

**University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, June 5, 2007 Meeting**

Present: Bob Harding (Chair), Lois Claxton (Secretary), Mary Bales, Catherine Booth, Rob Caldwell, Caustan De Riggs, Bruce Gordon, Brenda Halloran, Steve Hayle, Keith Hipel, Tim Jackson, Beth Jewkes, David Johnston, Ian MacKinnon, John Manley, Stephen Markan, Ian McPhee, John North, Janet Passmore, Kevin Royal, Ken Seiling, Selva Selvakumar, James Skidmore, Douglas Stebila, Bill Tatham, Mark Walker

Ranjana Bird, Gail Cuthbert Brandt, Amit Chakma, Karalee Clerk, Ken Coates, George Dixon, David Fransen, Alan George, Patti Hancock, Mark Haslett, Dennis Huber, Peggy Jarvie, Linda Kieswetter, Ken Lavigne, Roger Mannell, Jane Manson, Terry McMahon, Bruce Mitchell, Deep Saini, Catharine Scott, Adel Sedra, Allan Shapira, Bud Walker

Regrets: Louise Fréchette, Serge Godin, Paul Koenderman, Mike Lazaridis, Catherine Rosenberg, Ray Tanguay, Scott Wetmore, Jud Whiteside, Carl Zehr

Prior to the meeting, Governors joined President Johnston at the Valentine O'Donovan Memorial Garden dedication.

OPEN SESSION

1. REMARKS FROM THE CHAIR

Transitions. The Chair recognized new and continuing Governors: community-at-large reps – Serge Godin, Paul Koenderman, Ray Tanguay; Lieutenant Governor-in-Council reps – Catherine Booth, Janet Passmore; faculty reps – Keith Hipel, John North, Selva Selvakumar, James Skidmore; undergraduate student reps – Steve Hayle, Kevin Royal (President of the Federation of Students); graduate student rep – Ian MacKinnon (President of the Graduate Student Association). Also, George Dixon and Terry McMahon, outgoing and incoming Deans of Science, respectively.

Continuation of Campaign Waterloo. Having heard from the Chair that there is certainty that UW will meet its stretch target of \$350 million and that the tremendous momentum in the campaign should be preserved as UW works toward a goal of income diversification to enable realization of 6th Decade Plan priorities and an ultimate goal of \$100 million annual run rate by 2017, there was consensus among Governors that the campaign should continue beyond 2007.

Aeroplan Graduate Studies Travel Award [enclosed for absentees]. The Chair encouraged Governors to consider donation of Aeroplan Miles as an effective way of assisting graduate students to travel as part of their graduate programs.

Conflict of Interest Declaration [enclosed for absentees]. Consistent with Board By-law 1, the Chair requested Governors to complete and return to the Secretary no later than June 30.

Consent Agenda

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

2. APPROVAL OF MINUTES

The minutes of the April 3, 2007 meeting 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 and Administrative Leaves and Administrative Appointments. The Board approved the recommended leaves 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. *REPORT OF THE EXECUTIVE COMMITTEE*

The Board received this report for information.

Caldwell and McPhee. Carried.

Regular Agenda

6. *PRESENTATIONS*

Co-op Education & Career Services Update. Having commented that the format adopted for this updated report is intended to invite comment and that the framework for Co-op renewal will ensure stakeholders' input, the Executive Director drew Governors' attention to supplementary material: CECS Employment Process Review Summary Report [www.secretariat.uwaterloo.ca/ep.june507.pdf] available for Governors' interest, and expressed her thanks to Bill Tatham and Art Church for their advice. She invited other Governors to provide input and offered to share with them CECS plans for future directions. Following her introduction of Karalee Clerk who demonstrated the newly launched website 2017 The Workplace [www.2017.uwaterloo.ca/index.htm], the Executive Director invited feedback re: the conference and encouraged Governors to consider participating as registrants, sponsors or participants.

In discussion, Governors heard: congratulations extended to the Executive Director on a comprehensive report; more work needs to be done to assess and understand the reasons why ~50% of employers are new each year; while the "6th Decade" is driving the direction Co-op is taking and Co-op wants to assume responsibilities that are associated with being Canada's leader in co-operative education, a number of internal matters must first be addressed; most experiential learning at the graduate level is accomplished through internships effected by the Faculties; it is still too early to assess the effect of PD programs on employability (other instruments are also being looked at / implemented for students who need assistance) but assessment will be done at an appropriate time; a suggestion that grants available from Centres of Excellence might provide additional sources of funding for graduate student experiential learning.

