

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Wednesday, October 3, 2018 at 2:00 p.m. in the Hutchings Room, City Hall, Corner Brook and via teleconference.

PRESENT:

Ms. Iris Petten, Chair
Mr. Denis Mahoney, Vice-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
Mr. John Gibbons
Dr. Rex Gibbons
Ms. Katharine Hickey
Mr. Doug Letto
Ms. Donna Rideout
Mr. Christian Samson
Mr. George Saunders
Ms. Sarah Stoodley
Ms. Eleanor Swanson
Mr. Dennis Waterman
Ms. Tina Scott, Secretary to the Board

APOLOGIES:

Apologies were received from Mr. Joe Dunford, Ms. Karen McCarthy, Ms. Catherine Rowsell.

PRESENT BY INVITATION:

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

6550. MEETING CALLED TO ORDER

The meeting was called to order at 2:00 p.m. by Ms. Iris Petten, Chair. In doing so, she acknowledged and welcomed all members to the meeting and to Corner Brook. She then thanked the Mayor and Councillors as well as the staff of the City of Corner Brook for inviting the Board of Regents to use the facility for its meeting. She also thanked Dr. Jeff Keshen, Vice-President (Grenfell Campus) and his staff for facilitating the Board's meeting arrangements.

6551. 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.

At the request of Ms. Stoodley it was agreed to move Agenda Item 6.3 "Senate matters with implications for the Board of Regents (September 11, 2018): Approval of Centre for the Study of Aging" to the Closed Discussion Agenda.

At the request of Mr. Bradbury, Chair of the Audit and Risk Committee, it was agreed to move Agenda Item 11.4 "University Buildings Strategy" to the Closed Discussion Agenda.

The agenda as amended was approved by the Board.

Ms. Baikie declared a conflict with Agenda Item 11.3 "Pye Farm Leases".

Mr. Collins and Mr. Cooper declared a conflict with Agenda Item 12.3 "Senior Administrative Management (SAM) Compensation Review.

Dr. Kachanoski declared a conflict with Agenda Item 16.2 "Establishment of a Presidential Search Committee".

6552. MINUTES

The Minutes of the regular meeting of the Board of Regents held on July 5, 2018 were approved by the Board.

6553. CHAIR'S REPORT

A. Meeting of the Executive Committee – September 20, 2018

The Chair noted that the Executive Committee met on September 20, 2018 to finalize and fine tune the agenda for today's meeting of the Board.

6554. 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 July 2018 meeting of the Board and he provided the Board more detail and context on several of these activities and events. In particular, the President noted the very successful opening of the Signal Hill Campus on September 29, 2018. It was then moved by Dr. Kachanoski and seconded by Mr. Mahoney to extend a vote of thanks and commendation to the team who organized the opening events and open house for the Signal Hill Campus and to those responsible for the extensive renovations to the campus infrastructure.

B. Registration Report for Fall 2018 Semester

The Board received and reviewed the enrolments and registration progress report for the Fall 2018 Semester.

OPEN SESSION - CONSENT AGENDA

It was moved by Ms. Baikie, seconded by Mr. Mahoney and carried that the consent agenda, as recommended by the appropriate Board Committee and comprising the resolutions listed in 6555 through 6558 be approved as outlined below.

6555. SENATE MATTERS

A. Senate matters with implications for the Board of Regents (May 8, 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 May 8, 2018 and approved the Calendar changes as outlined in the background documentation.

B. Senate matters with implications for the Board of Regents (September 11, 2018): Amendments to the Constitution and By-Laws of the Academic Council, School of Pharmacy

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 amendments to the Constitution of the Academic Council, School of Pharmacy and as outlined in the background documentation.

6556. AUDIT AND RISK COMMITTEE

A. Summary of Corporate Governance Checklists provided by Separately Incorporated Entities (SIEs) for 2017/18 Fiscal Year

The Board received for information the Summary of Corporate Governance Checklists provided by the Separately Incorporated Entities (SIE) for the 2017/18 Fiscal Year. On an annual basis, each SIE is required to complete a Corporate Governance Checklist for presentation to the Board of Regents. The checklist provides assurance to the Board that each SIE has maintained all annual corporate filings, has appropriate insurance coverages, and has provided copies of their audited financial statements and annual report (if appropriate) along with disclosure of any identified material liabilities or contingent liabilities of the corporation. A summary of the responses of each SIE to the checklist questions was provided in the background documentation.

