

**University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, June 2, 2009 Meeting**

Present: Bob Harding (chair), Lois Claxton (secretary), Sheila Ager, Samuel Andrey, Jonathan Aycan, Allan Babor, Catherine Booth, Rob Caldwell, Diana Denton, Louise Fréchette, Bruce Gordon, Brenda Halloran, Tim Jackson, Beth Jewkes, David Johnston, Drew Knight, Paul Koenderman, John Manley, Walter McCutchan, Ian McPhee, Janet Passmore, Matthew Schumacher, Ken Seiling, Alan Shonfield, Bill Tatham, Scott Wetmore, Jud Whiteside, Carl Zehr

Meg Beckel, Amit Chakma, George Dixon, Alan George, Erin Sargeant Greenwood, Mark Haslett, Dennis Huber, Peggy Jarvie, Linda Kieswetter, Ray Laflamme, Ken Lavigne, Steve MacDonald, Roger Mannell, Jane Manson, Geoff McBoyle, Terry McMahon, Bruce Mitchell, Daniel Parent, Leo Rothenburg, Deep Saini, Catharine Scott, Bob Truman, Martin Van Nierop, Bud Walker

Regrets: Serge Godin, Geoffrey Hayes, John Honek, Wayne Oldford, Satish Rai, Ray Tanguay, Prem Watsa, Michael Worswick

OPEN SESSION

1. REMARKS FROM THE CHAIR

Welcome. The chair recognized new and continuing governors: CAL – Bruce Gordon; LGIC – Louise Fréchette; faculty – Sheila Ager, Diana Denton, Geoffrey Hayes, Beth Jewkes; staff – Drew Knight, Walter McCutchan; undergraduate students – Allan Babor (president, Federation of Students), Alan Shonfield; graduate student – Jonathan Aycan (president, Graduate Student Association).

Conflict of Interest Declarations. Consistent with Board Bylaw 1, the chair requested governors to complete and return to the secretary no later than June 30, 2009.

Consent Agenda

The Board heard an omnibus motion to approve and / or receive for information by consent items 2-4 below.

2. APPROVAL OF MINUTES

The minutes of the April 7, 2009 meeting were approved as distributed.

3. REPORT OF THE PRESIDENT

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

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

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

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

Jackson and Passmore. Carried.

Regular Agenda

5. BUSINESS ARISING FROM THE MINUTES

There was no business arising from the minutes.

6. REPORT OF THE PRESIDENT

President's Specific Priorities 2009-10. In presenting these to governors for information, the president welcomed comments and advice.

Undergraduate Admissions Update [www.secretariat.uwaterloo.ca/20090602uau.pdf]. The registrar's brief summary: confirmations of new students at 111 percent of target; visa confirmations at 147 percent of target, with the challenge to convert "confirmed" to "registered"; President's and Merit Scholarships at 3716 vs. 3686 in 2008. Governors heard that "meltdown" with the "confirmed" is partly the result of competitive offers from other institutions and, in the September to November period, some students deciding to leave their programs. Co-op, with 500 more placements to make this year than last, is working diligently to ensure jobs for all; governors were encouraged to continue to assist to the extent possible.

[In response to a question of how many US students UW attracts, the following data provided by the Registrar's Office: those with US citizenship, Fall 2008 – 90 applications, 40 admits, 6 registered and Fall 2007 – 89 applications, 43 admits, 13 registered; those who last attended school in the US, Fall 2008 – 91 applications, 38 admits, 7 registered and Fall 2007 – 111 applications, 44 admits, 10 registered.]

Spring Convocation. Governors were encouraged, whenever possible, to attend ceremonies which are a highlight of the academic year.

Environmental Scan [www.secretariat.uwaterloo.ca/20090602es.pdf]

- **National.** UW's Summit Centre for the Environment, located in Huntsville and occupying 30,000 square feet on three floors, will house laboratories, seminar and meeting rooms, and residence space for 50 students and faculty. UW will lease the facility for \$1 / year in five-year terms up to 25 years; the town of Huntsville will cover operating costs.

The Canada 3.0 conference (June 8, 9), organized by Tom Jenkins and Ken Coates under the aegis of the Stratford Institute, has as its goal to develop a national digital media action plan to ensure Canada can not only compete but also lead the world in the new digital economy. With high profile speakers, including Premier Dalton McGuinty, the event is sold out.

State of the Nation: Canada's Science, Technology and Innovation System outlines Canada's serious productivity problem: Canada ranks 6th in the G7 in business R&D; 14th out of 19 in OECD comparator countries; gap in ICT R&D investments is 33 percent less than in the USA; Canada ranks 21st in the OECD in the production of science and engineering degrees. That notwithstanding, Canada has one of the most advantageous tax incentives in the world; universities are more important R&D centres in Canada than in other countries.

