

**University of Waterloo  
BOARD OF GOVERNORS  
Notice of Meeting**

**blue pages confidential**

**Date:** Tuesday, February 2, 2010

**Time:** 2:30 p.m.

**Place:** Research Advancement Centre, Room 2009, UW Research + Technology Park [directions / parking information enclosed]

	<b>OPEN SESSION</b>	<b>Page</b>	<b>Action</b>
2:30	1. Remarks from the Chair	Oral	Information
2:35	<b><u>Consent Agenda</u></b> <b>Motion:</b> That items 2-5 [below] be approved and / or received for information by consent.		
	2. Approval of the October 27, 2009 Minutes [previously distributed]		Decision
	3. Report of the President		
	a. Recognition and Commendation	A1-A2	Information
	b. Sabbatical / Administrative Leaves and Administrative Appointments	A3-A8	Decision / Information
	4. Report from the Executive Committee	A9	Information
	5. Other Business		
	a. Accountability Status Reports: Graduate Program Appraisals, Research Policies and Practices, Undergraduate Program Reviews, Undergraduate Recruitment and Admissions	A10-A14	Information
	b. Policies 8, Information Security, and 12, Records Management	A15	Information
	<b><u>Regular Agenda</u></b>		
	6. Presentations		
2:40	a. UW's Benefits Program	A16	Information
3:10	b. VeloCity	Oral	Information
3:25	7. Business Arising from the Minutes		
3:30	8. Report of the President		
	a. Environmental Scan	A17	Information
3:50	9. Report of the Vice-President, Administration & Finance		
	a. 2010-11 Residence Fees	A18-A19	Decision
	b. 2010-11 Tuition / Co-op Fees	A20-A23	Decision
4:10	10. Report of the Vice-President, Academic & Provost		
	a. Operating Budget: 2009-10 Update / 2010-11 Outline	A24-A28	Information
4:30	Break		
4:45	11. Report of the Vice-President, External Relations	A29-A30	Information

		<b>Page</b>	<b>Action</b>
4:55	12. Report of the Vice-President, University Research	A31	Information
	13. Reports from Committees		
5:05	a. Audit	A32	Information
5:15	b. Building & Properties	A33-A35	Information
5:25	c. Finance & Investment	A36-A38	Information
5:35	d. Pension & Benefits	A39	Information
	14. Other Business		
5:45	a. Co-op Education	Oral	Information
	<b>CONFIDENTIAL SESSION</b>		
5:55	<b><u>Consent Agenda</u></b> <b>Motion:</b> That items 15 and 16 [below] be approved by consent.		
	15. Approval of the October 27, 2009 Minutes [previously distributed]		Decision
	16. Report of the President		
	a. New Appointment with Tenure	CS1-CS2	Decision
	<b><u>Regular Agenda</u></b>		
6:00	17. Business Arising from the Minutes		
	18. Reports from Committees		
6:05	a. Nominating [to be distributed]		Decision
6:15	b. Governance	CS3-CS5	Decision / Information
6:25	19. Other Business		
	20. Next Meeting / Adjournment Tuesday, April 6, 2010 at 2:30 p.m. with a reception following		

**Enclosures:** February *University Affairs*; UW Newswatch

**Note:** To allow the board to complete a number of matters quickly and to devote more of its attention to major items of business, the agenda has been divided between items that are to be approved and / or received for information by consent and those that are to be presented individually for discussion and decision and / or information.

A consent agenda is not intended to prevent discussion of any matter by the board, but items listed under the consent sections will not be discussed at the meeting unless a governor so requests. Governors are supplied with the appropriate documentation for each item and all items will be approved by means of one omnibus motion. The board will then move immediately to consideration of the items on the regular agenda.

LC:tad / January 21, 2010

Lois Claxton, Secretary of the University

Please convey regrets to Tracy Dietrich at (519) 888-4567, x36125 or [tdietric@uwaterloo.ca](mailto:tdietric@uwaterloo.ca)

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Report of the President**  
**February 2, 2010**

**FOR INFORMATION**

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**Recognition and Commendation**

The **Department of Statistics & Actuarial Science** has been designated a “centre of actuarial excellence.” The distinction comes from the Society of Actuaries, which awarded it to twelve institutions for a five-year period. “Each school met specific requirements related to degree, curriculum, graduate count, faculty composition, graduate quality, appropriate integration, connection to industry, and research / scholarship.”

The **Accelerator Centre**, located in UW’s R+T Park, received second place in the award categories of “fastest growth” and “best overall incubator” at the 8th annual Incubator Conference held late November in Stockholm, Sweden. The award was established by The Technopolicy Network in cooperation with the Centre for Strategy and Evaluation Services and was adjudicated by an international panel of incubation experts.

Governor **Ian McPhee**, chair of the Accelerator Centre Board of Directors, was recently inducted into the Waterloo Region Entrepreneur Hall of Fame. The inductees are nominated and awarded by the Prosperity Council of the Waterloo Region. The Hall of Fame “celebrates and showcases inspirational entrepreneurs who embody the spirit of entrepreneurship in our region, and inspire that spirit in others.” Launched in 2006, Carl. A. Pollock was the inaugural inductee.

An International Council on Active Aging innovation award has been presented to the **Schlegel-UW Research Institute for Aging** for adapting a ground-breaking program to encourage senior citizens to become more active. As a result of the Get Fit for Space program, RIA researchers, along with kinesiologists and recreation staff at each site, enhanced the care of seniors in eight of the institute’s long-term care and retirement communities. The ICAA innovation awards recognize creativity and excellence in active-aging programs and products.

Professor **Raouf Boutaba** (computer science) is the 2009 winner of the Joseph LoCicero award from the IEEE Communications Society, a membership organization for communications professionals. The award recognizes “exemplary service to IEEE Communications Society publications over a sustained period of time.” In Boutaba’s case, recognition was for his outstanding service as founding editor-in-chief of the IEEE *Transactions on Network & Service Management* and as director of conference publications. The award was presented during a conference in Hawaii in December.

UW researchers **Geoffrey Fong** (psychology), **Mary Thompson** (statistics & actuarial science) and **David Hammond** (health studies & gerontology) are among the eight winners of the first top Canadian achievements in health research awards. They were cited for “their outstanding work with the International Tobacco Control Policy Evaluation Project in assessing the effectiveness of various programs to reduce smoking around the world.” The awards recognize Canadian health research and innovation excellence. Winners were selected by a peer-review panel of Canadian and international experts who looked for “the discoveries and innovations that had the biggest impact on the health of people in Canada and around the world.” They were announced recently by the Canadian Institutes of Health Research and the *Canadian Medical Association Journal*.

The Canada Council for the Arts has announced that “Hylozoic Ground,” a project developed in collaboration with the School of Architecture, has been selected to represent Canada at the 2010 Venice

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Biennale in Architecture. The Biennale, which is the world's most prestigious architectural exhibition, will take place in Venice from September through November 2010. Three UW people are behind the project: **Philip Beesley**, architecture professor; **Andrew Hunter**, curator of Render, the UW gallery; and **Rob Gorbet**, faculty member in electrical & computer engineering. The lead agency is PBAI, Beesley's private architectural practice. "Hylozoic Ground" was selected in consultation with an independent assessment committee, which commented that "the project proposes to be a unique response to the Biennale, treating it as a speculative laboratory for architectural experimentation."

**Elyot Grant**, a fourth-year computer science student, is a 2010 Computing Research Association outstanding undergraduate researcher award winner. The CRA's citation calls some of Grant's work "clever and subtle" and adds that his ideas "have already been taken up by researchers in Europe, which shows that these ideas are important and in the mainstream of theoretical computer science."

Environmental engineering undergraduate student **Rabiah Rizvi** received first prize in the annual Transportation Association of Canada student paper contest. The paper was based on research Rizvi did during a work term at UW's Centre for Pavement and Transportation Technology. She presented the paper at TAC's annual conference held recently in Vancouver.

**Dave Scott**, a civil engineering master's student, has received the 2009 American Water Works Association academic achievement award for best water-related thesis in North America. The purpose of the award is to encourage academic excellence by recognizing contributions made by students and academicians in the field of public water supply.

Systems design engineering doctoral candidate **Michele Heng** has been honoured with a best paper award at the Institute of Electrical and Electronics Engineers International Conference on Science and Technology for Humanity. Her paper was entitled "Preventing Future Brownfields: Engineering Solutions and Pollution Prevention Policies."

**James She**, Doctor of Philosophy 2009, was the national runner-up for the innovation challenge award sponsored by the Natural Sciences and Engineering Research Council. The award recognizes work by students "who have demonstrated an entrepreneurial flair by thinking of ways to transform their research thesis results into products and processes."

Mechanical engineering doctoral candidate **Dan Cluff** and his supervisors, mechanical & mechatronics engineering professors **Steve Corbin** and **Robert Gorbet**, won the Sensortech best student paper award at the CANSMART 2009 workshop held recently in Montreal. The award was presented for the paper co-authored by the three entitled *Powder metallurgy fabrication of hybrid monolithic SMA actuators*.

**Jacob Bell**, Bachelor of Mathematics 2008, captured the Ontario Gold Medal (and cash prize of \$2,500) for the highest standing in the 2009 Canadian Chartered Accountants' Uniform Evaluation.

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Report of the President**  
**February 2, 2010**

**FOR APPROVAL**

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**1. Sabbatical / Administrative Leaves**

UW Policy 3, Sabbatical and Other Leaves for Faculty Members [excerpts below, full text available at: [www.adm.uwaterloo.ca/infosec/Policies/policy3.htm](http://www.adm.uwaterloo.ca/infosec/Policies/policy3.htm)], sets out the purpose of leaves for faculty members as well as the requirements / responsibilities of faculty who are granted such leave.

