

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Thursday, December 6, 2018 at 3:00 p.m. in Room B-2007A, Signal Hill Campus, and via teleconference and videoconference.

PRESENT:

Ms. Iris Petten, Chair
Dr. Gary Kachanoski, President and Vice-Chancellor
Dr. Noreen Golfman, Provost and Vice-President (Academic)
Dr. Susan Dyer Knight, Chancellor
Ms. Margaret Allan
Ms. Michelle Baikie
Mr. Glenn Barnes
Mr. Robert Bishop
Mr. Mark Bradbury
Mr. Fred Cahill
Dr. Bud Davidge
Ms. Cathy Duke
Mr. Joe Dunford
Dr. Rex Gibbons
Ms. Katharine Hickey
Mr. Doug Letto
Ms. Karen McCarthy, via teleconference
Mr. Kryston Munnings, via videoconference
Ms. Donna Rideout, via teleconference
Ms. Catherine Rowsell, via teleconference
Mr. George Saunders
Ms. Sarah Stoodley
Ms. Eleanor Swanson
Ms. Tina Scott, Secretary to the Board

APOLOGIES:

Apologies were received from Mr. John Gibbons, Mr. Denis Mahoney, Mr. Christian Samson, Mr. Dennis Waterman, Mr. Glenn Blackwood.

PRESENT BY INVITATION:

Mr. Kent Decker, Vice-President (Administration and Finance), Dr. Neil Bose, Vice-President (Research), Dr. Jeff Keshen, Vice-President (Grenfell Campus), Mr. Glenn Collins, Interim Executive Director, Office of the Board of Regents, Mr. Morgan Cooper, General Counsel.

6569. MEETING CALLED TO ORDER

The meeting was called to order at 3:00 p.m. by Ms. Iris Petten, Chair.

The Chair extended a very special welcome to Mr. Kryston Munnings, Grenfell Campus Students' Union representative appointed for a two year term effective October 14, 2018.

6570. APPROVAL OF THE AGENDA/CONFLICT OF INTEREST

Following the call for the approval of the agenda, Ms. Petten provided members and those present by invitation with the opportunity to declare if they were in a conflict of interest position or a potential conflict of interest position with regard to any agenda items.

Mr. Cahill declared a conflict with Agenda Items 9.1 "Core Science Facility (CSF) Status Update", 9.2 "University Buildings Strategy" and 14.1 "Appointment of the Marine Institute Industry Advisory Committee".

Mr. Collins and Mr. Cooper declared a conflict with Agenda Item 10.3 "Senior Administrative Management (SAM) Compensation Review".

At the request of Ms. Petten, it was agreed to move Agenda Item 15.1, presentation of the "Labrador Institute @ 40 Strategic Task Force Overview", to the beginning of the Closed Discussion Agenda.

The agenda as amended was approved by the Board.

6571. MINUTES

The Minutes of the regular meeting of the Board of Regents held on October 3, 2018 were approved by the Board.

6572. CHAIR'S REPORT

A. Meetings of the Executive Committee – October 29, 2018 and December 4, 2018

The Chair noted that the Executive Committee met on October 29, 2018 and December 4, 2018 to finalize and fine tune the agenda for today's meeting of the Board. Ms. Petten also noted that one of the objectives of the Executive Committee is to act for the Board on any matter within the jurisdiction of the Board pursuant to The Memorial University Act, where decisions are required to be made and action taken between regularly scheduled meetings of the Board of Regents and where the Board has otherwise delegated specific responsibilities to the Executive Committee.

Meetings of the Executive Committee – October 29, 2018 and December 4, 2018
(cont'd)

With that in mind, at a meeting held on October 29, 2018, the Committee exercised its authority to act on behalf of the Board and approved the appointment of Dr. Donna Hardy-Cox as Associate Vice-President (Academic), Students effective January 1, 2019.

6573. PRESIDENT'S REPORT

A. President's Update of Activities

Dr. Kachanoski provided the Board with a written summary of his activities and attendance at University events since the October 2018 meeting of the Board and he provided the Board more detail and context on several of these activities and events.

B. Registration Report for Winter 2019 Semester

The Board received and reviewed an enrolments and registration progress report for the Winter 2019 Semester.

OPEN SESSION - CONSENT AGENDA

It was moved by Dr. Gibbons, seconded by Ms. Allan and carried that the consent agenda, as recommended by the appropriate Board Committee and comprising the resolutions listed in 6574 through 6575 be approved as outlined below.

6574. SENATE MATTERS

A. Senate matters with implications for the Board of Regents (September 11, 2018): Approval of Calendar Changes

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on September 11, 2018 and approved the Calendar changes as outlined in the background documentation.

B. Senate matters with implications for the Board of Regents (October 9, 2018) – New Joint Degree Program – Joint Degrees of Bachelor of Music and Bachelor of Business Administration

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on October 9, 2018 and approved the new joint degree program "Joint Degrees of Bachelor of Music and Bachelor of Business Administration" as outlined in the background documentation.

C. Senate matters with implications for the Board of Regents (October 9, 2018) – Endorsement of the Teaching and Learning Framework

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on October 9, 2018 and approved the Teaching and Learning Framework as outlined in the background documentation.

D. Senate matters with implications for the Board of Regents (October 9, 2018): Approval of Calendar Changes

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on October 9, 2018 and approved the Calendar changes as outlined in the background documentation.

