

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Thursday, December 14, 2006 in the Board Room of the University, Room A-2029, at 2:30 p.m.

PRESENT:

Ms. Mary Broderick, Acting Chair
Dr. John Crosbie, Chancellor
Dr. Axel Meisen, President and Vice-Chancellor
Dr. Eddy Campbell, Vice-President (Academic)
Ms. Gaylene Buckle
Ms. Ruth Canning
Ms. Pat Coish-Snow
Mr. Brian Dalton
Mr. Martin Gould
Mr. Jim Igloliorte
Mr. Jim Keating
Mr. Earl Ludlow
Ms. Jeannette Lundrigan
Mr. Douglas Moores
Dr. Vinod Patel
Ms. Rosellen Sullivan
Ms. Eleanor Swanson
Ms. Eleanor Bennett, Secretary

APOLOGIES: Mr. Steven Cranford, Dr. Wynanne Downer, Mr. Anas El-Aneed, Ms. Deanne Fleet, Ms. Ann Marie Hann, Ms. Meghan Mitchell, Mr. Tony Roche, Ms. Judy White, and Mr. Stephen Winsor.

ABSENCE OF A CHAIR

Due to the vacancy in the office of the Chair of the Board of Regents, Ms. Mary Broderick acted as Chair.

Note: The Board of Regents, at its meeting on October 19, 2006, elected Ms. Mary Broderick as Acting Chair of the meeting. On November 21, 2006, a call for nominations was conducted through an email poll for an Acting Chair of the Board until a new Chair is appointed by Government. Following this members supported the appointment of Ms. Broderick as Acting Chair of the Board until a new Chair is appointed.

PRESENT BY INVITATION:

Mr. Kent Decker, Vice-President (Administration and Finance).

1. MINUTES

The Minutes of the regular meeting of the Board of Regents held on October 19, 2006, copies of which were circulated prior to the meeting, were approved by the Board.

2. WELCOME TO NEW REGENTS

Ms. Broderick, on behalf of the Board, extended a warm welcome to the newly appointed Regents and wished them a successful and rewarding term of office. Ms. Broderick also welcomed back Ms. Pat Coish-Snow who had been reappointed for a further term of three years, effective October 27, 2006.

The following were appointed by the Lieutenant-Governor in Council effective October 27, 2006 for a term of three years:

Ms. Gaylene Buckle
Mr. Brian Dalton
Mr. Martin Gould
Mr. Jim Igloliorte
Mr. Jim Keating
Ms. Jeannette Lundrigan
Dr. Vinod Patel
Mr. Tony Roche
Ms. Rosellen Sullivan
Ms. Judy White

3. PRESENTATION BY DR. WILF NICHOLLS

Ms. Broderick welcomed to the meeting, Dr. Wilf Nicholls, Executive Director of the MUN Botanical Garden and Ms. Charlotte Jewczck, Chair of the Board of the MUN Botanical Garden. Dr. Nicholls provided a power point presentation to the Board on the topic of "MUN Botanical Garden - More Than Just a Pretty Place". He elaborated on the primary Garden activities: Display, Education and Research.

After a short question and answer session, Ms. Broderick thanked Dr. Nicholls and Ms. Jewczck for their informative presentation and they left the meeting.

Mr. Igloliorte left the meeting at 2:30 p.m. and rejoined the meeting at 3:10 p.m.

Mr. Crosbie joined the meeting at 2:45 p.m.

4. CHAIR'S REPORT

1. Update on Inventory of Universities Policies

Dr. Meisen reported that two small task forces were established to assemble and make readily available policies and related procedures which govern the operations of the Board of Regents and the University as a whole.

He advised that interviews had taken place for the position of Coordinator and an appointment will be made shortly.

5. PRESIDENT'S REPORT

1. Activity Report

Dr. Meisen reported on a number of activities in which he was involved since the last Board meeting under the following headings:

Creating Opportunities for the University

Oct. 23 He received a courtesy visit from the Canadian Ambassador of France, Claude Laverdue. He will pursue the possibility for Memorial University students to study and work in France.

