

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Thursday, September 6, 2012, at 4:00 p.m., in the Board Room of the University, Room A-2029.

PRESENT:

Mr. Robert E. Simmonds, Chair
Dr. Gary Kachanoski, President and Vice-Chancellor
Dr. David Wardlaw, Provost and Vice-President (Academic)
Mr. Gilbert Bennett
Ms. Pat Coish-Snow
Ms. Mary Cormier
Ms. Michelle Daye
Ms. Pegi Earle
Mr. Rex Gibbons
Ms. Noreen Greene-Fraize
Mr. Jim Hickey
Mr. Jim Keating
Ms. Kim Keating
Mr. Bill Matthews
Mr. Asan Mohideen
Dr. Vinod Patel
Mr. Tony Roche
Ms. Kathleen Roul
Ms. Donna Stone
Ms. Eleanor Swanson
Mr. George Tucker
Mr. Edmund Walsh
Mr. Michael Walsh
Ms. Tina Scott, Secretary

APOLOGIES: Ms. Sheila Ashton, Mr. Steve Belanger, Mr. Brian Dalton, Ms. Meghan McCarthy, Dr. Luke Pike.

PRESENT BY INVITATION:

Dr. Christopher Loomis, Vice-President (Research) Mr. Glenn Blackwood, Vice-President (Marine Institute), Dr. Mary Bluechardt, Vice-President (Grenfell Campus), via teleconference; Mr. Kent Decker, Vice-President (Administration and Finance), Mr. Glenn Collins, Advisor to the Board, Ms. Karen Hollett, General Counsel.

5912. MEETING CALLED TO ORDER

The meeting was called to order at 4:00 p.m. by Mr. Simmonds, Chair.

5913. APPROVAL OF THE AGENDA

At the request of Ms. Roul and on behalf of the Audit and Risk Committee, Item 5.d *Revised Reporting Structure for Internal Audit and approval of Internal Audit Activity Charter* and Item 8.b. *Restructuring of the Vice-President (Administration and Finance) Portfolio* was moved from the Consent Agenda to the Discussion Agenda.

Following approval of the agenda, Mr. Simmonds 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.

5914. MINUTES

The Minutes of the regular meeting of the Board of Regents held on July 5, 2012 were approved by the Board subject to minor amendments.

5915. CHAIR'S REPORT

A. Executive Committee

Mr. Simmonds advised that the Executive Committee met on August 23, 2012 to finalize the agenda for today's Board meeting.

B. Code of Conduct Certifications

Mr. Simmonds advised that the Marine Institute is currently in a competitive bidding process to retain the "Naval Combat Systems Technician Training Plan (NCSTTP) English Language Instruction" Department of National Defence Contract. There is now a new requirement in this RFP (which will become a standard part of all federal government RFPs) regarding "Code of Conduct Certifications - Consent to a Criminal Record Verification" which requires that the following be supplied with the bid in order to be compliant:

- (a) a complete list of names of all individuals who are currently directors of the Bidder; and
- (b) a properly completed and signed form Consent to a Criminal Record Verification (PWGSC-TPSGC 229), for each individual named in the list.

Mr. Simmonds further noted that the above would apply to all members of the Board of Regents and he urged members to comply with the request.

C. Student Appeal

Dr. Kachanoski, Dr. Loomis, Mr. Decker, Mr. Collins, Dr. Wardlaw, Dr. Bluehardt, Ms. Hollett and Mr. Blackwood left the meeting during discussion of the following item.

The Board was provided with background information pertaining to a complaint of sexual harassment by a student (complainant) against another student (respondent). The Board was advised that following a thorough investigation of the situation by legal counsel, consultation with senior university staff at the University, the President determined that sexual harassment had occurred. The President subsequently imposed a penalty on the respondent as outlined in the background documentation.

Mr. Simmonds then advised the Board that on August 29, 2012, the student gave formal notice to the Office of the Board of Regents of the intention to appeal the decision of the President to the Board of Regents.

Following discussion, the Board agreed to establish an ad hoc Committee, comprising the Vice-Chair and two other members of the Board to ensure that the matter is dealt with expeditiously, and also in accordance with the Memorial University Act, Section 34.(1)(l) which states:

“To exercise disciplinary jurisdiction over the students of the University, with power, to take the following actions:

- (i) admonish,
- (ii) suspend,
- (iii) expel,
- (iv) fine, or
- (v) levy assessments upon them for damage to property”

The Board also agreed to grant the ad hoc Committee the authority to render a decision in the appeal and in accordance with the Memorial University Act, Section 34.(1)(j) which states:

“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”

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents establish an ad hoc committee to consider the appeal of the decision of the President, as outlined in the background documentation.