E. Senate matters with implications for the Board of Regents (November 13, 2018) – Name change for the School of Nursing

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on November 13, 2018 and approved the name change of the School of Nursing to the Faculty of Nursing as outlined in the background documentation.

F. Senate matters with implications for the Board of Regents (November 13, 2018) – Creation of the Memorial University Faculty of Law, subject to cost neutrality

The Board received for information background documentation pertaining to the creation of the Memorial University Faculty of Law, subject to cost neutrality arising from the Senate meeting of November 13, 2018.

The Law Foundation of Newfoundland and Labrador and the provincial branch of the Canadian Bar Association (CBA) supported a review of the concept of a Faculty of Law at Memorial University, a position later endorsed by the Chief Justice of Newfoundland and Labrador. That endorsement led to the establishment of the 2013 feasibility committee which, after extensive consultation, unanimously recommended that Memorial University consider establishing a law school. Recently, a revised committee was established with a mandate to develop a detailed academic proposal for a Faculty of Law program at Memorial. The draft proposal was recently considered by Senate (a copy of which was provided in the background documentation).

Senate matters with implications for the Board of Regents (November 13, 2018)
– Creation of the Memorial University Faculty of Law, subject to cost neutrality
(cont'd)

Similar to other Canadian universities, Memorial University operates with a bicameral system of governance - Senate and the Board of Regents. The Senate is the foremost academic decision making body of the University, whereas the Board of Regents oversees the management, revenue, administration and business affairs of the University. It was noted that at the November 13, 2018 meeting of Senate, a Faculty of Law Proposal was considered. The Senate considered the following motion: “*Senate endorse the Memorial University Faculty of Law Proposal.*” Following discussion, Senate passed the following amended motion: “*Senate endorse the Memorial University Faculty of Law Proposal and that the Faculty of Law be cost neutral, including infrastructure, to the University.*” The Senate agreed to forward this motion to the Board for consideration.

The Board was advised that prior to seeking the approval of the Board of Regents to create a Faculty of Law the administration will develop a detailed proposal which will include financial and resource implications as well as timelines.

6575. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Update on Capital Projects

The Board was advised that the following capital projects are underway or being planned:

Projects in Progress

St. John’s Campus

1. Aboriginal Centre
2. Core Science Facility
3. Battery Property
4. Animal Resource Centre

Projects in Planning Stages

St. John’s Campus

1. Faculty of Engineering and Applied Science – Mechanical Engineering High Bay Laboratory
2. Faculty of Engineering and Applied Science – Petroleum Engineering Building
3. Faculty of Humanities and Social Sciences - Research Archival Facility
4. Redevelopment of Reid Theatre

Update on Capital Projects (cont'd)

Marine Institute

1. Holyrood Marine Base – Phase IIB Ocean Research and Training Building

Projects in Early Stages

1. Faculty of Medicine – Redevelopment of Existing Space
2. Storage Facility, Mount Scio Road
3. School of Pharmacy Expansion

The Board was advised that the projects in progress are on time and on budget unless otherwise noted.

This item was received for information and did not require a resolution of the Board.

B. Transportation Strategy

The Board received for information an update of the University's Transportation Strategy. At meetings of the Board of Regents held in December 2016 and March 2017, updates were provided on two items relating to the University's overall parking and transportation challenges. These included a Universal Transit Pass (U-Pass) program as well as the MUN Area Traffic Study, both of which have also been active topics of discussion at the Memorial University Parking and Transportation Solutions Committee which formed in fall 2015.

At the March 2017 meeting of the Board of Regents, direction was provided to the administration to continue to advance both initiatives as they relate to the University's overall transportation strategy. The administration has continued their work accordingly and has the following updates to bring forward since the July 2019 Board of Regents meeting when the last update was provided.

U-Pass

This item was considered under the report of the Campus Planning and Development Committee as outlined in Minute 6581.A. below.

MUN Area Traffic Study

Follow-up efforts regarding the potential transit terminal continue. The working group, assigned to look into site selection for the potential terminal, met on October 31, 2018 to review four potential site locations. Two of the locations were deemed not feasible because of logistical reasons. The working group requested that the remaining two concepts be further explored, and these were revisited in November 2018. These two concepts were provided for information in the background documentation as Attachment 1. These concepts will be presented to the larger

Transportation Strategy (cont'd)

MUN Area Traffic Study group, consisting of representatives from the City of St. John's, provincial government, Eastern Health, and MUN. The procurement of design services to explore the concept(s) further will begin thereafter and the Board of Regents will be updated as the process progresses. University administration is also working with the public transit provider (Metrobus) to understand the parameters of potential federal funding opportunities, such as the Investing in Canada Infrastructure Program.

CLOSED SESSION – CONSENT AGENDA

Ms. Petten provided members and those present by invitation with the opportunity to declare if they were in a conflict of interest position or a potential conflict of interest position with regard to any agenda items.