*The granting of a leave . . . depends on the University's assessment of the value of such leave to the institution as well as to the individual, and on whether teaching and other responsibilities of the applicant can be adequately provided for in her / his absence. A faculty member who is granted a sabbatical or other leave is expected to return to duties in the University for at least one year and upon return will be expected to submit a brief report to the Department Chair regarding scholarly activities while on leave.*

*The purpose of a sabbatical leave is to contribute to professional development, enabling members to keep abreast of emerging developments in their particular fields and enhancing their effectiveness as teachers, researchers and scholars. Such leaves also help to prevent the development of closed or parochial environments by making it possible for faculty members to travel to differing locales where special research equipment may be available or specific discipline advances have been accomplished. Sabbaticals provide an opportunity for intellectual growth and enrichment as well as for scholarly renewal and reassessment.*

*. . . the granting of sabbatical leave is contingent upon the faculty member's department being able to make the necessary arrangements to accommodate such an absence, and also upon the financial resources of the University in any given year. Should problems arise in any of the above, it may be necessary to postpone individual requests until such time as all the conditions can be satisfied.*

• **Sabbatical Leaves**

**Thomas Abler**, Anthropology, July 1, 2010 to December 31, 2010, at 85% salary  
*In April 2008 I was awarded with Pamela Stern (Simon Fraser University), a Research Grant from SSHRC to investigate Significant Others: Iconic Ethnographic Cultures in the Anthropological Canon. The sabbatical leave will bring this work through its final stages which include the production of a book discussing in depth the anthropological importance of some of these classic cases.*

**Wendi Adair**, Psychology, September 1, 2010 to August 31, 2011, at 85% salary  
*The main focus of my sabbatical is writing scholarly articles from two recently completed large scale data collections on cross-cultural communication and the cultural mosaic in the workplace. In addition, I will be designing follow-up studies for one existing line of research on influence in negotiation and delving into a new line of research on trust and communication in negotiation.*

**Susan Arai**, Recreation & Leisure Studies, July 1, 2010 to December 31, 2010, at full salary  
*I will continue fieldwork and dissemination for two ongoing projects: (1) Performance art initiative with women federally incarcerated at the Grand Valley Institution for Women, Kitchener; and (2) Examination of therapeutic relationships in recreation therapy (with the Recreation Therapy team, Sunnybrook Health Sciences Centre, Toronto). In addition, I will be writing journal articles from research completed on mindfulness and transformation through leisure for people who have experienced trauma and abuse (with colleague Janet Griffin,*

*Recreation Therapist, Program for Trauma and Stress Recovery, Homewood Health Centre). I am also engaged in advanced training in psychotherapy and mindfulness-based stress reduction (MBSR) to support on-going and future research.*

**Derek Besner**, Psychology, July 1, 2010 to December 31, 2010, at 85% salary  
*Work on a large scale project that examines the role of feedback from higher to lower levels when reading at the single word level. This work involves both computational modeling as well as measures taken from skilled readers.*

**Forbes Burkowski**, Computer Science, July 1, 2010 to December 31, 2010, at 85% salary  
*During the sabbatical, research will continue on geometric embedding algorithms for protein structure and the writing of a text book tentatively titled "Computational and Visualization Techniques for Structural Bioinformatics Using Chimera." This will be published by Chapman & Hall/CRC and the final manuscript is due on or before March 31, 2011.*

**Richard Cleve**, Computer Science, August 1, 2010 to July 31, 2011, at 85% salary  
*I intend to spend the first six months (approximately) visiting the School of Informatics at Kyoto University (Japan), and the second six months (approximately) visiting CWI (Centrum Wiskunde & Informatica) in Amsterdam (Holland). I intend to collaborate on projects related to quantum computing, where I have previously had fruitful research collaborations with people at both of these institutions.*

**Thomas Coleman**, Combinatorics & Optimization, July 1, 2010 to June 30, 2011, at 93.3% salary  
*Build and develop my research program under the Ophelia Lazaridis University Research Chair. Specifically, develop efficient and high-performance algorithms and approaches to large-scale global optimization problems. Cultivate numerous applications in areas such as engineering design, medical imaging, protein folding, resource allocation, and portfolio management. Sabbatical will be based in Waterloo with short professional trips planned to work with colleagues at Fudan University in Shanghai, Columbia University in New York, NUS in Singapore, and the Hong Kong University of Science and Technology in Hong Kong.*

**William Cunningham**, Combinatorics & Optimization, July 1, 2010 to June 30, 2011, at full salary  
*I will spend most of the time in Waterloo with possible visits to Bonn, Grenoble, and Atlanta. I plan to continue my research on exact and approximate polyhedral descriptions and algorithms for combinatorial optimization problems. I will also finish a textbook on Mathematical Optimization, of which I am coauthor.*

**Krzysztof Czarnecki**, Electrical & Computer Engineering, July 1, 2010 to June 30, 2011, at 85% salary  
*Work on Model-Integrated Software Engineering. Among others, I will investigate ways to improve information flows within software projects through model-based integration of development artefacts, such as specification documents, code, and tests. During the leave I plan to stay in Waterloo, working with my research team and industrial partners, including Scotiabank, IBM and AMD.*

**Mohamed Oussama Damen**, Electrical & Computer Engineering, July 1, 2010 to June 30, 2011, at 85% salary  
*The purpose is research collaboration with Professor Belfiore at Telecom Paris Tech, Paris, France, on low complexity space-time codes, MIMO network and network coding.*

**Hans De Sterck**, Applied Mathematics, August 1, 2010 to July 31, 2011, at 85% salary  
*I plan to explore two new research areas, namely, data mining for large networks, and multilevel*

*image segmentation, visiting researchers in Saarbruecken, Germany (at the Max Planck Institutes for Informatics and for Software Systems, and at Saarland University) for a year, and plan to update course notes.*

**Matthew Doyle**, Economics, July 1, 2010 to December 31, 2010, at full salary  
*I expect to remain based at the University of Waterloo during the requested leave. My focus during this period will be my research. In particular, I plan to finish my ongoing projects concerning the causes of the rise and fall of inflation in OECD countries in the 1970s and 1980s. I also hope to advance a new research agenda, which is still in the early stages, that examines insurance in labour markets from the perspective of search theory. Finally, I will attend conferences, such as the Canadian Macro Study Group, in the fall semester of my requested leave.*

**Monica Emelko**, Civil & Environmental Engineering, July 1, 2010 to December 31, 2010, at full salary  
*In conjunction with colleagues from the USGS, I will focus on developing new conceptual and quantitative approaches for describing pathogen transport in natural and engineered porous media systems with an ultimate goal of supporting the development of improved drinking water regulations.*

**Doreen Fraser**, Philosophy, July 1, 2010 to December 31, 2010, at full salary  
*In preparation for applying for tenure, I will complete several articles currently in progress on the philosophy of quantum theory and the applicability of mathematics in physics. I will also undertake a literature review for my next project for the purpose of applying for a SSHRC Standard Research Grant in the October 2010 competition.*

**Jeffery Hovis**, Optometry, March 1, 2010 to August 31, 2010, and January 1, 2011 to June 30, 2011, at full salary  
*The sabbatical will be devoted to two major projects. The first is completing a study on colour vision defects and mild hypoxia that is being conducted in collaboration with researchers at the FAA Civil Aviation Medical Institute. The second project will be to work with Transport Canada to develop an occupational-based colour vision test for airport security personnel.*

**Janice Husted**, Health Studies & Gerontology, September 1, 2010 to August 31, 2011, at 85% salary  
*I will focus on my research in the areas of gene-environment interactions in schizophrenia and psoriatic arthritis. This will involve travel to collaborate with colleagues at University of Toronto, Rutgers University and Cambridge University. I will continue to work with my graduate students, write several outstanding papers and submit a CIHR grant.*

**Ihab Ilyas**, Computer Science, September 1, 2010 to August 31, 2011, at 85% salary  
*I will spend my sabbatical leave expanding the scope of my research in the two areas of ranking and probabilistic databases. I will stay in Waterloo, possibly arranging visits to universities or research labs.*

**Marios Ioannidis**, Chemical Engineering, May 1, 2010 to October 31, 2010, at full salary  
*My sabbatical is to be held at ETH-Zurich (Swiss Federal Institute of Technology), where I plan to conduct research in the area of fluid and particle transport in porous geomaterials in the Soil and Terrestrial Environmental Physics Laboratory, directed by Professor Dani Or.*

**Jonathan Kofman**, Systems Design Engineering, May 1, 2010 to October 31, 2010, at 85% salary  
*Graduate student supervision, conducting research, and publishing research work of five graduate students completing their degrees in 2010. Conference organization as Steering*

*Committee Chair and Technical Program Chair of the International Symposium on Optomechatronics (ISOT). Research at the Ottawa Hospital Rehabilitation Centre, Ottawa, ON, and visit of laboratories of colleagues in my research areas in the Americas, Europe, and Asia.*

**Bosco Leung**, Electrical & Computer Engineering, May 1, 2010 to April 30, 2011, at 85% salary  
*I plan to look into new research areas. Specifically, I plan to explore new circuits that are compatible with sealed technologies. Such circuits hinge on a fundamental understanding of impairments such as timing jitter which I have made extensive studies in the past few years. Visits to industry are planned, as that will bring in the practical aspects.*

**Yuying Li**, Computer Science, September 1, 2010 to February 28, 2011, at 85% salary  
*Conduct research in optimal execution problems, which can lead to a better understanding of the mechanism whereby optimal execution strategies respond to more complex market information. Conduct research in high dimensional multi-stage optimal decisions under uncertainty can potentially provide novel algorithms to obtain efficient computational solutions.*

**Stéphanie Lluís**, Economics, July 1, 2010 to December 31, 2010, at full salary  
*I expect to remain based at the University of Waterloo during the requested leave. My focus during this period will be my research. In particular, I plan to finish my ongoing projects concerning the Canadian employment insurance pilots recently established, the relationship between absenteeism and the weather, and the mobility of USPTO patent examiners. I expect to attend the Society of Labor Economists (SOLE) annual conference in London in the summer.*

**Harriet Lyons**, Anthropology, July 1, 2010 to December 31, 2010, at full salary  
*Sabbatical leave to begin ethnographic research in Greece, improve facility in Modern Greek and refine project on return migration to Greece for subsequent application for external research funding.*

**Roger Mannell**, Recreation & Leisure Studies, July 1, 2010 to June 30, 2011, at full salary  
*Publication preparation based on SSHRC and other funded projects; start of a book on adolescence, leisure and well-being; visiting professor at the University of Georgia and Penn State University involving research collaborations and guest lectures; work with colleagues at Harvard University and University of Molise to develop an online course on evaluating mental health programs and collaboration between UW's MPH program and Harvard's Refugee Trauma program.*

