

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Thursday, 28 March 2002, in the Board Room of the University at 2:30 p.m.

PRESENT:

Edward Roberts, Chair
Dr. Axel Meisen, President and Vice-Chancellor
Dr. Evan Simpson, Vice President (Academic) and Pro Vice-Chancellor
Alick Andrews
Gail Aylward
Hayward Blake
Lisa Browne
Calvin Butt
Sam Chaulk
Brett Dawe
Chris Decker
Sharon Duggan
Dr. Georgina Hedges
Ed Kelly
Dr. Brendan Lewis
Brendan Paddick
Larry Peckford
Joan Pinsent
Darlene Russell
Harvey Short
Kathryn Small
Lorelei Stanley-Newton
Susan Wood
Eleanor Bennett, Secretary

APOLOGIES: John Crosbie, Chancellor, Fred Durant, Dorothy George and Nancy Kelly.

PRESENT BY INVITATION: Wayne Thistle, Vice-President (Administration and Finance) and Legal Counsel.

1. MINUTES

The minutes of the regular meeting of the Board of Regents held on 31 January 2002, copies of which were circulated prior to the meeting, were approved by the Board.

2. CHAIR'S REMARKS

1. Name Change Committee Report

Members received and reviewed the draft report of the Name Change Committee, which included a summary of responses to the Committee's

request for input and a summary of further responses following release of the Committee's report on 6 March 2002. The Chair reported that the Committee is waiting to hear from the Royal Canadian Legion with respect to their comments and reaction to the report. The Committee expects to submit its final report to the Board for consideration at its 28 May 2002 meeting. Following that, the Board will provide its recommendation to the Provincial Government.

2. Executive Compensation Committee Report

The Board, at its 31 January 2002 meeting, approved the appointment of Dr. Christopher Loomis as Vice-President (Research and International Relations), effective 1 February 2002, subject to the approval by the Executive Compensation Committee of his term and compensation package. The Executive Compensation Committee met on 8 February 2002, and a copy of the minutes was made available to the Board for their review. After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the terms and conditions and the compensation package for Dr. Christopher Loomis in his position as Vice-President (Research and International Relations).

3. Appointment to MURC Board

Members received a copy of a letter dated 4 February 2002 from the City Clerk advising of the nomination of Councillor Sandy Hickman as the City's representative on the Memorial University of Newfoundland Recreation Complex. The following resolution was passed:

RESOLVED:

That the Board of Regents appoint Mr. Sandy Hickman as a Director of the Memorial University of Newfoundland Recreation Complex, effective immediately for a term of two years, renewable.

4. Changes in Staff - President's Office

Members received and reviewed a note from the Chair of the Board outlining proposed changes to the staff in the Office of the President.

The Chair excused Dr. Meisen from the meeting during the discussion of this item.

After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the following staff changes

in the Office of the President:

1. The position of Assistant to the President be changed to Assistant to President/Executive Director.
2. The position of Department Secretary be changed to Receptionist/Scheduling Secretary.
3. The position of Secretary to President be changed to Correspondence Secretary.
4. The creation of a Clerk (part time, contractual) position.

Dr. Meisen rejoined the meeting.

5. MUN Alumni Association Nominations to the Board of Regents

The Chair reported that the term of office of the members of the Board who are elected by the MUN Alumni Association expires on 31 August 2002. He read a list of names of 14 individuals who were nominated for the positions. He noted that four of the six incumbents are eligible to seek re-election. The election will be conducted by the MUN Alumni Association and nominations will be published in the next issue of the Luminus magazine.

6. Harlow Trustees Meeting

The Chair told the Board that he and the President attended the meeting of the Harlow Campus Trust on 25 March 2002. At that meeting the Trustees authorized the awarding of contracts for the redevelopment of the Harlow Campus, subject to approval of the financial arrangements by the Board. The official reopening of the newly renovated campus is scheduled for 13 September 2002.

3. PRESIDENT'S REPORT

1. Appointments to C-CORE

Members received and reviewed background information pertaining to appointments to the C-CORE Board of Directors. The President subsequently advised that he has appointed Mr. Scott Davis, Dr. Victor Young and Dr. Christopher Loomis to the C-CORE Board of Directors, for a three-year term, effective 15 March 2002.

