



BG-2004-5

CONCORDIA UNIVERSITY
MINUTES OF THE OPEN SESSION
OF THE MEETING OF THE BOARD OF GOVERNORS

Held on Thursday, June 17, 2004, immediately following the meeting of the Corporation
of Concordia University, in Room GM 407-1, SGW Campus

Attendance

Present: Dr. Steven Appelbaum, Dr. Rama Bhat, Me Gerald C. Burke, Mr. Charles G. Cavell, *Vice-Chair*, Hon. Baljit Singh Chadha, P.C., Dr. June Chaikelson, Dr. Sally Cole, Mr. Howard Davidson, Me Pierre Fréreau, *Observer*, Mr. George Hanna, Mr. Noah Joseph, Mrs. Judith Kavanagh, Dr. William Knitter, Mr. Houman Kousha, Mr. Peter Kruyt, *Vice-Chair*, Ms. Christine Lengvari, Dr. Frederick Lowy, *Rector and Vice-Chancellor*, Mr. Desmond O'Neill, Mr. John Parisella, Ms. Natalie Pomerleau, Mr. Alex G. Potter, Dr. Rhona Richman Kenneally, Mrs. Miriam Roland, Mrs. Suzanne Sévigny, Mr. Adam Slater, Mr. Jacques St-Laurent, Mrs. Mackie Vadicchino de Massy, Mr. Ivan Velan, Mrs. Lillian Vineberg

Officers of the University: Prof. Marcel Danis, Mr. Michael Di Grappa, Dr. Martin Singer, Dr. Truong Vo-Van

Absent: Mr. Alain Benedetti, *Chair*, Mr. Normand Beauchamp, Mr. Alexander Carpini, Me Rita de Santis, *Vice-Chair*, Mr. Brian Edwards, Mr. Larry English, Ms. Suzanne Gouin, Mr. John Hall, *Observer*, Ms. Patricia Lavoie, Mr. Eric Molson, *Chancellor*, Mr. Richard Renaud, Dr. Hani Shennib, Mr. Jonathan Wener

Guests: Me Suzanne Birks (Legal Counsel), Mr. Garry Milton (Executive Director, Rector's Cabinet)

1. Call to Order

The Open Session was called to order at 8:35 a.m. In the absence of Mr. Alain Benedetti, the meeting was chaired by Mr. Peter Kruyt.

1.1 Chair's remarks

Mr. Kruyt announced the appointment of Mrs. Miriam Roland as Governor Emeritus during Closed Session and thanked the latter for her many years of outstanding service to the University.

On behalf of Ms. Lenore Vosberg, Executive Director of the Centre for the Arts in Human Development, Mr. Kruyt related the information regarding the Centre's latest original performance, titled "Romeo and Juliet on Dante Street: a new musical based on an old love story".

1.2 Approval of the Agenda

Upon motion duly moved and seconded (Potter, Vadicchino de Massy), it was unanimously RESOLVED:

R-2004-5-14 *THAT the Agenda be approved.*

1.3 Approval of the Minutes of the Open Session of the previous meeting (May 20, 2004)

Upon motion duly moved and seconded (O'Neill, Sévigny), it was unanimously RESOLVED:

R-2004-4-15 *THAT the Minutes of the Open Session of the previous regular meeting of the Board, held on May 20, 2004, be approved.*

2. Business arising from the Minutes not included on the Agenda

There was no business to report under this item.

3. Sundry fees report for 2003-2004 (Document BG-2004-5-D3)

As required by resolution R2001-3, Dr. Lowy reported on the approval of sundry fee increases by the Rector's Cabinet during the 2003-2004 academic year, all of which are detailed in document BG-2004-5-D3.

