



MEMORIAL UNIVERSITY OF NEWFOUNDLAND

ANNUAL REPORT

2018-19



Board of Regents

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August 30, 2019

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

Dear Minister Mitchelmore,

In accordance with the Board of Regents' responsibilities under the **Transparency and Accountability Act**, I present the 2018-19 annual report for Memorial University of Newfoundland, a category one entity.

The activities in this report coincide with initiatives outlined in the document Memorial University of Newfoundland Strategic Plan, April 1, 2017 - March 31, 2020, 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

This report covers the university's annual objectives for April 1, 2018 to March 31, 2019; the second year of the three-year plan. My signature below is indicative of the Board of Regents' accountability for the results reported.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Iris Petten".

**Iris Petten
Chair, Board of Regents**

Table of Contents

INSTITUTIONAL OVERVIEW	1
Memorial University Campuses.....	2
Key Statistics	4
Highlights and Partnerships	6
REPORT ON STRATEGIC ISSUES.....	10
Issue 1: Teaching and Learning.....	11
Issue 2: Research, Scholarship and Creative Activity	18
Issue 3: Public Engagement	27
Issue 4: Enabling Success	32
OPPORTUNITIES AND CHALLENGES	37
APPENDIX	
Memorial University of Newfoundland Consolidated Financial Statements with Supplementary Schedules March 31, 2019	38

Institutional Overview

Memorial University was established in 1925 as a memorial to the Newfoundlanders who lost their lives on active service during the First World War and subsequent conflicts. What started as a small teachers' training school nearly 100 years ago has since grown into a comprehensive doctoral university offering more than 100 degree programs. Now one of the largest educational institutions in eastern Canada, more than 18,000 students from over 100 countries are enrolled at Memorial University. From the classics to advanced technology, Memorial offers certificate, diploma, undergraduate, graduate, and postgraduate programs across five campuses, the Labrador Institute, and online. A global network of more than 85,000 accomplished alumni throughout the world strengthens Memorial University's capacity and reputation for leadership in research, teaching and public engagement.

As Newfoundland and Labrador's only university, Memorial has a special obligation to the people of this province. The university strives to have national and global impact, while fulfilling its social mandate to provide the people of the province with access to university education and to contribute to the social, cultural, scientific, and economic development of Newfoundland and Labrador and beyond.

Memorial University Campuses

St. John's Campus

The St. John's campus is Memorial's largest with more than 40 buildings. It houses the teaching and research facilities of seven faculties and five schools¹. The campus offers undergraduate, graduate, and professional programs in a comprehensive range of disciplines. Research facilities support the diversity of programs and reflect the university's mid-North Atlantic location and unique cultural heritage. The campus also houses central administrative services for the entire university 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, and Lewisporte. 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, United Kingdom. A number of 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 also acts as a base for faculty members and graduate students conducting research or further study in the United Kingdom.

Signal Hill Campus

Memorial's location at the site of the old Battery Hotel in St. John's was officially named the Signal Hill Campus in July 2018 and officially opened to the public in September 2018. With a focus on public engagement and innovation, the site includes conference and

¹ In 2018-19, Memorial University's School of Nursing became the Faculty of Nursing, resulting in a change from six faculties and six schools to seven faculties and five schools on the St. John's Campus.

meeting facilities, graduate student accommodations, and the following Memorial units: the Office of Public Engagement, the Gardiner Centre, Genesis Centre, the Harris Centre, the Newfoundland Quarterly, and the Johnson Geo Centre, along with the Memorial University Pensioners Association and the community organization, Business and Arts NL.

Labrador Institute

In addition to the five 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. 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 (CNA).

The **Memorial University Act** specifies the role, responsibilities, structure and other governance and administrative aspects of the university. The university is governed by a Board of Regents, including: ex-officio positions, members appointed by the Lieutenant-Governor in Council, members elected by Memorial University Alumni Association, and student members appointed by the Lieutenant-Governor in Council. The following table presents the members of the Board of Regents as of March 31, 2019.

Ex-Officio	Appointed by Lieutenant-Governor in Council	Elected by Memorial University Alumni Association	Students Appointed by Lieutenant-Governor in Council
Dr. Susan Dyer Knight , Chancellor	Iris Petten , Chair, Avalon	Bud Davidge	Brandon Ellis
Dr. Gary Kachanoski , President and Vice-Chancellor	Margaret Allan , Avalon	Cathy Duke	Kryston Munnings
Dr. Noreen Golfman , Provost and Vice-President (Academic)	Michelle Baikie , Labrador	Rex Gibbons	
	Glenn Barnes , Avalon	Katherine Hickey	
	Robert Bishop , Avalon	Denis Mahoney	
	Mark Bradbury , Avalon	Sarah Stoodley	
	Fred Cahill , Avalon		
	Joe Dunford , Avalon		
	John Gibbons , Western		
	Doug Letto , Avalon		
	Karen McCarthy , Avalon		
	Donna Rideout , Central		
	Catherine Rowsell , Avalon		
	George Saunders , Central		
	Eleanor Swanson , Avalon		
	Dennis Waterman , Western		

The legislation also defines the governance structure of the institution and the powers and responsibilities vested in it. The governance system is bicameral, having two governing bodies: the 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.” The Senate has “general charge of all matters of an academic character.”

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, which exceeds one-quarter of one per cent 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 provisions in this Act intended to protect the autonomy of the institution.

Information about the mandate, lines of business and mission of the university can be found in Memorial’s [Strategic Plan 2017-20](#).

Key Statistics

Memorial’s enrolment for the first year after receiving university status stood at only 307 students. Today, the university is home to 18,005 undergraduate and graduate students. While this status has been achieved in large measure by educating and serving the people of Newfoundland and Labrador, the university now enrolls a more diverse population of students from local, national, and international communities. The following table provides detailed enrolment information for fall 2018 by provincial campus, program level, gender, and enrolment status.

	Undergraduate				Graduate				Total
	Female	Male	Not Specified	Total	Female	Male	Not Specified	Total	
St. John's Campus+	6,265	4,677	64	11,006	1,895	1,642	2	3,539	14,545
Full-time	5,843	4,395	63	10,301	1,151	1,268	0	2,419	12,720
Part-time	422	282	1	705	744	374	2	1,120	1,825
Grenfell Campus^	818	453	8	1,279	33	27	0	60	1,339
Full-time	780	439	7	1,226	32	27	0	59	1,285
Part-time	38	14	1	53	1	0	0	1	54
Marine Institute Campus~	258	731	7	996	92	143	0	235	1,231
Full-time	155	503	5	663	43	35	0	78	741
Part-time	103	228	2	333	49	108	0	157	490
Distance	583	302	5	890	N/A	N/A	N/A	N/A	890
Full-time	133	58	2	193	N/A	N/A	N/A	N/A	193
Part-time	450	244	3	697	N/A	N/A	N/A	N/A	697
Total*	7,924	6,163	84	14,171	2,020	1,812	2	3,834	18,005

+ Includes Centre for Nursing Studies

^ Includes Western Regional School of Nursing

~ Excludes Marine Institute industrial response courses. The total enrolment in these courses in 2017-18 was 5,295 and the revenue generated from them subsidizes the administrative and faculty costs of the Institute.

* Excludes 251 post graduate medicine students

- Students taking courses at Harlow or the Labrador Institute are included in the campus where they registered for their program.

As of March 2019, Memorial employed more than 3,700 faculty and staff across its three campuses in the province, as shown in the table below.

	Faculty*				Staff				Total
	Female	Male	Not Specified	Total	Female	Male	Not Specified	Total	
St. John's Campus	529	626	0	1,155	1,192	760	1	1,953	3,108
Full-time	447	544	0	991	1,093	733	0	1,826	2,817
Part-time	82	82	0	164	99	27	1	127	291
Grenfell Campus	46	59	0	105	103	65	0	168	273
Full-time	40	56	0	96	96	62	0	158	254
Part-time	6	3	0	9	7	3	0	10	19
Marine Institute Campus	44	150	0	194	93	70	0	163	357
Full-time	43	143	0	186	92	70	0	162	348
Part-time	1	7	0	8	1	0	0	1	9
Total	619	835	0	1,454	1,388	895	1	2,284	3,738

* - Signal Hill Campus, Harlow Campus, and Labrador Institute staff are included in the St. John's Campus numbers.

Memorial University's fiscal year is April 1 to March 31. Financial statements are prepared by the university's Financial and Administrative Services staff and audited by an external auditor. In 2018-19, the total operating and capital budget for the university (including the Faculty of Medicine) was \$551.8 million. Operating revenues include: grants from the Government of Newfoundland and Labrador of \$364.8 million; tuition fees of \$61.6 million (includes Campus Renewal and Student Services fees); a grant from the Government of Canada Research Support Fund (Tri-Council Agencies) of \$4.5 million; and smaller sources of income including endowments and investments. Capital revenues include: \$106.7 million from the Provincial Government² and \$11.2 million from the Federal Government.

Highlights and Partnerships

Memorial is proud of many key accomplishments during 2018-19. The following are some examples.

- In 2018, Memorial awarded 3,412 degrees during its spring and fall convocations, including 2,395 bachelor's degrees, 910 master's degrees, and 107 doctorate degrees.
- Graduate enrolment for fall 2018 semester increased to an all-time high of 3,834, increasing from 3,774 in fall 2017 and up over 59 per cent since 2008.
- International enrolment also achieved an all-time high, reaching 3,067 in fall 2018, compared to 948 in 2008, for an increase of 224 per cent.
- Research ranging from developing sustainable road pavements for harsh Canadian climates to evolutionary drivers of variation in bat migration received roughly \$8.8 million in October 2018 from the Natural Sciences and Engineering Research Council of Canada. This investment will propel and energize studies in the faculties of Engineering and Applied Science, Medicine, Science, and Humanities and Social Sciences, as well as the School of Human Kinetics and Recreation, School of Pharmacy, and Grenfell Campus.
- The Social Sciences and Humanities Research Council of Canada is investing a total of \$1.3 million into studies led by early career and emerging researchers at Memorial. The funding supports researchers based in the faculties of Humanities and Social Sciences; Business Administration; Education; Science; and Medicine, as well as the School of Music.
- Memorial's Provost and Vice-President Academic has been recognized by the Association for Graduate Enrollment Management (GEM) for demonstrating unique vision in the graduate enrolment management profession. The Visionary Award is presented annually to established leaders in higher education who have developed and executed innovative strategy or led bold, cutting-edge and

² Capital revenues increased from \$2.4 million in 2017-18 to \$106.7 million in 2018-19 due to funding provided for the Core Science Facility (a non-repayable amount of \$25.1 million and an installment of the Provincial Government loan).

successful initiatives that have influenced their own campus, university system or the GEM community at large.

- Memorial placed 38th on the prestigious Shanghai Ranking List for marine and/or ocean engineering research, the only Canadian university to do so.
- Two Memorial University entrepreneurs competed at the University Startup World Cup in Denmark in the fall. The students were the first Canadians to compete at the world cup.

Memorial has reached several milestones in 2018-19 with regards to key infrastructure projects.