2. Student Recruitment Visit to the Middle East

The Board received and reviewed a summary report, prepared by Dr. Michael Collins, Associate Vice-President (Academic), pertaining to a recent student recruitment visit to the Middle East. Members were advised that a group comprised of members of the University and the Department of Youth Services and Post-Secondary Education undertook a recruitment visit to Kuwait, Qatar and the United Arab Emirates in February. The

Canada/Newfoundland Comprehensive Economic Development Agreement (CEDA) funded the visit from a special grant for International Education. The President pointed out the potential for attracting fully-funded students (at the graduate and undergraduate levels) from the Gulf States. The visit resulted in more than 30 applications. Given the high potential, detailed plans are being prepared to ensure follow-up and the recruitment of a substantial number of students. The University's goal is to raise the enrollment of international students from approximately 400 to 1200. The Middle East will likely make a significant contribution to achieving this goal.

3. Minister Byrne's Visit

The President reported that Memorial had received a total of \$3.9 million from the Federal Government in support of research. The Honourable Gerry Byrne, Minister of State for Atlantic Canada Opportunities Agency (ACOA), made the announcement on 8 March 2002. The new money will provide assistance in the amount of \$3.3 million for indirect costs associated with federally supported research activity. ACOA will provide \$490,864 to the Faculty of Medicine's Telehealth and Educational Technology Resource Agency (TETRA) and \$184,531 to the Faculty of Arts to create a Digital Research Centre for Qualitative Fieldwork. The President commented that while the funds for the indirect cost of research were a one time allocation for fiscal year 2002-03, he was hopeful that this funding would continue and that the amount would increase.

4. Major Issues Pending

- ▶ The President reported that no announcements have been made as yet regarding the Atlantic Innovation Fund (AIF). He noted that Memorial's proposals remain in the competition and he expects results to be released in May or June.
- ▶ The President reported that official work with respect to the INCO Innovation Commons is still continuing.
- ▶ The President reported that on 12 March 2002 he met with Mr. John Lau, President and CEO of Husky Oil, regarding benefits of the White Rose project amounting to \$12 million in support of research and development, education and training surrounding the White Rose oilfield.

5. Formation of a Common Interest Group

The President reported that a group of mid-size universities have formed an alliance to ensure that research dollars made available by the Federal Government are provided in a balanced way.

6. Ireland Visit

The President reported that while on a recent vacation to Ireland he had an opportunity to visit several Institutes and Colleges to discuss potential collaboration with Memorial. He observed in particular the strong ties that the

Irish have to Newfoundland. He expects to pursue major collaborative projects which are sustainable and involve a substantial number of students.

7. Newfoundland Youth Advisory Committee

The President reported that he addressed the Newfoundland and Labrador Youth Advisory Committee on 16 March and familiarized them with Memorial University. In particular he explored with them aspects of experiential learning.

8. Biodiversity Institute

The President referred to the recent announcement by Government for plans to establish a new research Institute for Biodiversity and Ecosystem Science. He observed that although this will not be an Institute of the University the facility is expected to be located on the University campus in either Corner Brook or St. John's. This will provide an excellent opportunity for the University to enhance collaborative research with the government in this area and anticipated that it will tie in well with the newly constructed facility at Bonne Bay. No decisions have been made and he expects Government to convey its intent in the near future.

9. Maclean's Guide to Canadian Universities

Members were provided with a copy of "The Maclean's Guide to Canadian Universities 2002". The President observed that Memorial is seen as an attractive university both inside and outside the Province.

4. FINANCE COMMITTEE REPORT

A draft of the minutes of the Finance Committee meeting held on 28 March 2002, copies of which were circulated at the meeting, were presented by Mr. Short, Chair of the Committee, and approved by the Board. The following resolutions were passed with respect to the items requiring specific Board approval:

Item A - Budget Matters

Members received and reviewed background information pertaining to the budget projections for the current fiscal year 2001-02 and the budget estimates for the 2002-03 fiscal year, prepared by Ms. Trudy Pound-Curtis, Director of Financial and Administrative Services. At the 31 January 2002 Board meeting members had been advised of a projected budget shortfall of \$2,275,000 and that the government had authorized the University to run an operating deficit up to a maximum of \$2.3 million, and, if necessary to borrow to cover this debt.