Oct. 25 Botswana International University of Science and Technology - Exploratory discussions were held in St. John's with the Minister of Education of Botswana. It is important for Memorial University to have one major, long-term partnership with Africa.

Nov. 27 -
Dec. 1 He traveled to Peru, at the invitation of the University of Piura, where he participated in strategic planning for the university sector in Peru. He had an opportunity to interact with senior people in government regarding fishery and aquaculture.

Promoting the University

- Oct. 31 -
Nov. 7 He traveled to the United Kingdom and met with Lord Rothermere and Mr. Vyvyan Harmsworth, members of the Rothermere Trust, regarding support for Memorial's campus in Harlow. He also attended the Harlow Campus Board of Trustees meeting.
- Nov. 6 He attended the Affinity Newfoundland and Labrador dinner in Ottawa.
- Nov. 15 He attended the Affinity Newfoundland and Labrador dinner in Toronto.
- Dec. 12 He met with Minister John Hickey regarding Labrador and transportation issues.
- Oct. 26 He attended the Marine Institute news conference regarding the launch of the new program focused on remotely operated vehicles.

Celebrating Accomplishments

- Oct. 26 He attended the Alumni Tribute Awards dinner in St. John's.
- Nov. 22 He hosted the President's Awards ceremony where awards were presented to outstanding faculty for the Distinguished Teaching, Outstanding Research, University Research Professor, and Exemplary Service.

2. Update on Report on Post Secondary Needs Assessment in Labrador

Dr. Meisen provided background information pertaining to this item and reported that Ms. Cathy Jong had been commissioned to prepare a report on this matter. The report was subsequently forwarded to the Provincial Government, the Labrador Institute, and the Labrador University committee for their input. Dr. Meisen reported that the feedback suggested several changes which are expected to be made by Christmas. The final report will be provided to the Board and made public.

3. Update on Release of Katz Report

The Board received and reviewed background information pertaining to this item. At the Board meeting on October 19, 2006, Dr. Meisen had reported that the Katz report was given to Mr. Brian Bowman, an independent expert in privacy matters, to review the report for the

purpose of redacting information that must be protected under privacy law. Dr. Meisen reported that on November 9, 2006, the redacted report was released to the University community. However, following the release, it was inaccurately reported in *The Telegram* that the University's actions with respect to protection of the privacy was unnecessary. Mr. Bowman subsequently responded to *The Telegram* correcting the misinformation.

4. Update on Pencharz Report

Dr. Meisen provided background information pertaining to the report by Dr. Paul Pencharz, who was commissioned to undertake an examination of research integrity pertaining to the University. The examination included, but was not restricted to, policies, processes and initiatives relevant to the research of Dr. Ranjit Chandra. Dr. Meisen reported that Dr. Pencharz has submitted his report and was being proofread. The report will not need to be redacted. It will be provided to the Board and the University community.

5. Update on the University's Strategic Plan

The Board received and reviewed background information pertaining to this item and was advised that the process to date had included the identification of key strategic issues facing the University, the preparation of position papers, three University forums, and internal and external consultations. The present version of the document is in two parts.

The first provides a framework outlining the five pillars of the plan: Students; Research; Needs of the Province; Conditions for Success; and Institutional Responsibility. The second part addresses targets set in relation to the goals associated to the five headings. The framework document has received extensive scrutiny. However, the targets document has not yet received extensive discussion. As well, the mission statement of the University has been rewritten.

It is expected that the Draft Strategic Plan will be submitted for approval in January meetings of Senate and the February meeting of the Board. Subsequent to this, the Strategic Plan will be submitted to Government in accordance with requirements of the Transparency and Accountability Act.

6. Final Report - P.J. Gardiner Institute Pilot Project

The Board received and reviewed background information pertaining to this item and was reminded that at its meeting on October 19, 2006, the

Board was advised that the P.J. Gardiner Institute was involved in a pilot project exempting its operations from financial and human resources policies regarding hosting, travel and hiring. It was concluded that there was no need to continue the pilot project and it has therefore terminated.

Ms. Coish-Snow left the meeting at 4:10 p.m.

