

UNIVERSITY OF TORONTO
THE GOVERNING COUNCIL

Thursday June 27, 2002

MINUTES OF THE GOVERNING COUNCIL meeting held on Monday, June 27, 2002 at 4:30 p.m. in the Council Chamber, Simcoe Hall.

Present:

Ms Wendy M. Cecil (In the Chair)
Dr. Thomas H. Simpson, Vice-Chair
The Honourable Henry N. R. Jackman,
Chancellor
Professor Robert J. Birgeneau, President
Professor Mary Beattie
Dr. Robert Bennett
Professor Jack Carr
Ms Mary Anne V. Chambers
Professor Brian Corman
Professor W. Raymond Cummins
Dr. Claude Davis
Dr. Alice Dong
Dr. Inez Elliston
Ms Susan Eng
Dr. Shari Graham Fell
Professor Luigi Girolametto
Professor David Jenkins
Ms Françoise Ko
Professor Brian Langille
Ms Karen Lewis
Mr. Gerald A. Lokash
Professor Ian R. McDonald
Mr. David Melville

Mr. Andrew Morgan
Professor Heather Munroe-Blum
Dr. John P. Nestor
Ms Jacqueline C. Orange
The Honourable David R. Peterson
The Honourable Robert K. Rae
Dr. Joseph L. Rotman
Mrs. Susan M. Scace
Professor Adel S. Sedra
Mr. Amir Shalaby
Ms Carol Stephenson
Professor John Wedge
Mr. Robert S. Weiss
Professor Donna Wells
Ms Geeta Yadav

Mr. Louis R. Charpentier,
Secretary of the Governing Council

Secretariat:

Mr. Neil Dobbs
Ms Cristina Oke

Absent:

Mr. Brian Davis
The Honourable William G. Davis
Professor Sherwin Desser
Mr. Paul V. Godfrey
Ms Shirley Hoy
Ms Rose M. Patten

Mr. Kashif Pirzada
Ms Patricia Ricci
Ms Heather Schramm
Ms Wendy Swinton
Mr. John H. Tory

In Attendance:

Professor Michael Marrus, Member-Elect, Governing Council
Mr. Sean Mullin, Member-Elect, Governing Council
Mr. Elan Ohayon, Member-Elect, Governing Council and Vice-President, External,
Graduate Students' Union
Mr. Tim Reid, Member-Elect, Governing Council
Mr. Terence Wardrop, Past Chair, Governing Council
Dr. Jon S. Dellandrea, Vice-President and Chief Advancement Officer
Professor Vivek Goel, Vice-Provost, Faculty

In Attendance (cont'd):

Professor Angela Hildyard, Vice-President, Human Resources
Dr. Sheldon Levy, Vice-President, Government and Institutional Relations and Interim Vice-Provost, Students
Professor Derek McCammond, Vice-Provost, Planning and Budget
Dr. Peter Munsche, Assistant Vice-President, Technology Transfer and Acting Vice-President, Research and International Relations
Professor Carolyn Tuohy, Vice-President, Policy Development and Associate Provost
Professor Ronald Venter, Vice-Provost, Space and Facilities Planning
Professor Rona Abramovitch, Director, Transitional Year Program
Dr. Mary Cone Barrie, Director, School of Continuing Studies
Mr. John Bisanti, Chief Capital Projects Officer
Ms Sheila Brown, Controller and Director of Financial Services
Mr. Christopher Collins, President, Graduate Students' Union
Dr. Beata FitzPatrick, Director of the Office of the President and Assistant Vice-President
Ms Rivi Frankle, Assistant Vice-President, Alumni and Development
Ms Rachel Furey, alumna, Faculty of Law
Ms Elisabeth Gilmore, Executive Member, Graduate Students' Association
Ms Georgina Gray, Director of University Events and Presidential Liaison (Advancement)
Mr. Mohammed Hashim, University Affairs Commissioner, Students' Administrative Council
Mr. Paul Holmes, Judicial Affairs Officer, Office of the Governing Council
Professor Bruce Kidd, Dean, Faculty of Physical Education and Health
Mr. Hal Koblin, Special Advisor to the Vice-President and Chief Advancement Officer
Mr. Rocco Kusi-Achampong, President, Students' Administrative Council
Mr. John Lea, Vice-President, Operations, Students' Administrative Council
Ms Margaret Leighton, Law Alumni Coalition
Ms Lesley Lewis, Assistant Vice-Provost, Professional Faculties
Ms Margaret McKone, Administrative Manager, Office of the Governing Council
Professor Doug Perovic, Chair, Department of Materials Science and Engineering
Mr. Pierre Piché, Associate Controller
Ms Amy Porteous, student, Faculty of Law
Mr. John Rawle, Chief Financial Officer and Assistant Director of the School of Continuing Studies
Ms Catherine Riggall, Assistant Vice-President, Facilities and Services
Ms Emily Sadowski, President, Association of Part-time Undergraduate Students
Ms Maureen Somerville, Chair, College of Electors
Mrs. Beverley Stefureak, Assistant Secretary of the Governing Council
Ms Nicole Wahl, Department of Public Affairs

1. Chairman's Remarks**(a) Opening Comments**

The Chairman welcomed members and guests. She extended a particular welcome to the members-elect of the Governing Council who were in attendance: Professor Michael Marrus, Mr. Sean Mullin, Mr. Elan Ohayon, and Mr. Tim Reid. She also welcomed Ms Maureen Somerville, the Chair of the College of Electors.