B. Summary of Memorial University of Newfoundland's Corporate Governance Checklist for 2017/18 Fiscal Year

The Board received for information the summary of Memorial University of Newfoundland's Corporate Governance Checklist for the 2017/18 Fiscal Year. Memorial University has completed a Corporate Governance Checklist for fiscal 2017/18 for presentation to the Board of Regents (a copy of which was provided in the background documentation). The checklist provides assurance to the Board of Regents that Memorial University has maintained all applicable corporate filings, has appropriate insurance coverages, and has provided copies of its audited financial statements and annual report along with disclosure of any identified material liabilities or contingent liabilities of the University.

6557. 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

Update on Capital Projects (cont'd)

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

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 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 updates since the July 5, 2018 meeting of the Board were provided on the U-Pass and the MUN Traffic Study.

Transportation Strategy (cont'd)

U-Pass

Based on meetings held with the student unions and the U-Pass ad hoc committee, it was agreed that the best way to engage with the student population would be through consultation sessions during the fall 2018 semester. To aid in planning, a consultation strategy was developed in collaboration with the Department of Marketing and Communications. In July 2018, University administration had follow-up meetings with the student unions to review and receive feedback on the draft consultation plan. After incorporating feedback from the student unions, the plan was distributed to the U-Pass ad hoc committee, which reconvened on August 14, 2018. At the meeting, the committee received an update on the student meetings and endorsed the consultation plan (as provided in the background documentation as Appendix A).

As outlined in the plan, a U-Pass website has been developed (www.mun.ca/u-pass) and University administration is focusing on sharing information about the potential U-Pass program. This included a presence at student orientation events in September and continuous promotion through social media and other channels. Promotion and planning is also underway for five student consultations sessions which will take place in mid-October. Administration will return with an update and suggested way forward at the December 2018 Board of Regents meeting, with a goal to bring the matter to resolution prior to the end of April 2019.

MUN Area Traffic Study

Follow-up efforts regarding the potential transit terminal are underway. The group, including representatives from the City of St. John's, provincial government, Eastern Health, and MUN, met on July 17, 2018 to focus on funding opportunities for the terminal. It was determined that the Investing in Canada Infrastructure Program might be a good opportunity for funding, which the university is currently exploring. In addition, a working group was assigned to look into site selection for the potential terminal. This group met on August 8, 2018 and again in September. The working group will report back to the larger group in the fall with their findings on a potential site.

6558. FINANCE COMMITTEE

A. Policy Submission – Harlow Campus Funding recommended new title "Harlow Campus Usage" (revised)

The Board received background information and approved the revised Policy entitled "Harlow Campus Usage Policy" as outlined in the background documentation.

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. Gibbons, seconded by Ms. Hickey and carried that the consent agenda, comprising the resolutions listed in 6559 through 6562 below be approved as follows:

6559. AUDIT AND RISK COMMITTEE

A. Change to the Canadian Centre for Fisheries Innovation (CCFI) Board of Directors

The Board was informed that at a meeting held on September 27, 2018, the Audit and Risk Committee of the Board of Regents approved a change to the Canadian Centre for Fisheries Innovation (CCFI) Board of Directors and as outlined in the background documentation.

B. Change to the Genesis Centre Inc. Board of Directors

The Board was informed that at a meeting held on September 27, 2018, the Audit and Risk Committee approved a change to the Genesis Centre Inc. Board of Directors and as outlined in the background documentation.

C. Appointments to the Memorial University Recreation Complex Board of Directors

The Board was informed that at a meeting held on September 27, 2018, the Audit and Risk Committee approved the appointments to the Memorial University Recreation Complex (MURC) Board of Directors as outlined in the background documentation and as follows:

- Mr. Sandy Hickman as the City of St. John's Representative for a two-year term, effective October 20, 2018 to October 20, 2020;
- Mr. Mike Donovan as Community Representative for a one-year term, effective November 2, 2018 to November 2, 2019; and,
- Dr. Linda Rohr, School of Human Kinetics and Recreation, as MUN Representative for a three-year term, effective December 3, 2018 to December 3, 2021.