Noting that the items were dealt with in detail in meetings of the appropriate committees, it was moved by Mr. Bradbury, seconded by Ms. Allan and carried that the consent agenda, comprising the resolutions listed in 6576 through 6579 below be approved as follows:

6576. AUDIT AND RISK COMMITTEE

A. Appointments to Campus Childcare Inc. Board of Directors

The Board was informed that at a meeting held on December 4, 2018, the Audit and Risk Committee of the Board of Regents approved the appointments to the Campus Childcare Inc. Board of Directors as outlined in the background documentation and as follows:

- a) Ms. Cheryl Whitten, Associate Director, Financial and Administrative Services, MUN, appointed as Finance Representative;
- b) Mr. Alex Templeton, Associate, McInnes Cooper, appointed as Legal Representative; and
- c) Mr. Declan Flynn, Change Manager/Senior Programmer Analyst, Information Technology, MUN, appointed as Parent Representative.

B. Appointments to Genesis Group Inc. Board of Directors

The Board was informed that at a meeting held on December 4, 2018, the Audit and Risk Committee of the Board of Regents approved the appointments to the Genesis Group Inc. Board of Directors as outlined in the background documentation and as follows:

Appointments to Genesis Group Inc. Board of Directors

- a) Ms. Nora Duke, Executive Vice President, Sustainability and CHRO, Fortis Inc., be appointed as Community Representative for a one-year term, effective December 31, 2018 – December 31, 2019;
- b) Ms. Margaret Allan be appointed as Community Representative for a six-month term, effective December 31, 2018 – June 30, 2019;
- c) Mr. Ron Ellsworth, President and CEO, Ellsworth Group, be appointed as Community Representative for a two-year term, effective December 31, 2018 – December 31, 2020;
- d) Dr. Rob Greenwood, Executive Director, Public Engagement and the Leslie Harris Centre of Regional Policy and Development, be appointed as MUN Representative for a two-year term, effective December 31, 2018 – December 31, 2020; and
- e) Ms. Peg Hunter be appointed as Community Representative for a two-year term, effective December 4, 2018.

C. Update on Information Security Improvement Program (ISIP) Plan in response to Information Technology (IT) Security Risk Assessment

The Board received for information an update on the Information Security Improvement Program (ISIP) Plan in response to the Information Technology (IT) Security Risk Assessment. In 2016/17 the Office of Internal Audit engaged Deloitte to conduct an IT Security Risk Assessment focused on five specific IT units within Memorial University: St. John's Campus (ITS), Grenfell Campus, Marine Institute, Faculty of Medicine and the Centre for Health Information and Analytics. The objective was to identify and assess the University's current cybersecurity posture and risks across its critical IT functions and units. It was noted that since the last reporting period, great progress has been made as outlined in the background documentation. In addition, it was noted that continued focus will be placed on standards development and applicable communications to the broader IT community.

D. Status of Open Audit Recommendations – October 31, 2018

The Board received for information the status of open Audit recommendation as of October 31, 2018. The Office of Internal Audit has performed limited-scope follow-up audit procedures to determine the status of previously reported open recommendations. The results of the follow-up procedures were reflected in the background material provided.

E. Evaluation of External Audit Services

The Board received for information the evaluation of external audit services. The best practice for engagement of external auditor services involves the establishment of quality indicators with which to evaluate the quality of services received. A guide prepared by Chartered Professional Accountants Canada (CPA), the Canadian Public Accountability Board (CPAB), and the Institute of Corporate Directors, regarding the identification and selection of quality indicators to monitor performance was provided in the background documentation. It was noted that the Audit and Risk Committee should consider developing quality indicators, based on the above-noted document, and conduct an evaluation of the current University external auditor, Ernst Young (EY). Such an evaluation could then be utilized to consider when to issue a Request for Proposals (RFP) for these services, and aid in evaluation of responses to the RFP.

F. Student Matters Report for the 2017-18 Academic Year

The Board received for information the Student Matters Report for the 2017-18 Academic year. The Office of the Provost and Vice-President (Academic) received direction in January 2013 from the President that the Board of Regents receive regular reports from senior administration concerning student matters such as student safety, student health and wellness and student discipline. The report, as provided in the background documentation, presents the results from the collection and synthesis of data gathered by departments and units from across vice-presidents' portfolios. The report presents information on student patterns based on information available for the academic year 2017-18.

6577. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Core Science Facility (CSF) Status Update

The Board received for information the Core Science Facility (CSF) Status Update. All major construction packages for the CSF have now been awarded. The third and final major construction package, CP-3R, was awarded to Marco Services Limited on April 25, 2017 and is currently being executed. The CSF global project budget remains at \$325M and substantial completion will be achieved by April 25, 2020, to be ready for a September 2020 opening. The Board also received more detail on the status of the CP-3R Main Building (and Structural Steel) contracts as well as other project updates.

B. University Buildings Strategy

The Board received background information pertaining to the University Buildings Strategy. In the current fiscal climate, it is essential that Memorial University explore all options to reduce costs associated with building operations and aging infrastructure. A University Buildings Strategy will consider rationalization of the University buildings footprint coinciding with infrastructure renewal and the Board approved multi-year infrastructure plan.

- C. Campus Renewal Fee – St. John's Campus 2019/20; Grenfell Campus 18/19; and Marine Institute 18/19 – also on the Finance Committee agenda

This item was considered under the report of the Finance Committee as outlined in the Minute 6579.A below.

6578. HUMAN RELATIONS COMMITTEE

- A. Senior Leadership Position vacancies and upcoming renewals

The Board received for information a regular status update regarding senior leadership position vacancies and their associated recruitment status and senior leadership positions held by academic administrators which may be renewed, following a five-year term, subject to review.

