



2015–2016

ANNUAL REPORT

MEMORIAL UNIVERSITY OF NEWFOUNDLAND



Board of Regents

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August 31, 2016

Honourable Gerry Byrne, MHA
Minister of Advanced Education, Skills and Labour
Government of Newfoundland and Labrador
Confederation Building
St. John's, NL A1B 4J6

Dear Minister Byrne:

In accordance with the Board of Regents' responsibilities under the *Transparency and Accountability Act*, I present the 2015-16 annual report for Memorial University of Newfoundland.

The activities in this report coincide with initiatives outlined in the document Memorial University of Newfoundland Strategic Plan, April 1, 2014 - March 31, 2017 that was tabled in the House of Assembly.

The main strategic issues include:

- Teaching and learning
- Research, scholarship and creative activity
- Public engagement
- Enabling success

The report covers the university's annual objectives for April 1, 2015 to March 31, 2016. My signature below is indicative of the Board of Regents' accountability for the results reported on the 2015-16 objectives.

Sincerely yours,

A handwritten signature in blue ink that reads "Iris Petten". The signature is fluid and cursive.

Iris Petten
Chair, Board of Regents

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INSTITUTIONAL OVERVIEW

Memorial University College was established in 1925 as a living memorial to those who served Newfoundland in World War I. It opened in St. John's with an initial enrollment of 55 students and a full-time teaching staff of six. Following Confederation in 1949, the institution was granted university status by the first provincial government of Newfoundland and Labrador. The university began with a simple purpose of providing university education and its benefits to the people of the province. Today, Memorial University is comprised of four campuses and has a total enrollment of more than 18,000 students, making it one of the largest educational institutions in eastern Canada.

Memorial University Campuses

ST. JOHN'S CAMPUS: The St. John's campus is Memorial's largest campus with more than 40 buildings that house the teaching and research facilities of six faculties and six schools. The campus offers undergraduate, graduate and professional programs in a comprehensive range of disciplines. Research facilities support the diversity of disciplines and reflect the university's mid-North Atlantic location and unique cultural heritage. The campus also houses central administrative services for the entire system and the Queen Elizabeth II Library, which has one of the most notable collections in Atlantic Canada.

GRENFELL CAMPUS: Sir Wilfred Grenfell College was established in Corner Brook in 1975 to address the educational needs of the west coast of the province. In 2010 the College was restructured to become Grenfell Campus. Initially created to provide students with an opportunity to complete the first two years of their program on the west coast, the campus has evolved to offer a host of undergraduate and graduate degree programs in arts, sciences, environmental studies and fine arts, among others.

MARINE INSTITUTE CAMPUS: The Marine Institute (MI) was established as the College of Fisheries, Navigation, Marine Engineering and Electronics in 1964 and merged with Memorial University in 1992. The Institute's main campus is located in St. John's, with facilities in: Foxtrap, Holyrood, Stephenville, Lewisporte and the south side of St. John's harbour. Having one of the most advanced and comprehensive collections of marine research and educational facilities, MI is recognized globally as a leader in marine education and applied research. MI offers a variety of graduate, undergraduate, diploma, and certificate programs in areas related to fisheries and oceans along with a vast array of industrial response courses and other outreach activities.

HARLOW CAMPUS: Memorial University's Harlow Campus is located abroad in Old Harlow, Essex, UK. A number of the academic units from Memorial's campuses offer programs and credit courses at the Harlow Campus. The campus also houses a limited number of interns from Social Work, Pharmacy, Business, and Engineering programs. The campus is also available as a base for faculty members and graduate students conducting research or further study in the UK.

LABRADOR INSTITUTE: In addition to the four campuses noted above, Memorial University also maintains an important presence in Labrador through the Labrador Institute. Established in 1977, the Labrador Institute is mandated to stimulate, coordinate, and support major university projects and programs and to expand the Labrador knowledge base. The goal of the Labrador Institute is to facilitate the educational aspirations, research requirements, and the socio-cultural well-being of the people of Labrador. The institute has an advisory board made up of residents from various parts of Labrador. It has offices in three locations: Happy Valley-Goose Bay; Labrador City; and North West River. All offices are co-located with College of the North Atlantic.

As a multi-campus, multi-disciplinary, public university, Memorial's campuses offer a full spectrum of courses ranging from short-term industry response, certificates, diplomas, bachelors, masters and doctoral level. Extensive on-line courses and programs make the institution even more accessible to the people that it serves. As a comprehensive university, it also conducts research in a vast range of subject areas and is involved in many initiatives that serve the needs of the province and beyond.

The following table provides detailed enrollment information for fall 2015 by provincial campus, program level, gender and enrollment status. The university is currently home to 18,168 diploma, undergraduate and graduate students.

| | UNDERGRADUATE/DIPLOMA | | | GRADUATE | | | TOTAL |
|-------------------------|-----------------------|--------------|---------------|--------------|--------------|--------------|---------------|
| | FEMALE | MALE | TOTAL | FEMALE | MALE | TOTAL | |
| ST. JOHN'S CAMPUS/CNS+ | 6,303 | 4,430 | 10,733 | 1,901 | 1,745 | 3,646 | 14,229 |
| FULL-TIME | 5,918 | 4,245 | 10,183 | 1,060 | 1,259 | 2,319 | 12,452 |
| PART-TIME | 385 | 185 | 570 | 841 | 486 | 1,327 | 1,777 |
| GRENFELL CAMPUS/WRSON^ | 879 | 374 | 1,253 | 15 | 26 | 41 | 1,294 |
| FULL-TIME | 846 | 357 | 1,203 | 14 | 24 | 38 | 1,241 |
| PART-TIME | 33 | 17 | 50 | 1 | 2 | 3 | 53 |
| MARINE INSTITUTE CAMPUS | 216 | 706 | 922 | 41 | 109 | 150 | 1,072 |
| FULL-TIME | 114 | 416 | 530 | 7 | 23 | 30 | 560 |
| PART-TIME | 102 | 290 | 392 | 34 | 86 | 120 | 512 |
| ONLINE | 913 | 660 | 1,573 | 0 | 0 | 0 | 1,573 |
| FULL-TIME | 178 | 113 | 291 | 0 | 0 | 0 | 291 |
| PART-TIME | 735 | 547 | 1,282 | 0 | 0 | 0 | 1,282 |
| TOTAL* | 8,311 | 6,170 | 14,481 | 1,916 | 1,771 | 3,687 | 18,168 |

+ - Centre for Nursing Studies

^ - Western Regional School of Nursing

~ - Excludes Marine Institute industrial response courses. The total enrolment in these courses was 8,288 and the revenue generated from them subsidizes the administrative and faculty costs of the Institute.

* - Excludes 245 post graduate medicine students

The university also boasts a national and international presence, evident in the rapidly increasing enrollment of students from other provinces and countries. In the last ten years, international student enrolment has increased by 168.3 percent and Canadian out-of-province enrolment has grown by 38.3 percent. With a combined enrolment of 5,601, these two groups now make up over 30 percent of the total graduate and undergraduate population.

As of March 31, 2016, Memorial employed approximately 3,900 faculty and staff across its three campuses in the province as shown in the table below.

| | FACULTY* | | | STAFF+ | | | TOTAL |
|-------------------------|------------|------------|--------------|--------------|------------|--------------|--------------|
| | FEMALE | MALE | TOTAL | FEMALE | MALE | TOTAL | |
| ST. JOHN'S CAMPUS | 518 | 666 | 1,184 | 1,254 | 818 | 2,072 | 3,256 |
| FULL-TIME | 449 | 595 | 1,044 | 1,162 | 784 | 1,946 | 2,990 |
| PART-TIME | 69 | 71 | 140 | 92 | 34 | 126 | 266 |
| GRENFELL CAMPUS/WRSON | 46 | 70 | 116 | 104 | 70 | 174 | 290 |
| FULL-TIME | 40 | 63 | 103 | 101 | 64 | 165 | 268 |
| PART-TIME | 6 | 7 | 13 | 3 | 6 | 9 | 22 |
| MARINE INSTITUTE CAMPUS | 45 | 161 | 206 | 94 | 86 | 180 | 386 |
| FULL-TIME | 42 | 153 | 195 | 94 | 85 | 179 | 374 |
| PART-TIME | 3 | 8 | 11 | 0 | 1 | 1 | 12 |
| TOTAL* | 609 | 897 | 1,506 | 1,452 | 974 | 2,426 | 3,932 |

*-Excludes Clinical Faculty and Adjuncts.

+ - Staff counts for 2016 are not comparable to previous years. Student employees, casual employees (such as standardized patients), and staff that work for Agencies or Separately Incorporated Entities (SIE) are excluded.

Mandate

The *Memorial University Act* (the Act) specifies the roles, responsibilities, structure and other governance and administrative aspects of the university. The university is governed by a Board of Regents that includes ex-officio members, members appointed by the Lieutenant-Governor in Council, members elected by the Memorial University Alumni Association, and student members appointed by the Lieutenant-Governor in Council. Members of the Board of Regents as of March 31, 2016 are listed in the following table.

| EX-OFFICIO | APPOINTMENT BY LIEUTENANT-GOVERNOR | ELECTED BY MEMORIAL UNIVERSITY | STUDENTS APPOINTED BY LIEUTENANT GOVERNOR |
|--|--|--|--|
| DR. SUSAN DYER KNIGHT, Chancellor | IRIS PETTEN , Chair, Board of Regents | COLLEEN GALGAY-JOHNSON | ASAN MOHIDEEN BRITTANY LENNOX |
| DR GARY KACHANOSKI President and Vice Chancellor | STEVE BELANGER ROBERT BISHOP | KATHARINE HICKEY JOHN HOGAN | |
| DR NOREEN GOLFMAN Vice-President (Academic) and Pro Vice-Chancellor | MARK BRADBURY MAX RICE TREVOR STAGG | KIM KEATING DENIS MAHONEY GEORGE TUCKER | |

The mandate of the university is described in Section 8 of the Act as follows:

The university shall, where and to the full extent which its resources permit provide:

1. Instruction in all branches of liberal education that enables students to become proficient in and qualify for degrees, diplomas and certificates in science, commerce, arts, literature, law, medicine and all other branches of knowledge;
2. Instruction, whether theoretical, technical, artistic or otherwise that is of special service to persons engaged or about to be engaged in the fisheries, manufacturing or the mining, engineering, agricultural and industrial pursuits of the province;
3. Facilities for the prosecution of original research in science, literature, arts, medicine, law, and especially the application of science to the study of fisheries and forestry;
4. Fellowships, scholarships, exhibitions, prizes and rewards and monetary and other aids that facilitate or encourage proficiency in the subjects taught in the university as well as original research in every branch; and
5. Extra-collegiate and extra-university instruction and teaching and public lecturing, whether by radio or otherwise, that may be recommended by the Senate.

The legislation also defines the governance structure of the institution and the powers and responsibilities vested in it. The governance system is bicameral in nature and is comprised of a Board of Regents and Senate. The Board of Regents is generally charged with the "management, administration and control of the property, revenue, business and affairs of the university". Key responsibilities of the Board include the power to:

- Make rules and regulations concerning the meetings of the Board and its transactions;
- Exercise, in the name and for the benefit of the university and as the act and deed of the university, any or all powers, authorities and privileges conferred upon the university as a corporation by this Act;
- Acquire, maintain and keep in proper order real property;
- Lay out and spend sums that may be considered necessary for the support and maintenance of the university;
- Appoint the leadership, faculty and staff of the university;
- Establish faculty councils and other bodies within the university; and
- Fix, determine and collect all fees and charges to be paid to the university

The Senate has "general charge of all matters of an academic character".

Some of its key powers include:

- Determining the degrees, including honorary degrees, diplomas and certificates of proficiency to be granted by the university and the persons to

whom they shall be granted;

- Determining the conditions of matriculation and entrance, the standing to be allowed students entering the university and all related matters;
- Considering and determining all courses of study and all matters relating to courses of study;
- Regulating instruction and determining the methods and limits of instructions;
- Preparing the calendar of the university for publication; and
- Exercising disciplinary jurisdiction with respect to students in attendance at the university by way of appeal of the faculty council.

In addition, the Act also addresses a number of other issues such as, audit, annual reporting, parking, exemption from taxation, protection from liability and the appointment of the president.

Subsection 36(2) of the Act mandates that the university cannot incur liability or make an expenditure, without the consent of the Lieutenant-Governor in Council, that exceeds one-quarter of one percent of the total of a grant made to the university by the Legislature and estimated revenue of the university from other sources for the current year. Section 38.1 of the Act is intended to preserve the autonomy of the institution, ensuring that the merits of decisions or actions of the Board or the Senate taken in contemplation of work customarily associated with a university is not questioned by the Auditor General and stating that the university is not an agency of the Crown for the purpose of the *Auditor General Act*, or any other purpose. The university is subject to the *Transparency and Accountability Act*, though there are specific clauses in the Act intended to protect the autonomy of the institution.

Lines of Business

Memorial is a diverse institution with three major lines of business: teaching and learning; research, scholarship and creative activity; and public engagement. Each is guided by a strategic framework developed with extensive stakeholder consultation.

