

THE GOVERNING COUNCIL
REPORT NUMBER 171 OF THE ACADEMIC BOARD

January 27, 2011

To the Governing Council,
University of Toronto

Your Board reports that it held a meeting on Thursday, January 27, 2011 at 4:10 p.m. in the Council Chamber, Simcoe Hall at which the following were present:

Professor Ellen Hodnett, Chair	Mr. Tyler Currie	Professor Don McLean
Professor Louise Lemieux-Charles (Vice-Chair)	Professor Gabriele D'Eleuterio	Professor Angelo Melino
Professor David Naylor, President	Professor Christopher Damaren	Mr. Liam Mitchell
Professor Cheryl Misak, Vice-President and Provost	Mr. Ken Davy	Professor David Mock
Professor Scott Mabury, Vice-Provost, Academic Operations	Professor Joseph Desloges	Ms Carole Moore
Professor Cheryl Regehr, Vice-Provost Academic Programs	Professor Miriam Diamond	Professor Amy Mullin
Professor Derek Allen	Ms Caroline Di Giovanni	Professor Ito Peng
Professor Catherine Amara	Professor Meric Gertler	Mr. Jeff Peters
Professor Jan Barnsley	Professor Avrum Gotlieb	Ms Judith Poë
Mr. Justin Basinger	Professor Rick Halpern	Mr. Shakir Rahim
Mr. Hanif Bayat-Movahed	Ms Emily Holland	Dr. Susan Rappolt
Professor Ronald Beiner	Mrs. Bonnie Horne	Professor Yves Roberge
Ms Patricia Bellamy	Ms Cathy Hughes	Professor Jeffrey Rosenthal
Ms Annie Claire Bergeron-Oliver	Professor Ira Jacobs	Professor Andrea Sass-Kortsak
Ms Marilyn Booth	Ms Jemy Joseph	Miss Priatharsini Sivananthajothy
Professor Phil Byer	Professor Alison Keith	Ms Helen Slade
Professor Terry Carleton	Ms Min Hee (Margaret) Kim	Professor Sandy Smith
Mr. Louis Charpentier	Dr. Nancy Kreiger	Ms Lynn Snowden
Professor Brian Corman	Mr. Kent Kuran	Miss Maureen J. Somerville
Professor Elizabeth Cowper	Mr. Nykolaj Kuryluk	Professor Romin Tafarodi
Professor Alister Cumming	Professor Jim Lai	Mr. Daniel Taranovsky
	Ms Cecilia Livingston	Professor Njoki Wane
	Professor Michael Luke	Mr. Gregory West
	Professor Heather MacNeil	Professor Charmaine Williams
	Professor Henry Mann	
	Dr. Thomas Mathien	
Regrets:	Professor Karen Davis	Professor Mayo Moran
Professor Varouj Aivazian	Professor Charles Deber	Professor Carol Moukheiber
Professor Cristina Amon	Professor Darryl Edwards	Professor Michelle Murphy
Professor Maydianne Andrade	Professor Suzanne Erb	Professor Sioban Nelson
Professor Jan Angus	Mr. John A. Fraser	Professor Linda Northrup
Professor Dwayne Barber	Professor Alan Galey	Professor Julia O'Sullivan
Professor Sylvia Bashevkin	Professor Robert Gibbs	Professor Janet Paterson
Professor Denise Belsham	Dr. Chris Koenig-Woodyard	Professor Ato Quayson
Professor Katherine Berg	Professor Christina Kramer	Professor Seamus Ross
Professor Parth Bhatt	Mr. Rishi Maharaj	Professor Lock Rowe
Professor Sujit Choudhry	Professor Roger L. Martin	Professor Richard Sommer
Professor Will Cluett	Professor Douglas McDougall	Dr. Roslyn Thomas-Long
Professor David Cook	Professor Mark McGowan	Professor Wendy Ward
Professor Gerald Cupchik	Professor Faye Mishna	Dr. Donald A. Wasylenki
Mr. Shaun Datt	Professor Matthew Mitchell	Professor Catharine Whiteside
		Mr. Dickson Yang

