

**UNIVERSITY OF TORONTO**

**THE GOVERNING COUNCIL**

**APRIL 7, 2016**

MINUTES OF THE MEETING OF THE GOVERNING COUNCIL held on April 7, 2016 at 4:30 p.m. in the Council Chamber, Simcoe Hall.

**Present:**

Ms Judy G. Goldring (Chair)  
Ms Shirley Hoy (Vice Chair)  
Professor Meric S. Gertler (President)  
Mr. Faizan Sohail Akbani  
Mr. Preet Banerjee  
Professor John S. Bland  
Mr. Harvey Botting  
Mr. David Norris Bowden  
Mr. P.C. Choo  
Mr. Jeff Collins  
Ms Susan Froom  
Mr. Gary D. Goldberg  
Professor Avrum Gotlieb  
Ms Zabeen Hirji  
Ms. Sandy Hudson  
Mr. Alex Ivovic  
Ms Claire M.C. Kennedy  
Mr. Nykolaj Kuryluk  
Mr. Brian D. Lawson  
Ms Nancy Carolyn Lee  
Professor Jan Mahrt-Smith  
Dr. Gary P. Mooney  
Mr. John Paul Morgan  
Ms N. Jane Pepino  
Professor Cheryl Regehr  
Ms Catherine Riddell  
Professor Hargurdeep Saini  
Professor Andrea Sass-Kortsak  
Professor Elizabeth M. Smyth  
Professor Salvatore M. Spadafora  
Professor Janice Gross Stein  
Mr. Andrew Szende  
Professor Nicholas Terpstra

Mr. W. Keith Thomas  
Professor Steven J. Thorpe  
Mr. Bruce Winter  
Mr. Lawrence Zhang

Ms. Sheree Drummond, Secretary of the  
Governing Council

**Secretariat:**

Ms Mariam Ali  
Ms. Cindy Ferencz-Hammond  
Mr. Anwar Kazimi  
Mr. Patrick McNeill  
Ms Rena Parsan

**Absent:**

Ms Janet Ecker  
Professor Hugh Gunz  
Ms Sandra Hudson  
Mr. Brian K. Johnston  
Mr. Ray Khan  
Professor Paul Kingston  
Mr. Mark Krembil  
Professor Ernest Lam  
Mr. Ridwan Olow  
Ms Melinda Rogers  
Mr. Mark Henry Rowswell  
Mr. Riaz Sayani-Mulji  
Mr. Howard Shearer

**In Attendance:**

Professor Bruce Kidd, Vice-President  
Professor Scott Mabury, Vice-President, University Operations  
Mr. David Palmer, Vice-President, Advancement  
Ms Marny Scully, Assistant Vice-President, Government, Institutional and Community Relations  
Professor Emmanuel Nikiema, Member, Academic Board

Ms Althea Blackburn-Evans, Director, Media Relations  
Mr. Mark Britt, Director, Internal Audit  
Ms Andrea Carter, Director, AODA  
Ms Elizabeth Church, Issues & Media Relations Strategist  
Ms Elizabeth Cragg, Director, Office of the Vice-President, University Operations  
Mr. David Curtin, Director, Communications Services, Office of the President  
Mr. Rafael Eskenazi, Director, FIPP Office  
Ms Sally Garner, Executive Director, Planning and Budget  
Ms Nora Gillespie, Senior Legal Counsel, Office of the Vice-President & Provost  
Dr. Anthony Gray, Director, Strategic Research, Office of the President  
Mr. Richard Levin, University Registrar  
Mr. Steve Moate, Senior Legal Counsel, Office of the President  
Ms Donna Wall, Director, Financial Aid & Awards  
Ms Archana Sridhar, Assistant Provost  
Mr. Graham Henry, *UofT350* Committee Chair  
Mr. Richie Pyne, Vice-President Internal, APUS

IN ACCORDANCE WITH A DETERMINATION BY THE EXECUTIVE COMMITTEE, PURSUANT TO SECTION 38 OF BY-LAW NUMBER 2 OF THE GOVERNING COUNCIL, ITEM 11 ON THE AGENDA WAS CONSIDERED BY THE GOVERNING COUNCIL *IN CAMERA*.