In addition, an administrative function also supports the work of the university in its main lines of business. Examples include: registrarial services, human resource management, finance, academic and administrative computing, facilities management, marketing and communications, student services, risk management/audit, alumni relations and development, and analysis and planning.

TEACHING AND LEARNING: Fostering a culture of creativity, innovation and excellence for current and future academic program development and delivery. This encompasses curriculum, learning environment and information and communication technology tools.

RESEARCH, SCHOLARSHIP AND CREATIVE ACTIVITY: Conducting research and creative activity of a scholarly nature through Memorial's faculties, schools, research centres and institutes focused on a variety of issues relevant to the province and beyond.

PUBLIC ENGAGEMENT: Memorial's faculty, students and staff engaging with the public through activities such as cooperative education, sharing of expertise, and conducting applied research that addresses the needs of government, communities, organizations and business

Vision and Mission

In 2013, following an extensive consultation process, Memorial's Senate and Board of Regents approved a new mission, vision and values statement for the University.

VISION

Memorial University will be one of the most distinguished public universities in Canada and beyond, and will fulfill its special obligation to the people of Newfoundland and Labrador.

MISSION

Memorial University is an inclusive community dedicated to innovation and excellence in teaching and learning, research, scholarship, creative activity, service and public engagement. Memorial welcomes and supports students and scholars from all over the world and contributes knowledge and expertise locally, nationally and internationally.

By March 31, 2017, Memorial University will have demonstrated innovation and excellence through enhanced teaching and learning, research, scholarship, creative activity, service and public engagement.

Measure: Demonstrated innovation and excellence through enhanced teaching and learning, research, scholarship, creative activity, service and public engagement

Indicators: Enhanced teaching and learning
Enhanced research, scholarship and creative activity
Enhanced public engagement with the people of Newfoundland and Labrador and beyond

REPORTS ON STRATEGIC ISSUES

Memorial University recognizes its obligation to the people of Newfoundland and Labrador. Working closely with its partners in all sectors, the university is able to make strong contributions to the social and economic development of the province.

The university is a very complex, decentralized organization with a multitude of academic, administrative and support units. As a comprehensive university, it offers a wide variety of educational programs, conducts research in a vast range of subject areas, and is involved in many initiatives that serve the needs of the province and beyond. The scope and magnitude of its operations makes the preparation of these reports challenging. Efforts have been made to produce a document that balances length and inclusiveness. Illustrative examples have been used to demonstrate progress towards objectives rather than all-inclusive lists.

Four priority issues were identified in the 2014-17 Strategic Plan: (1) teaching and learning; (2) research, scholarship and creative activity; (3) public engagement; and (4) enabling success. Much of what was accomplished in 2014-15 involved the development of additional plans and frameworks to support these priority areas. That work is now largely complete and in 2015-16 the focus shifted to implementation. Part of the implementation process is assessment and the university is working to develop additional metrics to evaluate progress towards the goals and objectives that have been established.

The following report provides an overview of the activities undertaken during the 2015-16 year in support of the objectives in the three-year plan.

ISSUE 1: TEACHING AND LEARNING

Memorial University is dedicated to providing an exemplary teaching and learning environment that connects learners and educators to each other, the community and the world, in the service of knowledge generation and exchange, and the advancement of society. Guided by the [Teaching and Learning Framework \(TLF\)](#), the university strives to foster a teaching and learning community that is engaging, supportive, committed to discovery, outcomes-oriented, inclusive and responsive. All educators and learners at Memorial are encouraged to use the principles of the Teaching and Learning Community as the foundation for their work. The community works to ensure that its approaches to teaching and learning support the desired qualities of Memorial's graduates as set out in the framework.

Memorial's 2014-17 Strategic Plan set the goal of strengthening teaching and learning. The 2014-15 annual report highlighted the development of the [TLF Strategic Plan 2014-17](#), including the plan's two key goals:

- The alignment and coordination of teaching and learning programs, services and facilities;

- The promotion and development of connections among educators, students, staff and the broader community.

The plan also guides the deployment of an annual allocation of \$1.2 million to the TLF Fund approved in 2014 by the Vice-Presidents' Council. The purpose of the fund is to support university activities which foster the development of the desired qualities of graduates; contribute to the enhancement of the teaching and learning community; and/or address one or more of the recommendations of the TLF.

Year one (2014-15) of the TLF Strategic Plan focused mainly on establishing governance mechanisms, key resources and tools as well as launching supports and services. With a strong foundation to build on, 2015-16 has focused mainly on implementing the core elements of the TLF.

GOAL 1: BY MARCH 31, 2017, MEMORIAL UNIVERSITY WILL HAVE STRENGTHENED ITS TEACHING AND LEARNING

Objective: By March 31, 2016, Memorial will have continued to undertake activities to strengthen its teaching and learning

Measure: Continue to undertake activities to strengthen teaching and learning

INDICATOR

2015-16 RESULTS

1. Continued to align and coordinate programs, services and facilities for teaching and learning

Memorial continued to align and coordinate teaching and learning programs, services and facilities in several ways in 2015-16.

- Memorial's first faculty-level Chairs in Teaching and Learning (CTL) were appointed in April 2015. A total of 13 Chairs were appointed, including: 11 on the St. John's campus, one at the Marine Institute and one at Grenfell Campus. The Chairs support teaching and learning at Memorial by advancing the objectives of the TLF, promoting the scholarship of teaching and learning as well as developing strategies to address challenges identified. Unit-level CTLs and committees initiated activities to develop curriculum mapping procedures; learning asset repositories; and assessments of educator and student needs (e.g., focus groups, surveys, town halls).
- The Centre for Innovation in Teaching and Learning (CITL), formerly known as Distance Education, Learning and Teaching Support (DELTS) was renamed to better align the administrative unit with the Teaching and Learning Framework. The name change also recognizes the importance of learning technologies online and on

campus, as well as the unit's unique collection of services that support teaching and learning at Memorial. Three professional development sessions, (universal curriculum design principles; tools to enhance instructional excellence; and strategies for supporting diverse and vulnerable learners) were created and delivered to expand resources for educators. Two new CITL educator development programs (Teaching Skills Enhancement Program II - Project Engage and Program in Graduate Student Supervision) were developed and will be piloted in 2016-17. New financial and material resources were also provided in 2015-16 to support continued alignment of programs, services and facilities to strengthen teaching and learning.

- A total of \$1.1 million was awarded to 14 new projects through the 2015 TLF St. John's Campus Funding Competition for the purposes of encouraging the exploration of creative and innovative practices in teaching and learning. The projects involved innovative use of modern information and communications technology.
- The process to award the 2016 TLF St. John's Campus Funding Competition was initiated in 2015-16. A total of \$550,000 will be awarded in the 2016 competition. 53 letters of intent were submitted. This funding will be awarded in early 2016-17.
- The First Year Success Program (FYSP) developed and implemented a marketing plan for the 2015-16 year that included a video featuring FYSP students, an information package mailed to potential students and their parents just before registration for the fall semester, and a Facebook advertising campaign aimed at parents of incoming students. As a result, the FYSP class in fall 2015 included 80 students, the largest enrolment since the pilot project launched in 2012.
- Development of a Business Intelligence Dashboard was initiated to identify and aggregate student data that accurately reflect student progress. The dashboard is intended to help improve assistance for at-risk students and outcomes for high-potential students.
- A literature review was undertaken on graduate program outcomes and/or competency models as well as policies and practices among peer universities regarding graduate outcomes.
- Steps were taken to evaluate the TLF. Specifically, Memorial's annual Graduating Student Survey was redeveloped to

include new measures to assess the outcomes of the TLF. Actions were also taken to enhance the teaching and learning environment among specific campuses:

- Grenfell Campus began the selection process for the *Grenfell Campus Teaching and Learning Fund*. A total of \$50,000 was awarded for 2015-16. Twenty proposals were submitted by faculty and staff.
- Instructional development, curriculum development and graphic support services were combined to form a new unit at the Marine Institute.
- Help centres were relocated and a Learning Lab was created within the library at the Marine Institute. This is a significant addition to the institute's teaching and learning physical support and creation of a home for teaching and learning innovation and training.
- A sub group of the Academic Working Group at the Marine Institute was created to support innovation in teaching and learning. A committee was also established under the Academic Working Group of the Marine Institute to review math and physics student intake, student outcomes and support.
- The Labrador Institute delivered the first year of an Inuit Bachelor of Education program, in partnership with the Faculty of Education and the Nunatsiavut Government. The program is a Labrador-based, culturally relevant, and collaboratively designed program, training Inuit elementary school teachers for Labrador's Inuit communities.
- The Labrador Institute offered a Labrador-based Masters of Education cohort in partnership with the Faculty of Education, upgrading the training and certification of approximately 15 teachers currently working in Labrador.

2. Continued to promote and develop connections among educators, students, staff, and the broader community to support teaching and learning

In 2015-16, a number of initiatives commenced to further promote and develop connections among educators, students, staff and the broader community to support teaching and learning.

- CTLs and the TLF manager, in collaboration with CITL, coordinated new approaches to information/idea exchange within and across disciplines and campuses, including:
 - A multi-campus guest speaker presentation, webcast to all campuses for the first time.
 - A Faculty of Science teaching and learning retreat – the first unit-level community retreat of its kind at Memorial.
 - A video on the CTL program at Memorial for presentation at the Atlantic Universities' Teaching Showcase in October 2015.
 - Student and educator discussion forums, focus groups, surveys etc.
 - Open Education online chats on topics related to open education.
 - Regular sessions were established to create a forum of exchange and community among the CTLs.
 - A CITL representative was appointed to Grenfell Campus to provide onsite support to faculty.
- The first competition for the Student Award for Self-Directed Learning was held. A total of 13 student proposals were received. The award celebrates undergraduate students who have demonstrated outstanding achievement and creativity in self-directed learning.
- The Marine Institute made significant enhancements to student engagement space, including a new learning commons area in the Dr. CR Barrett Library and renovations to the cafeteria and student common areas at the Offshore Safety and Survival Centre.

SUMMARY

The university made substantial progress towards meeting its objective to strengthen the teaching and learning environment in 2015-16. The appointment of the teaching and learning chairs is a significant milestone in implementing the teaching and learning plan. As a group, the chairs are leaders of a learning community of scholars dedicated to excellence in teaching and learning that spans all disciplines. This community has already had a significant impact in highlighting the importance of teaching and learning at Memorial, in the development and sharing of best practices and in advancing the objectives of the Teaching and Learning Framework. While much has been done, there is still much to do and work will continue in 2016-17 and beyond.

2016-17 OBJECTIVE

Objective: By March 31, 2017, Memorial University will have implemented activities to strengthen its teaching and learning

Measure: Implemented activities to strengthen teaching and learning

Indicators: Enhanced alignment and coordination of programs, services and facilities for teaching and learning
Enhanced connections among educators, students, staff, and the broader community to support teaching and learning

ISSUE 2: RESEARCH, CREATIVE ACTIVITY AND SCHOLARSHIP

Research and the production of scholarly knowledge is an important part of the mission of Memorial that allows the university to create new knowledge and focus on innovation. Research enriches the experience of students, enhances teaching and learning, builds Memorial's reputation, supports the growth of faculty and stimulates meaningful partnerships.

In 2011, Memorial established the Research Strategy Framework to support the university's vision to "be one of the most distinguished public universities in Canada and beyond". Memorial reaffirmed its commitment to research in 2014 by launching the [Strategic Research Intensity Plan 2014-2020](#) to further guide the university's research approach, including scholarship and creative activities.

During the first year of the strategic plan, activities focused primarily on launching and establishing the Strategic Research Intensity Plan as well as restructuring existing research services at Memorial. In 2015-16 the university focused on implementing other elements of the plan and generally enhancing the creation and profile of research and scholarly knowledge at Memorial.

GOAL 2: BY MARCH 31, 2017, MEMORIAL UNIVERSITY WILL HAVE ENHANCED ITS CREATION AND PROFILE OF RESEARCH AND SCHOLARLY KNOWLEDGE.

Objective: By March 31, 2016, Memorial will have continued to undertake activities to enhance its creation and profile of research and scholarly knowledge

Measure: Continued to undertake activities to enhance creation and profile of research and scholarly knowledge

INDICATOR 2015-16 RESULTS

1. Continued to provide supports and services to individuals and groups engaged in research and creation of scholarly knowledge

During 2015-16, Memorial continued to provide enhanced supports and services to individuals and groups engaged in research:

- The first phase of the Memorial Researcher Portal was launched in November 2015, allowing internal and external researchers to apply online to the following human research ethics boards: Memorial's Interdisciplinary Committee on Ethics in Human Research (ICEHR); Grenfell Campus Research Ethics Board (GC-REB); and the provincial Health Research Ethics Board (HREB). The Researcher Portal is a web-based work tool for research data management,

providing researchers with a one-stop, online approval process to the boards. In its first five months, the portal was accessed more than 6,200 times by more than 1,800 users. A series of six new instructional videos were released to promote the portal and provide a range of tips and valuable information.

