UNIVERSITY OF SASKATCHEWAN

USask Board of Governors Public Minutes

September 3, 2026

Peter MacKinnon Building, Emmett Hall Boardroom (PMB 238)

Members: Keith Martell (Chair), Corinna Stevenson (Vice-Chair), Vince Bruni-Bossio, Scott Banda, Marty Seymour, Herb McFaull, Ryan Walker, Abtin Safaeian, Mike Marsh, Karen Stewart.

Regrets: Grant Devine

Present: Patti McDougall, Greg Fowler, Kim Kroll-Goodwin, Baljit Singh, Deidre (Dee) Henne, David Stack, Heather Persson, Sara Daniels, Julian Demkiw (University Secretary)

Guests: Victor Schwab and Charlene Drotar, Office of the Provincial Auditor; Jodi Sun, USask Controller

Call to Order – 10:30 a.m.

1. Approval of Agenda

That the agenda be approved as circulated, with the clarification that approval of the financial statements would occur following the Provincial Auditor's report.

CARRIED

2. Approval of June 2026 Minutes (Regular and Public)

That the regular and public minutes of the June 23 and 24, 2026 Board meeting be approved as circulated.

CARRIED

3. Business Arising: Action Items Review

The Board received the action items tracking log for information. Members were invited to identify any omissions; none were raised.

4. Annual Fraud Questionnaire

The Chief Financial Officer advised that the annual fraud questionnaire had been completed with the Audit and Finance Committee Chair and submitted to the Provincial Auditor. The Board received a confidential update related to the questionnaire.

The Audit and Finance Committee Chair confirmed that the committee had considered the annual fraud questionnaire, management's representations, and discussions with the internal and external auditors, and was comfortable with the response. Board members were asked whether they were aware of any additional matters requiring disclosure to the Provincial Auditor. No additional matters were identified.

Annual Financial Reporting and Audit

5. Presentation of 2025-26 Annual Financial Report

The Chief Financial Officer presented the draft 2025-26 Annual Financial Report, noting that final editorial corrections remained underway and that a broader redesign was planned for the next reporting cycle. The report highlighted strong investment performance, the four-year provincial

funding agreement and new accountability framework, a structurally balanced operating outlook, targeted investments aligned to strategic priorities, approval to proceed with bond financing, and expanded sustainability and responsible-investing disclosures.

The Board reviewed key changes in assets, liabilities, revenues, expenses and fund balances. Members discussed the planned $250 million bond financing and the importance of using both sector comparators and measures of affordability and debt-service capacity. Management confirmed that the annual debt report includes the five debt metrics: three with policy thresholds: viability, affordability, and capacity, and two with monitoring thresholds: the net income ratio and primary reserve ratio.

Board members discussed how fund accounting and investment income could be more clearly explained to donors, employees and other readers. The Board encouraged future reports to better distinguish restricted and unrestricted resources, and recommended adding definitions to support readers, such as “allowable expendable resources”. Discussions expressed the need to ensure there is clear context for the comprehensive surplus and general fund results. Management agreed to add definitions, and improved segmentation.

The Board also discussed baseline sustainability disclosures for investment holdings. Management advised that this was the first year of baseline measures disclosure. In the next report additional information will include investment governance, strategic, measurement targets, and risk mitigations and opportunities. The Board requested visibility into proposed targets and associated action plans. Management agreed to include this information in the investment reporting will go to the Board during the year.

A member asked for further explanation of the change in employee future benefit liabilities and the statement that the change resulted from investment-market performance. Management agreed to provide a follow-up explanation after the meeting.

The Chair advised that the Board Chair’s message in the Annual Financial Report had been revised to acknowledge the presidential transition, summarize the principal financial drivers more concisely and provide a forward-looking perspective.

6. Presentation of the University Audited Year-End Financial Statements

The Chief Financial Officer presented the consolidated financial statements for the year ended April 30, 2026. The Board was advised that final editorial and numerical checks were underway, and management agreed to provide the final edited record for the Board file.

7. Results of April 30, 2026 USask Annual Integrated Audit

Representatives of the Office of the Provincial Auditor presented the results of the annual integrated audit. The auditor reported an unmodified opinion, subject to completion of customary remaining procedures, and confirmed that Treasury Board format approval had been received. Final materiality remained $17 million.

The Provincial Auditor reported that the 2025-26 consolidated financial statements were fairly presented; financial-related controls were effective; and the university complied with applicable legislative authorities. Audit work addressed revenue recognition, investment-manager oversight,

accounting for the land trust and interest-rate swaps, employee future benefit estimates, purchasing-card transactions and journal entries. No significant issues were identified in these areas.

The Certain Other Matters letter identified no significant internal-control deficiencies, no disagreements with management, and no significant compliance concerns. The auditor reviewed three non-material unadjusted matters and confirmed that they did not affect the audit opinion.

Management confirmed that the approved Order in Council for the planned bond financing is included as a subsequent-event financial statement note. No other subsequent events requiring disclosure were identified.

8. In-Camera Discussions

The Board met in camera separately with representatives of the Office of the Provincial Auditor and with the Chief Financial Officer. No motions were passed during these discussions.

9. Approval of Annual Financial Report and Financial Statements

That the Board of Governors approves the 2025/26 Annual Financial Report, and further approves:

(1) that the draft financial statements for the year ended April 30, 2026, as distributed and presented, with format approved by Treasury Board, be approved subject to completion of the audit and receipt of the final Auditor's Report from the Provincial Auditor; and
(2) that, upon receipt of the Auditor's Report, the financial statements be finalized on behalf of the Board, and that the Provincial Auditor be authorized to forward a copy of the signed financial statements to the Minister of Advanced Education for presentation to the Legislature.

CARRIED

10. Approval of Draft Response to Provincial Auditor Letter

That the Board of Governors approves the draft response to the Provincial Auditor's letter regarding USask's Annual Financial Statement Audit Results and that management be authorized to submit the response to the Provincial Auditor, provided that the final memorandum does not include any significant changes, effective September 3, 2026.

CARRIED

Other Items

11. USask Enterprise Overview: Entities and Divisions

The Chief Financial Officer presented the annual enterprise overview, reorganized to distinguish wholly owned entities, related parties and key internal divisions. The report also clarified the university's varying levels of control, influence and oversight. The report is intended to be read with the fourth-quarter entity dashboards presented in June.

Discussion focused on the governance relationship between USask and its subsidiaries, research platforms and divisions. Members emphasized the need for clear language about accountability, decision authority and the application of university policies, while recognizing that separate boards and external funding arrangements create practical complexity. Management advised that wholly owned entities remain subject to the university's member powers, while internal divisions are fully subject to university policies, budgeting, financial controls and risk-management processes.

The President described ongoing work to strengthen collaboration, role clarity and shared accountability across the enterprise. Members supported continued efforts to establish a common and clearly communicated approach. The Board asked that future reporting connect more clearly to USask's broader list of centres and institutes and that the classifications and terminology continue to be refined.

12. Naming: Donor Recognition

The Interim Vice-President University Relations presented a proposal to recognize a long-teim donor through the naming of a civil structures laboratory, classroom and office suite.

On recommendation of the President's Advisory Committee on Naming University Assets, the Board of Governors approves:

(1) the naming of Room 1C01 in the College of Engineering

(2) the naming of Room 600.4 in Edwards School of Business, Executive Education; and

(3) the naming of Office Suite 600 in Edwards School of Business, Executive Education all effective

September 3, 2026. **CARRIED**

In-Camera Discussion

In-Camera Session

No motions were presented during the in-camera session.

Board Adjourned – 2:42pm