UNIVERSITY OF TORONTO

THE GOVERNING COUNCIL

REPORT NUMBER 106 OF THE BUSINESS BOARD

June 22nd, 2000

To the Governing Council,
University of Toronto.

Your Board reports that it met on Thursday, June 22nd, 2000 at 5:00 p.m. in the Council Chamber, Simcoe Hall, with the following members present:

Mr. Amir Shalaby (In the Chair)
Ms Wendy M. Cecil-Cockwell, Chairman of the Governing Council
Professor J. Robert S. Prichard, President
Professor Michael G. Finlayson, Vice-President - Administration and Human Resources
Mr. Robert G. White, Chief Financial Officer
Dr. Robert Bennett
Professor Vivek Goel
Dr. Robert J. Kyle
Professor Brian A. Langille
Mr. Gerald A. Lokash
Mr. Frank MacGrath
Professor Heather Munroe-Blum
Dr. John P. Nestor
Mr. Martin Offman
Mr. Kashif S. Pirzada
Dr. Alexander R. Waugh
Ms Judith J. Wilson
Mr. Vilko Zbogar

Dr. Jon S. Dellandrea, Vice-President and Chief Development Officer
Mr. Louis R. Charpentier, Secretary of the Governing Council
Professor Derek McCammond, Vice-Provost, Planning and Budget
Miss Janice Oliver, Assistant Vice-President, Operations and Services

Secretariat:

Mr. Neil Dobbs
Ms Margaret McKone

Regrets:

Ms Shruti Dev-Nayyar
Ms Wanda M. Dorosz
Mr. H. Garfield Emerson
Mr. Paul V. Godfrey
Dr. Anne Golden
Ms Jacqueline C. Orange
Mr. Roger P. Parkinson
Ms Rose M. Patten
The Hon. David R. Peterson
Dr. Joseph L. Rotman
Mrs. Susan M. Scace
Mr. Terrence L. Stephen
Mr. John H. Tory
Mr. Robert S. Weiss

In Attendance:

Dr. Marlene Puffer, member, Audit Committee
Ms Grace Angellotti, Business Analyst, Real Estate Department
Mr. Don Beaton, Director, Real Estate Department

Ms Susan Bloch-Nevitte, Director, Public Affairs

In Attendance (Cont'd)

Ms Sheila Brown, Controller and Director of Financial Services
Mr. W. G. Tad Brown, Finance and Development Counsel
Mr. Matthew Cockburn, Torys
Mr. Brian Davis, Torys
Mr. Martin D. England, Assistant Vice-Provost, Strategic Planning
Dr. Beata FitzPatrick, Assistant Provost
Ms Rivi Frankle, Director of Alumni and Development
Mr. Hal Koblin, Department of Alumni and Development
Mr. Donald W. Lindsey, President and Chief Executive Officer, University of Toronto Asset Management Corporation
Mr. Brian Marshall, Director of Human Resources
Ms Gayle Murray, Executive Assistant to the Vice-President; Employee Relations Coordinator, Office of the Vice-President - Administration and Human Resources
Ms Cristina Oke, Assistant Vice-Provost, Professional Faculties
Mr. Pierre Piché, Associate Controller
Mr. Kasi Rao, Director of the Office of the President and Director of Government Relations
Ms Deborah Simon-Edwards, Executive Assistant to the Chief Financial Officer
Mr. Jorge Sousa, President, Graduate Students' Union

ITEMS 2, 3 5 AND 6 CONTAIN RECOMMENDATIONS TO THE GOVERNING COUNCIL FOR APPROVAL.

ITEM 4 RECORDS THE BUSINESS BOARD'S CONCURRENCE WITH A RECOMMENDATION OF THE ACADEMIC BOARD.

1. <u>Report of the Previous Meeting</u>

Report Number 105 (May 1st, 2000) was amended on page 8, item 2 - Tuition-Fee Schedules for Publicly Funded Programs, 2000-2001. Subsection (a) reported the comments of Mr. Jorge Sousa of the Graduate Students' Union. The second third and fourth sentences of the subsection (a) originally read as follows:

> Tuition fees for graduate students had increased by 42% over the past decade and student debt had increased by 200%. Yet, at the same time, the University was spending millions of dollars on capital projects. Just at its previous meeting the Business Board had approved the spending of $6.5-million, and the Board had before it a proposal at this meeting to spend a further $13-million on a project.

1. Report of the Previous Meeting (Cont'd)

The final sentence was amended to read:

> Just at its previous meeting the Business Board approved spending of $6 million, and the Board has before it a proposal at this meeting to spend a further $5 million.

A sentence further on in the paragraph originally read, "Between forty and fifty students per week were attending an on-campus food and clothing bank." That sentence was amended to read: "Between forty and fifty students per week were attending an on-campus food bank." Report Number 105 (May 1st, 2000), as amended, was approved.

2. Audited Financial Statements for the Year Ended April 30th, 2000

The Chair welcomed Dr. Marlene Puffer, a member of the Audit Committee, who had kindly agreed to attend this meeting, in the absence of Mr. Weiss, to present the report of the Audit Committee. Dr. Puffer reported that the Audit Committee had examined the financial statements over two meetings. On May 24th, the Committee had reviewed the draft notes. At its meeting of June 21st, the Committee had considered the financial statements themselves, as well as the "Financial Highlights" and the *Supplementary Financial Report*. Mr. White and Ms Brown had provided an excellent presentation of the statements, and a copy of Ms Brown's power-point presentation had been placed on the table for members' information. The external auditors had been present at both meetings. The Committee had also met privately with the external auditors with no University staff present. The audit report was clean and the auditors had advised the Audit Committee of no concerns. The discussions in the Committee had led to three changes in the presentation of the financial highlights. Most notably, the pie chart showing sources of the University's funds would contain comparative data from the previous year. The Audit Committee was satisfied that the financial statements represented full and fair disclosure, and it was pleased to recommend the statements to the Business Board for approval.

The Chair stated that the audited financial statements were before the Board for consideration and recommendation to the Governing Council. The "Financial Highlights" and the *Supplementary Financial Report* were for information only.

A member referred to the pie chart in the "Financial Highlights," displaying the sources of the University's funds for 1999-2000. That chart showed the sources of funds not only for the operating fund but also for restricted funds, the ancillary operations, and capital funds. It showed, for example, that student fees formed only 20% of the University's funding. Given that tuition fees were a controversial matter, and given that they formed 31% of operating fund revenue, was the chart not potentially misleading? Professor Sedra and Mr. White replied. The question had been the subject of considerable discussion within the administration. The conclusion had been, however, that it would be appropriate to show the full picture of University's funding, not only for teaching but also for research and other operations. With

2. <u>Audited Financial Statements for the Year Ended April 30th, 2000</u> (Cont'd)

respect to the financial statements, the balance sheet and the income statement of necessity reported the full picture. The integrated approach had also been used in the annual *National Report*, published in the *Globe and Mail*. On the other hand, the Budget Report dealt exclusively with the operating fund, and the information contained in that document clearly displayed the funding sources solely for the operating fund. Indeed, Professor Sedra would display a pie chart illustrating the sources of operating funds in his presentation under item 4.