1. Chairman's Remarks (cont'd)**(b) Congratulations**

The Chairman congratulated the President and Professor Heather Munroe-Blum on their election to the Royal Society of Canada. She noted that President Birgeneau had been recognized as 'one of Canada's foremost experimental physicists' who had made 'numerous original and profound contributions to our understanding of condensed matter systems', while Professor Munroe-Blum had been recognized as 'a scholar and policy leader of international reputation who had made a unique and significant contribution'.

The Chairman reported that several other members of the University of Toronto community had been elected to the Royal Society of Canada: Professors Brian Merrilees (Victoria College), Janice Boddy (Anthropology, UTSC), David Cameron (Political Science), Morris Moscovitch (Psychology), Kent Roach (Law), Mitchell Halperin (St. Michael's Hospital), Peter St. George-Hyslop (Centre for Research in Neurodegenerative Disease), Michael Tyers (Samuel Lunenfeld Research Institute, Mount Sinai Hospital), Cecil Yip (Vice-Dean, Medicine), and Sanjeev John (Physics)

(c) Speaking Requests

The Chairman reported that she had granted a number of speaking requests for this meeting. She would call upon each speaker at the appropriate time in the agenda.

(d) Meeting Procedures

The Chairman reminded members that the agenda was a lengthy one, with eighteen items for approval. She indicated that she would like to conclude the meeting no later than 7:00 p.m., and she asked members' forbearance if it was necessary to limit the time spent on each item in order to ensure fair consideration for the items at the end of the agenda. She also reminded members that they could speak to any item only once and asked that members focus their comments.

2. Minutes of the Previous Meeting

It was noted that the Hon. Robert Rae had attended the June 3 meeting, but was shown as being absent. The minutes of the previous meeting held on June 3, 2002 were approved as amended.

3. Business Arising from the Minutes of the Previous Meeting

There was no business arising.

4. Report of the President

The President reported on a number of matters.

(a) Provincial Government Relations

The President informed members that the provincial budget which had been announced on June 17th had responded to all of the issues raised by the University, with the exception of funding to cover the costs of inflation. The government would provide an additional \$70 million to universities to fund increased enrolment. Universities were being reimbursed on a one-time-only basis for the full average cost of students enrolled in the 2001-02 year.

The Province had invited another round of applications for the funding of capital projects under its SuperBuild program, targeted to provide facilities to accommodate areas of large student demand. A second phase of the Ontario Student Opportunity Trust Fund (OSOTF) was being designed, with the intention of assisting 400,000 students attending colleges and universities over the next decade. The first phase of OSOTF had resulted in \$100 million of endowment funds at the University of Toronto, which had provided 3,300 awards in 2000-01 and 4,600 in 2001-02.

Additional funds were being allocated to the Ontario Research and Development Challenge Fund (ORDCF), the Ontario Innovation Trust (OIT), and the Ontario Research Performance Fund.

The President indicated that the University would now concentrate its efforts in its discussions with the Government of Ontario on obtaining inflation protection for provincial operating grants.

(b) Jackman Gift

The President reported on the recently-announced extraordinary gift from the Chancellor, the Honourable Henry N. R. Jackman. His \$15 million gift would be double matched by the University to provide a \$45 million endowment in the Faculty of Arts and Science. This endowment would fund a distinguished professor in philosophical studies, a minimum of 10 professorships in the humanities and social sciences, eight faculty research fellowships, and a minimum of three graduate student fellowships in the humanities, as well as a general program for activities such as symposiums, lectures and distinguished visitors. The President acknowledged the efforts of Dean Amrhein, Dr. Dellandrea, and Professor Sedra in working with the Chancellor to develop the framework for the gift.

Members gave the Chancellor a prolonged standing ovation. At the invitation of the Chairman, the Chancellor stated that, in his opinion, the significance of his gift was that it was being double-matched by the University, and that it was being used to fund activities that the University would not otherwise be able to undertake.

(c) Campaign Update

Dr. Jon Dellandrea, Vice-President and Chief Advancement Officer, provided an update on the Campaign. His power- point presentation is attached hereto as Appendix "A".

5. Terms of Reference of Boards and Committees

Dr. Simpson informed members that each Board and Committee had reviewed its own Terms of Reference. Each Board had also considered the Terms of Reference of its Standing Committees. The revised Terms of Reference had been consolidated into one document to facilitate the Council's consideration of the proposal.

Mr. Shalaby thanked members of the Office of the Governing Council for their work on the Terms of Reference.

On motion duly moved and seconded,

It was RESOLVED

THAT the revised Terms of Reference for Governing Council Boards and Committees, contained in the Office Consolidation dated June 10, 2002, be approved.

6. University of Toronto at Scarborough (UTSC): Division of Mathematical Sciences - Establishment

Professor Carr reported that UTSC's proposed new Division of Mathematical Sciences would include computer science, mathematics and statistics, and its resources would be provided from the existing budget of the Division of Physical Sciences.

On motion duly moved and seconded,

It was RESOLVED

THAT the establishment of the Division of Mathematical Sciences at the University of Toronto at Scarborough, effective July 1, 2002, as described in Appendix "C" to Report Number 113 of the Academic Board, be approved.

7. Framework for a New Structure of Academic Administration for the Three Campuses

Professor Carr reported that Professor Tuohy had presented to the Academic Board a very effective overview of the proposed new structure of academic administration at the three campuses. A number of questions had been raised by Board members, particularly about the suggested new titles for the principals at the University of Toronto at Mississauga (UTM) and the University of Toronto at Scarborough (UTSC).