Non-voting Assessors:

Professor Angela Hildyard, Vice-President, Human Resources and Equity
 Professor Franco Vaccarino, Vice-President and Principal, University of Toronto at Scarborough (UTSC)

Ms Judith Wolfson, Vice-President, University Relations
 Ms Sally Garner, Executive Director, Planning and Budget
 Professor Edith Hillan, Vice-Provost, Faculty and Academic Life

Mr. Nadeem Shabbar, Chief Real Estate Officer
 Ms Elizabeth Sisam, Assistant Vice-President, Campus and Facilities Planning

Secretariat:

Ms Mae-Yu Tan

In Attendance:

Mr. Bill Simmons, Assistant Vice-President, University Development
 Mr. John Aruldason, President, Scarborough Campus Students' Union
 Mr. Andrew Arifuzzaman, Chief Strategy Officer, UTSC
 Mr. Steve Bailey, Director, Office of Space Management
 Mr. Neil Dobbs, Deputy Secretary of the Governing Council
 Ms Sheree Drummond, Assistant Provost
 Ms Nora Gillespie, Legal Counsel, Office of the Vice-President and Provost, and Office of the Vice-President, Human Resources and Equity

Dr. Anthony Gray, Special Advisor to the President
 Dr. Jane Harrison, Director, Academic Programs and Policy, Office of the Vice-President and Provost
 Ms Kate Hilton, Assistant Dean, Alumni and Development, Faculty of Law
 Mr. Anwar Kazimi, Committee Secretary, Office of the Governing Council
 Mr. Christopher Lang, Director, Office of Appeals, Discipline, and Faculty Grievances
 Professor George Luste, President, University of Toronto Faculty Association

Ms Kim McLean, Assistant Principal (Business and Administration) and Chief Administrative Officer, UTSC
 Mr. Steve Moate, Senior Legal Counsel, Office of the President
 Mr. Henry Mulhall, Assistant Secretary of the Governing Council
 Mr. Pierre Piché, Controller and Director of Financial Services
 Mr. Desmond Pouyat, Dean, Student Affairs, UTSC
 Mr. Alan Shapira, Aon Hewitt Associates
 Professor Mariana Valverde, Director, Centre of Criminology

In this report, item 5 requires Executive Committee confirmation, and items 6, 7, and 8 are recommended to the Governing Council for approval. The remaining items are reported for information.

Chair's Remarks

The Chair welcomed members and guests to the meeting. She announced that thirteen members of the teaching staff and one librarian had been acclaimed to serve a three-year term on the Board, from July 1, 2011 to June 30, 2014. As well, as the result of a by-election, one teaching staff member from the Leslie Dan Faculty of Pharmacy, Professor Christine Allen, had been elected to serve a term effective immediately to June 30, 2012. The list of members-elect is provided below.

Faculty of Arts & Science

- Professor Suzanne Stevenson
- Professor Markus Stock
- Professor Joseph Wong
- Professor Howard Yee

Chair's Remarks (cont'd)

Faculty of Information

- Professor Alan Galey*

Faculty of Law

- Professor Benjamin Alarie

Faculty of Medicine

- Professor Jan Barnsley*
- Professor Kathering Berg*
- Professor Zhong-Ping Feng
- Professor Robert Harrison

Faculty of Nursing

- Professor Elizabeth Peter

Ontario Institute for Studies in Education

- Professor Doug McDougall*

University of Toronto at Scarborough

- Professor Paul Kingston

Librarian

- Ms Caitlin Tillman

The Chair thanked all teaching staff and the librarian who had stood for election. She expressed her appreciation to those who would continue their service on the Board for another term and to new members who would contribute to the work of the Board. She noted that three teaching staff seats on the Board remained unfilled and nominations for those seats would be accepted between Monday, January 31st at noon and Friday, February 11th at 5:00 p.m. The list of vacancies is provided below.