**Sriram Narasimhan**, Civil & Environmental Engineering, November 1, 2010 to April 30, 2011, at full salary  
*The purpose of this leave will be to mainly finalize research articles and submit them to international journals in preparation for my tenure application which is due at the end of the proposed sabbatical term. Additionally, I plan to explore new research areas and collaborations in the areas of green energy and system identification. For this purpose, I have been invited to visit Columbia University (with Prof. Betti) and to Trinity College, Dublin (with Prof. Basu). Subject to availability of time, I plan to spend two weeks pursuing these collaborations.*

**Naomi Nishimura**, Computer Science, September 1, 2010 to August 31, 2011, at 85% salary  
*I will be physically located in Waterloo, splitting my time between independent and collaborative projects, both new and on-going, extending the reach and applicability of parameterized complexity to new problem domains and paradigms. Of particular interest are problems and paradigms that handle either changes to data over time or reconciliation of multiple, possibly inaccurate, views of data.*

**Tamer Özsu**, Computer Science, September 1, 2010 to August 31, 2011, and September 1, 2011

to February 28, 2012, at full salary

*During the sabbatical leave, I intend to re-generate my research program following 3.5 years as Director. I intend to visit two institutions (National University of Singapore and ETH Zurich) for extended periods of time to renew collaborations, and will be based in Waterloo the rest of the time.*

**Christine Purdon**, Psychology, July 1, 2010 to December 31, 2010, at full salary

*Spend leave in Chambéry, France, working with Dr. Martine Bouvard at the Université de Savoie. Dr. Bouvard is one of Europe's leading experts in my area, which concerns the development and persistence of anxiety disorders, particularly obsessive-compulsive disorder (OCD). Dr. Bouvard and I have planned two collaborative studies. I also plan to spend time with Dr. Pierre Phillipot and Dr. Dirk Hermans at University of Louvain and University of Leuven, respectively, in Belgium. In conducting the research with both French and English populations, this work will also allow me to expand collaborations with colleagues in Quebec upon my return. I also plan to write a book on the development and persistence of anxiety for Guilford Press.*

**Prabhakar Ragde**, Computer Science, September 1, 2010 to August 30, 2011, at 85% salary

*I will be based in Waterloo with short trips for collaboration and conferences. I will renew ongoing collaborations with researchers in North America and Europe in the areas of parameterized complexity and FPT algorithms, and explore new research opportunities in the theory and practice of programming languages.*

**Safieddin Safavi-Naeini**, Electrical & Computer Engineering, March 1, 2010 to August 31, 2010, at full salary

*1) Directing the installation of electromagnetic radiation lab chamber, sub-millimeter wave/THz circuit lab, and other parts of the unique infrastructure of newly established UW Center for Intelligent Antenna and Radio System (CIARS). 2) Using CIARS facility to experimentally verify and further explore new ideas resulted from my Industrial Research Chair program on intelligent integrated radio and novel electromagnetic media and focused research collaboration with a number of international partners.*

**Jonathan Sykes**, Civil & Environmental Engineering, September 1, 2010 to August 31, 2011, at full salary

*The research focus of the planned sabbatical is the development and application of numerical models that can be used for the characterization and safety assessment of deep geologic repositories for nuclear waste including both used fuel and low and intermediate level waste. The leave will be spent based at Waterloo.*

**Sarah Turner**, Germanic & Slavic Studies, July 1, 2010 to December 31, 2010, at full salary

*Research for monograph "Orality in Russian Literature" to be conducted in Russia and the United Kingdom.*

**Scott Walbridge**, Civil & Environmental Engineering, September 1, 2010 to February 28, 2011, at full salary

*Collaborate in a new research area with Dr. Bryan Adey at the Swiss Federal Technical University in Zurich (ETHZ), who is an accomplished expert in the field of infrastructure management. I will also use this leave to complete papers on my ongoing research in the following areas: fatigue of welded aluminum bridge components, modification of residual stresses to improve the fatigue performance of welds, and the assessment of corroding, weathering steel bridges.*

**Christine Wiedman**, Accounting & Finance, July 1, 2010 to June 30, 2011, at 93.3% salary

*Will be working on at least four projects on earnings management and firm restatements, and will present my work at a number of universities and conferences. I also plan to study and*

*develop new teaching materials for Canada's transition to International Financial Reporting Standards. Finally, I plan to survey the funded status of defined benefit pension plans in Canada.*

**Dinghai Xu**, Economics, July 1, 2010 to December 31, 2010, at full salary  
*Working on two research projects: (1) Empirical Evidence of Leverage Effect In A Stochastic Volatility Model: A Realized Volatility Approach (joint with Yuying Li); and (2) Computation of Portfolio VaRs with GARCH Models Using Independent Component Analysis (joint with Tony Wirjanto). I will also attend several conferences, presenting research papers.*

- **Sabbatical Leave Changes**

**Geoffrey Fong**, cancelled leave from January 1, 2010 to June 30, 2010, at 85% salary

**Robert Gibson**, change from January 1, 2010 to June 30, 2010, at full salary, to a split leave, January 1, 2010 to June 30, 2010, and January 1, 2011 to June 30, 2011, at 85% salary

**Jennifer La Guardia**, change from January 1, 2010 to June 30, 2010, at 85% salary, to July 1, 2010 to December 31, 2010, at 85% salary

- **Administrative Leaves**

**Thomas Coleman**, Combinatorics & Optimization, July 1, 2011 to October 31, 2011, at full salary [see description above, sabbatical leave, July 1, 2010 to June 30, 2011]

**William Cunningham**, Combinatorics & Optimization, July 1, 2011 to October 31, 2011, at full salary [see description above, sabbatical leave, July 1, 2010 to June 30, 2011]

**Roger Mannell**, Recreation & Leisure Studies, July 1, 2011 to October 31, 2011, at full salary [see description above, sabbatical leave, July 1, 2010 to June 30, 2011]

## FOR INFORMATION

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### 2. Administrative Appointments

**Sujeet Chaudhuri**, Val O'Donovan Chair, Faculty of Engineering, November 1, 2009 to October 31, 2014

**James Forrest**, Associate Dean, Research, Faculty of Science, January 1, 2010 to December 31, 2012

**Jan Huissoon**, Acting Chair, Mechanical & Mechatronics Engineering, Faculty of Engineering, November 16, 2009 to tbd

**Brian McNamara**, Director, Guelph-Waterloo Physics Institute (GWPI), Faculty of Science, January 1, 2010 to December 31, 2013

**David Taylor**, Director, Computer Science, Faculty of Mathematics, July 1, 2010 to June 30, 2014

**Frank Zorzitto**, Acting Chair, Pure Mathematics, Faculty of Mathematics, July 1, 2010 to December 31, 2010

**University of Waterloo  
Board of Governors  
EXECUTIVE COMMITTEE  
Report to the Board  
February 2, 2010**

**FOR INFORMATION**

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**1. APPOINTMENT OF THE DEAN OF APPLIED HEALTH SCIENCES**

The Board Executive Committee, acting on the delegated authority of the Board of Governors, unanimously approved the appointment of Professor Susan Elliott as dean of applied health sciences for an initial five-year term ending June 30, 2015. The committee also approved her appointment as professor, with tenure, in the Department of Health Studies & Gerontology, Faculty of Applied Health Sciences, cross-appointed to the Department of Geography & Environmental Management, Faculty of Environment. Appointments commencing July 1, 2010.

**2. SABBATICAL LEAVE**

The committee approved the sabbatical leave of Geoffrey Fong, psychology, from January 1, 2010 to June 30, 2010 at 85% salary.

Bob Harding  
Chair

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**February 2, 2010**

**FOR INFORMATION**

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**STATUS REPORT ON GRADUATE PROGRAMS APPRAISED BY OCGS**

The Associate Provost, Graduate Studies reports annually to the Board of Governors on the results of UW graduate program appraisals carried out by the Ontario Council on Graduate Studies (OCGS).

The OCGS carries out two types of appraisals: standard and periodic. Standard appraisals are conducted for new, proposed graduate programs, while periodic appraisals are conducted for existing programs. Each existing program is reviewed every seven years.

The outcome of the review of proposals for standard appraisals (new programs) is either **Approved to Commence** or **Not Approved to Commence**.

Periodic appraisals (reviews of existing programs) place the program in one of four categories:

**Good Quality:** These programs have achieved a level of good quality and are expected to retain that level of quality over the next seven-year period. Such programs are approved to continue.

**Good Quality with Report:** These programs have achieved a level of good quality at the time of the appraisal; however, factors that could have impact on the future quality of the program require monitoring in the succeeding seven-year cycle. Retirements of senior faculty or newly introduced developments in curriculum are examples of such factors. Programs in this category are approved to continue with a report called for by a specific date (usually after two or three years).

**Conditionally Approved:** These programs require improvements to meet the quality standard. They receive conditional approval at the time of the appraisal and full approval when the Appraisal Committee is satisfied that the improvements have been made. Normally, a report is required after two or three years. In some cases, the committee may recommend that the university cease admitting new students to the program until certain specified conditions are met.

**Not Approved:** These programs fail to meet the quality standard and admissions must be suspended. They require major improvements, such as the addition of a number of new faculty or significant new library or laboratory resources, to achieve the quality standard. A successful standard appraisal is mandatory for the reinstatement of the program. Programs in this category are not eligible for resubmission prior to two years from the date of the OCGS decision.

The lists below reflect decisions by OCGS for the September 2008 - September 2009 reporting period.

