

University of Waterloo

BOARD OF GOVERNORS

Minutes of the Tuesday, June 7, 2005 Meeting

Present: Paul Koenderman (Chair), Lois Claxton (Secretary), John Andersen, Mary Bales, Rob Caldwell, Arthur Church, Herb Epp, Jonathan Fishbein, Catherine Fry, Simon Guthrie, Wendy Hallman, Cathie Irwin, Tim Jackson, Ed Jernigan, David Johnston, George Labahn, Paul Lehmann, Michael Makahnouk, John Manley, Ian McPhee, Greg Mumford, Bill Power, Paul Schellenberg, Gerry Schneider, Ken Seiling, Bill Tatham, Scott Wetmore, Carl Zehr

Ranjana Bird, Gail Cuthbert Brandt, Tom Carey, Amit Chakma, George Dixon, Alan George, Paul Guild, Dennis Huber, Bob Kerton, Linda Kieswetter, Ken Lavigne, Ellsworth LeDrew, Bruce Lumsden, Jane Manson, Bruce Mitchell, Daniel Parent, Barry Scott, Catharine Scott, Adel Sedra, Mike Sharratt, Laura Talbot-Allan, Bob Truman, Bud Walker

Regrets: Serge Godin, Geoff Guy, Mike Lazaridis, Janet Passmore, James Skidmore, Ralph Smith, Ray Tanguay, Jud Whiteside

At Governors' places and attached for absentees: *Maclean's* Ranking, UW 2004 Annual Report, and *We're Waterloo*.

OPEN SESSION

1. REMARKS FROM THE CHAIR

In his opening remarks, the Chair welcomed new and returning members to the Board meeting including: *Community-at-Large reps* – Rob Caldwell, John Manley, Ian McPhee, Bill Tatham and Scott Wetmore; *Lieutenant Governor-in-Council reps* – Tim Jackson and Jud Whiteside; *faculty reps* – Bill Power, James Skidmore and Ralph Smith; *undergraduate student reps* – John Andersen (President of the Federation of Students), Jonathan Fishbein and Paul Lehmann; *graduate student rep* – Michael Makahnouk (President of the Graduate Student Association).

He also expressed his gratitude and thanks, on behalf of the Board, to Bob Harding, immediate past Chairman of the Board, for his superlative example of leadership and the countless hours he spent working on behalf of UW as Board Chair and continues to spend as Chair of the Talent Trust Campaign.

Consent Agenda

The Board heard an omnibus motion to approve and/or receive for information by consent items 2-5 [below].

Schneider and Bales.

2. APPROVAL OF MINUTES

The April 5, 2005 minutes were approved as distributed.

3. REPORT OF THE PRESIDENT

Promotion of Faculty Members. The Board received this report for information.

Recognition and Commendation. The Board received this report for information.

Sabbatical Leaves/Leave Change and Administrative Appointments. The Board approved the recommended sabbatical leaves/leave change and received the administrative appointments for information.

4. **REPORT OF THE VICE-PRESIDENT, ADMINISTRATION & FINANCE**

Incidental Fee Changes. The Board approved the recommended incidental fee changes.

5. **OTHER BUSINESS**

SHARCNET 2: New Innovation Inter-Institutional Agreement. The Board received this report for information.

The motion carried.

Regular Agenda

6. **PRESENTATIONS**

Performance Indicators. The Dean of Engineering, who serves as Chair of the Task Force on Performance Indicators, offered that the indicators serve to demonstrate accountability and as a strategic management tool. Noting that this is still a “work in progress” and his intent to report annually to the Board starting in October 2006, he then reviewed selected indicators from the priority areas identified: undergraduate studies, graduate studies, research, faculty, staff, co-operative education, resources, fundraising and the library. Suggestions for incorporation in subsequent reports included: targets/contexts for the graphs providing an indication of whether the trend was neutral, good or bad; identification of metrics to show which address the rolling out of the strategic plan and which address competitiveness.

Strengthening Global Connections [<http://www.adm.uwaterloo.ca/infosec/global.june05.pdf>]. The Associate Vice-President, Academic commented on: the areas related to internationalization; the progress UW has made in implementing the recommendations of “Beyond Borders” (1999); what UW needs to do to move forward/priority areas to be addressed *re* internationalization (integration of internationalization as a key objective in UW planning, heightened visibility for its activities, and investment of new resources); how the recommendations related to moving forward/priorities areas; “next steps” including securing commitment from the UW community, embedding “international into future plans,” and investing resources to support various international student services.

