

University of Waterloo  
BOARD OF GOVERNORS  
Minutes of the Tuesday, February 2, 2010 Meeting

**Present:** Ian McPhee (chair), Lois Claxton (secretary), Sheila Ager, Samuel Andrey, Jonathan Aycan, Allan Babor, Catherine Booth, Rob Caldwell, Diana Denton, Bruce Gordon, Brenda Halloran, Geoffrey Hayes, John Honek, Tim Jackson, Beth Jewkes, David Johnston, Paul Koenderman, Ophelia Lazaridis, Michael Makahnouk, Walter McCutchan, Wayne Oldford, Ken Seiling, Alan Shonfield, Bill Tatham, Scott Wetmore, Jud Whiteside, Carl Zehr

Suman Armitage, Meg Beckel, Tom Coleman, Jason Coolman, George Dixon, Alan George, Erin Sargeant Greenwood, Feridun Hamdullahpur, Patricia Hancock, Helen Hannusch, Mark Haslett, Sue Horton, Dennis Huber, Mary Jane Jennings, Linda Kieswetter, Ken Lavigne, Roger Mannell, Jane Manson, Geoff McBoyle, Terry McMahan, Eric Migicovsky, Bruce Mitchell, Dan Parent, Janet Passmore, Chris Read, Leo Rothenburg, Glenda Rutledge, Deep Saini, Adel Sedra, Yanling Sun, Paula Trelinska, Bob Truman, Bud Walker, Ann Williams-Gorrie

**Regrets:** Louise Fréchette, Serge Godin, Bob Harding, Drew Knight, John Manley, Satish Rai, Ray Tanguay, Prem Watsa, Michael Worswick

**OPEN SESSION**

**1. REMARKS FROM THE CHAIR**

The chair extended Bob Harding's regrets at being unable to attend the meeting. He then advised on the work of the Presidential Nominating Committee which has held its first meeting, developed a tentative timetable for its work and has begun to solicit opinions of members of various university constituencies. It anticipates completing its work by the end of 2010.

**Consent Agenda**

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

**2. APPROVAL OF MINUTES**

The minutes of the October 27, 2009 meeting were approved as distributed.

**3. REPORT OF THE PRESIDENT**

**Recognition and Commendation.** The board received this report for information.

**Sabbatical / Administrative Leaves and Administrative Appointments.** The board approved the recommended leaves / leave changes and received the administrative appointments for information.

**4. REPORT FROM THE EXECUTIVE COMMITTEE**

The board received this report for information.

**5. OTHER BUSINESS**

**Accountability Status Reports: Graduate Program Appraisals, Research Policies and Practices, Undergraduate Program Reviews, Undergraduate Recruitment and Admissions.** The board received these reports for information.

**Policies 8, Information Security, and 12, Records Management.** The board received this report for information.

Caldwell and Gordon. Carried.

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**Regular Agenda**

**6. PRESENTATIONS**

**UW's Benefits Program** [[www.secretariat.uwaterloo.ca/20100202benefits.pdf](http://www.secretariat.uwaterloo.ca/20100202benefits.pdf)]. In their powerpoint co-presentation on UW's benefits, Janet Passmore (associate provost, human resources) and Allan Shapira (consulting actuary, Hewitt Associates) addressed: the guiding principles (one pension and benefits plan for all members of the UW community, current level of benefits should be maintained; benefits should provide family coverage, where relevant; cost implications to UW and plan member should be considered), the components of the benefit program, the plan design, financial data and benefit comparators.

In response to a question re: the rollback of tuition benefits as a taxable benefit to the employee, governors heard that while UW made best efforts to have the rollback retroactive to 2001, the tax ruling, which now taxes the student not the parent for the benefit, is retroactive to only 2007 and 2008. Employees affected by this rollback should have received notice from UW.

**VeloCity** ["Waterloo launches new bootcamp for young tech entrepreneurs" (2010-01-26 news release) and brochure at governors' places; [www.secretariat.uwaterloo.ca/20100202velocity.pdf](http://www.secretariat.uwaterloo.ca/20100202velocity.pdf)]. Sean Van Koughnett (director, VeloCity) spoke to how VeloCity supports / encourages student innovation: creating a community of like-minded students who become part of a 'start-up' community and providing them opportunity to experience entrepreneurship. Further, this initiative gives students a promising start re: development, engagement (including with alumni), partnership development and promotion of UW's reputation. Next steps include: taking Velocity beyond residence nationally and bringing Canada to VeloCity. Eric Migicovsky, a former resident of VeloCity, UW alum (systems design '09) and now founder and CEO of Allerta, spoke to his VeloCity experience and subsequent founding of Allerta and its product, the 'perfect' complement for a BB [see: [www.getinpulse.com/](http://www.getinpulse.com/)].

In discussion, governors heard that plans to 'duplicate' VeloCity are under discussion; the proportion of men to women in VeloCity is 6:1 (for high-tech entrepreneurs it is 95:1), and that recruitment strategies to identify students for VeloCity include information booths across campus, class presentations and a focus on students already living in residence, since experience shows those students are more likely to be interested in continuing with residential life on campus.

