

University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, April 1, 2008 Meeting

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Present: Bob Harding (Chair), Lois Claxton (Secretary), Catherine Booth, Rob Caldwell, Bruce Gordon, Steve Hayle, Keith Hipel, Tim Jackson, Beth Jewkes, David Johnston, Paul Koenderman, John Manley, Stephen Markan, Ian McPhee, John North, Janet Passmore, Satish Rai, Kevin Royal, Ken Seiling, Selva Selvakumar, James Skidmore, Douglas Stebila, Bill Tatham, Mark Walker, Scott Wetmore, Jud Whiteside, Carl Zehr

Jeff Aho, Amit Chakma, Ken Coates, Tom Coleman, Tobi Day-Hamilton, George Dixon, Alan George, Helen Hannusch, Mark Haslett, Dennis Huber, Peggy Jarvie, Linda Kieswetter, Ken Lavigne, Roger Mannell, Laura Manning, Jane Manson, Geoff McBoyle, Meredith McGinnis, Terry McMahon, Bruce Mitchell, Wanda Richardson, Deep Saini, Catharine Scott, Adel Sedra, Craig Sloss, Brandon Sweet, Kelly Teahen, Bob Truman, Bud Walker, Ann Williams-Gorrie

Regrets: Mary Bales, Caustan De Riggs, Louise Fr chette, Serge Godin, Brenda Halloran, Mike Lazaridis, Ian MacKinnon, Ray Tanguay

OPEN SESSION

1. REMARKS FROM THE CHAIR

Welcome. The Chair welcomed Governors to the spring meeting of the Board.

Membership. He thanked those Governors whose terms on the Board end April 30 for their service to the University and spoke to the token of appreciation (book and CD featured in last year's Friends of the Library lecture celebration: *Citizen of the World, The Life of Pierre Elliott Trudeau*, by History Professor John English; *Hammer & Wind*, the latest CD by Music Professor Leonard Enns) at their places: faculty rep – Beth Jewkes; staff rep – Mark Walker; graduate student reps – Ian MacKinnon (President, Graduate Student Association) and Douglas Stebila; undergraduate student reps – Caustan De Riggs, Steve Hayle and Kevin Royal (President, Federation of Students).

External Relations [handout enclosed for absentees]. At the invitation of the Chair, the Associate Vice-President, Principal Gifts and Campaigns reported on campaign highlights, including the \$453.3 million raised to date (130 percent of the revised goal) and the current year's remarkable achievement: \$100 million raised in private sector donations by the time the fiscal year closes on April 30. Kudos were extended to the External Relations team, the President and the Chair of the Board for their efforts in this spectacular success.

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

2. APPROVAL OF MINUTES

The minutes of the February 5, 2008 meeting were approved as distributed.

3. REPORT OF THE PRESIDENT

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

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

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

University Professor Designations. The Board received this report for information.

5. OTHER BUSINESS

Delegation of Authority. Having noted that Board By-law 1 prescribes that "no persons shall assume or use the name or the coat-of-arms of the University of Waterloo, or any design in imitation

of the same without the authority of the Board, in the event of the above, the Board approved the motion: That the Board of Governors delegate its authority in this matter to the Secretary of the University.

Passmore and Booth. Carried.

Regular Agenda

6. BUSINESS ARISING FROM THE MINUTES

There was no business arising.

7. REPORT OF THE PRESIDENT

Student Residences on Philip Street. The President briefly reported that UW is negotiating partnership with a developer for the first phase (500 beds) of a two-phase project – an initiative congruent with sixth-decade goals for providing accommodation for students on / close to campus. This partnership would result in the developers incurring capital costs and UW's guaranteeing occupancy. Residence fees would match those on campus.

Environmental Scan [www.secretariat.uwaterloo.ca/es.apr108.pdf]

National Overview. The Federal Budget (February 26) included \$440 million support for research and development, \$21 million for 20 new Global Excellence Research Chairs, \$25 million for new Canada Graduate Scholarships, \$123 million for Canada Student Loans Program modernization, \$15 million for indirect costs of research and \$350 million for a Canada Student Grant Program, replacing the Canada Millennium Scholarship Foundation which will expire in 2009; the Statscan 2006 Census Labour report shows Canada's annual growth rate at 1.7 percent, the highest in the G7, and an aging workforce.

Provincial Overview. An MTCU Campus Renewal Fund yielded ~\$9 million for UW, targeted for energy efficiency, campus safety and security and infrastructure renewal; other announcements of funding for UW included \$19.5 million from the Ontario Research Fund, \$13 million from the Ontario Centres of Excellence (\$15 million from industry partners), \$8 million for the Health Sciences Campus from the Ontario Strategic Infrastructure Fund and \$4.348 million from the Ontario Research Fund Research Excellence Program.

The Provincial Budget contained no inflationary increases in the operating grants; it provided \$1.5 billion support for skills, \$1.15 billion support for jobs [handout enclosed for absentees], \$200 million for infrastructure, support for innovation (10 year Ontario corporate tax exemption and \$250 million over five years for Ontario Research Fund) and support for students. The budget also included \$10 million commitment to support the UW-Stratford campus, with the City of Stratford, the Province of Ontario and Open Text all partners. Ross MacGregor, former President of Ketchum Canada and litigation lawyer, has recently been engaged by UW, on a part-time basis, as Senior Advisor to the President on Government Relations and Strategic Initiatives and will work to assist UW in tapping the recently-announced skills / jobs funds.