D. Status of Internal Audit Activity as at August 31, 2018

The Board received for information the status of Internal Audit Activity as at August 31, 2018. The University Auditor provided the Internal Audit Status Report that provides information on the status of internal audit activity. In summary, for the 2018-19 fiscal year to date, three audits were carried forward from the prior year and three audits were identified in the 2018-19 Annual Internal Audit Plan. Due to an emerging risk, one project has been added and is in progress. Currently, two projects have been completed to date. Other internal audit activities include follow-up projects that occur twice per year and activity related to the operations of the Office of Internal Audit. As each internal audit project is completed, an executive summary of the results is presented in a separate memo.

E. Core Science Facility Project – Financial Review

The Board received for information the Core Science Facility Project Financial Review. At the request of the Core Science Facility (CSF) Governance Sub-Committee of the Campus Planning and Development Committee, the Office of Internal Audit conducted a financial review of the CSF Project as at March 31, 2018. An executive summary of the findings and recommendations was provided in the background material provided.

F. Audit Plan – Audit of Annual Financial Statements for 2018-19

The Board received background information and approved the audit plan for the University's annual financial statements for the fiscal year ending March 31, 2019 and as outlined in the background documentation.

G. Ernst and Young Management Letter for 2017-18

At a meeting held on September 27, 2018, and as a follow-up to the audit of the consolidated accounts of Memorial University for fiscal 2017/18, the Audit and Risk Committee received the Ernst and Young Management Letter for fiscal 2017-18 which was presented by Ms. Andrea White of Ernst and Young.

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

H. 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 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, 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.

Update on Information Security Improvement Program (ISIP) Plan in response to Information Technology (IT) Security Risk Assessment (cont'd)

Since the last reporting period in July, ISIP progress was impacted over the summer months due to a significant event at the Library Data Center. Key IT Services (ITS, St. John's campus) and Information Management & Protection (IM&P) resources had to be diverted from the ISIP to assist with library service recovery efforts. However, some progress was made in areas that align with the three key recommendations identified in the audit report.

This item was received for information noting that another update is expected for the December 6, 2018 meeting of the Board.

6560. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Naming the listed rooms located in the Faculty of Medicine in recognition of philanthropic support to the Faculty's *Building a Healthy Tomorrow* fundraising campaign

The Board received background information and approved the naming of the listed rooms located in the Faculty of Medicine in recognition of philanthropic support to the Faculty's Building a Healthy Tomorrow fundraising campaign as outlined in the background documentation and as follows:

Naming Recognition	Room Number
<i>The Dr. Peter and Mrs. Deborah Collingwood Suite of Learning Rooms with each room sub-named as follows:</i>	
<i>The Collaborator Room</i>	2M200
<i>The Communicator Room</i>	2M201
<i>The Scholar Room</i>	2M209
<i>Devlin Family Student Facilities</i>	Student Lounge

B. 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.

C. Pye Farm Leases

The Board received background information and approved the transfer of the Pye Farm Leases to Memorial University for the Labrador Institute, subject to the approval of the Lieutenant Governor-in-Council and as outlined in the background documentation.

D. Energy Performance Contract (EPC) Annual Report to Government

The Board received for information the Energy Performance Contract (EPC) Annual Report to Government. At its July 2016 meeting, the Board of Regents approved the Phase 2 expansion of the Energy Performance Contract. This Phase 2 expansion is being executed through a self-funded EPC from energy savings over a 20 year period. The EPC includes \$28.8M in energy efficiency upgrades to over 65 buildings on the St. John's and Grenfell campuses. These upgrades address approximately \$6M in deferred maintenance liability that otherwise would have to be addressed through separate funding. Provincial Government approval to proceed with the EPC program was received in May 2017. This approval came with the requirement for annual reporting to include outcomes of the contract and the status of the repayment of all financing, including principal and interest payments. Accordingly, administration has drafted a report which will also be submitted to government and will do so as part of the University's annual reporting going forward. A copy of the report was provided in the background documentation.