- B. Report on Academic Appointments

The Board received for information the Report on Academic Appointments for the St. John's and Grenfell Campuses for actions taken since October 3, 2018 noting that the actions have been taken under delegated authority as provided for in the Terms of Reference for the Human Relations Committee.

- C. Senior Administrative Management (SAM) Compensation Review Update

The Board received for information an update of the Senior Administrative Management (SAM) compensation review. In 2016, Korn Ferry/Hay Group Limited (Korn Ferry) was engaged to begin a compensation review for the Senior Administrative Management (SAM) group of positions. In conjunction with the Department of Human Resources, work was undertaken to review and analyze salaries in comparison to similar positions within Canadian Universities. During this work, Korn Ferry identified that calibration of positions through job evaluation should also occur as they are used in conjunction with compensation structure. It was noted that final recommendations are anticipated to be presented to the Board of Regents by the end of the 2018-2019 fiscal year

- D. Annual Review of Market Differentials (Non-Academic)

The Board received for information the annual review of Market Differentials (non-academic). In March 2013 the Board of Regents approved certain criteria for the application of market differentials to non-academic positions. The Board also instructed that an annual review of market differentials be conducted by the Vice-Presidents Council and that its outcome be communicated to the Board via the Human Relations Committee.

Annual Review of Market Differentials (Non-Academic) (cont'd)

On behalf of Vice-Presidents Council, an annual review of market differentials was conducted during the fall of 2018 by the Department of Human Resources. It involved reviewing all of Memorial's non-academic positions in receipt of a market differential. The review compared Memorial's positions to external positions that have previously been identified as the market matches. External positions used for comparison included those in the local and regional (Atlantic) public and private sectors, including Atlantic universities. Information was gathered through the collection and analysis of available position descriptions and postings, salary scales, public sector compensation disclosure documents, and external salary comparison resources. The information collected was used to determine if salary differentials based on market conditions should be maintained, adjusted, or eliminated. A report which provides an overview of applicable positions, market review information, and recommendations pertaining to the relevant salary differentials was included in the background documentation.

E. Reciprocal Pension Transfer Agreement between the Memorial University Pension Plan (the Plan) and Retraite Quebec

The Board received background information and approved the proposed reciprocal pension transfer agreement with Retraite Quebec and agreed that it be forwarded to Government for approval by the Minister of Finance as per the Memorial University Pensions Act.

F. Policy Submission – Recruitment and Selection of Non-Academic Employees Policy (New)

The Board received background information and approved the new Recruitment and Selection of Non-Academic Employees policy effective January 3, 2019.

G. Update on Collective Bargaining for the Four (4) Academic Collective Agreements

The Board received for information an update on Collective Bargaining for the four (4) academic Collective Agreements as follows:

- Teaching Assistants (TAUMUN)
- Per Course Instructor (LUMUN)
- Post-Doctoral Fellows (LUMUN)
- Memorial University of Newfoundland Faculty Association (MUNFA)

6579. FINANCE COMMITTEE

- A. Campus Renewal Fee – St. John's Campus 2019/20; Grenfell Campus 18/19; and Marine Institute 18/19 – also on the Campus Planning and Development Committee agenda

The Committee received background information and approved the 2018/2019 and 2019/2020 Campus Renewal Fee allocations as outlined in Appendices B, C and D of the background documentation.

CLOSED SESSION – DISCUSSION AGENDA

6580. PRESENTATION TO THE BOARD

- A. Labrador Institute @ 40 Strategic Task Force Overview

The Chair welcomed Dr. Ashlee Cunsolo, Director, Labrador Institute who provided the Board with a presentation entitled "Labrador Institute @ 40 Strategic Task Force Overview".

Following a question and answer period, Ms. Petten, on behalf of the Board, thanked Dr. Cunsolo for the informative presentation (a copy of which is located in the Board files) and she left the meeting.

6581. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

- A. U-Pass Program for Memorial University

The Board received and reviewed background information pertaining to the U-Pass Program for Memorial University.

Board members were advised that in 2015, the Memorial University of Newfoundland Student's Union (MUNSU) wrote a letter to the Vice-President (Administration and Finance) identifying concerns with parking and transit options to and on campus and the impact it was having on students. In response, the University established a multi-stakeholder Parking and Transportation Solutions Committee with a joint chair position shared between administration and students to explore solutions.

Memorial participated in the commissioning of a Commuting and Parking Strategies Study and a Memorial Area Traffic Study. Both studies recognized the Universal Transit Pass (U-Pass) as an effective transportation demand management tool and the most readily available solution to alleviate student parking and commuting challenges. Memorial's Parking and Transportation Solutions Committee recommended consideration of a U- Pass program and the Committee's recommendation was supported by the University Sustainability Committee (a sub-committee of Vice-Presidents Council).

U-Pass Program for Memorial University (cont'd)

An ad hoc committee of the Board of Regents was formed in 2017 and has been exploring a U-Pass program that would provide program participants with unlimited access to the entire public transit network. U-Pass programs have had success at post-secondary institutions across Canada and among those institutions, has been instrumental in alleviating parking and transit challenges as well as reducing vehicle dependency on campus. A U-Pass program relies on a high number of participants and can be offered at a discounted price compared to a semester student bus pass. To accomplish this, all full-time students eligible for the program, during the fall and/or winter term, would participate in a U-Pass program, unless they qualify for an opt-out. The increased level of investment in the U-Pass means a higher level of service to and from the University and other locations of interest to students.