- Faculty of Applied Science & Engineering – 1 seat
- Faculty of Medicine (by-election¹) – 1 seat
- University of Toronto Mississauga – 1 seat

The Chair closed by stating that information about applications for co-opted (appointed) members of the Board – administrative staff, alumni, and students – would be provided at the next meeting in March.

1. Approval of Report Number 170 of the Meeting held on November 25, 2010

Report Number 170 of the meeting held on November 25, 2010 was approved.

* Indicates a member of the Academic Board in 2010-2011.

¹ The term of this seat is from February 1, 2011 to June 30, 2013.

2. Business Arising from the Report of the Previous Meeting

There was no business arising from the Report of November 25, 2010.

3. Reports Number 167 (December 14, 2010) and Number 168 (January 18, 2011) of the Agenda Committee

Reports Number 167 and 168 of the Agenda Committee were received for information. There were no questions.

4. Report of the Vice-President and Provost

Pension Plan Matters

Professor Misak noted that she had provided the Board with brief updates on the pension plan at previous meetings. She commented that members likely had seen the exchange of communication on the pension plan that had occurred over the past month between Professor Naylor and Professor Luste.² A presentation on the pension plan had been given to members of the Planning and Budget Committee in November, 2010, and the Agenda Committee had decided that it would be valuable for an abbreviated version of that presentation to be given to the Academic Board. Professor Misak then invited Professor Angela Hildyard, Vice-President, Human Resources and Equity, to give her presentation.

Professor Hildyard provided an overview of the University of Toronto pension plan. A copy of her Powerpoint slides are attached as [Appendix "A"](#).

Among the matters that arose in questions and discussion were the following.

a) Strategies for Addressing the Deficit

Professor Misak said that the Deans of the divisions had been developing strategies for making special payments into the pension plan. It was anticipated that payments totaling \$30 million would be made in 2011-2012 to begin to address the pension plan deficit. It was clear that the Deans would need to consider annually how to modify their divisional goals in order to make funds available for the payments. Those changes would have an impact on the entire University community. Although such a process was painful, the University was in the fortunate position of being able to increase its revenues through the imaginative initiatives that were being developed carefully by the divisions.

Noting that the returns on the pension plan investments over the course of twenty years had matched the long-term targets, Professor Naylor pointed to the funding spent on benefit improvements for

² President Naylor's memorandum dated December 15, 2010 is available from http://www.utfa.org/sites/default/files/webfiles/pdf_files/DN%20Response%20Final%20%20Dec%2015%202010.pdf and Professor Luste's response is available from http://www.utfa.org/sites/default/files/webfiles/pdf_files/2011-Jan-09-UTFA%20Response_to_DN.pdf.

4. Report of the Vice-President and Provost (cont'd)

Pension Plan Matters (cont'd)

active and retired members, and the University and member contribution holidays, as two major factors that had contributed to the current deficit position. He stated that, while there was a temptation to continue to focus the discussion on ways in which the present situation might have been avoided, at this point it was more important for the University community to develop solutions collectively. This would require dialogue with the employee unions and the University of Toronto Faculty Association (UTFA) in order to ensure that contributions were increased to make the pension plan sustainable. The Provincial Government had indicated that the future sustainability of defined benefit pensions plans within the public sector was of prime importance and would need to be addressed in order for the government to provide any solvency relief. If the University did not qualify for a more flexible solvency requirement, it would be allowed only five years to fund the solvency deficit. That would require special payments of approximately \$200 million per year for five years. Such an outcome would be very painful for the University and could be achieved only through severe cuts to the operating budget. Professor Naylor suggested that, in the absence of increased member contributions, the Province was unlikely to approve a longer amortization period for the University because of a general perception that employee benefits were greater than their contributions, and because of the political implications of paying for the pension plan by drawing on a continuing basis from an operating budget that was funded largely by government grants and tuition fees. Professor Naylor added that the University's plan for addressing the deficit was prudent.

