

UNIVERSITY OF TORONTO
THE GOVERNING COUNCIL
REPORT NUMBER 416 OF
THE EXECUTIVE COMMITTEE

Monday, June 23, 2008

To the Governing Council,
University of Toronto.

Your Committee reports that it held a meeting on Monday, June 23, 2008 at 3:00 p.m. in the Boardroom, Simcoe Hall, with the following members present:

Mr. John F. (Jack) Petch (In the Chair)
Dr. Alice Dong, Vice-Chair
Professor David Naylor, President
Ms Diana A.R. Alli
The Honourable William G. Davis
Miss Saswati Deb
Ms Susan Eng
Dr. Shari Graham Fell
Professor Ellen Hodnett
Mr. Timothy Reid
Professor Arthur S. Ripstein
Mr. Robert S. Weiss

Non-Voting Member:

Mr. Louis R. Charpentier

Secretariat:

Mr. Henry Mulhall, Secretary

Regrets:

Professor William Gough
Ms Estefania Toledo

In Attendance:

Dr. Claude Davis, Chair, University Affairs Board and Member of the Governing Council
Professor Vivek Goel, Vice-President and Provost, and Member of the Governing Council
Dr. Anthony Gray, Special Advisor to the President
Professor Michael R. Marrus, Chair, Academic Board and Member of the Governing Council
Mr. Geoff Matus, Vice-Chair, Business Board and Member of the Governing Council
Ms Catherine Riggall, Vice-President, Business Affairs

1. Report of the Previous Meeting

Report Number 415 (June 16, 2008) of the Executive Committee was approved.

2. Business Arising from the Report of the Previous Meeting

There was no business arising from the report of the previous meeting.

3. Report of the President

The President deferred his report to the Governing Council meeting to be held immediately following the Executive Committee meeting.

4. Items for Endorsement and Forwarding to the Governing Council

(a) Audited Financial Statements

(Arising from Report Number 167 of the Business Board [June 19, 2008]- Item 3)

Mr. Matus reported that the Audit Committee had reviewed the financial statements at two meetings, with the external auditors present on both occasions. The Committee had concluded that the statements provided a full and fair disclosure of the University's finances. The Business Board had then reviewed the statements and, after a brief discussion, had agreed to recommend them to the Governing Council for approval. The financial position of the University at the end of the year was largely unchanged from the previous year, with the value of net assets remaining at \$2.17-billion. Net income had declined for two reasons. First, investment returns had not matched the exceptionally high levels of the previous year. Second, Government grants at the end of the year had not been up to the generous level of the previous year. The plan to reduce the accumulated deficit in the operating fund was proceeding very satisfactorily.

On motion duly moved, seconded, and carried,

YOUR COMMITTEE ENDORSED AND FORWARDED to the Governing Council for consideration the recommendation

THAT the University of Toronto audited financial statements for the fiscal year ended April 30, 2008 be approved.

Documentation is attached to Report Number 167 of the Business Board as [Appendix "A"](#).

(b) External Auditors: Appointment for 2008-09

(Arising from Report Number 167 of the Business Board [June 19, 2008]- Item 4)

Mr. Matus reported that the Audit Committee and the Business Board had recommended the re-appointment of Ernst & Young as the external auditors. The external auditors attended all meetings of the Audit Committee, and the Committee was satisfied that they were doing their job well. Ernst & Young had been the University's auditors for many years, but the partner in charge of the audit had been rotated on a regular basis to ensure independence.

4. Items for Endorsement and Forwarding to the Governing Council (cont'd)

(b) External Auditors: Appointment for 2008-09 (cont'd)

On motion duly moved, seconded, and carried,

YOUR COMMITTEE ENDORSED AND FORWARDED to the Governing Council for consideration the recommendation

- 1) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2009; and
- 2) THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto pension plans for the fiscal year ending June 30, 2009.

Documentation is attached to Report Number 167 of the Business Board as [Appendix “B”](#).

5. Date of the Next Meeting

The Chair noted that the first regularly scheduled meeting of the Executive Committee for 2008-09 was scheduled for Monday, October 6, 2008 at 5:00 p.m.

6. Other Business

There were no items of other business.

On motion duly moved, seconded, and carried,

IT WAS RESOLVED

THAT, pursuant to sections 28 (e) and 33 of *By-Law Number 2*, consideration of item 7 take place *in camera*, with the Board Chairs, Vice-Presidents, and Special Advisor to the President admitted to facilitate the work of the Committee.

In Camera Session

7. Towards 2030: Task Force on Governance Phase 2 – Membership

On motion duly moved, seconded, and carried,

IT WAS RESOLVED

THAT the proposed membership for Phase 2 of the *Towards 2030* Task Force on Governance be recommended to the Governing Council for approval; and

THAT, pursuant to Section 38 and 40 of *By-Law Number 2*, the recommendation be considered by the Governing Council *in camera*.

The Committee returned to closed session.

8. Closing Remarks

The Chair thanked each of the members for their work on the Executive Committee over the course of the 2007-08 governance year, and commented that, in his view, the Committee had functioned very effectively. In particular, he acknowledged the contributions of the Honourable Mr. Davis, Ms Deb, Professor Hodnett, Dr. Fell, Professor Gough, Ms Toledo, and Mr. Weiss, all of whom were completing their service on the Committee. The Chair also expressed the gratitude of the Committee to Professor Goel, who in his role as Vice-President and Provost had attended meetings of the Committee for the previous four years, and had done much to facilitate its deliberations.

The meeting adjourned at 3:15 p.m.

Secretary
June 24, 2008

Chair