,435</b>	<b>\$ 65,996</b>
<b>Deficit of revenue over expenses</b>	<b>\$ (2,322)</b>	<b>\$ (366)</b>
Transfers - Internally Restricted Net Assets	\$ 2,322	\$ 366
<b>Change in Unrestricted Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>

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



# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Changes in Net Assets

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	Unrestricted	Internally Restricted	Total 2021	Total 2020
Net assets, beginning of year	\$ -	\$ 12,921	\$ 12,921	\$ 13,287
Deficit of revenue over expenses	(2,322)	-	(2,322)	(366)
Transfers	2,322	(2,322)	-	-
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>\$ 10,599</b>	<b>\$ 10,599</b>	<b>\$ 12,921</b>

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

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Cash Flows

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	2021	2020
<b>Operating Funds</b>		
Cash flows from operating activities:		
Deficit of revenue over expenses	\$ (2,322)	\$ (366)
Items not involving cash:		
Amortization of deferred capital contributions	(964)	(889)
Amortization of capital assets	964	889
Changes in non-cash working capital (Note 13)	3,660	(518)
	1,338	(884)
Cash flows from financing and investing activities:		
Deferred capital contributions	833	1,270
Capital assets acquired	(833)	(1,270)
	-	-
<b>Net increase in cash</b>	1,338	(884)
Cash, beginning of year	22,271	23,155
<b>Cash, end of year</b>	\$ 23,609	\$ 22,271
Represented by:		
Cash - operating	\$ 23,609	\$ 22,271
<b>Funds Held in Trust</b>		
Cash flows from financing and investing activities:		
Research Chair in Aboriginal and Rural Health Trust Funds		
Investment income	\$ 28	\$ 76
AMS Hannah Chair in the History of Aboriginal Health Trust Funds		
Investment income	24	66
Northern Ontario Academic Medicine Association Transitional Funds		
Funds granted	7,392	7,749
Investment income	60	161
Disbursements	(7,792)	(7,976)
	(288)	76
Cash, beginning of year	14,238	14,162
<b>Cash, end of year</b>	\$ 13,950	\$ 14,238
Represented by:		
Cash held in trust	\$ 13,950	\$ 14,238

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

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### General

The Northern Ontario School of Medicine ("School") was incorporated without share capital under the laws of Ontario. Working under the auspices of Lakehead University and Laurentian University ("host universities"), the purpose of the School is to establish and operate a medical school which is responsive to the needs of students and to the healthcare needs of the people of Northern Ontario.

The School has received full accreditation for its educational program leading to a medical doctorate from the Liaison Committee on Medical Education and the Committee on Accreditation of Canadian Medical Schools.

### 1. Significant accounting policies:

The financial statements of the School have been prepared in accordance with Canadian accounting standards for not for profit organizations and follow the accounting policies summarized below:

#### (a) Revenue recognition:

The School accounts for contributions under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grant amounts relating to future periods are deferred and recognized in the subsequent period when the related activity occurs. Grants approved but not received are accrued.

Tuition fees which relate to academic terms or parts thereof occurring after April 30 are recorded as deferred revenue.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Any surplus that is repayable to the contributor is recorded as accounts payable.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

#### (b) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, bank balances, and guaranteed investment certificates with a duration of less than three months.

#### (c) Investments:

Investments, which consist of deposit receipts and guaranteed investment certificates, are carried at fair market value.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 1. Significant accounting policies (continued):

#### (d) Capital assets:

Capital asset purchases are recorded at cost with amortization provided for in the period in which the assets are put into use. Capital assets are amortized on a straight line basis over their estimated useful lives, which are:

Computer software	2 years
Furniture and equipment	5 years
Leasehold improvements	25 years

#### (e) Internally restricted net assets:

The School restricts use of portions of its operating surplus for specific future uses. When incurred, the related expenses are charged to operations, and the balance of internally restricted net assets is reduced accordingly. Internally restricted net assets are established through Board resolution or Board approved policies.

#### (f) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Areas of key estimation include allowance for doubtful accounts, asset useful lives, conditional grant revenue earned/repayable, and allocation of shared expenses. Actual results could differ from those estimates.

#### (g) Financial instruments:

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. Changes in fair value of financial instruments related to trust funds are recorded directly in net assets. All other financial instruments are subsequently 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 re-measured at fair value at each statement of financial position date and charged to the financial instruments for those measured at amortized cost.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

### 1. Significant accounting policies (continued):

#### (h) Employee Future Benefits:

The School accrues its obligation under the Notional DC SuRP benefit plan as the employees render the services necessary to earn the pension and other retirement benefits.

The School accounts for the Notional DC SuRP component of the pension plan using the immediate recognition approach. The School recognizes the amount of the accrued benefit obligation, net of the fair value of the plan assets measured at year-end, adjusted for any valuation allowance, in the statement of financial position. Experienced gains and losses are included in the cost of the plan for the year. The accrued benefit obligation for the pension plan is determined based on an actuarial valuation using accounting assumptions.

### 2. Accounts receivable:

	2021	2020
Government and other grants and miscellaneous receivables	\$ 432	\$ 912
Harmonized sales tax recoverable	334	642
Ministry of Health	106	10
	<u>\$ 872</u>	<u>\$ 1,564</u>

### 3. Due to/(from) host universities:

	2021	2020
Lakehead University	\$ 76	\$ 312
Laurentian University	57	(154)
	<u>\$ 133</u>	<u>\$ 158</u>

The balances are non-interest bearing without fixed terms of repayment.

On February 1, 2021, Laurentian University filed for creditor protection under the Companies' Creditors Arrangement Act (CCAA). This filing means that the collection of funds held or received by Laurentian on behalf of NOSM prior to that date, related to tuition and research, could now be doubtful. A bad debt expense totaling \$1,268 has been recorded related to \$1,226 in tuition and \$42 in research grants and other receivables. This reduction is recorded against NOSM's receivable from Laurentian at April 30, 2021.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

## 4. Capital assets:

	2021			2020		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture and equipment	\$ 22,474	\$ 21,066	\$ 1,408	\$ 21,830	\$ 20,441	\$ 1,389
Computer software	1,483	1,483	-	1,483	1,359	124
Leasehold improvements	5,393	2,185	3,208	5,204	1,970	3,234
	\$ 29,350	\$ 24,734	\$ 4,616	\$ 28,517	\$ 23,770	\$ 4,747

## 5. Accounts payable and accrued liabilities:

	2021	2020
Accounts payable and accrued liabilities	\$ 2,987	\$ 2,512
Accrued salaries, benefits, and other compensation	1,964	1,691
Ministry of Health	4,425	3,780
	\$ 9,376	\$ 7,983

## 6. Deferred revenue:

Deferred revenue represents unspent externally restricted monies received in the current and prior years for services to be provided in a future year as follows:

	2021	2020
Ministry of Health	\$ 424	\$ 590
Ministry of Colleges and Universities	812	403
Tuition fees	449	460
Bursary and Advancement income	1,598	87
Government and other grants and miscellaneous income	1,176	1,165
	\$ 4,459	\$ 2,705

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 7. Deferred capital contributions:

Deferred capital contributions represent the unamortized and unspent balances of grants utilized for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2021	2020
Balance, beginning of year	\$ 4,747	\$ 4,366
MCU funding	833	1,270
Amortization of deferred capital contributions	(964)	(889)
Balance, end of year	\$ 4,616	\$ 4,747

### 8. Internally restricted net assets:

	2021	2020
Student Bursaries	\$ 704	\$ 854
Advancement funds	1,350	905
Research funds	2,053	1,655
Research equipment	400	400
Clinical education infrastructure	14	14
IT infrastructure	1,164	1,319
Facilities regeneration	508	654
Accreditation costs	47	77
Union negotiations	182	264
Legal costs	81	170
Recruitment costs	62	79
Short-term leave	-	300
Strategic plan implementation & initiatives	1,268	2,586
General reserves	2,471	3,349
Self-insurance	295	295
Balance, end of year	\$ 10,599	\$ 12,921

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 9. Funds held in trust:

	2021	2020
Research Chair in Aboriginal and Rural Health - Trust Funds	3,728	3,700
AMS Hannah Chair in the History of Aboriginal Health – Trust Funds	3,256	3,232
Northern Ontario Academic Medicine Association – Trust Funds	6,966	7,306
Balance, end of year	\$ 13,950	\$ 14,238

#### (a) Research Chair in Aboriginal and Rural Health - Trust Funds

During a previous fiscal year, the School received \$1,500 from the Ministry of Colleges and Universities to establish a Research Chair in Aboriginal and Rural Health. This grant was matched with a grant of \$1,500 from the Heart and Stroke Foundation of Ontario to bring the total funds held in trust to \$3,000. During the current fiscal year, \$28 (2020 - \$76) was earned on these funds and \$NIL (2020 - \$NIL) of disbursements were charged to these funds, to bring the funds held in trust to \$3,728 (2020 - \$3,700).

#### (b) AMS Hannah Chair in the History of Aboriginal Health - Trust Funds

During previous fiscal years, the School received \$2,000 from Associated Medical Services Incorporated and the School internally allocated \$1,000, the required amount of matching funds to establish a Research Chair in the History of Aboriginal Health. During the current fiscal year, \$24 (2020 - \$66) was earned on these funds bringing the funds held in trust to \$3,256 (2020 - \$3,232).

#### (c) Northern Ontario Academic Medicine Association – Trust Funds

During the current fiscal year, the School received \$7,392 (2020 - \$7,749) from the Ministry of Health to hold in trust for the Northern Ontario Academic Medicine Association. These funds are to be used by the Northern Ontario Academic Medicine Association to fund the operations of the Academic Health Science Centre Alternative Funding Plan. The balance of these funds held by the school at April 30, 2021 is \$6,966 (2020 - \$7,306).

### 10. Paymaster Agreement

On July 1, 2007, the School accepted residents into its own accredited Post Graduate Family Medicine program. In an agreement with the Ministry of Health, the School provides the payroll services for these residents' salaries and benefits in accordance with the Professional Association of Residents of Ontario (PARO) agreement.

During the fiscal year, the School paid residents' salaries totaling \$15,368 (2020 - \$14,041). During the fiscal year, the School received funding related to residents' salaries totaling \$15,368 (2020 - \$14,041).



# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 11. Medical Student Bursary Program

Beginning in January 2013, the School entered into a funding agreement to administer the Final Year Medical Student Bursary Program that provides bursary payments to medical students in their final year of medical school. The agreement provided funding to pay the bursaries to the students as well as administration costs.

During the fiscal year, the School paid bursaries and administration costs totaling \$602 (2020 - \$547). During the fiscal year, the School received funding related to bursaries and administration costs totaling \$629 (2020 - \$547).

### 12. Administrative Services Fees:

The School entered into service agreements to provide administrative services to third parties. The School provides accounting and payment services under these agreements and is reimbursed for all incurred expenses and charges an administrative service fee for providing these services.

### 13. Changes in non-cash working capital:

	2021	2020
Cash provided by (used in):		
Accounts receivable	\$ 692	\$ 439
Due to host universities	(25)	(240)
Prepaid expenses	(189)	60
Accounts payable and accrued liabilities	1,393	(868)
Government payroll remittances payable	35	37
Deferred revenue	1,754	54
	\$ 3,660	\$ (518)

### 14. Financial Instruments:

#### (a) Fair Values

The School's financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities, and due to/from host universities.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities, and due to/from host universities approximate their carrying value because of the short term nature of these instruments.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021  
(Thousands of dollars)

### 14. Financial Instruments (continued):

#### (b) Risks arising from Financial Instruments

It is management's opinion that the School is not exposed to significant currency or interest rate risk.

#### Credit Risk

Credit risk is the risk of financial loss to the School if a member or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the School's accounts receivable and short term investments. The School mitigates its potential credit risk from accounts receivable through credit evaluation, approval, and monitoring processes. Furthermore, it evaluates the collectability of accounts receivable and records an allowance for doubtful accounts, which reduces the receivables to the amount management reasonably believes will be collected.

#### Liquidity Risk

Liquidity risk is the risk that the School will not be able to meet all cash flow obligations as they come due. The School mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting.

### 15. Related party transactions:

	Lakehead University	Laurentian University
Goods and services - 2021	\$ 1,315	\$ 1,133
- 2020	\$ 1,494	\$ 1,413
Endowment funds - 2021	\$ 303	\$ 398
- 2020	\$ 386	\$ 430

The host universities and the School have agreed to collaborate via a Relationship Agreement in connection with services. These services include facilities and support services, technology and telecommunications services, registration and fee collection, development support, bursary receipt and disbursement, and other educational, research, and operational matters.

The host universities hold and administer the endowment funds on behalf of the School. The use of these funds is restricted for student bursaries. The balance of these funds held at Lakehead University as at April 30, 2021 is \$12,370 (2020 - \$11,482). The balance of the funds held at Laurentian at April 30, 2021 are unconfirmed at this time due to the CCAA process, however, the balance at April 30, 2020 was \$14,006. The aggregate balance at April 30, 2020 was \$25,488.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 16. Other information:

The School, as a result of its affiliation with Laurentian University and Lakehead University, is participating in a reciprocal exchange of insurance risks in association with fifty-eight Canadian universities. This self-insurance co-operative involves a contractual agreement to share the insurance property and liability risks of member universities. In the event that premiums are not sufficient to cover claim settlements, the member universities would be subject to an assessment in proportion to their participation.