The Chair said that preparing the financial statements in time for their approval at the June meeting of the Governing Council was a remarkable task, and Canada's largest and most complex University is one of the few in the country to do it. Congratulations were in order to: Mr. White, Ms Brown (the Controller), Mr. Piché (the Associate Controller), Mr. Britt (the Director of Internal Audit), the external auditors, and all of the members of their teams. Members of the Audit Committee were also to be commended for their diligent work throughout the year, including their careful review of the financial statements. The Business Board relied heavily on the work of the Audit Committee, obviating the need for the Board itself to review the statements in detail. The financial statements had been confidential until their review by the Audit Committee. That classification had been removed, and both the *Financial Report* and the *Supplementary Financial Report* were now public documents.

On the recommendation of the Audit Committee,

YOUR BOARD RECOMMENDS

THAT the University of Toronto audited financial statements for the fiscal year ended April 30th, 2000, a copy of which is included in Appendix "A" hereto, be approved.

3. <u>Appointment of External Auditors for 2000 - 01</u>

Dr. Puffer reported that the Audit Committee was satisfied that the external auditors were doing their job well. The relationship between the auditors and the administration was a good one that facilitated the audit. Dr. Puffer noted that there was always a concern that long-time audit relationships could become too close, harming objectivity. The University had dealt with this by arranging with Ernst & Young for a periodic change in the partner responsible for the audit. The current partner was in only his second year on this audit. Similarly, there was always a second concern that an audit firm's consulting assignments could become extensive and again interfere with objectivity. The Audit Committee received an annual report on those assignments, and it was satisfied that the amount and type of consulting work did not in any way compromise the audit.

3. Appointment of External Auditors for 2000 - 01 (Cont'd)

On the recommendation of the Audit Committee,

YOUR BOARD RECOMMENDS

(a) THAT Ernst & Young be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30th, 2001;

(b) THAT Ernst & Young be re-appointed as external auditors of the University of Toronto pension fund for the fiscal year ending June 30th, 2001;

(c) THAT Ernst & Young be appointed as external auditors of the Employees Pension Plan for the Ontario Institute for Studies in Education for the fiscal year ending June 30th, 2001; and

(d) THAT the members of the University of Toronto Innovations Foundation be requested to appoint Ernst & Young as the external auditors of the Foundation for the fiscal year ending April 30th, 2001 at a remuneration to be fixed by the Directors of the Foundation.

4. Budget Report, 2000 - 01

The Chair said that the Budget was considered by both the Academic Board and the Business Board before it was forwarded to the Governing Council for approval. The Academic Board was responsible for the allocation of resources contained in the Budget. Its Planning and Budget Committee had reviewed the budget in detail, and the Academic Board had recommended the Budget Report for approval. The Business Board's responsibility was to examine the budget for its financial soundness and fiscal responsibility. Were the budget assumptions valid and reasonable? Were the risks reasonable and appreciated by the administration? Were there sufficient resources assigned to certain key functions, such as occupational health and safety, to ensure that the University discharged its fiduciary responsibilities. The Business Board's review was therefore a relatively narrow one; the Academic Board and its Planning and Budget Committee had the full view of the budget and could effectively assess the trade-offs made for various purposes.

Professor Sedra presented the highlights of the Budget Report. Among the highlights were the following.

- **Budget context and highlights**. The Budget Report was an outgrowth of the University's Long-Range Guidelines for Planning and Budgeting for 1998 - 2004,

4. <u>Budget Report, 2000 - 01</u> (Cont'd)

approved in April 1998 and updated in May 1999. The Budget Report included updated budget assumptions based on recent developments and a revised four-year budget projection based on those updated assumptions. The operating budget for 2000-01 would include no new base-budget reductions. It would provide for a substantial increase in aid for graduate students, arising from the excellent report of the Orchard Task Force on Graduate Student Financial Support. The Budget Report would also introduce the Canada Research Chairs Fund.

- **Budget projection for 2000-01**. For the year, operating expenditures of $718.3-million would exceed revenue of $712.9 million by $5.4-million. To reduce that deficit, divisions would be asked to make one-time-only (rather than base-budget) reductions of $2.4-million, most using unspent appropriations from previous years. That would reduce the deficit on the year's operations to $3.0-million, increasing the accumulated deficit to $11.2-million. That would exceed the maximum permissible deficit of 1.5% of operating revenue by $500,000. That was permissible, however, on the condition that there was a plan to reduce the accumulated deficit to the permissible level by the end of the planning period on April 30th, 2004. Because of the series of large budget reductions over the past decade, the University had been forced to accumulate a deficit of more than 1.5% of operating revenue on three different occasions in order to achieve reductions in an orderly manner. On each occasion, the long-range plan had succeeded in bringing the deficit back within the prescribed limit.

- **Budget projection for the final year of the plan, 2003-04**. For the final year of the plan, expenditures of $810.2-million would exceed revenue of $809.1-million by $1.1-million. But one-time-only deficit-control reductions of $3.3-million would bring about a surplus of $2.2-million, reducing the accumulated deficit to $10.0-million. That accumulated deficit would be well within the maximum permissible deficit of $12.1-million and would represent a small amount in an $800-million operation.

- **Revenue: Province of Ontario operating grant**. There had been no general increase in government operating grants for the Ontario universities for 2000-01. The previous separate grant to cover costs of implementing pay equity programs had been folded into the regular operating grant. Because of different distribution formulae, the outcome had been a loss of $1.6-million per year to the University of Toronto. The University would receive previously announced funding under the Access to Opportunities Program (ATOP) to cover its costs for expanding enrolment in computer science, computer engineering and other high-demand areas of engineering.

  There were two new funding envelopes. The first was the "accessibility envelope," designed to foster enrolment growth, which would provide a 1% increase across the Ontario system. The University of Toronto had, however, decided not to participate. To qualify for funding from this envelope, institutions were required at least to maintain their student intake at the level established in 1999-2000. The problem was that the University

4. **Budget Report, 2000 - 01** (Cont'd)

of Toronto had in its 1999-2000 intake already exceeded its target by 1,100 students. Given that fact, and given that the funding from the "accessibility envelope" would amount to only 40% of average full funding, the University of Toronto had concluded that it could not afford to accommodate another entering class that was 1,100 students above its target. The University was, however, making every effort to encourage the Province to reconsider its proposal for funding enrolment growth.

