

University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, June 1, 2010 Meeting

Present: Bob Harding (chair), Lois Claxton (secretary), Catherine Booth, Rob Caldwell, Diana Denton, John Flanagan, Paul Guild, Geoffrey Hayes, Keith Hipel, David Johnston, Ian Kasper, Drew Knight, Ophelia Lazaridis, Kevin Lynch, Michael Makahnouk, Walter McCutchan, David McKay, Ian McPhee, Bradley Moggach, Hassan Nasir, Gerry Remers, Ronald Schlegel, Ken Seiling, Jay Shah, Bill Tatham, David Yach, Carl Zehr

Meg Beckel, George Dixon, Alan George, Erin Sargeant Greenwood, Feridun Hamdullahpur, Helen Hannusch, Mark Haslett, Sue Horton, Dennis Huber, Peggy Jarvie, Mary Jane Jennings, Linda Kieswetter, Ken Lavigne, Roger Mannell, Jane Manson, Geoff McBoyle, Bruce Mitchell, Janet Passmore, Chris Read, Adel Sedra, Yanling Sun, Bob Truman, Bud Walker, Heather Westmorland

Regrets: Sheila Ager, Louise Fréchette, Bruce Gordon, Brenda Halloran, Paul Koenderman, John Manley, Stephen Murphy, Satish Rai, Prem Watsa, Scott Wetmore, Jud Whiteside

OPEN SESSION

1. REMARKS FROM THE CHAIR

Welcome. The chair welcomed new and continuing governors: community-at-large – Paul Koenderman, Gerry Remers, Ron Schlegel; lieutenant governor-in-council – Catherine Booth, David McKay, Satish Rai, David Yach; faculty – John Flanagan, Paul Guild, Keith Hipel, Stephen Murphy; undergraduate – Ian Kasper, Bradley Moggach (president, Federation of Students), Jay Shah; graduate – Mike Makahnouk, Hassan Nasir (president, Graduate Student Association); external, 2011-14: Kevin Lynch.

Conflict of Interest Declaration. Consistent with Board of Governors Bylaw 1, the chair requested governors to complete and return to the secretary no later than June 30, 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 April 6, 2010 meeting were approved as distributed.

3. REPORT OF THE PRESIDENT

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

Sabbatical Leaves and Administrative Appointments [addendum at governors' places]. The board approved the recommended sabbatical leaves and received the administrative appointments for information.

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

Incidental Fee Changes. The board approved the recommended changes to the Federation of Students Fee, Orientation Fee, Federation of Students Administered Fee and Graduate Student Association Administered Fees.

5. REPORT FROM THE PRESIDENTIAL NOMINATING COMMITTEE

The board received this report for information.

McPhee and Caldwell. Carried.

Regular Agenda

6. BUSINESS ARISING FROM THE MINUTES

There was no business arising.

7. REPORT OF THE PRESIDENT

Undergraduate Admissions Update [www.secretariat.uwaterloo.ca/20100601ua.pdf]. Further to the registrar's report which set out how UW is successfully meeting its first-year admission targets (5487 new registered students in November) without compromising quality (3847 president's and merit scholarships have been offered vs. 3716 in 2009), the president commented that these numbers have been accomplished notwithstanding that the minimum required average was raised from 76 to 78 in two faculties and are righting the downdraft in application numbers of concern earlier in the year.

Tributes. The president paid tribute to the exemplary leadership of Deans Mannell, Saini and Coleman, all of whom are stepping down from their decanal positions, effective June 30; to Bob Truman, director of Institutional Analysis and Planning, retiring after 37 years of outstanding contribution to Waterloo and to the Ontario university system; and to Viktor Lufer, Instructional Technologies and Multimedia Services, also retiring, for his superb technical support for governance meetings.

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

Environmental Scan. Deferred in the interests of time.

President's Specific Priorities 2010-11 [6th Decade Plan progress appraisal at governors' places]. The president advised that his priorities for his last year in office were based on the 6th Decade Plan and his assessment of UW's progress in meeting the plan's aspirational objectives. He noted that the plan continues to be a good guide (doing the right things) and that generally Waterloo is doing things right, though some mid-course adjustments are now seen as desirable. Areas where UW is doing well include: recruitment of excellent students; growth of graduate enrolment; achievement of undergraduate enrolment targets; expansion of alumni programs; annual budget reallocation to strategic initiatives; engagement with local governments; the quality of the senior administrative team; and the quality and maintenance of the physical plant. Areas where progress is still to be made include student support services, student engagement, research intensity, the student:faculty ratio, and fundraising (reaching the annual target of \$100 million cash) which remains the weakest part of the plan.

In response to questions, governors heard: student evaluations, assessment of teaching in tenure and promotion processes and in academic/curricular reviews, and the Centre for Teaching Excellence are all indicators of the importance Waterloo puts on teaching and provide vehicles for measurement/assessment/improvement; with respect to financial guarantees for students, Waterloo guarantees to fund unmet need as defined by the Ontario Student Assistance Program and aspires to identify students in need and ensure that all eligible students admitted to full-time undergraduate programs have the financial assistance necessary to complete their studies; co-op presents challenges to sustained student engagement and the nascent office of student success is being established, in part, to address student engagement.