### 17. Pension plan:

The School operates a defined contribution pension plan in which the School contributes a set amount to the plan in respect of individual employees. Contributions made by the School during the year ended April 30, 2021 amounted to approximately \$1,343 (2020 - \$1,258).

Effective September 30, 2021 the School will be winding up the School run defined contribution pension plan. The School will be joining Healthcare of Ontario Pension Plan (HOOPP) on October 1, 2021. All employees of the School will have the option of joining HOOPP or managing their own personal retirement options.

Prior to January 1, 2005, some NOSM employees participated in the Retirement Plan for the Staff of Laurentian University of Sudbury and its Federated and Affiliated Colleges (1975). Two employees have also accumulated benefits in the Laurentian Supplementary Retirement Plan (SuRP) for compensation of benefits in excess of the limits prescribed by the Income Tax Act. This Laurentian SuRP has been transferred to NOSM as approved by a resolution of the Board of Directors in May 2007 and set up as a Notional DC SuRP.

The benefit obligations as per the most recent actuarial valuation performed as at April 30, 2021, are equal to \$350 (2020 - \$294). The assets as at April 30, 2021 that consist of cash and cash equivalents, are equal to \$92 (2020 - \$91). The pension expense for the fiscal year ended April 30, 2021 is a charge of \$10 (2020 - charge of \$11). The expense includes \$15 (2020 - \$15) in expected interest costs during the fiscal year ended April 30, 2021. The assets set aside for the Notional DC SuRP are part of NOSM's general assets. No cash payments of future benefits were made during the fiscal year (2020 - NIL).

The Fiscal year 2021/2022 expense is estimated to equal \$12. The final 2021/2022 expense will be adjusted to incorporate actual interest credited on the notional account balances and investment returns upon the valuation scheduled as at April 30, 2022. The calculation of the fiscal 2020/2021 and estimated fiscal 2021/2022 Notional DC SuRP pension expense are based on actual interest cost of 5.10% per annum in 2020/2021 and expected cost of 4.55% per annum in 2021/2022 and actual return on assets of 1.80% per annum in 2020/2021 and expected return on assets of 1.80% per annum in 2021/2022. The plan's experienced gains and losses shall be fully recognized in the year that they occur.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 18. Economic Dependence:

The School is dependent upon transfer payments from the Ministry of Colleges and Universities, the Ministry of Health, and other various government agencies to finance its continuing operations. These government agencies also set guidelines and limits on the total learner numbers, learner intake numbers, and tuition increases or decreases.

### 19. Contingencies:

The School is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved.

### 20. Comparative Financial Statements:

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the April 30, 2021 financial statements.

### 21. Laurentian University CCAA:

On February 1, 2021, Laurentian University filed for creditor protection under the Companies' Creditors Arrangement Act (CCAA). This filing means that the collection of funds held or received by Laurentian on behalf of NOSM prior to that date, related to tuition and research, could now be doubtful and a bad debt expense has been incurred (Note 3).

Endowment funds held by Laurentian University on behalf of NOSM are invested by Laurentian University and income earned on the investments are paid as bursaries to NOSM students each year (Note 15). The Laurentian CCAA will likely have a direct impact on the ability of the School to pay student bursaries from these funds to NOSM students. There is a risk that the School will need to generate new income to fund future annual bursary payments to NOSM students should the endowment funds be forfeited to creditors at risk due to the Laurentian University CCAA process. The loss of these funds or the inability to pay student bursaries from these funds, could have an undetermined future financial and reputational impact on the School.

As at April 30, 2021, management has assessed the going concern assumptions related to the Laurentian University CCAA and the impact on the School and believes there are no issues, given the School has a strong working capital base and access to liquid resources to support operations in the coming year. Any additional adverse effects on the School's business, reputation, and financial and operational performance as a result of the Laurentian University CCAA are uncertain and difficult to assess at this time. As endowment funds held by Laurentian University, on behalf of NOSM, do not directly impact NOSM's financial operations and only directly impact NOSM students, it is not viewed as impacting the School's going concern assumptions.

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Notes to Financial Statements

Year ended April 30, 2021

(Thousands of dollars)

### 22. COVID-19:

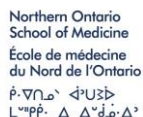
In March 2020, the World Health Organization declared the spread of coronavirus ("COVID-19") to constitute a global pandemic. This has resulted in governments worldwide enacting emergency measures to combat the spread of the virus including travel restrictions in and out of and within Canada, barring gathering of people and requirements to stay at home. These restrictions impacted the operations of the School and resulted in the closure of physical premises of all post-secondary institutions. The impact of COVID-19 also adversely impacted global commercial activity and contributed to the significant volatility in certain equity and debt markets. This led to significant volatility and declines in the global public equity markets and it is uncertain how long this volatility will continue.

The extent of such adverse effects on the School'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 the disruptions to businesses globally and its related impact on the economy.

As at April 30, 2021, the School did not have significant adjustments to reflect the possible future impact of COVID-19. Extra emphasis was put on the collectability of receivables and other estimates with the financial statements as at April 30, 2021. Management has assessed the going concern assumptions and believes there are no issues, given the School has a strong working capital base and access to 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.

### 23. Subsequent Event:

On June 3, 2021, the Government of Ontario passed the NOSM University Act, to make the Northern Ontario School of Medicine (NOSM) a university. In order to proceed as a university, several regulations and proclamation of the Act by the Lieutenant Governor in Council are still required and are to occur over the coming months.



**Meeting:** Annual and General Members Meeting

**Date:** September 22, 2021

## Appointment of External Auditor

**[Moved/Seconded]**

The Finance, Audit and Risk Management Committee recommends that Grant Thornton LLP be appointed as auditors of the corporation for the fiscal year ending April 30, 2022 and that the Board of Directors be authorized to fix the remuneration for Grant Thornton LLP in that regard.

Further that this recommendation be approved as presented.

A Request for Proposal was issued in July 2021 for External Audit Services. A total of three proposals were received and reviewed. A review committee was comprised of the current Chair of the FARM Committee, the incoming Chair of the FARM Committee, the COO and the Interim Director of Finance. A detailed evaluation of the three submissions was completed and Grant Thornton LLP was selected as the successful bidder. The terms of the proposal were for two years with an option to renew for an additional two year term.

**Submitted by:** Interim Director of Finance, Dan Burrell



## Governance Committee Report - Members Meeting

**Report Dated:** September 22, 2021

**Chair:** Joy Warkentin

**Date of Last Meeting:** September 8, 2021

**Date of Next Meeting:** November 5, 2021

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The report summarizes discussions, decisions and information shared by the Governance Committee. This report includes items for the September 22, 2021, Board and Annual and General Meeting of Members.

### Decisions:

#### Appointments to the Board

As part of the annual process, the list of Directors and Officers for the Corporation was confirmed presented at the September 8<sup>th</sup> Governance Committee meeting. This was presented to the Board for approval and subsequent presentation to the Members to elect the Corporation's Directors as presented.

**[Motion]**

**Meeting:** Annual and General Members Meeting

**Date:** September 22, 2021

**Decision Requested** Election of Directors

**Moved/Seconded**

**Resolved that** the following individuals to be elected to the NOSM Board of Directors as follows:

## Officers of the Board

### Ex-Officio:

Dr. David Barnett, Provost, Lakehead University (designated)	Chair
Dr. Marie Josée Berger, Provost, Laurentian University (designated)	Vice Chair
Dr. Sarita Verma	Dean, President and CEO

## Elected Directors

	Term (September to September)
Bruce Sutton	2018-2022*
Mark Hurst	2018-2022*
Danielle Bélanger-Corbin	2018-2022*
Dr. Alexandre Anawati	2018-2022*
Nancy Jacko	2016-2022
Lucy Bonanno	2016-2022
Joy Warkentin	2016-2022
Juliette S. Denis	2019-2022
Donna Dorrington	2019-2022
Suzanne 'Sue' Lebeau	2020-2023
Virginia 'Mae' Katt	2020-2023
Dr. Shermer Ratner	2020-2023
John Stenger	2020-2023
Mark Hartman	2020-2022
Craig Abotossaway	2020-2022

## Context and Background:

- The members' information and all criteria has been met pursuant to the By-Law. May 2021 the Board approved the hold on recruitment until further notice. Members with terms expiring in September 2021 (with Asterix \*) will continue as indicated.
- On April 1, 2021 - Dr. David Barnett, Provost was appointed by the President Lakehead University as designate.
- On September 1, 2021 – Dr. Marie Josée Berger, Provost was appointed by the President Laurentian University as designate.
- A full slate of Directors approved will be submitted to the Board and Members for ratification at the September Meetings.

**Attachments:** None







## Governance Committee Report

<b>Report Dated:</b>	September 22, 2021 – Meeting 3
<b>Chair:</b>	Joy Warkentin
<b>Date of Last Meeting:</b>	September 8, 2021
<b>Date of Next Meeting:</b>	November 5, 2021

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The report summarizes discussions, decisions and information shared by the Governance Committee. This report includes items for the September 22, 2021, Board and Annual and General Meeting of Members.

### Board Committee Appointments

The Board Committee membership as well as the appointment of the Committee Chairs and Vice Chairs is included in the meeting package. Pursuant to the appointment by the Finance Audit and Risk Management Committee, John Stenger will assume the role as Treasurer and Chair of the Finance, Audit and Risk Management Committee for 2021-2022. Appreciation and gratitude is extended to Bruce Sutton for his leadership and guidance as Chair and Treasurer.

A full Committee list is attached to this report. **[Motion]**

Any vacancies will be filled pursuant to the applicable policy.



**Date:** September 22, 2021



# Northern Ontario School of Medicine Board of Directors Committee Membership and Appointments

**Board Executive Committee** \* currently paused until completion of CCAA

<b>Dr. Marie Josée Berger</b>	<b>Committee Chair/Ex-Officio</b>
Dr. David Barnett	Committee Vice Chair/Ex-Officio
Dr. Sarita Verma	Ex-Officio
Bruce Sutton	Treasurer/Director
Danielle Bélanger-Corbin	Director
Lucy Bonanno	Director
Mae Katt	Director

## Finance Audit and Risk Management Committee

John Stenger ( <b>Treasurer</b> )	<b>Chair/Director</b>
Bruce Sutton	Director
Dr. Alexandre Anawati	Director
Juliette Denis	Director
Dr. Shemer Ratner	Director
Dr. Sarita Verma	Ex-Officio <sup>1</sup>
Kathy Pozihun (Lakehead VP Finance/Administration)	Ex-Officio/non-Director
Michel Piché (Interim Laurentian VP Administration)	Ex-Officio/non-Director
Brent Maranzan	<b>Vice Chair/</b> Community Member <sup>2</sup>

## Governance Committee

<b>Joy Warkentin</b>	<b>Chair/Director</b>
Susan Soldan	<b>Vice Chair/</b> Community Member
Mark Hurst	Director
Sue Lebeau	Director
Mark Hartman	Director
Dr. Sarita Verma	Ex-Officio
Lucas Jewitt	Community Member

## Nominations and Community Relations sub-Committee

<b>Nancy Jacko</b>	<b>Chair/Director</b>
Donna Dorrington	Director
Craig Abotossaway	Director
Councilor Sandra Hollingsworth	FONOM Appointment
Councilor Shelby Ch'ng	NOMA Appointment
Monique Rocheleau	FRG Chair
DGCC Ed Wawia	IRG Chair
Dr. Sarita Verma	Ex-Officio/nonvoting

<sup>1</sup> Nonvoting related to audit decisions; see terms of reference

<sup>2</sup> Appointed to the Investment Committee by FARM

### **NOSM DC Pension Committee**

To be appointed

### **NOSM Investment Committee**

To be appointed

### **Appointments by the Dean (information only):**

Thunder Bay Regional Health Research Institute (confirmed)

- Bruce Sutton
- Mae Katt
- Dr. David Kisselgoff



**Chair:** Bruce Sutton

**Date of Next Meeting:** November 8, 2021 (9-11 am)

The membership of the committee can be found online:

## 1. Auditor Management Letter

## 2. Overview of Operating Surplus and Restricted Assets

- NOSM was projecting an operating surplus of \$800K for fiscal year 2020-21 and ended the fiscal year with a surplus of \$709K. The surplus was projected prior to expenses related to the Laurentian CCAA and the use of reserves were realized. As a result of the CCAA related expenses and use of reserves, the audited financial statements reflected a deficit of revenue over expenses of \$2.322 Million.
- The Committee was provided with an update on Laurentian CCAA costs incurred in comparison to the \$3.0 Million of NOSM's general reserve funds that the Board had authorized management to access to cover CCAA related losses.
- Laurentian CCAA expenses to April 30, 2021 are \$1.587 Million. With projected additional expenses of \$550K in 21-22 for a total of \$2.15 Million.
- The general reserve balance at April 30, 2021 is \$2.471 Million with an expected 21-22 ending balance of \$1.921 Million. In addition, up to \$700K maybe be used in 21-22 if NOSM is unsuccessfully in receiving additional operating or expansion funding bringing the balance down to \$1.22 Million.
- NOSM had other changes in internally restricted reserve balances including spending \$1.318 Million of Strategic Plan Initiatives Reserves, spending funds from its Legal, Negotiations, Capital reserves, and received funds into its Advancement reserves.