At the invitation of the Chairman, Professor Tuohy described the proposed framework. A copy of her Powerpoint presentation is attached hereto as Appendix "B".

7. Framework for a New Structure of Academic Administration for the Three Campuses (cont'd)

Two members congratulated Professor Tuohy and Professor Sedra on the outstanding work they had done to develop the framework, on their careful consultative process, and on their receptiveness to suggestions, which had improved the final paper substantially.

A member urged that care be taken to maintain the single University of Toronto "brand" as growth occurred on the three campuses. The President replied that the members of both the Mississauga and the Scarborough campuses had emphasized that need the most strongly. The maintenance of unitary, University-wide graduate departments would ensure the desired outcome.

On motion duly moved and seconded,

It was RESOLVED

THAT the *Framework for a New Structure of Academic Administration for the Three Campuses*, dated May 21, 2002, a copy of which is attached to Report Number 113 of the Academic Board as Appendix "D", be approved in principle.

8. Policies for Post-Doctoral Fellows – Establishment

Professor Carr explained that the proposed new policy for post-doctoral fellows clearly stated that they were trainees and not employees of the University. Administrative procedures had been appended to the policy to delineate the process for, and the terms of, the engagement of post-doctoral fellows.

On motion duly moved and seconded,

It was RESOLVED

THAT the Policy on Post-doctoral Fellows, dated May 27, 2002, a copy of which is attached to Report Number 113 of the Academic Board as Appendix "J", be approved, effective September 1, 2002.

9. Policy on Appointment of Professor Emeritus- Amendment

Professor Carr said that the amendment to this policy would allow full professors who had held named chairs, when they retired and were appointed professor emeritus, also to be appointed chair-emeritus of the named chair. Such appointments would require the approval of the Vice-President and Provost.

On motion duly moved and seconded,

It was RESOLVED

THAT the Policy on Appointment of Professor Emeritus, as amended with the addition of the second paragraph, dated May 27, 2002, amended June 6, 2002, a copy of which is attached to Report Number 113 of the Academic Board as Appendix "K", be approved effective July 1, 2002.

10. Academic Priorities Fund: Allocation - Faculty of Law *Raising Our Sights* Plan

The Chairman pointed out that a number of letters on this matter had been placed on the table. Members had previously received several letters, as well as a submission from the Law Alumni Coalition, in their agenda packages. The Chairman noted that one of the letters placed on the table expressed concern about the content of another letter that had been distributed previously. She informed members that letters that were addressed to the Governing Council with respect to matters on its agenda were distributed to members, who were free to make their own judgments about the contents of the correspondence.

The Chairman indicated that a number of speakers had asked to speak to this issue. She asked the Chair of the Academic Board to introduce the item and make the motion.

Professor Carr reported that the proposed allocation was to support the Faculty of Law's academic plan arising from the *Raising our Sights* planning process. The Board had been provided with an executive summary of the plan, which had been approved by the Provost. There had been extensive debate at the Board concerning the allocation to support the faculty retention fund and the adequacy of student financial aid in the face of rising tuition fees.

The President reminded members that they were considering an allocation in support of the plan, and not the tuition fee; the fee for 2002-03 had been approved in May. He explained that the funds allocated would be distributed over a five-year period. Mechanisms for measuring accessibility and freedom of career choice would be put in place by the Office of the Vice-President and Provost.

At the invitation of the Chairman, Ms Margaret Leighton, representing the Law Alumni Coalition, addressed the Council. She thanked members for responding in a constructive and proactive way to the concerns raised in May during the debate on the tuition fee. She asked members to think about how the allocation to the Faculty could be managed responsibly. She indicated that, in her view, the academic plan of the Faculty of Law did not rank its priorities. She encouraged the participation of representatives of Legal Aid Ontario and the Law Society of Upper Canada, who had indicated their desire to have input into the design and scope of the accessibility and career-choice study and who had offered to share data and expertise.

10. Academic Priorities Fund: Allocation - Faculty of Law *Raising Our Sights Plan* (cont'd)

At the invitation of the Chairman, Ms Amy Porteous, a third-year student of the Faculty of Law, described the results of a confidential poll in which students overwhelmingly indicated their negative feelings towards the Faculty's plan. She expressed her view that students were not reassured by the accessibility and career-choice review to be conducted by the Office of the Vice-President and Provost and to be reported to the Governing Council prior to the consideration of the further proposed annual increases in tuition fees for the Faculty.

At the invitation of the Chairman, Ms Rachel Furey, a recent graduate of the Faculty of Law, described the perception of students within the Faculty that the back-end debt relief program should not be relied upon to satisfy concerns about high debt load. The relief program had limited funding, did not apply to undergraduate debt, and was not guaranteed prior to graduation.

At the invitation of the Chairman, Mr. John Lea, Vice-President, Operations of the Students' Administrative Council (SAC), stated his opposition to the opinions expressed by Mr. Leonard Asper in his letter to the Governing Council which encouraged members to support the tuition-fee increase to allow students the choice of going into debt or enrolling in a law school at another university with lower tuition fees.

A member expressed her confidence in the Office of the Vice-President and Provost to conduct the study requested by members of the Governing Council. She noted that both the President and the Provost had given their personal commitment to accessibility, and the President had made accessibility the cornerstone of his administration. The Governing council itself was committed to be vigilant. She encouraged those who had addressed Council to provide input to the Provost on the study. She was confident that the administration would not seek to side-step the matter. She requested a brief progress report in the fall on the status of the study and she encouraged all law school alumni to contribute to the funding of bursaries for needy students.

