To the Governing Council,
University of Toronto.

Your Board reports that it met on Wednesday, March 21, 2018 at 5:00 p.m. in the Council Chamber, Simcoe Hall, with the following members present:

Preet Banerjee (Acting Chair)
Meric Gertler, President
Scott Mabury, Vice-President, University Operations
Kelly Hannah-Moffat, Vice-President, Human Resources and Equity
Sheila Brown, Chief Financial Officer
Andrew Binkley
Robert G. Boeckner
Harvey T. Botting
David Bowden
P.C. Choo
Sara Gelgor
Gary D. Goldberg
Sue Graham-Nutter
Ian Peter Hutson
Jan Mahrt-Smith
Brian A. Miron*
John Paul Morgan
Howard Shearer
Chris Thatcher
Bruce Winter

Non-Voting Assessors:
Cheryl Regehr, Vice-President & Provost
Gilbert Delgado, Chief, Planning, Design and Construction
Trevor Rodgers, Executive Director, Planning and Budget

Secretariat:
Sheree Drummond, Secretary of the Governing Council
Patrick F. McNeill, Secretary

*participated via conference call for open session

Regrets:
Catherine Bragg
Avrum Gotlieb
Mala Kashyap
Mark Krembil
Brian Lawson
Keith Thomas
Emeli (Li) Zhang
ITEMS 1(a.), 1(b.) and 2 ARE RECOMMENDED TO THE GOVERNING COUNCIL FOR APPROVAL. ALL OTHER ITEMS ARE REPORTED TO THE GOVERNING COUNCIL FOR INFORMATION.

Pursuant to section 33(i) of By-Law Number 2, items 14-19 were considered in camera.

MAIN THEMES: STUDENT FEES AND THE BUDGET

The Acting Chair advised members that the main theme of the meeting was ‘student fees and the budget’. Preet Banerjee made reference to two background reports that had been provided: under Item 1(c) Annual Report on Student Financial Support; and Item 1(d) Enrolment Report. He thanked those members who were able to attend the budget preview information session held on February 20, 2018.

Professors Regehr, Mabury and Mr. Rodgers delivered a joint presentation on the Budget Report for 2018-2019.

In providing the context for the Report, the following areas were highlighted:
- student enrolment and divisional plans;
- expenses related to faculty and staff compensation, including pension plan deficit payments;
- support for capital projects and University-wide shared services;
- student financial support; and
- University Fund allocations for 2018-19.

The Provost presented a balanced budget for 2018-2019, with funding set aside for key priorities: new faculty positions (78 full-time equivalents); Information Technology (IT) infrastructure and services; student aid and graduate funding packages; student support services (including accessibility); experiential learning and international experiences; library acquisitions and services; deferred maintenance, classroom renewal, capital projects; and, Indigenous curricular initiatives in
response to the Truth and Reconciliation Commission (TRC) steering committee report. The Acting Chair thanked the Provost, Vice-President Mabury and Mr. Rodgers for their presentation.

President Meric Gertler expressed his strong and unequivocal support for the Budget and Long Range Budget Guidelines, as presented. The President stated that, in his opinion, the budget was both prudent and cautious; and driven by academic priorities. He commented on how well the budget model had served the University for the past decade; and on the scale and complexity of the operating budget ($2.7 billion), which was comparable to some of the largest cities in Canada. Professor Gertler expressed particular support for the important policy decision to reduce graduate tuition fees for international students; and noted that this had garnered attention by other institutions and by alumni around the world.

The President extended his thanks to the Board for their insight and wisdom in considering the budget; and to the administrative team for producing a viable and prudent budget report.

In response to Members’ questions and comments, Professors Regehr and Mabury stated that the University expected continued uptake of entrance offers by international students based on the projections; and that the demand and quality of international applicants for PhD programs had remained strong.