- Signal Hill Campus officially opened in September 2018 with conference and meeting facilities, work space for a number of Memorial units, and several public convening areas, along with accommodations that have housed graduate students and Memorial guests since 2015. The naming of the campus' Emera Innovation Exchange reflects a \$7 million investment from Emera toward student innovation and entrepreneurship programming at the university. Johnson Insurance also made a significant ten-year commitment to directly support the construction of the central atrium at the new campus.
- The university received a multi-million-dollar gift this year through the donation of the Johnson GEO Centre that expands Memorial's activities into the downtown area. The Johnson GEO Centre Foundation donated to Memorial University the infrastructure and assets of the Johnson GEO Centre, including GEO Park and other adjacent lands under lease from the Provincial Government, effective April 1, 2019. Together with Signal Hill Campus, Memorial now has nearly 40 acres of land on Signal Hill.
- The final piece of structural steel was placed in the Core Science Facility building in April 2018. This new St. John's campus building is scheduled to be completed by late 2020.
- The Marine Institute received a combined \$8.5 million Federal-Provincial investment for its development in Holyrood. This next phase of the Holyrood Marine Base expansion project includes a new multi-purpose building and an adjacent subsea water lot to support research, development and testing of next-generation ocean technology.

A number of new academic programs were launched at Memorial in 2018-19 and significant achievements among existing programs were celebrated.

- Grenfell Campus added a new graduate degree to its program offerings. The master of fine arts degree is the third graduate program to be established at Grenfell.
- The Marine Institute introduced a new safety management major in the bachelor of maritime studies program, the first of its kind in Canada.
- The Faculty of Business Administration and the School of Music launched a joint degree in music and business administration, another first in Canada.

- Students now have the option to enrol in an interdisciplinary master's program in occupational health and safety, the first in Atlantic Canada.
- For the sixth time, the Faculty of Medicine received the Society of Rural Physicians of Canada's Keith Award, given annually to a Canadian post-graduate medical program that has excelled in producing rural doctors.
- The Faculty of Engineering and Applied Science has been a national leader in closing the engineering gender gap. For the fourth year in a row, Memorial had the highest percentage of women undergraduate students in the country at 26.9 per cent.

Key partnerships continue to support growth and innovation at Memorial. The following are examples of partnerships that were established or have continued during 2018-19.

- Memorial University received more than \$10.2 million in Federal-Provincial funding in December 2018 for research and projects contributing to a more sustainable fish and seafood sector in Newfoundland and Labrador. Under the investment from the Atlantic Fisheries Fund, more than \$4.3 million went to the Marine Institute's Centre for Fisheries Ecosystems Research for research on stock assessment models and sustainable fisheries; more than \$1.3 million went to the Department of Ocean Sciences in the Faculty of Science to research solutions to sea lice in salmon aquaculture operations; and \$4.5 million went to the Canadian Centre for Fisheries Innovation for a suite of projects over the next three years.
- Federal investments totaling more than \$4.5 million will enhance Memorial's research expertise in areas ranging from climate change, to health care, to oceans research. Five new Canada Research Chairs - one of the country's highest honours for research excellence - were appointed at Memorial in May 2018.
- In November 2018, a \$2.4 million investment by the Government of Canada for an additional three new Canada Research Chairs will accelerate Memorial's international reputation for innovative multidisciplinary research benefiting Newfoundland and Labrador and beyond. The chairs include Social Enterprise; Health Policy Evaluation and Health Care Sustainability; and Adaptation and Revitalization of Aboriginal Languages.
- A pair of researchers in the Faculty of Medicine received more than \$3.8 million from the Government of Canada that will strengthen Memorial's capacity for cutting-edge health research. The first project, receiving a total of \$2.4 million will partner with the Newfoundland and Labrador Centre for Health Information to better utilize genetic information to diagnose disease and predict drug response to improve the lives of the people and communities it serves. The second project received a total of \$1.4 million to advance medical education and patient care across Newfoundland and Labrador by expanding the existing biomedical 3D printing laboratory at the Faculty of Medicine.
- Thanks to a \$200,000 grant from the Canadian Space Agency (CSA), a team of engineering students will design and build their own satellite. Memorial is one of 15 university teams, composed of 37 organizations, chosen to participate in the CSA project. This will be the first earth observation satellite built in this province.

- A new Aging Research Centre has been established. It is led by a core leadership team based on the Grenfell Campus with expertise in aging. The centre will bring together researchers from around the province and beyond to facilitate partnerships and spur new research initiatives in the area of aging in Newfoundland and Labrador, particularly in small rural and remote communities.

Report on Strategic Issues

Memorial's 2017-20 Strategic Plan sets out four priority issues:

1 Teaching and Learning

2 Research, Scholarship and Creative Activity

3 Public Engagement

4 Enabling Success

In 2017-18, Memorial laid much of the ground work required to work towards its three-year goals. The focus of 2018-19 has therefore been on implementing the next steps to support the overall plan. This has occurred through the launch of a strategic framework, the opening of new facilities, the launch of key projects, and the strengthening of partnerships. The following report provides an overview of the progress made during the second year (2018-19) of the three-year strategic plan with sections dedicated to the objectives associated with each strategic issue.

The university is a 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 across the university's campuses 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 is comprehensive, yet concise.

Issue 1: Teaching and Learning

Memorial's Teaching and Learning Framework (2014-17) was established to foster creativity, innovation, and excellence in program curricula and delivery. The framework ultimately aimed to develop a teaching and learning community that engaged learners and educators in the pursuit and sharing of knowledge. The last year saw the launch of the new Teaching and Learning Framework 2023. Based on university-wide consultations, the renewed framework carries on the legacy of the previous framework, while putting forward priorities to support today's student and encouraging innovation and excellence. The intention of the new framework is to promote greater integration of the entire university community.

During 2018-19, Memorial's focus centered on developing the foundational pieces required to support the renewed framework. Memorial promoted the launch of the framework, established a Senate Committee on Teaching and Learning, and initiated or pilot-tested new teaching and learning programs and supports. The university also continued to collaborate with College of the North Atlantic regarding shared goals and post-secondary education priorities.

Goal 1:	By March 31, 2020, Memorial University will have enhanced its teaching and learning environment.
Objective:	By March 31, 2019, Memorial University will have continued to undertake activities to enhance its teaching and learning environment.

2018-19 Results:

Indicator 1: Completed the Teaching and Learning Framework and began implementation.

A new Teaching and Learning Framework (TLF) for Memorial University was finalized, endorsed by Senate, and approved by the Board of Regents in December 2018. Implementation continued on the key initiatives of the TLF.

- An external review of Memorial's Centre for Innovation in Teaching and Learning (CITL), which began in 2017-18, was completed during the last year. As a result:
 - A new Director for CITL was hired and the position was retitled to Associate Vice-President (AVP), Teaching and Learning/Director of CITL to elevate the importance of teaching and learning and the role of CITL across the university.
 - CITL initiated a strategic planning process, including consultations across the university, to support the development of a broader vision for the

unit within the teaching and learning function of the university, including responsibility for the renewed TLF.

- The new TLF was formally launched across the institution. This included a promotional video by the Provost and AVP (Teaching and Learning), as well as meetings held with 13 of Memorial's faculties and schools and 13 administrative units and specialized centres to promote the implementation of the TLF.
- A Senate Committee on Teaching and Learning was established and its Terms of Reference was finalized, including a responsibility to monitor and support the TLF.
- An Advisory Council for CITL was established consisting of senior Memorial representatives appointed by the Provost and Vice-President (Academic) such as academic program leaders (e.g., Associate Deans), the Libraries, Student Life, Registrar's Office, student unions, as well as teaching award winners.
- Plans were initiated for Memorial's May 2019 Teaching and Learning Conference, with a theme to support the implementation of the TLF - strengthening Our Educational Experience: Accessibility, Engagement and Success.

Actions were also taken at other campuses to launch initiatives to support the new TLF.

- The Marine Institute received approval to launch a new program stream in Safety Management within the Bachelor of Maritime Studies program.
- The Department of National Defense awarded the School of Maritime Studies \$1.2 million to develop curriculum for the Department.
- The School of Ocean Technology, Marine Institute, has worked to increase the number of co-curricular experiential learning opportunities in its programs.
- During 2018-19, Grenfell Campus developed a program proposal for a PhD in Sustainability Science and initiated the development of a PhD program proposal for Boreal Ecosystem and Agricultural Science. The Campus will seek further approval in the upcoming year.
- The former Sustainable Resource Management and the Environmental Studies programs on Grenfell Campus were merged into a single program (Bachelor of Environment and Sustainability).
- 2018-19 saw the completion of student coursework and professional placements in the Inuit Bachelor of Education program based in Labrador and led by the Labrador Institute. Ten new Inuit elementary teachers are expected to graduate in 2019, with Indigenous studies teachables and Inuttitut language proficiency.
- The Labrador Institute has made improvements to overcome geographical barriers facing course delivery, including the implementation of two-way video for synchronous delivery across multiple classroom environments, both inbound from other Memorial locations and outbound from the Labrador Institute, as well as procedural changes at all levels, from local student support to registrar listings.

- In May 2018, the first students graduated from the Labrador-based Master of Education cohort.

Indicator 2: Continued to enhance coordination among programs and services in support of teaching and learning.

In 2018-19 Memorial continued to support the coordination of teaching and learning programs and services through a number of initiatives.

- CITL launched the first fully online Program in Graduate Student Supervision (PGSS) to universities across Canada. The online program is offered over nine weeks and facilitated by an experienced, award-winning faculty supervisor from Memorial. The online PGSS targets faculty, senior administration (deans, associate deans) in graduate studies, post-doctoral fellows, and graduate studies' officers and administrators. The program has been offered four times with a total of 44 participants completing the program.
- The Education Advisory Board's Student Success Collaborative (SSC), launched in 2017-18, was pilot tested with first-year students on the St. John's campus in 2018-19. The objective is to provide the highest level of support to students along their academic journey, ultimately increasing retention by connecting students with the right services and supports at the right time during their studies. Services included enhanced and more cohesive university-wide student advising practices.
- The planning process for an Indigenization strategy has continued in consultation and partnership with the Indigenous Peoples of Newfoundland and Labrador. The strategy will include approaches to teaching and learning.
- Memorial launched a new joint program between the School of Music and the Faculty of Business Administration designed to enable music students to pursue their creative passions while simultaneously gaining the strategic business foundations necessary to launch and sustain successful careers.
- A Doctor of Pharmacy for Working Professionals, primarily offered online, had its first intake of over 30 students for fall 2018. The program is an accessible, part-time option for practicing pharmacists to earn the Doctor of Pharmacy (PharmD) degree while working.
- Proctoring of online exams was expanded in the fall of 2018 to include students residing in the province who live 80 kilometers outside of St. John's or Corner Brook.
- The Academic Working Group, established in 2017-18, continues to oversee and guide the Marine Institute's academic programs. The group includes leadership from academic schools and support areas.
- The Marine Institute implemented a pan-institutional approach for the approval of program-related articulation agreements.
- Grenfell Campus initiated the development of a transfer credit with Academy Canada for a GIS course in the School of Science and the Environment. The School of Arts and Social Science also initiated talks with Academy Canada to

create a transfer agreement to bring graduates of Adult Basic Education into the Grenfell ESL program.

