

UNIVERSITY OF TORONTO  
THE GOVERNING COUNCIL  
**REPORT NUMBER 398 OF**  
**THE EXECUTIVE COMMITTEE**

**Thursday, June 29, 2006**

To the Governing Council,  
University of Toronto.

Your Committee reports that it held a meeting on Thursday, June 29, 2006 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  
Professor C. David Naylor,  
President  
Ms Holly Andrews-Taylor  
Mr. P.C. Choo  
The Honourable William G. Davis  
Ms Susan Eng  
Professor Michael R. Marrus  
Mr. Timothy Reid  
Professor Arthur S. Ripstein  
Mr. Robert S. Weiss

**Non-Voting Member:**

Mr. Louis R. Charpentier

**Secretariat:**

Ms Cristina Oke, Secretary

**Regrets:**

Mr. Ran Goel  
Dr. Shari Graham Fell  
Professor Barbara Sherwood Lollar

**In Attendance:**

Dr. Robert M. Bennett, Chair, University Affairs Board and member of the Governing Council  
Professor Raymond Cummins, Chair, Academic Board and member of the Governing Council  
Ms Jacqueline Orange, Chair, Business Board and member of the Governing Council  
Professor Vivek Goel, Vice-President and Provost and member of the Governing Council  
Ms Catherine Riggall, Vice-President, Business Affairs  
Dr. Chris Cunningham, Special Advisor to 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 Special Advisor to the President admitted to facilitate the work of the Committee.

**1. Senior Appointment**

On motion duly moved and seconded,

YOUR COMMITTEE ENDORSED AND FORWARDED

To the Governing Council for consideration the recommendation for a senior appointment.

On motion duly moved and seconded,

YOUR COMMITTEE APPROVED

That, pursuant to Section 38 of By-Law Number 2, the recommendation for the senior appointment be considered by the Governing Council *in camera*.

**2. Report of the President**

The President briefed the Committee on a personnel matter.

The Committee returned to closed session.

**3. Report of the Previous Meeting**

The Chair noted that a draft excerpt of Report 397 of the Executive Committee meeting of June 15, 2006 had been distributed electronically to members of both the Council and the Executive Committee, for their information, and copies had been placed on the table.

**4. Business Arising from the Report of the Previous Meeting**

There was no business arising from the previous meeting.

**5. Report of the President**

The President deferred his report to the Governing Council meeting.

**6. Items for Endorsement and Forwarding to the Governing Council**

**(a) Audited Financial Statements**

*(Arising from Report Number 151 of the Business Board [June 22, 2006])*

Ms Orange informed the Committee that the Audit Committee had reviewed the financial statements in detail over two meetings, with the external auditors present on both occasions. The Audit Committee had concluded that the statements provided a full and fair disclosure of the University's finances. The Business Board had received a presentation of the highlights of the statements at its meeting on June 22, 2006.

Ms Orange noted that the University had finished the year with overall net income of \$75-million, and net assets had grown from \$1.6-billion to \$1.9-billion. However, as expected, there had been an increase in the accumulated deficit in the operating fund, which would be addressed by the expense reductions in the 2006-07 budget.

**6. Items for Endorsement and Forwarding to the Governing Council (cont'd)****(a) Audited Financial Statements (cont'd)**

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, 2006 be approved.

**(b) External Auditors: Appointment for 2006-07**

*(Arising from Report Number 151 of the Business Board [June 22, 2006])*

Ms Orange explained that the Audit Committee's recommendation of the re-appointment of Ernst & Young as external auditors had been endorsed by the Business Board. The Board had been satisfied that the auditors had been doing their job well and that they had retained their independence. She noted that there had been a rotation in the audit partner just over a year previously. Ms Orange informed the Committee that the Business Board had approved a policy to control the non-audit assignments taken on by the audit firm, and that each year the Audit Committee reviewed those assignments and their costs.

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, 2007; and
- 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, 2007.

**7. Reports for Information**

The Committee received the following reports for information:

- (a) Report Number 144 of the Academic Board (June 1, 2006)
- (b) Report Number 150 of the Business Board (May 29, 2006)

**8. Date of Next Meeting**

The Chair noted that the first regularly scheduled meeting of the Executive Committee for 2006-07 was scheduled for **Wednesday, October 18 at 5:00 p.m.**

**9. Other Business****(a) Summer Approvals**

Mr. Charpentier explained that two capital projects would require approval during the summer in order to begin architect selection which, in turn, would allow the projects to be underway in early fall. While the projects could be approved under Summer Executive Authority, some opportunity for open discussion of the projects within governance would be appropriate.

**9. Other Business (cont'd)****(a) Summer Approvals (cont'd)**

Mr. Charpentier proposed that the capital projects be considered by the Planning and Budget Committee in late July. Following that meeting, the Executive Committee and Board Chairs would be briefed and asked for their agreement to proceed with the architect selection. The limited expenditures required for architect selection and preliminary design work would then be approved under Summer Executive Authority. Finally, the capital projects would be considered for approval by the Governing Council at a special meeting in September.

Ms Orange asked what involvement the Business Board would have with respect to the consideration of these capital projects. Mr. Charpentier replied that the Chair of the Business Board would be included in the Executive Committee briefing. The Vice-Chair of the Business Board could also be invited to participate in the Executive Committee briefing.

A member asked if the borrowing capacity of the University would be challenged by these capital projects. Professor Goel replied that the borrowing capacity would not be adversely affected by the expenditures for architect selection and preliminary design work.

On motion duly moved and seconded,

YOUR COMMITTEE APPROVED

The process for approval of capital projects during July and August 2006, as outlined by the Secretary of the Governing Council.

**(b) Speaking Request**

The Chair informed members that two speaking requests had been received for the Governing Council Meeting. The first request was from Ms Murphy Browne, President of the Association of Part-time Undergraduate Students (APUS), who had asked to speak on the agenda item concerning the *Policy on Student Housing*. The second request had been from Ms Gina Trubiani, Vice-President External of the Graduate Students' Union (GSU), who had asked to speak on the agenda item concerning graduate enrolment expansion. The Chair proposed that both speaking requests be granted.

**10. Closing Remarks**

The Chair thanked each of the members for their work on the Executive Committee over the past year. She acknowledged the thoughtful insights and contributions of Mr. Goel and Ms Andrews-Taylor, neither of whom would be serving on the Committee next year. She noted that Professor Marrus would not be a member of the Committee in 2006-07, but that he would be attending meetings in his capacity as the Chair of the Academic Board.

The Chair recognized with thanks the service of Dr. Bennett and Professor Cummins, both of whom were completing their terms as Board Chairs, and their terms on the Governing Council.

The meeting adjourned at 3:30 p.m.

---

Secretary  
July 6, 2006

---

Chair