6561. 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 July 5, 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. Committee members were advised that 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.

This item was received for information noting that a recommendation is expected for consideration at the December 6, 2018 meeting of the Board.

D. Changes to organizational structure of the portfolio for Provost and Vice-President (Academic)

The Board received background information and approved the changes to the organizational structure of the Portfolio for Provost and Vice-President (Academic) effective November 1, 2018 as outlined in the background documentation and as follows:

- a) Establish a position of Associate Vice-President (Teaching and Learning) that includes the responsibilities of the Director of CITL and delete the existing position of Director of CITL. The new position title would be Associate Vice-President (Teaching and Learning) and Director of CITL.
- b) Rename the position of Dean of Graduate Studies to Associate Vice-President and Dean of Graduate Studies.
- c) Rename the position of Associate Vice-President (Academic), Complement Planning, Programs and Development to Associate Vice-President (Academic).

E. Retitling of a position at the Marine Institute

The Board received background information and approved the retitling of the "Director of Research and Development" position to the "Associate Vice-President (Marine Institute) Research and Strategic Partnerships" and as outlined in the background documentation.

6562. FINANCE COMMITTEE

- A. Annual Investment Committee Report of the Endowed, Non-endowed and Specifically Invested Trust Funds for the Fiscal Year Ended March 31, 2018

The Board received for information the annual Investment Sub-Committee Report of the Endowed, Non-endowed and Specifically Invested Trust Funds for the Fiscal Year ended March 31, 2018. Each year the Investment Sub-Committee receives an annual report on the endowed, non-endowed and specifically invested trust funds for the previous fiscal year outlining the financial results of the portfolios and of the various funds. A copy of the Annual Report was provided in the background documentation.

CLOSED SESSION – DISCUSSION AGENDA

6563. SENATE MATTERS

- A. Senate matters with implications for the Board of Regents (September 11, 2018): Approval of the Centre for the Study of Aging

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. After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the establishment of the Centre for the Study of Aging arising from the Senate meeting of September 11, 2018 and as outlined in the background documentation.

6564. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

- A. University Buildings Strategy

The Board received and reviewed background information pertaining to the University Buildings Strategy

Board members were advised that 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.

University Buildings Strategy (cont'd)

The construction of the Core Science Facility (CSF) and Animal Resource Centre (ARC) and relocation of units currently located in the existing Science, Chemistry-Physics, Bruneau Centre, Engineering and Biotechnology Buildings presents an opportunity to rationalize the use of existing space and to optimize the use of space that will become available. In addition, space will become available in various buildings on the St. John's campus as some units move to the Signal Hill Campus.

At the July 2018 Board of Regents meeting, a high level estimate of costs and savings associated with vacating and demolishing the existing Science Building and Coughlan College was presented and supported by the Board for further consideration. Following from this, the University Buildings Working Group and Facilities Management have continued work relating to backfilling options to vacate the existing Science Building. The deans of Science and Humanities and Social Sciences are members of the University Buildings Working Group and are fully engaged in the planning process, along with the department heads. Based on these discussions, the overall concept is still considered notionally viable so the Working Group has been meeting regularly to develop a plan to reassign the units displaced from the Science building to Chemistry-Physics, Biotechnology and Bruneau. The impact to lost teaching space is also being investigated. Decisions by the Working Group are guided by a set of principles and are incorporated in a Terms of Reference.

Facilities Management is developing a cash flow and schedule for the existing Science Building demolition and unit relocation concept, which will consider internal work, architectural work, and the tender process. The draft cash flow and schedule will be presented to the University Buildings Steering Committee in the fall, and a further progress update will be provided to the Board at the December 2018 meeting.

With respect to the Coughlan College demolition and unit relocation concept, stakeholder meetings are being scheduled to determine the concept's viability. An update on this concept will also be provided at the December 2018 Board of Regents meeting.

The Board engaged in a question and answer session regarding this strategy and will be given further updates for information or for action as events unfold.

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

6565. FINANCE COMMITTEE**A. Update on the University's Financial Position**

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

At the invitation of the Chair, Mr. Decker provided a presentation with respect to 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.