4. Election of additional members to the Evaluation Committee for the Vice-Rector, Services

Upon motion duly moved and seconded (Lowy, Kousha), it was unanimously RESOLVED:

R-2004-5-16 *THAT the following person be elected as a member of the Evaluation Committee for the Vice-Rector, Services:*

- *Ms. Maryam Etezadbrojerdi, nominated by the Graduate Students' Association*

5. Election of the members to the Advisory Search Committee for a Rector and Vice-Chancellor

Upon motion duly moved and seconded (Vineberg, Potter), it was RESOLVED with one abstention:

R-2004-5-17 *THAT the following persons be elected as members of the Advisory Search Committee a Rector and Vice-Chancellor:*

- Prof. Harvey Shulman and Dr. William Knitter, both full-time faculty members from the Faculty of Arts and Science, Dr. Christopher A. Ross, a full-time faculty member from the John Molson School of Business, Dr. Terry Fancott, a full-time faculty member from the Faculty of Engineering and Computer Science and Dr. Catherine MacKenzie, a full-time faculty member of the Faculty of Fine Arts, nominated by election by their respective Faculties;
- Prof. Maria Peluso, a regular part-time faculty member, nominated by election by the part-time faculty;
- Ms. Joanne Beaudoin and Mr. Richard Bisailon, members of the administrative and support staff, nominated in conformity with the Electoral College Policy.

6. Election of the members of the Advisory Committee for a Dean of Fine Arts

Upon motion duly moved and seconded (Lowy, Vineberg), it was unanimously RESOLVED:

R-2004-5-18 THAT the following persons be elected as members of the Advisory Search Committee for a Dean of Fine Arts:

- Prof. Ana Cappelluto, Prof. Andrew Dutkewych, Prof. Rosemary Mountain, and Prof. Cathy Mullen, full-time faculty members, nominated by election by the faculty at large in the Faculty of Fine Arts;
- Prof. Gary Schwartz, a regular part-time faculty member, nominated by election by the part-time faculty of the Faculty of Fine Arts;
- Ms. Elaine Denis, a member of the administrative and support staff from the Faculty of Fine Arts, nominated in conformity with the Electoral College Policy.

7. Borrowing of \$70,000,000 (Document BG-2004-5-D4)

Upon motion duly moved and seconded (Hanna, Chadha), it was unanimously RESOLVED:

R-2004-5-19 WHEREAS pursuant to Section 78 of the Financial Administration Act (R.S.Q., c. A-6.001), the bodies referred to under Section 77 of said Act, which have the power to borrow, may, within the scope of a borrowing plan established by the body and with the authorizations or approvals required by law to exercise their power to borrow, where such plan sets out the maximum amount and the characteristics and limits related to borrowings to be effected, conclude, without further authorization or approval, any borrowing transaction under said plan and establish the amounts and other characteristics and fix or accept the terms and conditions relating to each such transaction;

WHEREAS pursuant to Section 83 of the Financial Administration Act, a body referred to under Section 77 of said Act may, notwithstanding any provision of any other act applicable to it, determine, within the scope of a borrowing plan referred to in the foregoing section, that the power to borrow or to approve the terms and conditions thereof, may be exercised on behalf of the body by two or more of its officers authorized by the body;

WHEREAS Concordia University (the "Borrower") is a body referred to under Sub-section 77(2) of the Financial Administration Act, for the purposes of the application of the foregoing provisions;

WHEREAS it is necessary to authorize a borrowing plan related to the borrowings of the Borrower, to establish the maximum amount of the borrowings that may be effected thereunder, to set the characteristics and limits related to the borrowings to be effected and to authorize the Borrower's officers to conclude any borrowing transaction under such plan, to determine the amounts and other characteristics thereof and to accept the terms and conditions relating to each such transaction;

BE IT RESOLVED:

1. TO establish a borrowing plan pursuant to which the Borrower, subject to the limits set out hereinafter, may conclude from time to time before June 30, 2005, some borrowing transactions of no more than seventy million dollars (\$70,000,000) in legal Canadian tender;
2. that the borrowing transactions effected by the Borrower pursuant to this borrowing plan be subject to the following limits:
 - a) notwithstanding the provisions of above Article 1, the Borrower shall not, during each of the 15 months periods running from April 1, 2004 to June 30, 2005 and falling within the period referred to in Article 1, effect borrowing transactions that would exceed the total amount approved for such period by the Conseil du Trésor (Treasury Board) under the long-term university establishments borrowing program;
 - b) the Borrower shall not effect a borrowing transaction unless it benefits from a Quebec Government subsidy in compliance with standards established by the Treasury Board pursuant to the granting or the promise of subsidies to university establishments and providing for the payment in principal and interest of the borrowing in question even if, moreover, the payment thereof is subject to the annual vote by Parliament regarding the sums required for this purpose;
 - c) each borrowing transaction shall only be effected in legal tender in Canada, on the Canadian market or with Financement-Québec;
 - d) the proceeds from each borrowing transaction shall only be used, besides the payment of the inherent borrowing costs, for one or several of the following purposes:
 - i) to finance the investment expenditures made by the Borrower in accordance with investment plan approved by the Quebec Government;
 - ii) to refinance previous borrowing transactions in whole or in part at maturity;
 - iii) to repay contracted banking borrowing transactions awaiting for long-term financing or refinancing;
3. that for the purposes of determining the sum referred to in above Article 1 and the amount referred to in above Sub-section 2(a), only the face value of the borrowings effected by the Borrower are taken into account;
4. that the borrowing transactions under this borrowing plan are effected by the issue of debt securities ("bonds") or by loan agreements reached, in this latter case, with Financement-Québec;