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### 3. Investment Committee Update

Ray Hunt, Chief Operating Officer, provided an update on the Investment Committee which was established as NOSM holds certain funds for endowed chairs, student bursaries, and advancement sponsored initiatives. Due to other priorities, the Request for Proposals (RFP) from investment firms has been put on hold. However, reactivating the RFP is a priority of Finance for the next quarter.

### 4. Joint Benefits Committee Report for Canada Life Renewal

A report and recommendation from the Joint Benefits Committee was reviewed and approved for presentation to the Board. Canada Life had proposed an overall premium increase of 9.7% that Mercer was successful in negotiating down to an increase of 1.2%. As the Agreement with Canada Life is set to expire April 30, 2022, NOSM will have to go to tender and have a new benefit contract in place for May 1, 2022 (the October 1, 2022 benefit year). **[Motion attached]**

### 5. Risk Management Update

Grace Vita, Director Planning and Risk, provided a Risk Management update:

- Laurentian University has extended the stay related to the CCAA to January 31, 2022. NOSM has filed a claim as part of this process.
- NOSM's Return to Campus (RTC) plan included a return to in-classroom learning effective September 7, 2021. NOSM's RTC plan is based on the Ministry of Colleges and Universities' Framework for Fall 2021 and includes a mandatory vaccine policy effective September 7, 2021. NOSM has developed a process where proof of vaccine is collected through a survey/attestation following the completion of a mandatory COVID-19 Return to Campus training. Those that did not provide proof of vaccine are required to be tested twice per week as per NOSM's policy.
- NOSM has also developed a Mandatory Vaccine Policy for Clinical Learning Sites as required by the Ministry of Health (Directive #6) effective September 7, 2021.
- NOSM's Continuity of Education Plan has been publicly posted on the NOSM website outlining NOSM's plans to enable the continuation of teaching and learning in the event of an emergency or outbreak. This plan is a requirement by the MCU.

### 6. Committee Workplan

The Committee briefly reviewed the workplan. All areas identified in this quarter of the workplan have been discussed. **[Committee Workplan attached]**

### 7. Financial Policies for Review

The Financial Delegated Authorities Policy and the Signing Authorizations Policy were reviewed and approved for presentation to the Board. These policies were amended to reflect changes in the organization of the School. **[Motions attached]**

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## **8. Banking Resolution**

The Banking Resolution of the Corporation, to be effective September 22, 2021, was reviewed and approved for presentation to the Board. The Banking Resolution was updated to reflect the changes in the organization of the School, including the appointment of the new Treasurer of the Corporation. **[Motion attached]**

## **9. HOOPP Update**

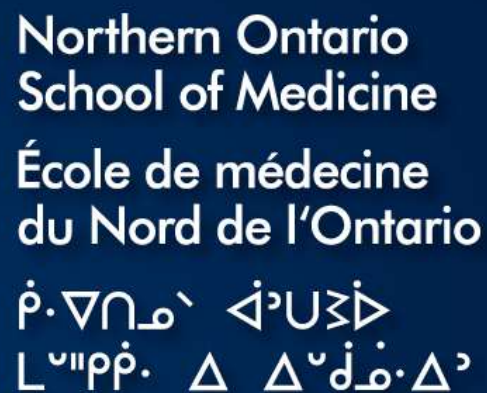
Dan Burrell, Interim Director of Finance, provided an update on the Healthcare of Ontario Pension Plan (HOOPP):

- Letters were sent to all employees of NOSM in July and August confirming if they will be joining HOOPP. Employees are to respond to Mercer by September 15, 2021.
- NOSM held Whole School Sessions with both HOOPP and Mercer to provide additional information to employees and to help answer any questions.
- Everything is on track for NOSM to join HOOPP on October 1, 2021. The Manulife Pension will be wound up effective September 30, 2021 and this process will include a final audit of the Manulife Pension Plan.

## **10. Call for Vice Chair to FARM**

As the Vice Chair to FARM is an annual appointment, Brent Maranzan was appointed as Vice Chair to FARM for the 2021-2022 year.





INNOVATIVE EDUCATION AND RESEARCH FOR A HEALTHIER NORTH

# NORTHERN ONTARIO SCHOOL OF MEDICINE

## Statement of Operations

Year ended April 30, 2021, with comparative figures for 2020  
(Thousands of dollars)

	2021	2020
<b>Revenue:</b>		
Government grants - Ministry of Colleges and Universities	\$ 23,127	\$ 22,915
Government grants - Ministry of Health	16,145	16,192
Government grants - Paymaster Program (Note 10)	15,368	14,041
Government grants - Medical Student Bursary Program (Note 11)	602	547
Government and other grants for restricted purposes	2,510	2,723
Tuition fees	6,012	6,036
Administrative Services Fees (Note 12)	-	29
Investment income	156	431
Bursary and Advancement income	1,211	702
Miscellaneous income	1,018	1,125
Amortization of deferred capital contributions	964	889
<b>Total revenue</b>	<b>\$ 67,113</b>	<b>\$ 65,630</b>
<b>Expenses:</b>		
Salaries, benefits, and other compensation	\$ 39,089	\$ 36,572
Salaries, benefits, and other compensation - Paymaster Program (Note 10)	15,368	14,041
Travel and accommodations	156	1,423
Travel and accommodations - Learners	2,164	2,742
Office	1,746	1,404
Bad debt expense (Note 3)	1,268	-
Curriculum and faculty development	1,171	1,926
Library	971	843
Technology and telecommunications	1,327	1,321
Facilities	1,182	1,346
Research - General Expenses and Supplies	1,357	1,152
Consulting	677	809
Medical Student Bursary Program (Note 11)	629	547
Bursaries	1,366	981
Amortization of capital assets	964	889
<b>Total expenses</b>	<b>\$ 69,435</b>	<b>\$ 65,996</b>
<b>Deficit of revenue over expenses</b>	<b>\$ (2,322)</b>	<b>\$ (366)</b>

# 2020-21 Operating Surplus vs. Financial Statement Deficit

- NOSM has a Financial Statement “Deficit of revenue over expenses” of **(\$2,322K)** for 2020-21
- NOSM had a **\$709K operating surplus** for the 2020-21 fiscal year versus the projected operating surplus of **\$800K** presented to FARM and Board in April 2021.
- This surplus as projected was **Operating Results Only** and **BEFORE Laurentian CCAA Expenses and NOSM Restricted Asset spending/allocations**

# 2020-21 Operating Surplus vs. Financial Statement Deficit

## Laurentian CCAA Expenses - UPDATE

- **Moved:** (*Joy Warkentin/Nancy Jacko*)
- **RESOLVED THAT:**
- The Board hereby authorizes the emergency use of internally restricted assets, not to exceed \$3,000,000.00, for the purposes of managing cash flow issues caused by Laurentian University's insolvency and inability to flow funds to NOSM.
- Furthermore, that the FARM Committee of the Board will be kept informed by NOSM's COO on any use of such funds.
- **CARRIED**

# 2020-21 Operating Surplus vs. Financial Statement Deficit

## Laurentian CCAA Expenses – UPDATE - 2020-21

- Legal costs related to Laurentian CCAA 20-21 - **(\$319K)**
- Stayed NOSM Tuition CCAA (of \$1.6 Mill A/R) - **(\$1,227K)**
- Research and Other A/R – CCAA period **– (\$41K)**
- **TOTAL CCAA EXPENSES 2020-21** - **(\$1,587K)**
- Laurentian CCAA Expenditures of \$550K still expected in 2021-22 for Legal, Contingencies, and Animal Care & Other Research. Approximately **\$2.15M** in total estimated expenses compared to the authorized total of **\$3.0M**
- The \$3.0M was to come from the General Reserve with a balance of \$3.349M as at April 30/20

# 2020-21 Operating Surplus vs. Financial Statement Deficit

- **Change in General Reserve**

- Opening General Reserve as at Apr 30/20 - **\$3,349K**
- Final Operating Surplus 20-21 - **\$709K**
- Total CCAA Expenses in 20-21 - **(\$1,587K)**
- **Closing F/S General Reserve as at Apr 30/21** - **\$2,471K**
- Legal Fees and Contingency for 21-22 - **(\$250K)**
- Animal Care & Other Research costs - **(\$300K)**
- **Estimated Current General Reserve 21-22** - **\$1,921K**

- Also of note, the 21-22 NOSM operating budget was balanced with \$700K in expected funding from the government, for operating or expansion, with the General Reserve as the contingency. If additional funding is not received, this could reduce the General Reserve further to approximately **\$1.22M**

# 2020-21 Operating Surplus vs. Financial Statement Deficit

- As previously noted, the NOSM has a Financial Statement “Deficit of revenue over expenses” of **(\$2,322K)** for 2020-21
  - Final 20-21 Operating Surplus (to General Reserve) - **\$709K**
  - Total CCAA Spending in 20/21 (to General Reserve) - **(\$1,587K)**
  - Net increase in Bursaries & Advancement Reserves - **\$295K**
  - Net decrease in Negotiations and Legal Reserves - **(\$171K)**
  - Net decrease in Facilities and IT Reserves - **(\$301K)**
  - Net decrease in Strategic Plan Initiatives - **(\$1,318K)**
  - Net change in Other Reserves - **\$51K**
  - **TOTAL DEFICIT OF REVENUE OVER EXPENSES** - **(\$2,322K)**

**NORTHERN ONTARIO SCHOOL OF MEDICINE**  
**Operating Budget Variance Analysis**  
**For the Year Ended April 30, 2021**

	Budget 2021 \$(000)	Budget 12 Months \$(000)	Actuals Apr 30/21 \$(000)	Variance \$(000)	April 30/21 Projected Variance \$(000)	
<b>INCOME</b>						
Government Grant - MCU	23,090	23,090	23,090	-	-	
Government Grant - MOH	16,443	16,443	16,036	(407)	-	Note 5
Government Grant - MCU COVID Funding	-	-	395	395	400	Note 4
Government Grant - Northern Sustainability Fund	1,200	1,200	-	(1,200)	(1,200)	Note 2
Tuition	6,285	6,285	6,316	31	-	
Ontario Medical School Application Fees	200	200	193	(7)	-	Note 6
Interest	320	320	156	(164)	-	Note 6
Project and Research Revenues	1,162	1,162	987	(175)	-	Note 5
<b>TOTAL INCOME</b>	<b>48,700</b>	<b>48,700</b>	<b>47,173</b>	<b>(1,527)</b>	<b>(800)</b>	
<b>EXPENDITURES</b>						
<b>Operating:</b>						
Salaries and Benefits	24,177	24,177	24,109	68	100	Note 1
Clinical Faculty Stipendiary Contracts	4,618	4,618	4,661	(43)	-	
Teaching Fees	6,679	6,679	6,694	(15)	-	
Non-Student Travel	1,352	1,352	156	1,196	1,250	Note 3
Student Travel and Accommodations	3,208	3,208	2,476	732	-	Note 6
Office, Supplies and Services	1,113	1,113	1,319	(206)	(200)	Note 3
Legal and Consulting Fees	697	697	844	(147)	(100)	Note 3
Facilities	1,276	1,276	1,305	(29)	-	Note 3
Technology, Telecommunications, & Hardware	1,420	1,420	1,417	3	-	
Meetings and Professional Development	1,907	1,907	1,404	503	550	Note 3 & 5
Research	475	475	472	3	-	
Library Licences	834	834	834	-	-	
Research Studentship and Bursaries	658	658	487	171	-	Note 6
Capital Fund	286	286	286	-	-	
<b>TOTAL EXPENDITURES</b>	<b>48,700</b>	<b>48,700</b>	<b>46,464</b>	<b>2,236</b>	<b>1,600</b>	
<b>Total Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>709</b>	<b>709</b>	<b>800</b>	

CCAA Spending in 20/21	(1,587)
Net Student Bursaries and Advancement Reserves Received vs Spend	295
Negotiations and Legal Reserve	(171)
Facilities & Technology Reserve	(301)
Net spend in Strategic Initiatives	(1,318)
Net other changes in Restricted Assets	51
Restricted Net Asset Impact	(3,031)
<b>F/S Revenue over Expenses</b>	<b>(2,322)</b>

Note 1 - 2020/21 budget included projected vacancy savings of \$244K. Final vacancy savings were \$312K

Note 2 - MCU - Northern Sustainability Fund - NOSM budgeted for \$1,200. Will not be received

Note 3 - Financial impact of COVID-19 (eg. cancelations of events, work from home etc) are projected as savings. All extraordinary costs were tracked and were offset by savings first.

