

University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, April 6, 2010 Meeting

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Present: Bob Harding (chair), Lois Claxton (secretary), Samuel Andrey, Jonathan Aycan, Allan Babor, Catherine Booth, Rob Caldwell, Diana Denton, Louise Fréchette, Bruce Gordon, Brenda Halloran, Geoffrey Hayes, Beth Jewkes, David Johnston, Paul Koenderman, Ophelia Lazaridis, Walter McCutchan, Ian McPhee, Wayne Oldford, Satish Rai, Ken Seiling, Ray Tanguay, Bill Tatham, Scott Wetmore, Jud Whiteside

Suman Armitage, Meg Beckel, Ken Coates, Tom Coleman, Randy Dauphin, Alan George, Shawn Gilbertson, Feridun Hamdullahpur, Patricia Hancock, Helen Hannusch, Mark Haslett, Sue Horton, Dennis Huber, Peggy Jarvie, Mary Jane Jennings, Linda Kieswetter, Ken Lavigne, Roger Mannell, Jane Manson, Geoff McBoyle, Terry McMahon, Bruce Mitchell, Janet Passmore, Leo Rothenburg, Deep Saini, Adel Sedra, Bob Truman, Bud Walker, Ann Williams-Gorrie, May Yan

Regrets: Sheila Ager, Serge Godin, John Honek, Drew Knight, Michael Makahnouk, John Manley, Alan Shonfield, Prem Watsa, Michael Worswick, Carl Zehr

OPEN SESSION

1. REMARKS FROM THE CHAIR

The chair welcomed governors to the spring meeting of the board. He noted that a number of governors would be stepping down at the end of April and that they would be recognized at a reception following the meeting [community-at-large: Ray Tanguay; faculty: John Honek, Beth Jewkes, Wayne Oldford and Michael Worswick; undergraduate students: Samuel Andrey, Alan Shonfield and Allan Babor, president, Federation of Students; graduate students: Michael Makahnouk and Jonathan Aycan, president, Graduate Student Association].

Consent Agenda

The board heard an omnibus motion to approve and/or receive for information by consent items 2-6, below.

2. APPROVAL OF MINUTES

The minutes of the February 2, 2010 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 cancellation and received the administrative appointments for information.

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

University Professor Designations. The recipients' names were received for information.

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

Incidental Fee Changes. The board approved the recommended changes to the Student Services Fee, Graduate Student Association Fee and Graduate Student Association Administered Fees.

6. OTHER BUSINESS

Thank You Note. The board received this note from former governor Tim Jackson for information.

Wetmore and Whiteside. Carried.

Regular Agenda

7. BUSINESS ARISING FROM THE MINUTES

There was no business arising.

8. PRESENTATIONS

Co-op Education & Career Services [“2009 Co-op Students of the Year” at governors’ places; www.secretariat.uwaterloo.ca/20100406cecs.pdf]. In her presentation, Peggy Jarvie, executive director, Co-op Education & Career Services, noted the upward trend in employment rates for the spring term (now at 69 percent, four percent higher than last year) and the strong and important role UW plays in hiring students (now the largest employer of co-op students), as does RIM (the largest private employer). Employment rates for international visa students are above 90 percent, tracking close to the overall employment rate. Between seven and nine percent of students are employed internationally on work terms and the sharp decline in US employment in fall 2009 now appears to be trending up. Items of particular note include Career Services’ launch of a new campaign to increase use by regular students; the new leadership team in place in CECS; and that 75 percent of the 2005 review recommendations are now complete.

In discussion, governors heard that during the economic downturn it became apparent that employers who are laying off staff do not hire co-op students and further, that a large number of employers in Southwestern Ontario do not hire UW co-op students – a matter that is being addressed. Continued infusion of funds by UW, which has made possible employment of large numbers of co-op students through this hard economic time, is not sustainable and a clarification that UW’s co-op jobs/research terms are “short-term” assignments and not “in place of staff.” Students finding their own employment often do so as a result of personal connections which Co-op follows up on both to authenticate the job and for possibilities of future hires.