In discussion, Governors heard: how UW was focussing recruitment efforts on a regional basis and the major efforts which are taking place with two strategic partners: China and India (in particular, the Indian Institutes of Technology); a suggestion that metrics should be introduced so UW can measure progress.

The Associate Vice-President was invited to report annually indicating progress toward goals as demonstrated, in part, through metrics.

7. BUSINESS ARISING FROM THE MINUTES

Consultation. The Chair commented on the background and his proposed review process as described in “Consultation & Communication Effectiveness” [at Governors’ places and attached for absentees], noting: since the April 5 Board meeting, there had been no response to the Chair’s invitation to Governors, particularly faculty, staff and students, that they “submit to either the President, incoming Chair [Paul Koenderman] or Secretary items they would like to discuss in a forum other than a Board meeting” [item 12, April 5, 2005 Board of Governors minutes]; Governors had as their responsibility to represent views/concerns of their constituencies *re* this matter and invited Governors to contact him [pkoenderman@yahoo.com]; if there were no views/concerns forthcoming, he would not proceed with convening a meeting.

8. REPORT OF THE PRESIDENT

2005-06 President’s Specific Priorities. The President referred Governors to these priorities and indicated he would be pleased to discuss them with any Governor.

Spring 2005 Convocation Ceremonies (June 15-18). The President expressed his hope that Governors can accept the invitation to attend convocation and celebrate with UW graduands.

Deans of Applied Health Sciences and of Mathematics. The President paid warm tribute to the outstanding contributions of Mike Sharratt and Alan George, both of whom were attending their last meeting of the Board as Deans.

Environmental Scan [<http://www.adm.uwaterloo.ca/infosec/scan.june05.pdf>]

- **Federal Scene.** The President commented briefly on a number of themes including: AUCC’s preparation of a federal election strategy to position higher education; the Liberal-NDP budget agreement and the Martin-McGuinty agreement on post-secondary education; the importance of funding indirect costs of research; the CRC program evaluation.
- **Provincial Scene.** Comments focussed on the Ontario Budget 2005 (including the Premier’s “Reaching Higher” plan arising from the Rae Review) which provides for a \$6.2 billion cumulative investment in post-secondary education by 2009-10, with the first tranche in 2005-06 of \$683 million. Generally, the investment will provide improved access and quality, better facilities and require more accountability. Specific investments will be made in student assistance, quality (increasing numbers of faculty, support for graduate programs, and proposed Research Council of Ontario), enrolment and outreach (\$220 million by 2008-09 to expand graduate and medical education, and a new strategy to attract international students and encourage study abroad for Ontario students); accountability (multi-year agreements *re* enrolment and quality improvement targets, and proposed Higher Education Quality Council). Universities have not yet been made aware of the constraints/restrictions on how these funds may be spent.
- **2005-06 Working Priorities.** Seven were noted: co-op review implementation, graduate expansion, resource issues, research intensity, space issues, bench marking, and internationalization.

9. REPORT OF THE VICE-PRESIDENT, ACADEMIC & PROVOST

2005-06 Priorities. Noted as “Working Priorities” [above] with no further comment.

2005-06 Operating Budget Update [<http://www.adm.uwaterloo.ca/infosec/budget.june05.pdf>]. Not usually an item at the June meeting but presented to show potential effect of the provincial budget during the current fiscal year. As background, the Provost noted the 2005-06 operating budget contained: a \$1.9 million expenditure reduction and a \$1.3 million structural deficit (which can be funded for one year but not ongoing); insufficient funding for a number of strategic initiatives. Based on responses to date ["Admissions and Financial Aid Update" at Governors' places and attached for absentees], UW is projecting a first-year enrolment shortfall of ~100 students which amounts to \$1 million in lost revenue.

Referring to "2005-06 Provincial Budget Impact on Universities (Preliminary Estimates)" [attached for absentees], the Provost estimated/commented that: UW's share for the current year at ~\$7 million (assuming unfunded BIUs would be paid off over three years and distribution of funds would be based on institutional BIUs); \$6 million of that \$7 million is required simply to maintain status quo; by 2009-10 there will be a ~\$10 million gap between UW's projected budget share and what is required to retain status quo; even if funding were available to enable UW to retain status quo, to improve quality, UW would need an additional ~\$10 million annually through 2009-10; UW will concentrate on accessing the \$2.5 million pot for graduate funding, growing the graduate enrolment as quickly as possible over the next couple of years, and also working to increase international enrolment.