- During 2018-19, Grenfell Campus' School of Arts and Social Science has worked to complete a transfer arrangement with St. John's College in Belize, a country from which Grenfell attracts significant numbers of students (in fall 2018, approximately 15% of international students on Grenfell Campus were from Belize).
- Grenfell Campus has been exploring the implementation of a dual credit for Math 1000 with Corner Brook High School.
- The Labrador Institute and Grenfell Campus partnered to offer second-year university studies in Labrador, with provisions for the completion of programs in English, History, or Social/Cultural Studies at Grenfell Campus in the third and fourth years.
- The Labrador Institute delivered the archaeology summer field school in North West River for the second year. The field school combines educational objectives of the Department of Archaeology with education and engagement priorities of the Labrador Institute, through an innovative, site-based curriculum and partnership with the Innu community of Sheshatshiu.
- The Labrador Institute continued to coordinate work placements, logistics, and communications for the third International Indigenous Intern working in Finland, Norway, and Labrador.
- The Labrador Institute hosted Labrador Inuttitut Training Program modules, delivered by the Nunatsiavut Government to IBEd students (Bachelor of Education, Primary/Elementary, for Nunatsiavut).

Indicator 3: Continued to improve the use of information and metrics to support teaching and learning programs and services.

Memorial continued its commitment in 2018-19 to improve information and metrics to guide teaching and learning programs and services on campus.

- The Education Advisory Board's Student Success Collaborative (SSC) software is being assessed for its capacity to use academic performance information to support academic advising at the St. John's campus and to improve retention rates. The Centre for Institutional Analysis and Planning launched two surveys in March 2019 to support the work of the SSC Steering Committee and the Senate Committee on Teaching and Learning: First Year Experience Survey and Graduating Student Survey.
- Performance reports for 14 two-year pilot projects that ran from 2016 to 2018 were completed. Pilot projects explored new approaches in teaching and learning, each having a set of objectives and evaluation processes. It was concluded that projects increased pan-university interest and information regarding new approaches to teaching and learning.
- CITL designed a survey to gauge educator satisfaction with CITL's existing technology offerings for teaching and learning; educator self-perceived comfort

with technology; and classroom challenges that could be solved by new services or technologies offered by CITL. The survey aims to help decision makers within CITL determine which technologies would be a priority going forward and which new services or supports are needed to help educators solve classroom challenges.

- The Marine Institute implemented a new Quality Management System in 2017-18 to meet the latest ISO standards. Implementation of the system continued into 2018-19 and allowed the campus to continue revisiting goals, objectives, and key performance indicators.
- The Marine Institute Planning Office continues to develop and manage an accessible repository of annual reports created by the Institute Analyst. The office has also met with stakeholder groups to encourage data usage.
- The Labrador Institute has adopted a quantitative approach to tracking educational outputs as a means of supporting internal planning, administrative and funding reports, and promotional initiatives, as well as to inform the Labrador Institute Strategic Task Force.

Indicator 4: Continued discussions regarding opportunities for collaboration with College of the North Atlantic.

Memorial remains a committed member of the Council on Higher Education (CHE), which first met in March 2017 to bring members of Memorial University and College of the North Atlantic (CNA) together to discuss post-secondary education priorities. During 2018-19, dialogue between the institutions continued with meetings being held in May 2018, September 2018, and January 2019. Both institutions continue to co-chair the subcommittee of CHE on Applied Research Priorities. The subcommittee on Indigenous Education and the subcommittee on Articulation and Transfer were both established in 2018-19 and are co-chaired by Memorial and CNA. The Subcommittee on Articulation and Transfer focused on the development of an overarching MOU between Memorial and CNA, an assessment of existing agreements between Memorial and CNA, and the development of a standard template for agreements. The Subcommittee on Indigenous Education, whose terms of reference were approved in March 2019, will begin working towards key priorities in the upcoming year.

The new TLF and its renewed focus on the student educational experience is expected to promote continued discussions regarding opportunities for collaboration with CNA. During 2018-19, the following discussions and collaborations with CNA also occurred.

- Senior Leadership from Memorial and CNA have continued pan-university dialogue regarding opportunities for collaboration and partnerships. For example, the Marine Institute signed an MOU with CNA's Burin campus to support aquaculture training.
- The School of Ocean Technology continued to engage with CNA to facilitate agreements with educational partners in China. Under the agreements, the School of Ocean Technology provides students from two Chinese institutions

completing specific technical diploma programs the opportunity to obtain a Bachelor of Technology degree.

- The School of Fisheries at the Marine Institute continued to partner with CNA in the Coast of Bays region to support a 17-week Technical Certificate program in Aquaculture. CNA provided essential skills training while the Marine Institute provided Aquaculture training.
- Grenfell Campus has explored and developed articulation programs in partnership with CNA, consisting of the following: an articulation graduate program proposal for a Masters in Applied Geomatics (MAG); the establishment of a committee to develop an articulation undergraduate program in Agriculture and Business; and initiated dialogue to arrange an articulation agreement between the School of Arts and Social Science and CNA's Community Leadership Studies Program.
- The Labrador Institute and CNA's Aboriginal Resource Centre partnered to deliver knowledge-sharing and educational offerings on campus in Happy Valley-Goose Bay to support student learning and enrich the experiences of both Memorial and CNA students.
- The Labrador Institute embarked on a pilot project in collaboration with CNA, Happy Valley-Goose Bay Campus, to offer a second year of Labrador-based undergraduate instruction in supplement of the Comprehensive Arts and Science College-University Transfer Program, as a pathway for improved student choice and support.

Summary

The last year focused on the launch of the new TLF and laying the groundwork for upcoming years. The university focused on creating awareness for the new framework as well as establishing governance, support, and tools. As such, Memorial has met the 2018-19 objective with regards to teaching and learning.

Memorial will continue to work towards its teaching and learning objectives. The university plans to integrate the three spheres of accessibility, engagement, and student success, designed to help shift the environment towards more collaborative and interdisciplinary initiatives.

2019-20 Objective

Objective: By March 31, 2020, Memorial University will have furthered activities to enhance its teaching and learning.

Indicators:

- Implemented initiatives of the Teaching and Learning Framework.
- Enhanced coordination among programs and services in support of teaching and learning.

- Improved the use of information and metrics to support teaching and learning programs and services.
- Identified opportunities for collaboration with College of the North Atlantic.

Issue 2: Research, Scholarship and Creative Activity

Memorial has a vibrant culture of creativity and innovation that is reflected in the research activities of the university's scholars and researchers.

Research at Memorial is guided by the Research Strategy Framework (2011), which identifies the goals and objectives necessary to generate activity, impact, and reputation in research. The Strategic Research Intensity Plan 2014-2020 builds on the university's Research Strategy Framework to support the university's vision to "...be one of the most distinguished public universities in Canada and beyond..." The plan reflects a synergistic and integrated approach to strengthening all aspects of research at Memorial University, including scholarship and creative activities, as well as the translation of knowledge into products, practices and policies, and other forms of community engagement.

Memorial continued to see research growth in 2018-19. Some examples include increased funding from Tri-Agency competitions; the development of new strategic international research partnerships; and increased investments in critical infrastructure. Memorial has also streamlined its processes and renewed models of customer service, both key research enablers.

Goal 2: By March 31, 2020, Memorial University will have enhanced support of research and scholarly knowledge generation.

Objective: By March 31, 2019, Memorial University will have continued activities to enhance creation of research and scholarly knowledge generation.

2018-19 Results:

Indicator 1: Continued to enhance support and services to individuals and groups engaged in research and scholarly knowledge creation.

Memorial continued to support university faculty, staff, and students engaged in research during 2018-19.

- An office within Memorial's Vice-President (Research) portfolio was retitled in August 2018 to better reflect the services and oversight it provides to the Memorial community and the important role it plays in pan-university research projects. Core Research Equipment and Instrument Training Network (CREAIT), Canada Research Chairs Program (CRC), and Canada Foundation for Innovation (CFI) Services (CCCS) became Strategic Institutional Research Initiatives (SIRI) (no financial implications were associated with the retitling of the office).

- Research Week was held during May 2018, providing a series of free events to raise awareness of Memorial's world-class research expertise while encouraging more multidisciplinary collaboration among researchers. Research Week included a variety of networking opportunities, open houses, interactive sessions and discussions on the St. John's campus, at the Marine Institute, at Grenfell Campus, and at the Labrador Institute Research Station.
- The Natural Sciences and Engineering Research Council (NSERC) hosted a consultation workshop at Memorial in February 2019 to seek input on a draft charter outlining the proposed key principles of the Canadian Athena SWAN (Scientific Women's Academic Network) model. The draft charter addresses underrepresented groups in academic research - specifically, Indigenous Peoples, women, visible minorities, people with disabilities, and the LGBTQ2+ community - and all areas of research in post-secondary institutions.

Memorial strengthened its commitment to Indigenous research during the last year.

- The President and Board of Regents approved the appointment of an Associate Vice-President (Indigenous Research) pro tempore effective September 2018 to August 2019. The individual has been working closely with the Vice-President (Research), and other senior leaders to achieve the strategic objectives of the research portfolio in building Memorial's international reputation with a primary focus on research involving and relating to Indigenous communities.
- During 2018-19, Memorial's Special Advisor to the President on Aboriginal affairs and the Associate Vice-President (Indigenous Research) pro tempore began hosting monthly Indigenous relations and brown bag lunch sessions for members of the university community.
- Members of the university community were invited to attend open consultation sessions, from December 2018 to February 2019, focused on ensuring Memorial's new Indigenous research consent process meets the needs of researchers and communities. These sessions were hosted by the Associate Vice-President (Indigenous Research) pro tempore on behalf of the Office of the Vice-President (Research).
- The Labrador Institute began a three-year arrangement to host an Indigenous archivist from Library and Archives Canada (LAC), supporting, among other projects, LAC's "Listen, Hear Our Voices" initiative to digitize culturally significant recordings of Indigenous languages and stories.

Research awards were provided to a number of faculty members at Memorial, providing research support and celebrating achievements.

- A professor from the School of Music was named the latest recipient of the Marilyn Harvey Award to Recognize the Importance of Research Ethics in March 2019. The faculty member was celebrated for her focus on ethical research, specifically in the field of ethnomusicology.

- In March 2019, a faculty member from the Faculty of Science was named the 2019 recipient of the Canadian Green Chemistry and Engineering Award (Individual Winner), presented by the Chemical Institute of Canada. The award recognizes an individual working in Canada who has made significant contributions to advance green chemistry and/or engineering, including the technical, human health, and environmental benefits. The faculty member is the second woman and the only person outside of Ontario and Quebec to receive the honour.
- In March 2019, a faculty member from the School of Music was among a roster of worldwide performers named a Buffet Crampon Artist, an international recognition for creative excellence. A sought-after clarinetist, the faculty member has appeared at prestigious venues across the globe, from Carnegie Hall in the United States to the Sydney Opera House in Australia.
- A faculty member from the Faculty of Engineering and Applied Science was named the 2019 recipient of the Terra Nova Young Innovator Award, which recognizes and supports outstanding young faculty members whose research is particularly innovative and whose specific proposal has real potential to make a significant impact on society. The award is supported through \$50,000 in funding from Suncor Energy, on behalf of the partners in the Terra Nova oil field. As a result of the coveted faculty award, the faculty member is leading the design of a novel device that directly converts wind energy to heat.
- Four researchers were awarded 2017-18 Richard Marceau-Fogo Island Research Fellowships in April 2018. The recipients are from the Faculty of Medicine, the Faculty of Nursing, and the School of Science and the Environment (Grenfell Campus). Each will spend four weeks in residence on Fogo Island where they will complete the writing of a significant manuscript or complete a major work of artistic creation.

Memorial's other campuses provided enhanced support and services to those engaged in research during the last year.

