

UNIVERSITY OF TORONTO

THE GOVERNING COUNCIL

REPORT NUMBER 156 OF THE PLANNING AND BUDGET COMMITTEE

September 16, 2013

To the Academic Board,
University of Toronto

Your Committee reports that it held a meeting on September 16, 2013, at 4:10 p.m. in the Council Chamber, at which the following were present:

Professor Elizabeth Cowper (In the Chair)
Professor Steven J. Thorpe (Vice-Chair)
Professor Cheryl Regehr, Vice-President and Provost
Professor Scott Mabury, Vice-President, University
Operations
Professor Donald C. Ainsle
Professor Benjamin Alarie
Dr. Dimitri Anastakis
Mr. Chris Balette
Professor Eric Bredo
Professor David Cameron
Professor Wendy M. Duff
Ms Sally Garner, Executive Director, Planning and
Budget
Dr. Avi Hyman
Ms Claire M.C. Kennedy*
Professor Jim Yuan Lai
Professor Ron Levi
Professor Amy Mullin
Ms Jiwon Tina Park
Professor Lacra Pavel
Ms Mainawati Rambali

Non-voting Assessors:

Mr. Andrew Arifuzzaman, Chief
Administrative Officer, University of
Toronto Scarborough (UTSC)
Ms Sheila Brown, Chief Financial Officer
Ms Gail Milgrom, Director, Campus and
Facilities Planning

Secretariat:

Mr. Anwar Kazimi, Secretary, Planning and
Budget Committee
Ms Mae-Yu Tan, Assistant Secretary, Office of
the Governing Council

Regrets:

Mr. Harvey Botting
Professor Douglas McDougall

*Participated by telephone

In Attendance:

Mr. Ron Swail, Assistant Vice-President, Facilities and Services
Ms Helen Lasthiotakis, Assistant Dean, Faculty of Arts and Science
Ms Signe Leisk, Legal Counsel, Cassels Brock and Blackwell LLP
Mr. Gary Steinhart, Legal Counsel, Cassels Brock and Blackwell LLP
Ms Archana Sridhar, Assistant Provost

ITEMS 5 AND 6 ARE RECOMMENDED TO THE ACADEMIC BOARD FOR APPROVAL. ALL OTHER ITEMS ARE REPORTED FOR INFORMATION.

OPEN SESSION

1. Opening Remarks

The Chair welcomed members to the meeting. She then invited members to introduce themselves.

2. Orientation

The Chair provided a high-level overview of the Committee. She then invited Professor Thorpe to present an overview of the Committee and its functions with [slides](#) which are appended to this Report. The following points were highlighted:

- Structure of the Governing Council and its Boards, Campus Councils, and Committees
- Responsibilities of the Planning and Budget Committee, highlighting recent changes to the Committee's governance functions resulting from the establishment of Campus Councils and their respective committees at the University of Toronto Mississauga (UTM) and the University of Toronto Scarborough (UTSC).

On the invitation of the Chair, the Secretary provided a brief outline of changes that had been introduced to the cover sheet for agenda items. He explained that cover sheets were designed to enable members to focus on members on the major elements of proposals, and that they were a valuable tool in clarifying the responsibilities of the relevant governance bodies for each item of business.

Report on Decisions under Summer Executive Authority

The Chair reported that no decisions within the purview of the Planning and Budget Committee had been made under Summer Executive Authority in 2013.

3. Senior Assessor's Report

Professor Regehr noted the critical oversight responsibility of the Committee for the policies and proposals brought forward for its review and recommendation.

In presenting her report, Professor Regehr highlighted the following:

- The University continued to face severe budgetary challenges in the upcoming academic year.
- A recent discussion paper released by the Ministry of Training, Colleges, and Universities (MTCU) had focussed on the matter of the threshold for program fees. The University would continue its advocacy on this matter.
- The impact of the job action by the Professional Association of Foreign Service Workers had been minimal as most international students had obtained their study permits in time to arrive in Toronto for the fall session.
- The University remained concerned about the \$750 tax imposed by the province on each international student.

3. Senior Assessor's Report (contd.)

- The focus of the University would remain on differentiation as it refined its Strategic Mandate Agreement (SMA) with the provincial government. An important aspect of differentiation was graduate enrolment expansion – a key for the University's growth plans. The University's Faculties remained committed to offering the highest quality of graduate programs. Provincial support for international graduate students would be a welcome development for the University.
- The provincial government had announced the \$500,000 Productivity and Innovation Fund (PIF), aimed at enhancing course/program redesign and administrative efficiencies. In collaboration with other Ontario universities, the University's Downsview Library storage expansion would be put forward as one of the proposals for the PIF.
- The University continued to seek initiatives to improve efficiencies and enhance quality within its operations. For example, the success of Massive Open Online Courses (MOOCs), allowed the use of material first developed for MOOCs to be used in inverted classroom settings and in continuing education. The Provost's Office had established a Content Licensing Subcommittee of the Open UToronto Committee, chaired by Professor Mayo Moran, to study a wide range of issues related to the University's policies as well as, copyright and intellectual property laws with respect to the MOOCs and other course content licensing issues. The Subcommittee would make its recommendations for the development of guidelines and policy in this area.
- The University's Boundless Campaign, with its strong focus on students, had announced having reached the \$1.3 billion landmark.

A member asked whether the University anticipated a freeze in provincial per-student funding. Professor Regehr said that the University had no indication that the government would increase funding in the foreseeable future. Professor Mabury added that provincial funding had gone down by two per cent in real terms over the last year.