The 2018-19 budget (excluding the Faculty of Medicine) included \$8.9M in budget reductions. The following table details the budget reductions by portfolio.

Budget Portfolio	Budget 2017-18	Budget Excluded	Budget Included	2018-19 Budget Reduction	2018-19 Attrition	2018-19 Total Budget Reduction
President	11,320,294	555,003	10,765,291	(211,890)	(76,000)	(287,890)
Provost & VP Academic	198,694,128	14,392,415	184,301,713	(3,625,320)	(1,790,160)	(5,415,480)
Grenfell Campus	30,168,970	3,441,884	26,727,086	(526,010)	(255,810)	(781,820)
Marine Institute Campus	32,904,448	1,819,080	31,085,368	(611,870)	(373,590)	(985,460)
Harlow Campus	508,600	508,600	0	0	0	0
VP Research	13,068,113	107,975	12,960,138	(255,040)	(113,870)	(368,910)
VP Administration & Finance	58,842,808	24,785,091	34,057,717	(669,870)	(390,570)	(1,060,440)
Infrastructure	10,127,750	10,127,750	0	0	0	0
Central Budget	14,255,569	14,255,569	0	0	0	0
Total	369,890,680	69,993,367	299,897,313	(5,900,000)	(3,000,000)	(8,900,000)

In October, the University will be expected to provide Government with its budget submission for the fiscal years ending 2020, 2021, and 2022. The submission is prepared based on the following principles:

- The salary block is maintained whole by the Province (eg. Collective Agreement template increases).
- University will hold operating expenditures flat and fund any increases through efficiencies.
- \$4.0 million grant in lieu of tuition annual increase.
- \$2.6 million general grant reduction as announced in the 2016-17 budget.
- \$3.0 million general grant reduction as announced in the 2017-18 budget.
- Inclusion of Capital Funding for the Core Science Facility based on forecasted cash flows.
- Tuition revenue adjustments due to the implementation of the 30% non-NL tuition increase effective September 2018 approved in the 2017-18 budget.

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

The Faculty of Medicine Submission will be prepared in the same format and included in the request to government.

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.

Responsibility for achieving attrition targets was assigned to each portfolio (President and five Vice Presidents) and the Faculty of Medicine. Portfolios followed the guidelines established in 2016-17 for reviewing positions in concert with the following fundamental considerations for decision-making around positions:

- Decision-making should consider the various types of risk created by vacancies.
- Decision-making should consider the impact on program/service sustainability.
- Vacancies should be identified as early as possible to ensure decisions and actions are timely and to avoid accumulated deficits for which the portfolio will be responsible.

All portfolios, with the exception of Medicine, have met their attrition targets for 2018-19. The Faculty of Medicine positions will be provided in the next update. The attrition reductions include:

- 6 faculty positions totalling \$970,236 or 29% of the total attrition savings achieved,
- 28.65 staff positions totalling \$2,344,199 or 71% of the total attrition savings achieved.

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

<u>Portfolio</u>	<u>Attrition</u>	<u>Savings</u>	<u>Attrition</u>	<u>Progress</u>	<u>Notes</u>
	<u>2018-19</u>	<u>Balance</u>	<u>2018-19</u>	<u>Towards</u>	
		<u>2016-17</u>	<u>Target</u>	<u>Target</u>	
Provost & VP Academic	\$1,790,160	\$0	\$1,790,160	\$2,028,498	Surplus attributed to portfolio to offset 2018-19 base budget reductions Surplus
Grenfell Campus	\$255,810	\$0	\$255,810	\$333,211	attributed to portfolio to offset 2018-19 base budget reductions Surplus
Marine Institute	\$373,590	\$43,347	\$330,243	\$446,046	attributed to portfolio to offset 2018-19 base budget reductions Surplus
Research	\$113,870	\$0	\$113,870	\$144,460	attributed to portfolio to offset 2018-19 base budget reductions
Administration & Finance *	\$466,570	\$104,350	\$362,220	\$362,220	Completed
President *	\$0	\$0	\$0	\$0	Completed
Total	\$3,000,000	\$147,697	\$2,852,303	\$3,314,435	
Faculty of Medicine	\$113,870	\$0	\$113,870	\$0	Work in Progress
Total	\$3,113,870	\$147,697	\$2,966,173	\$3,314,435	

* President Portfolio attrition (\$76,000) was reallocated to the VP Administration and Finance Portfolio attrition, with a corresponding reallocation of \$76,000 base budget reduction from the VP Administration and Finance Portfolio to the President's Portfolio.