Science for the Sixth Decade: Broadening the Base [www.secretariat.uwaterloo.ca/sci.june507.pdf].

In his presentation, the Dean of Science spoke to the strengths of the Faculty as well as its challenges and provided an overview of goals going forward including: decreasing student:faculty ratio; maintaining an on-campus undergraduate student intake at 800 annually; increasing e-learning; increasing professional enrolment in Optometry and Pharmacy and graduate enrolment by ~80%; increasing number of staff, assignable space and continuing emphasis on alumni affairs and development, scholarships and capital expenditures.

Internationalization Update. Elaborating on her report, the Associate Vice-President, International noted: excellent progress in establishing a campus with the University of Nanjing in China and that work continues with the consortium in Abu Dhabi but at a slower pace; targets for international recruitment (visa students) are Latin America, South America and Asia; students from Eastern and Western Europe normally come to UW on exchange agreements; UW is holding its own with respect to attracting international students but competition is strong from UBC, Alberta, Toronto and McGill.

7. *BUSINESS ARISING FROM THE MINUTES*

There was no business arising.

8. REPORT OF THE PRESIDENT

2007-08 Specific Priorities. The President referred Governors to these and offered to respond to questions.

Environmental Scan [www.secretariat.uwaterloo.ca/es.june507.pdf]

- **International Overview.** Waterloo was named the world's top "intelligent community" (largely because of its "connectedness") on May 18 in New York City, beating out six other finalists.
- **National Overview.** The Federal Science & Technology Strategy was announced on May 17 at Perimeter Institute. With a focus on "mobilizing science and technology to Canada's advantage," and \$9.2 billion to be directed towards private research and development, it sets out to create: entrepreneurial advantage (decreased tax rate, networks of centres of excellence); knowledge advantage (natural resources, the environment, health, IT); people advantage. The recently released AUCC: Trends in Higher Education, vol. 1 -- Enrolment, shows that, over the last decade, full-time enrolment increased by 31%, full-time Master's and PhD enrolment by 57%, and international student numbers by 35.7%. Projections include a decline in the 18-21 age cohort starting in 2011 with enrolment still expected to grow between 9 and 18%. Founded in 2005, the Toronto Region Research Alliance's mission is to make the Toronto region (footprint extends to the Waterloo Region, Guelph and Hamilton) a world-leading centre for research and research-intensive industry.
- **Local Overview.** The Confucius Institute opened at Renison College and *Out of the Shadow of Orthodoxy: Waterloo@50* [enclosed for absentees] was launched at the Friends of the Library lecture in April. Numbers currently look good re: graduate enrolment and UW expects to reach its November 2007 domestic targets (1515 FTE Master's and 175 PhDs). Whether the province will continue this funding envelop beyond the current year is likely to remain unknown until after the October election.

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

Stratford Campus Update. The Provost advised that work continues on two fronts: the City of Stratford engaged with securing land and \$30 million for the capital project (\$20 million for building and \$10 million for operating for 200 to 500 students); UW initiating detailed academic planning exercises.

2007-08 Executive Council Priorities [www.secretariat.uwaterloo.ca/priorities.june507.pdf]. The Provost spoke to the priorities established at KB in an effort to move UW forward in achieving goals set out in the 6th Decade Report. The priorities focus on revenue generation [getting ready to raise \$100 million annually by 2017, graduate expansion, recruitment of international undergraduate students, expansion of enrolment in professional programs, various government funding initiatives (Centres of Excellence in Commercialization and three UW projects: IQC, Nano, Auto)] and smart projects, designed to create efficiencies which can help the bottom line and which will be addressed by a task force management team to be put in place. With respect to student participation rates, Governors heard that UW's strategy over the next decade is to raise the participation rate of both domestic and international students.

2007-08 Operating Budget Update [www.secretariat.uwaterloo.ca/budget.june507.pdf]. The Provost's update included a summary of income and expenses resulting in a structural deficit of \$2.1 million and a scholarship deficit of \$2.8 million which will be covered this year from one-time funds. He detailed one-time funds received and one-time expenditures resulting. With respect to budget management priorities, first call on additional resources will be to: eliminate the \$2.1 million structural deficit; reinstate \$1.65 million for quality improvement; support smart projects.