**7. BUSINESS ARISING FROM THE MINUTES**

There was no business arising.

**8. REPORT OF THE PRESIDENT**

**University of Waterloo Seal** [at governors' places]. Serving notice that UW intends to bring a proposal for a new seal design to April board for approval, the president requested, consistent with due diligence and best consultative efforts, that any concerns re: the proposed design be brought to his attention.

**"What Makes Waterloo Work"** [at governors' places]. Encouraged by Queen's Park to celebrate UW's unique accomplishments, the document provides prompts, to be used as opportunity presents, to express appreciation for provincial funding made accessible to UW and to point to UW's successes and the good return on investment on that funding.

**Two Publications of Note:** *Reaching Evening Higher: The Next Multi-year Funding Plan for Postsecondary Education*, published by the Council of Ontario Universities, contains the collective thinking of executive heads on reaching even higher to advance higher education and contribute to Ontario's economic future; and *Academic Transformation*, commissioned by the Higher Education Quality Council of Ontario.

**Transitions:** Deep Saini, dean of environment, stepping down on June 30, 2010 to assume the position of vice-president and principal at U of T, Mississauga; Ken Coates, dean of arts, stepping down from the decanal position on June 30, 2011 and continuing as professor of history; Tom Corr, associate vice-president, technology transfer and CEO of the Accelerator Centre, soon to be the CEO of the Ontario Centres of Excellence. Warm and generous tributes to them all for their leadership at UW and best wishes for their new ventures.

**Haiti.** An invitation from the president and from the mayor of Waterloo to attend a breakfast in aid of Haiti relief: February 10, Forbes Room, RIM Park, 7:30 a.m.

**Undergraduate Admissions** [[www.secretariat.uwaterloo.ca/20100202ua.pdf](http://www.secretariat.uwaterloo.ca/20100202ua.pdf)]. Noting that OSS first choice applications to UW are down over last year while the system average is up and the cause for concern this creates, the president called on the registrar to do a synopsis of 2010 undergraduate admissions to date. Speaking to his powerpoint presentation, the registrar noted: the 2010 target of 5911 first year admissions (same as 2009); the applications to date, with OSS first choice applications down 4.4 percent from 2009 (Ontario average up by 2.7 percent) and down overall by 3.5 percent from 2009 (Ontario average up by 2.1 percent); the admissions to date (992 in 2010 vs. 755 in 2009), and the number of entrance scholarship candidates (857 in 2010 vs. 635 in 2009).

Waterloo is now working to understand the reasons for these results (it was noted that the practice of mathematics and engineering to make their offers of admissions later can make these results somewhat misleading; also that pharmacy and quantum have changed / improved the applicant pool for science which is now more aggressively managing the front end of the process) and will work diligently to convert offers into admissions consistent with UW's standards and focus on retention (the associate provost, academic & student affairs is chairing a committee addressing retention).

**Environmental Scan** [[www.secretariat.uwaterloo.ca/20100202es.pdf](http://www.secretariat.uwaterloo.ca/20100202es.pdf)]

- **Rankings.** *Maclean's* – a very good news story: UW again #1 in “best overall,” “most innovative” and “leaders of tomorrow” and #2 in “highest quality” after McGill; UW's other strengths are reflected in “student awards,” “faculty awards,” and “scholarships and bursaries”; areas for improvement include “student / faculty ratio,” “student services,” and “library expenses.” Research Infosource Inc. ranked UW first among Canada's top research universities (comprehensive) in its annual list published in November 2009.
- **International.** *How Canada Performs*, a report recently released by the Conference Board, shows Canada's moving from a B to an A in “education and skills” category, second to Finland. Canada is being held back by its PhD production rates, where Canada ranks 17<sup>th</sup> out of 17. Additionally, Canada has been unable to improve its ranking in “innovation” where it ranks 13<sup>th</sup> out of 17 and is still considered a “below average performer.”
- **National.** The economic impact of international education in Canada (178,227 international students in Canada, 95,404 whom were university students) is evidenced by the \$6.5 billion spent by these students on tuition and related expenses in 2008 and the \$291 million they generated in government revenue; international education services serving international students contributed to 65,000 jobs in the labour market across Canada (5.5 percent of the total jobs in Canada's education services sector).

An Ipsos Reid Special Mini-Report, released in January 2010, sets out the impact of co-op education programs including: 17 percent of Canadians with post-secondary experience said they either studied or were currently enrolled in a co-op education program; Ontario is the “hot bed” of co-op education participation; and 50 percent of Canadians with post-secondary experience who did not participate in a co-op education program say they wish they had.

- **Local.** The Conference Board of Canada's City Magnets II Study ranks Waterloo A (along with Ottawa, Calgary, Vancouver, St. John's and Richmond Hill), Kitchener C and Cambridge D. The mayor of Kitchener expressed his disappointment at how the data, which were collected last year and used to put the region in a very favourable light, were now used to differentiate three cities which effectively cannot be distinguished among. The City of Stratford will take possession of the "Cooper Site" in early February, securing UW's location for its Stratford campus.