**Standard Appraisals** (all Approved to Commence): Master of Actuarial Science; Collaborative MSc / MASc / PhD in Nanotechnology; MEng in Civil Engineering-Infrastructure Systems\*; Master of Quantitative Finance\*

**Periodic Appraisals:** MAcc / PhD in Accounting (Good Quality); MMath / PhD in Applied Math (Good Quality); MSc / PhD in Chemistry (joint with Guelph) (Good Quality\*\*); MEng / MSc / PhD in Chemical Engineering (Good Quality\*\*); MMath / PhD in Combinatorics & Optimization (Good Quality); MA in Economics (Good Quality with Report); PhD in Applied Economics (Good Quality); MA / MAES / MES / PhD in Planning (Good Quality); MMath / PhD in Pure Math (Good Quality\*\*); MMath / PhD in Statistics & Actuarial Science (Good Quality\*\*); MMath / PhD in Statistics and Biostatistics (Good Quality\*\*); Collaborative MMath in Statistics & Computing (Decision Pending)

\*previously reported

\*\*finalized December 2009

Sue Horton, Associate Provost, Graduate Studies

**University of Waterloo**  
**BOARD OF GOVERNORS**  
February 2, 2010

**FOR INFORMATION**

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**STATUS REPORT ON RESEARCH POLICIES AND PRACTICES**

The Office of Research (OR) provides information and assistance to the university research community on a wide variety of research-related activities including the preparation and submission of proposals and post-award management. The OR consists of a number of groups. The **Institutional Programs** group has responsibility for overseeing applications for institutional research and research infrastructure awards (typically those requiring nominations) from the provincial and federal governments. The **International Programs Office**, now located within Waterloo International, is the central international liaison office and coordinates most non-industrial international research projects, international agreements and student exchange programs with foreign institutions and jurisdictions. **Contracts Research and Industrial Grants** (CRAIG) works with researchers and industry to negotiate industrial grants and contracts. The **Grants and Government Research Contracts** group oversees grants and contracts from public sector and non-profit external sponsoring agencies, including the Tri-Councils. The **Office of Research Ethics** (ORE), in conjunction with the university's two Research Ethics Committees and its Animal Care Committee, oversees compliance with university, provincial, federal and international requirements for ethics approval of research involving human and animal participants. **Research Finance** provides financial administration, monitoring and reporting to researchers, university administration and external sponsors and provides the oversight to ensure adherence to university policies and to financial conditions imposed by governments, agencies and clients. The **Waterloo Commercialization Office (WatCo)** has responsibility for evaluating, protecting and commercializing intellectual property assigned to UW by its researchers. The **Research Communications** group facilitates the communication of OR services to the UW research community and, in conjunction with the Department of Communications & Public Affairs, prepares communications designed to enhance the external profile of UW research. In recognition of the increased activity in health-related research at Waterloo, an **Executive Director, University Health Research** ensures that opportunities related to health research are effectively pursued and developed.

Policies, procedures and guidelines have been established to ensure that the management of research activities is consistent with the university's mission, meets standards required by sponsoring agencies and is compliant with applicable provincial and federal laws. Policies, procedures and guidelines bearing on the administration of research funded through grants and contracts can be found at [www.adm.uwaterloo.ca/infosec/Policies/Policies\\_index.htm](http://www.adm.uwaterloo.ca/infosec/Policies/Policies_index.htm). Management of funding application procedures, negotiation of grant and contract agreements with the sponsor and financial monitoring of the funds after they are awarded are conducted through the OR.

The university has signed a Memorandum of Understanding (MOU) with the Tri-Councils on the Roles and Responsibilities in the Management of Federal Grants and Awards, detailing responsibilities of the Award / Grant Holder, the Institution and the Agency.

D. George Dixon  
Vice-President, University Research

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**February 2, 2010**

**FOR INFORMATION**

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**STATUS REPORT ON UNDERGRADUATE PROGRAM REVIEWS**

The following report outlines progress made with regard to Undergraduate Program Reviews since the last report to the Board of Governors on February 3, 2009.

**Status of Academic Reviews**

**1) Completed reports received by Senate:**

- Environment and Resource Studies;
- Fine Arts (including the Fine and Performing Arts Option);
- Management Studies (Option/Minor/Diploma);
- Mathematics (Applied Mathematics, Combinatorics and Optimization, Mathematics/Business Administration, Pure Mathematics, Statistics and Actuarial Science);
- Political Science.

**2) Completed two-year progress reports received by Senate:**

- Physics and Astronomy.

**3) Completed reports received by Senate Undergraduate Council but not yet presented to Senate:**

- Accounting and Finance.

**4) Completed two-year progress reports received by Senate Undergraduate Council but not yet presented to Senate:**

- Computer Science;
- Social Work.

**5) Site visits completed:**

- Economics;
- Environment and Business;
- Independent Studies;
- Jewish Studies;
- Mennonite Studies;
- Optometry.

**6) Self studies completed:**

- Biology;
- Nanotechnology Engineering;
- Philosophy.

**Council of Ontario Universities Undergraduate Program Review Audit Committee**

In March 2009 the Council of Ontario Universities Undergraduate Program Review Audit Committee (UPRAC) conducted its seven-year audit of UW's Undergraduate Program Review process. The penultimate draft of UPRAC's report was received December 2009. The report has two recommendations and six suggestions.

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“Instances where the Auditors consider the policies and practices not to be in conformity with the Undergraduate Program Review Process or the Undergraduate Program Review Audit Committee (UPRAC) Guidelines are cast as Recommendations. Suggestions are offered in cases where, although the institution’s policies and practices are in general conformity with UPRAC Guidelines, they could, in the opinion of the Auditors, be usefully improved.” (UPRAC, 2009).

The two recommendations are:

1. The University of Waterloo must pay attention to the introduction of new programs and follow its own policy and procedures for the approval of such programs.
2. The University of Waterloo must review its own practices when an undergraduate program review is conducted concomitantly with an accreditation process to make sure that its own purposes are fully met and achieved.

The recommendations and suggestions will be acted upon and remedied in 2010.

### **General Observations on Program Reviews**

The review process though time-consuming continues to deliver tangible benefits to the university. It ensures that academic units engage in a critical analysis of their programs. The process has resulted in significant curricular revisions and more strategic hiring decisions.

A consistent theme in the external reviewers’ reports is the enthusiasm shown by students for their programs, and the quality of instruction delivered by their professors.

There are, however, recurring themes that programs, faculties and the university need to focus on in the next few years to ensure the sustainability of UW’s undergraduate programs. They include:

- improving retention rates;
- reducing student/faculty ratios;
- increasing communication with students;
- tracking graduates;
- planning for faculty renewal;
- addressing space needs.

Geoff McBoyle  
Associate Vice President, Academic

**University of Waterloo**  
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**STATUS REPORT ON UNDERGRADUATE RECRUITMENT AND ADMISSIONS**

**Admission and Registration Objectives**

The fall 2009 year one full time registration target for the university was set at 5,911 – 5,493 newly admitted students (5,119 domestic and 376 visa) and 418 returning students (321 domestic and 97 visa). By November 1, the official ministry count date, a total of 6,232 students had registered representing 105% of the university's enrolment objective. The faculties of Applied Health Sciences, Arts, Engineering, Mathematics and Science exceeded targets, while Environment experienced a minimal 2% shortfall in year one registrations relative to its targets. In addition, there were 59 students admitted to the new campus in the United Arab Emirates and 22 registered.

**Marketing to Prospective Students and Applicants**

Our 2009 non-confirmed survey continued to show identity/reputation issues and Waterloo's entrance scholarship not large enough as the main reasons why applicants decline Waterloo's offers of admission. Additional research shows that students chose Waterloo for the following reasons: excellent reputation, co-op, enhanced marketability after graduation, and our high academic standards; 63% of incoming students also indicated they would have declined Waterloo's offer of admission if co-op was not available. The following highlights selected enhancements to our marketing initiative:

- **New** – Virtual liaison presentations to high school students in Arviat, Nunavut.
- **Enhanced** – International travel.
- **New** – Customized on-campus tours.
- **New** – International counsellor e-newsletter launched.
- **New** – Grade 10 Parent Night to assist parents in guiding their sons and daughters with university course selection.
- **Award** – International viewbook awarded the Bronze Award in the “Best Student Recruitment” category in the CCAE Prix D'Excellence awards.

**Applications**

The university received an overall total of 41,007 applications for fall 2009 year one full-time studies – a slight decrease from 41,847 applications received in 2008 (decrease of 2%). This decrease was experienced in domestic and permanent resident applications at 3% and 6% respectively. There was an increase in the number of visa applications at 10% compared to last year.

**Admission Decisions**

A limited number of conditional offers of admission were made in December 2008. The majority of programs made rolling conditional offers beginning in late January 2009. In total, for Waterloo campus, 22,274 offers of admission were made for fall 2009, up slightly from 22,029 in 2008. The number of offers made to visa students was 2,018, slightly up from 1,773.

**Admission Standards**

As a measure of “quality,” the percentage of Ontario Scholars [attain an average of 80% or higher in their six best grade 12 courses] this year was 90% compared to 89% last year. Provincially, the percentage has been in the low 60s. In addition, the median average for OSS registered students was 87%.

**Visa Demographic Data**

The percentage total number of applications by students who are applying to Canada on study permits (visa students) is 12%. The percentage of first year registered visa students is 8% of overall total which is an increase from last year at 6.5%.

Ken Lavigne, Registrar

**University of Waterloo**  
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**FOR INFORMATION**

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**Policy 8, Information Security, and Policy 12, Records Management**

Two policies, recently approved by the president, following consultation with the various relations committees (faculty, staff, undergraduate and graduate). Information Security was developed to ensure that the university adequately protects confidential information and the identity and privacy of the individuals about whom it collects information. Records Management provides the framework through which effective records management can be achieved and maintained; this, in turn, enables effective management of the institution, ensures compliance with statutory and regulatory obligations and meets the expectations of our stakeholders.

The policies are accessible on the Secretariat's website:  
[www.adm.uwaterloo.ca/infosec/Policies/Policies\\_index.htm](http://www.adm.uwaterloo.ca/infosec/Policies/Policies_index.htm)

**University of Waterloo  
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**UW's Benefits Program**

The chair of the Pension & Benefits Committee will give a presentation on the benefits program addressing the following topics:

- Guiding principles
- Plan design
- Financial data
- Comparators to other universities' programs
- Recent trends

**University of Waterloo**  
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**Report of the President**  
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**Environmental Scan**

- **International Overview.** A recent study submitted to the Department of Foreign Affairs and Trade shows the economic impact of international education in Canada. The report's authors found that in 2008, Canada's 178,227 international students, studying at universities and colleges, spent \$6.5 billion on tuition, accommodation and discretionary spending. To put that in perspective, the total amount that international students spend in Canada is greater than our country's export of coniferous lumber at \$5.1 billion annually, and even greater than our export of coal, \$6.07 billion. International students generated \$291 million in government revenue, and international education services contribute 65,000 jobs in the labour market across Canada, or 5.5% of the total jobs in Canada's education services sector.

The Conference Board of Canada has released its annual "How Canada Performs" report card, and we have improved our grade in the Education and Skills category from a "B" to an "A," second only to Finland in our peer group of 17 countries. Unfortunately, we are being held back by our dismal PhD production rates, where we are 17<sup>th</sup> out of 17. Additionally, Canada has been unable to improve its ranking in the all-important "Innovation" category, where we rank 13<sup>th</sup> out of 17 peer countries and are still considered a "below average performer." These mixed results show the need for an increased commitment to graduate education and a national innovation strategy.