5. *that to the extent a borrowing transaction under this borrowing plan is effected by bond issue:*
- a) *the trust company designated by the Minister of Finance, acting on behalf of the Borrower, shall act as trustee for the bondholders;*
 - b) *the legal advisor designated by the Minister of Finance, acting on behalf of the Borrower, shall prepare the relevant documents and issue a legal opinion on the validity of the borrowing and the bond issue;*
 - c) *the printer designated by the Minister of Finance, acting on behalf of the Borrower, shall print the bond certificates that may, under the circumstances referred to in Sub-section 9(h) hereinafter, be issued in exchange for the aggregate certificate;*
 - d) *the Borrower shall issue an offering circular relating to the bond issue;*
 - e) *the Borrower shall create a private utility trust pursuant to the master trust agreement or, as the case may be, the supplementary trust agreement in favour of bondholders and the trust company to be designated by the Minister of Finance, acting on behalf of the Borrower, shall be responsible for supervising the allocation of the Borrower's debt ensuing from the government subsidy to be granted to it, for administering the trust estate to be created and for applying the relevant trust agreement;*
 - f) *the following signing officers authorized by the Borrower are empowered to deliver the aggregate certificate and the bond certificates which, as the case may be, may be issued in exchange for the aggregate certificate to the aforementioned trust company to enable the latter to certify them, to sign all documents required for this purpose and for the ultimate delivery to The Canadian Depository for Securities Limited ("CDS") or, as the case may be, in accordance with CDS instructions;*
6. *that the Borrower irrevocably mandates the Minister of Finance, throughout the term of this borrowing plan, to:*
- a) *invest, on behalf of the Borrower, the borrowings authorized pursuant to this plan, subject to the limits and characteristics set out herein, by means of bond issues unless these borrowings are contracted with Financement-Québec;*
 - b) *agree, on behalf of the Borrower, to the financial terms and conditions of the bond issues with the underwriters of such issues which it shall have chosen;*
 - c) *retain, on behalf of the Borrower, the services of any legal advisor whom it shall choose to prepare the borrowing documents and provide the requisite legal opinions;*
 - d) *retain, on behalf of the Borrower, the services of a trust company and, as the case may be, a printer in the event of borrowing by means of a bond issue;*
 - e) *agree, on behalf of the Borrower, to the terms and conditions of retaining the services of the legal advisor, the trust company and, as the case may be, the printer;*