7. Salary Review of Director and Manager Positions

The Board received and reviewed background information pertaining to this item and was advised that upon the conclusion of a compensation review for members of the Executive Pay Group by the Board, it was decided that the University Administration would perform similar reviews for the positions of Director and Manager.

The Board was advised that a working team has been constituted and is preparing a report with the following headings:

- ▶ Background information
- ▶ Scope of the Review
- ▶ Market Comparators
- ▶ Effective Date
- ▶ Principles
- ▶ Cost
- ▶ Schedule

A comprehensive report, with recommendations, is anticipated for the March 22, 2007 meeting of the Board.

8. Update on Fibre Optic Link for the Province

The Board received and reviewed background information pertaining to this item and was advised that on November 2, 2006, the Government had announced a multi-million dollar investment in a "new fully redundant fibre optic telecommunications link into the national networks".

In order to further the objective of additional data transmission capacity at an affordable cost and a high level of reliability, Memorial endorsed Government's commitment to the link by a letter to the Minister of Innovation, Trade and Rural Development, the Honourable Trevor Taylor, dated November 3, 2006, and in a news release dated November 15, 2006. It was pointed out that the University neither commented on nor endorsed the specific proposal made by the consortium consisting of Persona, Rogers Communications, MTS, and Allstream.

9. Update on Legal Matters

Dr. Meisen advised that there are no new legal matters involving the University on which to report. He reminded members that a binder containing a synopsis of the status of ongoing matters, is available for review at each meeting.

10. McLeans Rankings

The Board received a copy of the *Macleans* magazine which contained the 2006 rankings for Canadian Universities. The President noted that Memorial maintained its ranking of fifth place in the comprehensive category of Canadian Universities. Dr. Campbell advised that he would provide a draft report on this matter for the February 1, 2007 meeting.

Mr. Keating and Dr. Patel left the meeting at 4:30 p.m.

6. FINANCE MATTERS

In the absence of a meeting of the Finance Committee the following items of a financial nature were presently to the Board for their consideration:

1. Update of University's 2006-07 Financial Position

The Board received and reviewed background information pertaining to this item which was presented by Mr. Decker.

The Board was advised that at its May 23, 2005 meeting, it approved the budget estimates for the fiscal year 2006-07, based on a projected balanced budget. A review of the actual revenue and expenditures to October 31, 2006 has been completed. At this time, total expenditures for 2006-07 are projected to be under budget by \$582,123. In particular, a surplus of \$841,315 is projected in the Vice-President (Academic) envelope. This is composed of anticipated surpluses in the following areas:

- ▶ Faculty of Engineering (due to funding for Process Engineering not being spent by year end),
- ▶ Faculty of Business (due to a reduction in contractual and per course instructors and a reduction in relocation expenditures),
- ▶ School of Pharmacy and Distance Education and Learning Technologies (due to unfilled positions and positions being filled late in the year).

The Board was advised that a deficit of \$312,605 is projected in the Vice-

President (Administration and Finance) envelope due to increased energy consumption and costs.

Due to lower than expected enrolments, there are also decreases in all areas of tuition revenues, other than revenue related to international undergraduate students. Course registration calculations for the Fall 2006-07 semester indicate a decrease over 2005-06. This decrease resulted in a tuition revenue decline of \$157,798. Using past year enrolment patterns, a total tuition revenue reduction of \$201,716 is projected for the present fiscal year, compared with 2005-06. The shortfall in tuition revenue will be monitored and can be covered by reserves and carry over. In addition, expenditure reductions can still be made should they become necessary.

The Board was advised that other revenues are projected to be on budget. A further update will be provided at the February 1, 2007 meeting.

2. Registration Progress Report for Winter 2007

The Board received and reviewed background information pertaining to a registration progress report for the Winter 2007 semester and the implications of final registration date on the 2006-07 budget, which was presented by Dr. Campbell

The Board was advised that registration for the winter semester 2007 commenced on November 8, 2006 and as of December 5th showed an overall enrolment decrease of 1.9% over the Winter semester 2006. The information circulated included data providing further comparative information on enrolment by campus and subject area and it was shown that the decreased enrolments have resulted in lower tuition.