The second source of new funding was the "performance envelope," which was based on the proportion of students' completing their degree programs and entering employment. The Government's intention in using these performance indicators was a good one, but their application was poor, with statistically insignificant differences in the indicators bringing about very significant differences in the allocation of funding. The University of Toronto's share would be an estimated $2.7-million.

As a result, the Province's original funding announcement would have provided the University of Toronto with a funding increase, apart from the ATOP increase, of only $1.1-million or 0.3% - far less than required to meet increased costs. The University had, therefore, suspended its budget process in the hope that the situation might improve with the Province's budget.

The Province's May budget had in fact included one very favourable announcement, the establishment of a Research Performance Fund, which would provide funding for the indirect costs associated with the research funded by the Province. Because the University had been very successful in winning research funding, it would receive about 40% of the new fund, amounting to an estimated $12.5-million.

- **Revenue: tuition fees**. Increased revenue from tuition fees, added to the $12.5-million from the Research Performance Fund, would mean that the University would face no new base-budget reductions in the 2000-01 budget. Professor Sedra recalled that, on the Board's recommendation, the Governing Council had approved increases in tuition fees for regulated programs of 2% in most cases. Fees for new students in arts and science, music, and physical education and health would increase slightly more to $3,951 per year; the maximum permissible fee in those cases was slightly higher than a 2% increase because the University had not charged the maximum permissible fee previously. Increases in tuition fees for deregulated programs would be 5% in most cases. Fee increases would, however, be larger for new students in business, commerce, computer science, law, management, medicine, dentistry and pharmacy.

- **Sources of income: general**. Professor Sedra displayed a pie chart showing the sources of income for the operating fund (in contrast to the pie chart included in the financial statements package, which displayed sources of income for all funds including restricted funds, capital funds and ancillary operations). Of the $713-million of revenue for the operating fund, provincial funding would provide one half. Tuition fee revenue would provide a further 31%. Divisional income would provide 9%, although all of this income

4. Budget Report, 2000 - 01 (Cont'd)

was offset by divisional expenditures. Income from the endowment would provide 4% of revenue, while other investment income would provide a further 2%. Funding for the Canada Research Chairs would provide 1% of revenue in the first year of that program. Finally, 3% of income would come from various other sources.

- **Expenditures: increases in graduate student aid**. Increases in the budget for graduate student aid would be phased in beginning with an increase of $2.7-million per year in 2000-01 and reaching a total increase of $9.4-million per year in 2003-04.

- **Expenditures: Canada Research Chairs Fund**. For 2000-01, $5.7-million from the Government of Canada's Canada Research Chairs program would be placed in a new Canada Research Chairs Fund. In addition, $2.2-million would be recovered from the budgets that covered the salaries of current faculty positions or unfilled positions that would become Canada Research Chair positions. The outcome would be $7.9-million in the new fund to cover the cost of the chair-holders' salary and benefits and to provide research and graduate-student support for them. In 2003-04, the final year of the budget plan, the total amount in the Canada Research Chairs Fund would be $34.3-million, consisting of $24.9-million placed in the fund directly from the federal program and $9.4-million indirectly from salary recovery. The fund would grow again in 2004-05, when it would reach its steady state.

- **Expenditures: Academic Priorities Fund**. In 2000-01, $5.3-million would be made available to support academic priorities from the 1.5% budget reductions required of all academic divisions to facilitate reallocations. A further $1.4-million would be appropriated to the Academic Priorities Fund to provide research support for named chairs, other than the Canada Research Chairs, that would be equal to that provided to the latter chairs. $500,000 would be appropriated to the Academic Priorities Fund to provide additional support for ROSI - the Repository of Student Information - the student records system. Finally, $4-million would be made available from the proceeds of tuition fee increases to support quality enhancements in academic programs. This was a Government of Ontario requirement, and the University reported to the Ministry of Training, Colleges and Universities on the use of the those funds. Over the remaining four years of the budget plan, the University would, through its Academic Priorities Fund, reallocate $22.7-million of base funding, provide $1.4-million of research support for named chairs, $1-million of support for ROSI, and $10.3-million of support for quality enhancements for academic programs. In addition, $1.7-million of funding would be provided to subsidize new student residences, required in order to offer rooms in those residences at affordable rates.

- **Expenditures: Administrative Priorities Fund**. Over the past decade, the budget reductions assigned to the administrative divisions had been larger than those of the academic divisions, and the administrative divisions had not benefited from the revenue increases derived from tuition-fee increases and enrolment increases. With added

4. **Budget Report, 2000 - 01** (Cont'd)

pressures deriving from higher enrolment, increased research activity and increased construction and management of new space, it would be necessary to invest a small amount more in administrative functions, with $800,000 from reallocations and a $1-million general appropriation being placed in the Administrative Priorities Fund.

- **Expenditures: compensation**. Compensation costs for 2000-01 would increase by $20.4-million. A significant element of this increase was the $6.6-million increase in the cost of employee benefits.

- **Expenditures: utilities**. The cost of utilities would increase by an estimated $2-million for 2000-01.

- **Current-service pension savings**. Because of the healthy surplus in the pension plan, it was anticipated that the University would not have to make contributions for a number of years. A significant part of the pension budget would be required to build up the fund that had been established to match the University's obligation under its Supplemental Retirement Arrangement. After that amount, savings of $14.1-million in 2000-01 would be transferred to the University Infrastructure Investment Fund - an important source of capital improvements. Similarly, $14.8-million would be transferred in 2001-02 and $16.3-million in 2003-04. The savings for 2002-03 would amount to $19.4-million and would be used to provide funds to match donations under the University's various matching programs. Professor Sedra pointed out that the program to match contributions for endowed chairs would come to an end as of June 30th, 2000.

  In response to a member's question, Professor Sedra said that the University had not made commitments for spending all of the money to be appropriated to the University Infrastructure Investment Fund. While some commitments had been made, the University did not know what priorities would emerge and it wished to retain some flexibility. Recommendations for some further allocations for 2001-02 would be brought to the Planning and Budget Committee in the fall.

The Chair stated that because of the nature of the Business Board's responsibility, members should focus discussion on questions related to fiscal responsibility and financial risk.