A member observed that increased employee contributions appeared to be an important part of the University's strategy for the pension plan. She asked whether the Government had indicated an expectation for such a change. Professor Naylor replied that the Government had indeed sent such signals, and it was reasonable to expect that there would be movement towards a more symmetric rate of contributions over the long term, particularly since such a strategy had already been adopted by many other public-sector institutions and publicly supported universities. Professor Naylor expressed his optimism for greater economic growth and better investment returns in the future, but he pointed to the need to address the pension plan deficit at this time.

b) Causes of the Current Situation

A member observed that the increase in the liability of the pension plan was due in part to the longevity of members. However, staff were also choosing to retire at a later age than in the past, resulting in a lengthier payment into the plan from pensioners. Mr. Alan Shapira, an actuary from Aon Hewitt Associates, acknowledged that, since mandatory retirement had been eliminated, some people, particularly teaching staff, had been choosing to continue to work. On average, members retired at the age of sixty-six. Mr. Shapira pointed out that while some staff postponed their retirement, others elected to take early retirement. He stressed that the valuation of the plan did take into account both the increased average age of retirement of members and projected improved mortality rates in the future.

Pointing to the effects of the decline of the stock market in 1987 and 2008, a member questioned the validity of an assumption of a 4% investment return above inflation for the pension plan. The

4. Report of the Vice-President and Provost (cont'd)

Pension Plan Matters (cont'd)

member asked how the University would deal with the deficit given that its operating budget was already very constrained. Professor Naylor responded, stating that the investment return expectations were reasonable and were in fact the industry standard for comparable organizations. He reiterated that it was easy in hindsight to criticize past decisions regarding the pension plan. Those decisions had been reached, however, following extensive consultation with faculty, staff, and experts within the University, and there had been consensus at the time on the steps that should be taken. However, that did not alter the current deficit which had to be addressed. Professor Hildyard explained that the Income Tax Act precluded employers from making contributions when surpluses were high and that had been the case for the University plan for many of the years in question. With respect to the impact on the operating budget, Professor Misak emphasized that the University had recently developed a set of strategies to increase its revenue.

Mr. Shapira cautioned that care was required when analyzing past performance of the pension plan investments and projecting future performance using alternate return rate assumptions. If an assumption was made that little growth in investments would be achieved, then the cost of the pension plan would increase to approximately 25% of salary, and everyone would have to make very different choices between current and future consumption.

A member urged that the Planning and Budget Committee and the Academic Board consider the University's proposal for strategies for dealing with the deficit. Professor Hildyard stated that the Business Board and the Pension Committee would address those issues, and Professor Misak noted that the proposal had been developed by the administration in consultation with the Deans.³

The Chair thanked Professor Hildyard for her excellent presentation.

5. Faculty of Arts and Science – Centre of Criminology: Name Change

The Chair said that the proposal for the name change to the Centre of Criminology in the Faculty of Arts and Science had come directly to the Academic Board for its consideration. If recommended by the Board, the proposal would require Executive Committee confirmation at its February 7, 2011 meeting.

Professor Misak introduced the proposal⁴ which had been included in the agenda package that had been made available to members of the Board on the governance portal. She said that the Centre of Criminology, which had been founded in 1963, was an extra-departmental unit within the Faculty of Arts and Science. The Centre offered masters and doctoral programs in criminology, and it had a world-class reputation in the fields of both criminology and sociolegal studies. A name change from the "Centre of Criminology" to the "Centre for Criminology and Sociolegal Studies" was being proposed in order to reflect more clearly the Centre's scholarship and teaching. Faculty members

³ The proposal to be considered by the Business Board on January 31, 2011 regarding ensuring a sustainable pension plan for the University is available from

<http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=7486>.

⁴ <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=7437>

5. Faculty of Arts and Science – Centre of Criminology: Name Change (cont'd)

published in leading law and society journals. The Faculty and the Centre were of the view that such a name change would allow further important outreach to be developed. As well, graduate student recruitment would be enhanced.