A list of positions identified to date for attrition by budget envelope for each portfolio was provided in the background documentation.

Salaries plus benefits of positions approved by VPC for attrition will be transferred by the Budget Office from the unit's operating budget to an attrition fund that has been established for each envelope and the position number will be frozen.

Budget Reduction

To date, units have identified \$2.8 million (of the \$5.9 million required) in budget reductions. These budget reductions include:

- 21 administrative positions totalling \$1.65 million
- 1.83 faculty positions totalling \$429k
- \$743k in operating for expenditures such as materials and supplies, travel and hosting, and professional fees.

The details of the budget reductions were provided in the background documentation. In addition, a further update will be provided at the December meeting.

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

Budget Submission

There are certain budget risks in the 2019-20 budget. These include:

- Deferred Maintenance and Infrastructure
- Pension
- Collective Bargaining
- Additional reductions to the operating grant

Although this item was received for information and did not require a resolution of the Board, it did result in significant discussions regarding the implications of these budget reductions and the future of the University. It was noted that the Board would continue these discussions in the context of budget deliberations, the Presidential search and the Post-Secondary Education Review.

B. Voluntary Retirement Program – also considered by the Human Relations Committee

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 of Regents 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. It was noted that a maximum of \$8 million has been allocated for this program.

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

- Phase one includes individuals who are a minimum age of 71.
- Phase two includes individuals who are a minimum age of 65 but less than 71 and have 30+ years of service.
- Phase three includes individuals who are a minimum age of 60 but less than 65 and have 35+ years of service.
- Phase four includes individuals who are a minimum age of 60 but less than 65 and have 30+ years of service.

Applications for Phases 1 and 2 were accepted between June 1 and July 20, 2018. Applications for Phase 3 were accepted between August 27 and September 14, 2018. Proceeding with Phase 4 will be determined based on the financial resources remaining upon the conclusion of Phase 3.

Voluntary Retirement Program (cont'd)

Employees who met the age and service requirements for Phase 1 and 2 and who were interested in participating in the program were required to submit their applications to their Dean/Director by July 20th, 2018. 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. In total, 16 applications were received and endorsed for Phase 1 and 27 for Phase 2. Combined, the 43 applications represent a 46% uptake for Phase 1 and 2. A summary of the received applications by VP Portfolio is provided below:

Phase 1 and 2					
Portfolio	Eligible	# of Approved Applications	# VRP Offers Accepted	Accepted: Academic	Accepted: Non-Academic
Provost and Vice-President (Academic)	82	37	32	30*	2
Vice-President (Grenfell Campus)	6	3	3	3	0
Vice-President (Marine Institute)	1	1	1	1	0
Vice-President (Research)	1	1	1	0	1
President	1	1	1	0	1
Vice-President (Administration and Finance)	3	0 (1 application received but denied)	N/A	N/A	N/A
Total	94	43	38	34	4

**One employee in Phase 2 was granted an extension to the VRP offer acceptance date. Their decision to accept or decline is required by September 25, 2018. They have not been included in this count.*

VRP payments (excluding the extended employee, accumulated leave, and other accrued benefit payments) for the 38 individuals accepting the VRP offer within Phases 1 and 2 total \$5,726,761.74. This leaves approximately \$2.3M remaining within the program funding for future phases. This amount does not include funds to be reinvested into the academy through academic renewal which is anticipated to be 25% of the program funding (or \$2M). It is anticipated that the funds saved from staff positions approved under Phase 3 of the VRP (where there is no renewal obligation) can assist in offsetting the financial commitments stemming from necessary renewal within the faculties. A projected estimate of Phase 3 savings is as follows:

Voluntary Retirement Program (cont'd)