Evolution in Publishing [www.secretariat.uwaterloo.ca/20100406eop.pdf]. In their presentation, May Yan, director, Retail Services, Randy Dauphin, e-services specialist, and Bud Walker, director, university business operations, addressed the roles of the author/creator, publisher/printer, bookstore/library and students in the evolving world of print (traditional and on demand) and digital (digitized content and “born” digital), and implications in cost, course design/delivery and for the instructor.

In discussion, governors heard that for the undergraduate, libraries are regarded as study space where access to digital content is provided; to that end, libraries have repurposed space while continuing to provide access to both digital and print media. With so much ‘unfiltered’ information immediately accessible to students, one of the library’s roles is to provide appropriate materials specific to course/research requirements; professorial responsibility to develop students’ critical thinking is evidenced by increased modules dealing with research and importance of primary sources.

9. REPORT OF THE PRESIDENT

Environmental Scan [www.secretariat.uwaterloo.ca/20100406es.pdf]

- **National.** The federal budget 2010, released on March 4, included a number of provisions related to universities, including: \$32 million annual increase to the granting councils; \$8 million annual increase for “indirect costs of research” program; \$45 million annually over five years for post-doctoral fellowships which, at full strength, will see 140 two-year fellowships at \$70,000 annually; \$75 million for genomics research; \$135 million over two years to the National Research Council of Canada’s regional innovation clusters program. New investments in Canada Research Chairs total \$165.5 million invested in 187 new or renewed chairs at 44 universities and \$8.8 million for the Canada Foundation for Innovation. Statistics Canada Labour Productivity Gains, 2009 show the largest posted gain in 11 years in 4th quarter results and manufacturing sales grew by 2.4 percent in January 2010 exceeding economists’ expectations of a 0.6 percent gain.
- **Provincial.** The provincial budget 2010, released on March 25, freezes wages in the public sector/broader public sector, including universities, for two years. Relating specifically to universities, the budget provides \$310 million for 20,000 new spaces at colleges and universities which is in addition to \$155 million in 2009-10 to support post-secondary enrolment growth. The five percent tuition cap is extended for two years, a 50 percent increase in international student

enrolment is anticipated (an effective way to recruit immigrants and also of assistance to universities' revenue stream) and there is support for college-university credit transfer system.

- **Local.** The establishment of the Juvenile Diabetes Clinical Trials Network Operations Centre, a partnership between UW and McMaster University and with funding from both the federal government and Juvenile Diabetes Research Foundation, will create a world-class hub for diabetes research in Ontario.

Undergraduate Admissions Update [www.secretariat.uwaterloo.ca/20100406ua.pdf]. At the president's invitation, Ken Lavigne, registrar, noted that UW continues to lag UW's 2009 and the provincial numbers. He drew attention to the admissions summary and the high quality of applicants as evidenced by the numbers of entrance scholarship candidates, where the 2010 results to date exceed those of 2009. Contrasted to UW's numbers of the previous two years which exceeded the provincial figures, 2010 may be a one-year anomaly but one that nonetheless is being investigated.

In response to a question about challenges presented by four-year rather than five-year high school graduates, governors heard varying response from deans, including: the kinds of support systems students require, including for transition and retention; need for assistance in developing students' critical thinking skills; and that some curriculum adjustments have been made. Further, that students are great and as good as ever; UW is looking at retention and how to address using best practices; and that MTCU and the Ministry of Education are in discussions about what curricular adjustments are necessary for effective transitioning between high school and university.

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

2010-11 Operating Budget [www.secretariat.uwaterloo.ca/20100406budget.pdf]. Noting that provisions in the 2010 provincial budget necessitated a revisiting of UW's 2010-11 operating budget and his expectation that it would be brought to the board for approval at the June meeting, the provost reviewed the budget as drafted, noting estimated changes over the 2009-10 base in income (grants, tuition, other) and in expenses (salaries and wages, benefits, student support, income sharing, other). He also noted where, following the provincial budget, changes will occur (grants, salaries, benefits), though, at this time, the quantum is unknown; where reduced budgets may be restored (academic development fund, contingency reserve); and the expenditure reduction will be less than the 3.5 percent (on 65 percent of the budget) presented in the budget.