Professor Misak stated that discussion about a possible name change had occurred over the past decade within the Centre. More recently, focused consultations with core and cross-appointed faculty members, emeritus professors who remained active in Centre research, doctoral students, and senior colleagues at the Faculty of Law had taken place during academic planning in the past year. There was strong support within the Centre for the proposed name change, and the Faculty of Law was also supportive of the proposal. Professor Misak closed by noting that a name change was not being proposed for the Centre's graduate programs or for the undergraduate program in criminology which was housed in Woodsworth College.

Invited by the Chair to comment, Professor Mariana Valverde, Director, Centre of Criminology, said that Woodsworth College fully supported the proposed name change, and she reiterated that the name of the undergraduate program in criminology would not be altered.

No questions were raised by members of the Board.

On motion duly moved, seconded, and carried

YOUR BOARD RECOMMENDS

That the Executive Committee Confirm

THAT the name of the Centre of Criminology in the Faculty of Arts and Science become the "Centre for Criminology and Sociolegal Studies", effective immediately.

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

6. Academic Appeals Committee – Revision to the Terms of Reference

The Chair stated that the proposal for the revision to the Terms of Reference of the Academic Appeals Committee (AAC) had been previously considered by that Committee, one of the Board's four standing committees. If the Academic Board recommended the proposal, it would then require Governing Council approval at its February 17th meeting.

The Chair invited Ms Kate Hilton, Senior Chair of the AAC to introduce the proposal.⁵ Ms Hilton stated that for several years there had been great difficulty scheduling Academic Appeals hearings in a timely manner because of the stringent panel composition requirements. The lengthy delays that occurred had a negative impact on students who awaited the outcome of their appeals.

⁵ <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=7438>

6. Academic Appeals Committee – Revision to the Terms of Reference (cont'd)

Ms Hilton reported that consultation with the University's legal counsel had occurred. The AAC had been advised that the proposed model, consisting of three members (including a voting Chair) with a majority of governors, was the only possible solution. The model was identical to that of the University Tribunal and had been most effective for discipline hearings. Extensive consultation on the proposal had been conducted with current members of the AAC, student and faculty governors, student and faculty members of the Academic Board, and divisional representatives involved in academic appeals. At a policy meeting of the AAC held on January 10, 2011, the proposal had been unanimously passed. As well, a number of members who had not been able to attend the meeting, had indicated that they supported the proposal.

There were no questions.

On motion duly moved, seconded, and carried

YOUR BOARD RECOMMENDS

THAT the proposed revised Terms of Reference of the Academic Appeals Committee (AAC), a copy of which is attached hereto as [Appendix "C"](#), be approved, effective March 1, 2011; and

THAT a review of the composition change of the AAC, to be conducted by the Office of Appeals, Discipline, and Faculty Grievances by June 30, 2013 be approved.

7. Infrastructure Project: Site Remediation for the North Campus at the University of Toronto at Scarborough

The Chair said that the proposal for the site remediation for the north campus at the University of Toronto at Scarborough (UTSC) had been first considered by the Planning and Budget Committee (P&B) at a meeting on January 12, 2011. The Committee had subsequently held a special meeting on the morning of January 27th to consider a clarification to the proposal and a revised motion. If recommended by the Academic Board, the proposal would be considered for approval by the Governing Council on February 17th.

Professor Gottlieb introduced the proposal,⁶ noting that, at that morning's special meeting of the Committee, the administration had provided an update and further clarity on the infrastructure project. Ms Elizabeth Sisam, Assistant Vice-President, Campus and Facilities Planning, had informed the Committee that the City of Toronto Executive Committee had approved the use of up to \$23 million for the jointly funded project. Professor Scott Mabury, Vice-Provost, Academic Operations, had explained that, of the total project cost of \$52 million, \$5 million would be funded by the University of Toronto at Scarborough and \$25 million would be obtained through borrowing. It was anticipated that the Provincial government would provide \$20 million for a high performance

⁶ <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=7441>

7. Infrastructure Project: Site Remediation for the North Campus at the University of Toronto at Scarborough (cont'd)

sports facility at the St. George campus. If that occurred, the University could use the borrowing capacity of \$20 million previously earmarked for a high performance facility on the St. George campus for the UTSC north campus remediation project.