Phase 3	# Eligible	Total Savings
Total Salary Savings – Faculty (100%)	11	\$1,653,808.00
Total Salary Savings - Staff (100%)	19	\$1,208,731.60
Phase 3 Total Savings (100%)		\$ 2,862,539.60
Projected Savings (40% Uptake)		\$ 1,145,015.84
Projected Savings (60% Uptake)		\$ 1,717,523.76

Phase 3 applications are in the midst of being reviewed for recommendation by the applicable Vice-Presidents. A summary of the received applications by VP Portfolio is provided below:

Phase 3				
Portfolio	Eligible	# of Applications	Applications: Academic	Applications: Non-Academic
Provost and Vice-President (Academic)	23	17	8	9
Vice-President (Grenfell Campus)	1	1	0	1
Vice-President (Marine Institute)	1	1	1	0
Vice-President (Research)	2	0	0	0
President	0	0	0	0
Vice-President (Administration and Finance)	3	2	0	2
Total	30	21	9	12

It was noted that at a meeting held on May 10, 2018, the Board of Regents approved the voluntary retirement program, subject to refinements, and including an \$8M one time financial commitment which would be paid out of savings. It was understood that the targeted net savings are \$6M. At that time, it was also agreed that any significant program changes would be brought back to the Executive Committee of the Board of Regents for review.

After a lengthy discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve an increase in the financial commitment to the Voluntary Retirement Program from \$8M to \$10M with the understanding that phase four of the program would be rolled out and the Board will be given an update at its next regular meeting.

6566. HUMAN RELATIONS COMMITTEE

A. Update on Collective Bargaining

The Board received a verbal update with regard to collective bargaining and was reminded that at a meeting held on July 5, 2018 the Board also received an update on the collective Bargaining for the four (4) Collective Agreements negotiated by Faculty Relations. At that meeting, the Board acknowledged the need to be familiar with the implications of the collective bargaining process as events unfold and for the Board to be proactive and nimble in order to provide oversight of the process. As a result, the Board endorsed the recommendation of its Human Relations Committee that the Executive Committee be prepared to exercise its authority as provided for in its Terms of Reference which reads as follows:

"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."

Following discussion, the Board agreed to renew its endorsement as noted above.

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

This item was considered under the report of the Financial Committee as outlined in the Minutes 6565.B above.

6567 EXECUTIVE COMMITTEE

A. Post-secondary Education Review

The Board received a verbal update with regard to the Post-Secondary Education Review. Following a discussion, it was agreed to forward the draft Terms of Reference to members of the Board for feedback.

B. Establishment of a Presidential Search Committee

The Board received and reviewed background information pertaining to the establishment of a Presidential Search Committee.

Board members were reminded that at its Special Meeting held on September 13, 2018, the Board of Regents authorized the establishment of a Presidential Search Committee (PSC) and requested that the Executive Committee develop the terms of reference and membership structure for that Committee for consideration by the Board at its October 3, 2018 meeting.

Establishment of a Presidential Search Committee (cont'd)

In undertaking this task, the Executive Committee was guided by the Presidential Search, Appointment and Assessment Policy last approved by the Board of Regents on February 2, 2017 and in particular by the first principle of the Policy which reads as follows:

"PRINCIPLE:

One of the most significant responsibilities of the Board of Regents is that of the appointment of the President. An extensive and collaborative process is required to conduct the search and selection and confirm the appointment."

In order to facilitate this extensive and collaborative presidential search process, the Executive Committee recommended the following membership structure for the PSC:

- "(a) The Chair of the Board, who shall chair the Committee:*
- (b) Two other Board members, to be chosen by the Chair:*
- (c) Four members of the faculty, chosen by the Senate, with at least one member from each of the St. John's Campus, Grenfell Campus and the Marine Institute*
- (d) Two students, chosen by the Chair after consultation with the Director of External Affairs, Communications and Research, Memorial University of Newfoundland Students' Union (MUNSU); President, Marine Institute Students' Union (MISU); Executive Director of External Affairs, Graduate Students' Union (GSU); and the Vice-President, Academic, Grenfell Campus Students' Union (GCSU)*
- (e) An academic administrator, chosen by them from among themselves*
- (f) A non-academic administrator, chosen by them from among themselves*
- (g) One member of the public-at-large, chosen by the Chair*