Note 4 - MCU provided NOSM with \$395K in COVID funding. As NOSM has incurred over \$395K in COVID expenses and included those in the 20-21 operating expenses above (Note #3), this additional funding resulted in surplus. Funds were flowed in April 2021

Note 5 - Learner numbers and costs were less than budget in PGE Specialty (by 2), Remote FN (no travel), and OMA Clerkship (less learner travel). \$407K will be returned to MOH and was set up as Accounts Payable. Additionally, accommodations and electives recoveries impacted by COVID-19 (\$175K), however learner travel also impacted

Note 6 - Less additional Interest Revenue and OMSAS set aside reduces the amount transferred to Student Bursary Reserve.



# Internally Restricted Net Assets

Description	2018/19	Change	2019/20	Change	2020/21
<b>Restricted Reserves:</b>					
Student Bursaries	\$857	(3)	\$854	(150)	\$704
Advancement funds	727	178	\$905	445	1,350
Research Funds/PD	1,597	58	1,655	398	2,053
Research Equip.	400	-	400	-	400
Clin. Educ. Infrastr.	14	-	14	-	14
IT Infrastructure	1,394	(75)	1,319	(155)	1,164
Facilities Renewal	768	(114)	654	(146)	508
PGE Requirements	616	(616)	-	-	-
Accreditation	71	6	77	(30)	47
Union Negotiations	254	10	264	(82)	182
Legal Costs	168	2	170	(89)	81
Short Term Leave	300	-	300	(300)	-
Recruitment	76	3	79	(17)	62
Strategic Initiatives	2,421	165	2,586	(1,318)	1,268
Self Insurance	275	20	295	-	295
<b>Total Restricted Reserves</b>	<b>\$9,938</b>	<b>(366)</b>	<b>\$9,572</b>	<b>(1,444)</b>	<b>\$8,128</b>
<b>General Reserves</b>	<b>3,349</b>	<b>-</b>	<b>3,349</b>	<b>709 (1587)</b>	<b>2,471</b>
<b>Balance, end of year</b>	<b>\$13,287</b>	<b>(366)</b>	<b>\$12,921</b>	<b>(2,322)</b>	<b>\$10,599</b>

# APPENDIX

# Internally Restricted Net Assets

	Amount	Description
<b>Student Bursaries</b>	<b>\$704K</b>	Held in accordance with board policy on interest and OMSAS fees
<b>Advancement Funds</b>	<b>\$1,350K</b>	Restricted donations for research and other initiatives.
<b>Research Funds/</b>	<b>\$2,053K</b>	Personal contractual research balances and contractual professional development balances.
<b>Research Equipment</b>	<b>\$400K</b>	Funds in case a major piece of research lab equipment breaks and must be fixed or replaced.
<b>Clinical Education Infrastructure</b>	<b>\$14K</b>	Remaining funds from the original LNG setups
<b>IT Infrastructure fund</b>	<b>\$1,164K</b>	Funds for the future retrofit on smart classrooms, servers, and other major IT items
<b>Facilities Renewal fund</b>	<b>\$508K</b>	Deferred maintenance fund for buildings and facilities

# Internally Restricted Net Assets

	Amount	Description
<b>Accreditation</b>	<b>\$47K</b>	Funds to cover the travel, consulting and meeting costs related to accreditation site visits and mock accreditation visits
<b>PGE Funds</b>	<b>\$-</b>	PGE Accreditation requirements and Curriculum By Design requirements. Moved to Strategic Initiatives as MOH now provides ongoing funding
<b>Union Negotiations</b>	<b>\$182K</b>	Funds to cover the legal, meeting, and consulting costs during negotiations
<b>Legal Costs</b>	<b>\$81K</b>	Funds to cover grievances, arbitration, and other major legal suits
<b>Recruitment</b>	<b>\$62K</b>	Funds to cover faculty and senior management direct recruitment costs
<b>Short term leave</b>	<b>\$-K</b>	Funds to cover sick leaves, maternity leaves, and other paid leaves

# Internally Restricted Net Assets

	Amount	Description
<b>Strategic Plan Implementation &amp; Initiatives</b>	<b>\$1,268K</b>	Funds for various projects and positions related to One-time Strategic Initiatives
<b>Self Insurance</b>	<b>\$295K</b>	Funds to cover the loss or deductible in case of insurance claims.
<b>General Reserves</b>	<b>\$2,471K</b>	General Operating Reserve that can be used for any board approved purpose. This could mean covering a budgeted deficit or a “in year” deficit should a major event occur. Budget Committee could also ask to have some of the general reserve be reallocated to a special project for which no other funds exist.
<b>TOTAL</b>	<b>\$10,599K</b>	<b>Balance at April 30/21</b>

# Internally Restricted Net Assets

## Strategic Plan Implementation & Initiatives

Funds budgeted and appropriated to special initiatives

Major projects include

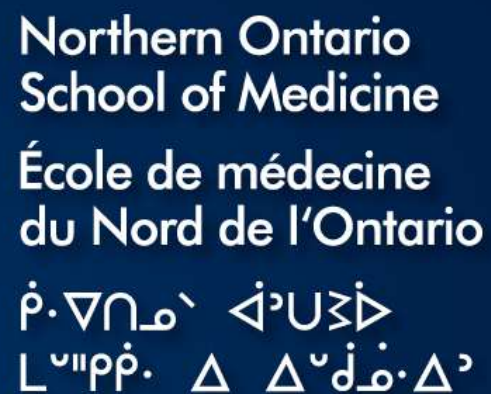
- ERP Projects & Technology Projects
- CCC Teaching Sites and Infrastructure
- Office of Institutional Intelligence
- Occupational, Health and Safety
- Digital Media and Communications Support
- Staff PD and Wellness
- Undergrad Teaching and Curriculum projects
- Senior Associate Dean & Executive Support
- CEPD software & accreditation
- Advancement and Alumni Relations
- Research Travel Grants
- Indigenous Leaders and Cultural Safety
- Graduate Studies Development and Startup
- Learner Advocates
- HHR & Project Management
- Strategic Plan Development
- Library Support
- Dean's Strategic Plan Implementation

**Yearend Balance**

	Balance at Apr 30/20	Balance at Apr 30/21
	\$ 25	\$ 16
	\$ 81	\$ -
	\$ 230	\$ 167
	\$ 100	\$ 50
	\$ 106	\$ -
	\$ 104	\$ 92
	\$ 192	\$ 43
	\$ 290	\$ 140
	\$ 54	\$ 47
	\$ 222	\$ 90
	\$ 17	\$ -
	\$ 101	\$ -
	\$ 186	\$ 110
	\$ 37	\$ 1
	\$ 327	\$ 233
	\$ 54	\$ -
	\$ 240	\$ 130
	\$ 220	\$ 149
	<b>\$ 2,586</b>	<b>\$ 1,268</b>

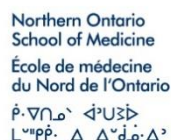
***Thank You***

***Questions and Comments***



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## Workplan 2021-2022

Agenda Item Category	FARM Dates			
	Q1 05-14-21	Q2 09-08-21	Q3 11-08-2021	Q4 02-23-2022
<b>1. Finance</b>				
Financial Report/Forecast	X		X	X
<b>2. Budget</b>				
Budget Process/Strategy Discussions			X	
Budget Review	X			X
Budget Recommendations to Board	X			
Internally Restricted Assets/Funds Approval	X			
<b>3. Audit</b>				
Audit Planning				X
Financial Statements Approval		X		X
Auditor Management Letter		X		
Recommendation of Auditor		X		
<b>4. Committee Reports</b>				
Pension Committee (Fund Performance Review)			X	
Pension Committee (Audited Statements Review)	X			
Investment Committee	X	X		
Awards Committee (Information Item)	X			
Joint Benefits Committee Report		X		
<b>5. Risk Management</b>				
Annual Report				X
Semi-Annual Update		X		
Risk Issues Update (presented as needed or arise)	X	X	X	X
<b>6. Other</b>				
FARM Committee Terms of Reference Review			X	
FARM Committee Performance Review				X
Pension Committee Terms of Reference Review		X		
NORMED Enterprises Inc. Oversight Committee Report				X
Policy Review (3 year review cycle or as needed)	X	X	X	X
Changes to signing authority/Delegation of Authority	X	X	X	X

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**Meeting:** Board of Directors

**Date:** September 22, 2021

### Decision Requested:

Joint Benefits Committee Report

**[Moved/Seconded]**

### Resolved that:

The recommendation of the benefit renewal rates as negotiated by Mercer of approximately 1.2% for Health and Dental benefits effective October 1, 2021 be approved as presented.

### Context and Background:

As appears from Table 1 in the Joint Benefits Committee Report, Canada Life had proposed an overall premium increase of 9.7% or approximately \$119,626 annually. Mercer was successful in negotiating an increase of 1.2% or approximately \$14,379 annually. This represents annual savings of approximately \$105,247 over Canada Life's initial renewal. Concern was raised regarding the premiums paid for LTD over the past several years compared to the claims. Mercer confirmed an upward trend in LTD rates of 10-20% across the board, mainly due to an increase in mental health claims resulting from the pandemic. The Request for Proposal indicates the Agreement with Canada Life is for five years (to April 30, 2020), with an option for NOSM to extend for two additional one year periods (to April 30, 2021, and to April 30, 2022). As NOSM has extended for these two additional one year periods, NOSM will have to go to tender and have a new benefit contract in place for May 1, 2022 (the October 1, 2022 benefit year). Mercer has advised NOSM this process should be started as soon as possible.

It is recommended on behalf of the Joint Benefits Committee, with the endorsement of both Unions.

### Attachments:

Joint Benefits Committee Report

**Submitted by:** Interim Director of Finance, Dan Burrell

## **JOINT BENEFITS COMMITTEE BENEFIT RENEWAL SUMMARY**

As per Article 4.5, section 10 of the Collective Agreement between NOSM Board of Directors and OPSEU Local 677, Unit 1:

The Joint Benefits Committee (JBC), with representation from unionized and non-unionized employee groups, is in place to facilitate communications between the Board and the Union on the subject of fringe group benefits.

The JBC shall be composed of representatives as follows with not more than six (6) representatives in total.

- a) Three (3) representatives of the Board; and
- b) Three (3) representatives of NOSM employees:
  - i) One (1) representative from OPSEU local 677, Unit 1;
  - ii) One (1) representative shall be invited from OPSEU local 677 Unit 2; and
  - iii) One (1) representative from non-union staff.

Each representative may be accompanied by an advisor.

- a) The JBC shall report to the Finance, Audit and Risk Management (FARM) Committee of the Board;
- b) The JBC shall meet annual prior to the establishment of premium rates for the coming year and receive reports from the Company or Companies, as well as NOSM staff, involved in administering the Fringe Benefits Plans and scrutinize their performance inclusive but not limited to experience ratings and performance of the Plan as well as scrutinizing the performance of the benefit provider(s) outlined in the consultant's reports, the proposed increases and recommendations thereon, and report its findings to the Finance and Audit Committee of the Board;
- c) The JBC shall make recommendations to the Finance, Audit and Risk (FARM) Committee of the Board.
- d) The Board shall be responsible for the administration of the NOSM fringe benefits plans.

The JBC met on August 31, 2021. The following report is an overview of Mercer's analysis over the past year of NOSM's employee benefits plan as administered by Canada Life.

## **BENEFITS RENEWAL PROCESS SUMMARY**

### **BACKGROUND**

The NOSM benefits plan have been with Canada Life (previously Great-West Life) since May 1, 2015. Mercer conducts an annual review prior to the annual renewal date of October 1.

1. The goal of the review is to:

- Provide the maximum value for the premium paid
- Identify claiming trends with the NOSM program and within the insurance industry
- Identify risks within the program and recommend appropriate mitigation strategies
- Ensure that the program continues to meet the strategic needs of NOSM.

In reviewing Canada Life's proposal, NOSM's claims experience and shift in demographics

were considered. Additionally, usual and customary trend factors were considered as well as other important factors such as the overall impact of the COVID-19 Pandemic, interest rates, and legislative changes, etc.

