



TO: Business Board

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DATE: April 11, 2007 for May 7, 2007

AGENDA ITEM: 7(b)

ITEM IDENTIFICATION:

University of Toronto Innovations Foundation Reorganization

JURISDICTIONAL INFORMATION:

By-Law Number 1 of the University of Toronto Innovations Foundation ("IF"), clause 55, states that "The board of directors may enact and re-enact by-laws, or repeal, amend, alter or add to the by-laws or any of them, provided that no such enactment, re-enactment, repeal, amendment, alteration or addition shall be enforced or acted upon ... in the case of any repeal, amendment, alteration or re-enactment of or addition to clauses 3 to 9 inclusive [including clause 3, Board of Directors, and clause 8, Quorum] ... until approved by the [Business Board] of Governing Council."

PREVIOUS ACTION TAKEN:

At its meeting of February 22, 2006, Business Board approved the disestablishment of the IF as an incorporated ancillary operation of the University, subject to arrangements being made for the operations of Foundation to be brought into the general operations of the University.

HIGHLIGHTS:

IF is a not-for-profit corporation established by the University in 1980. We are pleased to report that the operations of the Foundation have been brought into the general operations of the University as contemplated by Business Board's resolution of February 22, 2006. All assets and liabilities of IF have been having been transferred to the University and IF may now be dissolved.

At its meeting of April 10, 2007, the IF board (1) approved amendments to By-Law Number 1 to decrease the number of directors from fourteen to seven and to decrease the number of external directors required for quorum from two to one; (2) received the financial statements of IF; and, (3) approved the filing of an Application for Surrender of Charter for IF and such other documents necessary in connection with the foregoing.

It is proposed that Business Board ratify the amendments to IF's By-Law Number 1. These amendments facilitate the proper constitution of the board to enable it to proceed with the dissolution of IF.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

None.

RECOMMENDATION:

It is recommended:

THAT, the following amendments to By-Law Number 1 of the University of Toronto Innovations Foundation be approved and ratified effective as of April 10, 2007:

THAT clause 3 of By-Law Number 1 be amended to read as follows:

The number of directors of the Foundation is hereby decreased from fourteen to seven, and the affairs of the Foundation shall be managed by a board of seven directors, each of whom at the time of his or her election or within ten days thereafter and throughout his or her term of office shall be a member of the Foundation.

THAT the first sentence of clause 8 of By-Law Number 1 be amended to read as follows:

Six directors, of whom at least one shall not be an employee of the Foundation or member of the teaching staff or the administrative staff of the University, shall constitute a quorum for the transaction of business at any meeting.