- The Marine Institute has continued the implementation of the campus' strategic research plan, focusing on year two of the three-year plan, aimed at continuing to support and advance research.
- The Marine Institute administered funding, secured from Fisheries and Oceans Canada, to support graduate student research initiatives, including field work and travel.
- The Marine Institute Research Support Fund was established in 2018-19 to support new researchers in the development of their research programs.
- A new research communications plan was launched at the Marine Institute, a collaboration between the Offices of Research and Marketing and Communications. The communications plan aims to achieve greater knowledge mobilization of the campus' research activities.
- Grenfell Campus established a committee during the last year to review research metrics within the School of Science and the Environment.

- Over the last year Grenfell Campus achieved its goal of increasing the number of NSERC Undergraduate Student Research Awards recipients through increased focus and support.
- The Labrador Institute enhanced its research resources during the last year through the purchase of new laboratory equipment, identified key equipment acquisitions, and added four new research station accommodations spaces.

Indicator 2: Continued to secure external funding to support research and creation of scholarly knowledge.

Memorial University continued to support research and knowledge creation by securing a number of external funding opportunities in 2018-19.

- In March 2019, projects led by teams in the Faculty of Science received nearly \$600,000 from the Canada Foundation for Innovation John R. Evans Leaders Fund to help expand Memorial's research infrastructure and attract the best and brightest talent to Newfoundland and Labrador.
- The Federal Government celebrated a nearly \$3.7 million investment for innovative health-related studies in March 2019 from the Canadian Institutes of Health Research (CIHR). The funding will support work led by principal investigators based in the Faculty of Medicine and the Faculty of Science focused on innovative research to help address health-care challenges and improve health outcomes for Canadians.
- Faculty members from the Faculty of Science and the Faculty of Medicine received a \$100,000 Canadian Early-Career Capacity Building Grant from the Azrieli Foundation, in partnership with the Brain Canada Foundation in March 2019.
- In February 2019, a faculty member from the Faculty of Humanities and Social Sciences associated with seven projects secured new investments from CIHR to help advance research on post-traumatic stress injuries (PTSI) in public safety personnel. The new money will serve as a springboard for researchers who are increasing our understanding of how to identify, treat and prevent PTSI among public safety personnel.
- In January 2019, the Social Sciences and Humanities Research Council of Canada (SSHRC) announced more than \$1.3 million for studies led by early career and emerging researchers in the faculties of Humanities and Social Sciences; Business Administration; Education; Science; and Medicine, as well as the School of Music.
- More than 60 projects at Memorial received roughly \$8.8 million from NSERC in October 2018, energizing studies in the faculties of Engineering and Applied Science, Medicine, Science, and Humanities and Social Sciences, as well as the School of Human Kinetics and Recreation, School of Pharmacy, and Grenfell Campus.
- Four Memorial projects received a total of \$206,950 from the NSERC PromoScience Program in September 2018. The projects ranged from inspiring

youth to explore science-based careers and expanding oceans-related programming to rural parts of the province.

- In November 2018, the Government of Canada announced a \$2.4 million investment for three new Canada Research Chairs at Memorial. Areas of research include social enterprise, health policy, and the revitalization of our Indigenous languages.
- In October 2018, Research Infosource Inc. announced that Memorial was the national leader among Canada's medical universities when it comes to corporate research income growth over a five-year period. Research Infosource Inc. stated that from fiscal years 2013 to 2017, Memorial ranked first in growth, with an increase of 160.2 per cent.
- A pair of researchers from the Faculty of Medicine celebrated a more than \$3.8 million investment, announced in September 2018 by the Government of Canada, which will strengthen Memorial's capacity for cutting-edge health research. The funding will support a partnership with the Newfoundland and Labrador Centre for Health Information (NLCHI) to better utilize genetic information to diagnose disease and predict drug response, as well as support to advance medical education and patient care across Newfoundland and Labrador by expanding the existing biomedical 3D printing laboratory at the university.
- In September 2018, Memorial celebrated a \$7 million contribution by Emera Inc. toward student entrepreneurship and innovation programming.
- Memorial received a total of \$727,300 from CIHR in July 2018 for projects led by researchers from the Faculty of Medicine and the School of Nursing to support projects to improve access to primary health care, a better understanding of the hepatitis C virus and enhancing access to mental health programming within Indigenous communities.
- Memorial celebrated five new Canada Research Chairs (CRC) in May 2018 with federal investments totaling more than \$4.5 million and \$260,700 from the Canada Foundation for Innovation (CFI) to support research infrastructure.
- The Marine Institute secured approximately \$7 million in research-related funding in 2018-19. Examples include the following:
 - An investment of more than \$4.3 million over five years from the Atlantic Fisheries Fund (AFF) to develop improved groundfish stock assessment models.
 - Continued funding through ongoing, multi-year projects awards through the Ocean Frontier Institute (\$1.14 million in 2018-19).
 - The first CRC appointed to the Marine Institute with a focus on Ocean Mapping research and an investment of \$500,000.
- The Aging Research Centre of Newfoundland and Labrador on Grenfell Campus, supported by a Provincial Government investment of \$200,000, was established to bring together researchers to facilitate partnerships and catalyze new research initiatives, policies, and programs in the area of aging in the province, particularly in small, rural and remote communities.

- In 2018-19, researchers from the Labrador Institute acquired new funding of more than \$1 million for individual research and \$18.3 million for a new Network Centre of Excellence after being named the Atlantic lead for the Canadian Mountain Network.

Indicator 3: Continued to engage external collaborators and community partners in research and scholarly knowledge generation.

Memorial University engaged a range of collaborators and community partners in research and knowledge generation during 2018-19.

- A new funding agreement, announced in March 2019 aims to increase student mobility and research collaborations between Latin America and a group of Canadian universities, including Memorial. The Mitacs Globalink Research Award is available to members of the Canada and Latin America Research and Exchange Opportunities (CALAREO) Consortium, of which Memorial is a member.
- In March 2019, it was reported that the Association of Commonwealth Universities awarded Memorial with three Blue Charter fellowships, which aim to support world-class research and innovation in marine plastics by providing 38 academics with short-term placements at member universities across the Commonwealth.
- The School of Music welcomed its first Indigenous artist-thinker as part of a new residency program in March 2019. The residency of this Mi'kmaw singer, drum maker, storyteller, and dancer from the Eskasoni First Nation in Nova Scotia, the largest Mi'kmaw community in the world, was part of a new project called Indigenous Voice, which engages First Light as a community partner.
- Collaboration continues between Memorial, Dalhousie University, and the University of Prince Edward Island as part of the historic partnership of the Ocean Frontier Institute (OFI). OFI was launched in September 2016 thanks to considerable funding from the Canada First Research Excellence Fund and various private and public-sector organizations. During 2018-19, Memorial hosted Ocean Frontier 2018: North Atlantic Opportunities, the first-ever biennial conference organized by OFI. More than 300 delegates including internationally-renowned researchers, environmental and policy experts, scientists and graduate students, and others participated in the conference.
- Researchers and industry partnered for a workshop and research symposium with the aim of saving billions of dollars for the world's oil and gas industries. International experts were in St. John's for the event held in June 2018. The focus was on microbiologically influenced corrosion: the deterioration of metals caused by metabolic activity of microorganisms. The event was co-hosted by Memorial and Genome Canada.
- Memorial's Research Centre for the Study of Music, Media and Place (MMaP) was named one of four partners of a new international collaboration. MMAP has collaborated with the Sound Studies Initiative at the University of Alberta,

the Canadian Museum of History and the Smithsonian Center for Folklife and Cultural Heritage through its Smithsonian Folkways Recordings to form the Cultures of Sound Network. The network's goal is to develop new research and public engagements projects in the area of music, sound, and culture.

- The only international conference focused on fishing, seafood processing, and aquaculture occupational health and safety was held in June 2018. The fifth International Fishing Industry Safety and Health Conference (IFISH 5) took place on the St. John's campus with experts from all over the world, including Norway, New Zealand, and the United States.
- The Marine Institute hosted the Northwest Atlantic Redfish Symposium which brought together scientists, managers, industry, and Indigenous representatives from around the world to discuss the future of this fishery.
- Grenfell Campus has been involved in two provincial Regional Innovation Systems (RIS) pilot projects designed to enhance innovation and competitiveness at the regional level in the areas of forestry and agriculture (Corner Brook) and in tourism and fishery (Northern Peninsula and Southern Labrador).
- An Agriculture Working Group was formed on Grenfell Campus to establish a province-wide "Team Agriculture". Partners include the Provincial Department of Fisheries and Land Resources, Agriculture and Agri-Food Canada, Newfoundland and Labrador Federation of Agriculture, and Food First NL.
- The Fast Track to Research Project on Grenfell Campus completed its first phase aimed at connecting on-campus research expertise with off-campus research opportunities. During the last year the project compiled a database of approximately 40 on-campus researchers and 40 off-campus community organizations, businesses, and industry representatives. The project is funded by Atlantic Canada Opportunities Agency (ACOA) and the provincial Department of Tourism, Culture, Industry and Innovation.
- During 2018-19, the Labrador Institute has been preparing to host the second Labrador Research Forum to be held in May 2019 in partnership with the Innu Nation, Nunatsiavut Government, NunatuKavut Community Council, Town of Happy Valley-Goose Bay, and Torngat Secretariat.
- Grenfell Campus collaborated with Corner Brook Pulp and Paper to support applied research. During 2018-19, Mitacs funding was approved to support 15 graduate students as well as funding for one two-year postdoctoral position. An additional proposal was developed and submitted to Clean Tech in 2018-19 to support research regarding paper mill ash and sludge, and sludge/woody biomass composting research projects.
- The Offices of Research and Graduate Studies and Engagement on Grenfell Campus have been actively participating in The Way Forward priorities to grow NL agriculture and forestry industry diversity.

Indicator 4: Continued to seek research opportunities with the College of the North Atlantic.

During 2018-19 Memorial's campuses engaged with CNA to identify and pursue collaborative research opportunities.

- Memorial and CNA continue to co-chair the Committee on Applied Research Priorities, a sub-committee of the Council on Higher Education.
- The Marine Institute has been exploring collaborative opportunities with CNA through the Mitacs program aiming to increase greater student collaboration in research activities.
- A research associate at the Labrador Institute led the development of a funding proposal to ACOA's Atlantic Innovation Fund for a hyperspectral research group which includes faculty from Memorial and CNA. Industry cash and in-kind commitments have already been established totaling more than \$300,000 from Agnico Eagle Mines and Anaconda Mining.
- The Labrador Institute initiated discussions with CNA in Happy Valley-Goose Bay as well as Labrador West regarding opportunities for collaboration. Discussions are continuing regarding the shared use of the Labrador Institute's laboratory facilities in North West River.
- The Labrador Institute and CNA have continued discussions over the last year to collaborate on the Centre for Northern Boreal Food Systems specifically regarding Northern agriculture and food security.

Summary

During 2018-19, Memorial continued to enhance research supports, celebrated significant awards and external funding grants, and engaged existing and new partners in research. Memorial also strengthened its commitment to Indigenous research, particularly through the appointment of an Associate Vice-President (Indigenous Research) pro tempore. Memorial's continued achievements in the area of research demonstrate that the university has achieved its objective in this area for 2018-19.

2019-20 Objective

Objective: By March 31, 2020, Memorial University will have implemented activities to enhance support of research and scholarly knowledge generation.

Indicators:

- Enhanced support and services to individuals and groups engaged in research and scholarly knowledge creation.

- Enhanced funding to support research and creation of scholarly knowledge.
- Enhanced engagement of external collaborators and community partners in research and scholarly knowledge generation.
- Identified research opportunities with College of the North Atlantic.