- A new Technology Transfer and Commercialization Strategy was approved in December 2015. Key tenets of the strategy include revising and implementing policies, establishing responsive business structures and ensuring adequate oversight and guidance of technology transfer and commercialization structures and processes. The new strategy allows Memorial to contribute to the diversification and strengths of the provincial economy, injecting new opportunities to meet future business needs.
- In 2014-15, Grenfell Campus opened a new Boreal Ecosystem Research Initiative laboratory to support forestry and agriculture research, with a specific focus on the analysis of soils, plants, air and water. During 2015-16, the laboratory has become the site for a new research-intensive MSc program in Boreal Ecosystem and Agricultural Sciences.
- The Marine Institute worked with key stakeholders to develop a strategic plan for research. A Grants and Contracts Officer position was also created to provide increased support for researchers and grant applications.
- At the Grenfell Campus, enhanced levels of support were provided to researchers of all experience levels, from grant assistance, to senior researchers, to start-up funds for new faculty. The campus also conducted a review of its Research Office in order to assess and enhance the services provided to researchers on campus.
- The Labrador Institute made improvements to its laboratory facilities and field equipment, including the installation of a fume hood and experimental instruments to support researchers working in the region. Staff also participated in the planning and organizing of research conferences including the Northern Lights Conference, the Inuit Studies Conference 2016 and the Expo Labrador Conference & Trade Show 2015 and 2016.

2. Continued to celebrate achievements in research and the creation of scholarly knowledge

During 2015-16, Memorial continued to promote and celebrate extraordinary research and its potential impacts on the wider community through various channels. This included the following:

- Launched a seven-part video blog series on YouTube. The University Student Summer Internship Program (USSIP) Video Blog Series was funded by the Office of the Vice-President (Research) and is one of the outcomes from the first year of the Strategic Research Intensity Plan 2014-2020. The program gives undergraduate students research experience and provides them with valuable skills and mentorship from faculty members and graduate students. The series featured undergraduate students and researchers. In total, the videos were viewed 1,090 times on Memorial's YouTube Channel.
- Launched a new series of research profiles in the Gazette, highlighting the invaluable contributions of researchers. A new profile is posted online every two weeks. The series recognizes the impact of outstanding researchers.
- Featured a Summer Research Series of research profiles published in the *Telegram* during the summer of 2015. The series, entitled *Breaking Ground*, profiles the important work and impact of Memorial researchers from a variety of research disciplines.
- Published a series of weekly researcher profiles for Grenfell Campus through the Summer Research project, aiming to increase the profile of research on campus. These profiles were also published in a booklet.
- Showcased research activities from faculties, schools and units in the fall issue of *Research Matters*, Memorial's biannual magazine. The publication highlights the achievements of researchers and research teams and collaborative work of faculty, students and staff. *Research Matters* is shared with internal and external partners and collaborators in print and online.
- Added videos featuring Memorial researchers to Memorial's YouTube Channel, reaching a diverse worldwide audience.

Memorial University is committed to celebrating the research achievements of faculty members and students. In 2015-16 faculty members at Memorial were recognized for their exceptional contribution to research and teaching during Memorial's President's Awards reception.

- Two faculty members were named University Research Professors. This is a designation above the rank of professor and goes to a faculty member who has demonstrated a

consistently high level of scholarship and whose research is of a truly international stature.

- Three faculty members were awarded the President's Award for Outstanding Research. The award recognizes young researchers who have made significant contributions to their scholarly disciplines.

Memorial University's faculty members, students and research activities have also been recognized nationally for research excellence:

- Four researchers were named Tier 2 Canada Research Chairs (CRC). These are tenable for five years and renewable once. They are awarded to exceptional emerging researchers acknowledged by their peers to have the potential to lead in their field. For each Tier 2 Chair, the university receives \$100,000 annually for five years. Canada Research Chairs are one of the country's highest honours for research excellence. Three chairs were awarded on the St. John's campus in the areas of Numerical Analysis and Scientific Computing, Population Physical Activity and Marine Geology. Grenfell was awarded its first CRC in the area of Aging and Auditory Neuroscience.
- A faculty member was named a finalist for the Social Sciences and Humanities Research Council's (SSHRC) Impact Award for their groundbreaking work on small-scale fisheries. The award is given to an individual or team whose project has engaged the campus and/or wider community, and has generated intellectual, cultural, social and/or economic impacts.
- Grenfell Campus awarded the Grenfell Campus Research Award to recognize an academic staff member who has demonstrated outstanding research accomplishments and has made significant contributions to advance the Grenfell Campus's reputation for research excellence. The campus also created "Field Notes," a regular update on research and scholarly activity at Grenfell.
- The Marine Institute's Centre for Marine Simulation (CMS) received the Arctic Shipping North America Innovation Award 2015 for their groundbreaking work in ice management simulation.
- An album funded through a research project based at Memorial was nominated for an East Coast Music Award. Pillorikput Inuit: Inuktitut Arias for All Seasons, a collection of solo and duet arias that have been sung in Labrador Inuit

churches since the early 19th century, was nominated in the category of Aboriginal Artist of the Year. The project was funded through a SSHRC Standard Research Grant awarded to a professor in the School of Music, as well as through collaboration with the Bruneau Centre for Excellence in Choral Music, Arts NL and others.

- A PhD student in the Faculty of Medicine won first place in the Eastern Regional Three Minute Thesis (3MT) Competition. The competition assists current graduate students to foster effective presentation and communication skills. Participants have just three minutes to explain the breadth and significance of their research project to a non-specialist audience.
- A doctoral student in the interdisciplinary PhD program represented the university at the Imagining Canada's Future event. Imagining Canada's Future is a joint initiative between SSHRC and the Canadian Association for Graduate Studies.
- The Marine Institute's School of Ocean Technology Ocean Mapping Program was awarded the International Hydrographic Organization (Cat. B) Certification – only the second such award in Canada.
- In February 2016, a research professor from the Faculty of Medicine received the Canadian Rheumatology Association's Distinguished Investigator Award, which is presented to a rheumatologist who has significantly furthered research in Canada through the development of a major research program.
- An associate professor in Memorial's Department of Archaeology won the Geoffrey Marshall Mentoring Award from the Northeastern Association of Graduate Schools. The prestigious award recognizes outstanding mentoring support of graduate students, from course completion through research and placement.
- The Labrador Institute facilitated publications and conference presentations in a variety of fields including "Entangled histories: Iron ore mining in Canada and the United States", "Backcountry Travel Emergencies in Arctic Canada", "Uranium and the Boundaries of Indigeneity in Nunatsiavut, Labrador", "Assessing the effectiveness of habitat offset activities in Canada: Monitoring design and metrics" and "New Looks at Old Stocks: Understanding Labrador's Fish Populations".

3. Continued to secure funding to support research and creation of scholarly knowledge

During 2015-16, Memorial continued to secure funding to support research and the creation of scholarly knowledge through external funding opportunities. Selected examples include:

- Memorial implemented the next rounds of the Seed, Bridge and Multidisciplinary Fund which seeds new, “early days” innovative research projects, provides valuable bridge funding for researchers between grants and encourages the development of multidisciplinary research activities that align with the Research Strategy Framework. In 2015-16, two competitions were held supporting a total of 47 successful applications. The combined total funding provided was \$465,427.
- The Labrador Institute secured \$1.6 million in new funding from the Atlantic Canada Opportunities Agency (ACOA) through the Innovative Communities Fund to support Labrador-based research programming. This funding will enable phase three of the long-term research plan for the Labrador Institute, focused primarily on industry-relevant research in industrial sectors like mining, energy, fishing, and agriculture.
- Members of the School of Pharmacy and the Faculty of Medicine, in partnership with the University of British Columbia, have been awarded a Health Research Foundation Interdisciplinary Team Grant. The grant totals \$150,000 over three years to assess the effectiveness of implementing a pharmacy-delivered medication management service to improve the quality of life for patients with chronic obstructive pulmonary disease (COPD).
- The Marine Institute received funding of \$2.6 million from the Government of Newfoundland and Labrador for two years to support world-class fisheries science at the Marine Institute’s Centre for Fisheries Ecosystems Research (CFER).
- A researcher in spine biomechanics joined the Memorial research community as the inaugural Canadian Chiropractic Research Foundation (CCRF) Professor in Spine Biomechanics. The new professorship was made possible by a generous donation of \$500,000 from the CCRF, originally received during Memorial’s successful Dare To fundraising campaign.
- A faculty member in the Department of Earth Sciences was named the latest recipient of the Terra Nova Young Innovator Award, supported on behalf of the partners in the Terra Nova oil field by Suncor as operator. The \$50,000 award will

support the development of a new atmospheric methane gas sampler.

- The Labrador Institute received funding for the following projects:
 - \$45,000 from the International Grenfell Association for the Labrador Institute International Indigenous Internship Program
 - \$45,000 for the End of Life Care/Healthy Aging project.
 - \$15,000 from the Urban Aboriginal Knowledge Network for “Re-storying NunatuKavut: Making connections through multi-generational digital storytelling”
- The Research & Development Corporation’s Ocean Industries Student Research Awards were presented to 15 doctoral and master’s candidates and four undergraduate students. Awards range from \$7,500 for bachelor degree-level programs, up to \$30,000 per year for doctoral candidates. The program supports the development of highly qualified researchers exploring areas relevant to Newfoundland and Labrador’s ocean industries.
- A faculty member from the Department of Sociology received a total investment of \$137,600 from the Marine Environmental Observation Prediction and Response (MEOPAR) network and Irving Shipbuilding Inc. (ISI) to complete the first comprehensive study of the effects of marine plastics pollution in the North.
- The Centre for Aquaculture and Seafood Development is leading the Canadian component of the European Union Horizon 2020 project “PrimeFish”. The overall four year international initiative is valued at \$5 million Euro. The Canadian component totals over \$1 million (CDN).
- An Offshore Safety and Survival Research Scientist at the Marine Institute was awarded research funding by Petroleum Research Newfoundland and Labrador (PRNL) (\$167,000) and Research and Development Corporation (RDC) (\$100,000) to study real-world performance of personal locator beacons.

Significant enhancements were also made to Memorial’s research infrastructure in order to support research:

- The Marine Institute officially opened the Hibernia Offshore Operations Simulator Facility in October 2015. This new simulator will provide offshore operators with advanced and customized training for the supply and support of offshore facilities and production platforms. Funding for the \$6.1

million simulator was provided by Hibernia Management, and the federal and provincial governments.

- Memorial received \$347,200 from the Canada Foundation for Innovation for new cutting-edge technology and infrastructure. Research aimed at improving the health and well-being of people living with life-threatening diseases (Faculty of Medicine) and protecting critical marine resources (Faculty of Science) were among the projects that received funding.

Memorial University researchers continue to be successful in obtaining tri-council grants:

- Memorial faculty members collected a combined total of \$5,304,397 over five years from the Natural Sciences and Engineering Research Council of Canada (NSERC), which will further the discoveries of research in fields related to natural sciences and engineering. A total of 45 grants were awarded. Discovery Grants provide core funding and freedom so Canada's best researchers can pursue their most promising ideas and breakthrough discoveries. Three Research Tools and Instruments Grants were awarded to pay for new equipment, and one Discovery Accelerator Supplement was awarded to provide substantial and timely resources to researchers who have a superior research program that is highly rated in terms of originality and innovation.
- A combined total of \$696,500 in scholarships over two- and three-year instalments were awarded to students: two doctoral students were awarded Alexander Graham Bell Canada Graduate Scholarships to pursue doctoral studies. Six students were awarded scholarships from NSERC's Postgraduate Scholarships-Doctoral Program, which supports high-caliber students who are engaged in doctoral programs in the natural sciences or engineering.
- During 2015-16, \$7.4 million was announced for a new five-year research initiative at Memorial to merge collaborative academic research with traditional knowledge for the protection, preservation and revitalization of Labrador Inuit culture and language. The project is supported by a SSHRC partnership grant valued at \$2.3 million; investments of \$1.6 million from the Nunatsiavut Government and \$1.38 million from Memorial University; and \$2.12 million in combined contributions from 20 partner organizations.
- SSHRC grants totaling more than \$4.2 million were awarded to 32 researchers at Memorial — ranging from master's and PhD students to researchers from arts, social work, medicine,

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| | <p>music, business and science — for grants, fellowships and scholarships.</p> <ul style="list-style-type: none"> • A professor of ocean sciences and biology, Faculty of Science, is receiving \$5 million over five years through NSERC's Strategic Network Grants and \$1 million over five years, plus access to specialized equipment and laboratory space, from Fisheries and Oceans Canada. • A professor of earth sciences and Canada Research Chair in Environmental Science, Faculty of Science, is receiving \$590,812 over three years from NSERC's Strategic Partnership Grants, as well as \$96,000 over three years from the provincial government's Centre of Forest Science and Innovation. • Faculty at Grenfell Campus received research funds from a variety of granting councils including national bodies (SSHRC, NSERC, Canada Council, Parks Canada), regional bodies (ACOA), provincial bodies (RDC, the Centre for Forest Science and Innovation, Department of Business, Tourism, Culture and Rural Development) and internal funds. The campus reported increased participation in team-based and collaborative research applications. |
| <p>4. Continued to engage external collaborators and community partners in research and creation of scholarly knowledge</p> | <p>Memorial continued to engage external partners and collaborators in research in 2015-16:</p> <ul style="list-style-type: none"> • Just under \$31 million was committed by industry involving 201 industry partners in 280 research projects. • The Genesis Centre, an award-winning business incubator for technology startups at Memorial, was selected to join the Microsoft BizSpark Program as a network partner. The BizSpark Program is a global program designed to accelerate the success of early stage startup companies by connecting them to network partners. BizSpark creates an ongoing, mutually beneficial relationship between Microsoft Corp., startups and network partners. • Memorial's Internationalization Office, along with the School of Graduate Studies and Grenfell Campus, attended the Asia-Pacific Association for International Education (APAIE) to promote Memorial's research profile and to meet with universities and Canadian trade commissioners from the region in order to identify opportunities for Memorial to access national scholarships. • Memorial engaged with Global Affairs Canada to solicit opportunities for faculty, staff and students to participate in scholarly exchanges, faculty exchanges and research |

partnerships, specifically with Latin American university partners.