Invited to address the Board, Mr. Sousa said that he and his colleagues in the Graduate Students' Union (G.S.U.) applauded the priority that had been accorded to funding additional financial support for graduate students. The G.S.U. did, however, find it curious that when the administration had on May 1st recommended substantial tuition-fee increases, it had described the University's budget situation as dire, but when recommending spending today, the Board was told that the University's financial situation was not as constrained. While, from the point of view of the Business Board, the Budget Report appeared to be fiscally responsible, Mr. Sousa questioned how socially responsible it was to spend tens of million of dollars on capital projects

4. Budget Report, 2000 - 01 (Cont'd)

while at the same time raising tuition fees and spending only $9.4-million on graduate student financial support over four years.

Professor Sedra noted that the $9.4-million represented the increase to the base budget for graduate student support to be phased in over four years and not the total appropriation. Support for graduate students was also provided through other categories in the budget.

The Chair said that the President traditionally stated his opinion with respect to the question of the fiscal responsibility of the budget, including his opinion of the major elements of risk in the budget. The President said that the proposed budget was a financially prudent one that contained no unusual elements of risk. Those usual elements of risk would be manageable. The assumptions were relatively secure. The University was making every effort to improve its revenue in order to have more money for teaching and research. This effort was directed not only at improving the revenue for the operating budget but also at finding funding for various other investments. The President complimented Professor Sedra, Professor McCammond and Mr. England on their excellent work in preparing the Budget Report.

A member asked about the assumption concerning revenue from tuition fees. The President and Professor Sedra replied that the assumption was a relatively firm one given the Government's statement that it would limit tuition fee increases in regulated programs to 2% per year, not compounded, for five years. The University planned to increase tuition fees by 5% per year in most deregulated programs, with higher increases in some of them. The only elements of risk in that assumption were the possibility of reduced enrolment and the possibility of Government action to narrow the definition of deregulated programs. Both risks were very small ones. There had been no suggestion that the Government would reduce the programs it regarded as deregulated. On the contrary, a number of universities had argued that if private universities began to offer programs in certain fields such as education, it would be wrong to regulate tuition fees in the comparable publicly funded programs.

On the recommendation of the President and the Vice-President and Provost,

YOUR BOARD CONCURS

with the recommendation of the Academic Board

THAT the Budget Report, 2000 - 01, be approved.

5. Campaign Budget

Professor Sedra said that the proposed campaign budget was required to fund the Campaign to 2002 and possibly to an extended date of 2004. The current budget had continued only to April 30th, 2000. Professor Sedra recalled that the preliminary phase of the Campaign had begun in 1995, with the official launch taking place in 1997. The initial goal had been to

5. Campaign Budget (Cont'd)

raise $300-million by 2002. The Business Board had been assured at the time that the Campaign budget would remain within the industry standard of between 11% and 13% of the funds raised. In fact, Campaign costs had remained under 10% of the funds raised to April 30th, 2000. The Campaign goal had subsequently been increased to $575-million, and a total of $590-million had been raised in cash and commitments as at April 30th, 2000. As divisions were, pursuant to the "Raising Our Sights" planning exercise, preparing their new academic plans covering the period 2000 - 2004, new priorities were emerging, and it appeared reasonable to extend the Campaign until 2004 to seek the funds required. To fund the Campaign costs, it was proposed to appropriate $7.78-million per year for central Campaign expenses and a further $2-million per year to fund divisional Campaign costs. The specific purposes were outlined in the proposal. The budget would be funded from three sources. First, the Campaign would earn investment income on all donations during a four-month holdback period after the donations were received and before they were applied to their ultimate purposes. Second, funds would be directed to this Campaign from the administration fee to be levied on all endowment funds. (See item 8 below for a record of the approval of the revised Consolidated Investment Pool Policy, which made provision for a revised administrative levy for the University's general stewardship of endowments.) Third, if necessary, the administration would propose an allocation from the Transition Funds. Such a proposal would come forward in the fall each year if there was a shortfall in funding Campaign expenses. Professor Sedra did not anticipate that this would be necessary. Any such proposal would draw upon money previously allocated in the budget for the Transition Funds. The proposal would therefore have no adverse effect on the operating budget.

A member referred to page 2 of the proposal, which listed post-2000 fundraising priorities. Those priorities included a number of capital projects. Those projects did not include either (a) the replacement of the daycare facilities that would be lost to new residence development, or (b) the proposed new multi-faith centre. Professor Sedra noted that the proposal specified that the priorities would "include but not be limited to" those listed in the proposal. He undertook to consider the items raised by the member in the process of setting the new Campaign priorities.

On the recommendation of the Vice-President and Provost and of the Vice-President and Chief Development Officer,

YOUR BOARD RECOMMENDS

THAT the annual Campaign Budget Proposal from 2000-01 through 2003-04, a copy of which is attached hereto as Appendix "B", be approved.

THE BOARD MOVED *IN CAMERA*.

On motion duly made and seconded, it was RESOLVED

(a) THAT, pursuant to section 33(i) of By-Law Number 2, consideration of the proposed Gift, continue *in camera*, and

(b) THAT pursuant to section 33(ii) of By-Law Number 2, consideration of the Report of the Striking Committee, continue *in camera*.

6. <u>Proposed Gift</u>

On the recommendation of the President,

YOUR BOARD RECOMMENDS

THAT the proposal contained in the confidential memorandum to members of the Business Board on the proposed gift, dated June 20th, 2000, be approved.

7. <u>Report of the Striking Committee: Co-opted Membership of the Business Board and the Audit Committee for 2000-01</u>

On motion duly made and seconded, it was RESOLVED

(a) THAT Mr. Roger Parkinson be re-appointed to the Business Board for a three-year term continuing to June 30th, 2003 and that Mr. Martin Offman be re-appointed to the Business Board for a two-year term continuing to June 30th, 2002;

(b) THAT Mr. James S. Kinnear be appointed to the Business Board to complete the remainder of a term continuing to June 30th, 2001;

7. **Report of the Striking Committee: Co-opted Membership of the Business Board and the Audit Committee for 2000-01** (Cont'd)

(c) THAT the following be appointed to the Audit Committee for one-year terms from July 1st, 2000 to June 30th, 2001:

Mr. Donald A. Burwash
Ms Christine Capewell
Ms Kwai Li
Mr. Paul E. Lindblad
Mr. Roger H. Parkinson
Professor Wally Smieliauskas
Mr. Robert S. Weiss; and

(d) THAT Mr. Robert S. Weiss be re-appointed Chair of the Audit Committee for a one-year term from July 1st, 2000 to June 30th, 2001.

THE BOARD RETURNED TO OPEN SESSION.