1. **Tuition Fees**

   a) **Tuition fee Schedule for Publicly Funded Programs, 2018-19**

   On the recommendation of the Vice-President, University Operations,

   YOUR BOARD RECOMMENDED TO THE GOVERNING COUNCIL

   THAT the Tuition Fee Schedule for Publicly-Funded Programs in 2018-19 as described in Tuition Fee Schedule for Publicly-Funded Programs 2018-19 (February 16, 2018) be approved.

   b) **Tuition Fee Schedule for Self-Funded Programs, 2018-19**

   On the recommendation of the Vice-President, University Operations,

   YOUR BOARD RECOMMENDED TO THE GOVERNING COUNCIL

   THAT the Tuition Fee Schedule for Self-Funded Programs, 2018-19 be approved.

   c) **Annual Report on Student Financial Support: Report of the Vice-Provost, Students 2016-17**

   The Acting Chair noted that the Report was intended as background to the tuition fee schedule and that it was reviewed on February 27, 2018 by the Committee on Academic Policy and Programs,
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which was the body responsible for student financial support. There were no questions from members.

Item 1 – Tuition Fees Continued:

   d) Enrolment Report, 2017-18

The Acting Chair advised members that the Enrolment Report had been reviewed by the Planning and Budget Committee on February 28, 2018, which was responsible for enrolment planning.

There were no questions from members.


   On the recommendation of the Vice-President, University Operations,

   YOUR BOARD RECOMMENDED TO THE GOVERNING COUNCIL

   THAT the Business Board concur with the recommendation of the Academic Board,

   THAT the Budget Report, 2018-19 be approved, and

   THAT the Long Range Budget Guidelines 2018-19 to 2022-23 be approved in principle.

3. Academic Incidental Fees

   a) Category 6, Administrative User Fees and Fines, 2018-19

   On motion duly moved, seconded and carried

   IT WAS RESOLVED

   THAT the fees listed in Appendix A of the Report entitled Category 6, Administrative User Fees and Fines, 2018-19 be added to the Administrative User Fees and Fines Schedule for 2018-19.


   b) Category 5 Cost-Recovery Ancillary Fees, 2018-19 and Category 6, Administrative User Fees and Fines, 2018-19

The report was received by the Board for information.

Sheila Brown provided background with respect to government support for graduate expansion as contained in the *Framework for Graduate Expansion* which had been previously approved by Governing Council; the Business Board had previously approved borrowing for graduate capital expansion and renovation projects as part of Phase 2 of the Government funding. She stated that given the projection of a $15.6 million surplus, the University was proposing to increase the notional capital value by $10 million ($12.7 million including interest at 5%); with the additional loan, the projected surplus would be reduced from $15.6 million to $2.9 million.

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT the Chief Financial Officer be authorized to arrange borrowing of $10 million from either internal or external sources to be used for the allocation of graduate expansion capital and renovation projects.


Professor Hannah-Moffat apprised the Board of incidents that had occurred during the last quarter, for which the University had incurred no liability. During the reporting period (January 1, 2018 to March 5, 2018), the Ministry of Labour had visited the St. George Campus four times due to complaints. One order was issued regarding one unit’s internal communication processes with regard to health and safety concerns. Two visits had occurred with reference to an external contractor working at the university; and no orders had been issued.

The VPHRE stated that based on the reports received through the operation of the *Occupational Health and Safety Policy*, and to the best of her knowledge, the University was in compliance with its health and safety obligations. The report was received by the Board for information.

6. Reports of the Administrative Assessors

Update – Lab Innovation for Toronto (LIFT) Project

Professor Mabury provided an update on the Lab Innovation for Toronto (LIFT) Project noting that all projects would be near completion prior to the end of April in order to meet the funding deadline under the Federal Government’s Post-Secondary Institutions Strategic Innovation Fund (SIF) program in the amount of $83.7 million – no extension for completion of projects and related funding would be requested by the University.

