



The UNIVERSITY of WESTERN ONTARIO

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF GOVERNORS

April 24, 2007

The meeting was held at 10:00 a.m. in Room 330 Stevenson-Lawson Building.

PRESENT: Ms. H. Connell, Chair
Ms. I. Birrell, Secretary

Mr. D. Alexander
Mr. F. Angeletti
Dr. D. Bentley
Ms. L. Burke ☞
Mr. S. Coxford ☞
Dr. P. Davenport
Mr. T. Garrard
Mr. T. Gosnell
Ms. L. Gribbon
Ms. S. Grindrod
Dr. T. Hewitt
Mr. E. Holder
Ms. G. Kulczycki

Dr. F. Longstaffe
Dr. L. Miller
Ms. J. Moss ☞
Mr. J. Nash
Ms. M. Noble
Mr. G. Raymer
Mr. M. Reid
Dr. S. Singh
Ms. J. Vanderheyden
Mr. H. Vander Laan
Dr. J. White
Mr. R. Yamada ☞

By Invitation: C. Herbert, S. Jarrett

BG.07-022 **Robarts Research Institute Integration into UWO** [Exhibit I]

It was moved by E. Holder, seconded by S. Singh,

That the Board of Governors approve the integration of the Robarts Research Institute into The University of Western Ontario as a Research Institute within the Schulich School of Medicine and Dentistry, effective July 1, 2007, in a manner consistent with the Memorandum of Understanding in Exhibit I, Annex I.

Dr. Davenport gave an overview of the Robarts Research Institute Integration into UWO, using the overhead slides attached to these minutes as **Appendix 1**. Key elements of the integration are as follows:

- Scientists at Robarts have made and continue to make an outstanding contribution to the overall national and international reputation of Western. They are a valued part of the Western community and supervise a great many graduate students. Robarts Scientists retained at Western will be integrated into academic departments. The Dean of Schulich has undertaken to enable Robarts Scientists to have the time and resources to continue to carry out world class research.
- The Institute will retain its named and brand, and be integrated into Western as an Institute

in the Schulich School, subject to the Western Board and Senate under the UWO Act. The leader of Robarts (Scientific Director) will report to the Dean of Schulich.

- Administrative staff retained by the University will be integrated into the appropriate University departments and the appropriate employee groups.
- Robarts will be allowed to retain all net commercialization revenue from IP developed solely by Robarts Scientists, will continue to have a special arrangement with regard to the indirect cost of research, and will retain the interest on accounts based on research grants and contracts.
- In order to meet the base budget shortfall of \$4.4 million, there will be a \$2.6 million reduction in Robarts ongoing expenditures and a base budget transfer of \$1.8 million from the University, shared equally between the central budget and the Schulich budget.
- The Province has provided \$23 million: \$12 million for research and \$11 million for the integration.

A member asked whether allowing Robarts to retain interest on research funds would set a precedent that other units might like to follow. The President and Dean Herbert noted that the Robarts' situation is unique and should not be seen as setting a precedent. The proposed arrangements with respect to research grant interest are in the service of building the organization and recognizing that Robarts retains responsibility for research infrastructure. The split could be re-examined if at a future point the university started to take on more responsibility for that infrastructure. The President added that there had been no concerns raised about this proposal at Senate.

With respect to financial stability and sustainability, the President remarked that the proposal will result in a stable budget situation and the research outlook is good. Under integration with Western, Robarts will continue to run clinical trials and, indeed, will likely expand that business. This is not risk free, but the risk is manageable. Dean Herbert commented that retention of the scientists was key to determining sustainability. Looking ahead, once integration is approved, a comprehensive and integrated long-range planning process would begin. Chairs of the Schulich departments and Deans of other Faculties have been fully supportive, as have other community partners, such as Lawson.

A member commented that he had heard of concerns at Robarts about increased levels of bureaucracy at the university, especially in relation to the research grant process, and asked if those concerns had been resolved. The President responded that scientists at Robarts have long-recognized the valuable services provided by the University's Office of Research and had been using that office for assistance. In some cases, the university's approach will be different because of particular financial policies and procedures, but those would be worked out on a case-by-case basis. T. Hewitt noted that, where it makes sense to do so, there will be dedicated staff at Robarts to deal with issues. Contracts is one area where this will happen and scientists will work with the same people as they do currently.

In answer to a question about the status of Robarts' endowed funds, the President explained that, of the \$28 million endowment" spoken of in 1998, only \$7.5 million was actually endowed as the University defines the term. The remainder has been spent. The current endowment is about \$11 million. This will become the property of the University, with the exception of funds provided by donors who want to keep their donations with the Robarts corporation. T. Garrard noted that, historically, Robarts has raised about \$3 million per annum through fund-raising, most of it directed to operations. Integration will open new donor opportunities and one of the first tasks will be to establish priorities for future fund raising.