The Council of Canadian Academics' *Innovation and Business Strategy: Why Canada Falls Short* sets out that Canada's business sector productivity has fallen from 90 percent of the US level in 1984 to 76 percent in 2006; average labour productivity growth ranked 15th out of 18 OECD comparator countries; business R&D as a percentage of GDP declined by 20 percent between 2001 and 2007; investment per worker is only 60 percent of the US level; Canada has the highest proportion of workers who have completed PSE in the OECD (46 percent in 2005); "the Waterloo region stands out in the Canadian innovation system as an area that has developed a cluster of successful startup firms with a particular focus on information technologies."

- **Provincial.** The data provided in OCUFA's *Trends in Higher Education* show that tuition and other fees now account for a greater share of operating revenues (20 percent in 1990; 43 percent in 2007) and that, in Ontario, in 2007-08, net student fees represented 41 percent of revenues. With respect to student aid, UW now commits 11.7 percent of its operating budget to aid.

The provincial government is providing \$100 million in new research monies to be administered through the Ontario Research Fund primarily in genomics and stem cell research while at the same time is rolling back planned increases in Textbook and Technology and Distance Grants.

- **Local.** The Waterloo Region is making a bid to become the location for SODA's (Southern Ontario Development Agency) head office.

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

Abu Dhabi. Of the 25 offers that have been made, 14 have been accepted. UW hopes to exceed its target for 2009-10 of 25 students.

2009-10 Executive Council Priorities [www.secretariat.uwaterloo.ca/20090602ecp.pdf]. These were presented for information. In discussion, governors heard that digital media provides a good example of how UW is strengthening a "society and culture" core; following on the establishment of CIGI, the Balsillie School of International Affairs is expected to become a centre for studies embracing public service, peace and conflict studies and possibly law (IP, technology, environmental focus); other activity in Abu Dhabi includes courses offered under the direction of Howard Armitage, director of CBET, to the Abu Dhabi Water and Electrical Authority (those who do well in the certificate program can move into a master's program at UW), and a number of digital media / archiving initiatives which Ian Wilson, director of the Stratford Institute and former director of National Library and Archives Canada, has initiated.

2009-10 Operating Budget Update. With student enrolment over target by 200 and a number of recent funding announcements, UW's first priority will be to eliminate the \$3 million structural deficit, an objective which should be achievable.

Knowledge Infrastructure Program. In the recently announced results, UW was awarded \$50 million (\$25 million federal, \$25 million provincial) to support projects 2 (engineering and mathematics, funded at a reduced level; \$11 million shortfall) and 4 (environment) [p. A20]. UW's anticipated 40:40:20 split was not realized (the rules were not known) and a determination will now be made how to disburse the funds and how to provide internal support for the Faculty of Science to proceed with its capital initiatives.

8. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

Governors heard that year end results total \$53.4 million; a news release / celebration is being planned re: the Lazaridis' philanthropic donations now exceeding \$101 million; a special release will occur presently re: Campaign Waterloo: Building the Future, a campaign with a faculty focus and capitalizing on impact and momentum to be garnered in President Johnston's last two years in office.

9. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

[www.secretariat.uwaterloo.ca/20090602vpur.pdf]

The vice-president spoke to his powerpoint presentation, noting, in particular, that the reasons for the 9.8 percent year-over-year increase in contract and grant income is due partly to numbers and partly to quality: over several years, faculty numbers have increased from 750 to 1000; new hires were mainly young academics who are now rising through the ranks, the quality of their work increasing. The economy notwithstanding, he estimates that no more than 10 percent of contract research funding would be at risk.

10. REPORTS FROM COMMITTEES

Building & Properties

- **Knowledge Infrastructure Program.** The Board heard a motion to delegate to the Building & Properties Committee authority to award construction contracts for projects approved from the

Knowledge Infrastructure Program.

Booth and Caldwell. Carried.

Finance & Investment. In presenting this brief report for information, the committee chair noted that the committee has been meeting monthly and expressed his appreciation to committee members for their time.

Pension & Benefits

- **Actuarial Valuation of the UW Pension Plan as at January 1, 2009.** The Board heard a motion to approve the *Actuarial Report: University of Waterloo Pension Plan* as of January 1, 2009.

Passmore and Wetmore.

Governors heard that the plan valuation will not be filed this year; asset allocation is set out in the Statement of Investment Policies and Procedures; the F&I subcommittee is addressing rebalancing which is being done gradually among fixed income / equities, advising P&B as this proceeds; Hewitt provides actuarial as well as investment counsel and UW engages third party active as well as passive managers for the funds.

The motion carried.

The remaining items in the report were received for information.

11. OTHER BUSINESS

University of Waterloo Report to the Minister of Industry. The Board heard a motion to approve the report *Developing Quantum Information to become the economic engine of the 21st Century* for submission to Industry Canada.

Gordon and Manley. Carried.

Last Meeting. In drawing the open session to a conclusion, the chair noted this was Amit Chakma's last UW Board meeting before taking on Western's presidential mantle. He acknowledged the incredible contributions Amit has made over the past eight years which have been remarkable in energy and transformative change.

The Board convened in confidential session.

LC:tad
June 5, 2009

Lois Claxton
Secretary of the University