Professor Mabury reported that all in, the total project costs for LIFT was approximately $189 million for 56 projects in 20 separate buildings spread across the tri-campus; LIFT was one of the most complex and completed projects ever undertaken by the University. He expressed his appreciation to his team, as well as to all faculty, staff and students who accommodated the remedial and deferred maintenance work without the use of swing space for each of the labs.
Greenhouse Gas Campus Retrofits Program (GGRP)
Scott Mabury stated that his office was in the process of reviewing contracts related to the grant funding agreement for the tri-campus combined program – the University had received $27 million in innovation funding from the Province.

Members commented on the University’s unique ability to respond quickly to both the SIP and GGRP funding calls and to deliver on the projects on such short notice; it was a testament to the administration’s ability to work together with governors to successfully undertake such capital projects.

Standard & Poor’s (S&P) Global Ratings
Sheila Brown reported that the latest credit report from Standard & Poor’s had affirmed their credit rating for U of T at AA+ Stable, unchanged from their previous rating, and three levels higher than their credit rating for the Province of Ontario. This was the second highest rating that S&P assigns. The S&P report would be placed on the consent agenda for the April 23, 2018 Business Board meeting.

OPEN SESSION CONSENT AGENDA

On a motion duly moved, seconded, and carried

YOUR BOARD APPROVED

THAT the consent agenda be adopted.

7. Reports of the Previous Meetings

Report Number 231 (January 29, 2018); and Special Meeting Report 238 (March 8, 2018), were approved.

8. Business Arising from the Report of the Previous Meeting

There was no business arising from the Reports of the previous meetings.

9. Status Report on Debt to January 31, 2018

Members received the status report on debt to January 31, 2018, for information.

10. Moody’s Investors Service, Credit Opinion (February 12, 2018)

Members received the updated Moody’s Investors Service, Credit Opinion, for information.

11. Service Ancillaries Operating Plans, 2018-2019

Members received the Service Ancillaries Operating Plans, 2018-2019, for information.
12. Capital Projects Report to February 28, 2018

Members received the Capital Projects Report to February 28, 2018, for information.

CLOSING ADMINISTRATIVE MATTERS

13. Date of the Next Meeting – Monday, April 23, 2018

The Acting Chair reminded members that the date of the next meeting was Monday, April 23, 2018 at 5:00 p.m.

There was no new business.

THE BOARD MOVED IN CAMERA

14. Quarterly List of Donations of $250,000 or more to the University of Toronto: November 1, 2017 - January 31, 2018

The Quarterly Report was received by the Board for information.

15. In Camera Reports of the Administrative Assessors

The were no in camera reports from the Administrative Assessors.

16. Collective Agreement: University of Toronto and CUPE 3902, Unit 1

The Collective Agreement was received by the Board for information.

17. Revised Salary Structure for Professional/Managerial and Confidential Staff; and Revisions to Policies for Professional and Managerial Staff (Section 3.01.06 (a))

On a motion duly moved, seconded and carried

YOUR BOARD APPROVED

The recommendation of Professor Meric Gertler, President, as outlined in the memorandum dated March 9, 2018, regarding the revised salary structure for Professional/Managerial and Confidential Staff; and Revisions to Policies for Professional and Managerial Staff (Section 3.01.06 (a)).
18. Benefit Plan Improvements for Professional/Managerial and Confidential Staff, Research Associates and Senior Research Associates

On a motion duly moved, seconded and carried

YOUR BOARD APPROVED

The recommendation of Professor Meric Gertler, President, as outlined in the memorandum dated March 9, 2018, regarding the benefit plan improvements for Professional/Managerial and Confidential Staff, Research Associates and Senior Research Associates.

19. Capital Project: Transforming the Instructional Landscape (St. George Campus) - Execution of Project

On a motion duly moved, seconded and carried

YOUR BOARD APPROVED

The recommendation of Professor Scott Mabury, Vice-President, University Operations, as outlined in the memorandum dated March 12, 2018, regarding the execution of the Transforming the Instructional Landscape (St. George Campus) capital project.

The Board returned to open session.

The meeting adjourned at 6:50 p.m.

Secretary                      Acting Chair

March 22, 2018