

THE UNIVERSITY OF TORONTO
THE GOVERNING COUNCIL
REPORT NUMBER 122 OF THE BUSINESS BOARD

January 20, 2003

To the Governing Council,
University of Toronto.

Your Board reports that it met on Monday, January 20, 2003 at 5:00 p.m. in the Council Chamber, Simcoe Hall, with the following members present:

Mr. Amir Shalaby (In the Chair)
Ms. Jacqueline Orange, Vice-Chair
Dr. Thomas H. Simpson, Chair
of the Governing Council
Professor Robert J. Birgeneau, President
Mr. Felix P. Chee, Vice-President,
Business Affairs
Professor Angela Hildyard,
Vice-President, Human Resources
Mr. Mark Braun
Dr. Claude S. Davis
Professor Sherwin S. Desser
Ms. Susan Eng
Mr. Gerald A. Lokash
Ms. Kim McLean
Mr. Roger P. Parkinson
Mr. John F. (Jack) Petch
Mr. Chris Ramsaroop
Mr. Robert S. Weiss

Professor Shirley Neuman, Vice-
President and Provost
Professor Carolyn Tuohy, Acting
Vice-President, Research and
International Relations
Mr. John Bisanti, Chief Capital Projects
Officer
Ms. Sheila Brown, Controller and
Director of Financial Services
Professor Derek McCammond,
Vice-Provost, Planning and Budget
Professor Ronald D. Venter, Vice-
Provost, Space and Facilities
Planning

Secretariat:

Mr. Neil Dobbs, Secretary
Mrs. Beverley Stefureak

Regrets:

Mr. Donald A. Burwash
Mr. Brian Davis
Mr. H. Garfield Emerson
Mr. Paul V. Godfrey
Ms. Shirley Hoy
Professor Brian A. Langille

Mr. George E. Myhal
Mr. Richard Nunn
The Hon. David R. Peterson
Mr. Timothy Reid
Ms. Carol Stephenson
Mr. John H. Tory

In Attendance:

Professor W. Raymond Cummins, Member, The Governing Council
Dr. George Adams, President and Chief Executive Officer, University of Toronto Innovations
Foundation
Mr. Don Beaton, Director, Real Estate Department
Mr. Paul Donoghue, Chief Administrative Officer, University of Toronto at Mississauga
Ms. Rivi Frankle, Assistant Vice-President, Alumni and Development
Mr. Gary Goldberg, Chairman of the Board, University of Toronto Innovations Foundation
Professor George Luste, President, University of Toronto Faculty Association
Mr. Brian Marshall, Director of Human Resources

In Attendance: (cont'd)

Mr. Peter McAlister, Development Manager, Project Management, Design and Construction,
University of Toronto at Mississauga

Mr. Steve Moate, Senior Employment Relations Legal Counsel

Professor David Naylor, Dean, Faculty of Medicine

Ms. Rosie Parnass, Quality of Work Life Advisor and Special Assistant to the Vice-President,
Human Resources

Professor Tas Venetsanopoulos, Dean, Faculty of Applied Science and Engineering

ITEM 7 IS RECOMMENDED FOR APPROVAL. ALL OTHER ITEMS ARE FOR INFORMATION.

1. Report of the Previous Meeting - Report Number 121 - November 11, 2002

Report Number 121 (November 11, 2002) was approved.

2. Business Arising from the Report of the Previous Meeting

There was no business arising.

3. Vice-President, Human Resources: Annual Report, 2001 – 2002

The Chair invited Professor Hildyard to make her annual report. She began by introducing and expressing thanks to some of the colleagues who contributed to the success of the office: Mr. Marshall, Mr. Moate, and Ms. Parnass.

Speaking from a PowerPoint presentation, Professor Hildyard reviewed her 2001-02 Annual Report which had been outlined in more detail under cover of her memorandum of January 13, 2003. In the eighteen months since she had assumed the position, four main principles had guided the development of the portfolio: equity and diversity; enhanced service to facilitate the academic mission; communication through listening and sharing of information; and, collaboration toward joint problem identification and resolution.