Issue 3: Public Engagement

As the only university in Newfoundland and Labrador, public engagement at Memorial continues to play a vital role in achieving Memorial's vision. Over the years, members of the university community have contributed to the social and economic development of the province, emphasizing the importance of strong, sustained, mutually beneficial partnerships with community, industry, government, and Indigenous partnerships in Newfoundland and Labrador, and beyond.

The importance of public engagement at Memorial was strengthened in 2011 with the development of the Public Engagement Framework which put forward a vision for Memorial University to be a world leader in this area. Memorial's Office of Public Engagement continues to be a catalyst for action on public engagement at Memorial, working with internal and external groups.

Today, Memorial continues to maintain a strong public engagement presence throughout the province through public engagement supports, raising awareness regarding achievements and partnerships, and the facilitation of meaningful public dialogue. Accomplishments in 2018-19 will help Memorial to further elevate the institution's role in public engagement, notably through the official opening of the Signal Hill Campus - the university's new hub for engagement and innovation activities and units.

Goal 3: By March 31, 2020, Memorial University will have enhanced its public engagement within the province and beyond.

Objective: By March 31, 2019, Memorial University will have continued activities to enhance its public engagement provincially, nationally and internationally.

2018-19 Results:

Indicator 1: Continued to support individuals and groups involved in public engagement activities with Memorial.

Memorial continued to provide support to those among the university community involved in public engagement activities in 2018-19.

- In September 2018, the public engagement and innovation hub on the Signal Hill Campus held its grand opening. Memorial public engagement units located at the campus are now fully operational in leading programming from this hub.
- The Office of Public Engagement (OPE) continued to administer funding to support programming through the Accelerator Fund and the Quick Start Fund. The Accelerator Fund provided up to \$10,000 to 21 faculty and staff and their external partners in 2018-19 to undertake projects. The Quick Start Fund provided up to \$1,000 to 47 faculty, staff, students, and their external partners

to launch new projects or partnerships in 2018-19. In 2018-19, the cap on Quick Start was raised to \$2,500 for 2019-20 recipients in response to significant applicant feedback.

- The Cold Ocean and Arctic Science, Technology, and Society (COASTS) initiative has continued to support ongoing activities and position Memorial as a world-leader in the field. The OPE has also coordinated Memorial's presence at key Arctic related conferences, including Arctic Circle, Arctic Frontiers, ArcticNet and Northern Lights, as well as meetings with national stakeholders. Memorial has played a leadership role in the University of the Arctic, is involved in collaborative Arctic research networks and has led a multi-year proposal within Canada's Arctic Policy Framework for Northern and Indigenous mobility and research, as well as support for Indigenous leadership. Memorial and COASTS also continue to play a supportive role in the Ocean Super Cluster and the Ocean Frontier Institute.
- Visual Arts students at Grenfell Campus developed the first community exhibition space dedicated to visual arts students in the province. The PULP gallery will open in the Millbrook Mall in Corner Brook in the upcoming year and provide an opportunity for visual arts students to exhibit their work and share it with their peers, faculty, and the greater community.
- The Marine Institute partnered with the Petroleum Industry Human Resources Committee to host Oil & Gas Career Day during 2018-19.
- In June 2018, the Marine Institute participated in the Town of Holyrood's Two-Hour Tidy for the first time by cleaning the seafloor with ROVs.
- The Labrador Institute led an extensive public consultation process for the "Food Roots, Future Routes" initiative and social enterprise aspects of the proposed Pye Centre for Northern Boreal Food Systems. Consultations included targeted meetings with farmers, Indigenous organizations, and government (federal, provincial, and municipal), as well as a community open house.
- Over the last year the Labrador Institute once again led the organization of the Labrador Research Forum (held in May 2019), a major gathering of Labrador-focused researchers and Labrador community members. This initiative includes partnership with all three Labrador Indigenous governance organizations, the Town of Happy Valley-Goose Bay, and the Torngat Wildlife, Plants and Fisheries Secretariat.
- The Labrador Institute once again co-designed and co-ran an Indigenous youth summer science camp in July 2018, in partnership with Nunatsiavut, NunatuKavut, and the Innu Nation.
- During 2018-19, the Labrador Institute extended its Speaker Series to include livestreamed presentations in Happy Valley-Goose Bay and Labrador City.

Indicator 2: Continued to raise awareness of achievements, collaborations, and partnerships in public engagement involving Memorial.

During 2018-19, Memorial highlighted and celebrated a number of public engagement activities and achievements at the university.

- The Office of Alumni Engagement, formerly Alumni Affairs, was renamed to reflect the new strategy approved by the Board of Regents in July 2018. Key projects such as a university-wide mentorship program and alumni model of self-organization are moving forward.
- In March 2019, it was announced that the Johnson GEO Centre Foundation donated to Memorial University the infrastructure and assets of the Johnson GEO Centre, including GEO Park and other adjacent lands under lease from the provincial government, effective April 2019. The Centre, which is part of Signal Hill Campus, draws approximately 35,000 visitors each year and is the site of about 130 events annually. The value of the Johnson GEO Centre and assets is estimated at more than \$20 million, making it the largest single gift ever received by Memorial University. The Centre will spend the next year reorienting to Memorial's mission and linking to the three strategic frameworks, and will continue to function as one of the province's top cultural attractions, becoming another public access point to the university.
- The Botanical Garden continues to reach its strategic goals, has increased research and teaching and learning activities, and expanded education programs during 2018-19. Community recognition of the Garden has measurably increased with visitor attendance surpassing 30,000 guests in 2018.
- The 2018 President's Award for Public Engagement Partnerships was awarded to a partnership co-led by a member of the Faculty of Science and a representative of Young Adult Cancer Canada. The project team was awarded \$5,000 and has been working to identify how life is different for young adults after cancer in order to influence change.
- In September 2018, Julie Payette, Governor General of Canada, toured research facilities at the Marine Institute and met with students to discuss their research field and research experiences.
- The Labrador Institute launched the Humans of Labrador exhibit, celebrating Labrador's diversity, in partnership with the Tamarack Camera Club and Them Days.

Indicator 3: Continued to facilitate and participate in informed public dialogue.

In 2018-19 Memorial continued to contribute to public dialogue.

- Supported by ACOA, Municipalities Newfoundland and Labrador has been working with The Harris Centre Regional Analytics Laboratory (RANLab) during 2018-19 on the Big Data Big Ideas project to provide advanced modelling and analytics to communities across the province.

- Thriving Regions Partnership Process, launched in 2017, is a Harris Centre program that grew out of the Regional Workshops and the Applied Research Fund Programs. This process provides funding and support to Memorial faculty, staff and students to build meaningful research partnerships that help promote thriving social and economic regions. The process is funded by the Department of Tourism, Culture, Industry and Innovation, and ACOA, and involves partnering with other Memorial units depending on the region, such as the Labrador Institute and Grenfell Campus. In 2018-19, a total of six research projects were selected and funded - three on the Baie Verte Peninsula and three in the Port aux Basques region.
- The Harris Centre partnered with the Community Foundation of Newfoundland and Labrador for the fifth annual Newfoundland and Labrador's Vital Signs report. The report focused on diversity and the changing landscape of the province through highlighting quality of life issues and indicators. Through a unique partnership with Saltwire Network, the report was published in newspapers throughout the province. Over 100 representatives from non-profit groups, government organizations, and Memorial University, as well as interested members of the public attended the launch event. The publication also received broad coverage from all major media outlets in the province.
- Memorial has been working with the regions of Northern Peninsula and Nunatsiavut through the Sustainable Northern Coastal Communities (SNCC) initiative to support a collaborative process that links Memorial researchers with key issues, identified by the region and affecting the long-term sustainability of the Northern coastal communities. The initiative started in 2017 with a pilot project involving communities of the Northern Peninsula, to research issues related to the local fishery, agriculture/tourism, and international trade opportunities. A second project is currently underway in partnership with the Nunatsiavut Government to address northern housing construction, northern building codes, and energy efficiency. SNCC is going beyond conventional research to assist communities in an ambitious solutions-based process, involving community-engaged and community-led research.
- The Rural Routes Podcast, a Harris Centre initiative in partnership with the Canadian Rural Revitalization Foundation and the Rural Policy Learning Commons, entered its third season this year, improving production quality through a partnership with CHMR campus and community radio. The show was also able to obtain dedicated space at the Signal Hill Campus in 2018-19. The podcast explores "what is rural in the 21st century?" sharing compelling interviews and research from Memorial, the province, the country, and the world. The show is played on nearly a dozen community radio stations across the country and has increased its audience over the last year, having been downloaded nearly 15,000 times in 2018-19 (up from 10,000 in 2017-18).
- The Marine Institute's School of Fisheries launched a popular public seminar series where researchers and students from both the Institute and other

organizations presented on a variety of topics about aquatic and marine ecosystems, aquaculture, and fisheries.

- The Centre for Fisheries Ecosystems Research at the Marine Institute engaged the Fish, Food and Allied Workers Union (FFAW-Unifor) and fish harvesters across the province to share information and answer questions regarding the Atlantic Halibut tagging program.
- During 2018-19, the Labrador Institute promoted public science education through science literacy week presentations in three communities on Labrador's south coast, and a water lab demonstration at Mealy Mountain Collegiate in Happy Valley-Goose Bay.

Summary

During 2018-19, Memorial launched new programs and initiatives, allowing the university to reach more individuals, groups, and partners, including in rural areas of the province. Existing initiatives also experienced growth, seeing larger audiences and increased demand for events, activities, and funding opportunities. Such achievements indicate that Memorial has achieved its objective for 2018-19 regarding public engagement.

The year 2018-19 saw the official opening of the Signal Hill Campus, emphasizing the university's focus on public engagement and innovation. The recent donation of the Johnson Geo Centre will also present new and unique opportunities for public engagement at Memorial, particularly due to the Centre's existing reputation in the province as an educational and tourism attraction.

2019-20 Objective

Objective: By March 31, 2020, Memorial University will have implemented activities to enhance its public engagement provincially, nationally and internationally.

Indicators:

- Enhanced support to individuals and groups involved in public engagement activities with Memorial.
- Increased awareness of achievements, collaborations, and partnerships in public engagement involving Memorial.
- Created opportunities for informed public dialogue.

Issue 4: Enabling Success

The objectives under Memorial's strategic goals in teaching and learning, research, and public engagement can only be met if the overarching conditions enable success. At Memorial, this means that university infrastructure is maintained and the institution is operating efficiently and effectively.

In 2017-18, Memorial released the Multi-Year Infrastructure Plan 2017-2023 as an update to Memorial's earlier infrastructure plan (2014-2020). The new document reflects the changing realities surrounding the university and sets up-to-date priorities regarding infrastructure. During 2018-19, work continued on key infrastructure projects such as the Core Science Facility, the Animal Resource Centre, and the Marine Institute Ocean Research and Training Building, while the Signal Hill Campus officially opened its doors. Memorial also continued to address deferred maintenance projects, largely due to funding provided through the Campus Renewal Fee (first implemented in fall 2017).

Memorial reaffirmed its focus on operational efficiencies following a series of university-wide consultations in 2017-18 in response to continued budget reductions. During 2018-19, Memorial reduced the number of employees and achieved significant administrative efficiencies through the implementation of new processes. Memorial also achieved \$6.0 million in salary cost reduction from 2016-17 to 2018-19 resulting from a government-mandated attrition plan.