A further update will be provided at the February 1, 2007 meeting.

3. Energy Performance Contract Update

The Board received and reviewed background information pertaining to this item, which was presented by Mr. Decker.

The Board was reminded that at its December 2005 meeting it approved a recommendation from the Campus Planning and Development Committee for the University administration to enter into negotiations with Honeywell for the provision of Energy Performance Contract (E.C.) services. These services consist of upgrading or replacing existing facilities such that the long-term financial savings (resulting from reduced

energy use) would amortize the capital costs of the upgrades. Eight facilities were identified as having the greatest potential for energy savings.

In September 2006, the Board approved the University executing an energy performance contract with Honeywell in the amount of \$14.5 million, subject to appropriate financing and approval by Government. Dr. Meisen subsequently wrote the Minister of Education requesting approval of the Lieutenant-Governor in Council for the borrowing of funds to finance the project. To date, no official response or final decision has been received from Government. However, it is the University's understanding that Government is considering to make some funds available for the project thereby reducing the amount the University has to borrow.

It was noted that the University, as part of its budget submission for 2007-08, asked Government to provide ongoing funding for the University to convert from a Bunker C blend to a 100% light oil, which is more environmentally friendly. Government's decision on this request is also not known at this time.

4. Amendment to Statement of Investment Policy & Objectives

The Board received and reviewed background information pertaining to this item. The Board was reminded that at its meeting on March 23, 2006, it approved the Statement of Investment Policy and Objectives (SILO) for the Memorial University Pension Plan. The purpose of the SILO is to serve as a guide to the Board of Regents and appointed staff of the University who manage and administer the pension fund, as well as the University Pensions Committee, external investment managers, and any person in a position to influence investment decisions.

Jarislowsky Fraser, one of the University's Pension Fund managers, has indicated that conformance to the existing policy constraint would at times require them to alter their investment style or strategy. This would preclude them from investing fully in the stocks that meet their investment criteria and this could ultimately affect their ability to generate the investment returns for the pension fund that they might otherwise achieve.

As an alternative, Jarislowsky has requested that the policy be amended to limit industry exposure to the lesser of:

- ▶ three times the S&P/TSX sector weight or,
- ▶ the sector weight plus 10 percentage points.

The Board was advised that the University Pensions Committee, on October 18, 2006, reviewed Jarislowsky's request with the consulting actuary and investment advisor, Peter Hayes of Eckler Partners Limited. Mr. Hayes recommended adoption of the change proposed by Jarislowsky, as it would provide the desired level of investment flexibility and portfolio diversification, without introducing undue risk. In other words, the SILO would continue to reflect a high level of prudence.

Following discussion, the University Pensions Committee concurred with both Mr. Hayes and Jarislowsky. The Board was advised that there are no cost implications for the University relative to this change. The University administration supports this recommendation.

After discussion, the following resolution was passed

RESOLVED:

That the Board of Regents approves a recommendation from the University Pensions Committee that the industry exposure constraint, as outlined in the "Statement of Investment Policy" be amended to reflect the guideline proposed by Jarislowsky Fraser to limit industry exposure to the lesser of:

- ▶ three times the S&P/TSX sector weight; or;
- ▶ the sector weight plus 10 percentage points.

5. Establishment of Positions

The Board received and reviewed background information pertaining to the establishment of two permanent positions in the Department of Facilities Management.

The Board was advised that funding for both positions has been requested in the 2007-08 budget submission.

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approves the establishment of the following two permanent positions in the Department of Facilities Management:

UWA-043 - Administrative Staff Specialist I

7. CAMPUS PLANNING & DEVELOPMENT MATTERS

In the absence of a meeting of the Campus Planning and Development Committee, the following item was presented to the Board for their consideration:

1. Update on Progress of Capital Projects

The Board received and reviewed an update of the following capital projects which are currently underway or being planned:

St. John's Campus

- Energy Performance Contract
- Master Plan Update and Traffic and Parking Study
- Inco Innovation Centre - 3rd Floor

Marine Institute

- Holyrood Marine Base
- Foxtrap Training Facility - Building Expansion

Sir Wilfred Grenfell College

- Academic Building Expansion Facilities Plan
- Arts and Science Building Expansion
- Long-term Care Facility
- Corner Brook Curling Club Facilities
- Master Plan Update

8. LABOUR RELATIONS UPDATE

1. MUNFA

Dr. Meisen informed the Board that negotiations with MUNFA are ongoing and substantial progress has been made on the non-salaried items.