Addressing first the principles of equity and diversity, Professor Hildyard reported that the position of Quality of Work Life Advisor had been established. One of the immediate goals of this office was to survey faculty and staff to identify worklife problems and issues faced by them. The Employee Assistance Program, which now reported to this office, had been expanded to include a help line for faculty and staff with legal problems. Employees could call to seek advice or be referred elsewhere for more advanced assistance. The line had been well utilized.

The Family Care Office, which now reported jointly to the Director of Student Services and the Quality of Work Life Advisor, had offered a number of new workshops and support covering a wide range of issues. The mandate of the Lesbian Gay Bisexual Transgendered and Queer Resources and Programs Coordinator, reporting jointly to the Vice-President, Human Resources and the Director of Student Affairs, had been expanded beyond students to allow support for and advice to faculty and staff.

The Office had undertaken a number of diversity demonstration projects, seeking ways to improve the skills of front-line staff in dealing with diversity among the students with whom they worked. New diversity training had been initiated and there were continuing efforts to be more successful in the recruitment of diverse administrative staff as well as faculty and to incorporate diversity in hiring practices. She informed members that an Equity and Excellence Conference would be held on campus between March 21 to 23, as part of the University's 175th anniversary

3. Vice-President, Human Resources: Annual Report, 2001 – 2002 (cont'd)

celebrations and coinciding with the International Day Against Racism. A large and representative committee was working on the conference and she invited members to attend events like the film festival and the art show.

Professor Hildyard reported that in keeping with the objective of enhanced services there had been improvements to the Human Resources website, which would soon provide an interactive site for staff to determine estimated pension benefits in a variety of scenarios. A Health and Well-Being unit would be opening on February 1, headed by Ms. Myra Lefkowitz. The mandate of the new office was to improve accommodation and return-to-work practices for disabled faculty and staff. This Office would also work with unions and Joint Health and Safety Committees to provide proactive advice and programming. The Payroll Office had been expanded to improve its ability to respond to questions. Better training for divisional business officers had been implemented to enable them to provide good responses to faculty and staff on salary and benefits issues. Her office had worked with the Vice-Provost, Faculty to develop and successfully deliver training programs for new academic administrators. A large number of staff had taken advantage of training programs and she was working with the United Steelworkers of America (USWA) and the professional/managerial group to improve programs and participation.

Professor Hildyard gave as examples of wider communication with staff and faculty the very successful pension forums for faculty and staff, and the breakfast series for professional/managerial female staff designed to provide and enhance networking opportunities.

Aiming for enhanced collaboration, Professor Hildyard had established a number of working committees, one of which was the asbestos task force. Eight unions were represented on the task force and members were vocal and knowledgeable. Discussions there had raised the awareness among administrators of the issues and problems. One of her goals was to move toward interest-based bargaining and a problem-solving approach in mediation. Professor Hildyard indicated that she now dedicated about a day a week to hearing step four grievances and resolving them through a process of problem solving. She hoped to encourage divisions to adopt this approach so as to resolve grievances at an earlier stage.

Professor Hildyard identified several challenges for the next eighteen to twenty-four months. She hoped that her objectives for equity and diversity would be interwoven throughout all human resources practices but indicated that this presented some difficulties because of the University's decentralized model of human resources administration. There would also be the need for proactive efforts in the area of career development to ensure good succession planning. Following the implementation of pay equity, there had been significant compensation issues within the University among various staff groups, and the design of new job evaluations was currently underway. This was an issue that arose in negotiations with USWA and it was decided that the implementation of a revised evaluation system would occur in time for the next contract. An external consultant's work on job evaluations with the professional/managerial group was almost complete. Finally, Professor Hildyard indicated a hope to change the occupational health and safety culture on campus. This was an area that required substantial improvement which could be achieved only by a cooperative effort among all concerned.