Goal 4:	By March 31, 2020, Memorial University will have completed efficiencies to enhance operational success.
Objective:	By March 31, 2019, Memorial University will have continued activities to complete deferred maintenance, enhance infrastructure, and achieve operational efficiency.

2018-19 Results:

Indicator 1: Continued implementation of the priority recommendations of the infrastructure plan.

Over the course of 2018-19, progress continued on the projects identified in the multi-year infrastructure plan.

- **Core Science Facility:** The project, in the second year of construction, anticipates substantial completion in 2020. The building envelope has neared completion and emphasis has now shifted to interior fit-up. The 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 projects and collaborations.

- **St. John's Campus - Battery Facility (Signal Hill Campus):** The Battery Facility Redevelopment & Building Expansion contract was completed in 2018-19, with work continuing on the correction of minor deficiencies.
- **St. John's Campus - Animal Resource Centre:** Construction of the Animal Resource Centre initially began in September 2017 and continued during 2018-19. By March 31, 2019 the exterior envelope was well advanced, work was ongoing on the interior, and major equipment such as air handling units and emergency generators were in place. Substantial completion is expected by January 31, 2020. The Animal Resource Centre will be a much-needed replacement for two of Memorial University's current animal research care facilities and will allow the university to maintain its certification with the Canadian Council for Animal Care (CCAC).
- **St. John's Campus - Energy Performance Contract (Phase II):** The Phase II contract (which began June 2017) has continued across the St. John's and Grenfell campuses, including the Ocean Science and Bonne Bay facilities during 2018-19. Lighting, electrical and building envelope measures have been largely completed during 2018-19 with work remaining only in controls and mechanical upgrades (scheduled to be completed during fall 2019). Preliminary figures show approximately \$1.2 million in annual savings during the construction period and is on target to achieve the projected savings during post-construction years.
- **Marine Institute - Phase IIB Ocean Research and Training Building:** Phase IIB of the project involves the development of a 37,100 square foot research and teaching facility which includes a high bay workshop, shops, office space, dry laboratories, classroom space, and meeting rooms. The proposed infrastructure will see the facility's shops and labs used in support of research and development activity in ocean observation, ocean instrumentation, underwater vehicles and ocean mapping. In June 2018, a request went forward to the Provincial Government requesting permission to proceed with a detailed concept design. Upon approval, design work will proceed.
- **Grenfell Campus - Building HVAC Upgrades:** HVAC upgrades to the Fine Arts Building and Arts & Science Building were completed in 2018-19.
- **Grenfell Campus – Proposed Regional Research & Innovation Hub:** A request for proposals (RFP) was issued to provide all aspects of architectural and building engineering design services for this new proposed project. The RFP closed and was evaluated in February 2019 and the contract was awarded in March 2019 (value of \$141,300 plus HST). During the upcoming year the consultant will complete program development, including basic floor plans.
- **Grenfell Campus – Regional Aquatic Centre (proposed for Grenfell):** During summer 2018, a consulting and contracting company was engaged by the City of Corner Brook to complete a condition assessment of the Grenfell pool. Based on the findings and recommendations in the assessment report, the City

confirmed Grenfell Campus as the preferred location for the proposed Regional Aquatic Centre. In December 2018, the City of Corner Brook issued an RFP for engineering and consulting services to develop a concept design and capital and operational estimates for the proposed aquatic centre at Grenfell Campus. The contract was awarded in February 2019, and in March 2019 the consultant held consultation sessions with various user groups, including a session at Grenfell Campus.

Over the course of 2018-19, Memorial made progress on a number of identified deferred maintenance projects. The Campus Renewal Fee, first implemented in fall 2017, provided a total of \$6.9 million towards projects supporting the revitalization of the university's physical and technological infrastructure during 2018-19.

Deferred maintenance projects were completed in the following areas:

- Architectural, civil and roofing replacements and repairs
- Electrical
- Mechanical
- Utilities Annex
- Deferred maintenance completed as part of renovation projects (Corte Real Building, Signal Hill Campus)

The deferred maintenance liability of the Signal Hill Campus has been greatly reduced with the major renovation of the former Battery Hotel now complete.

A tender was awarded in early 2019 for the demolition of six ancillary structures to be completed in spring/summer 2019.

Indicator 2: Continued to determine and implement administrative and operational efficiencies.

Memorial University continued to identify efficiencies and implemented budget reduction actions in 2018-19.

- During 2018-19, there was \$5.9 million in annual savings identified. This included \$4.8 million from salaries and benefits (15 full-time equivalent Faculty Positions and 28 full-time equivalent Staff Positions) and \$1.1 million in operating expenses (e.g., travel and hosting, materials and supplies).
- Cumulative budget actions and reductions to date include the following:
 - \$2.1 million in operating efficiency savings diverted to infrastructure
 - \$9.0 million achieved due to a step turnover process
 - \$24.42 million in budget reductions achieved, by portfolio:
 - President \$2.13 million
 - Academic Support Units \$5.22 million
 - Academic \$6.61 million

- Grenfell \$2.28 million
- Marine Institute \$2.20 million
- Research \$1.46 million
- Administrative Units \$4.52 million
- Attrition (2016-17 & 2018-19) \$6.0 million

Other actions to increase administrative efficiency were implemented throughout the university in 2018-19.

- The Office of the Chief Information Officer led the movement from paper to online and electronic forms. The university aims to replace paper-based processes through the implementation of an enterprise document management solution that is integrated with the university's other internal data systems (Human Resources, Student, Finance) in order to improve timely decision making, access to information, parallel processing, quality and integrity of Memorial's data, and decreased printing.
- The Office of the Chief Risk Officer began piloting the Work at Home/Hoteling initiative. The pilot aims to set standards for work-at-home for future positions or units, implementing technology solutions to make working at home a seamless integration, all the while reducing the overall university footprint.
- In March 2019, Human Resources launched a new online application system, MyCareer@MUN. The new application allows for streamlined posting of job opportunities, improved functionality for candidates applying for potential career opportunities, electronic distribution of competition files to selection committees, and online candidate screening capability. The new application has eliminated printed forms, the need to manually store paper, and securely houses candidate resumes and documents.
- Memorial introduced OnBase (an information platform) improving business processes. Both the Office of the Registrar and the School of Graduate Studies were able to achieve efficiencies specific to student admissions and registration. The School of Graduate Studies implemented complete online admissions while the Office of the Registrar improved the workflow of transfer credit evaluation and achieved paperless student academic records.
- Memorial University's implementation of the Banner Faculty Load and Compensation (FLAC) solution helped to streamline processes and generate efficiencies. This solution replaced manual processes used to track workload for full-time faculty members as well as teaching term contract hires, and created efficiencies in processes used to compensate per course instructors and extra teaching assignments. FLAC improved data accuracy and created significant process efficiencies and also led to greater automation.
- A web-based leave app was piloted in 2018-19 for the request and approval of leave (non-academic). This has resulted in quicker responses, clear audit trails, and paper reduction.
- Printing Services was restructured to better meet the evolving needs of the university through attrition and printing efficiencies such as the elimination of the printing press and other machines.

- A softphone application was piloted in 2018-19 to explore the possibility of reducing desktop telephones for the VOIP services. Significant savings may be achieved as desktop phones reach end of life.
- During 2018-19, the Registrar's Office began work to move towards a Centralized Classroom Booking System. The new system will use software and updated business processes to better utilize instructional space, and move towards a more student-centric academic scheduling model.
- The Office of the Chief Information Officer completed a major upgrade to Memorial's Enterprise Resource Planning (ERP) system. Over half of the work normally completed by the external ERP vendor was completed in-house by ITS staff this year, saving over \$250,000 in upgrade costs.
- The Marine Institute reduced on-call and overtime salary costs by improving processes associated with the aquaculture monitoring system, as well as redistributing and reorganizing workloads.
- Grenfell Campus consolidated Student Services and the Registrar's Office.

Summary

During 2018-19, progress continued on key infrastructure and deferred maintenance projects and the university launched a number of new initiatives to support improved operational efficiency. Memorial therefore met its objective regarding enabling success for 2018-19.

In fall 2018, the Integrated Planning Committee at Memorial held its second series of university-wide consultations to support operating budget planning during which infrastructure and deferred maintenance were once again considered to be at the top of the budget priority list. The declining condition of the university physical plant poses a significant threat to Memorial. Although the Campus Renewal Fee has helped to fund critical projects, Memorial will be assessing other opportunities to mitigate risks in the coming years, such as investing in new buildings, improving space use, or demolishing facilities that have surpassed their design life. Memorial will continue to work towards ensuring the sustainability of university facilities, as well as the enhancement of physical and technological infrastructure to support 21st century teaching and learning.

2019-20 Objective

Objective: By March 31, 2020, Memorial University will have completed deferred maintenance, enhanced its infrastructure, and achieved operational efficiencies.

Indicators:

- Continued implementation of the priority recommendations of the infrastructure plan with respect to key infrastructure projects and infrastructure renewal.
- Achieved administrative and operational efficiencies.

Opportunities and Challenges

Memorial University continues to face a number of significant challenges as it seeks to fulfill its mission, including budgetary challenges, shifting enrolment trends, changing program demands, aging infrastructure, and improving the overall experience and success of our students. Despite these challenges, Memorial will continue to assess the many opportunities that support progress towards its strategic goals.

As Memorial moves forward with its Strategic Plan, it will continue to meet the challenges and embrace new opportunities, informed by the review of the public post-secondary education system. The university will continue to rethink, innovate, and adjust to meet the changing needs of today's students and those of the province while being mindful of the challenging fiscal realities.

Memorial University strives to be an open and transparent institution that is accountable to its funders and responsible for its actions. 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. In 2018-19, the university's Integrated Planning Committee again consulted broadly with the university community to support the development of the operating budget and to increase transparency. Its meeting notes have been published online, along with three budget reports, including a final report with specific recommendations to address strategic issues facing the university for the 2019-20 fiscal year.

Memorial is guided by its Strategic Plan as the university continues to pursue activities in the four strategic areas identified. Memorial's new approach to budget planning will provide important guidance to ensure that activities undertaken continue to be strategic and efficient. Overall, the university has been successful in achieving all of its stated objectives for 2018-19. This report fulfills its obligation under the province's **Transparency and Accountability Act**.

Appendix

**Memorial University of Newfoundland Consolidated Financial Statements with
Supplementary Schedules March 31, 2019.**



MEMORIAL UNIVERSITY OF NEWFOUNDLAND

*Consolidated Financial Statements
with Supplementary Schedules*

March 31, 2019

**MEMORIAL UNIVERSITY OF NEWFOUNDLAND
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019**

Consolidated Financial Statements

Statement of Management Responsibility

Independent Auditor's Report

Consolidated Statement of Financial Position

Statement 1

Consolidated Statement of Operations

Statement 2

Consolidated Statement of Remeasurement Gains and Losses

Statement 3

Consolidated Statement of Changes in Net Deficiency

Statement 4

Consolidated Statement of Cash Flows

Statement 5

Notes to Consolidated Financial Statements

Unaudited Supplementary Information

Compensation Practices at Memorial University of Newfoundland

Schedule 1

STATEMENT OF MANAGEMENT RESPONSIBILITY

The accompanying consolidated financial statements of **Memorial University of Newfoundland** [the “University”] as at and for the year ended March 31, 2019 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 auditor’s 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, 2019.