Following meetings with the Board of Regents' U-Pass ad hoc committee and meetings with the three student unions (MUNSU, MISU and GSU) in the summer of 2018, the public engagement process for a potential U-Pass program began, based on the consultation strategy that was supported by the aforementioned groups. A U-Pass website was developed and launched in August 2018 and the engagement and outreach process began thereafter. This included a presence at both student and family orientations, the design of four posters and U-Pass business cards, social media posts, a Gazette article and video, and various other local media appearances.

From October 16 to 22, 2018, Memorial University hosted four consultation sessions, open to students, faculty, staff and the public, at the St. John's, Signal Hill and Marine Institute campuses. Facilitators from University administration and representatives from Metrobus led the sessions, which involved a presentation on the potential U-Pass program followed by open discussion. The conversations at the sessions generated useful feedback and new considerations for the development of a potential U-Pass program.

In October 2018, an online U-Pass survey was launched and promoted. Throughout the public engagement process, students, faculty, staff and the public were encouraged to participate. It was noted that 2,337 survey responses were received and the results were analyzed. A summary report was brought forward to the Board's U-Pass ad hoc committee at its November 29, 2018 meeting.

Designed to be a revenue neutral program, the calculation of the U-Pass fee would be based on the fare incurred by students and the additional service improvements required to meet a growing demand for improved service. Metrobus conducted a review of full-time student mailing addresses and explored options for discussion to increase service to peak and underserved areas. Through this review, a number of U-Pass scenarios were identified, with pricing ranging from \$100 to \$180 per semester based on service levels and potential opt-out options.

U-Pass Program for Memorial University (cont'd)

The survey was designed to determine the level of interest in a U-Pass program for Memorial University. The survey covered areas such as student place of residence, student methods of transportation, frequent areas of travel, desired service improvements, reasonable price point considerations and potential opt-outs for a program.

The U-Pass survey received a high number of respondents from the student population and generated input from faculty, staff and members of the public. Out of 2,337 survey respondents, 1,818 students from Memorial University St. John's and Marine Institute Campuses within the designation of full-time, part-time, undergraduate or graduate students completed the U-Pass survey.

From the survey, it was determined that 60% of full-time and part-time students were in favor of a U-Pass program. The survey data revealed that students would like to see both enhancement and expansion of existing service with more frequent stops at Memorial's St. John's Campus and Marine institute. 63% of students were also in support of a \$100-150 per semester U-Pass fee. The data also reflected that students were generally supportive of common opt-out considerations as seen in other U-Pass programs across Canada.

Based on the information gathered over the course of the engagement process, Metrobus is determining the final U-Pass model inclusive of level of service improvements, price points and opt-out parameters, which will be presented to students for decision as Memorial University's potential U-Pass program. While work is being completed by Metrobus, a decision on how to proceed is needed by university administration.

At its July 6, 2017 meeting, the Board of Regents supported the U-Pass ad hoc committee's principle that: *"The U-Pass initiative should ultimately be implemented via a referendum of students once the parameters of the program have been finalized. While precise details of the referendum are to be determined, the referendum should however be called and administered by the University Administration, to be inclusive of all students included in the proposed program simultaneously, with the outcome determined by the majority of those who vote."*

Consistent with this approval, advice from external counsel concludes that considering that the U-Pass program would be charged as a University fee, not a fee collected by the student unions, the Board of Regents has the authority to conduct an administration led referendum. None of the three student unions' (MUNSU, MISU, and GSU) constitutions reference any by-law that delegates authority with respect to the fees charged by the University, which are not union membership fees. It has been determined that the Board can set its own referendum process, since it will not be governed by any one of the unions' processes.

U-Pass Program for Memorial University (cont'd)

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve an administration led referendum of students eligible for the U-Pass program to be conducted during the 2019 winter semester to help inform a decision as to whether or not a U-Pass program for Memorial University be established.

B. Johnson Geo Centre – also on the Finance Committee agenda

The Board received and reviewed background information pertaining to the Johnson Geo Centre. Board members were advised that Memorial University has been approached by The Johnson Family Foundation and Johnson Insurance Inc. to explore partnership opportunities regarding the Geo Centre.

This item was received for information and did not require a resolution of the Board.

6582. FINANCE COMMITTEE

A. Johnson Geo Centre – also on the Campus Planning and Development Committee agenda

This item was considered under the report of the Campus Planning and Development Committee as outlined in Minute 6581.B above.

B. Update on the University's Financial Position

The Board received and reviewed background information pertaining to an update on the University's financial position.

Board members were advised that the University's budget for 2018-19 was approved at the May 10, 2018 meeting of the Board of Regents. Following the approval of the budget, units were provided with their budget allocations and base reduction amounts.

A review of actual revenue and expenditures has been completed as of October 31, 2018. At this time, total operating expenditures for 2018-19 are projected to be over budget by \$5,350,159 (as outlined in Table 1 of the background documentation). The deficit is primarily due to a projected year end deficit of \$5,784,870 for the Faculty of Medicine and expenditures due to the Voluntary Retirement Program. One-time funding from the Department of Health and Community Services is anticipated to cover the 2018-19 operating deficit of the Faculty of Medicine.