Student Appeal (cont'd)

That the Board of Regents authorizes the Chair of the Board to select the members of the Committee which is to be comprised of three members of the Board, which will include the Vice-Chair of the Board who will act as the Chair of the Committee. Further, the Committee may engage legal counsel to advise them during their deliberations.

That the Board of Regents, and in accordance with the Memorial University Act, Section 34.(1)(j), authorizes the ad hoc Committee to make the final determination concerning the appeal.

Dr. Kachanoski, Dr. Loomis, Mr. Decker, Mr. Collins, Dr. Wardlaw, Dr. Bluechardt, Ms. Hollett and Mr. Blackwood returned to the meeting at this point.

5916. PRESIDENT'S REPORT

A. Smoking Policy Update

The Board received and reviewed background information pertaining to the Smoking Policy update.

Dr. Kachanoski reminded the Board that the University's Smoking Policy was revised after extensive consultation with the University community in July 2011, with the effective implementation date of August 1, 2011. The revised Policy complies with the Smoke Free Environment Act (2005) which prohibits smoking in any indoor or otherwise enclosed space and serves to provide a safe and healthy work and study environment for employees, students and visitors; specifically, by eliminating exposure to second hand smoke.

The implementation plan for the policy outlines a progression to a complete ban by 2013 through a gradual and continuous restriction of areas where smoking would be permitted on campus.

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

B. Approval to commence dissolution of two Separately Incorporated Entities - Memorial University of Newfoundland Botanical Garden and Newfoundland Quarterly Foundation

The Board received and reviewed background information pertaining to the request for approval to commence dissolution of two Separately Incorporated Entities - *Memorial University of Newfoundland Botanical Garden and Newfoundland Quarterly Foundation*.

Approval to commence dissolution of two Separately Incorporated Entities - Memorial University of Newfoundland Botanical Garden and Newfoundland Quarterly Foundation (cont'd)

(i) Memorial University of Newfoundland Botanical Garden (MUNBG)

The President advised that the MUNBG was established as an entity separate from Memorial University in 1994. At that time the strategy was to create an organization that would be governed by interested community members in a manner that would lead to greater self sufficiency through fundraising efforts. The recent history of Memorial's operating grant to MUNBG was provided in the background documentation. Dr. Kachanoski noted that in recent years the MUNBG has experienced difficulties achieving a balanced budget, and there have recently been two failed searches for a new Director. In the fall of 2011 the Board of the MUNBG held a series of meetings with the President, the outcome of which was an agreement to move the operations of MUNBG back into the University. An interim leader was contracted for one year with the goal of preparing a medium term operating plan and integrating the MUNBG into the University in a manner that streamlines administration.

It is being proposed that strategic direction and administrative functions will be supported by the Office of Engagement and scientific aspects of operation will be overseen by the appointment of a Director.

(ii) The Newfoundland Quarterly Foundation (NQF)

Dr. Kachanoski advised that the NQF was established as a SIE in 1982 with the purpose of acquiring the publication known as the Newfoundland Quarterly and ensuring that the publication not be seen as owned and operated by the University. It was intended that the creation of a corporate vehicle would bring together a balance of publications expertise, entrepreneurial skills, fund raising ability and a sense of what the Quarterly means to the Province. Dr. Kachanoski then noted that recent thinking regarding linking the Quarterly with the University differs from that of 1982 and the connection is promoted in various ways. The existence of a Corporation and the associated administrative burden (separate audit, regulatory filings, accounting processes, etc.) for a publication with 1.5 FTE staff positions is considered unnecessary. He also noted that a series of meetings with the Board of the NQF have resulted in a decision of that Board to request that the Corporation be integrated into Memorial University.

Following a discussion, the following resolution was passed:

RESOLVED

That the Board of Regents approve the recommendation of the University Administration to commence the dissolution of the Memorial University of Newfoundland Botanical Garden and the Newfoundland Quarterly Foundation.

C. Change in Reporting Structure - Office of General Counsel

The Board received and reviewed background information pertaining to the change in reporting structure for the Office of the General Counsel.

The President reported that the Office of the General Counsel was created by the Board of Regents in 2007. Since that time the Office has evolved and resources have been added in the areas of policy and education, and research. As well, the Board in 2009, approved a recommendation that General Counsel attend regular meetings of the Board as an invitee or guest. The evolution has occurred without the benefit of a formal review of structure.