In ending her report, Professor Hildyard acknowledged the heavy dependence on the staff around her. In particular, she noted that Brian Marshall would be taking an early retirement at the end of March and that he would be a very difficult colleague to replace. Mr. Marshall had worked successfully with nineteen unions over many years and the University would be seeking an individual with an equal and exceptionally strong human resources skill-set.

The Chair recognized and thanked Mr. Marshall for his outstanding service to the University and members showed their appreciation with applause.

3. Vice-President, Human Resources: Annual Report, 2001 – 2002 (cont'd)

Several members commended Professor Hildyard on a well-balanced and thoughtful report. A member asked how the students might be included in the development of a new occupational health and safety culture on campus. Professor Hildyard said that, in the development of the new policy on asbestos control, she hoped to raise awareness among students of that issue. Though she had no specific answer on the general question now, it was under consideration. In response to another question, Professor Hildyard indicated that surveys on quality of work life were currently underway. Depending on the success of those, the survey technique may be used again to measure employee satisfaction.

A member noted serious concerns with pedestrian safety in crossing St. George Street and between Queen's Park and the campus. Professor Venter responded that the administration, in response to urging by the Dean of Applied Science and Engineering, was in discussion with the City of Toronto on establishing pedestrian right-of-way areas along St. George Street. If that could be achieved, attention would turn to Queen's Park Crescent.

4. Capital Projects: Report

Mr. Bisanti introduced the updated Capital Projects Report that had been distributed under cover of his memorandum of January 20, 2003. A pie chart projected in PowerPoint indicated that the distribution of the priority A1 projects included \$383.3 million of academic projects and \$146.34 million of non-academic, for a total capital program of approximately \$530 million. Of the non-academic projects, the Business Board had approved \$106.43 million; of the academic projects, the Board had approved \$212 million.

A member asked why on page 1 of the Capital Plan attached to Mr. Bisanti's memorandum it appeared that a large amount of some completed projects had not been fully paid. Professor Venter indicated that the differences represented delays in processing and final financial reporting on projects.

5. Capital Project: U of T at Mississauga: Centre for Communication, Culture, and Information Technology

The Chair welcomed Mr. Paul Donoghue and Mr. Peter McAlister from the University of Toronto at Mississauga to the meeting for this item.

Mr. Bisanti spoke to a PowerPoint presentation which highlighted his memorandum of January 20, 2003 and illustrated model views of the location of the building on the site plan and the master plan, and the interior and the exterior of the building, as well as the progress of construction as of early January. The Centre for Communication, Culture and Information Technology had been reviewed twice before when the Business Board had approved expenditures of \$2.5 million and \$12.9 million, the latter for an underground parking garage. Mr. Bisanti reviewed aspects of the joint program for which this 116,250 gross-square-foot building was planned. The project was expected to cost \$34.672 million, of which \$26.426 million was in place. The funding shortfall would be addressed through future donations or, in the event that fund-raising was not successful, by means of a loan to be repaid through UTM's share of enrolment growth funding. With the underground parking garage nearing completion, the Centre had been tendered. Five good bids had been received with only a 2% difference between the lowest and the highest. The lowest had been more than the project's budget allowed, and the project team had been able to work with the general contractor to bring the cost in line with the funding envelope. If this

recommendation were approved, the administration would proceed to formally award the contract.