Professor Misak elaborated on the proposal, explaining that in order for UTSC to expand and meet its aspirations for enrolment growth, the land on the north campus would need to be remediated. The site had served as a municipal landfill in the past, and all of the household waste would have to be removed before the land could be used by UTSC. The opportunity presented by the 2015 Pan American Games to enter into a partnership with the City of Toronto and the Province of Ontario to develop an athletics facility was remarkable and one that should be grasped. In order to do so, the University would have to borrow funds to pay for its portion of the proposed remediation project; that requirement had been made explicit in the motion.

Professor Vaccarino drew attention to the current space limitations which prevented further growth of the UTSC campus. He informed the Board that UTSC students had been asking for improved athletic facilities for decades, but UTSC previously had not been in a position to respond to their requests. However, UTSC now had an exciting opportunity to engage in a joint project with the City to remediate the land on the north campus which would then permit further campus development.

Invited to comment, Mr. John Aruldason, President of the Scarborough Campus Students' Union (SCSU), said that the UTSC students had demonstrated their support for the proposed athletic facility through a referendum held a year ago. The students were eager to improve their experience, and that of future students, at the University and recognized the opportunities that such a proposal would bring to the campus. They realized that much could be achieved through a partnership between the students, the administration, and the City, and they were keen to make UTSC a better place. Noting that the University was currently grappling with issues that the UTSC students had considered in the past, Mr. Aruldason voiced his hope that the University would work collaboratively with its partners.

Among the matters that arose in questions and discussion were the following.

Project Cost

Commenting that the proposed project appeared to be quite large and that cost overruns could occur, a member asked whether the City would bear its share of any cost increase or whether it would limit its liability. Professor Naylor assured the Board that he was comfortable with the projected cost, as multiple estimates had been obtained and careful analyses of the remediation costs had been conducted. He emphasized that the students supported the project and the costs to the University would have been significantly greater had it decided to remediate the land independently. The Provincial and Federal Governments would not provide funding for remediation of land other than that owned by the Crown, so the University had had to find ways to fund the project in a most cost-efficient manner. Professor Misak added that the site had been tested through the use of boreholes, and the nature of the landfill debris had been confirmed. Noting the complexity of the project,

7. Infrastructure Project: Site Remediation for the North Campus at the University of Toronto at Scarborough (cont'd)

Professor Naylor said that the Board was being asked for conditional approval. The administration recognized that there was limited appetite to spend a greater amount on the project, and all conditions would have to be met if the project were to proceed.

A member expressed his support for the proposed land remediation but stated his concern about the role of funding for the St. George campus athletic facility. Professor Misak explained that the University was hopeful that it would receive \$20 million from the Province to use for the St. George campus athletic facility. If that were to occur, the \$20 million of borrowing capacity, which would have been used for the St. George campus project, would then become available and could be used for the UTSC land remediation project. In response to a member's question, Professor Naylor said that there had been successful fundraising for the Goldring Centre for High Performance Sport, which as the Provost had noted, would require approximately \$20 million for the project to be initiated. Two generous gifts had already been made to the project, and it was hard to imagine turning it down. However, final governance approval would be required before it could proceed. Assuming all the conditions were met and approval was granted, a great need of the University could be addressed.

A member asked whether it would be less expensive to simply pave the land on the north campus and use the current parking space on the south campus for the Pan-Am facility. Professor Vaccarino said that an extensive UTSC Campus Master Plan had been undertaken, and it was clear that there was no room for such a development on the south campus. UTSC could add the needed buildings, including the Pan-Am facility, only by undertaking the remediation of the land on the north campus. Professor Naylor said that many options with respect to the UTSC campus had been considered, including the reacquisition of land that had been leased to Centennial College. However, the cost of obtaining that land on an accelerated basis would be too great.