Dr. Kachanoski then noted that at the request of General Counsel, and with approval by the President, a review was conducted and a report was provided in January 2012. The review was conducted by the General Counsel for the University of Alberta, General Counsel for the University of Calgary and the acting Deputy Provost (Students) at Memorial University.

Dr. Kachanoski reported that the recommendations of the review have been received and several have been accepted by the President and General Counsel, and action has taken place on some of the recommendations where the approval of the Board is not necessary. These include a recommendation that General Counsel attend all meetings of the Vice-Presidents' Council (VPC) which has been implemented. He further noted that one of the recommendations of the review which requires Board of Regents' approval is a change in the reporting structure such that General Counsel should report administratively to the President rather than the Vice-President, Administration and Finance.

Following a discussion, the following resolution was passed:

RESOLVED

That the Board of Regents approve the recommendation of the University Administration for a change in reporting structure to provide that General Counsel reports administratively directly to the President and functionally, reports jointly to the President and the Chair of the Board of Regents.

D. Registration progress Report for the Fall 2012 semester as of August 23, 2012

The Board received and reviewed a registration progress report for the Fall 2012 semester as of August 23, 2012 outlining positive growth in overall enrolments and registrations as of that date.

CONSENT AGENDA

Noting that the items were dealt with in detail in meetings of the appropriate committees, it was moved by Ms. Cormier, seconded by Mr. Gibbons and carried that the consent agenda, comprising the resolutions listed in 5917 through 5920 below be approved as follows:

5917. FINANCE COMMITTEE

A. Increase in Parking Rate for Area 25

The Board received background information and agreed to the Parking Fees Amendment [3] effective September 6, 2012 as outlined in the background documentation.

5918. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Update on Progress of Capital Projects

The Board received a summary report of the following capital projects currently underway or being planned:

St. John's Campus

- New Residence
- Residence Renovations
- Newfoundland & Labrador Centre for Interdisciplinary Research in Human Genetics and Faculty of Medicine Building Extension, HSC
- Ocean Science Centre - Cold Water Supply
- Dr. Jack Clark Building and the S.J. Carew Building expansions
- Queen's College upgrade
- Aboriginal Centre
- Core Sciences Facility

Grenfell Campus

- Academic Building Atrium
- New Residence
- Environmental Research Laboratories Enhancement

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

B. Consultant selection for a Functional Space Planning Study for the Core Science Facility

The Board received background information and agreed to provide the University administration authorization to commission a Functional Space Planning Study for the Core Science Facility to the recommended proponent, Stantec Architecture.

5919. HUMAN RELATIONS COMMITTEE

A. Appointments Report

The Board received the Appointments Report for actions taken since July 5, 2012 noting that the actions have been taken under delegated authority as provided in the Terms of Reference for the Human Relations Committee.

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

B. Reappointment of Lorraine Busby as University Librarian

The Board received background information and agreed with the reappointment of Mrs. Lorraine Busby as University Librarian effective September 1, 2012 for a term of up to three years and as outlined in the Report to the Board of Regents dated September 6, 2012.

C. Appointment of Acting University Registrar and Secretary of Senate

The Board received background information and agreed with the appointment of Ms. Sheila Singleton as Acting University Registrar and Secretary of Senate effective November 1, 2012 for a period of one year or until a permanent University Registrar and Secretary of Senate is appointed, whichever comes first.

5920. SENATE

The Board received reports of items of business considered by Senate at its regular meeting held on May 8, 2012 and regular and special meetings held on June 22, 2012. Approval was given to the following items requiring Board approval under Section 56(h) (course of study) and 56(s) (making or altering a rule or regulation) of the Act:

A. May 8, 2012

Item 100 Report of the Senate Committee on Undergraduate Studies
(No. 100.1)

Item 101 Report of the Academic Council of the School of Graduate Studies
(No. 101.1)

B. June 22, 2012

Item 118 Report of the Academic Council of the School of Graduate Studies
(No. 118.1)

DISCUSSION AGENDA

5921. AUDIT AND RISK COMMITTEE

A. Revised reporting structure for Internal Audit and approval of Internal Audit Activity Charter

The Board received and reviewed background information pertaining to the revised reporting structure for Internal Audit and approval of the Internal Audit Activity Charter.

Mr. Decker advised the Board that the internal audit function at Memorial University in recent years has been administered through the Department of Enterprise Risk Management, with regular reporting and interaction with the Board of Regents' Audit and Risk Committee. The review of the portfolio of the Vice-President (Administration

Revised reporting structure for Internal Audit and approval of Internal Audit Activity Charter (cont'd)

and Finance) has concluded that the internal audit should function with greater independence (noting that a separate submission concerning the Restructuring of the Vice-President (Administration and Finance) portfolio was submitted to the Human Relations Committee). To establish that independence, as well as the accountability and reporting of internal audit activities, it is being proposed that the reporting structure for the Internal Auditors be revised and that the adoption of an Internal Audit Activity Charter, be adopted. Mr. Decker noted that internal audit employees will report administratively to the President and functionally to the Audit and Risk Committee of the Board of Regents and currently, there are two employees affected.