Another member agreed with the comments of the previous speaker. He noted that the motion to approve the allocation was conditional upon approval of the tuition-fee increases in future years, which was in turn conditional of the outcome of the accessibility and career-choice study. He too requested an update and timeline for the report, which he hoped would be in the fall, well before the proposal for tuition fees for 2003-04.

Another member asked whether there would be an opportunity for those who had offered to collaborate on the study to be included. A member asked what the consequence would be if the allocation was not approved. He also asked why a multi-year allocation was being proposed for approval at this time. A member stated his intention to vote against increases next year.

A member observed that it was difficult to understand how access would not be reduced by large increases in tuition fees. Current graduates had indicated that they would be employed by large law firms in Toronto and New York. The member was disappointed that the Faculty of Law would produce mainly graduates who would work only in the top firms and whose rates would probably be out of reach of ordinary Canadians.

10. Academic Priorities Fund: Allocation - Faculty of Law *Raising Our Sights Plan*
(cont'd)

At the request of the Provost, Dr. Sheldon Levy, speaking as Interim Vice-Provost, Students, replied that the conditions placed on the approval of the tuition fee increase for 2002-03 were being taken very seriously. Currently, staff were trying to determine what data was available for the study. The challenge was to identify the reliability of available data and to determine what methodology would produce the information that members of the Council had requested. Dr. Levy said that he would welcome ideas on data and methodology. He recognized that the timelines were short, and that the report had to be available prior to the consideration of tuition fees.

The Provost also welcomed input on the study, and assured members that recommendations would not be brought forward without sufficient information. He indicated that, if the allocation were not approved, the plan would be returned to the Faculty. He explained that a multi-year allocation was acceptable as long as there were safeguards. The Provost emphasized that the determination of spending priorities was a job for administration, not for the Council, and that the administration worked for the Governing Council.

The President thanked the speakers for their helpful comments.

On motion duly moved and seconded,

It was RESOLVED

THAT an allocation of \$3,722,182 in base for the Faculty of Law from the Academic Priorities Fund, as described in Appendix "N" to Report Number 113 of the Academic Board, be approved. The recommendation is subject to annual Governing Council approval of the J.D. tuition fees rising to planned levels as described in the University's *Tuition Fee Schedule for Publicly Funded Programs for 2002-03*.

11. Administrative Priorities Fund: Allocations – Various

Professor Carr explained that the allocations from the Administrative Priorities Fund would support seven administrative divisions or units.

On motion duly moved and seconded,

It was RESOLVED

THAT the following allocations from the Administrative Priorities Fund, as described in Appendix "B" to Report Number 113 of the Academic Board, be approved:

- (i) Vice President, Human Resources: \$85,850 in base for 2002-03, a further \$65,000 in base in 2003-04 and \$119,000 OTO in 2002-03,
- (ii) Vice President, Business Affairs: \$200,000 in base for 2002-03, a further \$50,000 in base in 2003-04 and \$50,000 OTO in 2002-03,

11. Administrative Priorities Fund: Allocations – Various (cont'd)

- (iii) Vice President, Research and International Relations: \$205,000 in base for 2002-03, a further \$150,000 in base in 2003-04 and \$120,000 OTO in 2002-03,
- (iv) Office of the Governing Council: \$30,000 in base for 2002-03, a further \$12,000 in base in 2003-04 and \$67,200 OTO in 2002-03.
- (v) Internal Audit: \$17,500 in base for 2002-03, a further \$10,000 in base for 2003-04 and \$25,000 OTO in 2002-03;
- (vi) Vice-President, Government and Institutional Relations: \$60,000 in base
- (vii) University of Toronto Archives and Records Management Services: \$54,000 OTO in 2002-03 and \$56,000 in base for 2003-04.

12. Academic Priorities Fund: Allocation - Joker's Hill

Professor Carr reported that the allocation for the Joker's Hill property would be used to support research infrastructure as well as non-research related expenses.

On motion duly moved and seconded,

It was RESOLVED

THAT a \$150,000 base allocation from the Academic Priorities Fund in support of research infrastructure at Joker's Hill, as described in Appendix "O" to Report Number 113 of the Academic Board, be approved.

THAT a \$150,000 one-time-only allocation for each of three years from the Academic Priorities Fund in support of non-research related expenses at Joker's Hill be approved.

13. University Infrastructure Investment Fund: Allocation - Varsity Stadium

Professor Carr indicated that the allocation would be used to demolish Varsity Stadium and create an open playing field which would be available to support numerous existing program commitments.

A member asked why such a large sum was being allocated for the demolition in light of other competing priorities which required funding. At the request of the Chairman, Professor Venter replied that it was necessary to demolish the stadium for safety reasons, and that the work needed to start immediately to ensure that the playing field was available for use in September.

A member noted that the covering documentation referred to a study that would be undertaken to review a revised set of proposals, and asked if there was a timeline for this review.

13. University Infrastructure Investment Fund: Allocation - Varsity Stadium (cont'd)

At the invitation of the the Council, Professor Venter replied that he would be working on a plan over the summer, and meeting with students to hear their views.

On motion duly moved and seconded,

It was RESOLVED

THAT an allocation of \$1,700,000 from the University Infrastructure Investment Fund towards the demolition cost of Varsity Stadium and the establishment of a fenced-in open playing field, as described in Appendix "P" to Report Number 113 of the Academic Board, be approved.

14. Capital Project: OISE/UT Institute of Child Study - Project Planning Report

Professor Carr explained that the project for the Institute of Child Study combined new and renovated space and the addition of a connector building between two existing buildings, all to be financed from the proceeds of fundraising.