**The Committee moved *In Camera*.**

**1. Senior Appointments**

- a) Appointment of the Vice-President, Human Resources & Equity

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT Professor Kelly Hannah-Moffat be appointed as Vice-President, Human Resources & Equity for a five-year term, effective October 1, 2016 and continuing until September 30, 2021.

- b) Extension of the term of Professor Angela Hildyard as Vice-President, Human Resources & Equity

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT Professor Angela Hildyard's term as Vice-President, Human Resources & Equity be extended by three months, to conclude on September 30, 2016.

**The Committee returned to Open Session.**

## 2. Chair's Remarks

The Chair welcomed and thanked members for attending the meeting. She reported that during the *in camera* session, the Governing Council had approved the appointment of Professor Kelly Hannah-Moffat as the Vice-President, Human Resources & Equity, effective October 1, 2016 and the extension of the term of Professor Angela Hildyard by three months, to conclude on September 30, 2016. She noted that a memorandum announcing these appointments would be circulated to the University Community shortly.

The Chair reminded governors that, in preparation for the 2016-2017 governance year, the Chief Returning Officer and Deputy Returning Officers had been overseeing the elections and appointments process, and announced the following results.

Teaching staff members elected, re-elected, or acclaimed, for a three-year term effective July 1, 2016, were:

- Professor Mark Lautens
- Professor Andrea Sass-Kortsak
- Professor Sal Spadafora
- Professor Steven Thorpe

For the administrative staff constituency, Ms Catherine Riddell had been re-elected for a three-year term effective July 1, 2016.

The following student members have been elected to serve one year terms effective July 1, 2016:

- Mr. Mohammad Amin
- Mr. Aidan Fishman (welcome back)
- Ms Susan Froom (also welcome back)
- Mr. Billy Graydon
- Mr. Jorge May
- Ms Christine Moon
- Mr. Alex Nyikos
- Mr. Bingchen (Tony) Shan

In addition, Ms Goldring reminded governors that, at the last meeting of the Governing Council, she had announced that Mr. Harvey Botting, Mr. Nick Kuryluk had been re-elected, and that Ms Samara Zafar had been elected as alumni governors.

The Chair congratulated and welcomed both new and returning governors. She stated that their willingness to contribute to the University in this important way was very much appreciated. The Chair also acknowledged those governors who would not be returning and thanked them for their work, and noted that there would be other opportunities to acknowledge their contributions.

## 3. Report of the President

The Chair invited the President to make his report.

### Federal and Provincial Governments

The President reported that he had recently visited Ottawa for a roundtable meeting with Members of Parliament, all but one of whom were U of T alumni. The President reported on the provision for an additional \$95 M per year starting in 2016-17 for the granting councils that had been announced in the federal

budget as well as several specific research-focused initiatives. He remarked on the positive impact these investments would have on U of T. The President also noted that the Government had taken some positive steps regarding student aid, increasing Canada Student Grant amounts by 50%, increasing the loan repayment threshold under the Canada Student Loans Program's Repayment Assistance Plan, and introducing a flat-rate student contribution to determine eligibility for Canada Student Loans and Grants. Other announcements included a Post-Secondary Institutions Strategic Investment Fund (SIF), with \$2 billion over three years, starting in 2016–17, to support up to 50% of the eligible costs of infrastructure projects. The President noted that U of T was already at work on preparing proposals to this Fund, which were due on May 9, 2016. He remarked that Budget 2016 aligned well with many of U of T's priorities.

Reporting on the Provincial Budget, which had been released on February 25, the President highlighted the announcement regarding 'free tuition' for students whose family incomes were \$50K or below. He explained that while funding for this initiative was largely drawn from existing funds it was being managed in a more effective, transparent manner, with the intent of improving clarity for students and increasing participation from lower income households. In addition, the President welcomed the Government's focus on net-tuition, an issue the University has championed and studied for several years.