- **National Overview.** Waterloo has scored well in recent rankings exercises. November 5 marked the release of the annual *Maclean's* magazine university rankings and once again our reputation as the most innovative and the best at producing future leaders, and ultimately the best overall of all universities across Canada has been confirmed. This is the 16<sup>th</sup> time in the last 18 years we have been ranked best overall, and we have been ranked most innovative for 18 of the last 18 years.

Research Infosource Inc. also released its annual list of Canada's University Innovation Leaders for 2009 and Waterloo topped the list of comprehensive universities, ahead of the University of Guelph and the University of Victoria. We have been named one of three Research Universities of the Year, alongside the University of Toronto and Trent University.

- **Local Overview.** The province of Ontario announced \$21 million in funding for researchers at the University of Waterloo and Wilfrid Laurier University in December. The decision to continue to invest in scientific research over the long term, even during times of economic uncertainty, is courageous, and many of the projects are collaborative efforts between UW and WLU, which is part of an ongoing trend of pooling resources and mobilizing talent.

<b>Housing and Residences</b> <b>2010/2011 Residence Fees</b>
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**Student Villages**

Student Villages (Two-term fee)	2009/10 \$	2010/11 \$	Increase %	Monthly \$
Dorm Style:				
Single	4,992	5,142	3.0	643.00
Interconnecting	4,765	4,908	3.0	613.00
Double	4,479	4,613	3.0	577.00
Suite-Style:				
Single room (4-bedroom suite style)	5,959	6,138	3.0	767.00
Recommendation:	That the Student Villages 2010/11 room rates are approved effective Fall 2010 term.			

**Minota Hagey**

Minota Hagey (One-term fee)	2009/10 \$	2010/11 \$	Increase %	Monthly \$
Single room	2,603	2,681	3.0	670.00
Recommendation:	That the Minota Hagey 2010/11 room rate is approved effective Fall 2010 term.			

**Columbia Lake Village**

Columbia Lake Village (One-term fee)	2009/10 \$	2010/11 \$	Increase %	Monthly \$
Single room (4-bedroom townhouse)	2,379	2,450	3.0	612.00
Single room (2-bedroom townhouse)	2,379	2,450	3.0	612.00
Recommendation:	That the Columbia Lake Village 2010/11 room rate is approved effective September 1, 2010.			

<b>Housing and Residences</b> <b>2010/2011 Residence Fees</b>
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<b>Columbia Lake Village (Two-term fee)</b>	<b>2009/10 \$</b>	<b>2010/11 \$</b>	<b>Increase %</b>	<b>Monthly \$</b>
Single room (4-bedroom townhouse)	4,760	4,903	3.0	612.00
Recommendation:	That the Columbia Lake Village 2010/11 room rate is approved effective for the Fall 2010 term.			

<b>Columbia Lake Village (Townhouse style – Rent per Month)</b>	<b>2009/10 \$</b>	<b>2010/11 \$</b>	<b>Increase %</b>	<b>Monthly \$</b>
2-bedroom	1,093	1,116	2.1	N/A
Recommendation:	That the Columbia Lake Village 2010/11 rental rate applicable to full-time University of Waterloo students is approved effective October 1, 2010.			

**UW Place**

<b>UW Place (Two-term fee)</b>	<b>2009/10 \$</b>	<b>2010/11 \$</b>	<b>Increase %</b>	<b>Monthly \$</b>
Suite Style:				
Double Room (Beck Hall)	4,704	4,845	3.0	606.00
Single Room (2-bedroom suite style)	5,384	5,546	3.0	693.00
Single Room (3- or 4-bedroom suite style)	5,097	5,250	3.0	656.00
Recommendation:	That the UW Place 2010/11 room rates are approved effective for the Fall 2010.			

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Report to the Board**  
**February 2, 2010**

**FOR APPROVAL**

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**1. Recommended Tuition Fee Increases 2010-11**

The Ministry of Training, Colleges & Universities (MTCU) introduced a revised tuition framework in 2006 which established distinct tuition levels for each new cohort of incoming students. This has resulted in a significant increase in the number of assessable tuition rates which are now based on program, year of entry, and year of study. Consequently, the major tuition categories have been identified on the attached “Recommended Tuition Fee Increases 2010/11” schedule and examples are provided for a range of programs.

MTCU’s current tuition framework expires at the end of this academic term (Winter 2010). Although extensive discussions have been occurring with MTCU regarding the tuition framework for 2010-11, MTCU is not expected to announce the tuition framework for 2010-11 until sometime later in the year. In the meantime, a significant number of undergraduate (primarily those in co-op) and graduate students will be registering in April / May for the spring term and fees need to be assessed. In the absence of receiving MTCU’s 2010-11 tuition framework, UW will increase tuition fees based on the current framework.

The resulting tuition increases can be categorized as follows:

Undergraduate Students (Domestic)	
- “Regulated” programs newly admitted students	4.5%
- “Regulated” programs continuing students	4.0%
- “Deregulated” programs newly admitted students	8.0%
- “Deregulated” programs continuing students	4.0%
Graduate Students (Domestic)	3.0%
International Students	
- Undergraduate programs	3.0%
- Graduate programs	3.0%

**2. Recommended Changes to the Co-op Fee**

The undergraduate co-op fee assessed to students registered in co-operative education programs is recommended to increase from \$587 / term to \$609 / term effective spring term 2010. There is no increase on the \$25 / term portion of the fee which is applied to the Tatham Centre building debt; the remaining portion of the fee (\$562) increases 4%. The graduate co-op fee is recommended to increase 4% to \$584 / term effective spring term 2010.

Dennis Huber  
Vice President,  
Administration & Finance

**RECOMMENDED TUITION FEE INCREASES 2010/2011**

**1. Graduate Plans, Effective Spring 2010**

	Domestic [1,2]		International [1,2]
	Year 1	Upper Years	All Years
All Graduate Plans	3.0%	3.0%	3.0%
<b>Example:</b>			
Graduate Arts Tuition Years 1, 2, 3 & 4 – Terms 1 - 10	\$2,208.00		
Graduate Arts Tuition Year 4 - Terms 11 - 12		\$2,186.00	
Graduate Arts Tuition International All Years			\$5,396.00
Graduate MEng Tuition Years 1, 2 & 3 - Terms 1 - 9	\$2,270.00		
Graduate MEng Tuition Year 4 - Term 10		\$2,208.00	
Graduate MEng Tuition Year 4 - Terms 11 - 12		\$2,186.00	
Graduate MEng Tuition International All Years			\$6,086.00

**2. Special Graduate Plans, Effective Spring 2010**

	Domestic [1,2]		International [1,2]
	All Years		All Years
Master of Taxation	3.0%		3.0%
Graduate Diploma in Business Information Technology			
Graduate Diploma in Information System Assurance			
Master of Engineering in Electric Power Engineering; Graduate Diploma; Graduate Certificate			
Master of Management Sciences (Management of Technology - MOT)			
Master of Theological Studies, Master of Catholic Thought			
<b>Tuition Range per Course:</b>	\$515.00 -		\$515.00 -
	\$3,334.00		\$3,334.00

**3. Special Graduate Plans, Effective Fall 2010**

	Domestic [1,2]		International [1,2]
	All Years		All Years
Master of Business, Entrepreneurship & Technology	3.0%		3.0%
Master of Actuarial Science			
<b>Tuition Range All Years :</b>	\$9,551.00 -		\$9,785.00 -
	\$9,785.00		\$11,020.00

**4. New Special Graduate Plans, Effective Fall 2010**

	Domestic [1,2]		International [1,2]
	All Years		All Years
Master of Quantitative Finance	3.0%		3.0%
Master of Mathematics for Teachers			
Master of Health Informatics			
<b>Tuition Range All Years :</b>	\$900.00 -		\$900.00 -
	\$4,050.00		\$5,396.00

**5. Graduate Plans, Effective Winter 2011**

	Domestic [1,2]		International [1,2]
	All Years		All Years
Master of Accounting	3.0%		3.0%
<b>Tuition All Years</b>	\$6,426.00		\$8,500.00



#### Notes to the Recommended Tuition Fee Increases:

- [1] Plus applicable incidental fees.
- [2] Plus co-op fees and work report marking fees where applicable.
- [3] New program effective Fall 2010; rates are the same as for the Computer Science Co-op program.
- [4] In addition to the increases noted above, the special amount of \$500 per term, except for Spring terms, approved by the Board at the April 1997 meeting, remains in effect.
- [5] The increase of 4.5% is applied to the students in the provisional year one - term A of the plan. The increase of 4.0% is applied to the students in the provisional year one - term B of the plan. Rates for the first year of these second year-entry programs, will be increased by 8% and 4% for each subsequent year.

#### Background Notes:

1. The Board of Governors has the power (as given in the University of Waterloo Act) to set tuition fees at any level it wishes. In practical terms that power is constrained by the provincial government, which will deduct from its grants any tuition charges in excess of the amount stipulated by the government. On March 8, 2006, the Minister of Training, Colleges and Universities announced that effective 2006-07, subject to an overall average rate increase cap of 5%, tuition rates are regulated differently for two groups:
  - a. all graduate programs and listed professional undergraduate programs – a maximum annual increase of 8% for students in the first year of their program and 4% for students continuing in upper years
  - b. Arts & Science and other public priority programs – a maximum annual increase of 4.5% for students in the first year of their program and 4% for students continuing in upper years
2. Rate increases are compounded each year but the overall annual average rate increase is capped at 5%.
3. To help students in financial need, universities are required, starting in 1996/1997, to establish local aid programs funded from tuition rate increases since 1995/1996. Universities are required to set aside 10% of the additional revenues resulting from the tuition rate increases assessed in 1996/1997 and 30% of the additional revenues resulting from each of the tuition rate increases assessed until 2005-06. Starting in 2006-07, the local aid budget is to be increased/decreased by the annual percentage increase/decrease in enrolments.
4. Undergraduate students enrolled in Co-operative plans serviced by the Co-operative Education and Career Services department pay, in addition to the tuition fee, a co-op fee in specified terms. The calculation of this fee is based on costs of administering the work-term program and is in accordance with the methodology approved by the government. The government has also agreed to allow an addition to the tuition fee for the cost of marking work-term reports, according to an approved methodology.

