MINUTES

of the

ONE-HUNDRED-AND-SIXTEENTH MEETING

of the

BOARD OF GOVERNORS OF

CARLETON UNIVERSITY

Time: Tuesday, October 14, 1958, at 4.30 p.m.
Place: The Bank of Canada

PRESENT:
Mr. J. E. Coyne, Chairman, Mr. V. S. Castledine, Mr. W. M. Connor, Mr. A. A. Crawley, Dr. A. D. Dunton, Mr. C. C. Gibson, Mr. H. R. T. Gill, Mr. K. A. Greene, Mr. C. H. Hulse, Dr. C. J. Mackenzie, Mr. T. R. Montgomery, Mr. F. G. Patten, and Dr. E. W. R. Steacie. Also present: Mr. F. J. Turner.

MINUTES:
The minutes of the 115th meeting were distributed with the notice of meeting. It was agreed that these minutes be adopted.

LIABILITY OF DIRECTORS:
The question of liability of members of the Board of Governors was raised, particularly with reference to the proposed $1,000,000 bank loan. Mr. Gibson replied that the liability of members of the Board was only that common to directors of all corporations by law, including certain liabilities for wages, for unauthorized loans, and for losses due to negligence.

RETIREMENT PLAN
Mr. Castledine started the discussion by stating that when the
- TRUST COMPANY:
Finance Committee had considered the question of which Trust Company should hold and invest the contributions to the university's new retirement plan, it was agreed that this question, while extremely important to the university, was not basically a financial one, and it had therefore decided to make no recommendation, leaving the selection to the Board of Governors.

He suggested that because it had been considered at the end of the last meeting while attendance was small, that it should be reconsidered.

Mr. Greene and Mr. Gibson recapitulated the reasons why they had moved and seconded the motion at the previous meeting. These were that the retirement plan was basically new business, and the Toronto General Trusts Corporation would therefore not be losing any business it had before. It was important that the interest of the community in the university be as wide as possible, and therefore that the business of the university be spread as much as is possible, consistent with good business practice. Because of the importance of trust companies in the field of bequests, it would be useful to the university to have another trust company concerned in its affairs. Mr. Weir, the new Branch Manager of the Royal Trust Company, had been asked and had agreed to serve on the university's Committee on Bequests. It was also pointed out that the Royal Trust Company had a somewhat longer experience in the field of pooled pension funds and that it had agreed to give the university lower rates than either of the other companies approached.
Several members of the Board pointed out that there was absolutely no reflection in this decision on the Toronto General Trusts Corporation or the services that it rendered to the university for the past several years, that in fact these services had been highly satisfactory.

After some further discussion, it was moved by Mr. Castledine, seconded by Mr. Crawley, that the decision of the previous meeting to appoint the Royal Trust Company to serve as trustee of the university's new retirement plan be confirmed. Carried.

Mr. Connor questioned the propriety of transferring funds from Funds Temporarily Functioning as Endowment to meet the deficit for the year, as was shown on Exhibit B of the statements. He suggested rather that deficits and surplus be carried in an account of that name so as to reveal the institution's financial history.

When the accounts of the university were set up in 1947, the pattern followed was that laid down for university accounting by The American Council on Education for university accounts. The account, Funds Temporarily Functioning as Endowment, had not, however, been opened until funds for this became available following the 1951 campaign and the construction of the Library addition to the Glebe building. Somewhat later, because of the series of surpluses on current operations, the Board of Governors had decided to use this account as originally envisaged, as a fund to hold surpluses and from which deficits would be met.

It was suggested that Mr. Turner could circulate annually a history of surpluses and deficits.

After some further discussion, it was moved by Dr. Steacie, seconded by Mr. Patten, that the resolution adopting the financial statements for the year 1957-58 passed at the 115th meeting of the Board be confirmed. Carried.

Dr. Dunton reported that on his recent visit to Toronto he had met with the Treasurer, the Comptroller of Finances, and the Minister of Education. In all cases his reception had been cordial. The ministers seemed well disposed towards Carleton University, but of course were unwilling to make any commitment about future grants.

Mr. Gill reported that last year a programme of annual giving had been started. He had gathered 10 or 12 business men of the city into a Committee and had raised the sum of $8,000 from a restricted list of prospects. There were, he said, possibilities of expanding this to individuals and of setting up an organization comparable to the McGill Associates to give this group some kind of form and recognition.

On the understanding that this programme would not touch the branch offices of the major corporations, it was agreed that the programme be approved and that the Committee, consisting of Mr. Gill, Dr. Dunton, and Mr. Swain, be named to recommend a chairman or chairmen for an annual giving programme.
DEVELOPMENT SURVEY: After a brief discussion, it was agreed that the university would be wise to go ahead with its plans for a bequest programme and an annual giving programme before seriously considering a development survey.

ADJOURNMENT: The meeting adjourned at 5.30 p.m.

C. C. Gibson, Secretary.

J. E. Coyne, Chairman.