

UNIVERSITY OF TORONTO

THE GOVERNING COUNCIL

REPORT NUMBER 208 OF THE BUSINESS BOARD

November 4, 2013

To the Governing Council,
University of Toronto.

Your Board reports that it met on Monday, November 4, 2013 at 5:00 p.m. in the Council Chamber, Simcoe Hall, with the following members present:

Mr. W. John Switzer (Chair)	
Mr. Jeff Collins (Vice-Chair)	
Professor Meric Gertler, President	Ms Sheila Brown, Chief Financial Officer
Professor Scott Mabury, Vice-President, University Operations	Mr. Paul Donoghue, Chief Administrative Officer, UTM
Professor Angela Hildyard, Vice-President, Human Resources & Equity	Ms Sally Garner, Executive Director, Planning & Budget Office
Professor John Bland	Ms Gail Milgrom, Assistant Vice-President, Campus and Facilities Planning
Mr. Ian Freedman	Mr. David Palmer, Vice-President, Advancement
Mr. Gary D. Goldberg	Mr. Ron Swail, Assistant Vice-President, Facilities & Services
Professor Avrum Gotlieb	Ms Judith Wolfson, Vice-President, University Relations
Mr. Arthur Heinmaa	
Mr. William Hewitt	
Mr. Mark Krembil	
Ms Nancy Lee	
Ms Rosanne Lopers-Sweetnam	Ms Sheree Drummond, Secretary
Ms Mainawati Rambali	
Ms Catherine Riddell	
Mr. Peter Robinson	
Mr. Howard Shearer	
Mr. Andrew Szende	
Mr. Christopher Thatcher	
Mr. Keith Thomas	
Ms B. Elizabeth Vosburgh	

Regrets:

Mr. Andrew Girgis	Ms Rita Tsang
Ms Zabeen Hirji	
Ms Paulette Kennedy	
Dr. Gary P. Mooney	

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In Attendance:

Ms Vinitha Gengatharan, Director, International Initiatives
Mr. Michael Kurts, Assistant Vice-President, Strategic Communications and Marketing
Ms Vanessa Laufer, Director, International Initiatives
Ms Rosie Parnass, Executive Director, Organization Development & Leadership Centre and
Work-Life Advisor, Office of the Vice-President, Human Resources & Equity
Ms Marny Scully, Assistant Vice-President, Government, Institutional and Community Relations
Ms Meredith Strong, Director of the Vice-President's Office and International Coordination

ALL ITEMS ARE REPORTED TO THE GOVERNING COUNCIL FOR INFORMATION.

The Chair welcomed President Meric Gertler to his first governance meeting since taking up office on November 1, 2013. The President thanked the Chair and all members for their continued contributions to governance. He said that what made a big job like his possible was the knowledge that there were excellent resources from him to draw up across the entire U of T family broadly-defined.

MAIN THEME - UNIVERSITY RELATIONS

1. Annual Report of the Vice-President, University Relations, 2012-13

The Chair noted that the main theme of the meeting was University Relations. He invited Ms Wolfson to introduce any colleagues from her division who were present and then to present her report. Ms Wolfson introduced: Mr. Michael Kurts, Assistant Vice-President, Strategic Communications and Marketing; Ms Marny Scully, Assistant Vice-President, Government, Institutional and Community Relations; Ms Meredith Strong, Director, Office of the Vice-President, University Relations, and International Coordination; Ms Vanessa Laufer, Director, International Initiatives (including specific responsibility for The Americas and Europe); and Ms Vinitha Gengatharan, Director, International Initiatives (including specific responsibility for Asia, South Asia and the Middle East).

Ms Wolfson then gave a presentation¹ which included the following:

- Institutional Research: The Institutional Research group, which was housed with Government, Institutional and Community Relations, was responsible for the submission of the data to ranking and survey organizations and the analyses of the results. This year's rankings were particularly impressive (e.g., a new ranking, the Global Employability University Ranking, placed UofT 14th in the world).
- Advocacy – Funding: While there were limited increases in direct funding from the Federal and Provincial governments in 2013, the University of Toronto had some success in advocating for specific funding envelopes that were available to postsecondary institutions at the federal level (the Canada Accelerator and Incubator Program, and the Building Canada Fund) and at the provincial level (Entrepreneurship Accelerator Fund).

¹ <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=10078>

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In addition, under President Naylor's leadership a proposal for a Research Excellence Fund was developed along with other institutions in the U15 and is the subject of Federal advocacy. Going forward funding for international graduate students would be a top advocacy priority for the portfolio.