Local Overview. Bill Gates visited UW on February 21, the only Canadian university on his tour. The School of Architecture won the OAA award.

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

Incidental and Co-operative Education Program Fee Changes. The Board heard a motion to approve the recommended fee changes.

Royal and Whiteside. Carried.

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

2008-10 Staff Salary Settlement. The Board heard a motion to approve the 2008-10 staff salary settlement as presented.

Johnston and Markan. Carried.

2008-09 Operating Budget [www.secretariat.uwaterloo.ca/ob.apr108.pdf]. In his backgrounder, the Provost provided the reasons for UW's structural deficit, gave a brief statistical history of expenditure reductions, provided budget cut comparisons with a number of sister institutions, rehearsed UW's past approaches in dealing with budget shortfalls (enrolment growth, international enrolment growth, expenditure reductions) and indicated why past approaches will no longer work. He then offered the instruments (diversification of income) UW was using to 'bridge the gap,' indicated where UW was making strategic investments and what future measures might include (international enrolment growth, significant growth in professional master's programs, growth in endowment income) and provided a summary of how UW would balance the budget, noting that any incremental revenue would be used to eliminate the deficit.

The Board heard a motion to approve the 2008-09 Operating Budget as presented.

Johnston and Gordon.

The Chair of the Finance & Investment Committee commented that the Committee is very pleased with UW's management of its finances and could tolerate a deficit of up to \$3 million in the unlikely event that this would occur.

In discussion, Governors heard: over the last two years the fund balance has not changed materially; expenditure reductions are done indirectly by identifying objectives, allocating resources to them and allowing Faculties / departments to seize them (viz. funding for graduate growth); UW's overall tuition fee increases are at ~5 percent, the maximum set by the province; in response to concerns that more effective lobbying should be done to effect greater provincial support to universities, that given competing demands for tax dollars, especially health funding, UW is probably best served by managing its own enterprise, taking control and creating opportunities for itself re: benefactors; municipalities have 'banded together' and recast their message (absent good infrastructure, economy suffers) to effect better provincial funding; risk this year revolves around whether UW will get funding for increased graduate enrolment it has proposed from unallocated provincial resources and, absent additional funding, will reduce graduate student enrolment in future years; while UW's central administrative costs appear to be the lowest in the province (causing one Governor to raise concerns about workload), the figure would be considerably higher if administrative support in all areas were included; financial situation notwithstanding, UW continues to be able to recruit competitively (viz. a number of recent faculty appointments).

The motion carried.

Stratford. With the City of Stratford and the province each committing \$10 million, UW now anticipates that the requisite \$30 million (\$20 million for capital; \$10 million endowment to cover the costs of operating the satellite) plus land is likely to be secured, thereby meeting the capital requirements for the project; as a result, academic planning (focus on new media and global business) is now being addressed. Recently an MOU was signed with Open Text for \$10 million (\$1 million in cash, remainder in kind) on a research initiative which will be based principally on the Stratford new media initiative. In sum, a complex project requiring capital commitments, program development / approvals and MTCU approvals for reasonable fees and reasonable BIUs for there to be a business case.

Abu Dhabi. Recently a team led by Leo Rothenberg, Chair of Civil & Environmental Engineering, returned from Abu Dhabi where a number of practical issues were addressed. UW is continuing with its plans to offer programs there, initially with two Faculties and a target date of 2009.

Law School. Still in very early stages, UW is engaged in conversation with Jim Balsillie and WLU on the possibility of a law school associated with the Balsillie School of International Affairs.

Ryerson. Also in early stages, discussions are occurring with Ryerson on the possibility of UW's co-locating with Ryerson, possibly consolidating UW's Toronto operations there / offering a professional master's program / creating research synergies with Ryerson.

Mississauga. Discussions with the Mayor of Mississauga are likewise in early stages re: UW presence there, again possibly offering professional master's programs.

10. REPORTS FROM COMMITTEES

Building & Properties. The Board received this report for information.

Finance & Investment

- **Interfund Transfer Guidelines.** The Board heard a motion to approve the revised Interfund Transfer Guidelines.

Jackson and Caldwell. Carried.

- **UW Humanities and Social Sciences Endowment.** The Board heard a motion to approve the use of \$1 million of operating budget funds to establish a Humanities and Social Sciences Endowment and up to \$1 million of operating budget funds to use as matching funds for the endowment.

Jackson and Gordon. Carried.

The remaining items in the report were received for information.

11. OTHER BUSINESS

Amendments to Policies 70 (Student Petitions and Grievances) and 71 (Student Discipline) / New Policy 72 (Student Appeals). Having heard that UW students taking courses at other institutions (viz WLU) are under the jurisdiction of that university's policies as relate to courses taken there, the Board heard a motion to approve the proposed amendments to Policy 70 and Policy 71 and to approve Policy 72, effective September 1, 2008.

Royal and Whiteside. Carried.

Faculty / Department Name Change [*Smart green solutions* (strategic plan for the Faculty of Environment) enclosed for absentees]. Having heard that the name change of the Faculty will not affect the name of the degree and that the Faculty is experiencing tremendous growth in numbers of quality applications, with the new Bachelor of Knowledge Integration attracting students with averages above 85 percent, the Board heard a motion to approve the following names changes: "Faculty of Environmental Studies" to "Faculty of Environment" and "Department of Geography" to "Department of Geography & Environmental Management."

Markan and Wetmore. Carried.