Signed

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

Signed

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

Independent auditor's report

To the Board of Regents of
Memorial University of Newfoundland

Opinion

We have audited the financial statements of **Memorial University of Newfoundland** [the "University"] which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statement of operations, remeasurement gains and losses, changes in net deficiency and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and individual charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

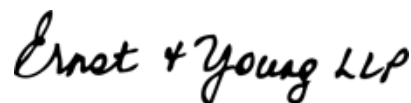
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

St. John's, Canada
July 6, 2020

The logo for Ernst & Young LLP is written in a black, cursive script font. The letters are connected and fluid, with a prominent 'E' and 'Y'.

Chartered Professional Accountants

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

As at March 31
[thousands of dollars]

	2019	2018
ASSETS		
Current		
Cash and cash equivalents	70,483	33,824
Restricted cash <i>[note 4]</i>	4,195	1,399
Short-term investments	97,391	109,345
Accounts receivable	72,669	64,398
Other current assets	6,549	7,794
Total current assets	251,287	216,760
Portfolio investments <i>[note 6]</i>	152,379	131,763
Assets under development <i>[note 8]</i>	237,292	114,488
Tangible capital assets <i>[note 7]</i>	334,860	353,827
Total assets	975,818	816,838
LIABILITIES		
Current		
Bank indebtedness <i>[note 5]</i>	6,049	7,473
Accounts payable and accrued liabilities <i>[note 4]</i>	80,669	63,046
Deferred revenue	37,779	27,037
Deferred contributions - grants and donations <i>[note 10]</i>	93,413	92,246
Current portion of long term debt <i>[note 11]</i>	9,907	33,491
Total current liabilities	227,817	223,293
Long term debt <i>[note 11]</i>	153,409	60,695
Derivative liability <i>[note 5]</i>	358	375
Post-employment benefits <i>[note 12]</i>	250,760	233,006
Deferred capital contributions <i>[note 9]</i>	415,520	374,178
Total liabilities	1,047,864	891,547
NET DEFICIENCY		
Net assets externally restricted for endowments <i>[note 17]</i>	119,596	103,612
Unrestricted net deficiency	(194,954)	(178,459)
	(75,358)	(74,847)
Accumulated remeasurement gains	3,312	138
Total net deficiency	(72,046)	(74,709)
Total liabilities and net deficiency	975,818	816,838

*See accompanying notes
Contingencies [note 13]*

On behalf of the Board:

Signed
Chair of the Board of Regents

Signed
Chair of the Finance Committee

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended March 31
[thousands of dollars]

	<u>2019</u>	<u>2018</u>
REVENUE		
Government grants	420,018	422,265
Student fees	73,809	73,109
Other income	66,159	56,117
Amortization of deferred capital contributions <i>[note 9]</i>	37,566	39,016
Sales and services	14,044	15,040
Investment income	11,253	13,187
	<u>622,849</u>	<u>618,734</u>
EXPENSES		
Salaries and employee benefits	411,125	411,254
Amortization of tangible capital assets <i>[note 7]</i>	36,828	38,102
Scholarships, bursaries and awards	34,306	32,382
Materials and supplies	29,797	23,204
Utilities	26,271	24,954
Externally contracted service	20,811	19,629
Repairs and maintenance	17,773	19,255
Post-employment benefits <i>[note 12]</i>	17,754	15,112
Travel and hosting	17,258	15,806
Other operating expenses	15,767	14,060
Professional fees	11,290	9,139
Equipment rentals	4,357	3,382
Interest expense	382	420
External cost recoveries	(17,428)	(15,183)
	<u>626,291</u>	<u>611,516</u>
Excess of (expenses over revenue) revenue over expenses	<u>(3,442)</u>	<u>7,218</u>

See accompanying notes

**CONSOLIDATED STATEMENT OF
REMEASUREMENT GAINS AND LOSSES**

Year ended March 31
[thousands of dollars]

	2019	2018
Accumulated remeasurement gains at beginning of year	138	7,434
Unrealized gains (losses) attributable to:		
Portfolio investments	2,803	(1,845)
Derivative liability <i>[note 5]</i>	54	634
Realized (gains) losses reclassified to consolidated statement of operations:		
Portfolio investments	317	(6,085)
Accumulated remeasurement gains at end of year	3,312	138

See accompanying notes

**CONSOLIDATED STATEMENT OF CHANGES
IN NET DEFICIENCY**

As at March 31
[thousands of dollars]

	Net Assets Externally Restricted for Endowment Purposes [note 17]	Unrestricted Net Deficiency	2019	2018
Balance, beginning of year	103,612	(178,459)	(74,847)	(84,555)
Excess of (expenses over revenue) revenue over expenses		(3,442)	(3,442)	7,218
Transfers to restricted net assets for endowment purposes	13,053	(13,053)	-	-
Endowment contributions	2,931		2,931	2,490
Balance, end of year	119,596	(194,954)	(75,358)	(74,847)

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended March 31

[thousands of dollars]

	<u>2019</u>	2018
OPERATING ACTIVITIES		
Excess of (expenses over revenue) revenue over expenses	(3,442)	7,218
Items not affecting cash:		
Amortization of tangible capital assets	36,828	38,102
Amortization of deferred capital contributions	(37,566)	(39,016)
Loss on disposal of tangible capital assets	1,054	768
Increase in post-employment benefits, net	17,754	15,112
Change in non-cash working capital <i>[note 8]</i>	29,929	(18,834)
Cash provided by operating activities	<u>44,557</u>	3,350
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(18,884)	(57,236)
Assets under development <i>[note 8]</i>	(130,258)	(26,840)
Contributions received for capital purposes	78,908	46,174
Cash used in capital activities	<u>(70,234)</u>	(37,902)
INVESTING ACTIVITIES		
Decrease (increase) in short-term investments, net	11,954	(16,534)
(Increase) in restricted cash, net	(2,796)	(477)
(Increase) in portfolio investments, net	(17,459)	(26,842)
Cash used in investing activities	<u>(8,301)</u>	(43,853)
FINANCING ACTIVITIES		
Decrease in bank indebtedness	(1,424)	(1,324)
Endowment contributions	2,931	2,490
Principal repayment of long-term debt	(33,491)	(771)
Increase in long-term debt	102,621	83,837
Cash provided by financing activities	<u>70,637</u>	84,232
Net change in cash and cash equivalents during the year	36,659	5,827
Cash and cash equivalents, beginning of year	33,824	27,997
Cash and cash equivalents, end of year	<u>70,483</u>	33,824
Cash and cash equivalents represented by:		
Cash	70,483	33,824
Cash equivalents	-	-
	<u>70,483</u>	33,824

See accompanying notes

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

Revenue recognition

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

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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.

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 development 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. Interest and labour are included in assets under development until such time the asset is transferred to tangible capital assets.

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.

<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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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.

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*. The Plan is underwritten 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, 2018 the University was exempt from the going concern funding requirements of the PBA thereby allowing deferral of the 2015/16 through 2017/18 special payments against the Plan's unfunded liability. The University was also granted a deferral of the special payment otherwise required for 2018/19.

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 is exempt from this solvency funding provision. 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 as at December 31, 2018. The results of this valuation, and those of the December 31, 2017 valuation, have been extrapolated to March 31, 2019 and 2018, respectively, for financial statement reporting.

The extrapolation revealed that the going concern unfunded liability is \$213.8 million at March 31, 2019 based on current Plan provisions and PBA requirements. Under the PBA, a going concern unfunded liability must be funded

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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 coincident with the introduction of indexing to liquidate this unfunded liability over a period of 40 years. At March 31, 2019, approximately 25.25 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, then 15 years' worth of these excess contributions can be accounted for when determining the University's special payments.

The plan will be funded based upon the December 31, 2018 actuarial valuation which disclosed a going concern unfunded liability of \$239.1 million. The University is required to make special payments to amortize the unfunded liability over a period of not more than 15 years. The portion of the going concern unfunded liability (after accounting for the indexing liability) to be amortized is \$165.2 million and the required amortization payment for fiscal 2019/20 is estimated to be \$32.6 million [or 10.7% of pensionable payroll]. The next actuarial valuation for funding is due no later than December 31, 2021 (i.e. within three years of the December 31, 2018 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 13 years.

The post-employment benefits are:

- Supplemental Retirement Income Plan ["SRIP"]
- Voluntary Early Retirement Income Plan ["VERIP"]
- 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, which 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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.

Amortized cost

This category includes short term investments, accounts receivable, accounts payable and accrued liabilities as well as 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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.

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 St. John's campus ["Project 2"]. The debt has been negotiated using bankers' acceptances ["BA"] which mature during the 2019/20 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*.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

Derivative liability

Project 1 interest rate swap transaction involves the exchange of the underlying floating rate Canadian BA for a fixed interest rate of 1.58% expiring May 3, 2022 with a notional amount of \$0.9 million. The fair value of this interest rate swap is \$0.006 million [2018 - \$0.010 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 \$5.1 million. The fair value of this interest rate swap is \$0.36 million [2018 - \$0.50 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.

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]	2019				2018
	Level 1	Level 2	Level 3	Total	Total
Cash and cash equivalents	70,483	-	-	70,483	33,824
Restricted cash	4,195	-	-	4,195	1,399
Portfolio Investments					
Publicly traded equity – CDN	35,384	-	-	35,384	37,970
Publicly traded equity – Global	40,858	-	-	40,858	34,875
Mortgages	-	5,597	-	5,597	3,356
Real Estate	-	-	15,402	15,402	623
Fixed income	-	55,138	-	55,138	54,939
Bank indebtedness	-	6,049	-	6,049	7,473
Derivative liability	-	-	358	358	375
Total	150,920	66,784	15,760	233,464	174,834

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

7. TANGIBLE CAPITAL ASSETS

[thousands of dollars]

	Buildings	Furniture and equipment	Computers	Software	Vehicles and vessels	Library Collection	Total
2019							
Cost							
Opening balance	499,659	172,395	26,328	5,350	7,086	169,270	880,088
Additions	4,889	6,205	1,055	139	633	5,994	18,915
Disposals	-	(5,413)	-	-	-	-	(5,413)
Closing balance	504,548	173,187	27,383	5,489	7,719	175,264	893,590
Accumulated depreciation							
Opening balance	237,268	117,145	16,753	3,755	6,070	145,270	526,261
Additions	21,265	8,383	1,534	207	403	5,036	36,828
Disposals	-	(4,359)	-	-	-	-	(4,359)
Closing balance	258,533	121,169	18,287	3,962	6,473	150,306	558,730
Net book value	246,015	52,018	9,096	1,527	1,246	24,958	334,860

	Buildings	Furniture and equipment	Computers	Software	Vehicles and vessels	Library Collection	Total
2018							
Cost							
Opening balance	458,554	165,652	25,127	4,841	6,624	165,137	825,935
Additions	41,105	6,743	4,449	509	462	4,133	57,401
Disposals	-	-	(3,248)	-	-	-	(3,248)
Closing balance	499,659	172,395	26,328	5,350	7,086	169,270	880,088
Accumulated depreciation							
Opening balance	215,047	109,551	16,495	3,497	5,716	140,168	490,474
Additions	22,221	7,594	2,573	258	354	5,102	38,102
Disposals	-	-	(2,315)	-	-	-	(2,315)
Closing balance	237,268	117,145	16,753	3,755	6,070	145,270	526,261
Net book value	262,391	55,250	9,575	1,595	1,016	24,000	353,827

Amortization expense for the year is \$36.8 million (2018 - \$38.1 million).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

8. ASSETS UNDER DEVELOPMENT

Assets under development represent costs incurred to date on the construction of new facilities, the upgrade of current facilities to new energy performance standards and the implementation of new software. Assets under development are as follows:

[thousands of dollars]	<u>2019</u>	<u>2018</u>
Project Description		
Core Science Facility	188,428	89,538
Energy Performance Project	25,730	14,621
Animal Resource Center	20,703	6,930
Document Management System	618	563
Engineering High Bay Labs	577	567
Holyrood Marine Base – Water Lot Development	454	-
Aboriginal Center	329	329
Holyrood Research Facility	329	249
Marine Institute Parking Lot Redevelopment	109	-
Bonne Bay Marine Station Studio	9	-
Holyrood Research Facility Storage Facility	6	-
Signal Hill Campus	-	1,691
Total	<u>237,292</u>	<u>114,488</u>

Included in the above amounts for assets under development is \$32.9 million (2018 - \$25.5 million) in accounts payable transactions that have been adjusted on the statement of cash flows in the categories of Assets Under Development and Change in Non-cash Working Capital.