5. Capital Project: U of T at Mississauga: Centre for Communication, Culture, and Information Technology (cont'd)

In discussion that followed, members were informed that, if the shortfall were to be funded through a loan repaid from enrolment growth funds, the cost to UTM would be approximately \$800,000 per year. A member asked why the \$8 million funding gap did not appear in the "Funding Gap" column of the table outlining the Capital Plan for Buildings and Projects in Excess of \$2 million discussed in item 4(a). Professor Venter responded that the \$8 million was, in fact, part of the \$10.66 million shown in the "Funding Secured – Debt" column of that table. Figures shown in the "Funding Gap" sections of the table were those for which no firm source of funding had yet been identified, whereas there was no uncertainty about the security of the \$8 million which was to be derived from planned enrolment growth funding. Fund-raising would continue and, if successful, would reduce the commitment on the enrolment growth funds. Mr. Chee agreed, noting that, although all projects in the A1 category would proceed, the total of the "Funding Gap" column (\$47.99 million) should be thought of as a "debt gap", an amount for which, to date, no sources of funding had been identified.

To a further question about the basis on which future enrolment funding had been projected, Professor McCammond said that it was student-volume driven. The repayment plan also depended on an aspect of the enrolment expansion plan, of which the Board had been aware, proposing that 90% of the growth funding be returned to UTM, rather than the normal 75%. This was specifically in recognition of their imminent and disproportionate need for funds to service capital debt.

A member asked if there were guidelines to determine which projects would be designated as A1 priority and if there were policy limitations on the total capital debt that could be undertaken. Likewise, was there a guideline on how much of the project funding needed to be in hand before the project moved up to the A1 list? Mr. Chee responded that there were no overall limitations and that decisions with respect to projects were made on the basis of affordability. In the cases of academic buildings, the administration also considered whether the proposed building was needed in order for the University to fulfill its academic mission. The exceptions to these general principles were ancillaries' projects. Ancillaries were self-funded and the business plan for a proposed project must make the case that capital financing could be managed within annual break-even budgets.

Considering whether guidelines were needed, Mr. Chee indicated that, because of the myriad of funding sources for most buildings, meaningful guidelines would be very difficult to develop. It was his view that, instead, the overall sustainable level of debt was the significant consideration. The constraint was what the market would allow the University to borrow. Currently, the University had outstanding debt of approximately \$220 million. Total debt should be no more than one-third of net assets. Net assets were currently \$1.5 billion which allowed a debt limit of approximately \$500 million, so the University was well within what the market would allow. Current debt service was about 5% of the operating budget and, in his view, this was acceptable.

A member noted that it would be helpful to see estimated costs for deferred maintenance included in the financial information provided in capital projects updates. Mr. Chee undertook to provide that information with a future update.

On the recommendation of the Vice-President, Business Affairs,

YOUR BOARD APPROVED

THAT the Vice-President, Business Affairs be authorized to expend up to \$34.672-million for the construction of the Communication, Culture and Information Technology Building at the University of Toronto at Mississauga.

6. Capital Project: St. George Campus: Centre for Cellular and Biomolecular Research

The Chair welcomed Dean Venetsanopolous to the meeting and invited Mr. Bisanti to introduce the item.

Mr. Bisanti, reviewing his memorandum of January 20, 2003, recalled that in June 2001 the Business Board had approved an expenditure of \$10 million to allow for this extraordinarily complex project to get underway. Originally, it had been anticipated that the project cost would be \$105 million. This had been reduced to \$85.1 million, including shelling in five floors for future development. The cost of the project had been increased by \$2.5 million by the decision to include an atrium linking the adjacent Rosebrugh and Medical Sciences buildings, bringing the total cost to \$87.6 million. This additional cost would be funded by a recently identified donor. \$73.5 million of the project funding was in place and, if fund-raising for the remaining \$14.1 million were unsuccessful, the shortfall would be addressed through the use of additional operating grants for increased graduate enrolment in the Faculties of Medicine, Pharmacy and Applied Science and Engineering.

In reviewing the current status of the project, Mr. Bisanti informed members that working drawings were 65% complete and that Phase I tendering, which included excavation, sheeting and shoring, had resulted in six bids. In order to proceed, the administration required an additional \$5 million which would allow the awarding of the Phase I contract and other preliminary work. It was hoped that work could be commenced the first week of February. The Phase II package for the entire building would go to tender in May 2003, and he hoped to request approval to execute from the Board in June.