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

Staff Salary Recommendations. The board heard a motion to approve the recommendations regarding salary adjustments for the 2010-11 fiscal year.

Caldwell and McPhee. Carried.

2010-11 Operating Budget [www.secretariat.uwaterloo.ca/20100601budget.pdf]. The provost reviewed changes to the budget, the result of unanticipated funding made available to universities in the March 2010 provincial budget and the policy directive to flat-line compensation increases save for merit. Areas where the budget has been significantly adjusted include: grant income for undergraduate growth; quality improvement fund; academic development fund; and salary increases. Total income stands at \$477 million (~\$38 million more than in 2009-10) and a structural surplus of \$614,000 is projected.

The board heard a motion to approve the 2010-11 Operating Budget as presented.

Shah and Schlegel.

In response to questions, governors heard that the compensation increase was limited to merit/progress through the ranks and is consistent (according to the Ministries of Training, Colleges & Universities and of Government Services) with the provincial government policy statement; the 2 percent budget reduction is applied to 65 percent of the budget and is strategically reallocated, as contemplated in the 6th Decade Plan; the budget will have to be readjusted if the arbitrator (final offer selection for faculty salary) awards a scale increase of more than zero; and normally the faculty salary settlement precedes that of staff, however, this year staff have settled but with a re-opener should the faculty settlement be higher.

The motion carried.

2010-11 Executive Council Priorities [Executive Council Retreat May 19-21 report at governors' places]. The provost reported that the Executive Council retreat focused on four main topics: internationalization (how to move it forward); total enrolment management; 6th Decade Plan revisited; and students – student services: new developments and structural adjustments. He noted that while Waterloo is very successful in attracting very high quality students (#2 in the G13 with students with 90 percent + averages), UW's retention rates have declined over the past five years, a trend that has to be addressed and reversed.

In response to questions, governors heard that there will be coordination among the office of student success and faculty-based activities to prevent duplication; and while hiring will continue to be limited to mission critical positions, the budget will allow the fill rate to rise to between 60 and 65 percent from the 42 percent rate of the past year.

9. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

[www.secretariat.uwaterloo.ca/20100601vper.pdf; Campaign Waterloo report at governors' places] Linda Kieswetter, associate vice-president, principal gifts and campaigns, noted that fundraising efforts have been affected by the recent recession and then presented campaign highlights (\$568.1 million raised of which \$18.6 million was donated by students and \$14.7 million by faculty, staff and retirees); the distribution of donations by major projects; the scope of the donor constituencies; and the gifts and pledges made to academic units.

In discussion, governors heard that Waterloo is connected electronically to about 60 percent of its alumni and that 'e-mail for life' is key in expanding the electronic connection. Stewardship is a top priority for the department as it seeks meaningful and targeted ways (meeting with students is key and faculty participation is welcomed) to engage donors. As to the \$100 million annual cash donations, UW will have to achieve this objective to meet its 6th decade goals. UBC and Alberta have both achieved but not sustained the \$100 million annual cash donations; Toronto, three times UW's size, has achieved and sustained this target. On a per capita basis, however, UW leads Canadian universities in private sector support.

10. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

[www.secretariat.uwaterloo.ca/20100601vpur.pdf]

In speaking to his report, the vice-president noted the 2009-10 successes/highlights which included: a 17.6 percentage increase in sponsored research awards (\$169,506,642, up from \$144,089,362 in 2008-09); UW's 73.1 percent success rate in NSERC Discovery awards, the highest success rate among universities and where the national average is 57.8 percent; that the provincial and federal funding is unlikely to be sustainable in the current economic climate and, as a consequence, industry funding will have to be grown; Research Infosource names Waterloo the top research university in the comprehensive category; UW's success in garnering two Canada Excellence Research chairs (\$10 million each); IQC federal funding of \$50 million with \$50 million matching provincial funding; JDRF Canadian Clinical Trials Network (\$8.3 million initial investment); and Ontario Research Fund, Research Excellence Awards (\$21 million with UW capturing 40 percent of funding available).

11. REPORTS FROM COMMITTEES

Building & Properties

- **Health Services Building Addition.** Having noted that graduate and undergraduate students are funding this addition and that the expanded facility will be able to provide family-centered medical services for the first time on the UW campus, the board heard a motion to approve a \$7.75 million budget for a 20,000 gross square foot addition plus renovations to the existing Health Services building.

Booth and Moggach. Carried.

The remaining items in the report were received for information.

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

Pension & Benefits

- **Actuarial Valuation of the UW Pension Plan as at January 1, 2010.** The board heard a motion to approve the Actuarial Report: University of Waterloo Pension Plan as of January 1, 2010 (the "Valuation"), and give the Pension & Benefits Committee the authority to decide whether to file the Valuation with the Financial Services Commission of Ontario in 2010, taking into consideration external factors such as legislative environment, economic situation and the pension benefit guarantee fund assessment which will result from filing.

McCutchan and McPhee. Carried.

The remaining items in the report were received for information.

12. OTHER BUSINESS

UW Report to the Minister of Industry – Executive Summary. The board heard a motion to approve the report for submission to Industry Canada.

Remers and Caldwell. Carried.

Department Name Change [at governors' places]. The board heard a motion to approve the recommended name change: "Department of Sociology" to the "Department of Sociology and Legal Studies."

Schlegel and Kasper. Carried.