On motion duly moved and seconded,

It was RESOLVED

- (i) THAT the Project Planning Report for the Institute of Child Study Expansion, a copy of which is attached to Report Number 113 of the Academic Board as Appendix "A", be approved in principle.
- (ii) THAT the project scope totaling 4310 gross square meters (of which 1250 gsm will be new construction), will allow for renovations to the existing 45 Walmer Road and 56 Spadina Road and the addition of a *connector* building between the two existing buildings, requiring municipal approvals.
- (iii) THAT the University of Toronto initiate discussions with the City of Toronto for the rezoning of the proposed site for new construction.
- (iv) THAT the project cost of \$8,000,000 be approved, with funding sources to be sought through fundraising.

15. Capital Project: School of Continuing Studies - Project Planning Report

Professor Carr reported that this project would give the School of Continuing Studies a new façade on St. George Street as well as some new and renovated space, to be funded by the earnings of the School and by fundraising and to be financed by a loan from the University.

Mr. Shalaby indicated that the Business Board had also reviewed the Continuing Studies project at its meeting on June 20th, and had authorized the Vice-President, Business Affairs to proceed with it, subject to Governing Council approval.

15. Capital Project: School of Continuing Studies - Project Planning Report (cont'd)

The Board had been assured by the Controller that the business plan was sound, and had also been assured that the recent record of the School of Continuing Studies demonstrated its ability to earn the net income needed to pay off the loan for the project.

On motion duly moved and seconded,

It was RESOLVED

- (i) THAT the Project Planning Report for the School of Continuing Studies, a copy of which is attached to Report Number 113 of the Academic Board as Appendix "L", be approved in principle.
- (ii) THAT the project scope of 102 gsm of new space and 1,646 gsm renovated space be approved at an estimated total project cost of \$7,100,000 (May 2003), with funding as follows:
 - (1) external funding raised by the School of Continuing Studies, and
 - (2) a loan made available by the University of Toronto of up to \$4.5 million on terms to be approved by the Vice-President, Business Affairs, such loan to be repaid over a term not exceeding 17 years from income generated within the School of Continuing Studies

16. Capital Project: Lash Miller Chemistry Addition and Renovation – Update

Professor Carr indicated that this proposal would complete the outstanding projects in the Chemistry building using funds already in hand.

On motion duly moved and seconded,

It was RESOLVED

- (i) THAT the Users' Committee Report for the Department of Chemistry that identified numerous projects including the Davenport Building and renovation of facilities within the Lash Miller Building be fully implemented, as described in Appendix "M" to Report Number 113 of the Academic Board.

16. Capital Project: Lash Miller Chemistry Addition and Renovation – Update (cont'd)

- (ii) THAT the remaining funds originally provided from contributions from the Davenport Family, and the Canada Foundation for Innovation (CFI) and the Ontario Research and Development Challenge Fund (ORDCF) be approved in the amount of \$4,704,927 and directed to each of the listed projects to be approved by the Accommodation and Facilities Directorate (AFD), according to policy procedures. (This allocation will exhaust all current funding available in support of these improvements directed to the Davenport and Lash Miller Buildings initiated in 1998.)

17. Financial Statements

Mr. Shalaby informed the Council that members of the Audit Committee had reviewed the financial statements over two meetings, with the external auditors present on both occasions. The Committee had also met privately with the external auditors with no University staff present. The Committee had concluded that the statements provided a full and fair disclosure of the University's finances.

Mr. Shalaby highlighted three key financial results for the year:

- The budget that was approved by the Governing Council each year was the budget for the operating fund (taking out the capital funds, the ancillary operations, and restricted funds such as research grants.) In the operating fund, the deficit for the 2001-02 had been \$7-million. A part of the shortfall had been an amount of \$3.8-million for Provincial funding for enrolment growth that had not been delivered before year-end. The Government had promised that this amount would be delivered in the current year.
- \$57-million had been transferred from the endowments to cover the year's expenses. Because of the current bear market, the endowments had not earned money for the past two years. On the contrary, there had been losses of about 1 per cent each year. But, there had been re-capitalized money in the endowments from the earlier bull-market years, when earning had been well above the 5 per cent payout rate.
- The total endowment had continued to grow from donations, increasing by \$23.5-million last year to just under \$1.2-billion at year end.

A member noted the stagnation and gradual decline in the amount of endowment per student.¹ At the invitation of the Chairman, Ms Sheila Brown, Controller and Director of Financial Services, explained that investment returns had been negative due to market performance. The President noted that, if the market continued to perform poorly, the problem would be exacerbated as the number of

¹ See Schedule 18 on page 28 of the *Supplementary Financial Report, April 30, 2002*

17. Financial Statements (cont'd)

students increased. He suggested that it might then become necessary to address the question of the five percent payout rate.²

On motion duly moved and seconded,

It was RESOLVED

THAT the University of Toronto audited financial statements for the year ended April 30th, 2002 be approved.

18. Appointment of External Auditors for 2002-03

Mr. Shalaby reported that the Audit Committee had reviewed the work of the external auditors and had recommended their re-appointment. He noted that, as part of its review, the Audit Committee had examined Ernst & Young's consulting assignments for the University, and was satisfied that their scope and nature posed no problem to the objectivity of the audit.