8. **Consolidated Investment Pool Policy: Revision**

Mr. White said that the proposed revised Consolidated Investment Pool Policy contained three changes, the first two of which were simply housekeeping. First, the revised policy made specific reference to the possibility of the University's using the Pool as an investment vehicle for funds other than endowment funds. A portion of the Expendable Funds Investment Pool was currently being invested in units of the Consolidated Investment Pool. In addition, the money being set aside to match the University's liability under the Supplemental Retirement Arrangement was being invested in the Consolidated Investment Pool. Second, the proposed new policy removed references to the President's Investment Committee and replaced them with references to the successor University of Toronto Asset Management Corporation. The third change concerned administration fees. The current policy made provision for a fee to cover the cost of managing and administering the portfolio of assets. In addition, an earlier budget had made provision for a second fee to be levied on certain funds (including the Connaught Fund and the I'Anson Fund) to cover the cost of the University's general stewardship of its endowments. The proceeds of that second fee had been used in part to fund the Campaign. It was now planned that the second fee be formally recognized in the Policy. The fees were expressed in terms of "basis points," with one basis point being 1/100 of 1%. The first fee, which covered the cost of investment management and administration, would be increased from between 25 basis points and 30 basis points (varying over recent years) to 40 basis points. A portion of that fee would be used to fund the Campaign. The second fee, which was the general stewardship fee, would be reduced from 50 basis points to 35 basis points but applied to all funds participating in the Pool. Again a portion of that fee would be used to fund the Campaign.

8. Consolidated Investment Pool Policy: Revision

A member noted the proposed revised policy would permit the Chief Financial Officer to allow exemptions from the application of the policy, with a report to the Business Board for information. The current policy required the Chief Financial Officer to take advice from the President's Investment Committee before granting any exemption. Mr. White replied that exemptions had been very rare. He would be willing to amend the policy to require that he take advice from the new University of Toronto Asset Management Corporation, but it would seem odd for the University to seek advice about University funds from an ancillary corporation established solely to manage the investments of those funds. The member indicated his satisfaction with the explanation.

On the recommendation of the Chief Financial Officer,

YOUR BOARD APPROVED

The revised Consolidated Investment Pool Policy, a copy of which is attached hereto as Appendix "C", replacing the policy approved on June 19th, 1997.

9. Campaign Progress Report

Dr. Dellandrea presented the Campaign progress report. Among the highlights of the report were the following.

- **History of the Campaign**. The University's "white paper" academic planning exercise, carried out in 1994-95, had identified academic goals requiring approximately $650-million in private support. In 1995, the pre-launch Campaign goal had been set at $300-million. In September 1997, the Campaign had been formally launched and the Campaign goal had been increased to $400-million along with a parallel $200-million goal for planned giving. Then in June 1999, the goal had been increased again to $575-million, based on projections to June 2000. Members might ask why, if the sum of the University's needs was $650-million, and if the Campaign was doing well, the goal had not been increased to $650-million. Dr. Dellandrea said that it was very important to the Campaign Executive Committee that the goal be achieved by June 30th, 2000, by the completion of Professor Prichard's term as President.

- **Campaign achievement: year by year**. Dr. Dellandrea displayed a bar chart showing the monetary gifts and gifts in kind received each year beginning in 1993-94. Pledged amounts were not included. In 1995-96 and 1996-97 gifts had amounted to about $90-million per year. In each of the past three years, gifts had amounted to $100-million or more. Receipts in 1999-2000 had fallen off somewhat from the $135-million donated in 1998-99 simply because the earlier year's gifts had represented a one-time spike caused by the deadline for contributions under the Ontario Student Opportunities Trust Fund (O.S.O.T.F.) program. That program had provided matching donations from the Province

9. **Campaign Progress Report** (Cont'd)

of Ontario, which the University also matched, but it had required that payments be received by March 31st, 1999. In addition, the University was making good progress towards its parallel goal for planned gifts. Confirmed planned giving intentions had reached an amount in excess of $150-million.

- **Highlights of results to date**. Benefactors had established 122 endowed chairs in the University. If the chairs established in the affiliated teaching hospitals were added, the number would climb to nearly 200. The Campaign had placed a great deal of emphasis on endowments for student aid. To date, more than $125-million had been contributed for student aid, attracting $100-million in matching support from the University and $115 from the Government of Ontario. The outcome was an increase in the portion of the University's endowment devoted to student aid to a total of $498-million. A new emphasis would be on increasing the endowment for student aid specifically for graduate students. Very significant progress had been announced on the morning of the Business Board meeting. The extraordinarily generous $25-million donation from Mr. Edward S. Rogers, Jr. in support of the Department of Electrical and Computer Engineering included $14-million of endowed funds for graduate scholarships, as well as $4-million for undergraduate scholarships.

- **Financial results to May 31st, 2000**. Total commitments to May 31st - gifts, pledges, realized planned gifts and gifts in kind - amounted to $595.6-million. Of that amount, $504.5-million had actually been received - an unusually high proportion for this stage of a campaign.

- **Campaign Commitments**. 79% of the total amount of gifts had come from less than one percent of benefactors - those who had donated $100,000 or more. A further 18% of gifts had come from the 8% of donors who had contributed between $1,000 and $99,999. The final 3% of gifts came from the 91% of donors who contributed less than $1,000. Dr. Dellandrea stressed the importance of the smaller donations and of the University's efforts to seek broad support. Individuals who developed the habit of supporting the University with smaller gifts would be the source of larger gifts in future years.

- **Contributions by donor source**. Notwithstanding some expressions of concern about the "corporatization" of the University, only 21% of Campaign contributions had come from corporations. The largest source was individual donations from the University's alumni, amounting to 33% of the total. That was a fact in which the University should take great pride. A further 25% was contributed by individuals who were not alumni. Finally, 21% was donated by foundations and other organizations.

- **Support for Campaign themes**. 27% of contributions had supported the "great faculty" theme, representing contributions for endowed chairs. 24% of contributions had supported the "great students" theme, representing contributions to endowments for student aid and scholarships. 25% of contributions had supported the "great programs"

9. <u>Campaign Progress Report</u> (Cont'd)

theme. An example was the contribution of Mr. David Chu for the Asia-Pacific Studies Program. 15% of donations were in support of the "great place to learn and conduct research," theme. This included support for capital projects and for such facilities as the Information Commons. Finally, 9% of donations supported the Library.

- **Future of the Campaign**. Every effort would be made to seek funding not only for current priorities but also for emerging priorities including a number of capital projects and (as noted above) endowment funds for graduate student support. Every effort would also be made to respond to the vision of Dr. Robert Birgeneau, the incoming President. The Campaign team would provide a strengthened rationale to continue the efforts to seek support - selectively and broadly from the University's 350,000 living alumni. Finally, the Campaign team would send a strong message that the University's advancement program was not "done" but was in fact accelerating.