10. REPORT OF THE VICE-PRESIDENT, ADMINISTRATION & FINANCE

Change to Tuition Fees [enclosed for absentees]. The Board heard a motion to approve the establishment of a new tuition fee for international students enrolled in the Master of Business, Entrepreneurship and Technology at \$10,000 per term, effective Fall 2007.

Johnston and Gordon. Carried.

11. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

Research Funding. In speaking to the report, the Vice-President noted that the most important funding re: bench marking comes from the Granting Councils and with funding announcements still expected; Tri-Council awards are up 13.1% over last year (the overall Granting Councils' pot had increased by 5%) and overall research funding up 3.8% in the aggregate. He noted that UW's success rate in being awarded grants has improved, the result of more strategic targeting and attention to the quality of the submissions; also, he drew attention to UW's success in the recent re-allocation of CRCs: UW received three at a time when the majority of G13 universities lost chairs.

Noting that this was Dr. George's last Board meeting as Vice-President, University Research, the Chair, on behalf of Governors, thanked him for the fine leadership he has provided in this role.

12. REPORTS FROM COMMITTEES

Building & Properties

- **Psychology, Anthropology and Sociology Addition.** The Board heard a motion to approve the award of a construction contract to Bondfield Construction Ltd. at a cost of \$3,995,000 (plus net GST).

Bales and Johnston. Carried.

- **Research Accelerator Centre, R+T Park.** The Board heard a motion to approve the award of a design-build construction contract to Cooper Construction Ltd. for a 68,704 square foot building at a cost of \$8,063,000 (plus net GST).

Bales and Hipel. Carried.

- **School of Pharmacy.** The Board heard a motion to approve the awarding of the construction contracts (excluding GST) as presented in the report.

Bales and Stebila. Carried.

- **Utility Easement.** The Board heard a motion to approve UW's granting a 2.0 metre utility easement to the City of Kitchener along the east boundary of 280 Joseph Street to facilitate the construction of a 100mm diameter natural gas main to service the Health Sciences Campus.

Bales and Booth. Carried.

- **Transfer of Regional Well W4.** The Board heard a motion to approve the University's proceeding to finalize the transfer of the well from the Region at a cost of \$1.00.

Bales and Walker. Carried.

- **R+T Park Advisory Council.** The Board heard a motion to approve the terms of reference for the R+T Park Advisory Council as presented in the report.

Bales and Hayle. Carried.

The remaining items in the report were received for information.

Pension & Benefits

- ***Pension Plan Funding and Design.*** The Board heard a motion to approve the recommendation to decrease the expected rate of investment return from 4% to 3.85%, after accounting for inflation, for the purposes of actuarial projections of plan funding requirements.

Caldwell and Passmore. Carried.

The Board heard a motion to approve the recommendation to reallocate current pension dollars by no longer indexing during the deferral period pensions for individuals who resign from UW with less than 20 years service and who choose to leave their pension benefits in the plan.

McPhee and Gordon.

In discussion, Board heard that the rationale for establishing the deferral period of 20 years was based on the fact that two decades represent a significant portion of one's career / contribution to UW.

The motion carried.

The Board heard a motion to approve the recommendation to increase member contributions to the plan as presented in the report.

McPhee and Passmore. Carried.

The Board heard a motion to approve the recommendation to index the *Income Tax Act* (ITA) limits under the Registered Pension Plan in accordance with ITA provisions, subject to a maximum cap of \$3,200: \$2,222.22 in 2007; \$2,333.33 in 2008; \$2,444.44 in 2009; indexed to increases in the Average Industrial Wage (AIW) thereafter. And to index the pension cap under the Payroll Pension Plan for \$2,650 to \$2,725 in 2008, \$2,800 in 2009, indexed to increases in the AIW thereafter, subject to a maximum cap of \$3,200.

Johnston and Caldwell.

In discussion, the Board heard that UW is the first among universities to index the pension cap under the Payroll Pension Plan, something that sister institutions are grappling with.

The motion carried.

- ***Actuarial Valuation of the UW Pension Plan as at January 1, 2007.*** The Board heard a motion to approve the University of Waterloo Pension Plan Report on the Actuarial Valuation for Funding Purposes as at January 1, 2007, recognizing that the report will be filed with the Financial Services Commission of Ontario.

Markan and Gordon. Carried.

13. OTHER BUSINESS

There was no other business.

The Board convened in Confidential Session.