Update on the University's Financial Position (cont'd)

At this time, an \$829K deficit in Deferred Revenue/Expenditures is being projected. This deficit is comprised primarily of a \$4.3 million surplus in faculty and staff turnover, a \$1.3 million surplus for the Memorial University of Newfoundland Faculty Association (MUNFA) professional development (PDTER), a \$9.6 million forecasted Voluntary Retirement Program expenses for 2018-19 which will be repaid through the savings from the positions in 2019-20, and \$3.3 million committed to infrastructure.

Tuition Revenue - At this time, this source of operating revenue is forecasted to be on budget. This forecast is based on actual tuition revenue for the spring and fall semesters and a projection for the winter semester.

Research Support Fund (formerly Indirect Costs of Research) - This revenue source is currently projected to be on budget.

Attrition

The attrition targets for each portfolio for the President and five Vice-Presidents were provided in the envelope budget allocations for 2018-19. The \$3.0 million attrition reduction was calculated based on each envelope's percentage of centrally-funded permanent (faculty and staff) positions, including salary and benefits costs for 2018-19. In addition to the \$3.0 million, an additional attrition target was assigned to the Faculty of Medicine for \$174,900.

It was reported at the October meeting that all portfolios, with the exception of Medicine, have met their attrition targets for 2018-19. The Faculty of Medicine has identified 25 positions totalling \$1.17 million for attrition (as provided in the background documentation as Table 2). The grant from the Department of Health and Community Services to the Faculty of Medicine has been reduced by \$1.16 million over the past four years for attrition. The list which details the positions identified to meet the target established by government was provided in the background documentation as Table 2.

Budget Reduction

To date, units have identified \$2.87 million (of the \$5.9 million required) in budget reductions. These budget reductions include:

- 22 administrative positions totalling \$1.7 million
- 1.83 faculty positions totalling \$429k
- \$743k in operating for expenditures such as materials and supplies, travel and
- hosting, and professional fees.

Update on the University's Financial Position (cont'd)

The details of the budget reductions were provided in the background documentation as Appendix B.

This item was received for information and did not require a resolution of the Board.

C. Voluntary Retirement Program – also on the Human Relations Committee agenda

The Board received and reviewed background information pertaining to the Voluntary Retirement Program.

Board members were reminded that at a meeting held on May 10, 2018, the Board approved a time-limited voluntary retirement program (VRP) for eligible academic and non-academic staff. The VRP provides approved employees with a lump-sum payment of one month of salary per year of service up to a maximum of 12 months of payment if they retire on or before December 31, 2018. A maximum of \$8 million was initially allocated for this program; however, due to the success of the program, the Board of Regents approved an increase in the financial commitment to the Voluntary Retirement Program from \$8 million to \$10 million, which allowed for Phase 4 to be initiated.

The program was offered in phases based on age and service criteria:

- Phase one: Age 71 with no service minimum
- Phase two: Age 65 -71 with minimum 30+ years of pensionable service
- Phase three: Age 60-65 with minimum 35+ years of pensionable service
- Phase four: Age 60-65 with minimum 30+ years of pensionable service

Phases 1 and 2 applications were accepted between June 1 and July 20, 2018. Phase 3 applications were accepted between August 27 and September 14, 2018. Phase 4 applications were accepted between October 22 and November 2, 2018.

Employees who met the age and service requirements for Phases 1 to 4 and who were interested in participating in the program were required to submit their applications to their Dean/Director. The Dean/Director then provided a recommendation regarding the employee's participation in the VRP based upon program criteria. The applications were then forwarded to the applicable Vice-President for endorsement, followed by submission to the Vice-Presidents Council for approval. Approved employees then had the final opportunity to accept or decline participation in the VRP.

In total, 14 applications were received, endorsed, and accepted for Phase 1, 25 for Phase 2, 14 for Phase 3, and 17 for Phase 4 representing a combined 40.6% uptake. Phase 4 is in the final stage of employees indicating their acceptance of participation in the VRP, which will conclude by December 5, 2018. The following is a summary of the received applications by President/VP Portfolio:

Voluntary Retirement Program (cont'd)

VRP Phases 1-4					
Portfolio	Eligible	# of Approved Applications	# VRP Offers Accepted*	Accepted: Academic	Accepted: Non-Academic
Provost and Vice-President (Academic)	144	62	55	46	9
Vice-President (Grenfell Campus)	8	5	5	3	2
Vice-President (Marine Institute)	6	5	5	4	1
Vice-President (Research)	2	1	1	-	1
President	2	1	1	-	1
Vice-President (Administration and Finance)	10	3	3	-	3
Total	172	77	70	53	17

*Tentative – assuming 100% acceptance in Phase 4

VRP payments (excluding accumulated leave and other accrued benefit payments) for the 70 individuals accepting VRP participation in Phases 1 to 4 total \$9,624,470.94. Approximately \$330K remains within the program funding. These salary savings and expenditures for all Phases were provided in the background documentation as Appendix A. Assuming a 100% acceptance rate of applications endorsed for participation in the VRP at the end of Phase 4, the VRP funding will be approximately 96% disbursed. These amounts do not include funds to be reinvested into the academy through renewal which are outlined below under Agenda Item 6582.D.

This item was received for information and did not require a resolution of the Board.