## **RENEWAL ANALYSIS**

As appears in **Table 1** below, the overall increase negotiated for all Health and Dental benefits was 1.2% (\$14,379) based on the information below for each category of benefits:

**Dental:** a negotiated decrease of -7.0% (-\$20,644) in Dental premiums based on the following data:

Experience	Paid Premiums	Paid Claims	Incurred Claims	Incurred Loss Ratio
01-May-2020 - 30-Apr-2021	\$264,127	\$179,337	\$182,159	69.0%

**Health:** a negotiated decrease of -3.9% (-\$6,565) in Health premiums based on the following data:

Experience	Paid Premiums	Paid Claims	Incurred Claims	Incurred Loss Ratio
01-May-2020 to 30-Apr-2021	\$147,115	\$76,262	\$79,549	54.1%

**Drugs:** a negotiated increase of 5.8% (\$19,604) in Drug premiums based on the following data:

Experience	Paid Premiums	Paid Claims	Incurred Claims	Incurred Loss Ratio
01-May-2020 to 30-Apr-2021	\$316,375	\$206,215	\$207,263	65.5%

**Vision:** a negotiated increase of 0% in Vision premiums based on the following data:

Experience	Paid Premiums	Paid Claims	Incurred Claims	Incurred Loss Ratio
01-May-2020 to 30-Apr-2021	\$62,173	\$53,338	\$54,345	87.4%

**TABLE 1**  
**RENEWAL ANALYSIS**

Benefit	Prior Year Recap (%)	Current Premium	Proposed Change (%)	Negotiated Change (%)	Negotiated Change (\$)
Basic Life	3.6%	\$157,965	+6.6%	+4.1%	+\$6,450
LTD	4.6%	\$193,755	+13.4%	+8.0%	+\$15,543
Health	15.0%	\$168,471	+3.1%	-3.9%	-\$6,565
Drugs	14.0%	\$339,703	+13.2%	+5.8%	+\$19,604
Vision	9.2%	\$79,882	+41.4%	0.00%	\$0
GMA	210.0%	\$4,073	0.00%	0.00%	\$0
Dental	9.0%	\$294,923	0.00%	-7.0%	-\$20,644
<b>TOTAL</b>	<b>9.9%</b>	<b>1,238,772</b>	<b>9.70%</b>	<b>1.2%</b>	<b>\$14,379</b>

### **SUMMARY**

As appears from Table 1 above, Canada Life had proposed an overall premium increase of 9.7% or approximately \$119,626 annually. Mercer was successful in negotiating an increase of 1.2% or approximately \$14,379 annually. This represents annual savings of approximately \$105,247 over Canada Life's initial renewal. Concern was raised regarding the premiums paid for LTD over the past several years compared to the claims. Mercer confirmed an upward trend in LTD rates of 10-20% across the board, mainly due to an increase in mental health claims resulting from the pandemic. The Request for Proposal indicates the Agreement with Canada Life is intended to be for five years (to April 30, 2020), with an option for NOSM to extend for two additional one year periods (to April 30, 2021, and to April 30, 2022). As we have extended for these two additional one year periods, NOSM will have to go to tender and have a new benefit contract in place for May 1, 2022 (the October 1, 2022 benefit year). Mercer has advised NOSM this process should be started as soon as possible.

### **RECOMMENDATIONS**

It is recommended on behalf of the Joint Benefits Committee, with the endorsement of both Unions:

That NOSM approve the benefit renewal rates as negotiated by Mercer of approximately - 1.2 % for Health and Dental benefits, effective October 1, 2021 and that NOSM begin the tender process to secure benefits for May 1, 2022.

Respectfully submitted,

On behalf of the Joint Benefits Committee



Northern Ontario  
School of Medicine  
École de médecine  
du Nord de l'Ontario  
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## Northern Ontario School of Medicine Board of Directors

**Meeting:**

Board of Directors

**Date:**

**September 22, 2021**

**Decision Requested:**

Approval of the amended Financial Delegated Authorities Policy

**[Moved/Seconded]**

**Resolved that:**

Be it resolved that the policy on Financial Delegated Authorities be approved as amended to reflect changes in the organization of the School.

**Context and Background:**

**Attachments:**

Financial Delegated Authorities Policy

**Submitted by:** Interim Director of Finance, Dan Burrell



Northern Ontario  
School of Medicine  
Ecole de medecine  
du Nord de l'Ontario  
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## Policy

Financial Delegated Authorities				Class: A	
Approved By:	Board of Directors				
Approval Date:	2018 09 18	Effective Date:	2018 09 18	Review Date:	2021 09 08
Responsible Portfolio/Unit/ Committee:	Administration and Operational Support, Finance				
Responsible Officer(s):	Chief Operating Officer, Director of Finance				

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<b>3.0</b>	<b>Levels of Financial Delegated Authority.....</b>	<b>3</b>
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	Level 2: The Dean, President and CEO of NOSM .....	3
	Level 3 – Chief Operating Officer, Vice Dean Academic, Senior Associate Dean and Associate Deans .....	3
	Level 4: Management Group – Assistant Deans, Directors, Senior Directors, Registrar, and Division Heads.....	4
	Level 5: Managers, Chief Advancement Officer, and Chief of Staff.....	4
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	Research Funds.....	5
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## 1.0 Purpose

Authorizations are established for the delegation of authority to initiate purchase requisitions in transacting the business of the Northern Ontario School of Medicine ('NOSM') within an effective control environment that supports NOSM academic and operational plans and priorities.

## 2.0 Scope

NOSM will delegate authority for the initiation of purchase requisitions within approved budgets. The level of authority required to authorize commitments is dependent upon the dollar value and subject matter of the contracts and agreements.

For greater clarity, the following terms are used:

- i. Dean, President and Chief Executive Officer (CEO) shall be used interchangeably and refer to the same individual.
- ii. University President(s) refers to the Presidents of Lakehead University and Laurentian University or their designate.
- iii. Board of Directors refers to the Board of Directors of the Northern Ontario School of Medicine.
- iv. Unit Managers include the Vice Dean Academic, Chief Operating Officer (COO), Senior Associate Dean, Associate Deans, Assistant Deans, Senior Directors, Directors, Registrar, Division Heads, Managers, Chief Advancement Officer, and the Chief of Staff.
- v. Units are those that are set out in the NOSM Organization Chart.

Each Unit Manager is ultimately responsible for the annual development and continued monitoring of Unit budgets. Accordingly, the Unit Manager, in approving a purchase requisition, must verify that funds are available within the Board approved operating budget to support the purchase.

Authority is delegated to Unit Managers only with respect to operating fund acquisitions but may include the purchase of capital items subject to dollar amounts.

Delegated authority precludes the application of budgetary surplus to full-time salary costs. Budgetary savings resulting from a reduction in a Unit's full time staff complement, either through the elimination or reduction of a full time position, will be transferred from the Unit to the general fund.

To fund an enhancement or replacement in full time staff costs, the Unit Manager will either:

- i. request the staff costs through the annual budgetary process; or,
- ii. present a business case and apply to the CEO for additional funding.

Unit Managers will follow NOSM hiring procedure when adding or replacing full time staff.



### 3.0 Levels of Financial Delegated Authority

Authority is delegated based upon the following authorizations:

A summary of the Financial Delegated Authorities is included as **Attachment A**

#### Level 1: The Board of Directors

The Board approves the annual operating and capital budgets. Prior approval by a resolution of the Board of Directors OR the Executive Committee of the Board will be required with respect to any contract or agreement, which exposes the School to an uncertain or potentially significant liability, is precedent setting or involves sensitive issues.

The Board delegates authority to the Dean for the implementation and monitoring of the approved budget.

**Exceptions:** Payments to Board members require the signature of the Chair or Vice Chair of the Board.

#### Level 2: The Dean, President and CEO of NOSM

**Approval Limit:** Limits set out in the Board approved annual operating and capital budgets with single transaction limits set at \$50,000.

**Exceptions:** Single purchases within the Board approved annual operating and capital budgets in excess of \$50,000 require two signatures. The authorized signatories are:

- Dean, President and CEO
- Vice Dean Academic
- Senior Associate Dean
- Associate Deans
- Chief Operating Officer
- Director of Planning and Risk
- Director of Finance
- Chair or Vice Chair of the Board of Directors

Payments to the Chief Executive Officer must be approved by the Chair or Vice Chair of the Board of Directors.

#### Level 3 – Chief Operating Officer, Vice Dean Academic, Senior Associate Dean and Associate Deans

**Approval Limit:** The COO, Vice Dean Academic, Senior Associate Dean and Associate Deans may approve a single transaction up to \$50,000.

The COO is delegated authority by the Dean, President and CEO to approve:

1. All payroll expense including payroll taxes and withholdings;

2. All intra-school payments and transfers subject to the receipt of adequate supporting documentation and evidence of receipt of goods/services;
3. Recurring finance charges (principal and interest) on capital finance items.

**Exceptions:** The Dean, President and CEO must approve payments to the COO, Vice Dean Academic and their respective Associate Deans and other direct reports. The Vice Dean Academic must approve payments to their respective Associate Deans and other direct reports.

#### **Level 4: Management Group – Assistant Deans, Directors, Senior Directors, Registrar, and Division Heads**

**Approval Limit:** Limits set out in the Unit's Board approved annual operating and capital budgets of the Assistant Deans, Senior Directors, Directors, Registrar, and Division Heads with single transaction limits up to \$25,000.

Assistant Deans, Senior Directors, Directors, Registrar, and Division Heads may authorize expenditures within their approved budgets for:

1. non-salary items (supplies, equipment, and services);
2. part-time and over-time salaries and benefits, subject to Human Resource policies; and,
3. budget transfers except full-time salaries and benefits

**Exceptions:** The COO and Associate Deans must approve payments to their respective Assistant Deans, Senior Directors, Directors, Registrar, and Division Heads.

#### **Level 5: Managers, Chief Advancement Officer, and Chief of Staff**

**Approval Limit:** Limits set out in the Unit's approved annual operating and capital budget of the Manager with single transaction limits up to \$10,000.

**Exceptions:** Senior Directors, Directors, and Registrar must approve payments to their respective Managers.

#### **Delegation of Authorities**

The Unit Managers may, on an individual transaction-by-transaction basis, delegate authority to approve purchase requisitions to a NOSM employee reporting directly to the Unit Manager. Such delegated authority is not to exceed \$5,000 individually and may not be delegated for the purchase of capital items. The delegation of signing authority by a Unit Manager to others will not absolve the Unit Manager of responsibility for the maintenance of budgetary controls.

## Research Funds

In circumstances where research funds are awarded by the NOSM or third parties, NOSM will delegate full authority for the expenditure of the research funds to the Vice Dean Academic, Senior Associate Dean, Associate Dean, Assistant Dean or Division Head of the staff member principally responsible for the project.

### 4.0 Notification

Delegation of authorities must be submitted in writing to the Finance Unit using the “*Long Term Delegation of Financial Authority*” form prior to **April 30th** each year.

### 5.0 Related Documents

In support of this policy, the following [related policies/documents/companion/forms] are included:

- Signing Authorizations Policy and Chart
- Long Term Delegation of Financial Authority Form
- Delegation of Authority Policy

### 6.0 Getting Help

Queries regarding interpretations of this document should be directed to:

Chief Operating Officer – (705) 662-7147

Director of Finance – (807) 766-7307

## Attachment A

<b>Northern Ontario School of Medicine</b> <b>Summary of Financial Delegated Authorities</b>			
LEVEL	AUTHORITY	LIMIT	EXCEPTIONS
1	Board of Directors	No limit	Payments to Board members require the signature of the Chair or Vice Chair of the Board of Directors.
2	Dean, President and CEO	Single transaction limit of \$50,000. Single transactions in excess of \$50,000 require two signatures. Authorized signatories are: <ul style="list-style-type: none"> <li>▪ Dean, President and CEO</li> <li>▪ Vice Dean Academic</li> <li>▪ Senior Associate Dean</li> <li>▪ Associate Dean</li> <li>▪ COO</li> <li>▪ Director of Planning and Risk</li> <li>▪ Director of Finance</li> <li>▪ Chair or Vice Chair of the Board of Directors</li> </ul>	Payments to the Dean, President and CEO of the NOSM must be approved by the Chair or Vice Chair of the Board of Directors.
3	COO, Vice Dean Academic, Senior Associate Dean, Associate Deans	Single transaction limit of \$50,000	The Dean, President and CEO must approve payments to the COO, Vice Dean Academic and their respective Associate Deans and other direct reports. The Vice Dean Academic must approve payments to their respective Associate Deans and other direct reports.
4	Assistant Deans, Directors, Senior Directors, Registrar, Division Heads	Single transaction limit of \$25,000	The COO and Associate Deans must approve payments to their respective Assistant Deans, Senior Directors, Directors, Registrar, and Division Heads.
5	Managers, Chief Advancement Officer, and Chief of Staff	Single transaction limit of \$10,000	Directors, Senior Directors, or Registrar must approve payments to their respective Managers.

Version	Date	Authors/Comments
1.0	2004 04 28	Original
2.0	2008 09 17	Revision by Finance
3.0	2008 12 05	Revision by Finance
4.0	2011 12 02	Revision by Finance re change in position titles
5.0	2015 09 23	Revision by Finance re change in position titles
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## Policy

Financial Delegated Authorities				Class: A	
Approved By:	Board of Directors				
Approval Date:	2018 09 18	Effective Date:	2018 09 18	Review Date:	<del>2021-09-18</del> <u>2021 09 08</u>
Responsible Portfolio/Unit/Committee:	Administration and Operational Support, Finance				
Responsible Officer(s):	Chief Operating Officer, Director of Finance				

<b>1.0</b>	<b>Purpose</b>	<b>2</b>
<b>2.0</b>	<b>Scope</b>	<b>2</b>
<b>3.0</b>	<b>Levels of Financial Delegated Authority</b>	<b>3</b>
	Level 1: The Board of Directors	3
	Level 2: The Dean, <u>President and</u> CEO of NOSM	3
	Level 3 – Chief Operating Officer, Vice Dean Academic, Senior Associate Dean and Associate Deans	3
	Level 4: Management Group – Assistant Deans, Directors, Senior Directors, <u>Registrar, and</u> Division Heads	4
	Level 5: Managers, <u>Chief Advancement Officer</u> , and Chief of Staff	4
	Delegation of Authorities	4
	Research Funds	5
<b>4.0</b>	<b>Notification</b>	<b>5</b>
<b>5.0</b>	<b>Related Documents</b>	<b>5</b>
<b>6.0</b>	<b>Getting Help</b>	<b>5</b>
	Attachment A	6

## 1.0 Purpose

Authorizations are established for the delegation of authority to initiate purchase requisitions in transacting the business of the Northern Ontario School of Medicine ('NOSM') within an effective control environment that supports NOSM academic and operational plans and priorities.