In discussion, governors heard that UW and its pension plan are in comparatively good shape *vis à vis* sister institutions in Ontario and Canada. Fixed costs (including components of salaries, benefits and utilities) are unavoidable expenses that leave a small remainder of discretionary income.

11. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

[www.secretariat.uwaterloo.ca/20100406vper.pdf]

The vice-president spoke to the principal objectives of government relations and strategic initiatives (UW to be the "go-to" university for governments re: policy and program challenges/maximize UW's opportunities for funding from all levels of government to solve the challenges), the approach (collaborate with government partners and, by advancing government objectives, garner funding), the process, its advantage, the key steps in the process and the steps already taken.

In discussion, governors heard that success in this area is difficult to quantify and that measures of success are more qualitative and can include frequency that government approaches UW re: advice; government preparedness to "amplify" UW's voice re: strategic initiatives where funding is sought; the size of the "purse" UW wins; and peers' regard for UW and its success. With respect to the Balsillie School of International Affairs, the school remains a priority of senior administration, congruent with the 6th Decade Plan and with important leveraging opportunities.

12. REPORTS FROM COMMITTEES

Building & Properties. The chair noted, in particular, that UW now holds title to the lands occupied by the School of Pharmacy and the School of Medicine and, on behalf of the board, expressed kudos to the vice-president, administration & finance and his team; the City of Stratford has identified a permanent site for UW's Stratford campus and, pending development of the site, UW has leased facilities in downtown Stratford; the committee continues to monitor progress on the Knowledge Infrastructure Program projects which remain on track; and the revised Environment 3 budget (now at \$20.185 million) has enabled architectural enhancements and achievement of LEED Gold.

Finance & Investment. The chair advised that he had assumed the chair early, the result of Tim Jackson's stepping down, and that Jeff Stacey will join the committee as of May 1. As a result of the committee's self-assessment, a third meeting has been added to the annual roster which will allow the committee to "blue-sky" on matters such as the economy and effect on interest rate; risk, especially as it relates to the pension plan and long-term debt; "depreciation" on UW owned buildings and a sinking fund. Further, an orientation package, including a fact sheet, has been developed; the fact sheet, when refined, will be distributed to the board.

Pension & Benefits

- **Statement of Investment Policies and Procedures for UW Pension Plan.** The board heard a motion to approve the January 1, 2010 version of the University of Waterloo Pension Plan (2000) Statement of Investment Policies and Procedures as presented.

Gordon and Booth. Carried.

- **Registered Pension Plan Rebalancing Guideline.** The board heard a motion to approve the March 1, 2010 version of the University of Waterloo Registered Pension Plan Rebalancing Guideline as presented.

McPhee and Koenderman. Carried.

- **Amendments to the Pension Plan.** The board heard a motion to approve the proposed resolution requiring the use of the fixed-term CANSIM rate when calculating the interest credit on regular member contributions, removing the commuted value option for members of the pension plan who retire between ages 55 and 65 and giving the Pension & Benefits Committee the authority to make the necessary revisions to the pension plan to reflect the foregoing.

Booth and MCPhee. Carried.

13. OTHER BUSINESS

University of Waterloo Seal. The board heard a motion to approve the recommended amendment to the Board of Governors By-Law No. 1, Section L.2, "Corporate Seals."

Johnston and Tanguay. Carried unanimously and exceeding Board of Governors By-law No. 1 requirement of 19 members in favour.

Dean of Environment. Attending his last meeting before assuming his post as vice-president and principal of the University of Toronto Mississauga, Deep Saini expressed his heartfelt appreciation to UW's governing bodies for the support and advice which allowed his faculty to "embrace the spirit of why not" and to dream the impossible.

The board convened in confidential session.