- **Advocacy – Policy:** In the University's Strategic Mandate Agreement (SMA) the University of Toronto had put forward the need for a differentiated mandate. Discussions continued with the Ministry of Training, Colleges and Universities on the SMA, as well as on other matters such as program fees.
- **International Coordination:** An International Committee that had been formed to discuss international strategy, policy and coordination, had made significant progress towards providing Principals and Deans with tools to manage their international efforts more effectively and efficiently with more strategic centralized resources across the University.
- **International Collaboration:** The University was now approaching 20% of its undergraduate student and 25% of its Engineering Students. 43% of U of T researchers' papers were co-authored with collaborators outside of Canada.
- **International Strategy:** Strategy for improving the University's international presence and expansion of the University of Toronto brand; this involved a focus on visiting delegations (over 100 every year) and on outgoing delegations.
- **News and Media Relations:** Vehicle for reaching thousands of people across the world on a daily basis. Expansion of social media, including the launch of an instagram site, and the ongoing use of Facebook and Twitter.
- **Communications Tools:** Focus on providing tools for internal use as part of an integrated communications strategy (e.g., The Digital Media Bank). A Web Leadership Group was overseeing and guiding the University's web presence, to bring consistency, clarity and accuracy of online properties.
- **Marketing:** The University was currently conducting research on its national reputation. Plans were also underway to increase the University's international presence through marketing activities.
- **Engagement Example: 2015 Pan Am and Parapan Am Games:** The University had realized the opportunity to be a partner with all levels of government for this event while bringing improved infrastructure for members of both the University community and the broader community.
- **Focus for the coming year will be on a targeted international strategy, targeted broad messaging to bring focus to the U of T message, greater engagement with audiences through social media, and targeted messaging and engagement with government officials.**

In the discussion that followed a member asked whether there was a mechanism for governors to source the University's position on matters that were in the media that were not directly related to the University of Toronto. Ms Wolfson replied that there was not a specific resource for non-U of T matters but that governors were provided with briefing notes, such as provincial or federal budgets. In response to a question as to how the brand was managed in a decentralized institution, Ms Wolfson replied that this was a challenging issue and that there were some guidelines in place, for example for visual identity. She said that there was a focus on demonstrating to the internal community the value proposition of adhering to guidelines and ensuring consistency. A member asked how resourced the portfolio was to execute its priorities

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and how Ms Wolfson allocated her budget. Ms Wolfson replied that each year she would look at what the portfolio was trying to accomplish and would attribute the dollars to those goals. She said that as University Relations had a small budget there was a need to tap into colleagues around the University to collaboratively further its goals.

The Chair thanked Ms Wolfson and the members of her team for their work.

2. Health and Safety Policy

The Chair noted to members that the terms of reference specify that Governing Council approval was required for health and safety policies. He said that in this case, however, because there was no request for a new policy but only a continuation of the existing policy, approval by the Business Board was sufficient.

Professor Angela Hildyard advised members that annual approval was required to satisfy an external requirement. She said that the *Policy* had been reviewed by the senior Health and Safety Committee to see if any revisions were needed. It was determined that the *Policy* continued to capture what was needed.

On a motion duly made, seconded and carried.

YOUR BOARD RESOLVED

THAT the on-going application of the University of Toronto Health and Safety Policy, a copy of which is attached to Professor Hildyard's Memorandum to the Business Board dated October 22, 2013, be confirmed.

3. Terms of Reference of the Audit Committee, Section 5.1.1.(e.)

The Chair advised members that at its June 12, 2013 meeting the Audit Committee recommended that Section 5.1.1.1.(e.) of its Terms of Reference be removed. This arose from the fact that the Business Board Terms of Reference now assigned responsibility for the review of reports on investments of University funds to the Business Board. He indicated that as the authority for such activity now rests with the Business Board it was recommended that it be removed from the Terms of Reference of the Audit Committee. He noted to members that this should have proceeded to the Cycle 1 Business Board meeting but due to an oversight it was coming forward in this Cycle.

On a motion duly moved, seconded and carried.

YOUR BOARD RESOLVED

THAT Section 5.1.1.(e.). of the Terms of Reference of the Audit Committee be removed.