He offered to update the Board at its October meeting, particularly with respect to conditions attached to provincial funding.

10. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

The Vice-President provided an update [<http://www.adm.uwaterloo.ca/infosec/campaign.june05.pdf>] on the campaign, noting, in particular, the June 14 celebration, the remarkable participation of UW alumni (the source of 46 percent of campaign donations), that 71 percent of the donations are in cash (albeit designated to specific programs), the strong fund-raising efforts in China, and that new and extended campaign priorities are being finalized.

11. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

The Vice-President in speaking to his presentation [powerpoint slides distributed with the agenda], commented on a number of trends including: UW's success rates in Tri-Council operating grant competitions over the last five years; UW's position in the G10 *re* NSERC discovery grant funding – ahead of McMaster, Laval, UWO, Queen's and Montreal; sponsored research funds awarded; UW's success with Canada Research Chairs – a total of 53 and the only G10 institution to increase its number between 2000 and 2005; UW's level of grant funding is increasing while the level of contract awards may be flattening.

12. REPORTS FROM COMMITTEES

Building and Properties

- ***Centre for Family Medicine Teaching and Research.*** The Board heard a motion to approve in principle the Sublicenses between the City of Kitchener/UW/Kitchener Housing Inc., and between UW/Centre for Family Medicine Teaching and Research/Kitchener Housing Inc. and City of Kitchener.

Bales and Hallman. Carried.

- **School of Pharmacy.** The Board heard a motion to approve the conceptual design for the School of Pharmacy.

Bales and Zehr. Carried.

Governors heard: from the Mayor of Kitchener, generous remarks about the effectiveness of working with UW, and that the School of Pharmacy design concepts had now been presented to City Council, making this initiative seem more of a reality; kudos to Jake Thiessen, George Dixon and Dennis Huber for all their efforts on the project.

- **University of Waterloo Health Sciences Campus.** The Board heard a motion to delegate authority through the Building & Properties Committee to the Board Executive Committee to approve the transfer of an eight-acre parcel of land from the City of Kitchener to the University of Waterloo for the Health Sciences Campus.

Bales and Lehman. Carried.

- **SHARCNET Centre.** The Board heard a motion to approve that the University enter into a construction contract with Devlan Construction for \$2,997,430 (plus GST) within a total project budget of \$3,500,000.

Bales and Mumford. Carried.

- **School of Optometry.** The Board heard a motion to approve a revised project budget totalling \$9,000,000 for the planned School of Optometry expansion and renovation.

Bales and McPhee. Carried.

- **Quantum-Nano Centre.** The Board heard a motion to delegate authority through the Building & Properties Committee to the Board Executive Committee to appoint an architectural firm to design the Quantum-Nano Centre at a preliminary project cost of \$70,275,000.

Bales and Power.

The Board heard: from the President of the Federation of Students, the concern that the Centre will occupy green/gathering space had been expressed and discussed at the meeting of the Building & Properties Committee; in response to the Mayor of Waterloo's concern that the site may constrain future expansion of this facility, that because of the interdisciplinary nature of quantum computing and nanotechnology, so long as new structures are connected to the Engineering, Mathematics and Science quadrant, expansion can occur.

The motion carried.

- **Real Estate** [brought forward from the confidential session]. Governors noted that: the Building & Properties Committee discussed this matter at length; there was commitment to ensuring transparency of the transaction with respect to the Lazaridis gift; the agreement for the appraisal process conforms to industry standards; in response to questions, by 2008, current occupants of 195 Columbia Street will be housed in the new Quantum-Nano Centre or in other structures currently on or to be built on campus, and that no firm decision has been made on how proceeds from the sale will be used.

The Board heard a motion to approve the sale of 195 Columbia Street West to Research In Motion at fair market value as determined through independent certified appraisals.

Bales and Schneider. Carried (one abstention).

Note: RIM will do its own building inspection [p. CS10].

Pension and Benefits. With the clarification that UW has a window until September 30 to make a decision on whether to file the January 2005 valuation and that, during this window, the neutral position (paying at 165 percent) UW is currently in will either remain the same or improve, Governors heard a motion to approve the University of Waterloo Pension Plan Report on the Actuarial Valuation for Funding Purposes as at January 1, 2005.

Caldwell and Irwin. Carried.

13. OTHER BUSINESS

There was no other business.

The Board convened in confidential session.

LC:tad
June 15, 2005

Lois Claxton
Secretary of the University