The adoption of the draft Audit Activity Charter as provided in the background documentation is also being proposed. The draft charter was developed based on:

- Review of historical internal audit documents at Memorial University
- Review of Board Bylaws and Terms of Reference of Memorial's Audit and Risk committee
- Review of internal audit charters at seven other Canadian universities
- The model charter of the Institute of Internal Auditors
- Discussions with the Internal Auditor at Concordia University, who recently went through this process
- Discussions with the Office of the Vice-President (Administration and Finance)

Further consideration will be given to incidental amendments required in other governance documents such as the Board Bylaws, the Audit and Risk Committee Terms of Reference, University-wide policies, particularly the Protected Disclosure policy, etc.

Following a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve, effective immediately:

- the realignment of the reporting structure of internal audit employees to provide that they report administratively to the President (who may delegate authority to the Vice-President (Administration and Finance)); and
- the adoption of the Internal Audit Activity Charter.

B. Health and Safety Quarterly Statistics

The Board received and reviewed background documentation with regard to the Accident Incident Quarterly Report.

Health and Safety Quarterly Statistics (cont'd)

The Board was advised that the Department of Health and Safety (DHS), in collaboration with the Department of Human Resources, receives and tracks accident and injury reports for all campuses throughout the University. The report, as outlined in the background documentation, provided an overview of the accident and incident statistical information for the second quarter for the years 2010, 2011 and 2012.

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

5922. HUMAN RELATIONS COMMITTEE

A. Restructuring of the Vice-President (Administration and Finance) Portfolio

The Board received and reviewed background information pertaining to the restructuring of the Vice-President (Administration and Finance) portfolio.

The Board was advised that significant growth at Memorial University has impacted the structure of many operating units in all portfolios. In addition, the portfolio of the Vice-President (Administration and Finance) has evolved in the past number of years. At the request of the President and as a follow up to the review of the Academic portfolio, a review of the structure of the Vice-President (Administration and Finance) portfolio was completed in the spring of 2012. The review was conducted by the Vice-President (Finance and Administration), Dalhousie University; the Vice-President (Finance and Resources), University of Saskatchewan; and the Associate Vice-President, Human Resources, University of British Columbia.

Mr. Decker noted that the President and Vice-Chancellor has accepted the recommendations of the review and several are being implemented. These recommendations will result in overall structural change in the Administration and Finance portfolio, and the reporting lines for the President and Board Secretariat. The changes in structure are outlined in the organizational charts representing the current and revised structure. Mr. Decker then provided an overview of the key changes which include:

1. Strengthening the independence of Internal Audit. It is considered best governance practice for the Internal Audit function to have autonomy from the Chief Financial Officer, and to have a direct line to the Board. This change includes the adoption of a charter for the internal audit function. It is being recommended that the Internal Audit function report directly to the Board with administrative reporting to the President with delegation to the Vice-President (Administration and Finance).
2. Consolidating risk-oriented functions under a single leader. Health and Safety, Enterprise Risk Management (ERM), Emergency Management and Campus Enforcement and Patrol (CEP, currently in Facilities Management) have significant complementarity in their roles and responsibilities. It is recommended to consolidate risk-oriented functions under one new senior leader (Chief Risk Officer) to ensure coordination of strategies and activities.

Restructuring of the Vice-President (Administration and Finance) Portfolio (cont'd)

3. Establishing IT Governance. A senior IT leader can articulate the future vision of information governance at Memorial, and can advise the leadership on competing IT priorities for allocation of resources. In addition to the current portfolio review recommendation, a report on IT Governance was compiled by KPMG at the request of the university in 2010. This report also supported the creation of a Senior IT Leader. The creation of a Chief Information Officer (CIO) Position, including reporting structure, will be further developed through consultation with the academic community. A recommendation to the Board of Regents will follow at a future meeting.
4. Creating an Associate Vice-President (Facilities). The title of Director at Memorial applies both to positions with no direct reports and to positions with as many as 400 direct reports, such as the Director of Facilities Management. The trend at Canadian universities is to move to Associate Vice-President (AVP) titles for functions such as facilities that have institution-wide responsibilities. Moving to AVP titles signals the importance of such roles, brings them up to national standards, and provides balance with the AVP roles created under the Provost's Office. Given the scale of facilities and the strategic importance of capital expansion (see next recommendation), it is recommended to create an Associate Vice- President (Facilities).
5. Ensuring Capacity to Deliver Major Capital Projects. With a \$300M+ science building on the horizon and other capital priorities identified, the ability to deliver major capital projects effectively is clearly a strategic priority. It is recommended to *create a Director, Capital Projects, reporting to AVP (Facilities) to ensure there are sufficient resources allocated to manage capital renewal and development programs. It is further recommended to realign the current Director, Facilities Management with oversight of current Operations and Maintenance activities as well as Custodial Services and Sustainability.* As both of these positions will report to the Associate Vice-President, this recommendation was included for information only.