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]	<u>2019</u>	<u>2018</u>
Balance, beginning of year	374,178	367,020
Additional contributions received	78,908	46,174
Less amounts amortized to revenue	(37,566)	(39,016)
Balance, end of year	<u>415,520</u>	<u>374,178</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

10. DEFERRED CONTRIBUTIONS – 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]	2019	2018
Balance, beginning of year	92,246	92,295
Grants and donations received during the year	76,222	66,299
Less amounts recognized to revenue for expenses incurred during the year	(75,055)	(66,348)
Balance, end of year	93,413	92,246

11. LONG-TERM DEBT

[thousands of dollars]	2019	2018
Government of Newfoundland and Labrador, \$175,000 loan for the Core Science Facility to be drawdown in instalments over the period February 2018 to January 2020, interest to accrue on loan instalments at a rate equivalent to the three month Canadian Bankers' Acceptance Rate which is the average three month Canadian Dealer Offered Rate (CDOR), at the end of the instalment period total principal plus accrued interest will be converted to a 30 year loan, maturing July 2050, at a rate equivalent to the Lender's cost of borrowing, principal payments to begin October 1, 2020	102,266	21,746
Royal Bank of Canada ["RBC"] fixed rate term loan to fund the University's second Energy Performance Contract Project, \$28,400 loan at 3.73%, to be drawn down over 10 instalments concluding in September 2019, during the instalment period interest will accrue at an annual rate of 3.73%, at the end of the instalment period the loan and unpaid interest will be repaid at varying amounts over a 19 year period, maturing March 2038	27,103	17,279
RBC fixed rate term loan to fund the Animal Resource Center, \$15,600 loan at 4.18%, repayable in 25 equal, annual payments of \$1,018, maturing December 2043	15,600	3,323
RBC fixed rate term loan to fund the Marginal Breakwater and Wharf Facility, 3.69%, repayable in 19 equal, annual blended payments of \$825, maturing in August 2034	9,847	10,290
Immigrant Investor Fund, Government of Newfoundland and Labrador, bridge financing agreement for the Core Science Facility, 2% fixed rate, repayable in 7 variable amounts beginning in August 2018 and maturing in February 2020	8,500	41,489
Capital leases negotiated through RBC, repaid during the year	-	31
CMHC mortgage on Queen's College, repaid during the year	-	28
	163,316	94,186

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

Less: current portion	9,907	33,491
	<u>153,409</u>	<u>60,695</u>

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

2020	\$9,907
2021	\$2,777
2022	\$4,416
2023	\$4,636
2024	\$4,867

Interest paid on long-term debt for the year is \$0.3 million (2018 - \$0.4 million).

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), VERIP and SRIP. The last valuation was performed on December 31, 2016 and extrapolated in each subsequent year for accounting purposes.

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>2019</u>	<u>2018</u>
Discount rate:		
Liability	3.60%	3.70%
Expense	3.70%	4.20%
Average rate of compensation increase	4.00%	4.00%

The health care inflation rate is 6% in year 1 following the valuation date, reducing 0.5% per year to 4% in year 5 and later (2019 – 5.0%, 2018 – 5.5%). There is no explicit inflation rate assumption.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

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

	<u>2019</u>	<u>2018</u>
Discount rate		
Liability	3.10%	3.30%
Expense	3.30%	3.30%

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>2019</u>	<u>2018</u>
Discount rate		
Liability	3.60%	3.70%
Expense	3.70%	4.20%

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

[thousands of dollars]

	<u>2019</u>			
	Employee Future Benefits	VERIP	SRIP	Total Liability
Post-employment benefits	249,629	4,852	35,336	289,817
Unamortized actuarial loss	(31,383)	-	(7,674)	(39,057)
Total liability	218,246	4,852	27,662	250,760

[thousands of dollars]

	<u>2018</u>			
	Employee Future Benefits	VERIP	SRIP	Total Liability
Post-employment benefits	231,827	5,151	35,376	272,354
Unamortized actuarial loss	(28,908)	-	(10,440)	(39,348)
Total liability	202,919	5,151	24,936	233,006

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

[thousands of dollars]

	2019			Total Expense
	Employee Future Benefits	VERIP	SRIP	
Current year benefit costs	10,671	-	1,529	12,200
Interest on accrued benefit obligations	8,850	162	1,346	10,358
Benefit payments	(6,499)	(478)	(1,030)	(8,007)
Amortized actuarial losses	2,305	17	881	3,203
Total expense	15,327	(299)	2,726	17,754

[thousands of dollars]

	2018			Total Expense
	Employee Future Benefits	VERIP	SRIP	
Current year benefit costs	8,963	-	1,020	9,983
Interest on accrued benefit obligations	8,623	170	1,224	10,017
Benefit payments	(5,406)	(483)	(882)	(6,771)
Amortized actuarial losses	1,053	86	744	1,883
Total expense	13,233	(227)	2,106	15,112

13. CONTINGENCIES**(a) 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, 2018, CURIE had a deficit of \$1.211 million and a cumulative subscribers' equity of \$79.3 million. The University's pro-rata share is approximately 3% on an ongoing basis.

(b) Asset Retirement Obligations

The University has identified a potential liability related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the University may be required to take appropriate remediation procedures to remove the asbestos. As the University has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the period in which

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

there is certainty that the renovation or demolition project will proceed and there is sufficient information to estimate fair value of the obligation.

(c) Contractual Obligations

Contractual obligations are to outside organizations for contracts entered into before March 31, 2019. These contractual obligations will become liabilities when the terms of the contracts are met.

	<u>2019</u>
Capital projects	151,650
Energy savings	4,318
Total Contractual Obligations	<u>155,968</u>

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]

2019 Foreign Currency Denominated Assets	Fair Values (CAD)	Impact of 1% Absolute Change in Exchange Rates on Net Assets
Global Equity	40,858	408.6

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

(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 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 allowance in 2019 is \$1.2 million (2018 – \$0.9 million). 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, 2019 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 University is exposed to other price risk through its investments in equity instruments traded in an active market.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

15. RELATED PARTY DISCLOSURE

The University considers key management personnel [“KMP”], their close family members and any organizations controlled by the KMP or their close family members as related parties. For this purpose, KMP have been identified as the President, Vice-Presidents and members of the Board of Regents.

The University also considers the Government of Newfoundland and Labrador and its agencies, boards and commissions as related parties.

The University has determined that all transactions with its related parties were conducted in the normal course of business and at arms’ length, therefore, no further disclosure is required.

16. SUBSEQUENT EVENTS

The Johnson GEO Centre Foundation has donated to Memorial University the infrastructure and assets of the Johnson GEO Centre, including GEO Park and other adjacent lands under lease from the provincial government, effective April 1, 2019. The value of the Johnson GEO Centre and assets is estimated at more than \$20 million.

17. ENDOWMENTS

As at March 31, 2019 the University has total restricted net assets for endowment purposes of \$119.596 million (2018 - \$103.612 million).

The endowed balance of \$83.595 million (2018 - \$82.444 million) is subject to externally imposed restrictions requiring the principal to be maintained in perpetuity.

The University recognizes all investment income earned in the year though the Statement of Operations. The excess of the investment income earned over the amount utilized during the year is transferred into the endowment net assets at the end of the fiscal year by following the Board approved Statement of Investment Policy and Objectives. The accumulation of these transfers is recognized as internally endowed net assets and is represented as the balance available for spending.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

The balance available for spending of \$36.001 million (2018 - \$21.168 million) is reviewed every three years to determine if a portion will be added to the endowment assets for capital preservation.

[thousands of dollars]	<u>2019</u>	2018
Opening endowed balance	82,444	79,954
Transfer to unrestricted	(1,780)	-
Endowed contributions	2,931	2,490
Closing endowed balance	83,595	82,444
Opening available for spending	21,168	12,979
Investment income	9,000	12,547
Unrestricted contributions	7,104	133
Interfund transfers	2,716	537
Transfer from restricted	1,780	-
Expenditures	(5,767)	(5,028)
Closing available for spending	36,001	21,168
Net assets restricted for endowment purposes	119,596	103,612

18. 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, 2019

**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. These market differentials are applied where market demands are greater than assigned salary levels.

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, for Academic Executive and Management, 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.

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.

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], the Newfoundland and Labrador Association of Public and Private Employees [NAPE], Lecturers’ Union of Memorial University of Newfoundland [LUMUN] and Teaching Assistants’ Union of Memorial University of Newfoundland [TAUMUN].

The attached tabular information and explanatory notes provide an overview of salary ranges for executive, academic and administrative positions at Memorial University of Newfoundland.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
EXECUTIVE SALARY RANGES
MARCH 31, 2019

	Salary Range (\$)
President and Vice-Chancellor	483,276
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 <i>[note 2]</i>	195,089 - 243,861
Marine Institute	195,089 - 243,861

Note 1: Actual salary is \$270,000 as per employment contract.

Note 2: Actual salary is \$260,000 as per employment contract.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
ACADEMIC SALARY RANGES
MARCH 31, 2019

	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	<i>[note 4]</i>		22 14 1 7
Academic Management: Associate Deans Assistant Deans Department Heads Directors Associate University Librarians	<i>[note 5]</i>		63 26 3 30 1 3
Academic Staff: <i>[note 6]</i>	31,080 - 174,882	45,118 - 260,562	1130
Professors	112,764 - 174,882	114,564 - 260,562	211
Associate Professors	95,628 - 142,752	95,628 - 162,030	343
Assistant Professors	82,776 - 104,196	82,776 - 153,462	245
Lecturers <i>[note 7]</i>	65,640 - 78,492	65,640 - 91,344	82
Co-op Education Coordinators	63,496 - 112,762	74,206 - 123,472	22
Librarians	59,210 - 155,600	67,778 - 135,038	27
Instructors-Marine Institute <i>[note 8]</i>	31,080 - 163,894	51,525 - 136,578	200

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 leave or 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 or solely stipendiary positions.

Note 7: Lecturers include 45 Visiting Professors paid on the lecturer scale.

Note 8: Marine Instructor count includes Demonstrators, Technical Assistants, Scientists and Instructors.

MEMORIAL UNIVERSITY OF NEWFOUNDLAND
ADMINISTRATIVE SALARY RANGES
MARCH 31, 2019

	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	105
Management and Professional Staff <i>[note 4]</i>	49,602 - 117,822	49,602 - 120,018	577
Administrative Staff <i>[note 5]</i>	30,237 - 114,362	30,542 - 99,918	1670 <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 University Market.

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.