## 9. REPORT OF THE VICE-PRESIDENT, ADMINISTRATION & FINANCE

**2010-2011 Residence Fees.** Having noted that the increase in residence fees is specific to UW's cost profiles and that last year's increase was also three percent, the board heard a motion to approve the recommended residence fees.

Johnston and Jackson. Carried. Two opposed.

**2010-2011 Tuition / Co-op Fees** [["2010-11 Proposed Fees for New Special Graduate Programs"](#) at governors' places]. The board heard a motion to approve the fees as presented.

Wetmore and Gordon.

Following the VPAF's brief comments on the context for these fee increases, as set out in his report, and noting that the increases were the same as for 2009-10, discussion followed.

Referring to an article which appeared in the January 14 *Maclean's*, "Where all that money is going," Governor Andrey stated that for the first time in many years, the revenue from student fees is greater than that from government grants and made the case that universities are making choices that negatively impact students with funding going to administrative expenses, salary increases and graduate expansion rather than to improving the undergraduate experience. While expressing appreciation for UW's investment in student support, he stressed the need for continued dialogue on improvement of student services. The president of the Federation of Students expressed support for Andrey's comments, adding that students, especially those in deregulated programs, question value for their money at UW.

In response, from the president, sympathy for these comments and the following observations: that 1.5 percent of UW's operating budget is expended on central administration, compared with a 5.5 percent average at Ontario sister universities; that Ontario remains 10<sup>th</sup> out of 10 in operating grants per student and that UW continues to manage income diversification as much as possible. And from a governor, the observation that alumni recruitment begins with an offer of admission and an exhortation that UW do what is necessary to improve the undergraduate experience.

The motion carried. Four opposed. One abstention.

## 10. REPORT OF THE VICE-PRESIDENT, ACADEMIC & PROVOST

**Operating Budget** [[www.secretariat.uwaterloo.ca/20100202vpap.pdf](http://www.secretariat.uwaterloo.ca/20100202vpap.pdf)]. The provost summed up the current position: \$2.5 million additional pension contribution added to the expenses; additional tuition revenue as a result of increased (321 students) first-year domestic enrolment; additional unbudgeted grant revenue has been received from MTCU; and an ending fund balance of \$5.212 million is anticipated.

Re: the 2010-11 budget, there are many unknowns, including the government's response to the \$24.7 billion provincial deficit, deteriorating forecasts, the uncertain economic environment and current market conditions which impact pension and endowment fund earnings. He then outlined the key risks (operating budget and pensions), the key areas of university finances, operating pressures on the

budget, the 2010-11 budget planning assumptions, the funding environment and, in conclusion, that UW is seeking efficiencies, is looking to improve revenues (course-based master's, international enrolment), is currently engaged in salary negotiations and is looking for allowance for a structural deficit.

In response to a question on savings generated by filling only mission critical positions, the answer that between 45 and 50 faculty positions were filled rather than 90 to 100.

#### 11. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

[[www.secretariat.uwaterloo.ca/20100202vper.pdf](http://www.secretariat.uwaterloo.ca/20100202vper.pdf)]

Jason Coolman (director of alumni affairs) and Erin Sargeant Greenwood (associate VP, annual & planned giving) spoke to their powerpoint presentation which focused on UW's alumni engagement strategy and "building the pipeline" to enable UW to reach its goal of \$100 million annual cash revenue. Governors heard that lobbying efforts continue to broaden the tax benefits for gifting of private securities, gifts of land, etc. And from one governor, both a graduate student and alumnus, his passionate observation that student engagement leads to alumni engagement and the importance of UW's investing to secure this engagement.

#### 12. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

[[www.secretariat.uwaterloo.ca/20100202vpur.pdf](http://www.secretariat.uwaterloo.ca/20100202vpur.pdf)]

In his report on commercialization, the vice-president spoke to how UW responded to Industry Canada's S&T strategy by increasing UW's robustness with respect to entrepreneurial matters and commercialization; developments / capacity in the Office of Research over the past two years; the partnerships WatCo (Waterloo Commercialization Office) has entered into (C4, Accelerator Centre, Accelerator for Commercialization Excellence); the activities of these partners; the prototype development funding between 2007 and 2009 (\$1,267,391 in total); and the commercialization grown over the past two years. The vice-president also noted the positive effect this initiative has had on UW's success in securing research funding.

#### 13. REPORTS FROM COMMITTEES

**Audit.** The board received this report for information.

**Building & Properties.** The chair drew governors' attention to the status of the three capital projects funded under the Knowledge Infrastructure Program and noted that UW expects to have all substantially completed by March 2011. She also gave credit to the vice-president, administration & finance and his team for the highly effective maintenance program and energy conservation efforts. The board received this report for information.

**Finance & Investment.** The board received this report for information.

**Pension & Benefits.** The board received this report for information.

#### 14. OTHER BUSINESS

**Co-op Education** [[www.secretariat.uwaterloo.ca/20100202coop.pdf](http://www.secretariat.uwaterloo.ca/20100202coop.pdf)]. In making his powerpoint presentation, Governor Tatham spoke powerfully, eloquently and from direct personal experience to the great advantages of hiring UW co-op students rather than opting for offshore outsourcing.

The board convened in confidential session.