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NOSM will delegate authority for the initiation of purchase requisitions within approved budgets. The level of authority required to authorize commitments is dependent upon the dollar value and subject matter of the contracts and agreements.

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The Board delegates authority to the Dean for the implementation and monitoring of the approved budget.

**Exceptions:** Payments to Board members require the signature of the Chair or Vice Chair of the Board.

#### Level 2: The Dean, President and /CEO of NOSM

**Approval Limit:** Limits set out in the Board approved annual operating and capital budgets with single transaction limits set at \$50,000.

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- Dean, President and /CEO
- Vice Dean Academic
- Senior Associate Dean
- Associate Deans
- Chief Operating Officer
- Director of Planning and Risk
- Director of Finance
- Chair or Vice Chair of the Board of Directors

Payments to the Chief Executive Officer must be approved by the Chair or Vice Chair of the Board of Directors.

#### Level 3 – Chief Operating Officer, Vice Dean Academic, Senior Associate Dean and Associate Deans

**Approval Limit:** The COO, Vice Dean Academic, Senior Associate Dean and Associate Deans may approve a single transaction up to \$50,000.

The COO is delegated authority by the Dean, President and /CEO to approve:

1. All payroll expense including payroll taxes and withholdings;



2. All intra-school payments and transfers subject to the receipt of adequate supporting documentation and evidence of receipt of goods/services;
3. Recurring finance charges (principal and interest) on capital finance items.

**Exceptions:** The Dean, President and /CEO must approve payments to the COO, Vice Dean Academic and his/her/their respective Associate Deans and other direct reports. The Vice Dean Academic must approve payments to his/her/their respective Associate Deans and other direct reports.

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**Exceptions:** The COO and Associate Deans must approve payments to his/her/their respective Assistant Deans, Senior Directors, Directors, Registrar, and Division Heads.

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**Approval Limit:** Limits set out in the Unit's approved annual operating and capital budget of the Manager with single transaction limits up to \$10,000.

**Exceptions:** Senior ~~Directors and Directors~~ Directors, Directors, and Registrar must approve payments to his/her/their respective Managers.

#### **Delegation of Authorities**

The Unit Managers may, on an individual transaction-by-transaction basis, delegate authority to approve purchase requisitions to a NOSM employee reporting directly to the Unit Manager. Such delegated authority is not to exceed \$5,000 individually and may not be delegated for the purchase of capital items. The delegation of signing authority by a Unit Manager to others will not absolve the Unit Manager of responsibility for the maintenance of budgetary controls.

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In circumstances where research funds are awarded by the NOSM or third parties, NOSM will delegate full authority for the expenditure of the research funds to the Vice Dean Academic, Senior Associate Dean, Associate Dean, Assistant Dean or Division Head of the staff member principally responsible for the project.

### 4.0 Notification

Delegation of authorities must be submitted in writing to the Finance Unit using the “*Long Term Delegation of Financial Authority*” form prior to **April 30th** each year.

### 5.0 Related Documents

In support of this policy, the following [related policies/documents/companion/forms] are included:

- Signing Authorizations Policy and Chart
- Long Term Delegation of Financial Authority Form
- [Delegation of Authority Policy](#)

### 6.0 Getting Help

Queries regarding interpretations of this document should be directed to:

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Director of Finance – (807) 766-7307

## Attachment A

Northern Ontario School of Medicine Summary of Financial Delegated Authorities			
LEVEL	AUTHORITY	LIMIT	EXCEPTIONS
1	Board of Directors	No limit	Payments to Board members require the signature of the Chair or Vice Chair of the Board of Directors.
2	Dean, <u>President and</u> <u>/CEO</u>	Single transaction limit of \$50,000. Single transactions in excess of \$50,000 require two signatures. Authorized signatories are: <ul style="list-style-type: none"> <li>▪ Dean, <u>President and</u> <u>/CEO</u></li> <li>▪ Vice Dean Academic</li> <li>▪ Senior Associate Dean</li> <li>▪ Associate Dean</li> <li>▪ COO</li> <li>▪ Director of Planning and Risk</li> <li>▪ Director of Finance</li> <li>▪ Chair or Vice Chair of the Board of Directors</li> </ul>	Payments to the Dean, <u>President and</u> <u>and</u> <u>/CEO</u> of the NOSM must be approved by the Chair or Vice Chair of the Board of Directors.
3	COO, Vice Dean Academic, Senior Associate Dean, Associate Deans	Single transaction limit of \$50,000	The Dean, <u>President and</u> <u>/CEO</u> must approve payments to the COO, Vice Dean Academic and <u>his/her/their</u> respective Associate Deans and other direct reports. The Vice Dean Academic must approve payments to <u>his/her/their</u> respective Associate Deans and other direct reports.
4	Assistant Deans, Directors, Senior Directors, <u>Registrar</u> , Division Heads	Single transaction limit of \$25,000	The COO and Associate Deans must approve payments to <u>his/her/their</u> respective Assistant Deans, Senior Directors, Directors, <u>Registrar</u> , and Division Heads.
5	Managers, <u>Chief</u> <u>Advancement Officer</u> , and Chief of Staff	Single transaction limit of \$10,000	Directors <del>or</del> , Senior Directors, <del>or</del> <u>Registrar</u> must approve payments to their respective Managers.

Version	Date	Authors/Comments
1.0	2004 04 28	Original
2.0	2008 09 17	Revision by Finance
3.0	2008 12 05	Revision by Finance
4.0	2011 12 02	Revision by Finance re change in position titles
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## Northern Ontario School of Medicine Board of Directors

**Meeting:**

Board of Directors

**Date:**

**September 22, 2021**

**Decision Requested:**

Approval of the amended Signing Authorizations Policy

**[Moved/Seconded]**

**Resolved that:**

Be it resolved that the policy on Signing Authorizations be approved as amended to reflect changes in the organization of the School.

**Context and Background:**

The bylaws of the Corporation provide the authority to the Board to appoint “any Officer or Officers or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents.”

The purpose of this document is to clearly distinguish those items of School business which would be considered operational and those requiring the approval of the Board of Directors.

**Attachments:**

Signing Authorizations Policy

**Submitted by:** Interim Director of Finance, Dan Burrell



Northern Ontario  
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## Policy

Signing Authorizations				Class: A	
Approved By:	Board of Directors				
Approval Date:	2018 09 18	Effective Date:	2018 09 18	Review Date:	2021 09 08
Responsible Portfolio/Unit/Committee:	Administration and Operational Support, Finance				
Responsible Officer(s):	Chief Operating Officer, Director of Finance				

<b>1.0</b>	<b>Introduction and Purpose</b>	<b>2</b>
<b>2.0</b>	<b>Payment of Money</b>	<b>3</b>
<b>3.0</b>	<b>Investments</b>	<b>3</b>
<b>4.0</b>	<b>Contracts and Payments</b>	<b>4</b>
	General (includes Ancillary Services)	4
	Provincial Ministry Funding Agreements	5
	Research	5
	Purchasing	6
	Employment	7
<b>5.0</b>	<b>Pension Plan</b>	<b>7</b>
<b>6.0</b>	<b>Situations Not Covered</b>	<b>7</b>
<b>7.0</b>	<b>Construction Contracts (CCDC Contracts)</b>	<b>8</b>
<b>8.0</b>	<b>Student Placements</b>	<b>8</b>
<b>9.0</b>	<b>Getting Help</b>	<b>8</b>

## 1.0 Introduction and Purpose

The By-Law No. 8 of the Northern Ontario School of Medicine sets out how the affairs of the School are to be conducted. Part VIII – Finance of this By-Law establishes the governance policies as they relate to the finances of the School. Specifically, Part VIII relates to banking, investments, deposits and signing officers and the delegation of this authority to Directors, Officers, or employees to act on behalf of the Corporation in these areas.

Section 46 outlines the responsibilities of the Chair and Vice Chair in the execution of documents on behalf of the Corporation as well as providing authority to the Board to appoint “any Officer or Officers or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents”.

The purpose of this document is to designate clearly, which persons are authorized to sign transfers, assignments, contracts, obligations, agreements, or documents on behalf of the Northern Ontario School of Medicine when such documents have been approved by the appropriate body or official of the School.

Persons with delegated authority have the responsibility to exercise their authority in the manner of a prudent Medical School administrator. Depending on the nature of the agreement to be signed, this responsibility shall include an assessment of some or all of the following:

- The ability of the School to meet any financial obligations resulting from the agreement;
- The ability of the other party(ies) to meet its(their) obligations;
- Compliance with labour legislation, tax legislation, other legislative and regulatory requirements, and applicable School policies;
- Whether all approvals required by any applicable policy or practice have been obtained for the contract;
- The provisions regarding intellectual property requirements, physical, bodily injury and personal injury indemnities, and environmental liabilities; and
- Whether legal advice is needed, consult with the Chief Operating Officer (COO).

Persons designated or appointed under this document shall not exercise their signing authority in circumstances where conflicts of interest exist or be seen to exist. In addition, such persons shall inform their immediate supervisor when such circumstances exist. Original signed contracts must be deposited with the COO or be maintained in a location approved by the COO.

## **2.0 Payment of Money**

The Board approves the signing authorities for the Corporation relative to all cheques, drafts, and orders for the payment of money on behalf of the School. The duties of the signing authorities are stated in the bank forms. In order for the School to establish its banking arrangements with its authorized bankers, the following are authorized:

- Treasurer/Chair of the Finance, Audit and Risk Management Committee
- Dean, President and CEO
- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Director of Finance

The following limitations apply:

1. Any two of the above authorities may sign on cheques, drafts, orders, or letters of credit.
2. Any one of the above authorities, or any School employee designated by the Director of Finance, excepting any cashier, is authorized on behalf of the School to receive all paid cheques, statements and other debit vouchers charged to any account of the School and to execute from time to time the Bank's form of receipt thereof.
3. Any two of the above authorities may sign on an affidavit and understanding for lost cheques.

## **3.0 Investments**

The Investment Policy approved by the Board of Directors provides the guiding principles for investments. In the management of the investment portfolio, any two of the duly authorized School signing officers may complete investment transactions in connection with the transfer of investments, in accordance with the School's Investment Policy.

Any investment practices that fall outside the parameters of the policy must be reviewed by the COO and the Chair of the Finance, Audit and Risk Management Committee/Treasurer.



## 4.0 Contracts and Payments

### General (includes Ancillary Services)

The following are authorized on behalf of the School:

1) Subject to (2) below, to enter into and to bind the School to the terms of contracts and agreements relating to the general operation, development, and expansion of the School, two signatures are required, including one of the following:

- Chair of the Board of Directors
- Vice Chair of the Board of Directors
- Dean, President and CEO

Plus one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer

2) Prior approval by a resolution of the Board of Directors OR the Executive Committee of the Board will be required with respect to:

- a) any contract or agreement, including contracts for the purchase or sale of goods or services, where the obligation of the School or the benefit to the School exceeds \$1,000,000;
- b) any contract or agreement which exposes the School to an uncertain and potentially significant liability;
- c) any contract or agreement which is precedent setting or involves sensitive issues;
- d) any lease, license or other agreement for the use or occupation of School real property by third parties or the real property of third parties by the School where the term is or may be in excess of the five years (including therein any periods of renewal or extension provided for in the lease, license, or agreement) or the annual rental or other annual payment there under exceeds \$500,000;
- e) any contract or agreement which a member of the Board of Directors requests be brought before the Board for approval.

### Provincial Ministry Funding Agreements

Multi Year Accountability Agreements and Transfer Payment Agreements related to the annual funding to the School by provincial Ministries require two signatures, including one of the following:

- Dean, President and CEO

Plus one of the following

- Vice Dean, Academic
- Associate Dean responsible for the program
- Senior Associate Dean
- Chief Operating Officer

### Research

1) Subject to (2) below, the following are authorized on behalf of the School to enter into and bind the School to the terms of contracts or agreements for the carrying out of research.

With respect to contracts or agreements where the liability of or the benefit to the School will exceed \$1,000,000:

- To be signed in accordance with 2) below.

With respect to contracts or agreements where the liability of or the benefit to the School will **NOT** exceed \$1,000,000, two signatures are required, including one of the following:

- Chair of the Board of Directors
- Vice Chair of the Board of Directors
- Dean, President and CEO

Plus one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Associate Dean, Research, Innovation and International Relations

With respect to contracts and agreements where the liability of or the benefit to the School will NOT exceed \$50,000, any one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Associate Dean, Research, Innovation and International Relations
- Director of Planning and Risk
- Director of Finance

- 2) Prior approval by a resolution of the Board of Directors or Executive Committee of the Board will be required with respect to:
  - a) any contract or agreement where the obligation or the benefit to the School exceeds \$1,000,000;
  - b) any contract or agreement which exposes the School to an uncertain or potentially significant liability;
  - c) any contract or agreement which is precedent setting or involves sensitive issues;
  - d) any contract or agreement which a member of the Board of Directors requests be brought before the Board for approval.

