

UNIVERSITY OF TORONTO
THE GOVERNING COUNCIL
**REPORT NUMBER 390 OF
THE EXECUTIVE COMMITTEE**

Wednesday, June 29, 2005

To the Governing Council,
University of Toronto.

Your Committee reports that it held a meeting on Wednesday, June 29, 2005 at 3:00 p.m. in the Boardroom, Simcoe Hall, with the following members present:

Ms Rose M. Patten (In the Chair)
Mr. John F. (Jack) Petch, Vice-Chair
The Honourable Frank Iacobucci, Interim
President
Mr. Brian Davis
The Honourable William G. Davis
Ms Susan Eng
Dr. Shari Graham Fell
Ms Françoise Dulcinea Ko
Mr. Ari Kopolovic
Professor Michael R. Marrus
Mr. Timothy Reid
Professor Barbara Sherwood Lollar
Mr. Robert S. Weiss

Non-Voting Member:

Mr. Louis R. Charpentier

Secretariat:

Mr Andrew Drummond, Secretary

Regrets:

Professor Arthur S. Ripstein

In Attendance:

Professor Brian Corman, Vice-Chair, Academic Board and member of the Governing Council
Dr. Robert Bennett, Chair, University Affairs Board and member of the Governing Council
Professor Vivek Goel, Vice-President and Provost and member of the Governing Council
Ms Jacqueline Orange, Chair, Business Board and member of the Governing Council
Ms. Catherine Riggall, Vice-President, Business Affairs
Dr. Beata FitzPatrick, Assistant Vice-President and Director, Office of the President

On motion duly moved and seconded,

IT WAS RESOLVED

THAT, pursuant to sections 28 (e) and 33 of *By-Law Number 2*, consideration of item 1 take place *in camera*, with the Board Chairs, Vice-Presidents and Director of the President's Office admitted to facilitate the work of the Committee.

1. External Appointments

(a) University of Toronto Innovations Foundation

On motion duly moved and seconded,

IT WAS RESOLVED

subject to ratification by the Board of the Innovations Foundation that Professor Ron Venter be appointed Executive Director of the Innovations Foundation for the period July 1 to December 31, 2005,

THAT Professor Ron Venter be appointed a member and director of the Innovations Foundation Board for the same period.

The Committee returned to closed session.

2. Report of the Previous Meeting

Report 389 of the Executive Committee meeting held on June 22, 2005 was approved.

3. Business Arising from the Report of the Previous Meeting

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

4. Report of the President

On motion duly moved and seconded,

IT WAS RESOLVED

THAT, pursuant to sections 28 (e) and 33 of *By-Law Number 2*, consideration of item 1 take place *in camera*, with the Board Chairs, Vice-Presidents and Director of the President's Office admitted to facilitate the work of the Committee.

The President reported on the cabinet shuffle in the Ontario government, which had taken place earlier that day.

The Committee returned to closed session.

5. Items for Endorsement and Forwarding to Governing Council

(a) Arising from Report Number 142 of the Business Board (June 23, 2005)

(a) Audited Financial Statements

Ms. Orange reported that the Audit Committee had reviewed the financial statements over two meetings, with the external auditors present on both occasions. The Committee had concluded that the statements provided a full and fair disclosure of the University's finances. The Business Board had received a succinct presentation of the highlights of the statements at its meeting of June 23, 2005. While the University had finished the year with a positive net

income overall, the cumulative deficit in the operating fund had grown to \$37.9-million – a number very close to budget.

On motion duly moved and seconded,

YOUR COMMITTEE ENDORSED AND FORWARDED to the Governing Council for consideration the recommendation

THAT the University of Toronto audited financial statements for the fiscal year ended April 30, 2005 be approved.

(b) External Auditors: Appointment for 2005-06

Ms. Orange reported that the Audit Committee had recommended, and the Business Board had endorsed, the re-appointment of Ernst & Young as external auditors. The University's Purchasing Policy required a review of all consulting relationships approximately every five years. That review for the external auditors had been conducted in 2004, with a positive outcome. In addition, to avoid too close a relationship between management and the auditors, there had been a practice of rotation of the audit partner, which had occurred earlier in 2005.

On motion duly moved and seconded,

YOUR COMMITTEE ENDORSED AND FORWARDED to the Governing Council for consideration the recommendation

- 1) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2006;
- 2) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto pension plans for the fiscal year ending June 30, 2006;
- 3) THAT the members of the University of Toronto Innovations Foundations be requested to re-appoint Ernst & Young as external auditors of the Foundation for the fiscal year ending April 30, 2006 at remuneration to be fixed by the directors of the Foundation.

6. Date of Next Meeting

Members were reminded that the next regular meeting of the Executive Committee was scheduled for Friday, October 14, 2005 at 12:00 p.m. The Chair reminded members of the possibility that special meetings of the Executive Committee could also be called prior to that date.

7. Other Business

(a) Governing Council Meeting of June 29, 2005

A member stated that a protest planned for the Governing Council meeting of June 29, 2005 was designed only to embarrass the University by selective use of facts and deliberate misrepresentation of the University's actions. She noted that the University's response could be to accept the protesters' point of view, ignore it altogether, or to try to address the more reasonable portions of protesters' messages. In the member's opinion, each option would leave

the University in a poor position from a public relations point of view. She suggested that one possible way to deal with the protest planned for later that day would be to acknowledge that the issues raised were important, and had been dealt with adequately. The Governing Council was not ignorant of the issues, but that bringing them up at a Council meeting was not appropriate.

During discussion, Professor Goel noted that the administration had prepared responses to legitimate concerns raised, and that there were many avenues and opportunities available to concerned members of the community to raise relevant issues. The Chair noted that she expected all governors to assist her in setting a tone of respectful debate and reasoned discussion.

A member questioned the value of allowing a student group the ability to speak on an item that did not appear on the agenda; the Governing Council, he reasoned, should not be a sounding board for those members of the community who wished to shut down the legitimate research projects of faculty members and graduate students. He advised that the administration mount a vigorous defense of academic freedom and the ability to pursue curiosity-driven research within the guidelines of policy and the law. After some additional discussion, the Chair determined that, following the intervention, two or three members of the Council would be allowed to comment, but there would be no extensive debate on the topic of research funded by military sources.

Professor Goel thanked the Chair for her ruling, noting that the administration had taken a strong, balanced view, and that faculty members, as well as the University of Toronto Faculty Association (UTFA), should be prepared to take public stands against the impulse to shut down legitimate research projects.

(b) Executive Committee, 2004-05

The Chair reminded members that, at the first meeting of the 2004-05 year, the common goal of the membership of the Executive Committee had been to enhance the role of the Committee, to improve its functioning, and to be effective and engaged in dealing with the issues before it. She thanked all members for their contributions, and especially the administration. As effective as the Executive Committee had been, governance bodies could only work well if the administration and governing bodies respected each other's responsibilities and competencies while maintaining a spirit of openness and mutual trust. The administration's dedication to ensuring that the Executive Committee was fully informed and briefed about all matters coming before it was an essential condition to the Committee's success.

Members thanked the Chair for her leadership of the Committee and of the Governing Council for the previous year. They also thanked the Interim President, who had worked so ably with both governance and administration to ensure that 2004-05 had been significantly more than a 'caretaker' year.

The meeting adjourned at 3:45 p.m.

Secretary

Chair

June 30, 2005