The Chair welcomed Ms. Pound-Curtis to the meeting. She provided the Board with an update of the budget position for the 2001-02 fiscal year. The deficit position is projected to be significantly less than anticipated in January 2002 and a revised unrestricted deficit of \$757,000 is being projected for the current year. The University has been able to further identify \$500,000 in the

new fiscal year to apply against this amount, resulting in a much lower deficit of \$257,000. She provided a breakdown of these projections for the Board.

The Board was advised that the Provincial Government had brought down its budget on 21 March 2002 and provided the University with an increase of \$13 million in its total grant. Ms. Pound-Curtis provided background information pertaining to the additional funds provided in the recent Government budget and summarized the budget projections based on the expected Government funding for the next three fiscal years. The budget gap for the fiscal year 2002-03 is projected to be \$1,264,000.

The Chair expressed confidence that a balanced budget can be achieved for this current fiscal year but anticipated significant challenges in subsequent fiscal years. The President advised that the Administration will identify solutions to close the remaining budget gap by the time the formal budget is presented to the Board at its 28 May meeting.

Mr. Short commended Ms. Pound-Curtis and her staff for the excellent background information which was presented to him and the Board in a clear and concise manner. The Chair thanked Ms. Pound-Curtis for her informative and thorough presentation of the budget issues and she left the meeting.

Item B - Improvements in the University's Dental Plan

The Board received and reviewed background information pertaining to a recommendation from the Employee Benefits Committee that the University's Dental plan be amended to provide coverage of major restorative and orthodontic benefits, effective 1 April 2002. This item was presented by Ms. Duggan, Chair of the Committee. After discussion, it was agreed that the recommendation be deferred at this time, and referred to the University Administration for further exploration of the options available.

Item C - Renewal of the University's Group Benefit Plans

The Board received and reviewed background information pertaining to a recommendation from the Employee Benefits Committee for the renewal of the University's group benefit plans. This item was presented by Ms. Duggan, Chair of the Committee, and after discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve a recommendation from the Employee Benefits Committee for renewal of the University's group benefit plans as follows:

1. That the following benefit plans be renewed at their existing benefit levels, for the policy year beginning 1 April 2002:
 - ▶ Basic, Dependent, and Optional Life insurance plans
 - ▶ Basic and Optional Accidental Death and Dismemberment plans

- ▶ Voluntary Accidental Death and Dismemberment plans
- 2. That the Health Plan be extended at the existing rate - through 31 May 2002, to allow an opportunity for the Administration to explore alternative measures of moderating the level of rate increase and bring a further recommendation back to the Board at its 28 May 2002 meeting.
- 3. That the Long Term Disability Plan be renewed with a premium increase to a maximum of 65% rate increase (inclusive of a deficit-recovery premium sufficient to pay down the deficit over a three-year period).

Item D - University Internal Audit Unit

The Board received and reviewed background information concerning a recommendation to eliminate the University's Internal Audit unit. After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the recommendation that the University's Internal Audit functions be restructured as follows:

1. That the Internal Audit Unit be abolished and a Coordinator of Risk Management be appointed to oversee risk management functions and to engage external professionals as needed.
2. That the positions of Assistant Director, Junior Internal Auditor and Intermediate Secretary be abolished and that affected employees be reassigned where possible.

Item E - IT Diploma Fee

The Board received and reviewed background information in consideration of a recommendation to increase the program fee for the Diploma in Information Technology. After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve an increase in the program fee for the Diploma in Information Technology to allow for implementation of the IBM Think-Pad University into the program and to ensure a fair return on investment for Memorial University as follows:

1. Increase the program fee for full-time students to \$15,000 effective with the next intake of students for Fall Semester 2002, and to \$16,500 effective with the following intake of students for Fall Semester 2003.

2. Increase the program fee for part-time students to \$10,000 effective with the new intake of students for Fall Semester 2002, and to \$11,000 effective with the new intake of students for Fall Semester 2003. The part-time program does not contain a work term component because most of the participants are already working in the field and are improving their qualifications.