Dr. Dellandrea recalled that the total sum of gifts and pledges to May 31st, 2000 was $596-million. Since that time, the spectacular gift of the McLaughlin Foundation had added $50-million, and the remarkable gift of Mr. Edward S. Rogers Jr. and Ms Loretta Anne Rogers had added a further $25-million. As noted, $14-million of the Rogers gift would be endowed to provide graduate student support in the Department of Electrical and Computer Engineering. A further $4-million would support undergraduate scholarships. $4-million would provide two endowed research chairs. The final $3-million would be used to build and equip laboratories, located in the Bahen Centre for Information Technology, for research in the area of wireless communications technology.

The McLaughlin and Rogers gifts and others had brought the sum of gifts and pledges to $683-million. Dr. Dellandrea estimated that the University could potentially achieve gifts amounting to between $99-million and $121-million per year for the remainder of the Campaign. In 1998-99, the sum had been $135-million. In 1999-2000, the sum had been $112-million. If that pace were to be continued, the Campaign would have achieved between $739-million and $761-million by April 30th, 2001 and between $838-million and $882-million by April 30th, 2002. If the Campaign were to be extended to 2004, and the momentum continued, the sum raised could be between $1,036-million and $1,124-million. There was no sign of the Campaign's slowing. Momentum was being maintained and indeed accelerated. There had been a number of extraordinary gifts in the past few weeks. Momentum had been provided by the wish of benefactors to make contributions before Professor Prichard had completed his term. Momentum had also been provided by the imminent end of the University's matching program in support of endowed chairs. A total of nine additional chairs had been confirmed in the past five working days. The Campaign Executive would review and recommend extending the Campaign to 2004 and increasing the goal to $1-billion.

The Chair, on behalf of the Board, congratulated Professor Prichard, Dr. Dellandrea, Mr. Comper and everyone associated with the Campaign on their spectacular success.

REPORT NUMBER 106 OF THE BUSINESS BOARD - June 22nd, 2000

10. Quarterly Report on Donations of $250,000 or More

The Board received for information the quarterly Report on Donations of $250,000 or more for the period February 1st, 2000 to April 30th, 2000.

11. Capital Projects Report, June 2000

The Board received for information the Capital Projects Report for June 2000. The Chair noted that the report on the three major projects now underway (the Munk Centre for International Relations, Graduate House, and the Lash Miller Chemical Laboratories) was intended for members' information and to provide context for the proposals that would follow on the agenda.

12. Capital Project: Bahen Centre for Information Technology

Miss Oliver noted that the University usually invited tenders from contractors to complete entire projects, with the lowest bid amongst acceptable contractors being accepted. In this particular case, the project had been placed on a fast track because of the need to have the facility available as soon as possible to accommodate the programs in Computer Science and Computer Engineering, which were being expanded under the Province of Ontario's Access to Opportunities Program. Therefore, the University had engaged P.C.L. Constructors Canada Inc. on a construction-management basis. Instead of a lump-sum tender, contracts would be tendered on a sequential basis with sub-contractors. To keep the project on schedule, it would be necessary to make contractual commitments amounting to about $50-million. Miss Oliver was not yet in a position to ask the Board to approve execution of the full project because of a proposal to expand its scope. The Planning and Budget Committee would consider a proposal to add: (a) a shell for a sixth floor that could accommodate potential research facilities hoped to be funded by grants from the Canada Foundation for Innovation, the Ontario Research and Development Challenge Fund and the Ontario Innovation Trust; (b) a large block chiller facility in the basement that would serve not only the Bahen Centre but also several adjacent buildings, enabling replacement of a chiller facility aged beyond its recommended service life and allowing economies of scale; (c) a much-needed large lecture theatre; and (d) additional "crush" space required outside of the large number of classrooms in the building. While Miss Oliver could not, therefore, provide a firm estimate of the full cost of the project or request approval of its execution, the Chair had concluded that it would be inappropriate to proceed to execute $50-million of contracts, as required, over the summer under summer executive authority and without Board approval. Therefore, Miss Oliver recommended approval of execution of a part of the Bahen Centre to a total cost of $88-million, the amount approved by the Governing Council for the original project without the proposed enhancements.

Miss Oliver assured the Board that the architects, the construction manager and the University were making every effort to achieve the greatest possible benefits for the cost involved. Referring to a model of the project, Miss Oliver pointed out efforts to develop the simplest and most cost-effective design that would still meet the needs of the users of the building. There was one reason for optimism and a second reason for pessimism concerning the ultimate cost of the project. First, the University had arranged for two cost estimates. The

12. <u>Capital Project: Bahen Centre for Information Technology</u> (Cont'd)

University had used the services of cost consultants, who had based their estimates on the quantity of various sorts of space to be constructed. In addition, the construction managers had developed an estimate of the cost based on the likely charge for each of the individual contracts that would go to make up the project. The estimates had been within $1-million of each other, a remarkably close outcome on so large a project. On the other hand, both the cost consultants and the project managers had warned of a high level of inflation taking place in the Toronto construction market - certainly a higher level than assumed in the original project budget. Every effort would continue to be made to find savings to contain the cost of the project and to counteract the effect of construction-cost inflation. The Chair noted that the proposal to expand the scope of the project would likely be considered by the Planning and Budget Committee at a meeting late in July, and the actual cost of the project would be clarified as tenders were received over the summer.

On the recommendation of the Vice-President - Administration and Human Resources,

YOUR BOARD APPROVED

THAT the Vice-President - Administration and Human Resources be authorized to expend up to $88.1-million to execute the capital project to erect the Bahen Centre for Information Technology.

13. <u>Capital Project: Lash Miller Chemical Laboratories - Addition Renovation</u>

Miss Oliver recalled that the original approval for Phase 1 of the renovation of the Lash Miller Chemical Laboratories included space for four laboratories that was to be constructed as only a shell, with the space to be finished at a later date when funding became available and the precise requirements for the laboratories became known. The Department of Chemistry was, however, now able to provide the specifications for the laboratories and the University had received the funding necessary to complete them. The extraordinarily generous $10-million gift of the Davenport family had been supplemented by grants, each amounting to $7.27-million, from the Canada Foundation for Innovation and the Ontario Research and Development Challenge Fund. Miss Oliver therefore recommended approval of spending a further $1.8-million to complete the four laboratories. The outcome would be approval of spending of a total of $23.6-million of the total of $24.5-million received.

On the recommendation of the Vice-President - Administration and Human Resources,

YOUR BOARD APPROVED

THAT the Vice-President - Administration and Human Resources be authorized to expend up to $1.8-million to outfit the four laboratories currently being constructed as shells, as part of phase 1.