At the request of a member, the Chair asked that additional information be provided concerning the decision to add to the scope of the project.

A member expressed concern about the manner in which this, and other, capital projects were approved. If this were approved, \$15 million would have been committed which left the Board with little choice but to approve the execution of the remainder of the project at a later date, whether or not funding was in place. The Chair agreed that the approval process seemed imperfect. However, it had become necessary to proceed in this way in recent years because of the tremendous pressure of academic needs in an era of rapidly expanding enrolment and because of funders' requirements in an environment where capital funding came from a variety of government sources. The President added that, in the case of this project, greater urgency came as a result of SuperBuild funding which had been in place for three years and which the University risked losing unless the project commenced. He was confident that any continuing funding shortfall could easily be addressed through the increased graduate enrolment. Mr. Chee concluded by adding that it was the usual process to ask for execution in stages. The administration could ask for approval of the full amount now but, because only the \$15 million envelope was needed, they preferred to request approval to execute Phase II after it had been tendered and the numbers were firm.

Adding further assurance that the funding was secure, Professor McCammond recalled that a condition of the SuperBuild grant was a commitment from the University to accept 100 additional doctoral students in the Faculty of Medicine in response to the demand for places. The Government had recently announced that funds would be available for increased graduate student enrolment and the University had committed to use the funds associated with the extra students for CCBR debt service costs. Invited to comment, Professor Venetsanopolous assured

members that the possible debt assignable to the Faculty of Applied Science and Engineering would translate into roughly \$210,000 annually, which could be easily managed with increased graduate student funding.

6. Capital Project: St. George Campus: Centre for Cellular and Biomolecular Research (cont'd)

On the recommendation of the Vice-President, Business Affairs,

YOUR BOARD APPROVED

THAT the Vice-President, Business Affairs be authorized to expend up to an additional \$5-million to complete site service relocations, excavation, sheeting and shoring work for the Centre for Cellular and Biomolecular Research.

7. Capital Project: University of Toronto at Scarborough: Parking Expansion and Right-of-Way Improvements

Mr. Bisanti's memorandum of January 20, 2003 (attached as Appendix "A") outlined in detail the background to this proposal and the financial and planning implications. He recalled that this project had been discussed as part of the presentations on the Academic Resource Centre at the UTSC in 2001 and in 2002. The Government had provided a SuperBuild grant of \$9.27 million for the construction of a Centennial College campus on University-owned land at UTSC, leased to Centennial College. Increased enrolment at the UTSC, as well as City of Toronto parking by-law regulations related to the new College and University buildings on the UTSC campus had created an urgent need for an additional 2,399 parking spaces. The UTSC Master Plan had anticipated this need and assigned for this purpose land that was not currently appropriate for anything other than surface use. In addition to increased parking facilities, right-of-way improvements were required. Financial Services had rigorously reviewed the business plan and their analysis was part of the memorandum of January 29. Funding for the project would be an allocation from the UTSC parking ancillary, surplus within the Academic Resource Centre project, contributions from Centennial College as part of an agreement with them, a contribution from UTSC of funds derived from the SuperBuild Lease Agreement and mortgage financing, amortized over a 25-year period at 8%.

The financing of the mortgage presumed defined increases in parking rates up to and including 2007-08. Accordingly, the Board was asked to concur with the recommendation from the University Affairs Board that these rates be approved.

A member asked what the cost was for a parking pass at UTSC. The Chair indicated that this was a matter that would be considered by the University Affairs Board. Ms. McLean, speaking as Chief Administrative Officer at UTSC, was able to assure the member that the cost, even with the increases, would be lower than a TTC pass. *(It was subsequently noted that parking rates for 2003-04 would be \$359; for 2004-05 they would be \$449.)*

Because of the City of Toronto by-law requirements, this parking facility had to be in place when the additional students enrolled in September 2003. Mr. Bisanti hoped the project could be tendered in March 2003.