In response to a query about the due diligence process, G. Kulczycki explained that the university team (S. Jarrett, Legal Counsel; L. Logan, AVP Finance; R. Campbell, IPB; B. Jeffs, Schulich, J.

O'Brien, AVP Human Resources; R. Lawrence Pitt, Advancement Services)with the assistance of KPMG had reviewed a long list of key records over some months. She believed that the team had seen enough to be confident in the assessment of the financial position that had been outlined to the Board. Most recently, the scientists have been asked directly to provide information about any outstanding contracts or commitments.

The question was called and CARRIED.

The Chair thanked the President and his team and F. Angeletti for their hard work on what had been a difficult project. A successful integration will be a huge win for the University, for Robarts, and for the larger community.

ADJOURNMENT

The meeting adjourned at 10:55 a.m.

H. Connell
Chair

I. Birrell
Secretary

Integration of the Roberts Research Institute into the Western Family

- Roberts science
- Governance
- Scientists and staff
- Budgetary aspects of the integration
- Leadership, Engagement, and Decision-Making

Board of Governors
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Roberts Science

- Western is proud of the Roberts Research Institute and of our role in founding and supporting it.
- Roberts has an international reputation for excellence in biomedical science.
- Publications in leading journals (Science, Nature) and outstanding awards (e.g., Menon and Ferguson as Top 40 under 40).
- World class facilities for DNA Sequencing, MRI, and genomics research available to all Western researchers.
- Strong contribution to the overall national and international reputation of Western, of great value to all in the Western community.

Western and Roberts

- Beginning in January 2007, consultations have been held with Roberts Group Leaders, Chairs in Schulich, and student and employee groups, with reports to Senate in February and March.
- On March 21, 2007, Western and Roberts reached agreement on an MOU describing the conditions under which Roberts would be integrated into the Western family as a Research Institute in the Schulich School of Medicine and Dentistry.
- The MOU was signed by the President of Western, the Dean of Schulich, and the Interim Scientific Director of Roberts, Dr. Cecil Rorabeck.
- The integration requires approval by Senate, the Board of Roberts, and the Board of Western.

Governance

- The Roberts Research Institute will retain its name and brand, and be integrated into the Western family as an Institute in the Schulich School, subject to the Western Board and Senate under the UWO Act.
- The leader of Roberts will have the title of Scientific Director and report to the Dean of Schulich.
- Western commits to the same collegial-decision making process at Roberts as operates elsewhere in the University.
- Western's Board and Senate will have the same authority that they have with similar units on campus.

Roberts Scientists

- The Dean of Schulich will enable Roberts Scientists to have the time and resources to continue to carry out world class research.
- Roberts Scientists retained at Western will be integrated into academic departments under conditions described in section 5 of the MOU.
- The process for establishing tenured and tenure-track positions will be worked out and be approved by Western, Roberts Scientists, and UWOFA.

Staff

- Those administrative staff retained by the University will be integrated into the appropriate University departments.
- Former Roberts employees retained by the University will become members of the corresponding employee groups at Western. Those employees doing the work of unionized employees at Western will be members of the appropriate Western union.

Building Robarts

- After integration Robarts will have research income of some \$40 million and a base operating budget from the University of just \$1.8 million. To provide the budget for Robarts expansion in the future, the University will allow Robarts to:
 - retain all net commercialization revenue from IP developed solely by Robarts Scientists
 - continue to have a special arrangement with regard to the indirect costs of research, which will reflect Robarts' responsibility for the operation of research facilities
 - retain the interest on accounts based on research grants and contracts

Budgetary Aspects of the Integration

- The base budget at Robarts, after integration into Western, will require about \$4.4 million to attain long-term balance. The \$4.4 million will be found as follows:
 - a \$2.6 million reduction in Robarts ongoing expenditure, with most decisions taken in April 2007
 - a base-budget transfer of \$1.8 million from the University, shared equally between the central budget and the Schulich School
- The \$23 m in funding announced by the Province on March 29 included \$12 m for scientific research and \$11 m for the integration of Robarts into Western. The \$11 m will be transferred to the Schulich School and managed by the Dean in support of the one-time costs of Robarts integration.

Leadership, Engagement, and Decision-Making

- Western will appoint an outstanding internationally recognized Scientific Director with an active research program.
- As set out in the MOU, Robarts will have an Executive Committee and an Advisory Council to advise the Scientific Director on strategic and operational issues.
- Subject to approval by Senate, Robarts Scientists will identify one of their number as a member of the Selection Committee for the Dean of the Schulich School.
- Western and Robarts are committed to a new model for technology transfer with a single office for all publicly funded research institutions in London.

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