REPORT NUMBER 208 OF THE BUSINESS BOARD – November 4, 2013**4. *Policy on Use of the External Auditor for Non-Audit Services* – Revision**

Ms Brown advised members that the *Policy* had been in place since 2006 and had delegated to the Chief Financial Officer the authority to engage the external auditor, up to \$250,000 per assignment, for specific categories of pre-approved non-audit services. As part of a regular review of policies, the Audit Committee determined that a reduction in the delegation to the Chief Financial Officer from \$250,000 to \$100,000 would be appropriate given that since the inception of the *Policy*, no individual assignment had been large enough to exceed the delegation. She advised members that the Committee had also recommended the introduction of quarterly accumulative reporting by the Administration to the Audit Committee on payments to the external auditor for non-audit services.

On a motion duly moved, seconded and carried.

YOUR BOARD RESOLVED

THAT the revised *Policy on the Use of External Auditor for Non-Audit Services* dated October 9, 2013, be approved effective November 1, 2013.

5. Reports of the Administrative Assessors

Professor Mabury provided the Board with an update on plans for the Huron-Sussex neighbourhood further to a commitment made at the January 28, 2013 meeting. He advised members that the University was engaged in a planning study of the area. The University had hired Brook McIlroy to undertake the study, which was sponsored by the Huron-Sussex Residents Organization. He noted that the process had involved a number of well-attended public meetings. Professor Mabury commented that there was a real interest in intensification of the area, for example, mid-rise intensification along Spadina Ave. and Harbord St. as well as intensification of laneways. He commented that the University had a need for more faculty and student housing, noting that one possibility was for a mid-rise graduate student residence along Harbord St. This location would allow it to make use of the existing services provided at Graduate House on the corner of Spadina Ave. and Harbord St.

At the invitation of Professor Mabury Ms Milgrom commented that in her view the process surrounding the study had been a very rewarding exercise. She said that she felt that the University had developed a good understanding with the community on what their interests were and their desire to build a stronger, more sustainable neighbourhood.

Professor Mabury closed by indicating that he would continue to keep the Board updated and that when the study was completed he would provide a more comprehensive presentation.

The Chair asked how much time had been invested into this process. Professor Mabury replied that initial discussions had begun approximately two years ago under the leadership of Ms Elizabeth Sisam, former Assistant Vice President, Campus and Facilities Planning. He said that

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the University had taken a very collaborative and cooperative approach and that the process would take as long as it took.

Ms Brown commented on the Moody's Report. She said that the University had received an AA2 stable rating which was unchanged from last year. The Report, which was one of three credit ratings in support of the University's external debt program, was an excellent and clear presentation of Moody's methodology and view of the University. She noted that the main difference between the Moody's report and the other two reports (Standard and Poor's and Dominion Bond Rating Service) was that Moody's rated the Province at the same level as the University, whereas the other two rated the Province one level lower.

OPEN SESSION CONSENT AGENDA

The Chair drew members' attention to a Secretary's Note that had been added to the Minutes re item #5 (UTSC – Pan-Am Aquatics and Athletics Centre: Shareholders' Agreement) on the matter of the Legacy Fund. The text of the Note was as follows: "Subsequent to the meeting and in response to a question of a member regarding the use of the term "guarantee," Mr Arifuzzaman clarified that the Legacy Fund contributors (Federal and Provincial governments) have committed to investing into the TO2015 Sport Legacy Fund and that this fund would be used to support TPASC on an annual basis (provided completion of reporting requirements), thus the fund is enshrined in the legacy agreement for its duration."

On a motion duly moved, seconded, and carried

YOUR BOARD APPROVED

THAT the consent agenda be adopted.

6. Report of the Previous Meeting - Report Number 207 – September 23, 2013

The Report of the previous meeting was approved.

7. Business Arising from the Report of the Previous Meeting

8. Report Number 108 of the Audit Committee – October 9, 2013

9. Status Report on Debt to October 31, 2013

10. Capital Projects Report to October 31, 2013

11. Date of the Next Meeting – Monday, January 27, 2014, 5:00 p.m.

12. Other Business

No other business was raised.

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IN CAMERA ITEMS

On a motion duly made, seconded and carried,

IT WAS RESOLVED

THAT pursuant to section 33(i) of By-Law Number 2, the Board meet *in camera* to consider agenda items 13 and 14, with other members of the Governing Council, the Board's assessors, Secretariat, and any staff members invited by the assessors invited to remain in attendance.

THE BOARD MOVED *IN CAMERA*.

13. Quarterly Report on Gifts and Pledges over \$250,000, August 1 – October 31, 2013

14. Reports of the Administrative Assessors

Professor Mabury reported on a real estate matter, a capital project matter and a legal matter.

The Board returned to open session.

The meeting adjourned at 6:15 p.m.

Secretary

Chair

November 5, 2013