4. Calendar of Business 2013-2014

The Chair noted that the proposed Calendar of Business for 2013-2014 had been included in the agenda package. She advised members that it was a living document, updated after each agenda planning meeting and again after each Committee meeting.

5. *Policy on Capital Planning and Capital Projects*

Mr. Charpentier highlighted the responsibilities of the Committees with respect to Capital Projects, and outlined the reasons for the proposed revisions to the *Policy on Capital Planning and Capital Projects*. He added that the proposed revisions would preserve accountability and help focus governance oversight at appropriate levels.

On motion duly moved, seconded, and carried,

YOUR COMMITTEE RECOMMENDS

THAT the revised *Policy on Capital Planning and Capital Projects*, dated September 2, 2013, be approved, to be effective October 31, 2013.

Documentation is attached as [Appendix "A"](#).

6. UTSC – Pan-Am Aquatics and Athletics Centre: Shareholder and Co-Ownership Agreement

Professor Mabury presented the highlights of a proposed Co-Ownership Agreement that would set out the fundamental principles, rights and obligations of the City and the University as co-owners of the Toronto Pan Am Sports Centre (TPASC) at the University of Toronto Scarborough (UTSC) along with the terms and processes for the co-owners to make decisions and oversee the Project.

A separate Unanimous Shareholders' Agreement would set out the relationship between the City and University as Shareholders of the corporation, the fundamental responsibilities of the Shareholders regarding the Board of TPASC, and Shareholder requirements for the responsibility and accountability of the Board. The TPASC Board would be a party to, and will be governed by the provisions of, the Unanimous Shareholders' Agreement. The Shareholders' Agreement would be considered by the Business Board.

Professor Mabury's [slide](#) presentation is appended to this report.

Discussion

The following points were raised in discussion:

- A member sought clarity on the tax status of the proposed corporation.

The charitable tax status for the TPASC Inc. would be aligned with that of the University. The corporation was expected to break even in its operations; any net profits would be taxable.

- What were the skills and attributes that were being sought for the members of the TPASC Board?

The high-level criteria for the University board representatives would include financial management expertise, along with business and operating management expertise. The initial appointments to the Board would be for three years, following which there would be a review to consider the possibility of external participation, i.e., the University may choose to appoint an expert with the core skills that, in its opinion, might positively contribute to the TPASC Inc.

- Could the University re-negotiate the operating agreement, if its usage of the facility were to fall below or exceed the targeted 17 per cent?

The University was committed to providing at least seventeen per cent of the usage and was confident of achieving this target. Any demand for usage over this target could be met through the flexibility available through the 22 per cent usage by third parties that had been set aside in the operating agreement.

- A member referred to the Co-Ownership Agreement and noted that 30 per cent of the operating fund was slated to come from the Canadian Sports Institute Ontario (CSIO)? Was this an unwritten agreement with CSIO and how was the University covered in the eventuality that the CSIO was not able to meet this commitment?

There continued to be a shortage of training and event hosting facilities for high performance sports at the provincial and national level. The proximity to a major international airport was an added bonus for the facility. The facility had already generated interest for community swim programs from local swim clubs, and for Olympic swimming trials, among many prospective users. The parties to the agreement were confident that the CSIO and high-performance sport would come through with its anticipated usage of the facility. As noted earlier, the University could potentially re-assign usage to meet its own excess demand.

6. UTSC – Pan-Am Aquatics and Athletics Centre: Shareholder and Co-Ownership Agreement (contd.)

- What would be scope of the work required to re-assign the facility for usage after the 2015 Pan Am Games?

The total project cost had included the small reconfiguration that would be required to place the facility in the legacy mode after the Games. This would include the removal of the temporary spectator seating that would be put in place for the Games.

On motion duly moved, seconded, and carried,

YOUR COMMITTEE RECOMMENDS

THAT, subject to the approval of the Unanimous Shareholders' Agreement by the Business Board, whereby a corporation known as the Toronto Pan Am Sports Centre Inc. (TPASC) will be jointly established by the City of Toronto and the University of Toronto:

1. THAT a Co-Ownership Agreement between the City of Toronto and the University of Toronto, to which TPASC will be a party and to which the corporation will be bound, substantially on terms and conditions as set out in the term sheets attached hereto and execute these agreements and all related agreements with the City of Toronto and TPASC, be approved, effective immediately; and
2. THAT the President, or designate, be authorized to sign the Co-Ownership Agreement on behalf of the Governing Council, provided the agreement conforms to the terms and conditions outlined in part 1 of the motion; and
3. THAT the agreement signed under the provision of this resolution be filed with the Secretary of the Governing Council.

Documentation is attached as [Appendix "B"](#).

CONSENT AGENDA

On motion duly moved, seconded, and carried,

The consent agenda was adopted and that the items on it were approved.

7. Report of the Previous Meeting (May 15, 2013)

[Report Number 155 \(May 15, 2013\)](#) was approved.

8. Business Arising from the Report of the Previous Meeting

There was no business arising from the report of the previous meeting.

9. Date of Next Meeting

The Chair informed members that the next meeting of the Committee was scheduled to be held on Monday, October 28, 2013, in the Michael E. Charles Council Chamber (GB 202), Galbraith Building, 35 St. George Street.

10. Other Business

There were no items of other business

The meeting adjourned at 5:40 p.m.

Secretary

Chair

September 26, 2013