On motion duly moved and seconded,

It was RESOLVED

- (a) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2003;
- (b) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto pension funds for the fiscal year ending June 30, 2003; and
- (c) THAT the members of the University of Toronto Innovations Foundation be requested to appoint Ernst & Young LLP as the external auditors of the Foundation for the fiscal year ending April 30th, 2003 at a remuneration to be fixed by the Directors of the Foundation.

² The Policy on the Preservation of Capital Funds requires that the inflation-adjusted value of the endowment capital be maintained over time. To meet that requirement and to smooth payouts from the endowment, the payout rate is based on the four year moving average of the market value of the units of the Long-Term Capital Appreciation Pool over the previous four years. For many years, the payout rate has been 5%.

19. Summer Executive Authority

Dr. Simpson reminded members that the Governing Council was asked each June to delegate to the President the authority to take any actions necessary on behalf of the Governing Council during the summer months. The individual authorizations were countersigned by the Chairman and were reported for information to the appropriate committee. Items which were not regarded as urgent would be held for consideration in the usual manner in the fall.

On motion duly moved and seconded,

It was RESOLVED

- (i) THAT until the next regular meeting of the Governing Council or its appropriate committee or board, authority be granted to the President for:
 - (1) appointments to category 2 and the heads of Internal Audit and Hart House in category 3 of the *Policy on Appointments and Remuneration* approved by the Governing Council of the University of Toronto, dated May 13, 1999;
 - (2) approval of such additional curriculum changes as may arise for the summer and September 2002;
 - (3) decisions on other matters the urgency of which does not permit their deferral until the next regular meeting of the Governing Council or its appropriate standing committee or board.
- (ii) THAT all actions taken under this authority be approved by the Chairman of the Governing Council prior to implementation and reported to the appropriate committee or board for information.

20. Reports for Information

The Governing Council received the following Reports for information

Report Number 113 of the Academic Board (June 6, 2002)
Report Number 119 of the Business Board (June 20, 2002)
Report Number 108 of the University Affairs Board (June 4, 2002)
Report Number 349 of the Executive Committee (June 17, 2002)

At the invitation of the Chair, Mr. Christopher Collins, President, and Ms Elizabeth Gilmore, Executive Member, of the Graduate Students' Union, spoke to Report Number 349 of the Executive Committee, item 6, concerning the attendance of observers at meetings of the Governing Council. They commented that the provision of at least half of the available seats on a non-reserved basis was an improvement over the previous practice of having all seating reserved for advance ticket holders. They encouraged flexibility in choosing a venue for Governing Council meetings, particularly if a number of guests were expected. In their view, an audio feed was unacceptable because

20. Reports for Information (cont'd)

those listening to the meeting did not know who was speaking, and were unable to view the presentations being made at the meeting. Mr. Collins and Ms Gilmore concluded by offering congratulations for the provision of an open meeting to discuss elections within the Terms of Reference of the Elections Committee.

In response to a question, Dr. Simpson noted that the issue of ticketing had been discussed at the June 17th meeting of the Executive Committee, and the decision had been made to continue to have some reserved seating for people whose attendance was required by Council to answer questions about items on the agenda and for the leaders of representative campus groups such as the Faculty Association, the Students' Administrative Council and the Graduate Students' Union. He explained that the authority for the conduct of meetings of the Council resided with the Chairman, and that the Executive Committee supported the decision of the Chairman to continue with a modified ticketing system to manage seating at meetings of the Governing Council.

A member asked how decisions would be made with respect to reserved seating. Dr. Simpson replied that he anticipated that approximately half of the seats for observers would be unreserved. At the invitation of the Chairman, the Secretary described how reserved seats were assigned. The agenda for each meeting was distributed to members of the supplementary mailing list, which included key administrative officers and the representative campus groups, with an invitation to those who wished to reserve a seat for the meeting to contact the Office of the Governing Council.

A member asked whether the renovations would provide for a video feed from the Council Chamber. At the invitation of the Chairman, the Secretary replied that, although the technology would be in place, the by-law would not allow the use of a video feed during the meeting. Another member noted that the by-law allowed for a recorded vote only under specific conditions, but that, in his view, did not prohibit the use of the video feed. The Secretary undertook to examine the by-law.

21. Date of the Next Meeting

The Chairman noted that the first meeting of the Governing Council for the next academic year was scheduled for Thursday, September 19th at 4:30 p.m.

22. Question Period

No questions were raised.

23. Other Business**(a) Address by Non-Member**

The Chairman invited Mr. Rocco Kusi-Achampong, President of the Students' Administrative Council (SAC), to address the Council.

Mr. Kusi-Achampong cautioned members of the Governing Council that crises in governance were currently widespread, with governance mechanisms having failed to prevent widespread corporate wrong-doing by large firms in the U.S. He urged members to think, over the summer, about tuition increases and their impact. He thanked the Chairman for her work on behalf of the Council, and welcomed the new Chair. The Chairman thanked Mr. Kusi-Achampong for his remarks.

(b) State of the Students' Union

A member distributed a document highlighting various issues and actions taken with respect to student issues over the course of the year. Among the positive achievements noted were the Council's designation of the Transitional Year Program and the Academic Bridging Program as programs of study for purposes of the Governing Council elections; the construction of new residence spaces; the organic garden initiative of SAC; discussion of reforms to the Ontario Student Assistance Program (OSAP), and the establishment of the Committee on Public Funding by the Council on Student Services (COSS). The Chairman thanked the member for his remarks and encouraged members of the Council to respond to the member with their comments.

(c) Closing Remarks from the Chairman

The Chairman expressed her thanks to all members for their contributions over the year. She particularly noted the contributions of those members who were completing their service on the Council.