### Purchasing

The following are authorized on behalf of the School to issue purchase orders within approved budgets and to bind the School to the terms thereof for goods and services in general for maximum amounts as hereafter specified:

- 1) With respect to purchase order transactions above \$50,000, any two of the following:
  - Dean, President and CEO
  - Vice Dean, Academic
  - Senior Associate Dean
  - Chief Operating Officer
  - Director of Planning and Risk
  - Director of Finance
- 2) Purchasing contracts up to \$50,000:
  - Vice Dean, Academic
  - Senior Associate Dean
  - Chief Operating Officer
  - Associate Dean
  - Director of Planning and Risk
  - Director of Finance
- 3) With respect to a single contract of up to \$25,000:
  - Senior Director
  - Director
  - Registrar
  - Division Head
  - Assistant Dean members of Management Group
- 4) With respect to a single contract up to \$10,000:
  - Manager members of Management Group
  - Chief Advancement Officer
  - Chief of Staff

## Employment

In accordance with the By-Laws and any applicable Board-approved policies, the Dean, President and CEO is accountable to the Board to ensure systems and structures are in place for the effective management and control of the resources of the School, including the employment, development, control, direction and discharge of all Academic Staff and other employees of the School. The Dean, President and CEO is also accountable to the Board for effective human resources and strategic planning and identification of resource implications.

Except where limited by the Board of Directors, the Dean, President and CEO may delegate specific signing authority to fulfill these responsibilities, which include but are not limited to: appointments, promotions, transfers, demotions, compensation, reclassifications, changes to positions, terminations, leaves, and professional development opportunities.

### 5.0 Pension Plan

The following are authorized on behalf of the School:

- 1) to enter into administrative contracts and agreements relating to the general operation of the School Pension Plan and to bind the School to the terms thereof
- 2) to authorize payment of pension plan benefits and expenses relating to the administration of the School Pension Plan

Any two of:

- Chief Operating Officer
- Director of Human Resources
- Director of Finance
- Treasurer/Chair of the Finance, Audit and Risk Management Committee

### 6.0 Situations Not Covered

Should a situation arise which is not specifically covered by this document, the individuals will exercise caution and require any of the following two (2) signatures:

- Dean, President and CEO
- Vice Dean, Academic
- Senior Associate Dean
- Associate Dean
- Chief Operating Officer
- Director of Finance
- Director Planning and Risk

## 7.0 Construction Contracts (CCDC Contracts)

For construction contracts (Canadian Construction Document Committee (CCDC) Contracts the following are authorized on behalf of the School:

1) Subject to (2) below, to enter into and to bind the School to the terms of contracts, two signatures are required, including one of the following:

- Chair of the Board of Directors
- Vice Chair of the Board of Directors
- Dean, President and CEO

Plus one of the

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer

2) Prior approval by a resolution of the Board of Directors OR the Executive Committee of the Board will be required with respect to:

- any contract or agreement where the obligation of the School exceeds \$1,000,000

## 8.0 Student Placements

With respect to agreements relating to student placements for educational purposes, the following signatures will be required:

One of the following:

- Associate Dean, Undergraduate Medical Education
- Associate Dean, Postgraduate Medical Education
- Assistant Dean, Learner Affairs

Plus any one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Director of Finance
- Director of Planning and Risk

## 9.0 Getting Help

Queries regarding interpretations of this document should be directed to:

Chief Operating Officer – (705) 662-7147

Director of Finance – (807) 766-7307

Version	Date	Authors/Comments
1.0	2005 12 14	Original
2.0	2008 09 17	Revision by Finance
3.0	2008 12 05	Revision by Finance
4.0	2011 12 02	Revision by Finance
5.0	2015 09 23	Revision by Finance
6.0	2016 09 21	Revision by Finance
7.0	2018 11 23	Revision by Finance re change in position titles
8.0	2019 09 18	Revision by Finance to include new Chief of Staff position
9.0	2020 03 11	Revision by Finance to include Senior Directors and reflect changes in Organization Structure
10.0	2021 09 08	Revision by Finance to include new positions and changes in position titles

## SIGNING AUTHORIZATIONS

Version 10.0 - Updated Sept 8, 2021

Board of Directors/ Executive Committee	Chair of the Board of Directors	Vice Chair of the Board of Directors	Dean, President and CEO	Vice Dean - Academic	Sr. Assoc Dean	Chief Operating Officer	Associate Dean Research, Innovation and International Relations	Associate Deans	Management Group Assistant Deans	Director of Finance	Director Planning and Risk	Division Heads	Directors, Registrar, and Senior Directors	Director of Human Resources	Managers, Chief Advancement Officer, and Chief of Staff	Chair-Finance and Audit Committee	Assistant Dean Learner Affairs	Associate Dean Post Graduate Education	Associate Dean UME
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## 1 Contract and Payments

## General

Contracts and agreements relating to the general operation, development and expansion of the School

>\$1,000,000	x																		
< \$1,000,000 - Two signatures required one of		x	x	x															
Plus one of					x	x	x												
Leases, licences or agreements >\$500,000	x																		
Provincial Ministry Funding Agreements				x														x	x
Plus one of					x		x												

## Research

Contracts and agreements for carrying out research

Contract or agreement >\$1,000,000	x																		
Contract or agreement <\$1,000,000 Two signatures required one of		x	x	x															
Plus one of					x	x	x	x											
Contract or agreement < \$50,000 - one signature					x	x	x	x		x	x								

## Purchasing - Issue Purchase Orders within approved budgets

> \$50,000 - two signatures				x	x	x	x			x	x								
<\$50,000				x	x	x	x	x	x	x	x							x	x
<\$25,000				x	x	x	x	x	x	x	x	x	x	x			x	x	x
<\$10,000				x	x	x	x	x	x	x	x	x	x	x	x		x	x	x

## Employment

Appointments, promotions, transfers, demotions, compensation, reclassifications, changes to positions, terminations, leaves, professional development				x*															
*Except where limited by the Board, may be delegated																			

## 2 Pension Plan

Enter into agreements and authorize payment of benefits and expenses - any two							x			x				x		x			
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## 3 Construction Contracts

>\$1,000,000	x*																		
* or Executive Committee of the Board																			
< \$1,000,000 - Two signatures required one of		x	x	x															
Plus one of					x	x	x												

## 4 Student Placements

Agreements relating to student placements- two signatures required

One of ( as applicable)																	x	x	x
Plus one of					x	x	x			x	x								

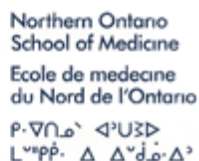
## 5 Other Situations

Situations not covered in the Signing Authorizations document

Two signatures, but only one of the Senior Associate Deans				x	x	x	x				x	x							
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In Effect: December 14, 2005  
Rev 1: September 17 2008  
Rev 2: December 5, 2008  
Rev 3: November 16, 2011

Approved by the Board of Directors



## Policy

Signing Authorizations					Class: A
Approved By:	Board of Directors				
Approval Date:	2018 09 18	Effective Date:	2018 09 18	Review Date:	<del>2021-09-18</del> <u>2021 09 08</u>
Responsible Portfolio/Unit/Committee:	Administration and Operational Support, Finance				
Responsible Officer(s):	Chief Operating Officer, Director of Finance				

<b>1.0</b>	<b>Introduction and Purpose</b>	<b>2</b>
<b>2.0</b>	<b>Payment of Money</b>	<b>3</b>
<b>3.0</b>	<b>Investments</b>	<b>3</b>
<b>4.0</b>	<b>Contracts and Payments</b>	<b>4</b>
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	Provincial Ministry Funding Agreements	5
	Research	5
	Purchasing	6
	Employment	7
<b>5.0</b>	<b>Pension Plan</b>	<b>7</b>
<b>6.0</b>	<b>Situations Not Covered</b>	<b>7</b>
<b>7.0</b>	<b>Construction Contracts (CCDC Contracts)</b>	<b>8</b>
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## 1.0 Introduction and Purpose

The By-Law No. 8 of the Northern Ontario School of Medicine sets out how the affairs of the School are to be conducted. Part VIII – Finance of this By-Law establishes the governance policies as they relate to the finances of the School. Specifically, Part VIII relates to banking, investments, deposits and signing officers and the delegation of this authority to Directors, Officers, or employees to act on behalf of the Corporation in these areas.

Section 46 outlines the responsibilities of the Chair and Vice Chair in the execution of documents on behalf of the Corporation as well as providing authority to the Board to appoint “any Officer or Officers or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents”.

The purpose of this document is to designate clearly, which persons are authorized to sign transfers, assignments, contracts, obligations, agreements, or documents on behalf of the Northern Ontario School of Medicine when such documents have been approved by the appropriate body or official of the School.

Persons with delegated authority have the responsibility to exercise their authority in the manner of a prudent Medical School administrator. Depending on the nature of the agreement to be signed, this responsibility shall include an assessment of some or all of the following:

- The ability of the School to meet any financial obligations resulting from the agreement;
- The ability of the other party(ies) to meet its(their) obligations;
- Compliance with labour legislation, tax legislation, other legislative and regulatory requirements, and applicable School policies;
- Whether all approvals required by any applicable policy or practice have been obtained for the contract;
- The provisions regarding intellectual property requirements, physical, bodily injury and personal injury indemnities, and environmental liabilities; and
- Whether legal advice is needed, consult with the Chief Operating Officer (COO).

Persons designated or appointed under this document shall not exercise their signing authority in circumstances where conflicts of interest exist or be seen to exist. In addition, such persons shall inform their immediate supervisor when such circumstances exist. Original signed contracts must be deposited with the COO or be maintained in a location approved by the COO.

## 2.0 Payment of Money

The Board approves the signing authorities for the Corporation relative to all cheques, drafts, and orders for the payment of money on behalf of the School. The duties of the signing authorities are stated in the bank forms. In order for the School to establish its banking arrangements with its authorized bankers, the following are authorized:

- Treasurer/Chair of the Finance, Audit and Risk Management Committee
- Dean, President and -CEO
- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Director of Finance

The following limitations apply:

1. Any two of the above authorities may sign on cheques, drafts, orders, or letters of credit.
2. Any one of the above authorities, or any School employee designated by the Director of Finance, excepting any cashier, is authorized on behalf of the School to receive all paid cheques, statements and other debit vouchers charged to any account of the School and to execute from time to time the Bank's form of receipt thereof.
3. Any two of the above authorities may sign on an affidavit and understanding for lost cheques.

## 3.0 Investments

The Investment Policy approved by the Board of Directors provides the guiding principles for investments. In the management of the investment portfolio, any two of the duly authorized School signing officers may complete investment transactions in connection with the transfer of investments, in accordance with the School's Investment Policy.

Any investment practices that fall outside the parameters of the policy must be reviewed by the COO and the Chair of the Finance, Audit and Risk Management Committee/Treasurer.

## 4.0 Contracts and Payments

### General (includes Ancillary Services)

The following are authorized on behalf of the School:

1) Subject to (2) below, to enter into and to bind the School to the terms of contracts and agreements relating to the general operation, development, and expansion of the School, two signatures are required, including one of the following:

- Chair of the Board of Directors
- Vice Chair of the Board of Directors
- Dean, President and -CEO

Plus one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating -Officer

2) Prior approval by a resolution of the Board of Directors OR the Executive Committee of the Board will be required with respect to:

- a) any contract or agreement, including contracts for the purchase or sale of goods or services, where the obligation of the School or the benefit to the School exceeds \$1,000,000;
- b) any contract or agreement which exposes the School to an uncertain and potentially significant liability;
- c) any contract or agreement which is precedent setting or involves sensitive issues;
- d) any lease, license or other agreement for the use or occupation of School real property by third parties or the real property of third parties by the School where the term is or may be in excess of the five years (including therein any periods of renewal or extension provided for in the lease, license, or agreement) or the annual rental or other annual payment there under exceeds \$500,000;
- e) any contract or agreement which a member of the Board of Directors requests be brought before the Board for approval.

### Provincial Ministry Funding Agreements

Multi Year Accountability Agreements and Transfer Payment Agreements related to the annual funding to the School by provincial Ministries require two signatures, including one of the following:

- Dean, President and -CEO

Plus one of the following

- Vice Dean, Academic
- Associate Dean responsible for the program
- Senior Associate Dean
- Chief Operating Officer

### Research

1) Subject to (2) below, the following are authorized on behalf of the School to enter into and bind the School to the terms of contracts or agreements for the carrying out of research.

With respect to contracts or agreements where the liability of or the benefit to the School will exceed \$1,000,000:

- To be signed in accordance with 2) below.