14. Property: Real Estate Advisory Board: Terms of Reference and Membership

Professor Finlayson recalled that when the Board had approved the proposal to designate the Real Estate Department as an ancillary operation, he had undertaken to establish an Advisory Board. The objective of the Board was to provide advice, including advice from members of the Business Board. Membership of the Advisory Board included, *inter alia*, Mr. MacGrath and Mrs. Scace. The Terms of Reference of the Advisory Board and its membership were presented to the Business Board for its information. A copy is attached hereto as Appendix "D"

15. Property: University of Toronto at Scarborough - Proposal for Lease of Land to Centennial College of Applied Arts and Technology

Professor Finlayson recalled that the Government of Ontario had, in its May 1st budget, announced its support of a number of capital projects, including a new campus for Centennial College of Applied Arts and Technology to be built on lands owned by the University adjacent to the University of Toronto at Scarborough (U.T.S.C.). The funding for the Centennial College project included $10.3-million for a 99-year lease for the land, which amount would support U.T.S.C.'s highest capital priority, its Academic Resource Centre. The precise amount and boundaries of the land to be leased was yet to be determined. It would be from the triangle of land to the north of the U.T.S.C. buildings, bounded by Morningside Avenue, Ellesmere Road and Military Trail. When discussions were complete and a letter of intent signed, the terms of the proposed lease would be brought to the Business Board for review and approval. In response to a question, Professor McCammond said that the U.T.S.C. Academic Resource Centre would represent a substantial expansion of the Bladen Library and the Scarborough Information Commons. It would also include a much-needed large lecture theatre.

16. Property: 56 Spadina Road: Purchase

Professor Finlayson said that 56 Spadina was located on the west side of Spadina Road, north of Bloor Street, adjacent to the Institute for Child Study, which was one of the laboratory schools of the Ontario Institute for Studies in Education in the University of Toronto (OISE/U.T.) Acquisition of the property was intended to permit the expansion of the Institute. The property had come on the market and the University had seized the opportunity to purchase it. Because it was not in the University precinct, as defined by the University's real estate strategy, the administration did not have delegated authority to make the purchase without the Board's approval. Because making an offer on the property could not await this meeting, Professor Finlayson had consulted with the Chair and Vice-Chair and had proceeded. In the absence of the Board's approval, the property could be sold. Funding for the purchase would be provided by OISE/U.T. The Chair confirmed that he and the Vice-Chair had been consulted prior to the offer to purchase the property.

16. Property: 56 Spadina Road: Purchase (Cont'd)

On the recommendation of the Vice-President - Administration and Human Resources,

YOUR BOARD APPROVED

The purchase of 56 Spadina Road, on the terms outlined in Professor Finlayson's memorandum of June 12th, 2000.

17. Real Estate Ancillary: Operating Results and 2000-01 Budget

Professor Finlayson said that the Real Estate Department had completed its first year as an unincorporated ancillary operation. Both its revenue and its expenses had been lower than budget, with the outcome being $221,000 better than planned. The Board had before it a five-year operating plan, and Professor Finlayson requested approval of the operating budget, contained in the column entitled "Budget, 2000-01." That budget, if achieved, would provide for a net income of $594,000, before a transfer of $501,000 to the University's operating fund, a transfer of $67,000 to particular divisions, and a commitment of $26,000 to deal with a time lag between the amortization of property improvements and loan repayment terms.

On the recommendation of the Vice-President - Administration and Human Resources,

YOUR BOARD APPROVED

The operating budget for the Real Estate Ancillary for 2000-01, as contained in the second column of the Five-Year Operating Plan, a copy of which is attached hereto as Appendix "E".

18. Employment Equity: Annual Reports, 1997-98 and 1998-99

The Chair recalled that the Employment Equity Reports had been on the agenda for the previous meeting, but owing to the time taken up by other business, the Board had not had an opportunity to consider them. It was therefore agreed that they be placed on the agenda of the current meeting. The Chair reminded members that the Business Board was responsible for personnel policy for administrative staff. Employment equity with respect to academic staff was the responsibility of the Academic Board, which also received the annual Employment Equity Reports. In response to a question, a member noted that the Annual Reports for 1997-98 and 1998-99 had been on the Academic Board's agenda for its meeting of June 14th, but because of the pressure of time, their consideration had been deferred until the Board's next meeting.

A member expressed his concern about the University's lack of progress towards achieving employment equity in its faculty. In 1995-96, members of visible minority groups represented 11.0% of the faculty. The most recent data, for 1998-99, showed a decline to 10.2%.

18. Employment Equity: Annual Reports, 1997-98 and 1998-99 (Cont'd)

Among full-time tenured and tenure-stream faculty, the proportion had also declined from 9.1% to just over 8.7%. The member was concerned that the University was trying to gloss over the problem by using the outcome of the survey of Department Chairs rather than the data in the actual reports, which arose from surveys of employees. Similarly, there was an emphasis on the stronger representation of visible minorities at the Assistant Professor level, but only one of the 41 promotions to full professor in 1998-99 had been a member of a visible minority. While there had been some areas of improvement, there remained many areas of concern, which concerns had been brought into focus by the complaint of Dr Kin Yip Chun and by the study completed by Professor Chandrakant P. Shah. Employment equity was a very important area and one in which the University should seek means to improve its performance.

Invited to comment, Professor Abramovitch commented first on administrative staff, which was the responsibility of the Business Board. Representation of the four designated groups (women, visible minorities, aboriginal peoples, and people with disabilities) was low in some occupational groups, but in others it was higher than the hiring pool. The real question was less the number of members of the designated groups hired by the University and more the distribution among various positions. It would be highly desirable to see a stronger representation of members of all of the designated groups in more powerful positions. That had taken place to a large degree for women. With respect to faculty, there was no question that less progress had been made than the University had wished. Nonetheless, some progress had been made. Data on new appointments in the last two years had been very encouraging, with a survey of Chairs indicating that nearly 20% of new faculty appointments had been members of visible minorities. The data provided by the surveys of Chairs appeared to be far more accurate that the data provided by the self-report surveys that had been the basis of other data. The response rate to the self-report surveys among faculty had been only about 70%. The University was committed to making every effort to maintain the level of close to 20% of new appointments from members of visible minorities. But, because faculty members typically remained with the University for their full careers, the change in the overall composition of the faculty would be slow rather than rapid. Professor Abramovitch was undertaking a review of best practices for faculty appointments over the summer for implementation in the fall. The Provost had decided that all search committees would include assessors trained in employment equity matters: either the dean of a multi-departmental faculty or, for faculties without a departmental structure, an assessor appointed by the Provost. Professor Abramovitch concluded that the University was making every effort to bear down on the issue of employment equity, and she hoped that the next decade would see significant improvement.