D. Voluntary Retirement Program – Faculty Renewal Increase – also on the Human Relations Committee agenda

The Board received and reviewed background information pertaining to the Voluntary Retirement Program, Faculty Renewal Increase.

Board members were advised that at its May 10, 2018 meeting, the Board approved a time-limited Voluntary Retirement Program (VRP) for eligible academic and non-academic staff. A maximum of \$8M was initially allocated for this program. At its October meeting, the Board approved a further \$2M allocation to the program. A faculty renewal rate of 25% of the total savings was also approved for academic positions. Memorial has offered this program at a time of significant budgetary constraint and it is being administered in a fiscally responsible manner.

Voluntary Retirement Program – Faculty Renewal Increase (cont'd)

For all four phases of the VRP, approximately \$10.85M was generated in salaries and benefits savings, well exceeding the target of \$6.0M set by the University. The 53 faculty members who were approved and accepted for VRP reside in three portfolios:

Portfolio	Faculty
Provost and Vice-President (Academic)	46
Vice-President (Grenfell Campus)	3
Vice-President (Marine Institute)	4*

*Non-MUNFA Positions

The impact of VRP to faculty complement and research for each academic unit was provided in the background documentation as Appendix A. The reduction in faculty complement ranges from 2% to 30% of total faculty complement. Notable is that within the Faculty of Science, the Department of Earth Sciences has an overall complement reduction of 20%, creating significant gaps in both research and curriculum areas. Research performance is especially concerning as faculty members in Earth Sciences tend to be well funded (average grant support is \$500,000 per faculty member) and the unit's research focus is of critical importance to the economy of this province. Reduced research capacity will also affect graduate student recruitment and productivity, one of Memorial's key strategic investments.

Also worth noting is the Wellness and Counselling Centre which has had a 30% complement reduction, another area of particular concern, with steadily increasing demand from students for counselling and mental health services. Indeed, the demand for counselling services by undergraduate and graduate students has increased by approximately 20% over recent years. Failure to recruit in these areas will drastically impact programming, research productivity, and critical services to students.

Impact on Research: If Memorial is unable to renew research-active faculty, our research capacity will become strained, our ability to recruit graduate students will be compromised, and Newfoundland's knowledge economy will lose out on the most innovative ideas and developments. Such exciting possibilities will also be lost to the students in our classrooms, as professors are less able to contribute to forward-thinking curriculum development.

The Provost and Vice-President (Academic) recently engaged the Deans of all Faculties and Schools in a four-year academic staff planning exercise. In order to maintain existing programs, graduate supervisory capacity, research programs, and accreditation standards, it will be necessary to maintain an overall stable complement over the next four years, with some units requiring modest growth while others will be absorbing decreases. Additionally, the Faculty of Engineering is expected to continue its growth strategy over the next four years, despite government stopping its initial commitment to the Faculty.

Voluntary Retirement Program – Faculty Renewal Increase (cont'd)

Increase in Renewal Rate: Based on \$10.85M in overall savings from both faculty and staff positions, a 25% faculty renewal rate for academic positions will result in approximately \$2.71M for re-investment in the academy. Based on the four-year projections provided by the Deans, a re-investment of \$2.71M (approximately 27 positions) will be insufficient to:

- meet demands on current programs;
- maintain research activities to preserve and grow funding levels;
- retain graduate supervisory capacity; and
- uphold national accreditation requirements for our professional schools.

Therefore, it is requested that the faculty renewal rate increase from 25% to 45%. This would generate approximately \$4.8M for faculty renewal, based on an overall savings of \$10.85M. This amount will allow units to return approximately 49 faculty positions back to the professoriate at an average salary of \$100,000 (excluding benefits).

Of the \$10.85M overall savings, approximately \$9.0M of those savings were generated from faculty positions. The majority of faculty members retired at the rank of Full Professor with average salaries of \$160,000. Hiring faculty members at the Assistant Professor rank at approximately \$100,000 (excluding benefits) base salary will generate substantive savings of approximately \$60,000 per hire. Even with a slightly higher renewal rate, the University will still maintain its target of \$6.0M in base savings.

Faculty Renewal Strategy: The evacuation of so many faculty positions is also an opportunity for program and curriculum renewal, as well as an opportunity for invigorating the university with new scholars. Determining new approaches will require hard choices, nonetheless. The Provost and Vice-President (Academic) is engaging the Deans in an intense consultative process to determine faculty renewal for each of the faculties and schools. That process is guided by a set of principles and decision-making criteria.

A \$4.8M reinvestment will allow Memorial to reinvigorate the academy in areas that align with its strategic goals and are informed by enrolment trends, research output and outcomes. Among other considerations, Deans are being guided by the University Frameworks and Plans, and by our strategic directions, such as:

- indigenization of the academy;
- digitization of materials, archives, etc.
- superclusters;
- CRC synergies;
- research plan strategic themes;
- COASTS;
- cross- and multi-disciplinary;
- and opportunities for increased collaboration.

Voluntary Retirement Program – Faculty Renewal Increase (cont'd)

Additional information on the Impact of VRP to Complement by Academic Unit was provided in the background documentation as Appendix A.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve an increase in the renewal rate for academic positions from 25% to 45% of the overall \$10.85M in savings, which is approximately \$4.8M in base funding to support the faculty renewal strategy for Memorial. It is understood that this additional funding to reinvest in the academy still provides Memorial with its \$6.0M targeted savings.