**Subject to the approval of the Board of Governors.**

**UNIVERSITY OF WATERLOO**  
**2009/10 Operating Income Budget**

	Estimated 2009/10 09-04-07	Increase (Decrease)	Estimated 2009/10 10-02-02	Notes
	\$000	\$000	\$000	
<b>INCOME</b>				
Operating Grant				
Basic Grant	172,186		172,186	
Graduate Growth	6,000	515	6,515	[1]
Undergraduate Growth	11,172	1,874	13,046	[2]
Quality Improvement Fund	6,524	(131)	6,393	[3]
Unfunded BIUs	602		602	[4]
Transfers to Colleges	(9,291)	31	(9,260)	
Performance Fund	2,024	(17)	2,007	
Research Infrastructure	1,552	(6)	1,546	
Access for Disabled	589		589	
	<u>191,358</u>	<u>2,266</u>	<u>193,624</u>	
Tuition				
Undergraduate	170,026	6,578	176,604	[5]
Transfers to Colleges	(10,170)	32	(10,138)	
Graduate	34,916	(313)	34,603	
	<u>194,772</u>	<u>6,297</u>	<u>201,069</u>	
Co-op Recovery	11,059	105	11,164	
Student Services Fee	7,279		7,279	
Research Overhead	7,310	198	7,508	
Interest	6,000	(1,000)	5,000	[6]
Services to Colleges	2,269	6	2,275	
Grant in lieu of Taxes	1,909	73	1,982	
Miscellaneous Income	8,676	728	9,404	[7]
	<u>44,502</u>	<u>110</u>	<u>44,612</u>	
<b>Total Income</b>	<u><u>430,632</u></u>	<u><u>8,673</u></u>	<u><u>439,305</u></u>	

**NOTES TO 2009/10 OPERATING INCOME**

- [1] The allocation is based on Fall 2009 FTE growth over the Fall 2007 FTE base.
- [2] The allocation is based on Waterloo's estimated 2009/10 share of the \$127.3 million to be allocated in 2009/10.
- [3] The 2009/10 allocation is the same as the final 2008/09 allocation.
- [4] The residual amount that has not yet been rolled into the basic grant.
- [5] The \$6.5 million increase in undergraduate tuition is a result of exceeding our year one intakes and our enrolment projections by 3.5%.
- [6] Interest estimate is based on cash available to invest and current interest rates.
- [7] Miscellaneous income estimates are based on 2008/09 actuals plus known changes in 2009/10. The total includes: Health Services and Optometry OHIP and professional services income, application processing fees, non credit tuition, other student related fees, rental income, parking income, and other general revenues. Many of these items have offsetting expenses.

**UNIVERSITY OF WATERLOO**  
**2009/10 Operating Expense Budget**

**Board, Feb. 2/10**

	ONGOING			ONE-TIME TEMPORARY			TOTAL	% of Income	Notes
	2009/10 Base 09-04-07	Increase (Decrease)	2009/10 Revised Base	2009/10 One-Time 09-04-07	Increase (Decrease)	2009/10 Revised One-Time	2009/10 Total		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000		
<b>EXPENSES</b>									
Salary and Wages									
Current salaries and wages	254,139	9,314	263,453		235	235	263,688	60.0	[1,5]
Secondments	343		343				343	0.1	
<b>Total salary and wages</b>	<b>254,482</b>	<b>9,314</b>	<b>263,796</b>	<b>0</b>	<b>235</b>	<b>235</b>	<b>264,031</b>	<b>60.1</b>	
Benefits									
Current benefits	51,615	1,067	52,682				52,682	12.0	[2]
Maternity leave supplement	861		861				861	0.2	
Faculty professional expense reimbursement plan	1,433		1,433				1,433	0.3	
<b>Total benefits</b>	<b>53,909</b>	<b>1,067</b>	<b>54,976</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,976</b>	<b>12.5</b>	
<b>Total salaries and benefits</b>	<b>308,391</b>	<b>10,381</b>	<b>318,772</b>	<b>0</b>	<b>235</b>	<b>235</b>	<b>319,007</b>	<b>72.6</b>	
Student Support									
Graduate student support	5,678	58	5,736				5,736	1.3	
Graduate incentive fund	401		401				401	0.1	
Support for international graduate students	4,345	(129)	4,216				4,216	1.0	
Senate matching scholarships	160		160				160		
Tuition set aside	13,836	362	14,198				14,198	3.2	
Undergraduate scholarships/bursaries	6,032	227	6,259				6,259	1.5	
<b>Total student support</b>	<b>30,452</b>	<b>518</b>	<b>30,970</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,970</b>	<b>7.1</b>	
Income Sharing									
Differential tuition	1,756	(1,756)	0				0		
Graduate growth	1,080	(1,080)	0	1,916	(420)	1,496	1,496	0.3	
Graduate international growth	437	(437)	0				0		
Undergraduate enrolment expansion	2,989	(2,989)	0				0		
International tuition	1,480	(1,045)	435		858	858	1,293	0.3	
<b>Total income sharing</b>	<b>7,742</b>	<b>(7,307)</b>	<b>435</b>	<b>1,916</b>	<b>438</b>	<b>2,354</b>	<b>2,789</b>	<b>0.6</b>	<b>[3,5]</b>
<b>Sub-total</b>	<b>346,585</b>	<b>3,592</b>	<b>350,177</b>	<b>1,916</b>	<b>673</b>	<b>2,589</b>	<b>352,766</b>	<b>80.3</b>	

**UNIVERSITY OF WATERLOO**  
**2009/10 Operating Expense Budget**

**Board, Feb. 2/10**

	ONGOING		ONE-TIME TEMPORARY			TOTAL	% of Income	Notes	
	2009/10 Base 09-04-07	Increase (Decrease)	2009/10 Revised Base	2009/10 One-Time 09-04-07	Increase (Decrease)	2009/10 Revised One-Time			2009/10 Total
	\$000	\$000	\$000	\$000	\$000	\$000			\$000
Academic development fund	1,297		1,297				1,297	0.3	
Access for disabled	589		589				589	0.1	
Base budget adjustment to reflect overhead costs	3,675	(98)	3,577				3,577	0.8	
Contingency reserve	1,000		1,000				1,000	0.2	
Cooperative academic enhancement	1,000		1,000				1,000	0.2	
Faculty recruitment and retention	1,635		1,635				1,635	0.4	
Insurance	1,441		1,441				1,441	0.3	
Internal financing	449		449				449	0.1	
International fund	1,276	(800)	476				476	0.1	[4,5]
Interuniversity service teaching	457		457				457	0.1	
Learning infrastructure	1,000		1,000				1,000	0.2	
Leased accommodations	336		336				336	0.1	
Library acquisitions	7,019		7,019				7,019	1.6	
Municipal taxes	1,909	73	1,982				1,982	0.5	
New initiatives	800		800				800	0.2	
Quality assurance fund	2,653	(2,653)	0				0		[5]
Quality improvement fund	724	(724)	0				0		[5]
Special project fund	550	(197)	353				353	0.1	
Utilities	12,400		12,400				12,400	2.8	
Sub-total	40,210	(4,399)	35,811	0	0	0	35,811	8.1	
Supplies and expenses	65,597	(3,546)	62,051		51	51	62,102	14.1	[1,3,4,5,6]
Expenditure reduction at 3%	(7,675)	7,675	0				0		[5,6]
Gross expenses	444,717	3,322	448,039	1,916	724	2,640	450,679	102.5	

**UNIVERSITY OF WATERLOO**  
**2009/10 Operating Expense Budget**

**Board, Feb. 2/10**

	ONGOING		ONE-TIME TEMPORARY			TOTAL	% of Income	Notes
	2009/10 Base 09-04-07 \$000	Increase (Decrease) \$000	2009/10 Revised Base \$000	2009/10 One-Time 09-04-07 \$000	Increase (Decrease) \$000	2009/10 Revised One-Time \$000		
Total gross expenses carried fwd	444,717	3,322	448,039	1,916	724	2,640	450,679	102.5
Cost recoveries and chargeouts	(10,575)	95	(10,480)				(10,480)	(2.3)
Manageable allowance	(500)		(500)				(500)	(0.1)
Estimated net expenses	<u>433,642</u>	<u>3,417</u>	<u>437,059</u>	<u>1,916</u>	<u>724</u>	<u>2,640</u>	439,699	100.1
Estimated income							439,305	
Excess income over expenses							<u>(394)</u>	

**SUMMARY OF FUND BALANCE**

Fund balance at April 30, 2009	5,606
Add: Excess income over expenses	<u>(394)</u>
	<u>5,212</u>

**NOTES TO THE 2009/10 OPERATING EXPENSE BUDGET**

1. The net increase in current salaries and wages includes a redistribution of budget from non-salary to salary accounts by academic and academic support departments, some additional savings from faculty terminations/retirements and actual salary increase cost adjustments.
2. Increased contribution rates for members of the university pension plan, effective May 1, 2009, resulted in increased employer contributions.
3. The ongoing balances represent amounts that have not yet been allocated to a specific unit. Income sharing for existing programs is allocated to the faculties on a slip-year basis. Funding for new programs is allocated on a calendar-year basis. New graduate growth allocations were introduced in 2006/07 to recognize growth in intake and overall FTE's. The cumulative income sharing amounts, including amounts not yet specifically allocated, from inception to date, are as follows:

Differential tuition	\$ 11,602
Graduate expansion (ended 2004/05)	2,727
Graduate growth	8,861
Graduate international growth	867
Undergraduate enrolment expansion	21,763
International tuition	<u>15,623</u>
Total	<u>\$ 61,443</u>

To accommodate growth, academic support units receive supplemental budget increases.

4. Of this fund, \$800.0 has been earmarked for international operations.
5. The net increase in supplies and expenses results from the following: the distribution and transfer of income sharing, QAF, QIF and international funds to non-salary accounts; a 3.0% expenditure reduction applied against non-salary accounts; the reallocation of budget from non-salary to salary accounts by academic and academic support units; and, some other miscellaneous adjustments.
6. The expenditure reduction of \$7,675.0 has now been allocated against non-salary accounts as determined by each unit.

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Report of the Vice-President, External Relations**  
**February 2, 2010**

**FOR INFORMATION**

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**Principal Gifts and Campaigns**

As at November 30, 2009, total funds raised for Campaign Waterloo, *Making the Future* stood at over \$532 million.