Jack Carr

Professor Carr had served with distinction on the Governing Council for six years. From the beginning, he had been a member of the Academic Board, and had provided superb leadership as its Chair for the past two years. He had been a member of the Executive Committee for four years representing the teaching staff and, as the Chair of the Academic Board, had continued to contribute to the work of the Committee. As Chair of the Academic Board, he had also been an *ex officio* member of the Committee for Honorary Degrees. In addition to his active teaching and research schedule, he had found the time to serve on the Provost's Task Force on Tuition and Student Financial Support, the Provost's Task Force on Clinical Faculty, and the Advisory Committee on the Appointment of the Vice-President and Provost. Professor Carr would be going on a well-deserved research leave next year. The Chairman expressed her hope that he would continue to play a role in governance when he returned.

Mary Anne Chambers

Ms Chambers had commenced her term on the Governing Council at the same time as the Chairman and Professor Sedra - nine years ago. During this time period, she had served as an active and articulate member of the Business Board, the Committee for Honorary Degrees, and the Senior Salary Committee. She had also served with distinction as a member, and then Vice-Chair, of the Executive Committee and as a member, and then Chair, of the University Affairs Board.

Ms Chambers had also had found the time to serve as an active member of the Advancement Board at Scarborough, the Provost's Task Force on Tuition and Student Financial Support, and the Presidential Search Committee. She had chaired the Committee to Review the Office of the Ombudsperson, and the Review of the Office of the Governing Council. As well, she had chaired the search committees for the Ombudsperson and the Secretary of the Governing Council. Ms Chambers was the honorary chair of the University's Mentorship Program for Administrative Staff.

Ms Chambers had served as Vice-Chair of the Governing Council from 1998 until 2001. The Chairman indicated that she had been extremely fortunate to benefit from and observe Ms Chambers's tireless advocacy on behalf of the University, her sage advice, her deep understanding of the University and its communities, and her unparalleled commitment to good governance. The University was a better place for her involvement. Fortunately, that involvement would continue as Ms Chambers would serve on the Board of Directors of the University of Toronto Alumni Association next year.

Françoise Ko

Ms Ko, a doctoral student in Pharmacology, had represented the graduate students from the sciences for the past year. She had served on the Planning and Budget Committee and on the Business Board, where she had been passionately interested in the issues of tuition fees and student financial support. She had also been a member of the Advisory Committee on the Appointment of the Vice-President and Provost. Ms Ko had prepared meticulously for meetings, sought information and clarification from the appropriate administrators, and asked probing questions.

She would be continuing her involvement with Governing Council next year as a co-opted member of the University Affairs Board. Just recently she had been the Bedel at the convocation where Dr. Philip Seeman, her doctoral supervisor, had received an honorary doctorate.

Gerald Lokash

Mr. Lokash had completed three years on Governing Council representing the University's alumni. Throughout that time, he had served on the Business Board, where his background as a chartered accountant and a business advisor had proved invaluable. He had been an active participant on the Executive Committee for the past two years. For the past year, he had also served on the Audit Committee. Mr. Lokash would be continuing his involvement with governance next year as a co-opted member of both the Business Board and the Audit Committee.

Andrew Morgan

Mr. Morgan had been a member of the Academic Board, Business Board and the Elections Committee, all of which had very full agendas in the past year. He had participated effectively and articulately in representing the interests of students in the full-time undergraduate constituency. He had always been well-prepared and presented his case thoroughly.

Heather Munroe-Blum

Professor Munroe-Blum was completing eight years of service on the Governing Council as a Presidential Appointee. She had also served as a Presidential appointee on the Business Board during that time. As Vice-President, Research and International Relations, she had served as a presidential assessor to various boards and committees, including the Academic Board, the Committee on Academic Policy and Programs, the Planning and Budget Committee as well as its predecessor Budget and Planning and Priorities Committees.

Professor Munroe-Blum had been a strong and effective member of the Governing Council, always speaking with clarity and eloquence and adding important expertise in debate on research - one of the pivotal *raison d'être*s of a university.

The Chairman offered sincere gratitude for Professor Munroe-Blum's years of contribution to governance and wished her every success as she embarked on the new challenge of leading McGill.

Kashif Pirzada

Mr. Pirzada had enjoyed his role as a governor in 1999-2000 so much he had decided to come back and do it again. Most recently, he had been an active member of the Academic Appeals Committee, the University Affairs Board and the Planning and Budget Committee, the latter of which was widely regarded as the Council's hardest working body. Mr. Pirzada had participated in governance forcefully and articulately. He had also been able to lend his considerable talents to the Committee to Review the Office of the Vice-President and Provost and the Advisory Committee on the Appointment of the Vice-President and Provost.

Next year, Mr. Pirzada would serve on the Board of Directors of the University of Toronto Alumni Association.

The Honourable Robert Rae

Premier Rae had completed three years of service on the Governing Council as a government appointee. For two of those years he had served on the Academic Board. While the demands on his time and expertise did not always allow him the opportunity to participate, he had always been willing to work in the background to facilitate the mission of the University. The Governing Council had been enhanced by his broad understanding of governance and his appreciation for the context in which the University operates.

The Chairman noted that it had been hoped that Premier Rae would be willing to continue on Council for another term, but he would be devoting his volunteer time to other major organizations. Fortunately, his involvement with the University would continue with his membership in the Campaign Cabinet, as well as his work as adjunct professor in the faculties of Law, Management and Arts and Science.

The Chairman thanked Premier Rae for all he had done, and all that he would continue to do.