- Grenfell Campus continued its relationship with the provincial Agrifoods Division, resulting in shared research resources and the joint development of an agricultural research strategy during the last year.
- The Labrador Institute collaborated with the Sheshatshiu and Mushuau Innu First Nations on the Outpost Program: A cultural intervention for suicide prevention for the Innu of Labrador.
- The following occurred at the Marine Institute in 2015-16:
 - A new memorandum of understanding (MOU) with the Nunavut Arctic College (NAC) was established which focuses on collaborative research in the North. Building on an existing 20 year-old training relationship, the new MOU includes research in the areas of fisheries, marine, safety and ocean technology.
 - The collaborative partnership with the Irish Marine Institute was expanded through such initiatives as: the linkage between SmartBay, Placentia Bay Newfoundland, and SmartBay, Galway Bay, Ireland and the charter of the RV Celtic Explorer for the overwintering cod survey.
 - An MOU was signed with Matis Ltd. to provide a framework for the advancement of fisheries and oceans-related education, training and research and development between Newfoundland and Labrador, Canada, and Iceland.
 - The appointment of the Marine Institute's first adjunct research scientist; who is a professor with the School for Marine Science and Technology at the University of Massachusetts Dartmouth.
 - Applied research with AMEC Foster Wheeler was conducted, funded by Exxon Mobil, around improved understanding of the physics of fog formation as a basis for better forecasting of low visibility conditions offshore.

SUMMARY

In 2015-16, Memorial implemented key research supports and services, such as the launch of the Memorial Researcher Portal to streamline and increase efficiencies for researchers as well as the new Technology Transfer and Commercialization Strategy, providing up to date policies, structures and processes. The university continued to foster important partnerships, celebrate Memorial's research excellence, and secure funding to sustain Memorial's profile of research and scholarly knowledge. These activities demonstrate the university's success in achieving its objectives in this area.

2016-17 OBJECTIVE

Objective: By March 31, 2017, Memorial University will have implemented activities to enhance its creation and profile of research and scholarly knowledge.

Measure: Implemented activities to enhance creation and profile of research and scholarly knowledge

Indicators: Enhanced supports and services to individuals and groups engaged in research and creation of scholarly knowledge

Celebrated achievements in research and the creation of scholarly knowledge

Enhanced funding to support research and creation of scholarly knowledge

Enhanced engagement of external collaborators and community partners in research and creation of scholarly knowledge

ISSUE 3: PUBLIC ENGAGEMENT

Memorial has embraced its public engagement responsibilities, drawing on the expertise of its faculty and staff to bring individuals, knowledge and resources together to solve problems and achieve regional and provincial goals. As the only university in Newfoundland and Labrador, Memorial has had a long-standing role in connecting and supporting the people of the province and beyond. The scope and magnitude of the work in this area has only continued to grow, involving all campuses and areas of the province.

The significance of public engagement at Memorial was further strengthened in 2011 with the development of the [Public Engagement Framework](#) which outlined a vision for Memorial University to be a world leader in this area. The Office of Public Engagement and the Harris Centre lead the university's public engagement efforts, serving as facilitator and initial point of contact for the community.

During 2014-15, activities focused primarily on developing programs and supports to encourage public engagement at Memorial. Structures and awards were also implemented to ensure public engagement achievements could be shared and celebrated. In 2015-16, the university continued to enhance supports, tools and opportunities to facilitate and celebrate public engagement at Memorial.

GOAL 3: BY MARCH 31, 2017, MEMORIAL UNIVERSITY WILL HAVE ENHANCED ITS PUBLIC ENGAGEMENT WITH THE PROVINCE AND BEYOND.

Objective: By March 31, 2016, Memorial University will have continued to undertake activities to enhance its public engagement with the province and beyond

Measure: Continued to undertake activities to enhance public engagement with the province and beyond

INDICATOR 2015-16 RESULTS

1. Continued to create programs and supports for individuals and groups involved in public engagement activities

During 2015-16, Memorial has provided financial support to individuals and groups to support public engagement at Memorial through the following funding opportunities:

- The Accelerator Fund was launched in 2015-16 and provides awards of up to \$10,000 to support the initiation or expansion of public engagement activities. To date, the Accelerator Fund has supported 19 projects (totaling approximately \$189,000) spanning 10 faculties and units within Memorial. Some of the funded projects include:

- Housing Forum: Housing and the mobile workforce in Newfoundland and Labrador
- Moving towards sustainability in the Clarenville-Bonavista Rural Secretariat Region.
- Labrador Hydroponic Co-operative
- Seeing Beyond Good Medicines: A Collaborative Learning Project between Innu Youth and Students of Health Care Professions
- The Quick Start Fund for Public Engagement, established in 2014, supports new partnerships between individuals and groups within Memorial or outside of the university. During its second cycle (2015), the Fund supported 35 projects with a total of approximately \$33,000 awarded. Some of the funded projects include:
 - Exploring the Seafloor: Live Interactive Broadcast from a Research Vessel in the South Pacific to the Johnson Geo Centre
 - A Meeting of the Descendants of the General Hospital Graduate Nurses Serving Overseas in World War 1
 - Songs and Stories of the Loggers of Newfoundland and Labrador: A public presentation on Fogo Island
 - Intergenerational Teachings
- The Public Engagement Post-Doctoral Fellow (PEPDF) pilot, established in 2014, was expanded in 2015-16 to include three Fellows. The PEPDF is offered in collaboration with Memorial faculties and external partners. Partners included: the NL Federation of Agriculture; Workplace Health, Safety and Compensation Commission (WorkplaceNL); Department of Natural Resources; SafetyNet; the Nunatsiavut Government; AnânauKatiget Tumingit Regional Inuit Women's Association; and the Community Foundation of Newfoundland and Labrador.

Memorial campuses continued to create and provide tools and supports for those involved in public engagement in 2015-16:

- Memorial began redeveloping Yaffle – Memorial's one-of-a-kind online public engagement platform. The redevelopment is being done in partnership with a consortium of major international universities (Cornell, Johns Hopkins and Columbia) and will mean that Yaffle will be connected to a larger networking platform including other post-secondary institutions and public partners.

- Grenfell Campus offered a one-day workshop in collaboration with the Office of Public Engagement, Government of Newfoundland and Labrador on Public Engagement Fundamentals. The session focused on public engagement principles and values as well as tools and strategies to plan public engagement.
- Grenfell Campus provided a four-day Partnership Brokering Certificate program, awarded to 13 individuals. The program provided frameworks, tools and skill development to individuals interested in becoming partnership brokers.
- The Navigate program on Grenfell Campus, targeting potential entrepreneurs, provided a session to students and the public on venture capital, featuring a guest speaker from Halifax.

Memorial provided many innovative opportunities for individuals and groups to engage. Some examples include:

- The Cold Ocean and Arctic Science, Technology, and Society (COASTS) initiative is coordinating marine and northern-related research, teaching, public engagement and government relations activities across all Memorial units. The initiative's public stakeholder engagement and conference activities link the capacity of the university to the needs and concerns of communities, governments, and businesses across the country, and the circumpolar North.
- The Battery Facility is being developed as a public engagement and innovation platform, including public space, technology supports, Memorial public engagement units, and public programming to support Memorial's mission.
- The Grenfell Office of Engagement began work towards an enhanced collaboration with the City of Corner Brook through a project called City Studio. Modeled after the City Studio project in Vancouver, Grenfell hopes to support collaborative work between city planners and the university to pursue more innovative ideas regarding city space and planning. This will include the development of a community service learning space for faculty, students and city representatives to engage in collaborative projects. To date a discussion session, led by City Studio Vancouver's Directors was held in 2015-16.
- Memorial's Internationalization Office held the fourth annual Culture-to-Community educational outreach program which connects Memorial students of diverse backgrounds with classrooms throughout the province. The program

aims to promote intercultural understanding. A total of 42 international student volunteers (from St. John's and Grenfell campuses) participated in this initiative, visiting 15 schools in Newfoundland and Labrador and reaching over 1,300 students through interactive sessions and presentations.

2. Continued to celebrate achievements, collaborations and partnerships in public engagement

During 2015-16, the Office of Public Engagement continued to highlight achievements, collaborations and partnerships through the office's website, social media and through a regular feature in the *Memorial Gazette*. The office also maintains an inventory of public engagement activities at Memorial. Selected examples include:

- The President's Award in Public Engagement Partnerships was launched in 2014-15 to celebrate collaborative activities between the public and members of Memorial's community. During 2015-16, awards were presented to the Shea Heights Community Alliance and the NunatuKavut Research Ethics Project to recognize exemplary community-university partnerships. Each award comes with a prize of \$1,000 to continue the work of the partnership, as well as a video to promote the successful initiatives. One such video was the most viewed story in the *Memorial Gazette* in March 2016. Plans are currently underway for the second annual award in 2016.
- Graduate student achievements in public engagement were again celebrated at the Aldrich Interdisciplinary Conference in 2015 and 2016 by offering an award for the best public engagement presentation.
- The Grenfell Office of Engagement provided the Vice-President's Engagement Award to three individuals to acknowledge their engagement in the community.
- Initially launched in 2014, the Labrador Institute held the third North West River Speaker Series, featuring monthly presentations from academics and invited experts on topics relevant to the local community.
- The Grenfell Office of Engagement partnered with the Newfoundland Aboriginal Women's Network, L'Association Régionale de la Côte-Ouest and the Community Education Network to provide a three-day radio broadcast in June 2015 titled Bay St. George Live – Making Connections through

the Airwaves. The broadcast celebrated culture and the community.

- The Labrador Institute launched a new series – the Labrador Heritage Minutes featuring short videos to promote heritage and to raise the profile of the Labrador Institute’s library and archive collections.
- The Grenfell Campus partnered with the Harris Centre in developing a networking session which highlighted innovative opportunities for engagement and collaboration.
- Now in its sixth season, the Labrador Institute held the Labrador/ians on Film screening series, showcasing and promoting films of Labrador and its people.

SUMMARY

Over the last year Memorial has implemented important new programs, resources and funds across all of the university’s campuses to support public engagement. 2015-16 saw the launch of the Accelerator Fund, the creation and development of new partnerships, and the development of the Battery Facility, all of which contribute to continued growth among public engagement at Memorial. The university also continued to provide other key programs and supports such as the Quick Start Fund, expansion of the Public Engagement Post-Doctoral Fellow pilot and various workshops and speaker series. Achievements to date indicate that Memorial has met its objectives in this area.

2016-17 OBJECTIVE

- Objective:** By March 31, 2017, Memorial University will have implemented activities to enhance its public engagement with the province and beyond
- Measure:** Implemented activities to enhance public engagement with the province and beyond
- Indicators:** Enhanced programs and supports for individuals and groups involved in public engagement activities
- Celebrated achievements, collaborations and partnerships in public engagement

ISSUE 4: ENABLING SUCCESS

In order to fulfill its mission and achieve its stated objectives, Memorial must ensure that its operating environment is optimal and enables success. Development and maintenance of infrastructure is a critical success factor for teaching and learning, research and scholarly activity and public engagement. It is also important that the processes that support the core mission of the institution be as efficient and effective as possible.

Memorial's Infrastructure Plan provides the long-term vision and direction for development of new infrastructure and the maintenance of complex and increasingly aging infrastructure. An ongoing efficiency review is being conducted to ensure that processes are streamlined, bureaucracy is minimized, and that the university makes the best use of its resources.

GOAL 4: BY MARCH 31, 2017, MEMORIAL UNIVERSITY WILL HAVE ENHANCED INFRASTRUCTURE AND OPERATIONAL EFFICIENCY OF THE INSTITUTION.