With respect to contracts or agreements where the liability of or the benefit to the School will **NOT** exceed \$1,000,000, two signatures are required, including one of the following:

- Chair of the Board of Directors
- Vice Chair of the Board of Directors
- Dean, President and -CEO

Plus one of the following:

- Vice -Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Associate Dean, Research, Innovation and International Relations

With respect to contracts and agreements where the liability of or the benefit to the School will NOT exceed \$50,000, any one of the following:

- Vice -Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Associate Dean, Research, Innovation and International Relations
- Director of Planning and Risk
- Director of Finance

- 2) Prior approval by a resolution of the Board of Directors or Executive Committee of the Board will be required with respect to:
  - a) any contract or agreement where the obligation or the benefit to the School exceeds \$1,000,000;
  - b) any contract or agreement which exposes the School to an uncertain or potentially significant liability;
  - c) any contract or agreement which is precedent setting or involves sensitive issues;
  - d) any contract or agreement which a member of the Board of Directors requests be brought before the Board for approval.

### Purchasing

The following are authorized on behalf of the School to issue purchase orders within approved budgets and to bind the School to the terms thereof for goods and services in general for maximum amounts as hereafter specified:

- 1) With respect to purchase order transactions above \$50,000, any two of the following:
  - Dean, President and -CEO
  - Vice Dean, Academic
  - Senior Associate Dean
  - Chief Operating- Officer
  - Director of Planning and Risk
  - Director of Finance
- 2) Purchasing contracts up to \$50,000:
  - Vice Dean, Academic
  - Senior Associate Dean
  - Chief Operating Officer
  - Associate Dean
  - Director of Planning and Risk
  - Director of Finance
- 3) With respect to a single contract of up to \$25,000:
  - Senior Director
  - Director
  - Registrar
  - Division Head
  - Assistant Dean members of Management Group
- 4) With respect to a single contract up to \$10,000:
  - Manager members of Management Group
  - Chief Advancement Officer
  - Chief of Staff

## Employment

In accordance with the By-Laws and any applicable Board-approved policies, the Dean, President and -CEO is accountable to the Board to ensure systems and structures are in place for the effective management and control of the resources of the School, including the employment, development, control, direction and discharge of all Academic Staff and other employees of the School. The Dean, President and -CEO is also accountable to the Board for effective human resources and strategic planning and identification of resource implications.

Except where limited by the Board of Directors, the Dean, President and -CEO may delegate specific signing authority to fulfill these responsibilities, which include but are not limited to: appointments, promotions, transfers, demotions, compensation, reclassifications, changes to positions, terminations, leaves, and professional development opportunities.

## 5.0 Pension Plan

The following are authorized on behalf of the School:

- 1) to enter into administrative contracts and agreements relating to the general operation of the School Pension Plan and to bind the School to the terms thereof
- 2) to authorize payment of pension plan benefits and expenses relating to the administration of the School Pension Plan

Any two of:

- Chief Operating- Officer
- Director of Human Resources
- Director of Finance
- Treasurer/Chair of the Finance, Audit and Risk Management Committee

## 6.0 Situations Not Covered

Should a situation arise which is not specifically covered by this document, the individuals will exercise caution and require any of the following two (2) signatures:

- Dean, President and -CEO
- Vice -Dean, Academic
- Senior Associate Dean
- Associate Dean
- Chief Operating -Officer
- Director of Finance
- Director Planning and Risk

## 7.0 Construction Contracts (CCDC Contracts)

For construction contracts (Canadian Construction Document Committee (CCDC) Contracts the following are authorized on behalf of the School:

1) Subject to (2) below, to enter into and to bind the School to the terms of contracts, two signatures are required, including one of the following:

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- Vice Chair of the Board of Directors
- Dean, President and -CEO

Plus one of the

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating -Officer

2) Prior approval by a resolution of the Board of Directors OR the Executive Committee of the Board will be required with respect to:

- any contract or agreement where the obligation of the School exceeds \$1,000,000

## 8.0 Student Placements

With respect to agreements relating to student placements for educational purposes, the following signatures will be required:

One of the following:

- Associate Dean, Undergraduate Medical Education
- Associate Dean, Postgraduate Medical Education
- Assistant Dean, Learner Affairs

Plus any one of the following:

- Vice Dean, Academic
- Senior Associate Dean
- Chief Operating Officer
- Director of Finance
- Director of Planning and Risk

## 9.0 Getting Help

Queries regarding interpretations of this document should be directed to:

Chief Operating Officer – (705) 662-7147

Director of Finance – (807) 766-7307

Version	Date	Authors/Comments
1.0	2005 12 14	Original
2.0	2008 09 17	Revision by Finance
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6.0	2016 09 21	Revision by Finance
7.0	2018 11 23	Revision by Finance re change in position titles
8.0	2019 09 18	Revision by Finance to include new Chief of Staff position
9.0	2020 03 11	Revision by Finance to include Senior Directors and reflect changes in Organization Structure
<u>10.0</u>	<u>2021 09 08</u>	<u>Revision by Finance to include new positions and changes in position titles</u>



## SIGNING AUTHORIZATIONS

Version 10.0 - Updated Sept 8, 2021

Board of Directors/ Executive Committee	Chair of the Board of Directors	Vice Chair of the Board of Directors	Dean, President and CEO	Vice Dean - Academic	Sr. Assoc Dean	Chief Operating Officer	Associate Dean Research, Innovation and International Relations	Associate Deans	Management Group Assistant Deans	Director of Finance	Director Planning and Risk	Division Heads	Directors, Registrar, and Senior Directors	Director of Human Resources	Managers, Chief Advancement Officer, and Chief of Staff	Chair-Finance and Audit Committee	Assistant Dean Learner Affairs	Associate Dean Post Graduate Education	Associate Dean UME
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## 1 Contract and Payments

## General

Contracts and agreements relating to the general operation, development and expansion of the School

>\$1,000,000	x																		
< \$1,000,000 - Two signatures required one of		x	x	x															
Plus one of					x	x	x												
Leases, licences or agreements >\$500,000	x																		
Provincial Ministry Funding Agreements				x														x	x
Plus one of					x		x												

## Research

Contracts and agreements for carrying out research

Contract or agreement >\$1,000,000	x																		
Contract or agreement <\$1,000,000 Two signatures required one of		x	x	x															
Plus one of					x	x	x	x											
Contract or agreement < \$50,000 - one signature					x	x	x	x			x	x							

## Purchasing - Issue Purchase Orders within approved budgets

> \$50,000 - two signatures				x	x	x	x				x	x							
<\$50,000				x	x	x	x	x	x		x	x						x	x
<\$25,000				x	x	x	x	x	x	x	x	x	x	x			x	x	x
<\$10,000				x	x	x	x	x	x	x	x	x	x	x	x		x	x	x

## Employment

Appointments, promotions, transfers, demotions, compensation, reclassifications, changes to positions, terminations, leaves, professional development				x*															
*Except where limited by the Board, may be delegated																			

## 2 Pension Plan

Enter into agreements and authorize payment of benefits and expenses - any two							x				x				x		x		
--	--	--	--	--	--	--	---	--	--	--	---	--	--	--	---	--	---	--	--

## 3 Construction Contracts

>\$1,000,000	x*																		
* or Executive Committee of the Board																			
< \$1,000,000 - Two signatures required one of		x	x	x															
Plus one of					x	x	x												

## 4 Student Placements

Agreements relating to student placements- two signatures required

One of ( as applicable)																		x	x	x
Plus one of					x	x	x				x	x								

## 5 Other Situations

Situations not covered in the Signing Authorizations document

Two signatures, but only one of the Senior Associate Deans				x	x	x	x				x	x								
--	--	--	--	---	---	---	---	--	--	--	---	---	--	--	--	--	--	--	--	--

In Effect: December 14, 2005  
Rev 1: September 17 2008  
Rev 2: December 5, 2008  
Rev 3: November 16, 2011

Approved by the Board of Directors



Northern Ontario  
School of Medicine  
École de médecine  
du Nord de l'Ontario  
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## Northern Ontario School of Medicine Board of Directors

**Meeting:** Board of Directors

**Date:** September 22, 2021

### **Decision Requested:**

Approval of the revised Banking Resolution of the Corporation to be effective September 22, 2021

**[Moved/Seconded]**

### **Resolved that:**

1. The Revised form of the attached resolutions be approved as banking resolutions of the Corporation; and
2. The President, Dean, and CEO and Treasurer of the Corporation be authorized and directed to sign these resolutions and to place such resolutions in the minute book of the Corporation.

### **Context and Background:**

This is a standard procedure when changing signing authorities as required by the Banking Act. The proposed change is due to a change in administration and Board/committee membership.

### **Attachments:**

Royal Bank of Canada - Resolution Regarding Banking

**Submitted by:** Interim Director of Finance, Dan Burrell



## Resolution Regarding Banking

For use by Cities, Towns, Villages, Municipalities, Hospitals, Regional Health Authorities, School Districts, Divisions and Regional Divisions, Self-Governed First Nations, and Treaty Nations

SRF No.: 975658477

Legal Name: NORTHERN ONTARIO SCHOOL OF MEDICINE ECOLE DE MEDECINE DU NORD DE L'ONTARIO (the "Customer")

Address: 2ND FLOOR BALMORAL CENTRE 955 OLIVER RD THUNDER BAY ON P7B5E1

### RESOLVED:

1. THAT ROYAL BANK OF CANADA ("Royal Bank") is appointed banker for the Customer.

2. THAT

FOR CHEQUES: FOR THE NOAMA ACCOUNT #1070085: ANY TWO OF: MARK FACCA AND ED HIRVI. FOR ALL OTHER ACCOUNTS: ANY TWO OF: JOHN P. STENGER, SARITA VERMA, CATHERINE CERVIN, RAY HUNT, WILLIAM MCCREADY OR DANIEL BURRELL TO SIGN  
FOR AGREEMENTS/ CREDITS/ BORROWS: ANY TWO OF: JOHN P. STENGER, SARITA VERMA, CATHERINE CERVIN, RAY HUNT, WILLIAM MCCREADY OR DANIEL BURRELL TO SIGN

are authorized on behalf of the Customer from time to time:

- (a) to withdraw or order transfers of funds from the Customer's accounts by any means including the making, drawing, accepting, endorsing or signing of cheques, promissory notes, bills of exchange, other orders for the payment of money or other instruments or the giving of other instructions;
- (b) to sign any agreements or other documents or instruments with or in favour of Royal Bank, including agreements and contracts relating to products or services provided by Royal Bank to the Customer; and
- (c) to do, or to authorize any person or persons to do, any one or more of the following:
  - (i) to receive from Royal Bank any cash or any securities, instruments or other property of the Customer held by Royal Bank, whether for safekeeping or as security, or to give instructions to Royal Bank for the delivery or other transfer of any such cash, securities, instruments or other property to any person named in those instructions;
  - (ii) to deposit with or negotiate or transfer to Royal Bank, for the credit of the Customer, cash or any security, instrument or other property, and for those purposes to endorse (by rubber stamp or otherwise) the name of the Customer, or any other name under which the Customer carries on business, on any security or instrument;
  - (iii) to instruct Royal Bank, by any means, to debit the accounts of third parties for deposit to the credit of the Customer; and
  - (iv) to receive statements, instruments and other items (including paid cheques) and documents relating to the Customer's accounts with or any service of Royal Bank, and to settle and certify the Customer's accounts with Royal Bank.

3. That all instruments, instructions, agreements (including contracts relating to products or services provided by Royal Bank) and documents made, drawn, accepted, endorsed or signed (under the corporate seal or otherwise) as provided in this Resolution and delivered to Royal Bank by any person, shall be valid and binding on the Customer, and Royal Bank is hereby authorized to act on them and give effect to them.

Please do not write in this area



01-001-380-201906-02-975658477--0102

(1) Insert "Mayor", "Chairman", etc. as the case may be.  
(2) Insert "Clerk", "Secretary", "Treasurer", etc. as the case may be.

4. That Royal Bank be furnished with:

(a) a copy of this Resolution; and

(b) a list of the names of the persons authorized by this Resolution to act on behalf of the Customer, and with written notice of any changes which may take place in such list from time to time, and with specimens of the signatures of all such persons;

each certified by the (1) **TREASURER, CHAIR - FINANCE AND RISK MANAGEMENT COMMITTEE**

and (2) **DEAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER** of the Customer; and

(c) in writing, any authorization made under paragraph 2(c) of this Resolution.

5. That any document furnished to Royal Bank as provided for in paragraph 4 of this Resolution shall be binding upon the Customer until a new document repealing or replacing the previous one has been received and duly acknowledged in writing by the branch or agency of Royal Bank where the Customer has its account.

### CERTIFICATE

We hereby certify that the above is a true copy of a resolution passed at a meeting of the

**BOARD OF DIRECTORS**

(Council, Board or Board of Trustees)

of the

Customer duly convened and regularly held in accordance with the law governing the Customer on

-   -    
Y Y Y Y M M D D

(SEAL)

(1)

Authorized Person's Signature

**JOHN P. STENGER**

Authorized Person's Name:

Authorized Person's Title: **TREASURER, CHAIR -  
FINANCE AND RISK  
MANAGEMENT  
COMMITTEE**

(2)

Authorized Person's Signature

Authorized Person's Name: **SARITA VERMA**

Authorized Person's Title: **DEAN, PRESIDENT AND  
CHIEF EXECUTIVE  
OFFICER**

Please do not write in this area



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