7. Infrastructure Project: Site Remediation for the North Campus at the University of Toronto at Scarborough (cont'd)

On motion duly moved, seconded, and carried

YOUR BOARD RECOMMENDS

Subject to all required government approvals and government funding, including government funding for high performance sport and subject to funding being in place prior to commencing construction:

1. THAT the recommendations identified in the “Report on Site Remediation for the North Campus of the University of Toronto at Scarborough”, dated January 7, 2011, a copy of which is attached hereto as [Appendix “D”](#), be approved in principle; and
2. THAT subject to all other approvals and funding being in place prior to commencing the work, the University of Toronto contribution for the remediation, having a total project cost of \$52 Million (2010 dollars) comprise:
 - (i) \$5-Million of funding from the University of Toronto at Scarborough;
 - (ii) \$25-Million of borrowing, in part using \$20-Million of borrowing capacity created by anticipated Government funding for high-performance sport facilities, such borrowing to be repaid by the University of Toronto at Scarborough and/or the University of Toronto.

8. Capital Project: Project Planning Report for the University of Toronto at Scarborough Sport and Recreation Centre

The Chair noted that the proposal for the University of Toronto at Scarborough Sport and Recreation Centre capital project had also been considered by P&B and if recommended by the Board would require Governing Council approval on February 17th.

Professor Gotlieb provided a summary of the proposal.⁷ He explained that the proposed UTSC Sport and Recreation Centre capital project was linked to the proposed UTSC land remediation project. The Centre was needed to meet the requirements of UTSC’s growing student enrolment and would also provide much needed community space for the neighbourhood. Professor Gotlieb reported that, at the Special Meeting of the Committee that had been held that morning, Professor Mabury had provided an update of the costs in 2008 dollars contained in the motion. Based on the current figures, the University’s share of the cost would increase by \$17.3 million as a result of inflation and the anticipated inflation in construction costs. As had been agreed by all parties, the proportional contributions from the student levy and UTSC would increase accordingly.

Invited to comment, Mr. Aruldason reiterated that the UTSC students were pleased to be able to give back to the community to which they belonged. Professor Vaccarino recalled that when he had

⁷ <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=7427>

8. Capital Project: Project Planning Report for the University of Toronto at Scarborough Sport and Recreation Centre (cont'd)

joined UTSC four years ago, there had been a strong message of the importance to enhance student life on campus and the desire for an athletic facility. UTSC had undergone an intensive planning exercise and had since been developing the proposed project with various partners. Professor Vaccarino observed that one of the benefits of the process had been an increased awareness of UTSC, an outcome that would serve the University as a whole in the future.

Among the matters that arose in questions and discussion were the following.

a) Operating Cost

A member praised the proposed project which would create further links between the University, the City, and the community. He also praised the leadership at UTSC, noting that the UTSC students had consistently spoken in favour of the project. The member then asked for information about the operating cost of the facility. Ms Kim McLean, Assistant Principal and Chief Administrative Officer at UTSC, informed the Board that the partners for the project had been working together on the operating cost for some time. It appeared that the athletic fee that was currently paid by students would be sufficient to cover the University's portion of the operating cost, which would be approximately \$1.5 million of the estimated total of \$12 million. Students were not expected to pay additional fees for the operating cost.

A member observed that the fiscal situation of some of the partners for the project might be somewhat precarious in the next few years, and he asked whether the agreement between the parties with respect to responsibility for the operating costs was firm. Professor Vaccarino replied that UTSC had been working very closely with the City on the proposed project. In his view, the City was committed to the project, as great demand from the community for use of the facility was anticipated. In fact, at multiple consultations which had been held, the community had demonstrated very positive interest in the project.

b) Project Cost

A member referred to the presentation on the pension plan which had been given earlier in the meeting and questioned whether it was appropriate to consider such a costly capital project given the \$1 billion deficit in the pension plan. Professor Misak agreed that there was an uneasy juxtaposition, and the University had to exhibit great caution when making financial decisions in the current economic climate. At the same time, it was important for the University to continue to move forward and take advantage of excellent opportunities as they were presented. Ultimately, the University would benefit from these significant investments.