Objective 1: By March 31, 2016, Memorial University will have continued activities to enhance infrastructure and operational efficiency

Measure: Continue activities to enhance infrastructure and operational efficiency

INDICATOR 2015-16 RESULTS

1. Continued developmental work of the infrastructure plan

In 2015-16, the following developmental work was conducted in support of the university infrastructure plan:

- Execution and continued planning of projects identified in the Multi-Year Infrastructure Plan occurred. Projects included: the Core Science Facility, Animal Resource Centre, the Battery, and the redevelopment of the Reid Theatre.
- During 2015-16, a review of the Multi-Year Infrastructure Plan (2014-20) was completed and work began on the next update of the plan.

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| | <ul style="list-style-type: none"> • The final report of the campus master plan (prepared by Brook-McIlroy) for the Marine Institute was completed in August 2015. • The Marine Institute is in the initial stages of planning for the Phase IIB development of the Holyrood Marine Base. Internal evaluations of the requirements for the proposed facility were completed during 2015-16. • Planning for new Child Care facility on Grenfell Campus continued with completion of a functional space planning study, site selection and design concept phase. • Grenfell Campus identified priorities for infrastructure development projects of academic and non-academic spaces. In addition, space allocations mechanisms were improved through development of a comprehensive space plan. |
| <p>2. Continued implementation of the infrastructure plan and efficiency review</p> | <p>Over the course of 2015-16 progress was made on a number of the projects identified in the infrastructure plan. Some highlights include:</p> <ul style="list-style-type: none"> • Core Science Facility <ul style="list-style-type: none"> ◦ The design development and construction documentation phases of the project were completed. Construction packages are either underway or out to tender. The Core Science Facility will provide quality research and laboratory teaching spaces primarily for the Faculty of Science and the Faculty of Engineering and Applied Science. The building will also include shell space to be used for a variety of joint university-industry research and collaborations. • Animal Resource Centre <ul style="list-style-type: none"> ◦ A draft schematic design report was completed in early 2016, which will now be expanded to include programming from the Biotechnology Building. The Animal Resource Centre will be a much-needed replacement for two of Memorial University's current animal research care facilities: the current facilities at the Health Sciences Centre (over 40-years old) and the Biotechnology Building. Construction of the new facility will allow the University to maintain its certification with the Canadian Council for Animal Care (CCAC). • Battery <ul style="list-style-type: none"> ◦ Renovations were completed to the 87 graduate student accommodations and students now reside at the facility. |

Design development for the remainder of the facility was also completed.

- Redevelopment of the Reid Theatre
 - Hazardous materials abatement work has been completed in the theatre and a contract for architectural and engineering consulting services has been awarded. Fund development efforts are also underway to advance the project once design work has been completed. The Reid Theatre was built with a vision to create cultural and community space that would be at the heart of a provincial university and a vibrant city. Along with re-instituting the theatre for its original purpose, the redevelopment of the theatre is also envisioned to position it as a resource for teaching activities by including modern smart classroom features.
- Marine Institute - Phase IIA Breakwater, Marginal Wharf and Restoration of Existing Wharf
 - Phase IIA of the development includes the construction of a breakwater and marginal wharf, the restoration of the current wharf and the relocation of ship/rig evacuation training facilities and equipment from the Southside Marine Base. This development will have a number of benefits, including: allowing the ability to station and mobilize larger research and training support platforms on site, providing protection of shore based assets from waves and storm surges, enabling personnel to conduct cold water survival training and research exercises. Hauling rock from a quarry to the site commenced in 2015-16 and construction of the marginal wharf cribwork has also commenced. Phase IIA is anticipated to be completed by winter 2017.
- Marine Institute renovations
 - Several renovations to facility interiors, per the Institute's campus master plan, are underway at the Ridge Road and Foxtrap campuses, including renovations to student gathering space and office space.
- Grenfell – Energy Strategy
 - The energy strategy implementation continued on Grenfell Campus with completion of Phase 4 of the emergency generator project which increases the number of existing electrical systems that will have back-up power supply.

- Grenfell renovations and upgrades
 - An upgrade to Student Services was completed providing improved access to the student learning center and accommodation space. Work continued towards a multi-year accessibility plan to upgrade campus facilities to meet current standards.
 - Windows and glulam beam repairs and upgrades in the Forest Centre and upgrades to fire alarm and sprinkler systems were completed.
 - Design work was conducted for repairs to foundation walls in the Arts and Science Building. Ventilation system upgrades continued in the gymnasium to improve air quality.
 - Landscape, and walkway upgrades were completed.
 - Design work for upgrades to fire alarm and sprinkler systems for the Fine Arts Building occurred.
 - Upgrades to student residences continued with improvements to exterior finishes of Chalets providing improved living accommodations and student life.
 - A new library study space was redeveloped with funding partially provided by CITL.
- Essential Maintenance
 - Completed the penthouse roof replacement in the Chemistry-Physics Building; concrete and paving projects; and locksets and doors and window screen replacements in Guy Court.
 - Began work for the demolition of the East and West Pedways and the replacement of the West Pedway.
 - Began work to replace the last remaining original boiler, #2 with a new boiler of the same capacity. These boilers provide heating water for the Health Sciences Centre and many buildings on campus.

Work continued on the Efficiency Review in 2015-16. Highlights include:

- Five of the twelve operations and budget review projects initiated in 2014-15 were completed in 2015-16 including:
 - Reorganization of printing and mail services resulting in annual savings of \$325,000 and 2,761 square feet of space reallocated to university priorities.

- Changes to Marine Institute vehicle management and utilization resulting in annual savings of \$8,600.
- Seven new operations and budget review projects were initiated in 2015-16, including:
 - A joint agreement across all campuses with Microsoft was put in place resulting in annual savings of \$31,000 and reduced administrative effort to maintain software licenses.
 - A strategic review of the Bookstore on the St. John's campus was conducted to ensure it remains relevant for the Memorial community while maintaining a sustainable financial position.
 - The Human Resource Management System project was initiated to improve internal controls and optimize utilization of the Banner HR system. This will increase operational efficiencies and effectiveness.
- Thirteen operations and budget review projects were in progress during 2015-16. Examples include:
 - An energy performance contract with a project scope of approximately \$28 million with a payback period of 12 years. Within this contract, approximately \$13 million in deferred maintenance will be addressed and approximately \$2.4 million in savings will be achieved.
 - Reorganization of Human Resources client services (MyHR) to improve client service and improve efficiency while avoiding significant resourcing costs previously identified.
 - Review of computer lab utilization to identify improved ways of managing centrally and locally held computer lab space resulting in decreased space requirements and decreased operating and support costs, while improving the overall student experience.
- As a result of the ongoing efficiency review the following efficiencies were achieved during 2015-16:
 - \$5.3 million in annual savings
 - \$371,000 in annualized budget reallocations.
 - 3,152 square feet of space reallocated to university priorities.
- Additional cumulative efficiencies identified since commencement of the operations and budget review in 2013 are as follows:

- \$465,000 in annualized cost avoidance.
- \$21,000 in annualized increased revenue.
- Additional information about the efficiency review can be found on the [Operation and Budget Review website](#)

SUMMARY

In 2015-16, Memorial planned and implemented a significant number of initiatives to enhance its infrastructure to support its mission. The university also continued to seek improvements in its operations to ensure the university is making the best use of its valuable resources. In so doing, it achieved its objective for 2015-16. Given an institution of the magnitude of Memorial, the need for infrastructure renewal and maintenance is perpetual and work will continue in 2016-17. Similarly, it will always be possible to make improvements, achieve efficiencies and take advantage of emerging best practices. This work will continue in 2016-17 and onwards.

2016-17 OBJECTIVE

Objective: By March 31, 2017, Memorial University will have furthered activities to enhance infrastructure and operational efficiency

Measure: Further activities to enhance infrastructure and operational efficiency

Indicators: Continued implementation of the infrastructure plan Achieved institutional efficiencies

CONCLUSION

Universities and the environments in which they operate are constantly changing. Like many other higher education institutions, Memorial University faces a myriad of challenges as it seeks to fulfill its mission, such as shifting enrolment trends, changing program demands, aging infrastructure, and an uncertain fiscal environment. However, in the face of challenges lie opportunities. As Memorial moves forward with its Strategic Plan, it will continue to confront these challenges and embrace new opportunities. It will continue to rethink, innovate and adjust to meet the changing needs of today's students as well as the changing fiscal realities.

Memorial University strives to be an open and transparent institution that is accountable to its funders and responsible for its actions. In the spirit of accountability, the university will continue to operate in a manner that encourages broad communication about its progress towards stated goals and objectives, activities, and use of resources. The university has been successful in achieving its stated objectives for 2015-16 as set out in its strategic plan for 2014-17. This report fulfills its obligation under the province's *Transparency and Accountability Act*.



MEMORIAL UNIVERSITY OF NEWFOUNDLAND

*Consolidated Financial Statements
with Supplementary Schedules*

March 31, 2016

**MEMORIAL UNIVERSITY OF NEWFOUNDLAND
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FOR THE YEAR ENDED MARCH 31, 2016**

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STATEMENT OF MANAGEMENT RESPONSIBILITY

The accompanying consolidated financial statements of the **Memorial University of Newfoundland** [the “University”] as at and for the year ended March 31, 2016 have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management’s responsibility. Management is also responsible for all the notes to the consolidated financial statements and schedules.

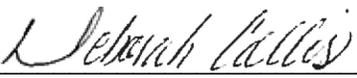
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management developed and maintains systems of internal control to provide reasonable assurance that transactions are properly authorized and recorded, proper records are maintained, assets are safeguarded, and the University complies with applicable laws and regulations.

The Board of Regents of the University [the “Board”] is responsible for ensuring that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit and Risk Committee [the “Committee”]. The Committee meets with management and the external auditors to review any significant accounting and auditing matters, to discuss the results of audit examinations, and to review the financial statements and the external auditors’ report. The Committee reports its findings to the Board for consideration when approving the financial statements.

The external auditor, Ernst & Young LLP, conducts an independent examination in accordance with Canadian generally accepted auditing standards and expresses an opinion on the consolidated financial statements for the year ended March 31, 2016.



Kent Decker, CPA, CA
Vice President, Administration &
Finance



Debbie Collis, CPA, CA
Director, Department of Financial and
Administrative Services

INDEPENDENT AUDITORS' REPORT

To the Board of Regents of
Memorial University of Newfoundland

We have audited the accompanying consolidated financial statements of **Memorial University of Newfoundland** which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of operations, remeasurement gains, changes in net deficiency and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Memorial University of Newfoundland** as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Ernst + Young LLP

Chartered Professional Accountants

St. John's, Canada
July 7, 2016

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

As at March 31
[thousands of dollars]

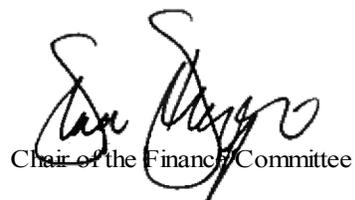
| | 2016 | 2015 |
|---|-----------------|-----------|
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | 16,261 | 12,613 |
| Restricted cash <i>[note 4]</i> | 1,877 | 3,678 |
| Short-term investments | 122,944 | 133,978 |
| Accounts receivable | 51,823 | 64,684 |
| Other current assets | 8,011 | 6,889 |
| Total current assets | 200,916 | 221,842 |
| Portfolio investments <i>[note 6]</i> | 103,471 | 118,522 |
| Assets under construction <i>[note 8]</i> | 68,711 | 55,487 |
| Tangible capital assets <i>[note 7]</i> | 332,105 | 340,512 |
| Total assets | 705,203 | 736,363 |
| LIABILITIES | | |
| Current | | |
| Bank indebtedness <i>[note 5]</i> | 10,097 | 11,341 |
| Accounts payable and accrued liabilities <i>[note 4]</i> | 45,481 | 51,371 |
| Deferred revenue | 24,104 | 35,882 |
| Deferred contributions - external grants and donations <i>[note 10]</i> | 83,398 | 96,085 |
| Current portion of long term debt <i>[note 11]</i> | 844 | 249 |
| Total current liabilities | 163,924 | 194,928 |
| Long term debt <i>[note 11]</i> | 11,058 | 206 |
| Derivative liability <i>[note 5]</i> | 1,385 | 1,725 |
| Post-employment benefits <i>[note 12]</i> | 204,398 | 185,959 |
| Deferred capital contributions <i>[note 9]</i> | 377,864 | 376,198 |
| Total liabilities | 758,629 | 759,016 |
| NET DEFICIENCY | | |
| Net assets restricted for endowment purposes | 87,537 | 84,756 |
| Net assets related to remeasurement gains | 2,628 | 6,083 |
| Unrestricted net deficiency | (143,591) | (113,492) |
| Total net deficiency | (53,426) | (22,653) |
| Total liabilities and net deficiency | 705,203 | 736,363 |

See accompanying notes

-- Contingencies *[note 13]*

On behalf of the Board:


Chair of the Board of Regents


Chair of the Finance Committee

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended March 31
[thousands of dollars]

| | <u>2016</u> | <u>2015</u> |
|--|-----------------|----------------|
| REVENUE | | |
| Government grants | 400,847 | 440,879 |
| Other income | 75,797 | 67,912 |
| Student fees | 61,365 | 63,558 |
| Amortization of deferred capital contributions <i>[note 9]</i> | 39,116 | 36,427 |
| Sales and services | 14,283 | 13,953 |
| Investment income | 4,639 | 8,867 |
| | <u>596,047</u> | <u>631,596</u> |
| EXPENSES | | |
| Salaries and employee benefits | 416,212 | 422,323 |
| Amortization of tangible capital assets | 38,640 | 34,163 |
| Scholarships, bursaries and awards | 29,565 | 28,353 |
| Materials and supplies | 25,288 | 33,164 |
| Utilities | 24,427 | 27,369 |
| Repairs and maintenance | 22,290 | 28,359 |
| Externally contracted service | 20,365 | 18,734 |
| Post-employment benefits <i>[note 12]</i> | 18,439 | 14,142 |
| Travel and hosting | 17,406 | 16,969 |
| Other operating expenses | 13,016 | 12,835 |
| Professional fees | 9,690 | 14,516 |
| Equipment rentals | 4,238 | 3,937 |
| Interest expense | 426 | 532 |
| External cost recoveries | (14,870) | (20,788) |
| | <u>625,132</u> | <u>634,608</u> |
| Excess of expenses over revenue | <u>(29,085)</u> | <u>(3,012)</u> |

See accompanying notes

**CONSOLIDATED STATEMENT OF
REMEASUREMENT GAINS**Year ended March 31
[thousands of dollars]

| | <u>2016</u> | <u>2015</u> |
|---|---------------------|--------------|
| Accumulated remeasurement gains at beginning of year | 6,083 | 7,255 |
| Unrealized gains (losses) attributable to: | | |
| Portfolio investments | 3,595 | 1,172 |
| Derivative liability <i>[note 5]</i> | 340 | (82) |
| Realized losses reclassified to consolidated statement of operations: | | |
| Portfolio investments | (7,390) | (2,262) |
| Accumulated remeasurement gains at end of year | <u>2,628</u> | <u>6,083</u> |

See accompanying notes

**CONSOLIDATED STATEMENT OF CHANGES
IN NET DEFICIENCY**

As at March 31
[thousands of dollars]

| | Net Assets Restricted for Endowment Purposes | Net Assets Related to Remeasurement Gains | Unrestricted Net Deficiency | 2016 | 2015 |
|--|---|--|-----------------------------------|-----------------|-----------------|
| Balance, beginning of year | 84,756 | 6,083 | (113,492) | (22,653) | (24,983) |
| Change in remeasurement gains for the current year | | (3,455) | | (3,455) | (1,172) |
| Excess of revenue over expense (expense over revenue) | 1,014 | | (30,099) | (29,085) | (3,012) |
| Endowment contributions | 1,767 | | | 1,767 | 6,514 |
| Balance, end of year | 87,537 | 2,628 | (143,591) | (53,426) | (22,653) |

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended March 31

[thousands of dollars]

| | <u>2016</u> | <u>2015</u> |
|--|-----------------|----------------|
| OPERATING ACTIVITIES | | |
| Excess of expenses over revenue | (29,085) | (3,012) |
| Items not affecting cash: | | |
| Amortization of tangible capital assets | 38,640 | 34,163 |
| Amortization of deferred capital contributions | (39,116) | (36,427) |
| Loss on disposal of tangible capital assets | 398 | 2,223 |
| Increase in post-employment benefits, net | 18,439 | 14,142 |
| Change in non-cash working capital | (18,546) | (14,046) |
| Cash used in operating activities | <u>(29,270)</u> | <u>(2,957)</u> |
| CAPITAL ACTIVITIES | | |
| Purchase of tangible capital assets | (30,629) | (135,523) |
| Net change in assets under construction (purchases less transfers) | (13,226) | 86,467 |
| Contributions received for capital purposes | 40,782 | 50,152 |
| Cash (used in) provided by capital activities | <u>(3,073)</u> | <u>1,096</u> |
| INVESTING ACTIVITIES | | |
| Decrease (increase) in short-term investments, net | 11,034 | (1,807) |
| Decrease in restricted cash, net | 1,801 | 3,748 |
| Decrease (increase) in portfolio investments, net | 11,186 | (11,926) |
| Cash provided by (used in) investing activities | <u>24,021</u> | <u>(9,985)</u> |
| FINANCING ACTIVITIES | | |
| Decrease in bank indebtedness, net | (1,244) | (1,192) |
| Endowment contributions | 1,767 | 6,514 |
| Increase (decrease) in long-term debt, net | 11,447 | (374) |
| Cash provided by financing activities | <u>11,970</u> | <u>4,948</u> |
| Net change in cash and cash equivalents during the year | 3,648 | (6,898) |
| Cash and cash equivalents, beginning of year | 12,613 | 19,511 |
| Cash and cash equivalents, end of year | <u>16,261</u> | <u>12,613</u> |

See accompanying notes

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

1. AUTHORITY AND PURPOSE

Memorial University of Newfoundland [the “University”] is a corporation operating under the authority of the *Memorial University Act*. The University is an inclusive community dedicated to innovation and excellence in teaching and learning, research, scholarship, creative activity, service and public engagement. It is a comprehensive research university offering a full range of undergraduate, graduate and continuing studies programs. The academic governance of the University is vested in the Senate. The University is a government not-for-profit organization [“GNPO”], governed by a Board of Regents, the majority of whom are appointed by the Government of Newfoundland and Labrador. The University is a registered charity under the *Income Tax Act [Canada]* and, accordingly, is exempt from income taxes, provided certain requirements of the *Income Tax Act [Canada]* are met.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements of the University have been prepared by management in accordance with Canadian public sector accounting standards for GNPO’s, including the 4200 series of standards, as issued by the Public Sector Accounting Board [“PSAB”].

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the University and the following not-for-profit organizations, which are controlled by the University:

- C-CORE
- Campus Childcare Inc.
- The Canadian Centre for Fisheries Innovation
- Genesis Group Inc.
- Memorial University Recreation Complex
- Western Sports and Entertainment Inc (dissolved in March 31, 2016)

All intercompany assets and liabilities, revenues and expenses have been eliminated.

Use of estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses during the year at the date of the consolidated financial statements. Actual results could differ from these estimates. Estimates are reviewed periodically, and as adjustments become necessary, they are reported in the earnings of the period during which they became known. Areas of key estimation include actuarial assumptions for post-employment benefits, allowance for doubtful accounts, amortization rates and cost of assets under construction.

Revenue recognition

The University follows the deferral method of accounting for contributions, which include donations and government grants, as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Contributions are recorded in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recognized as revenue when initially recorded in the accounts.

Contributions externally restricted for purposes other than endowment are initially deferred when recorded in the accounts and recognized as revenue in the year during which the related expenses are incurred.

Restricted contributions for the purchase of capital assets are deferred and amortized to operations on the same basis as the related asset.

Endowment contributions are recorded as direct increases in net assets in the year during which they are received.

Revenues from contracts, sales and other ancillary services [parking, residence, sundry sales, etc.] are recognized when the goods or services are provided and collection is reasonably assured.

Student fees are recognized as revenue when courses or seminars are held.

Investment income (loss) recorded in the statement of operations consists of interest, dividends, income distributions from pooled funds and realized gains and losses, net of related fees. Unrealized gains and losses are recorded in the statement of remeasurement gains, except to the extent they relate to deferred contributions and to endowments, in which case they are added to the respective balance.

Restricted investment income [interest, dividends, realized gains and losses] is initially deferred and recognized in the year in which the related expenses are incurred.

Restricted investment income [interest, dividends, realized gains and losses] that must be maintained as an endowment is recorded as a direct increase/decrease to net assets.

Endowments

Endowments consist of internally and externally restricted donations received by the University. The endowment principal is required to be maintained intact, with the investment income generated used for the purposes established by the donors. The University ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided. The University has established a policy with the objective of protecting the real value of the endowments. The amount of income made available for spending is prescribed annually and an amount is added to endowment net assets for capital preservation every three years.

Expense recognition

Expenses are recorded on the accrual basis as they are incurred and measureable based on receipt of goods or services and obligation to pay.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Cash and cash equivalents

Cash and cash equivalents include cash on deposit, investments in money-market funds and short-term investments with original terms to maturity of 90 days or less. Cash and cash equivalents held by external investment managers for investing rather than liquidity purposes are classified as investments.

Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of acquisition. Repairs and maintenance expenses are charged to operations as incurred. Betterments which meet certain criteria are capitalized.

The University's permanent art collection is expensed when purchased and the value of donated art is not recognized in these consolidated financial statements.

The University's library collection is capitalized and recorded at cost.

Assets under construction are recorded as such in the consolidated statement of financial position until the asset is ready for productive use, at which time it is transferred to tangible capital assets and amortized.

Assets under capital lease are recorded as tangible capital assets and amortized on the same basis as the underlying asset.

Tangible capital assets are amortized over their useful lives using the following methods and rates. Half a year's amortization is taken in the year of acquisition and no amortization is taken in the year of disposal.

| <u>Asset</u> | <u>Rate</u> | <u>Method</u> |
|-------------------------|-------------|-------------------|
| Buildings | 8% | Declining balance |
| Furniture and equipment | 20% | Declining balance |
| Computers | 30% | Declining balance |
| Software | 20% | Declining balance |
| Vehicles and vessels | 30% | Declining balance |
| Library collection | 10 years | Straight line |

Impairment of long-lived assets

Tangible capital assets are written down when conditions indicate they no longer contribute to the University's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as an expense in the consolidated statement of operations. Any associated unamortized deferred capital contributions related to the derecognized assets is recognized in income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at year end. Operating revenue and expenses are translated at exchange rates prevailing on the transaction dates. Realized gains or losses arising from these translations are included in the statement of operations. Unrealized gains or losses are included in the statement of remeasurement gains, except to the extent they relate to deferred contributions, in which case they are added to the balance.

Post-employment benefits

Pension plan

The employees of the University participate in a defined benefit pension plan [the Plan] administered under the *Memorial University Pensions Act* with any deficiencies being funded by the Province of Newfoundland and Labrador. Payments to the Plan consist of contributions from employees together with matching amounts from the University plus any additional amounts required to be paid by an employer as prescribed in the *Pension Benefits Act (1997)* [PBA]. For the period April 1, 2015 to March 31, 2016 the University was exempt from the going concern funding requirements of the PBA thereby allowing deferral of the 2015/16 special payment against the Plan's unfunded liability. The special payment schedule will resume effective April 1, 2016. Upon resumption, the special payment schedules that were in effect on April 1, 2015 will be based upon the Plan's December 31, 2013 actuarial valuation, adjusted to add one year of accrued interest at 6.3% and one additional year for payment.

With respect to a solvency deficiency, the PBA requires that an employer contribute an amount sufficient to liquidate the deficiency within five years of the solvency valuation date. The University was exempt from this solvency funding provision to March 31, 2016. Where the solvency ratio is below prescribed limits the University will, however, make special payments into the fund representing the solvency deficiency on refunds and transfers paid out of the fund

The University's contributions to the pension plan are recorded as an expense in the consolidated statement of operations. The assets and obligations of the plan are not recorded in these consolidated financial statements.

An actuarial valuation of the Plan was performed for funding purposes as at December 31, 2015. The results of this valuation and those of the December 31, 2014 valuation have been extrapolated to March 31, 2016 and 2015 for financial statement reporting.

The extrapolation revealed that the going concern unfunded liability is \$283.4 million at March 31, 2016 based on current Plan provisions and PBA requirements. Under the PBA, a going concern unfunded liability must be funded over a period of not more than 15 years while a solvency deficiency must be funded over a maximum five-year period. A portion of the going concern unfunded liability relates to the past service cost of indexing, introduced under the Plan, effective July 1, 2004. A funding arrangement was implemented coinciding with the introduction of indexing to liquidate this unfunded liability over a period of 40 years. At March 31, 2016, approximately 28.25 years are remaining in the amortization schedule. The indexing liability is amortized on a declining balance basis along with recognition that if the indexing contributions (i.e., an additional 0.6% of payroll being made by both the University and employees) exceed the originally scheduled amortization payment, that 15 years' worth of these excess contributions can be accounted for when determining the University's special payments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Effective April 1, 2016, the University is required to make special payments to fund the going concern unfunded liability revealed in the December 31, 2015 actuarial valuation. As at December 31, 2015 the going concern unfunded liability was \$297.2 million. The portion of the going concern unfunded liability (after accounting for the indexing liability) to be amortized was \$218.4 million and the required amortization payment for fiscal 2016/2017 is \$27.5 million (or 8.6% of pensionable payroll). The University was exempt from making an amortization payment in 2015/2016 and the amount otherwise payable has been deferred and will be incorporated into the special payment schedule that becomes effective April 1, 2016. University special payments will continue at this level (i.e. 8.6% of pensionable payroll) until the next actuarial valuation for funding purposes, which is due no later than December 31, 2018 (i.e., within three years of the December 31, 2015 actuarial valuation).