On the recommendation of the Vice-President, Business Affairs,

Subject to Governing Council approval of the prospective recommendation of the University Affairs Board that, to meet the funding requirements of the Outer Parking Facility, that approval be given to allow the University of Toronto at Scarborough

parking ancillary to increase fees by 25% in each of 2003-04 and 2004-05 and by a minimum of 5% for each of 2005-06, 2006-07, and 2007-08, with the understanding that an increase of a higher percentage may be approved by the University Affairs Board on an annual basis, if needed to meet currently unforeseen circumstances,

7. Capital Project: University of Toronto at Scarborough: Parking Expansion and Right-of-Way Improvements (cont'd)

YOUR BOARD CONCURS with the recommendation of the Academic Board

THAT the proposed capital project to expand and renovate the outer parking facilities at the University of Toronto at Scarborough, to allow for the provision of a total of 2,399 parking spaces, and right-of-way improvements, at a cost of \$10,150,000, be approved, with funding sources as follows:

For the Outer Parking Facilities:

- UTSC Parking Ancillary allocation of \$232,000,
- Contribution identified within the Academic Resource Centre project of \$184,000,
- Financing of a mortgage in the amount of \$7.8 million to be repaid from parking fee revenues over a 25-year amortization period at 8% per annum.

For the Right-of-Way Improvements:

- Contribution from Centennial College for \$790,000 to support right-of-way improvements, consistent with an agreement with Centennial College.
- Contribution from UTSC of \$1,110,000 derived from the funds received from the Centennial College SuperBuild Lease Agreement.

On the recommendation of the Vice-President, Business Affairs,

YOUR BOARD APPROVED

Subject to Governing Council approval in principle of the project,

THAT the Vice-President - Business Affairs be authorized to expend \$10,150,000 for the construction of the Outer Parking Facilities and the Right-of-Way Improvements.

8. Capital Projects: Design Review Committee: Annual Report

Professor Venter spoke briefly to a PowerPoint presentation on the first Annual Report of the Design Review Committee, which had been circulated with the Agenda. This was an advisory committee to the President, chaired by Professor Venter and comprising 2 internal architects, 2 external architects, 3 representatives from governance and an administrative representative from each campus. The Committee met about once a month usually to review any two of the many on-going capital projects. The focus of the Committee was the exterior appearance relative to how a building would integrate into its surroundings on campus. The Committee met with the appointed architectural group twice – once to review the conceptual design and once to discuss the landscaping. In total during 2001-02 the Committee had met ten times to review nineteen projects. Professor Venter closed his presentation with a note of appreciation to the Committee for the excellent job they had done.

A member asked what the objectives of the Committee were. Professor Venter replied that the Committee addressed the quality of architectural design, innovative aspects of the design and how the proposed building form interrelated to the surrounding buildings within the established

Campus Master Plan of the University. Good design and functionality were important issues; the building had to fit well within what was broadly recognized as an extremely architecturally diverse community of buildings. Landscaping around the buildings as well as the planned palette of exterior building materials were also important considerations. Usually building site

8. Capital Projects: Design Review Committee: Annual Report (cont'd)

footprints were tight. The legacy of the Committee, hopefully, would be new buildings that would enhance the campus and provide welcoming and comfortable environments in which to live, work and study.

A member asked for an update on University College and on SuperBuild. Mr. Bisanti reported that the University College project was back on track. Meetings were scheduled with the City of Toronto for next week and City officials seemed supportive of the project. This may be a window of opportunity that would allow completion of the project in time for opening in September 2004.