7. *to authorize the Borrower to pay, from the proceeds of each borrowing contracted by bond issue and as per the rate structure established by the Minister of Finance, the fees and disbursements of the trust company, the legal advisors and the printer whose services shall have been retained by the Minister of Finance, acting on behalf of the Borrower;*
8. *to authorize, as the case may be, the Borrower to pay the annual fees of the trust company whose services shall have been retained as per the rate schedule established by the Minister of Finance*
9. *that to the extent the borrowing transactions under this borrowing plan are effected by bond issue, each of such transactions comprise the following characteristics:*
 - a) *the bonds shall be issued under a master trust agreement or, as the case may be, a supplementary trust agreement reached between the Borrower, the trust company and, as intervenor, the Minister of Education and the bonds shall be governed by such trust agreements;*
 - b) *to the extent the Borrower has already concluded a master trust agreement with the trust company and the Minister of Education allowing for the issue of bonds book-based with CDS, the master trust agreement referred to above shall be such trust agreement already entered into;*
 - c) *moreover, to the extent the Borrower has not entered into any such master trust agreement, the aforementioned master trust agreement shall be the one for which the wording shall have been annexed to the bond underwriting contract concluded by the Minister of Finance, acting on behalf of the Borrower and which shall subsequently be concluded between the latter, the trust company and the Minister of Education;*
 - d) *the aforementioned supplementary trust agreement shall be the one for which the wording shall have been annexed to the bond underwriting contract concluded by the Minister of Finance, acting on behalf of the Borrower and which shall subsequently be concluded between the latter, the trust company and the Minister of Education;*
 - e) *the bonds shall be sold pursuant to the underwriting contract to be reached between the Minister of Finance, acting on behalf of the Borrower and the bond underwriters in accordance with the prices, terms and conditions to which they shall have agreed;*
 - f) *the bonds shall be book-based with CDS, as long as the latter remains a self-regulatory organization recognized by the Quebec Securities Commission, or with any deposit and clearing corporation having taken over from CDS provided it is a self-regulatory organization recognized as such;*
 - g) *the bonds shall be issued in denominations of \$1,000 or whole multiples thereof and shall be represented by an aggregate certificate for their full face value or by an aggregate certificate for each portion of bonds, where there are several tranches, deposited with CDS and registered in the name of the nominal owner designated by CDS, to the benefit of the non-registered bondholders whose respective interests therein shall be evidenced by registration in the ledgers;*

- h) *where CDS would cease to act as depository of the aggregate certificate, where it would cease to be a self-regulatory organization recognized by the Quebec Securities Commission without being replaced by another such organization within thirty (30) days or where the Borrower would want to replace the aggregate certificate with individual bond certificates, the bonds would then be represented by individual bond certificates fully registered in denominations of \$1,000 or whole multiples thereof;*
- i) *CDS shall credit the payment of the principal and interest on the bonds book-based with CDS and represented by an aggregate certificate into the respective account of its members who hold the bonds, who in turn shall credit the payment into the respective account of the non-registered bondholders whom they represent;*
- j) *where bond certificates would be issued to replace the aggregate certificate, the interest on the bond certificates would be paid either by cheque or bank draft payable at par and drawn from a bank governed by the Act respecting banks and banking (S.C. 1991, c. 46) or from a financial services cooperative governed by the Act respecting financial services cooperatives (R.S.Q., c. C-67.3), or by a transfer of funds into an account held by the registered holder of the bond certificate in question with a financial institution, the identification of which shall have been conveyed to the trust company;*
- k) *where the bonds are book-based with CDS and represented by an aggregate certificate, the trust company shall be the paying agent;*
- l) *where the bonds are represented by bond certificates, the paying agent shall be the trust company with regard to the payment of interest and, with regard to the payment of principal, any branch of the Borrower's bankers in Canada or, at the Borrower's choice, any financial services cooperative governed by the Act respecting financial services cooperatives and La Caisse centrale Desjardins du Québec, in Montreal;*
- m) *any interest instalment outstanding on the bonds shall bear interest at the same rate as the bonds in question;*
- n) *the Borrower shall not redeem the bonds but it shall, however, be able to buy them on the market by tender, by mutual agreement or by any other method which the Borrower shall deem appropriate, the Borrower may re-issue the bonds so purchased at any time before maturity;*
- o) *to the extent bond certificates would be issued, they shall be exchangeable at no cost to their registered holders, for an equal aggregate face value of bond certificates of all authorized denominations and same characteristics as long as the claimed number of bond certificates is, in the opinion of the trust company, reasonable under the circumstances;*
- p) *the aggregate certificate and the bond certificates that may, as the case may be, be issued in exchange for the aggregate certificate, shall be signed, in the Borrower's name, by either one of the signing officers authorized hereinafter, as long as both are acting jointly, such signatures may be replaced by a printed or otherwise reproduced facsimile which shall have the same effect as a hand-written signature; the aggregate certificate and bond certificates, if any, shall also bear a*

certificate from the trust company, signed by one of its authorized representatives;