9. APPOINTMENTS COMMITTEE MATTERS

The Board received and reviewed a report of actions of the Appointments Committee taken on behalf of the Board, which was presented by Dr. Campbell and approved by the Board.

After discussion, the following resolutions were passed with respect to the

items which required Board approval:

1. Appointment of Dr. Randolph Cooper

The Board received and reviewed a recommendation for the appointment of Dr. Randolph Cooper as Executive Director, Oil and Gas Development Partnership.

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the appointment of Dr. Randolph Cooper as Executive Director, Oil and Gas Development Partnership, effective January 1, 2007.

2. Reappointment of Dr. Christopher Loomis

The Board received and reviewed background information pertaining to a recommendation pertaining to the reappointment of Dr. Christopher Loomis as Vice-President (Research).

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the reappointment of Dr. Christopher Loomis as Vice-President (Research) for a five-year term, effective January 1, 2007.

That the Board of Regents approve a recommendation that Dr. Loomis be extended a standing invitation to attend future Board of Regents meetings.

3. Annual Report of Exit Interviews

The Board received and reviewed the Annual Report of 2005 Internal Exit Interviews which was prepared by the Department of Human Resources. The Board was advised that overall, the Exit Interview Report showed a positive scorecard for Memorial from exiting employees.

10. SENATE

The Board received and reviewed minutes of the regular meeting of Senate held on October 10, 2006 and the special and regular meetings

on November 14, 2006. 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 *Memorial University Act*:

October 10, 2006:

Item 21 Report of the Academic Council of the School of Graduate Studies (No. 21.1 to 21.4)

November 14, 2006:

Item 36 Report of the Senate Committee on Undergraduate Studies Item 36.1 and 36.2)

Item 37 Report of the Academic Council of the School of Graduate Studies (Item 37.1)

11. OTHER BUSINESS

1. CCMC Ownership Transfer

The Board received and reviewed background information pertaining to the ownership of the Canadian Centre for Marine Communications (CCMC).

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approves the delegation to the Executive Director of the Marine Institute (or his delegate) to:

1. Prepare a proposal, in collaboration with the Chair of the Board of Regents' SIE Committee and CCMC's Board Chair, to transfer CCMC ownership to Memorial University (Marine Institute).
2. Develop a management and financial plan for integrating CCMC's resources into the School of Ocean Technology

2. Vitamins Class Action Settlement

Mr. Decker informed the Board that \$20 million will be disbursed to

Canadian universities and other organizations involved in vitamins and food education and research as a result of a pan-Canadian class action brought on behalf of direct purchasers, indirect purchasers and consumers of vitamins and vitamin products.

These funds are part of the settlement in excess of \$132 million approved by the courts of Ontario, British Columbia, and Quebec in 2005 pertaining to the alleged price-fixing of vitamins in Canada. In particular, the courts approved the distribution of \$963,959.16 to Memorial University.

The following resolution was passed:

RESOLVED:

That the Board of Regents authorizes Memorial University of Newfoundland to enter into an Agreement with the Claims Administrator for the Canadian Vitamins Class Action.

That the Board authorizes and delegates to Mr. Kent Decker, Vice-President (Administration and Finance), the authority to execute all documents necessary, and take all actions required to effect the Agreement.

3. The Labrador Inuit Through Moravian Eyes

Ms. Canning informed the Board of a website that provides information on the 250-year relationship between Moravian missionaries and the Inuit of Labrador: <http://link.library.utoronto.ca/inuitmoravian>

ADJOURNMENT

The meeting adjourned at 6:05 p.m.