6583. HUMAN RELATIONS COMMITTEE

A. Voluntary Retirement Program – also considered by the Finance Committee

This item was considered under the report of the Finance Committee as outlined in Minute 6582.C above.

B. Voluntary Retirement Program – Faculty Renewal Increase – also considered by the Finance Committee

This item was considered under the report of the Finance Committee as outlined in Minute 6582.D above.

6584. EXECUTIVE COMMITTEE

A. Renewal of the Marine Institute Industry Advisory Committee

The Board received and reviewed background information pertaining to the renewal of the Marine Institute Industry Advisory Committee (MIIAC).

Board members were advised that Article 68 of the Memorial University Act outlines the composition of the Marine Institute Industry Advisory Committee. Article 68 notes:

68. (1) The board shall establish an industry based advisory committee to advise the Fisheries and Marine Institute respecting fisheries and marine related programs offered at the Fisheries and Marine Institute.

Renewal of the Marine Institute Industry Advisory Committee (cont'd)

(2) The board shall appoint to the advisory committee established under subsection (1) not less than 11 nor more than 15 members to consist of

(a) the Deputy Minister of Fisheries or the representative of the deputy minister;

(b) a full-time student at the Fisheries and Marine Institute;

(c) a representative of the administration of the Fisheries and Marine Institute;

(d) 8 persons from the fishing and marine industries or related organizations; and

(e) those other persons that the board may determine.

(3) The board shall designate 1 of the members appointed under subsection (2) as chairperson of the advisory committee and another member as vice-chairperson of the advisory committee.

(4) The board shall establish the terms of appointment of members of the advisory committee so that there is a continuity in membership of the advisory committee.

It was noted that several term appointments to the Marine Institute Industry Advisory Committee expire in December 2018 and two members have left the industry, therefore; several new appointment and reappointments are recommended.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the appointment and reappointments to the Marine Institute Industry Advisory Committee for a three year term to December 31, 2021 as outlined in the background documentation and as follows:

Reappointments

- Capt. Sid Hynes (Chair), Executive Chairman, Oceanex Inc.
- Mr. Ross Butler, CEO, Cooke Seafood USA & Wanchese Fish Company
- Mr. Leonard Pecore, President, Genoa Design International Ltd.
- Mr. Kevin Anderson, Regional Director General (NL Region), Department of Fisheries and Oceans

Renewal of the Marine Institute Industry Advisory Committee (cont'd)

These members recommended for re-appointment meet the criteria outlined in sub-sections 2(d) and (e), of Article 68, as noted above.

New Appointment

- Capt. Anne Miller, Regional Director - Incident Management, Atlantic Region, Canadian Coast Guard

The member recommended for appointment meet the criteria outlined in subsections 2 (d) and (e) of Article 68, as noted above.

Further, the Board approved the appointment of Ms. Kim Keating, Chief Operating Officer, Cahill Group, and current board member, as Vice Chair.

B. Recommendation from the Executive Committee regarding an Appeal

The Board received and reviewed background information pertaining to a recommendation from the Executive Committee regarding an appeal.

Board members were advised that at a meeting held on December 4, 2018, the Executive Committee agreed to recommend to the Board of Regents, the establishment of an ad hoc Committee to consider an appeal as outlined in the background documentation. The Executive Committee noted that Section 34(1)(j) of the MUN Act gives authority to the Board *“to appoint committees that it considers necessary and to confer upon the committees power and authority to act for the board in and in relation to matters that the board considers expedient”*.

The Executive Committee recommended to the Board that the ad hoc Committee be granted the authority to establish its own procedures and to render a decision in this appeal as long as the procedures and the decision are in compliance with all provisions of the MUN Act. It was noted that the Secretary to the Board will issue a call to members of the Board for volunteers to serve on this ad hoc Committee. The Chair of the Board in consultation with the Governance Committee shall appoint the members to the ad hoc Committee.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the establishment of the ad hoc Committee as outlined above and as attached. Further, it is recommended that the ad hoc Committee provide a written report of its deliberations and decisions to the Board of Regents for information at a future meeting of the Board.

Dr. Kachanoski declared a conflict with this item and abstained from voting.

6585. PRESENTATIONS TO THE BOARD

A. Metrics for Vice-President (Research) Portfolio

Dr. Neil Bose, Vice-President (Research), provided the Board with a presentation entitled "Newfoundland and Labrador's University".

Following a question and answer period, Ms. Petten on behalf of the Board, thanked Dr. Bose for his informative presentation (a copy of which is located in the Board files).

B. Public Engagement Framework at Memorial University

Due to time constraints, it was agreed to defer receipt of this presentation until a future meeting of the Board.

6586. ANY OTHER BUSINESS

A. Date of Next Meeting

The Chair advised that the next regular meeting of the Board of Regents is scheduled to be held on March 14, 2019.

B. Resignation of Mr. Christian Samson, Marine Institute Students' Union

The Chair noted for the information of the Board the resignation of Mr. Christian Samson, Marine Institute Students' Union representative effective December 6, 2018. The Chair, on behalf of the Board, acknowledged with sincere gratitude the valuable service given by Mr. Samson to the University during his term on the Board.

ADJOURNMENT

The meeting adjourned at 5:15 p.m.

CHAIR

SECRETARY

DATE