The Faculty of Engineering's Vision 2010 Campaign continued to make progress toward its \$120 million goal, and specifically to its urgent \$4 million target so as to fully complete E-6. \$2.65 million was pledged by December 10. Several other significant gifts have closed since the October board report, including an anonymous \$2 million gift to establish a chair in Scientific and Technological Literacy and a \$1 million pledge from a math grad to endow graduate scholarships. Waterloo announced a partnership to enhance Canada's research capacity in the study of the politics and political economy of India and India-Canada relations, with a gift of \$2 million. Corporate and foundation gifts of cash and in-kind totalling more than \$23 million were announced on December 6, 2009 in support of the Faculty of Environment's newly launched School of Environment and Enterprise Development.

**Central Development Team**

A blend of our traditional donor report and an annual report, *We're Making the Future*, was distributed to 22,000 donors and friends in November 2009.

New ways of engaging our alumni and friends

- National Philanthropy Day E-Blast
- Facebook Advertising – completed a test during the month of December using Facebook advertising targeted to our alumni.
- Tax Year End Email Reminder to Lapsed Donors – in December an electronic reminder of the importance of supporting UW and the tax benefits still available for gifts made before December 31 was sent to 6,500 past donors.
- Our 3<sup>rd</sup> annual Season's Greetings video was sent to all 2009 donors with a valid email address, almost 7,400 people. 50% of recipients opened the email to view the message and 12% of recipients clicked through to view the video.
- Next Day Donor email – initiated in November, all donors who make a gift through the call centre receive an email from the caller confirming their gift details and reinforcing our appreciation for their support. This email also serves as an opportunity to link our donors to our online giving page.

**Communications & Public Affairs**

**CPA Developments:** Communications & Public Affairs continue to advance the university's sixth decade goals via a number of services and products. The past three months CPA completed four new documents with Graphics, incorporating selected elements of new identity and attributes. The pieces and updates include: 1) a new campus map which features a bolder design and improved utility, including more details such as R+T Park locations and various campus construction projects; 2) the new *Building the Future* report, which was sent to stakeholders in November / December and is available in our visitors centre; 3) a new Facts and Highlights brochure and bookmark featuring updated, bolder design; 4) updated content on the home page continues to change regularly, profiling top researchers whose work echoes our attributes.

**Internal Communication:** To improve internal communications services, we launched a targeted survey of the Daily Bulletin – survey activity will continue through January leading to a full-scale client / reader survey in early spring.

**Media Services:** We received major North American coverage, including Fox news and CNN. The former featured the award-winning Accelerator Centre and the latter new smoking research findings. Our double-ender studio has been launched and is being promoted to TV stations across the country throughout January and February 2010, allowing journalists to interview our experts from anywhere in North America and beyond. Our experts list service is launched with selected media. We have over 150 experts listed and will expand that throughout 2010 in order to better profile the university.

### **Alumni Relations**

In order to advance the Sixth Decade Plan, Alumni Affairs set a series of goals including the establishment of ten active international alumni chapters focusing on recruitment, co-op, research, development and alumni relations. Since the last board meeting the following activities were conducted to advance this goal:

- New York: Attended all Canadian alumni event in New York. Met with key New York alumni to discuss the next steps involved with creating a UW Chapter network in New York. Sent out a survey to all alumni in New York, Pennsylvania, Connecticut and New Jersey to determine their initial interest for when a chapter is formed. Hosted UW team for the Terry Fox run in Central Park.
- China: Hosted an alumni event in Beijing. Met with Consulate in Beijing to explore partnership opportunities. Met Beijing alumni interested in chapter and started moving these alumni towards formalizing a chapter. Hosted a Hong Kong alumni event. Met with Hong Kong alumni association executive to discuss chapter plans.
- Barbados: Partnered with Marketing & Undergraduate Recruitment on its trip to Barbados. This included hosting an alumni event and utilizing alumni for recruiting purposes.

### **Marketing**

The uWaterloo identity project continues to advance with the launch of the newly designed and positioned uWaterloo Magazine, uWaterloo report, uWaterloo facts & figures, uWaterloo lanyards, and the confirmation of the updated visual identity framework. A new identity guide is still in progress as we finalize the many details that must be addressed.

The search for an AVP, Marketing & Public Affairs did not produce a candidate and so a re-think is underway to ensure we advance the strategy.

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Report of the Vice-President, University Research**  
**February 2, 2010**

**FOR INFORMATION**

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**Commercialization**

Office of Research, 2007-2009

- Technology transfer office was reorganized
- New positions created
  - Associate Vice-President, Commercialization
  - Entrepreneur in residence
  - Director of Strategic Initiatives, embedded in engineering
- Staff increased from 3 to 8
- Now the Waterloo Commercialization Office – WatCo
  - Partnerships with
    - C4 Networks
      - Commercialization collaboration amongst Southwest Ontario Universities
      - Technology Transfer Professionals – 18 being shared by partner institutions
      - Proof of Principle (POP) funding program
      - Industry Outreach Events
    - Accelerator Centre
      - Provides facilities and mentorship programs for UW spinoffs and other start-ups from the Waterloo region
      - Currently houses 26 companies
      - Five successful graduates
    - Accelerator for Commercialization Excellence (ACE)
      - Funded under federal Centres of Excellence for Commercialization and Research program
      - Provides single point of entry to streamline the commercialization process
      - Bringing innovative technologies to market
- Prototype Development Funding 2007-2009 totals \$1,267,391
  - NSERC I2I \$771,636
  - C4 Pop \$190,000
  - CIHR Pop \$150,000
  - OCE \$ 65,755
  - Other \$ 90,000

**University of Waterloo  
Board of Governors  
AUDIT COMMITTEE  
Report to the Board of Governors  
February 2, 2010**

**FOR INFORMATION**

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This report is submitted following the committee's meeting of November 24, 2009.

**1. EXTERNAL AND INTERNAL AUDIT PLANS FOR 2010-11**

The committee reviewed the 2010-11 audit plans, together with related UW responses, and concluded that the approaches and related fees are appropriate and reasonable. Accordingly, the committee approved the audit plans and fees as proposed by the external and internal auditors (Ernst & Young and Deloitte, respectively).

**2. STATUTORY COMPLIANCE**

**2009 Declaration of Compliance.** UW's legal counsel identified the following federal and provincial statutes as posing the greatest potential liability for board members in the event of non-compliance:

*Accessibility for Ontarians with Disabilities Act, Act to Promote Safety and Security with Respect to Human Pathogens and Toxins, Building Code Act, Commercial Tenancies Act, Construction Lien Act, Copyright Act, Employment Standards Act, Endangered Species Act, Environmental Protection Act, Fire Protection and Prevention Act, Hazardous Products Act, Income Tax Act, Liquor Licence Act, Occupational Health and Safety Act, Ontario Human Rights Code, Ontario Water Resources Act, Pesticides Act, Residential Tenancies Act, Smoke-Free Ontario Act and Transportation of Dangerous Goods Act.*

Staff responsible for institutional compliance reviewed these statutes and signed a declaration indicating that there are no areas of substance where UW is not in compliance.

**Liability and Board Members.** The committee reviewed the Executive Protection Policy for 2009-2010 and found it satisfactory.

January 22, 2010  
/rw

Rob Caldwell  
Chair

**University of Waterloo**  
**Board of Governors**  
**BUILDING & PROPERTIES COMMITTEE**  
**Report to the Board**  
**February 2, 2010**

**FOR INFORMATION**

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**1. Health Sciences Campus**

**Land Transfer.** Title to the lands, occupied by the School of Pharmacy and the School of Medicine, has been held in escrow for some time by the City of Kitchener pending necessary approvals / activities. Transfer of title to these lands to UW is expected to occur by the end of January 2010.

**Easement.** A two-metre wide easement located on the easterly (Victoria Street) boundary of UW's Health Sciences Campus has been granted to the City of Kitchener so that natural gas services can be provided to the Health Sciences Campus.

**2. General Oversight**

The committee reviewed and accepted for information:

- the capital financing commitments associated with the capital projects and advises that these commitments fall within UW's board-approved debt policy
- the status of capital projects and advises that by March 31, 2011 UW will be able to fully expend the \$50 million funding provided under the Knowledge Infrastructure Program for three capital projects: Engineering 6, Mathematics 3 and Environment 3; further, UW is on schedule with these projects and expects to have them substantially completed by March 2011
- UW's real estate holdings [Attachment 1]
- annual report on UW's maintenance program / energy conservation efforts and would note that for the past 20 years UW has had one of the lowest energy consumptions per unit area among Ontario universities; further, that UW's energy intensity is about 30 percent lower than the Ontario system average and almost 40 percent lower than the average commercial / institutional energy use, as reported by Natural Resources Canada
- statutory compliance report related to building and properties matters and advises that there are no areas of substance where UW is not in compliance

Catherine Booth  
Chair

**University of Waterloo Real Estate Holdings  
Sites Owned By UW - December 2009**

<b>Location</b>	<b>Land Area Acres</b>	<b>Building Area Square Feet</b>	<b>Acquisition Date</b>	<b>Description</b>
North and South Campus - Waterloo	961	6,425,679 (excludes Research and Technology Park buildings)	1950s & 1960s	Original campus of the University of Waterloo. Site of approximately 50 major buildings used for teaching, research, administration and student housing and recreation. The north campus is the site of UW's 200 acre environmental reserve and 120 acre Research and Technology park, designed to accommodate 1.2 million square feet of office space.
Rockwood Gorge - Rockwood	18	0	1977	Ecological reserve. Scenic gorge bisected by the Eramosa river, located in the town of Rockwood. Features dolomitic limestone cliffs, caves, and potholes. This area is used for research by the Faculty of Environment.
Spongey Lake - Baden	79	0	1989	Ecological reserve. Small lake, sphagnum bog and forest located near the town of Baden. This area is used for research by the Faculty of Environment.
Tri-University Library Facility - Guelph	1	18,190	1996	Library materials storage and distribution facility, located on Malcolm Road in the City of Guelph. Facility is a joint venture with Wilfrid Laurier University and the University of Guelph. Land and building areas shown represent Waterloo's 48% share of the total 2.1 acres of land and 38,500 square feet of building space.
Aberfoyle (Puslinch) Property - Aberfoyle	41	20,711	1997	Small research facility, leased to a biofilter manufacturer. The property also features a farmhouse and storage barn, located on Wellington Rd. 34.
School of Architecture - Cambridge	1	83,336	2004	Former Riverside Silk Mills (and later Tiger Brand) building (circa 1920) on Melville Street, on the banks of the Grand River. Occupied by the University of Waterloo School of Architecture.
68 Victoria St. South - Kitchener	3	92,923	2005	Former Ontario Seed Company warehouse, located adjacent to the Health Sciences Campus site.
Health Sciences Campus - Kitchener	4	182,270	2009	Former Epton Industries site at Victoria and King. The two buildings on the site are occupied by the School of Pharmacy, the School of Optometry and the McMaster University Michael G. DeGroote School of Medicine.
Owned Sub-Total	1,108	6,823,109		