Administrative response to the Report of the Committee on Preventing and Responding to Sexual Violence

The President reminded members that he and the Provost had established the Presidential and Provostial Advisory Committee on Preventing and Responding to Sexual Violence, whose report was released in early February. He reported that he and the Provost had accepted all of the Committee's principles and recommendations. He thanked members of the Committee and its working groups and focus groups for their excellent work and for their dedication. He also acknowledged the exceptional leadership provided by Vice-President, Human Resources & Equity, Professor Angela Hildyard; Vice-Provost, Students, Professor Sandy Welsh; and former Vice-Provost, Students and First-Entry Divisions, Professor Jill Matus in guiding the Committee's work. The President reaffirmed that the University of Toronto was committed to preventing sexual violence, to ensuring that those members of the community who were affected by sexual violence received all the support they needed, and to addressing reports of sexual violence appropriately and promptly, with special regard to sensitivity, fairness, and process.

He invited the Vice-President and Provost to provide more detail on the response.

Professor Regehr echoed the acknowledgments of the President and thanked all those members of the University community who contributed ideas and feedback at every stage of the process. She noted that last month, the Province introduced Bill 132, an action plan on sexual violence and sexual harassment, which had an impact on universities and how they responded to issue of sexual violence. She reported that the University had proposed an action plan with four components as follows:

- i) The University would develop and adopt a new stand-alone policy on sexual violence; an expert panel on this would be led by Faculty of Law professor and Trinity College Provost Mayo Moran and it was required that the new policy be in place by January 2017;
- ii) The University would create a new tri-campus Sexual Violence Prevention and Support Centre and develop clear, concise information about supports and services available to members of the University community;
- iii) Co-ordinating and updating education and training programs for all members of the community, with Professor Gretchen Kerr, acting dean of the Faculty of Kinesiology & Physical Education, leading an expert panel on this initiative;

- iv) Developing a tri-campus Sexual Violence Climate Survey to create common measures for institutional data collection, with Vice-Provost Welsh leading an advisory board on this initiative. In doing this the University would take its lead from new legislation from the Ontario government and the Ministry of Training, Colleges and Universities.

The Provost added that she would be inviting nominations for experts to serve on the three bodies: an Expert Panel on Sexual Violence Policies; an Expert Panel on Education and Prevention of Sexual Violence; and, a Sexual Violence Climate Survey Advisory Board. Each body would be composed of one undergraduate student, one graduate student, one administrative staff member, and one faculty member, each of whom had scholarly, research, professional or other expertise on issues of sexual violence.

#### Response to Report of the Advisory Committee on Divestment from Fossil Fuels

The President provided an overview of his response<sup>1</sup> to the *Report of the Advisory Committee on Divestment from Fossil Fuels*. He reported that following a careful and thorough review of the *Report* as well as an extensive review of the literature on the subject, he had concluded that divestment was not an effective approach for U of T to take, as it did little to induce fossil fuel producers to change their practices, which had to be approached from both the supply and demand sides.

The President stated that the University of Toronto Asset Management Corporation (UTAM) did not have any direct investments in any of the seven firms identified by the Advisory Committee as blatantly disregarding the Paris Agreement target. U of T's approach to its investments would be broadened to consider environmental, social and governance (ESG) factors in which it held direct investments. In agreement with the Advisory Committee's recommendations, he noted that his response endorsed a targeted firm-specific and dynamic approach, so that assessments could change over time based on a company's behaviour. The President's response also endorsed the Advisory Committee's recommendation that ESG factors ought to be considered when assessing potential investments. He noted that this approach had also been adopted by many leading pension funds, including Canada Pension Plan Investment Board, Ontario Teachers Pension Plan, OMERS, BC Investment Management Corporation and others. It was also in line with the emerging international consensus on responsible investment based on ESG factor based investment strategy and with initiatives announced as a result of the Paris Agreement.