Other post-employment benefits

In addition to the University's pension plan, the University also has defined benefit plans for other post-employment benefits. These benefits are actuarially determined using the projected benefit method prorated on service and the administration's best estimate of salary escalation, retirement ages of employees and escalation on covered benefit expense outlays. Liabilities are measured using a discount rate determined by reference to the University's cost of borrowing. Actuarial gains and losses will be amortized over the average remaining service life of employees, which is 11 years.

The post-employment benefits are:

- Supplemental Retirement Income Plan
- Voluntary Early Retirement Income Plan
- Other benefits [severance, group life insurance and health care benefits]

Financial instruments

The University classifies its financial instruments as either fair value or amortized cost. The University determines the classification of its financial instruments at initial recognition. The accounting policy for each category is as follows:

Fair value

This category includes cash and cash equivalents, restricted cash, bank indebtedness, derivatives and equity investments quoted in an active market as well as investments in pooled funds for identical assets or liabilities using the last bid price. The University has designated its bond portfolio that would otherwise be classified into the amortized cost category at fair value as the University manages and reports performance of it on a fair value basis.

Transaction costs related to these financial instruments are expensed as incurred.

Unrealized changes in fair value are recognized in the consolidated statement of remeasurement gains and are reclassified to the consolidated statement of operations upon disposal or settlement.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and recognized in the consolidated statement of operations. If the loss subsequently reverses, the writedown to the consolidated statement of operations is not reversed until the investment is sold.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Amortized cost

This category includes short term investments, accounts receivable, accounts payable and accrued liabilities and debt. They are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses.

Transaction costs related to financial instruments in the amortized cost category are capitalized and amortized over the term of the instrument.

Short term investments consist of investments in debt securities, whether or not quoted in an active market, initially recorded at fair value plus financing fees and transaction costs that are directly attributable to their acquisition or disposal. These debt securities are thereafter carried at amortized cost using the straight line amortization method.

Write-downs of financial assets in the amortized cost category are recognized when the amount of the loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the consolidated statement of operations.

Derivative financial instruments

Derivative financial instruments are utilized by the University in the management of interest rate exposure related to its bank indebtedness. The University may also enter into foreign exchange forward contracts to eliminate the risk of fluctuating foreign exchange rates on future commitments. The University does not utilize derivative financial instruments for trading or speculative purposes.

The University enters into interest rate swaps in order to reduce the impact of fluctuating interest rates on its floating rate bank indebtedness. These swap agreements require the periodic exchange of payments without the exchange of the notional principal amount on which the payments are based. These swap agreements are recorded on a mark-to-market basis.

Contributed materials and services

If contributed materials meet the definition of a tangible capital asset, and fair value is determinable, the University capitalizes and amortizes the tangible capital asset. All other contributed materials are not recognized in these consolidated financial statements.

Volunteers, including volunteer efforts from the staff of the University, contribute an indeterminable number of hours per year to assist the University in carrying out its service delivery activities. The cost that would otherwise be associated with these contributed services is not recognized in these consolidated financial statements.

Agency obligations

The University acts as an agent which holds resources and makes disbursements on behalf of various unrelated groups. The University has no discretion over such agency transactions. Resources received in connection with such agency transactions are reported as liabilities and subsequent distributions are recorded as decreases in these liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

3. MEMORIAL UNIVERSITY ACT

In accordance with the *Memorial University Act*, the University is normally prohibited from recording a deficit on its consolidated financial statements in excess of $\frac{1}{4}$ of 1% of its total revenue.

During 1996, pursuant to Section 36 of the *Memorial University Act*, the University received approval from the Lieutenant-Governor in Council to record a deficit of up to \$5.0 million in 1996 and an additional \$10.0 million in 1997 as a result of the recognition of the liabilities related to VERIP for faculty and staff.

During 2001, the University received approval from the Lieutenant-Governor in Council to exclude from the definition of a deficit, pursuant to Section 36 of the *Memorial University Act*, any amounts resulting from the recognition of the liabilities related to recording vacation pay entitlements, severance and other post-employment benefits.

4. RESTRICTED CASH

Restricted cash consists of premiums paid to Manulife Financial on behalf of employees which are held in an interest-bearing bank account to be used to fund future rate increases or enhancements in the long-term disability and basic term life insurance plans. The related liability is included in accounts payable and accrued liabilities.

5. BANK INDEBTEDNESS

Pursuant to Section 41 of the *Memorial University Act*, the University has received approval from the Lieutenant-Governor in Council to borrow to finance two capital projects. The projects involved the construction of a new residence complex for Grenfell Campus [Project 1] and the implementation of an energy performance program in five buildings on the University's main campus in St. John's [Project 2]. The debt has been negotiated using bankers' acceptances [BA's] which mature during the 2016/17 fiscal year. Management expects to refinance these loans through BA's for the balance of the term of the loan. Disclosure related to interest rate risk is provided in *note 14*.

Derivative liability

Project 1 interest rate swap transaction involves the exchange of the underlying floating rate Canadian BA for a fixed interest rate of 4.76% expiring April 12, 2017 with a notional amount of \$2.0 million. The fair value of this interest rate swap is \$0.06 million [2015 - \$0.15 million].

Project 2 interest rate swap transaction involves the exchange of the underlying floating rate Canadian BA for a fixed interest rate of 5.12% expiring October 1, 2022 with a notional amount of \$9.4 million. The fair value of this interest rate swap is \$1.33 million [2015 - \$1.57 million].

6. FINANCIAL INSTRUMENT CLASSIFICATION

Financial instruments measured at fair value are classified according to a fair value hierarchy that reflects the importance of the data used to perform each valuation. The fair value hierarchy is made up of the following levels:

Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities using the last bid price.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

| [thousands of dollars] | 2016 | | | | 2015 |
|---------------------------------|---------------|---------------|--------------|----------------|----------------|
| | Level 1 | Level 2 | Level 3 | Total | Total |
| Cash and cash equivalents | 16,261 | | | 16,261 | 12,613 |
| Restricted cash | 1,877 | | | 1,877 | 3,678 |
| Investments | | | | | |
| Publicly traded equity - CDN | 28,108 | | | 28,108 | 32,784 |
| Publicly traded equity – USD | 10,967 | | | 10,967 | 13,771 |
| Publicly traded equity – Global | 10,126 | | | 10,126 | 2,536 |
| Fixed income | | 54,270 | | 54,270 | 69,431 |
| Bank indebtedness | | 10,097 | | 10,097 | 11,341 |
| Derivative liability | | | 1,385 | 1,385 | 1,725 |
| Total | 67,339 | 64,367 | 1,385 | 133,091 | 147,879 |

There have been no significant transfers between levels for all reporting periods presented.

7. TANGIBLE CAPITAL ASSETS

| [thousands of dollars] | 2016 | | | 2015 |
|-------------------------|----------------|--------------------------|----------------|----------------|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| Buildings | 432,275 | 194,957 | 237,318 | 245,230 |
| Furniture and equipment | 159,600 | 99,220 | 60,380 | 58,278 |
| Computers | 24,254 | 17,483 | 6,771 | 7,682 |
| Software | 4,787 | 3,174 | 1,613 | 2,016 |
| Vehicles and vessels | 6,357 | 5,316 | 1,041 | 1,006 |
| Library collection | 159,907 | 134,925 | 24,982 | 26,300 |
| Total | 787,180 | 455,075 | 332,105 | 340,512 |

Amortization expense for the year is \$38.6 million (2015 - \$34.2 million).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

8. ASSETS UNDER CONSTRUCTION

Assets under construction represent costs incurred to date on the construction of new facilities. Assets under construction are as follows:

| [thousands of dollars] | 2016 | 2015 |
|---|---------------|---------------|
| Project Description | | |
| Ocean Sciences Center Deep Water Supply | 25,398 | 25,049 |
| 100 Signal Hill Road Property | 17,550 | 12,412 |
| Core Science Facility | 20,467 | 8,318 |
| HMB Marginal Breakwater and Wharf | 3,470 | - |
| Energy Performance Project | 943 | - |
| Animal Care Unit Expansion | 352 | 9 |
| Engineering High Bay Labs | 347 | 13 |
| Aboriginal Center | 98 | - |
| Mount Scio Road Warehouse | 86 | 82 |
| Grenfell Campus Environmental Labs | - | 3,791 |
| Offshore Operations Simulator | - | 3,691 |
| HMDC Offshore Operations Facility | - | 1,799 |
| MV Shamook Vessel Renovation | - | 323 |
| Total | 68,711 | 55,487 |

9. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions related to tangible capital assets represent the unamortized and unspent amount of donations and grants received for the purchase of tangible capital assets. The amortization of deferred capital contributions is recorded as revenue in the consolidated statement of operations.

| [thousands of dollars] | 2016 | 2015 |
|-----------------------------------|----------|----------|
| Balance, beginning of year | 376,198 | 362,473 |
| Additional contributions received | 40,782 | 50,152 |
| Less amounts amortized to revenue | (39,116) | (36,427) |
| Balance, end of year | 377,864 | 376,198 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

10. DEFERRED CONTRIBUTIONS – EXTERNAL GRANTS AND DONATIONS

Deferred contributions related to expenses of future periods represent unspent externally restricted grants and donations for research and other programs.

| [thousands of dollars] | <u>2016</u> | <u>2015</u> |
|--|-----------------|-----------------|
| Balance, beginning of year | 96,085 | 97,498 |
| Grants and donations received during the year | 49,980 | 56,945 |
| Less amounts recognized to revenue for expenses incurred during the year | <u>(62,667)</u> | <u>(58,358)</u> |
| Balance, end of year | <u>83,398</u> | <u>96,085</u> |

11. LONG-TERM DEBT

| [thousands of dollars] | <u>2016</u> | <u>2015</u> |
|---|---------------|-------------|
| CMHC mortgage on Queen’s College, 5.875% interest, repayable in 50 equal, blended payments of \$29 semi-annually, maturing in June 2018, secured | 133 | 182 |
| Royal Bank of Canada [“RBC”] fixed rate term loan to fund the Marginal Breakwater and Wharf Facility, 3.69%, repayable in 19 equal, annual blended payments of \$825, matures in 2034 | 11,186 | - |
| Capital leases negotiated through the RBC, varying interest rates, payable in equal annual installments, secured by assets under lease | <u>583</u> | <u>273</u> |
| | 11,902 | 455 |
| Less: current portion | <u>844</u> | <u>249</u> |
| | <u>11,058</u> | <u>206</u> |

Annual repayments of long-term debt over the next five years are as follows:

| | |
|------|-------|
| 2017 | \$844 |
| 2018 | \$743 |
| 2019 | \$474 |
| 2020 | \$462 |
| 2021 | \$479 |

12. POST-EMPLOYMENT BENEFITS

The University has a number of post-employment benefit liabilities including employee future benefits (severance, health and dental benefits and life insurance), Voluntary Early Retirement Income Plan (VERIP) and Supplemental Retirement Income Plan (SRIP). The last valuation was performed on December 31, 2012 and extrapolated in each subsequent year for accounting purposes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Employee Future Benefits

The University provides group life insurance and health care benefits on a cost shared basis to retired employees, and in certain cases, their surviving spouses. In addition, the University pays severance to certain employee groups upon termination, retirement or death, provided they meet certain eligibility criteria. The cost of providing these future benefits is unfunded. Current year payments are funded on an annual basis from operations.

The significant actuarial assumptions used in measuring these benefits include the following:

| | <u>2016</u> | <u>2015</u> |
|---------------------------------------|--------------|-------------|
| Discount rate: | | |
| Liability | 4.20% | 3.40% |
| Expense | 3.40% | 4.40% |
| Average rate of compensation increase | 4.00% | 4.00% |

The health care inflation rate is 7% in year 1 following the valuation date, reducing 0.5% per year to 4% in year 7 and later (2016 – 5.5%, 2015 – 6%). There is no explicit inflation rate assumption.

Voluntary Early Retirement Income Plan (VERIP)

In February and May 1996, the University offered faculty and staff, who reached age 55 and attained a minimum of 10 years pensionable service, an opportunity to take an early retirement under the provisions of the VERIP. Subject to eligibility criteria, the Plan provided an incentive of enhanced pension benefits of up to five years' pensionable service and waiver of actuarial reduction, if applicable, or a lump sum early retirement payment. The early retirement incentive is unfunded. Current year payments are funded on an annual basis from operations.

The significant actuarial assumptions used in measuring these benefits include the following:

| | <u>2016</u> | <u>2015</u> |
|---------------|--------------|-------------|
| Discount rate | | |
| Liability | 3.30% | 2.60% |
| Expense | 2.60% | 3.70% |

Supplemental Retirement Income Plan (SRIP)

In May 1996, the Board of Regents approved a SRIP to provide benefits to employees of the University whose salaries exceed the Canada Revenue Agency maximum pensionable salary and whose defined benefit pension, therefore, exceeds the maximum benefit payable from the Plan.