A member asked whether the amount of the UTSC student levy would increase over time with inflation. Professor Vaccarino confirmed that it would; and such increases had been considered by

8. Capital Project: Project Planning Report for the University of Toronto at Scarborough Sport and Recreation Centre (cont'd)

the students when the referendum had been held. He assured the Board that the period of payment for the student levy would not extend beyond 2038-2039.⁸

c) University Access to the Sport and Recreation Centre

In response to a member's question regarding the proportion of time that University students would be able to use the Sport and Recreation Centre, Ms McLean said that a detailed usage schedule based on both temporal and spatial dimensions had been developed in collaboration with the other parties involved. The University would use approximately 20% of the facilities, including the four gyms, dance studios, and three pools. In addition, they would have access to a large fitness facility, as well as club and student spaces. In developing the schedule, staff at the Faculty of Physical Education and Health had provided valuable advice, and all parties were satisfied with the time allotments.

On motion duly moved, seconded, and carried

YOUR BOARD RECOMMENDS

Subject to the availability of funding for the land remediation of the site

- (a) THAT the Project Planning Report for the University of Toronto at Scarborough (UTSC) Sport and Recreation Centre, as accommodated in the Pan American Aquatics Centre, Field House and Canadian Sport Institute Ontario to be built at the University of Toronto at Scarborough, dated January 7, 2011, a copy of which is attached hereto as [Appendix "E"](#), be approved in principle;
- (b) THAT the site northeast of the corner of Military Trail and Morningside Avenue be assigned to the Pan American Aquatics Centre, Field House and Canadian Sport Institute Ontario Project;
- (c) THAT the total project cost for the UTSC portion be \$37.51 Million (2008 dollars) out of a total project cost of \$170.5 Million (2008 dollars) for all parts of the project; and
- (d) THAT the funding costs for the UTSC portion of \$37.51 Million (2008 dollars) comprise:
 - \$30 Million acquired through a student levy, and
 - \$7.51 Million from UTSC/U of T Central.

The Board applauded following approval of the motion. The Chair congratulated the UTSC representatives and asked them to convey the Board's appreciation of their efforts to the rest of the UTSC community.

⁸ The Project Planning Report for the University of Toronto Scarborough Sport and Recreation Centre (January 7, 2011, page 37) states that "The [UTSC student] levy rate assumptions for 2010/11 through 2013/14 are \$40 per semester full time and \$8 per semester part time. These rates increase in 2014/15 through 2038/39 to \$140 per semester full time and \$28 per semester part time."

9. Items for Information

Members received the following reports for information.

(a) Appointments and Status Changes

There were no questions arising from the Appointments and Status Changes Report.

(b) Report Number 148 of the Committee on Academic Policy and Programs (January 11, 2011)

The Chair said that Report Number 148 of the Committee on Academic Policy and Programs would be submitted to the Board at its next meeting in March.

(c) Report Number 140 of the Planning and Budget Committee (January 12, 2011)

There were no questions about the Report.

10. Date of Next Meeting

The Chair reminded members that the next meeting of the Board was scheduled for Thursday, March 17, 2011, at 4:10 p.m. in the Council Chamber

11. Other Business

There were no items of other business.

The Board moved *in camera*.

12. Quarterly Report on Donations: August 1, 2010 – October 31, 2010

Members received this report for information. Professors Misak and Gertler responded to questions that were raised by members.

The Board returned to open session.

The Chair thanked members for their attendance at the Board meeting.

The meeting adjourned at 6:10 p.m.

Secretary
January 31, 2011

Chair