Accordingly, the President said that he would be directing UTAM to articulate principles that would enable consideration of ESG factors in undertaking its direct investments – and to do this by July 1, 2016. UTAM would also be asked to initiate a process whereby UofT became a signatory to the Carbon Disclosure Project. The President would also be asking UTAM to investigate signing onto the United Nations-supported Principles for Responsible Investment initiative and to determine ways in which it could vote proactively and deliberately on shareholder resolutions aimed at reducing climate-related risk for firms in which it was directly invested. UTAM would also be directed to evaluate signing the Montréal Carbon Pledge, which committed investors to measuring and publicly disclosing the carbon footprint of their investment portfolios every year. The University, through UTAM, would also report annually on its efforts to assess ESG factors in making investment decisions.

The President remarked that his approach upheld the important fiduciary responsibilities of the University in the management of its long term assets. Such an approach also allowed the University to consider ESG factors more generally in weighing its investments, taking into account not just climate-related risk, but also governance and social factors, such as the rights and well-being of Indigenous communities.

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<sup>1</sup>A copy of the [President's Response](#) is appended to this Report.

The President noted further that U of T would strengthen its support for environmental research, innovation and teaching, and would continue its efforts to make University operations more sustainable. He added that given the growing recognition of the importance of climate-related risk, the University would give serious consideration over time to extending a similar ESG factor-based approach to its indirect investments. The President also said that he would establish a new university-wide committee on the environment, climate change and sustainability with a mandate to coordinate and advance U of T's environmental research, innovation, education and energy consumption initiatives. In closing, he listed some of the initiatives, which were detailed in his response and asserted his belief that the University's most valuable and effective contributions to the global effort to avert and mitigate the consequences of climate change would flow from its fundamental role as an institution of research and education.

He listed some of the initiatives he proposed as follows:

- a tri-campus clean-tech challenge to encourage environment- and energy-related entrepreneurship;
- \$750,000 distributed over three years for climate-change related research and education initiatives;
- prioritizing climate change-related themes in selected programs and curricula;
- increasing the Utilities Reduction Revolving Fund by 50 per cent (from \$5 million to \$7.5 million) to encourage more extensive implementation of energy-saving retrofits;
- formally adopting substantially more rigorous energy efficiency standards for capital projects;
- pursuing opportunities to use our campuses as test beds for environmental and sustainability research and best practices;
- investigating the potential for development of other renewable energy projects

Finally, the President thanked environmental engineering professor Bryan Karney for Chairing the *Advisory Committee* and commended its members as well as members of UofT's *350.org* for their work and engagement.

The Chair invited questions on the President's report.

A member thanked the President for his thoughtful and well-considered response and asked that the President provide a more concrete timeline on the actions outlined in his response. She suggested that the President provide an update on the steps taken in his divestment proposal in early 2017 and that additionally, undergraduate as well as graduate students be included in the proposed committee on environment, climate change and sustainability. With reference to the principles that would be articulated by UTAM, the member asked that there be some consultation with university groups before those principles were finalized. The President explained that the responsible investment committee, which was chaired by the University's Chief Financial Officer, included both undergraduate and graduate students and had already been very active in making recommendations to UTAM, on the Carbon Disclosure Project and other initiatives. He also noted that UTAM staff had already initiated the process to become a signatory of the Carbon Disclosure Project and that he would be happy to report back on similar milestones outlined in his response as progress was made.

A member suggested and the President agreed that UofT follow the benchmark timeline set out in the *Paris Accord* and report back on the University's progress following a self-assessment in the year 2020. In response to the member's question about whether there would be any governance approval of the divestment principles, the President noted that they would be considered by the UTAM Board and that the Pension Committee would be asked to consider how these principles should be reflected in the statement of investment policies and procedures, which were approved by that Committee.

A member stated that while he agreed with the President's proposals, divestment should be layered on top of these various initiatives. He noted his belief that the University should be a leader and go above and beyond what other institutions were doing on divestment, regardless of the size of its portfolio. The President

responded that what the UofT was proposing represented a fundamental reorientation of the way investment decisions were made and was in step with the kinds of changes that the most progressive organizations in financial services had embraced.