Item F - Administrative Stipends for Associate Deans

The Board received and reviewed background information in consideration of a recommendation to create a range of administrative stipends for Associate Deans and increase the stipends in the larger Faculties. After discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the creation of a range of administrative stipends for Associate Deans

Item G - Financing of Harlow Campus Redevelopment

The Board received and reviewed background information pertaining to the financing arrangements for the Harlow Campus Redevelopment Project. After discussion, the following resolution was passed:

RESOLVED THAT:

1. With the approval of the Lieutenant-Governor in Council, pursuant to S. 41(1) of the Memorial University Act, the University borrow up to Canadian \$1 million dollars (the "Principal Sum") to bear interest at the rate to be negotiated with the lender, which rate shall be based on a floating rate with an amortization period not to exceed 10 years and with provisions, without penalty, for repayment of the Principal Sum and an option to convert to a fixed interest rate at any time during the term.
2. The University enter into a loan agreement ("Loan Agreement") with the lender offering the most competitive terms in response to a Call for Proposals.
3. The appropriate University officials are hereby authorized to execute the Loan Agreement on the terms to be negotiated pursuant to the most competitive arrangement in response to the Call for Proposals.
4. The University lend the Trustees of The Harlow Campus of The Memorial University of Newfoundland Trust ("Trustees") an amount up to the Principal Sum for the

purpose of financing renovations to the Harlow Campus, pursuant to the Educational, Business and Renovation Plan for Harlow approved by the Board of Regents on 29 May 2001 ("Financing").

5. The terms of the Financing shall be:
 - 1) a first mortgage loan ("Mortgage") on the terms to be agreed between the University and the Trustees, which shall be no less favourable than the terms of the Loan Agreement, and
 - 2) security by way of a first charge over leasehold interest in the lands and buildings vested in the Trustees pursuant to the Declaration of Trust dated 16 February 1970 and a Lease dated in 1992 between the University and the Trustees, more particularly: a) the Maltings, b) St. John's house and cottage, and c) 44 and 46 Market Street, all of which comprise the Harlow Campus, and any other security arrangement deemed necessary and appropriate.
6. The appropriate University officials are hereby authorized to negotiate the terms of the Financing and the Mortgage.
7. The appropriate University officials are hereby authorized to do all such other acts, matters and things and sign and execute all such documents as may be necessary relating to the Loan Agreement, the Financing and the Mortgage, and to do all and whatever may be necessary for the purpose of carrying out this resolution.
8. The Secretary be and is hereby authorized to furnish and certify true and correct copies of the resolution.

5. APPOINTMENTS COMMITTEE REPORT

The Board received and reviewed a report of the Appointments Committee meeting held on 28 March 2002, which was presented by Ms. Aylward, Chair of the Committee, and approved by the Board. Included in this report was a proposal that future reports be presented in a revised format, which would recognize a distinction between Actions of the Committee and Recommendations of the Committee. The proposal would allow the Administration to make appointments more expeditiously, and if necessary, the Committee could meet between Board meetings. This proposal requires no change in the current Terms of Reference of the Committee. After discussion, the Board concurred with this recommendation.

6. PENSIONS COMMITTEE REPORT

The Board received and reviewed a report of the Pensions Committee meeting held on 12 February 2002, which was presented by Mr. Decker, Chair of the

Committee, and approved by the Board. The following resolutions were passed with respect to the items which required specific approval of the Board:

1. Investment Manager Search

RESOLVED:

That the Board of Regents approve a recommendation for the following:

1. That the incumbent investment managers (under a traditional balanced mandate), Sceptre Investment Counsel and TAL Institutional Management, be provided notice of termination, effective 1 April 2002.
2. That the following investment management firms be engaged on 1 April 2002, with the effective date of active trading to coincide with the earliest date that the transition from the incumbent managers can be accomplished:

Greystone Managed Investments and Jarislowsky Fraser Limited - "Canadian balanced" mandate (each with 25% of the total Fund);

Alliance Bernstein - U.S. equities mandate (20% of the total Fund);

Putnam Investments - international (EAFE) equities mandate (10% of the total Fund);

TAL Institutional Management - indexed bond mandate (20% of the total Fund).