**University of Waterloo Real Estate Holdings  
Sites Leased By UW - December 2009**

<b>Location</b>	<b>Land Area Acres</b>	<b>Building Area Square Feet</b>	<b>Acquisition Date</b>	<b>Description</b>
Waterloo Tennis Courts - Waterloo	1	0	1975	Leased land. 6 all-weather tennis court surfaces located at the Waterloo Tennis Club beside Seagram Stadium in Waterloo. The courts are covered in the winter by an air supported structure owned by the Tennis Club. Use of the courts is shared with the Tennis Club.
Parking Lot "E" - Waterloo	1	0	1975	Leased land. Small parking lot on Seagram Drive, across the street from UW Place.
School of Architecture - Rome, Italy	0	6,000	1979	Leased space. Design studios, library and office space, used for the School of Architecture's Rome program for 4th year students. Located in Piazza Santa Maria in Trastevere. The program has been running since 1979.
145 Columbia Street - Waterloo	0	1,175	1991	Leased space. Occupied by the Economic Development Program.
335 Gage Street - Kitchener	0	15,620	2000	Leased space. Occupied by the Centre For Extended Learning Department.
Fire Research Facility - Waterloo	0	10,494	2003	Building is owned by UW, situated on leased land at the Waterloo Landfill site. Used by the Engineering Faculty for fire research and by Applied Health Sciences for fitness research.
Pavement and Transport Technology Facility - Waterloo	0	2,048	2004	Buildings are owned by UW, situated on leased land at the Waterloo Landfill site. The site is used for paving materials research.
School of Architecture Annex - Cambridge	0	4,500	2004	Leased space. Commercial units located at 7 Grand Avenue, Units 110, 110B and 111, in Cambridge. Space is being used temporarily for 2 classrooms and for storage.
School of Architecture Parking Lot - Cambridge	1	0	2004	Leased land. Small parking lot on River Street, across the street from the School of Architecture
Artery Gallery - Kitchener	0	1,500	2004	Leased space. Small art gallery, operated in space donated by the City of Kitchener, run by students and faculty of the Fine Arts Department. The gallery is located at 158 King Street West.
Victoria School - Kitchener	0	13,230	2005	Leased space. Located at the corner of Joseph and David Streets. Occupied by the Family Medicine Clinic.
55 Broad Street - New York	0	1,300	2006	Leased space. Used by the Faculty of Mathematics for computational finance services and point of presence in the financial district of New York.
595 Bay Street, Suite 1204 - Toronto	0	1,500	2008	Leased space. Used by the Faculty of Mathematics MARS program as an incubator centre for medical research mathematics.
295 Hagey Boulevard - Waterloo	0	8,080	2007	Leased space. Used by the Centre for Business, Entrepreneurship and Technology to offer a graduate degree program and support entrepreneurial initiatives.
Suite 2222, 710 Dongfang Road, Pudong District - Shanghai, People's Republic of China	0	175	2007	Leased space located in the Lujiazui Pudong area of Shanghai. Used by the Faculty of Mathematics as administrative space to offer short professional courses and recruit students.
191/195 King Street West - Kitchener	0	8,000	2008 & 2009	Leased space. Used by the Faculty of Arts for their Social Innovation Generation initiative. The space is located at the corner of King and Gaukel Streets in the former PUC building, opposite Kitchener City Hall.
<b>Leased Sub-Total</b>	<b>3</b>	<b>73,622</b>		
<b>Total</b>	<b>1,111</b>	<b>6,896,731</b>		

**University of Waterloo**  
**Board of Governors**  
**FINANCE & INVESTMENT COMMITTEE**  
**Report to the Board**  
**February 2, 2010**

**FOR INFORMATION**

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**1. 2010-2011 OPERATING BUDGET**

The economic environment, provincial deficit and current market conditions will provide the external context in which the 2010-2011 operating budget will be set. Internally, UW's efforts to generate revenue (course-based master's programs and recruitment of international students) and make efficient use of resources will also inform budget development. There is the possibility of a manageable deficit which management would undertake to eliminate by year's end.

**2. GENERAL INVESTMENT PRINCIPLES [Attachment 1]**

These principles will ultimately inform the selection, monitoring and de-selection of fund managers.

**3. UW INVESTMENTS**

The committee reviewed the September 30/09 year to date investment returns on UW's Registered Pension Plan (13.0 percent excluding real return bonds) and IQC (13.5 percent). For context, YTD composite indexes for Q3 range from 30.0 percent (S&P / TSX Composite Index) to 5.6 percent (DEX Universe Bond Index).

**4. SUBCOMMITTEE FOR REGISTERED PENSION PLAN INVESTMENTS [Attachment 2]**

As a result of F&I's willingness to take greater responsibility for selection of fund managers for the Pension Plan, previously the purview of P&B, this subcommittee, with membership drawn from both committees, was established in April 2009 as a one-year pilot project. Drawing on the expertise of F&I and P&B members, it has been fulfilling its mandate with respect to review of the SIPP and rebalancing guidelines, selection and termination of investment managers and semi-annual review of investment manager performance. Its recommendations are approved by both P&B and F&I before being referred to the board for approval.

**5. TERMS OF REFERENCE OF THE FINANCE & INVESTMENT AND PENSION & BENEFITS COMMITTEES**

Adjustments to the terms of reference for both committees will be deferred for a year and informed by experience with the subcommittee.

Tim Jackson  
Chair

**University of Waterloo  
Finance & Investment Committee  
General Investment Principles  
November 2009**

**Investment Principles**

- Invest for the long-term (5-15 years)
- Asset mix decisions will be made within ranges established in the approved investment policy statements for each fund (i.e., pension, endowment, etc.)
- Risk tolerances will be quantified for each fund; investment return assumptions should be conservative and achievable; leverage will not be permitted
- Four to five economic themes (economic view for next 3-5 years) will be agreed to annually which will influence the asset mix and risk tolerance decisions
- Reputational impact of investment decisions needs to be considered; downside protection is critical to capital preservation and reputation
- Selection of the investment managers is an important element in achieving overall returns
- Investment managers are to be monitored to ensure they are meeting the SIPP and the investment parameters

**Economic Themes for 2009-10**

- Governments will be issuing large amounts of debt
- The Canadian dollar is expected to trade in the \$0.85-\$0.95 US range
- Corporate credit spreads are expected to narrow and normalize
- Liquidity and credit will normalize
- Inflation is expected to remain low (<2.5%)

**Key Investment Decisions / Outcomes**

- % equity vs. % fixed income
- Global vs. domestic exposure
- Currency hedging
- Investment manager selection
- Rebalancing methodology

**University of Waterloo**  
**Subcommittee for Registered Pension Plan Investments**  
**Terms of Reference (Pilot Project for One Cycle)**  
**November 2009**

**Membership**

- two members from P&B selected on the basis of financial / investment expertise
- three members of F&I, one of whom will be chair
- Vice-President, Academic & Provost
- Vice-President, Administration & Finance

The Consulting Actuary / Investment Management Advisor, appointed by P&B, will serve as a resource.

2009-10 Membership

Tim Jackson (F&I; chair)  
Bruce Gordon (F&I)  
Gerry Hooper (F&I)  
Stewart Forrest (P&B)  
Ranjini Jha (P&B)  
Feridun Hamdullahpur (admin)  
Dennis Huber (admin)  
Paul Malizia (resource)  
Allan Shapira (resource)

**Mandate**

- Asset allocation for the Registered Pension Plan recognizing that (a) the plan is funded through employee and employer contributions, (b) acceptable risk tolerances, and (c) liability matching requirements. This includes review, at least annually, of the Statement of Investment Policies and Procedures (SIPP) and the rebalancing guidelines.
- Selection and termination of investment managers (information will be made available to all members of P&B and F&I upon request)
- Semi-annual review of investment manager performance

**Reporting Structure**

The subcommittee's recommendations will be approved by P&B and F&I before being recommended to the Board of Governors for approval. P&B and F&I members will have access to all documentation upon request.

**University of Waterloo**  
**PENSION & BENEFITS COMMITTEE**  
**Report to the Board of Governors**  
**February 2, 2010**

*Further information is available at: <http://secretariat.uwaterloo.ca/Committees/board/pb.htm>*

**FOR INFORMATION**

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**Indexing of Health and Dental Plan Maxima**

In light of the current economic conditions and increased costs, the committee decided not to index the health and dental plan maxima for 2010. UW's dental plan will move as scheduled to the 2008 dental fee schedule.

**Payroll Pension Plan Limit**

The University of Waterloo Payroll Pension Plan provides pension benefits (subject to a maximum cap of \$3,200) that cannot be paid from the Registered Pension Plan because of the application of limits imposed by the *Income Tax Act*. On June 5, 2007 the Board of Governors passed a motion to index the pension cap under the Payroll Pension Plan from \$2,650 to \$2,725 in 2008, \$2,800 in 2009, and thereafter to increases in the average industrial wage, subject to the cap. The committee increased the pension cap for 2010 to \$2,857, which is proportionate to the increase in the average industrial wage.

**Life-time Maximum on Out-of-Province Health Care Coverage for Retirees**

Given that all out-of-province retirees are made aware of the maximum and have access to provincial health care once they reach the maximum, the committee decided not to increase the maximum on out-of-province health care coverage for retirees this year.

**UW Pension Plan Information Sessions**

On November 13, 2009, the committee held three information sessions to provide members with basic information about the registered pension plan and two changes the committee is investigating re: the interest credit calculation and the commuted value option. The presentation is available at the following web address: [http://www.secretariat.uwaterloo.ca/governance/Pension\\_Benefits/pbCommunity\\_presentation.pdf](http://www.secretariat.uwaterloo.ca/governance/Pension_Benefits/pbCommunity_presentation.pdf)

/rw

Janet Passmore, Chair  
Pension & Benefits Committee