Professor Neuman was invited to provide the update on SuperBuild. She said that an announcement had been made by the Provincial Government in December that more SuperBuild funds would flow to the universities, but there had been no detail about the amount. Guidelines for applications were clear. Funding would be differentially awarded on the basis of the number of students that universities had taken and the results of Government and COU analyses of net assignable square metres (nasm) per student. Relative to both of these factors, the University of Toronto should be favourably considered. A submission was being prepared within the Provincial guidelines that limited applications to new space for faculty and classrooms. The submission would address new construction to support enrolment increases at the University of Toronto at Mississauga and the University of Toronto at Scarborough as well as some renovation at St. George campus. The requirement for matching funds would be met by already committed capital funding. She hoped the applications would be reviewed soon and an announcement made by the end of next month.

9. University of Toronto Innovations Foundation - Annual Report and Financial Statements, 2001-02

The Chair welcomed Mr. Gary Goldberg, Dr. George Adams and Professor Carolyn Tuohy and thanked them for being present to respond to questions if required. The *Innovations Foundation Financial Statements 2001-02* had been placed on the table. With the agreement of members, he noted that this was a consent agenda item and asked Mr. Weiss, Chair of the Audit Committee, to make brief comments prior to consideration of the motion.

Mr. Weiss briefly reviewed the process by which this item came to Business Board and provided highlights of the Audit Committee's review of these financial statements. He reminded members of the purpose of the Innovations Foundation and noted that the Foundation had had another successful year. He referred members to the Report of the Audit Committee for a detailed summary of the activities of the Innovations Foundation and was gratified to note increased awareness within the community, leading to more invention disclosures. This was, in his view, indicative of a continuing success story.

On the recommendation of the Audit Committee,

YOUR BOARD ACCEPTED

THE annual report and financial statements of the University of Toronto Innovations Foundation for the year ended April 30th, 2002, copies of which are attached to Report Number 67 of the Audit Committee as Appendix "A".

10. Capital Project: St. George Campus: Southeast Infrastructure Upgrade - Electrical Substation and Chiller

The Chair indicated that this was a consent item and that no questions had been received.

On the recommendation of the Vice-President, Business Affairs,

Subject to the appropriate level of Governing Council approval for the change in the scope of this project,

YOUR BOARD APPROVED

(i) THAT the arrangements for electrical power provision in the original southeast campus infrastructure project be modified as indicated in Mr. Bisanti's memorandum to the Business Board dated January 20, 2003, to provide for a direct electrical connection to Toronto Hydro in preference to the construction of the Southeast Substation as originally planned, with no change in scope of the chiller component of the project planned; and

(ii) THAT the allocation for the infrastructure upgrade work from the capital project budgets of the Centre for Cellular and Biomolecular Research, and the Leslie L. Dan Pharmacy Building be maintained at that previously approved.

11. Report on Gifts and Pledges over \$250,000, August 1 to October 31, 2002*

The Chair welcomed Ms. Rivi Frankle to the meeting for this item. This was a customary report here for information. There were no questions.

12. Report Number 67 of the Audit Committee - November 27, 2002

The Chair noted that this was an item for information and, given the lateness of the hour, he encouraged members who had questions about the items for information in the Audit Committee Report 67 to speak with the Chair following the meeting.

13. Reports of the Administrative Assessors

There were no reports to be given in open session.

14. Date of Next Meeting - Monday, March 3, 2003

The Chair reminded members that the next regular meeting of the Business Board was scheduled for Monday, March 3, 2003. Because a lengthy agenda was anticipated, he asked that the meeting commence at 4:00 p.m.

He also reminded members of the off-line session on investment policy that was scheduled for Wednesday, February 19 at 12:30 p.m.

15. Other Business

There was no other business.

ON MOTION DULY MOVED AND SECONDED THE BOARD MOVED INTO CLOSED SESSION.

16. Closed Session Reports

Professor Hildyard and Professor Neuman reported in closed session.

ON MOTION DULY MOVED AND SECONDED THE BOARD MOVED INTO OPEN SESSION.

The meeting was adjourned at 7:45 p.m.

Secretary

Chair

February 18, 2003