19. Environmental Health and Safety: Annual Report, 1999

Professor Finlayson stated that he was aware of no matter that would give rise to concern by members of the Board that the University was not carrying out due diligence in the area of health and safety. For 1999, accident performance data was 33% better than the average for the University's rate group as established by the Workplace Safety and Insurance Board, and the University was again in a position to receive a partial rebate of its premiums. Beginning in 2000,

19. Environmental Health and Safety: Annual Report, 1999 (Cont'd)

divisional or departmental health and safety coordinators would be asked to complete accountability reports as part of the annual, University-wide program of accountability reports submitted by all faculty and staff with administrative responsibility.

Referring to figure 3, the Chair noted that there had been a reduction in the NEER Performance Index in 1999 as compared to 1998, although the index was still higher than in the three previous years, 1995-97. (The NEER performance index measured the cost incurred by the Workplace Safety and Insurance Board as the result of workplace accidents at the University compared to the "expected cost" for the University based on the average performance of a rate group that includes all Ontario universities and Colleges.) Was it likely that the improving trend would continue? Invited to reply, Dr. Gorman said that the 1998 cost had been unusually high because of a homicide and two high-cost accidents. The University had been required to pay a surcharge to the Workplace Safety and Insurance Board in 1998, but it had qualified for a rebate in 1999. Of course, every effort would be made to reduce accidents and costs in future years. Dr. Gorman did not see any reason for the trend to be worse than in previous years.

20. Report Number 56 of the Audit Committee - May 24th, 2000

The Board received for information Report #56 of the Audit Committee (May 24th, 2000). The Chair thanked members of the Audit Committee for their work over the year.

21. Reports of the Administrative Assessors

Claude T. Bissell

Professor Finlayson reported with great sadness and regret the recent death of Professor Claude T. Bissell, President of the University from 1958 to 1971. His contributions to the development of the University had been enormous.

22. Date of Next Meeting

The Chairman advised members that the next regular meeting of the Board was scheduled for October 2nd, 2000. A memorandum from the Secretary, containing the dates of the remaining meetings, would be distributed during the summer.

23. Other Business: Chair's Remarks

(a) Professor J. Robert S. Prichard

The Chair stated that it had been members' collective good fortune to serve on the Business Board during Professor Prichard's Presidency. The past few years had been very difficult ones. In those rough waters, the President had kept a steady hand on the tiller and his eyes firmly focused on the destination. As a result, he had led the University to that destination.

23. Other Business: Chair's Remarks (Cont'd)

(a) Professor J. Robert S. Prichard (Cont'd)

Members of the Business Board were deeply grateful for that firm leadership. Professor Prichard had demonstrated his leadership in many ways. He had assembled a highly talented team and had fostered an environment of innovation and contribution. He had understood the essence of the University's history, building on the contributions of his predecessors. He had recognized the value of Dr. George Connell's *Renewal* and, rather than reinventing a direction, had moved quickly to develop and build on Dr. Connell's vision. This was a sign of wisdom. It had, of course, been very helpful to have an exceptionally fine planning team available in the Provost's Office. Another element of Professor Prichard's leadership had been his willingness to tackle the hard issues rather than avoid them. Among those issues had been the difficult decision to propose substantial increases in tuition fees to make up for a part of the decline in public funding, and the decision to abandon the Varsity Stadium development when it had become clear that it would not work out. Members of the Business Board were very appreciative of Professor Prichard's genuine commitment to governance, to which he had assigned a high priority, always being willing to take the time to share information, to consult, and to explain. Among Professor Prichard's accomplishments had been: his leadership in establishing the new arrangements for investment management; completion, along with Professor Finlayson, of the "re-thinking administration" reforms; the Campaign; the success in securing capital funding; the new tuition fee policy, brilliantly linking increases in tuition fees to increases in financial support for needy students; and the establishment of new employee relationships and contracts. Professor Prichard would leave the University an enormously better place, and one in which members of the Board could take great pride. It had been a privilege to be at the University during the Prichard era. The Chair thanked Professor Prichard for his leadership, his accessibility, and his commitment. All of this had made the job of members an easier and much more fulfilling one.

The President said that the Business Board carried out a very important function at the University. Good governance made the University a much better one, and the Board had made very large contributions since its establishment in 1988. The University was in very good condition in those areas under the purview of the Business Board. He thanked the Chair and all of the members of the Board. It had been a privilege for him and his colleagues - Professor Finlayson, Mr. White, Professor Sedra, Professor Munroe-Blum and Dr. Dellandrea - to work with the Board.

(b) Chair's Thanks to Members

The Chair thanked all members for their contributions to the Board's work over the past year. He offered special thanks to members who were completing their service on the Governing Council and on the Board.

- **Ms Shruti Dev-Nayyar** had recently graduated from the Faculty of Pharmacy. The Chair expressed gratitude for her contributions to the work of the Governing Council and the Business Board.

23. <u>Other Business: Chair's Remarks</u> (Cont'd)

(b) <u>Chair's Thanks to Members</u> (Cont'd)

- **Dr. Robert Kyle** had completed six years of distinguished service to governance at the University. His meticulous preparation and thoughtful contributions had been of enormous value to the Business Board.

- **Mr. Kashif Pirzada** had been an active member of the Board. He had come up to speed very quickly and had made a considerable contribution to the Board's work, raising members' awareness of such student issues as tuition fees

- **Dr. Alex Waugh** had become an institution on the Governing Council and in the University, and he was retiring from both. He had served on the Governing Council for ten and one half years, chairing the University Affairs Board, among other notable contributions to governance. He had been an outstanding servant of the University for over three decades and an extraordinary servant to its students, especially its part-time students.

- **Ms Judith Wilson** had been an articulate member of the Board and a champion of her colleagues on the administrative staff. She would now concentrate her extracurricular efforts on her work as an officer of the U of T local of the Steelworkers' Union.

- **Mr. Vilko Zbogar**, like Mr. Kashif Pirzada, had not been at all inhibited in his participation and in his raising the profile of a number of issues of concern to students. Mr. Zbogar had graduated from the Faculty of Law two days previously and would be married in about a week's time.

The Chair also thanked other members who would continue on the Governing Council but not on the Business Board. Professor Vivek Goel would serve as Vice-Chair of the Academic Board in 2000-01. Dr. Joseph Rotman and Mrs. Susan Scace would also be serving on other Governing Council bodies.

The meeting adjourned at 7:25 p.m.

Secretary Chair

August 3rd, 2000