Another member commented that in his view, those on both sides of the divestment argument had the same goals, but were not communicating effectively. The President stated that there had been an extensive amount of communication up until he had issued his report and noted that the disagreements existed in the manner in which those same goals should be achieved.

A member expressed his support for the President's response on divestment, stating that it was a balanced and holistic approach.

In response to a member's question about how UofT's response compared to other leading universities, the President stated that UofT's response was leading in its comprehensiveness and the way in which it incorporated ESG factors into assessing its direct – and potentially indirect – investments.

Another member remarked that the response was well balanced and that he was proud of the University using its academic strengths to lead in this arena and to address such a significant issue.

A member asked about a yearly reporting mechanism on progress made and the President noted that UTAM would produce yearly comprehensive public reports, which would be shared with the Governing Council.

In response to a member's question, the President confirmed that ESG factors would be applied to all direct investments, not simply those that involved fossil fuels firms.

The Chair invited Mr. Graham Henry, whose speaking request had been granted, to make his remarks.

Mr. Henry said that in addressing such a monumental issue as climate change, the President's response contained a number of valuable initiatives, but that it had missed the mark. He noted that the *Advisory Committee* had recommended that the University engage in targeted divestment from fossil fuel companies that blatantly disregarded the 1.5 degree threshold acknowledged earlier. He remarked that the ESG factors outlined in the President's response did not send a significant signal to society about the social injury caused by fossil fuel companies. He further said that the initiatives outlined in the President's response were well received, but that they should not be seen as an alternative to fossil fuel divestment, but rather complementary to it. He noted that members of the Advisory Committee had produced an open letter regarding the President's response, which had been published in the *Varsity* and *The Globe and Mail*.

The Chair thanked all members and guests for the thoughtful discussion on this topic.

#### **4. Tuition Fees and Budget**

Professor Scott Mabury, Vice-President, University Operations and Professor Cheryl Regehr, Vice-President and Provost, provided a brief presentation<sup>2</sup> on tuition fees and the University's budget.

At the Chair's invitation, first Professor Andrea Sass-Kortsak, Chair of the Academic Board, and then Ms Jane Pepino, Chair of the Business Board, provided overviews of those Boards' deliberations with respect the Budget and Tuition Fee item.

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<sup>2</sup> The presentation is attached hereto as Appendix A.

The Chair invited questions from members.

A member asked why projected revenue growth was decreasing between the years 2016-17 and 2020-21 and would the University need to engage in cost control when it reached those latter years. The Provost explained that one of the major factors in the projected revenue growth change in those years was that the University would have almost reached its target for increases in international students and added that 4.4% revenue growth represented a balanced state. She said that the University had to be engaging in cost control at all times.

In response to a member's question about the percentage increase in compensation expenditure, Professor Mabury explained that the average increase of 4.4% was a result of a five year rolling average and included all appointed staff.

A member expressed her concern about the high fees for professional programs and cited the UofT's MBA and Law programs as having some of the highest fees in the country. She called for the administration to work together with students in communicating the needs of the university for greater government funding to both the people of Ontario and to all levels of government. In response, another member commented that one could not divorce the issue of tuition fees from the student experience, and noted that those universities who had not increased fees during the recent period of de-regulation now had among the highest student : faculty ratios. The Provost also pointed out that demand for UofT's professional programs, such as Law, continued to be very high and that the placement rate for graduates was highest among peer institutions.

The Chair invited Mr. Richie Pyne, Vice-President Internal of the Association of Part-time Undergraduate Students (APUS), whose speaking request had been granted, to make his remarks.