The Secretary of the Board will serve as Secretary of the Presidential Search Committee

The Executive Director, Office of the Board of Regents will provide advice to and support the work of the Presidential Search Committee"

Establishment of a Presidential Search Committee (cont'd)

The Terms of Reference for the Committee follow directly from the Procedure for Search, Selection and Appointment as outlined on Page 2 of the above-noted Presidential Search, Appointment and Assessment Policy which reads as follows:

"In undertaking the search and selection for the appointment, the Board strikes and establishes membership on a Presidential Search Committee (PSC), including the Board Chair as chair, and whose role it is to recommend to the Board one individual to serve as President and Vice-Chancellor. The PSC is tasked with developing a collaborative search process that includes:

- preparing a budget for the process;*
- determining whether to engage a search consultant and when appropriate, engaging a search consultant;*
- determining, at the outset, the degree of confidentiality for the process and the schedule for any communications throughout the process.*
- determining at the outset the level of involvement of the University community;*
- identifying and analyzing the University's needs and objectives;*
- writing a suitable position profile;*
- attracting a strong candidate pool;*
- identifying the most appropriate candidates;*
- interviewing the leading candidates; and*
- deciding upon the best qualified candidate to recommend to the Board for appointment. The Board's decision is taken in consultation with the Senate and with the approval of the Lieutenant Governor in Council.*

The PSC recommends the proposed search process to the Board for approval.

To secure the appointment, a contract is developed and negotiated which sets out among other things the start date for the appointment and the range of compensation and benefits for the President and annual review of the same. Once signed the contract is available publicly by posting to the University's website.

At the conclusion of the process, the Board Chair makes an announcement to the University community.

The Board develops and adopts a transition plan which normally includes assistance from the departing President as well as the establishment of a transition team who work with the incoming President in the period near the start of the appointment to assist in preparing him/her for the role."

Establishment of a Presidential Search Committee (cont'd)

The Executive Committee also noted that the above-noted membership structure and terms of reference once approved by the Board will enable the presidential search process to fulfill its task as a normal renewal activity that prompts the University and the wider community to consider the University's future. It is an important time of reflection, renewal and consideration of the University's vision and mission.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the appointment of a Presidential Search Committee (PSC) with the following Terms of Reference and Membership Structure:

Terms of Reference

To conduct a search for a new President of Memorial University using a process that is open, transparent and accountable, while maintaining the necessary confidentiality of potential candidates and that is guided by and in compliance with the letter, spirit and intent of the Memorial University Act as well as the Presidential Search, Appointment and Assessment Policy and applicable Procedures.

Membership Structure

The Presidential Search Committee shall comprise:

- (a) The Chair of the Board, who shall chair the Committee:
- (b) Two other Board members, to be chosen by the Chair:
- (c) Four members of the faculty, chosen by the Senate, with at least one member from each of the St. John's Campus, Grenfell Campus and the Marine Institute
- (d) Two students, chosen by the Chair after consultation with the Director of External Affairs, Communications and Research, Memorial University of Newfoundland Students' Union (MUNSU); President, Marine Institute Students' Union (MISU); Executive Director of External Affairs, Graduate Students' Union (GSU); and the Vice-President, Academic, Grenfell Campus Students' Union (GCSU)

Establishment of a Presidential Search Committee (cont'd)

- (e) An academic administrator, chosen by them from among themselves
- (f) A non-academic administrator, chosen by them from among themselves
- (g) One member of the public-at-large, chosen by the Chair

The Secretary of the Board will serve as Secretary of the Presidential Search Committee

The Executive Director, Office of the Board of Regents will provide advice to and support the work of the Presidential Search Committee

Further, the Board approved the following supplementary resolutions:

- That the Chair of the Board be authorized to announce at the appropriate moment the creation of the Committee and the scope of its work.
- That the Chair of the Board consult as appropriate and present the names of the members of the Committee for ratification as soon as possible by the Board.

6568. 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 December 6, 2018.

ADJOURNMENT

The meeting adjourned at 4:35 p.m.

CHAIR

SECRETARY

DATE