2. Actuarial Valuation

RESOLVED:

That the Board of Regents approve a recommendation that the next actuarial valuation of the Memorial University Pension Plan be performed at 31 March 2002.

7. EMPLOYEE BENEFITS COMMITTEE REPORT

The Board received and reviewed reports of the Employee Benefits Committee meetings held on 28 February and 14 March 2002, which were presented by Ms. Duggan, Chair of the Committee, and approved by the Board. The following resolutions were passed with respect to items requiring specific approval of the Board:

1. Renewal of the WorldWide Travel Assistance Plan

RESOLVED:

That the Board of Regents approve a recommendation that the WorldWide Travel Assistance plan be renewed, with implementation of the "pre-existing condition" clause for the retiree group, effective 1 April 2002, with a decrease in premium rate of 38% for single coverage and 31% for dependent coverage.

2. Renewal of University's Dental Plan

RESOLVED:

That the Board of Regents approve a recommendation that:

- 1) the Dental plan be renewed, effective 1 April 2002, with the required rate increase of 2.5% to be funded wholly through use of accumulated surplus in the Dental plan, and
- 2) the Dental plan fee schedule be advanced to conform to the 2000 Newfoundland Dental Society Fee Guide at an incremental cost of .5% to be funded wholly from surplus funds.

3. Consulting Services

A recommendation from the Employee Benefits Committee that the University dissociate from the consulting firm of Morneau Sobeco at the earliest opportunity was deferred. This matter was referred to the University Administration for further assessment.

8. CAMPUS PLANNING COMMITTEE REPORT

The Board received and reviewed a summary progress report of Capital Projects, which was presented for information by Mr. Kelly, Chair of the Campus Planning Committee.

9. LABOUR RELATIONS MATTERS

The President provided an update on negotiations with MUNFA. He advised that both sides have agreed to restrict the number of Articles open for negotiation to six. The head of the University's negotiating team is Dr. Jack Strawbridge. Mr. Thistle reported on negotiations with CUPE to date. He advised that progress is being made and the Interest Based approach to Bargaining is being utilized in this round of negotiations. The Chair reiterated the Board's decision that matters pertaining to pensions and employee benefits would not be included in the bargaining realm. The Board directed the negotiating committee to act accordingly.

10. AD HOC COMMITTEE ON SEPARATELY INCORPORATED ENTITIES

Mr. Decker, Chair of the Committee, provided an update for the Board. He advised that the Committee had met with members of the Board of the Botanical Gardens to address their concerns regarding the recommendations contained in the draft interim report. The Committee also heard from the Chair of the Board of the Memorial University of Newfoundland Recreation Complex, who also raised several concerns that the Committee will endeavour to address.

Mr. Decker requested postponement of further consideration of the Report of the SIE Committee until after it has met with all of the SIE Boards. He told the Board that the Committee will arrange to meet with all of the SIE Boards to address their concerns with respect to the recommendations contained in the report, prior to the next meeting of the Board.

Members received a copy of a letter from Mr. Crosbie, the Chancellor, dated 26 March 2002, regarding the Committee's draft interim report. In his letter he expressed concerns with the recommendations of the Committee with respect to the process to be followed in making future appointments to the SIE Boards.

11. SENATE MATTERS

The Board received and reviewed a Report of items considered at Senate meetings held on 8 January 2002 and 12 February 2002. Approval was given to the following items requiring Board approval under Section 56(h) (courses of study) and 56(s) (making or altering a rule or regulation) of the Act:

Item 54 - Report of the Senate Committee on Undergraduate Studies

Item 55 - Report of the Academic Council of the School of Graduate Studies

Item 68 - Report of the Senate Committee on Undergraduate Studies

Item 69 - Report of the Academic Council of the School of Graduate Studies

12. REPORT ON HONOURARY DEGREE RECIPIENTS

The President advised members of the names of those who will receive Honorary Degrees at the sessions of Spring Convocation scheduled for 29, 30 and 31 of May.

ADJOURNMENT

The Chair reminded Regents that the next meeting of the Board is scheduled for Tuesday, 28 May 2002, and will coincide with Spring Convocation.

The meeting adjourned at 6:28 p.m.