Mr. Pyne, thanked the University for setting aside increased funds for student aid and noted that his organization would like to see increased direct government funding to Ontario universities. He remarked that government underfunding had resulted in pressures for increased enrollment growth and a trend of students being asked to fund capital projects. He added that he was pleased to see new faculty positions for the Transitional Year Program (TYP) and a commitment to diversity in new faculty and staff hiring. He noted that APUS would like to see dedicated funds set aside to address sexual violence. Finally, Mr. Pyne asked that next year's budget include a comparative budget of a 0% increase in tuition, that the University work together with students for more government funding, and that funds be set aside for survivors of sexual violence.

The Provost responded that there would be funds set aside to address sexual violence. Regarding the comparative analysis, the Provost explained that some of the budget presentations had included such information, noting that for every 1% of tuition that the University did not increase, UofT would lose 150 faculty members, a great impact on the University's resources. The President added that he welcomed the support of APUS in addressing the issue of increased government funding.

- a) Annual Report on Student Financial Support 2014-15: Vice-Provost, Students & First Entry Divisions**
- b) Tuition Fee Schedule for Publicly Funded Programs, 2016-17**

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT the Tuition Fee Schedule for Publicly-Funded Programs in 2016-17 as described in Tuition Fee Schedule for Publicly-Funded Programs 2016-17 (February 11, 2016) and

THAT the tuition fees in 2016-17 and 2017-18 for the special programs identified in Tables B2 and C2 of Appendices B and C of the aforementioned report be approved.

**c) Tuition Fee Schedule for Self-Funded Programs, 2016-17**

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT the Tuition Fee Schedule for Self-Funded Programs, 2016-17 be approved.

**d) Budget Report 2016-17 and Long Range Budget Guidelines 2016-17 to 2020-21**

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT the *Budget Report, 2016-2017* be approved, and

THAT the *Long Range Budget Guidelines 2016-2017 to 2020-2021* be approved in principle.

**CONSENT AGENDA**

On a motion duly made, seconded and carried

IT WAS RESOLVED

THAT the consent agenda be adopted and items approved.

**5. Proposed revisions to the Policy on Emeritus/Emerita Status**

On motion duly moved, seconded and carried

IT WAS RESOLVED

THAT the proposed revisions to the Policy on Emeritus/Emerita Status be approved, to be effective on April 8, 2016.

## **5. Minutes of the Previous Meeting of the Governing Council**

The minutes of the February 25, 2016 meeting were approved.

## **6. Business Arising from the Previous Meeting**

There was no business arising from the minutes of the previous meeting.

## **7. Reports for Information**

Members received the following reports for information:

- a) Report Number 202 of the Academic Board (March 17, 2016)
- b) Report Number 225 of the Business Board (February 29, 2016)
- c) Report Number 193 of the University Affairs Board (March 15, 2016)
- d) Report Number 23 of the Pension Committee (March 16, 2016)
- e) Report Number 15 of the University of Toronto Mississauga Campus Council (February 4, 2016) and Report Number 16 (March 3, 2016)
- f) Report Number 17 of the University of Toronto Scarborough Campus Council (March 1, 2016)
- g) Report Number 479 of the Executive Committee (March 29, 2016)

## **END OF CONSENT AGENDA**

## **8. Date of Next Meeting**

The Chair advised members that the next Governing Council meeting was scheduled for Thursday, May 19, 2016 from 4:30 p.m. – 6:30 p.m. at the University of Toronto Scarborough (UTSC).

## **9. Question Period**

A member asked to acknowledge formally for the record the Rotman family's recent transformational gift to the Rotman School of Management. The President concurred and noted that this significant \$30 million contribution would be matched by the University of Toronto in order to establish a \$45 million Rotman Catalyst Fund as well as provide additional support to the School's highest priorities such as scholarships, faculty positions and infrastructure investments.

## **10. Other Business**

There was no other business.

**The Council Moved *In Camera*.**

## **11. Appointments**

- a. **Members of the Governing Council to Governance Bodies, 2016-17**

It was Resolved,

That the proposed Assignments of members of the Governing Council to Board and Committees for 2016-17, be approved.

The Governing Council returned to Closed Session

The meeting adjourned at 6:25 p.m.

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Secretary

April 8, 2016

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Chair