Draft position descriptions for AVP (Facilities) and Chief Risk Officer were included with the background documentation along with a table that indicated the financial and human resource implications of the above-noted proposed changes.

Ms. Roul then reported that at a meeting held earlier in the day, the Audit and Risk Committee received, reviewed and agreed with recommendations 1 and 2 as outlined above.

Restructuring of the Vice-President (Administration and Finance) Portfolio (cont'd)

Following a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the structural changes to the Administration and Finance portfolio as recommended in the background documentation and as follows:

- transfer of Internal Audit unit from Enterprise Risk Management to Audit and Risk Committee of the Board of Regents with administrative reporting to the President's Office;
- creation of the position of Chief Risk Officer and subsequent search;
- consolidation of risk oriented functions including Health and Safety, Emergency Management, Risk and Insurance Services, and Campus Enforcement with reporting to the Chief Risk Officer; and
- creation of Associate Vice-President (Facilities) and subsequent search.

The following was noted for the information of the Board:

- creation of Director - Capital Projects reporting to the AVP (Facilities) and subsequent search; and
- realignment of Director - Facilities Management reporting to AVP (Facilities)

Mr. Walsh left the meeting at 5:15 p.m.

5923. FINANCE COMMITTEE

A. Annual Budget Submission to the Provincial Government for Fiscal Years ending March 31st, 2014, 2015, 2016

The Board received and reviewed background information pertaining to the annual Budget submission to the Provincial Government for fiscal years ending March 31st, 2014, 2015, 2016.

The Board was advised that in October, the University will be expected to provide Government with its budget submission for the fiscal years ending 2014, 2015, and 2016. The Board was provided the University's regular operating and capital budget submission. Strategic initiatives will be submitted to the Board at the next meeting in October.

Annual Budget Submission to the Provincial Government for Fiscal Years ending March 31st, 2014, 2015, 2016 (cont'd)

The requests are prioritized taking into account the following:

- Salary step increases as well as estimated cost increases for benefits;
- Collective Agreement salary increases and estimated cost increases for benefits;
- Inflationary cost increases;
- Operating expenses for Grenfell Academic Building;
- Continued government funded initiatives;
- Tuition Revenues
- Capital Expenditures: and
- Core Science Facility capital.

The Faculty of Medicine budget submission has been prepared for the fiscal years ending 2014, 2015, and 2016 using the following parameters:

- Salary step increases as well as estimated cost increases for benefits;
- Collective Agreement salary increases and estimated cost increases for benefits;
- Inflationary cost increases; and
- Capital Expenditures.

It was noted that the budget submission summaries were provided in the background documentation.

Following a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents receive for information the budget submissions for Memorial University and the Faculty of Medicine to the Provincial Government for the fiscal years ending March 31st, 2014, 2015 and 2016. It is understood that the full budget along with Strategic Initiatives will be presented for approval at the October 18, 2012 Board meeting.

5924. PRESENTATION FROM DR. LYNN PHILLIPS, DEAN, FACULTY OF ARTS

Dr. Wardlaw welcomed to the meeting, Dr. Lynn Phillips, Dean, Faculty of Arts and Dr. David Philpott, Faculty of Education, who provided the Board with a presentation regarding the First Year Success Program.

Following a question and answer period, Mr. Simmonds on behalf of the Board, thanked Dr. Phillips and Dr. Philpott, for their very informative presentation and they left the meeting.

5925. ANY OTHER BUSINESS

1. Date of Next Meeting

The next regularly scheduled meeting of the Board of Regents will be held on October 18, 2012.

At this point, Dr. Kachanoski invited Board members to consider nominating an individual for an Honorary Doctorate. Information regarding the process may be found on-line at www.mun.ca/senate.

ADJOURNMENT

The meeting adjourned at 6:25 p.m.

CHAIR

SECRETARY

DATE