- q) the aggregate certificate and the bond certificates that may, as the case may be, be issued in exchange for the aggregate certificate, shall be drafted in the form, shall bear the serial numbers and include statements substantially compatible with the provisions hereof as determined by the Borrower's representatives who shall sign them*
- r) the bonds shall be secured by the transfer to a trust estate held by the trust company of the debt which, for the Borrower, represents the subsidy to be granted to the Borrower by the Minister of Education, on behalf of the Quebec Government, to provide for the payment in principal and interest of the bonds of such issue, it being understood that neither the Borrower nor the trust company shall require that the sums to be deposited with the Minister of Finance to form a sinking fund be remitted to them by the Minister of Finance before the dates scheduled for the payment of the principal on the bonds;*
- s) the bonds shall include the financial terms and conditions approved by the Minister of Finance, acting on behalf of the Borrower and by the underwriters of the bonds when they are sold;*

10. that to the extent the borrowing transactions under this borrowing plan are effected by a loan agreement reached with Financement-Québec, each of such transactions shall include the following characteristics:

- a) the borrowing shall be contracted under a loan agreement to be reached between the Borrower, Financement-Québec and, as intervenor, the Minister of Education, and it shall be governed by such loan agreement and by the promissory note set out hereinafter;*
- b) the borrowing shall further be evidenced by a promissory note made out to the order of Financement-Québec;*
- c) the wording of the loan agreement and the promissory note shall substantially comply with the wording of the sample loan agreement and sample promissory note annexed to the minutes of this meeting subject to the amendments that their signing officers may make thereto in agreement with the following provisions;*
- d) the borrowing shall include the financial terms and conditions acceptable to Financement-Québec and the signing officers authorized by the Borrower, in accordance with the criteria established by the Government pursuant to Order-in-council 238-2000 dated March 8, 2000, as modified or replaced at any time;*
- e) any instalment of principal or interest outstanding on the contracted borrowing shall bear interest at the same rate as the borrowing in question or at the prime rate equal, for any interest period, to the arithmetic average of the prime rates or base rate, calculated by Financement-Québec, of three of the six major Canadian chartered banks listed in Schedule I of the Act respecting banks and banking, whichever rate is higher;*
- f) unless the financial terms and conditions of the borrowing expressly provide otherwise, the borrowing shall not be redeemed in whole or in part;*

- g) *the promissory note shall be signed, on behalf of the Borrower, by either one of the signing officers authorized hereinafter, provided both are acting jointly;*
 - h) *to ensure payment of the principal of the borrowing and the interest owed thereon at maturity, the debt which, for the Borrower, represents the subsidy to be granted to it by the Minister of Education, on behalf of the Quebec Government, shall be allocated to a movable hypothec without delivery in favour of Financement-Québec;*
 - i) *the wording of the movable hypothec deed shall substantially comply with the wording of the sample movable hypothec annexed to the minutes of this meeting subject to the amendments that their signing officers may make thereto in agreement with the following provisions;*
11. *to authorize the Borrower to pay, from the proceeds of each borrowing contracted by loan agreement, the agreed upon issue expenses and management fees;*
 12. *to authorize, for and on behalf of the Borrower, Frederick Lowy, Rector, and Larry English, Chief Financial Officer, provided both are acting jointly, to sign the master and supplementary trust agreements, the loan agreements, the aggregate certificates, the individual bond certificates, the promissory notes and all other contracts and documents pertaining to the borrowings contracted under this plan, to agree to all clauses and warranties substantially compatible with the provisions hereof, to accept the net proceeds from the borrowings or, as the case may be, to allow such proceeds to be accepted by the trust company whose services shall have been retained and to give good and valuable release and discharge, to make all amendments to such documents substantially compatible herewith, to do all things and sign all documents, necessary or useful to give full effect hereto;*
 13. *that to the extent the Borrower has already passed a resolution establishing a borrowing plan, this resolution supersedes the prior resolution.*
8. Proposal for independent departmental status for the Creative Arts Therapies program (Document BG-2004-5-D6)

Upon motion duly moved and seconded (Richman Kenneally, Vineberg), it was RESOLVED with one abstention:

R-2004-5-20 *THAT upon the recommendation of the Fine Arts Faculty Council and Senate, the Board of Governors approve the establishment of the Department of Creative Arts Therapies and the renaming of the Department of Art Education and Art Therapy to the Department of Art Education, as outlined in Document BG-2004-5-D5.*

9. Proposal to establish differential fees for international students studying at the undergraduate level in the Faculty of Arts and Science (Document BG-2004-5-D6)

A motion was moved by Dr. Chaikelson and seconded by Mr. Hanna that, upon the recommendation of the Arts and Science Faculty Council and Rector's Cabinet, the proposal of the Faculty of Arts and Science to impose a differential fee of up to \$2000 annually for thirty credits on its newly admitted international students at the undergraduate level, effective for the Fall term of 2004 (2004/2), be approved, subject to the conditions set out in Document BG-2004-5-D6.