Patricia Ricci

Ms Ricci had completed a year on Council representing the full-time undergraduate students of professional faculties. For the past year, she had served on the Academic Board and on the Academic Appeals Committee. She was completing her third year of studies in the Industrial Engineering program and had been active in the Engineering Society and had been on the Dean's honour roll. Next year she would be serving as a co-opted member of the Business Board.

Heather Schramm

Ms Schramm had represented the graduate students in the humanities and social sciences on Governing Council for the past year. She had served as a member of the Planning and Budget Committee, the Committee on Academic Policy and Programs, and the Executive Committee. For the past two years, Ms Schramm had also served as the President of the Graduate Sociology Students' Association. She had worked tirelessly to be an effective representative, had always been well prepared and had always asked challenging questions.

Adel Sedra

Professor Sedra was completing nine years of service on the Governing Council as a Presidential Appointee. As Vice-President and Provost, he had been a longstanding and crucial participant in governance. He had been involved with the Academic Board since its inception, and, as Provost, had served as senior assessor both to the Board and to the Planning and Budget Committee. He had also served on the Committee for Honorary Degrees.

His dedication to the principle that academic plans and priorities must direct the budget of the University had strengthened the University and allowed it to survive the funding constraints of the past several years. His deep understanding of governance and his unwavering respect for the boundary between governance and administration had served the University exceedingly well.

The Chairman reminded members that a picture had been taken prior to the June meeting of the Academic Board, to commemorate the occasion of Professor Sedra's final meeting as Senior Assessor. The Secretary presented the picture to him.

On motion duly moved and seconded,

It was RESOLVED

THAT the Governing Council of the University of Toronto recognize and express its appreciation for the exemplary work of Professor Adel Sedra over his nine years as Vice-President and Provost in creating an environment in which academic planning and priorities directed the budget of the University, in providing a policy of guaranteed student financial support to all qualified students of the University, and in raising the sights of the University of Toronto to be an internationally renowned center of learning, teaching, research and scholarship.

The Chairman thanked Professor Sedra for his exemplary service.

Wendy Swinton

Ms Swinton had served on the Governing Council for the past year representing part-time undergraduate students. She had been a conscientious and hard-working member of the University Affairs Board. She had always been prepared and thoughtful in her questions and comments. In addition, Ms Swinton had heard several Academic Appeals, and had served the Committee diligently.

The Chairman congratulated Ms Swinton on fulfilling a delayed life goal by convocating with her BA in Sociology.

Donna Wells

Professor Wells had completed two years on the Governing Council representing teaching staff from the health sciences. For both years, she had been a member of the Academic Board, the past year as Vice-Chair and right-hand person to Jack Carr. She was also an experienced member of the Academic Appeals Committee, having served on six appeals over the past two years. In addition to her service on the Academic Board and Academic Appeals Committee, Professor Wells had served on the Provost's Task Force on Technology Assisted Education.

Geeta Yadav

Ms Yadav, who was completing her third year in a self-designed degree in Sustainable Development, had served on the Council representing full-time undergraduate students in Arts and Science. She had served on the University Affairs Board and had been a very active member of the Academic Appeals Committee. She had also served on the Provost's Advisory Committee on the Warden of Hart House. Ms Yadav had been articulate and insightful in her approach to governance. She had asked good questions, done her homework by speaking with knowledgeable administrators before and between meetings, and had always worked hard to be part of the solution. She would be continuing her involvement in governance next year as a co-opted member of the University Affairs Board.

The Chairman asked whether members had any further business they wished to raise.

Wendy M. Cecil

The President reminded the Chairman that another member of the Council was also completing her term of service, and had not yet been recognized. The text of his remarks concerning the Chairman is attached as Appendix "C".

IN ACCORDANCE WITH A DETERMINATION BY THE EXECUTIVE COMMITTEE PURSUANT TO SECTION 38 OF BY-LAW NUMBER 2, THE GOVERNING COUNCIL CONSIDERED ITEM 11 *IN CAMERA*.

24. Code of Behaviour on Academic Matters: Recommendation for Expulsion

On motion duly moved and seconded,

It was RESOLVED

THAT the recommendation for expulsion, contained in the memorandum from the Secretary of the Governing Council dated June 19, 2002, be approved.

25. Governing Council: Members' Committee Assignments, 2002-2003

On motion duly moved and seconded,

It was RESOLVED

- (a) THAT Mr. David Melville be appointed to the Executive Committee, effective July 1, 2002;
- (b) THAT Ms Durré Hanif be appointed Vice-Chair of the University Affairs Board, effective July 1, 2002; and
- (c) THAT Dr. Shari Graham Fell be appointed to the University Affairs Board, effective July 1, 2002.

26. Committee for Honorary Degrees: Membership

On motion duly moved and seconded,

It was RESOLVED

THAT the following membership on the Committee for Honorary Degrees for 2002-2003 be approved:

Administrative Staff

Ms V. Melnyk

Lay Members

Dr. J. Rotman

Mr. L. Schipper

Mr. K. Taylor

Students

Ms D. Hanif, f/t undergraduate, Trinity

Ms F. Ko, grad, Faculty of Medicine (Pharmacology)

Teaching Staff

University Professor M. Collins, Faculty of Applied Science and Engineering (Civil)

Professor B. Langille, Faculty of Law

Professor J. Paterson, Faculty of Arts and Science (French)

Professor J. Rossant, Faculty of Medicine

The meeting adjourned at 7:00 p.m.

Secretary

Chairman

July 15, 2002