The significant actuarial assumptions used in measuring these benefits include the following:

| | <u>2016</u> | <u>2015</u> |
|---------------|--------------|-------------|
| Discount rate | | |
| Liability | 4.20% | 3.40% |
| Expense | 3.40% | 4.40% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

The accrued liability and expense of these post-employment benefits are outlined in the tables below:

[thousands of dollars]

| | 2016 | | | |
|----------------------------|--------------------------------|--------------|---------------|--------------------|
| | Employee Future Benefits | VERIP | SRIP | Total Liability |
| Post-employment benefits | 196,219 | 5,717 | 27,391 | 229,327 |
| Unamortized actuarial loss | (18,270) | | (6,659) | (24,929) |
| Total liability | 177,949 | 5,717 | 20,732 | 204,398 |

[thousands of dollars]

| | 2015 | | | |
|----------------------------|--------------------------------|--------------|---------------|--------------------|
| | Employee Future Benefits | VERIP | SRIP | Total Liability |
| Post-employment benefits | 218,745 | 6,290 | 27,281 | 252,316 |
| Unamortized actuarial loss | (57,490) | - | (8,867) | (66,357) |
| Total liability | 161,255 | 6,290 | 18,414 | 185,959 |

[thousands of dollars]

| | 2016 | | | |
|---|--------------------------------|--------------|--------------|------------------|
| | Employee Future Benefits | VERIP | SRIP | Total Expense |
| Current year benefit costs | 8,539 | - | 1,217 | 9,756 |
| Interest on accrued benefit obligations | 7,641 | 158 | 958 | 8,757 |
| Benefit payments | (4,911) | (494) | (595) | (6,000) |
| Amortized actuarial losses | 5,426 | (237) | 737 | 5,926 |
| Total expense | 16,695 | (573) | 2,317 | 18,439 |

[thousands of dollars]

| | 2015 | | | |
|---|--------------------------------|------------|--------------|------------------|
| | Employee Future Benefits | VERIP | SRIP | Total Expense |
| Current year benefit costs | 6,334 | - | 1,005 | 7,339 |
| Interest on accrued benefit obligations | 7,701 | 216 | 984 | 8,901 |
| Benefit payments | (4,257) | (499) | (488) | (5,244) |
| Amortized actuarial losses | 2,200 | 493 | 453 | 3,146 |
| Total expense | 11,978 | 210 | 1,954 | 14,142 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

13. CONTINGENCIES

Canadian University Reciprocal Insurance Exchange (CURIE)

The University participates in a self-insurance cooperative involving a contractual agreement to share the insurance, property and liability risks of member universities for a term of not less than five years.

In the event the premiums are not sufficient to cover claims settlements, the member universities would be subject to an assessment in proportion to their participation. For the year ended December 31, 2015, CURIE had a surplus of \$0.034 million and a cumulative subscribers' equity of \$69.7 million. The University's pro-rata share is approximately 3% on an ongoing basis.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Market risk

The University is exposed to market risk on its investments due to future fluctuations in market prices. This risk is managed by a Statement of Investment Policy and Objectives approved by the Board of Regents which includes investment policy provisions for an acceptable asset mix structure and quality constraints on fixed income instruments.

(a) Currency Risk

Currency risk relates to the University operating in different currencies and converting non-Canadian transactions at different points in time when adverse changes in foreign currency rates occur. The University minimizes foreign currency risk to protect the value of foreign cash flows, both committed and anticipated, by using foreign exchange contracts when market conditions are judged to be favorable. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

[thousands of dollars]

| 2016 Foreign Currency Denominated Assets | Fair Values (CAD) | Impact of 1% Absolute Change in Exchange Rates on Net Assets |
|---|----------------------|---|
| US Equity | 10,967 | 109.67 |
| Global Equity | 10,126 | 101.26 |

(b) Interest rate risk

Interest rate risk refers to the effect on the fair value or future cash flows of a financial instrument due to fluctuations in interest rates. The University's exposure to interest rate risk relates to its floating interest rate bank indebtedness which utilizes BA's and exposes the University to cash flow risk. The University has managed this floating interest rate risk by entering into interest rate swap agreements with the RBC Royal Bank to offset the movement in the BA rates. Any change in BA rates will be offset by a corresponding change in the interest rate swap. The fair value of these interest rate swap agreements are recorded in the consolidated

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

statement of financial position and the change in value is reflected in the consolidated statement of remeasurement gains.

Credit risk

Credit risk is the risk of loss due to the failure of a counterparty to satisfy its obligations. The University is exposed to credit risk with respect to accounts receivable from students, governments and other clients as well as through its investments in fixed income and equity securities. Services are provided to a large number of students and entities, which minimizes the concentration of credit risk. The University routinely monitors the receivable balances and establishes an appropriate allowance for doubtful accounts based upon factors surrounding credit risk, historical trends, and other information. The University limits its exposure to credit loss on fixed income by investing in securities with high credit quality. To maximize the credit quality of its investments, the University performs ongoing credit evaluations based upon factors surrounding the credit risk of issuers, historical trends and other information. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. All transactions executed by the University in listed equities are settled upon delivery using approved brokers. The risk of default is considered minimal, as the delivery of those securities sold is made only when the broker has received payment. Payment is made on purchases only when the security is received by the broker. The trade will fail to consummate if either party fails to meet its obligation. The maximum risk of loss at March 31, 2016 is limited to the amounts as shown on the consolidated statement of financial position.

Liquidity risk

The University is exposed to liquidity risk with respect to its contractual obligations and financial liabilities. This risk is managed by maintaining adequate cash and cash equivalents. The University believes that cash and cash equivalents on hand, future cash flows from government grants and student fees will be adequate to meet its financial obligations.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk or currency risk], whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk through its investments in equity instruments traded in an active market

15. COMPARATIVE FIGURES

Certain figures from the prior period have been reclassified to conform to the presentation adopted for the current period.

Unaudited Supplementary Information

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

March 31, 2016

**COMPENSATION PRACTICES AT
MEMORIAL UNIVERSITY OF NEWFOUNDLAND**

Compensation at the University is characterized by the financial remuneration received by individuals in relation to the duties and responsibilities of their respective position. Compensation is predominantly in the form of a fixed salary that is regularly reviewed for annual step progression, general economic increases, administrative stipends and market differential where deemed necessary.

At the executive level, the Board of Regents [the “Board”] on the recommendation of its Executive Compensation Committee engages in a Senior Executive Compensation Review that assesses compensation levels for the University’s Executive members against similar positions within the Canadian University Market. This market review is normally done on a five year interval to ensure market alignment.

Compensation for Academic Executive, Academic Management, and Academic Staff include a salary amount identified on the faculty scale, based on experience, rank and highest degree, in accordance with the Memorial University of Newfoundland Faculty Association [MUNFA] collective agreement. In addition, there is an administrative stipend, set by the Board that is applied in addition to core compensation to reflect the size and complexity of the faculty, school or department. Per-course instructors are represented by Lecturers’ Union of Memorial University of Newfoundland [LUMUN] and compensated in accordance with negotiated salary amounts. Graduate teaching assistants are represented by Teaching Assistants’ Union of Memorial University of Newfoundland [TAUMUN] and compensated in accordance with negotiated salary amounts.

There are three main salary scales for administrative groups below the level of Vice-President, including; Senior Administrative Management [SAM] scale; the Management and Professional staff [MPS] scale; and unionized and non-unionized staff [Common] scale.

Compensation levels for administrative positions below the level of Vice President are determined based on consideration of nine common factors in the application of the University’s job evaluation plan [AIKEN]. In these cases, positions are assessed and assigned a rating outcome in nine areas, resulting in a total number of points for a position with an associated salary band, the intention being that broader, more difficult positions will achieve higher ratings and therefore be slotted higher in terms of salary banding. Once banded, compensation and employee progress through these bands or salary levels are a separate process.

Compensation analyses for academic and administrative positions are regularly completed to ensure market alignment within identified comparator groups and to ensure ongoing competitiveness of the University’s compensation structure. These market differentials are applied where market demands are greater than assigned salary levels.

For unionized faculty and staff, compensation structures are determined through collective bargaining processes between the University and the various unions representing each employee group; MUNFA, Canadian Union of Public Employees [CUPE], and the Newfoundland and Labrador Association of Public and Private Employees [NAPE].

The attached tabular information and explanatory notes provide an overview of salary ranges for executive, academic and administrative positions at Memorial University of Newfoundland. Due to implementation of a new Human Resources Information System in 2013, readers of the attached tabular information are reminded that this information is unaudited and may be captured differently than in previous years, notes have been provided to assist with explanation where possible.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
EXECUTIVE SALARY RANGES
MARCH 31, 2016

| | Salary Range (\$) |
|--------------------------------------|--------------------------|
| President and Vice-Chancellor | 469,200 |
| Vice-Presidents: | |
| Provost (Academic) | 219,488 - 274,360 |
| Administration & Finance | 195,089 - 243,861 |
| Research <i>[note 1]</i> | 195,089 - 243,861 |
| Grenfell Campus [GC] <i>[note 2]</i> | 195,089 - 243,861 |
| Marine Institute | 195,089 - 243,861 |

Note 1: Actual salary is \$285,335 as per employment contract.

Note 2: Actual salary is \$253,615 as per employment contract.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
ACADEMIC SALARY RANGES
MARCH 31, 2016

| | Salary Range (\$) <i>[note 1]</i> | Actual Minimum and Maximum Salaries (\$) <i>[note 2]</i> | Number of Employees <i>[note 3]</i> |
|--|---|--|---|
| Academic Executive: Deans of Faculties/Schools University Librarian Associate Vice-President Deputy Provost/Associate Vice-President | <i>[note 4]</i> | | 20 12 1 6 1 |
| Academic Management: Associate Deans Assistant Deans Department Heads Directors Associate University Librarians | <i>[note 5]</i> | | 75 30 6 34 1 4 |
| Academic Staff: <i>[note 6]</i> | 31,080 - 169,808 | | 1247 |
| Professors | 109,488 - 169,808 | 109,488 - 246,768 | 230 |
| Associate Professors | 92,848 - 138,608 | 92,848 - 173,968 | 337 |
| Assistant Professors | 80,368 - 101,168 | 80,368 - 142,768 | 300 |
| Lecturers <i>[note 7]</i> | 63,728 - 76,208 | 67,888 - 86,608 | 104 |
| Co-op Education Coordinators | 61,647 - 109,487 | 82,447 - 126,387 | 23 |
| Librarians | 57,485 - 151,085 | 63,725 - 133,285 | 35 |
| Instructors-Marine Institute <i>[note 8]</i> | 31,080 - 163,894 | 46,699 - 136,578 | 218 |

Note 1: Salary ranges include regular base earnings only.

Note 2: Actual minimum and maximum annual salaries are comprised of all academic staff (including Academic Executive and Academic Management); amounts include regular base earnings and approved amounts paid in addition to regular earnings (i.e. administrative stipends and market differentials).

Note 3: This does not represent a count of full time equivalent positions, but rather is a headcount of permanent and contractual employees. Those on long-term disability have not been included in the count.

Note 4: Academic Deans receive a salary depending upon professorial rank plus an administrative stipend in the range of \$9,500 to \$26,500 per year.

Note 5: Academic Department Heads receive a salary based upon their professorial rank plus an administrative stipend in the range of \$5,500 to \$10,000 per year.

Note 6: Academic staff counts do not include individuals who may also hold an Academic Executive or Academic Management affiliation.

Note 7: Lecturers include 53 Visiting Professors paid on the lecturer scale.

Note 8: Marine Instructor count includes Demonstrators, Technical Assistants, Scientists and Instructors. The 2015 Schedule D reflected the maximum salary for the Instructor classification; however, the above reflects the maximum salary for the Research Scientist classification.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
ADMINISTRATIVE SALARY RANGES
MARCH 31, 2016

| | Salary Range (\$) | Actual Minimum and Maximum Salaries (\$) <i>[note 1]</i> | Number of Employees <i>[note 2]</i> |
|--|--------------------------|--|---|
| Senior Administrative Management Level 1 to 5 <i>[note 3]</i> | 104,546 - 204,993 | 104,546 - 225,492 | 127 |
| Management and Professional Staff <i>[note 4]</i> | 49,602 - 117,822 | 49,602 - 116,591 | 587 |
| Administrative Staff <i>[note 5]</i> | 30,237 - 114,362 | 30,237 - 80,498 | 1833 <i>[note 6]</i> |

Note 1: Actual minimum and maximum annual salaries are based on regular earnings; amounts include regular base earnings and approved amounts paid in addition to regular earnings (i.e. administrative stipends and market differentials).

Note 2: This does not represent a count of full time equivalent positions, but rather is a headcount of permanent and contractual employees. Those on long-term disability have not been included in the count.

Note 3: Compensation levels were assessed based on the Canadian broader public sector;

Note 4: Compensation was assessed based on the Atlantic Canadian broader public sector.

Note 5: Administrative salary ranges [Common Pay Scale] reflect salary levels defined by union collective agreements or non-bargaining terms and conditions of employment.

Note 6: Administrative staff count excludes Standardized Patients, Apprentices, Student employees, and other casual workers.