Dr. Chaikelson explained that this differential fee would serve mainly to fund prizes and scholarships for international students as well as to cover some of the recruitment costs. Without this fee, the future of the prizes and scholarships will be compromised. She indicated that every student admitted for the Fall has been alerted to the possibility of increased fees.

At the request of Ms. Pomerleau, speaking privileges were granted to Mr. Brent Farrington, the newly-elected CSU President. While agreeing with the necessity of maintaining scholarships, Mr. Farrington argued that the money should be obtained from increased funding from the government. He proposed to work with the administration to achieve this objective in lieu of increasing fees.

A lengthy discussion ensued, further to which it was moved by Me Burke, and seconded by Mr. Parisella, to postpone the decision on this matter to the September 2004 Board meeting. The motion to postpone was adopted with a majority. In the meantime, it was agreed that representatives of the Board, the Faculty of Arts and Science and the CSU will work together to examine alternative solutions to the funding problem.

10. Senior Administration title change (Document BG-2004-5-D7)

Upon motion duly moved and seconded (Cavell, Potter), it was unanimously RESOLVED:

R-2004-5-21 THAT upon recommendation of Rector's Cabinet and the Executive Committee, the English titles of Rector and Vice-Rector be changed to President and Vice-President, and the English title of Provost be changed to Provost and Vice-President.

11. Reports on Concordia's compliance with certain legal obligations

11.1 Report on compliance with fiscal requirements

Reporting on behalf of Chief Financial Officer Larry English, Mr. Michael Di Grappa reported the proper procedures had been followed for computing and remitting taxes withheld from employees and employers' contributions from March 1, 2004 to May 31, 2004 as well as for GST and QST claims from February 1, 2004 to April 30, 2004 and that the University had fully complied with its statutory fiscal obligations.

A copy of the written report has been deposited with the Secretary of the Board of Governors.

7.1 Report on compliance with environmental legislation and health and safety regulations

Vice-Rector, Services Michael Di Grappa reported that the *Quarterly environmental health and safety report on due diligence* for June 2004 has been deposited with the Secretary of the Board of Governors. There were no CSST interventions to report.

12. Report of the Rector (Document BG-2004-5-D8 was **not** distributed)

Dr. Lowy indicated that a detailed report on the state of the University would be made at the September Board meeting. He spoke briefly about the recent convocation ceremonies, during which over 3,500 students had graduated. He mentioned that the University was on target with respect to its six academic priorities as set out in the academic plan and completed his report by conveying the achievements of some Fine Arts graduates.

13. Reports of the Vice-Rectors

13.1 Provost

Dr. Singer apprised the Board of the hiring of 70 new tenure-track faculty members. He conveyed the most recent statistics with respect to applications, registrations and enrolments, indicating an overall increase of 7% in undergraduate enrolments.

13.2 Vice-Rector, Services

Mr. Di Grappa announced the appointment of Mr. Roger Côté as Executive Director, Enrolment and Student Services, for a five-year term. Mr. Côté, a seasoned university administrator, had successfully led the enrolment management transformation project, established in the summer of 2003.

13.3 Vice-Rector, Institutional Relations and Secretary-General

Prof. Danis informed Governors that the SGW maintenance union has voted to strike.

13.4 Chief Financial Officer

Mr. English had conveyed his regrets.

14. Correspondence

There was no correspondence to bring before the Board.

15. Any other business

Mr. Kruyt reported figures from the Advancement Office with respect to fundraising endeavors. He said that the Concordia Ball held in May had raised \$1.2 million for scholarships. Moreover, contributions to the annual campaign totaled \$5.9 million, up from \$4 million last year. Mr. Kruyt also reported that 85% of community-at-large Board members contribute to the annual giving, while the participation rate of faculty members is 42% and that of staff is 26%.

16. Date of next meeting

The next meeting will be held on Wednesday, September 29, 2004, at 8 a.m., on the SGW Campus.

17. Adjournment

The Open Session adjourned at 10:10 a.m.

Danielle Tessier
Secretary of the Board of Governors