

University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday, February 1, 2011 Meeting

Present: Ian McPhee (chair), Lois Claxton (secretary), Sheila Ager, Catherine Booth*, John Flanagan*, Bruce Gordon, Paul Guild, Brenda Halloran, Feridun Hamdullahpur, Bob Harding*, Geoffrey Hayes, Drew Knight, Kevin Lynch*, Michael Makahnouk, Walter McCutchan, David McKay*, Bradley Moggach, Hassan Nasir, Ronald Schlegel*, Ken Seiling, Jay Shah, Dave Smith, Jud Whiteside*, David Yach, Carl Zehr

Meg Beckel, Ken Coates, George Dixon, Susan Elliott, Ian Goulden, Helen Hannusch, Sue Horton, Dennis Huber, Peggy Jarvie, Mary Jane Jennings, Linda Kieswetter, Ken Lavigne, Jane Manson, Geoff McBoyle, Terry McMahon, Bruce Mitchell, Daniel Parent, Janet Passmore, Chris Read, Mark Seasons, Adel Sedra, Bud Walker

Regrets: Rob Caldwell, Diana Denton, Keith Hipel, Paul Koenderman, Ophelia Lazaridis, John Manley, Stephen Murphy, Satish Rai, Gerry Remers, Bill Tatham, Prem Watsa, Scott Wetmore

*by phone

Because of severe winter storm predictions, governors were invited to join the meeting by conference call. At the commencement of the meeting, the chair of the board, attending by conference call, requested that the vice-chair chair the meeting. The secretary took roll call for those joining by conference call.

OPEN SESSION

1. REMARKS FROM THE CHAIR

The chair: welcomed governors to the winter meeting of the board; extended congratulations to Ken Seiling, who recently achieved a 25-year milestone serving as chair of the Regional Municipality of Waterloo and, concomitantly, 25 years as ex officio governor . . . making Seiling, in his own words, “dean of governors”; advised that the June 7 meeting conflicts with a personal commitment of the president and would likely be rescheduled to another time during the first week of June; advised that, as indicated in an email to governors earlier in the morning, the agenda would address only matters that require approval as well as the reports of the president and of the provost, and that information reports would be deferred to the board’s April meeting.

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 26, 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/Reappointments. The board approved the recommended sabbatical leaves and received the administrative appointments/reappointments 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.

Secretary of the Board. The board received this announcement for information.

Moggach and Gordon. Carried.

Regular Agenda

6. **BUSINESS ARISING FROM THE MINUTES**

There was no business arising.

7. **VIRTUAL TOURS OF WATERLOO SUMMIT CENTRE, HUNTSVILLE AND WATERLOO STRATFORD CAMPUS**

Deferred to the April meeting.

8. **REPORT OF THE PRESIDENT**

Environmental Scan [www.secretariat.uwaterloo.ca/20110201es.pdf]

- **International Overview.** The president reported on a number of the reasons for Australia's international education collapse and the importance of providing the highest quality education to students at international campuses – to which Waterloo is committed. He noted that Waterloo is working to establish/strengthen relationships with respect to graduate health linkages, R&D and student recruitment in Mumbai, Jodhpur and Delhi and that Waterloo will continue to attract students from India.
- **National Overview.** Granting council funding is coming under scrutiny (e.g., discovery grants are being reviewed to determine funding allocation for pure and targeted research), with university presidents making the case for continued support for curiosity driven research. The December 2010 Labour Force Survey (Statistics Canada) shows a decrease in the unemployment rate for the second consecutive month; youth employment increased by 26,000 (important for the post-secondary education sector). The Canada Research Chair program celebrated its 10th anniversary; Waterloo was awarded four new CRCs (there is a fixed number of chairs for allocation among Canadian universities and allocation to each university is based on a three-year rolling average of tri-council awards made to the university). Education and Earnings of Childhood Immigrants (Statistics Canada) helps universities to assess how to best attract students.
- **Provincial Overview.** In preparation for a fall election, austerity measures are being introduced (viz. cancellation of discovery and catalyst awards and banning of “perks”); the provincial government has allocated \$73.7 million over five years for a post-secondary credit transfer innovation fund.
- **Local.** Waterloo Stratford Campus – Waterloo has signed a collaboration agreement with Chiba University re: digital media; a five-year wage settlement has been reached with CUPE Local 793 with percent increases (0, 0, 3, 3, 3) as agreed to by both staff and faculty in 2010; Professor André Roy, University of Montreal, has been appointed the new dean of environment, effective August 1, 2011; Waterloo has been awarded six NSERC strategic grants worth \$2.7 million, a substantial number and accomplishment given the degree of competition; Susan Tighe, professor of civil & environmental engineering and a CRC chair, has been named the Norman W. Macleod Chair in Sustainable Pavement Engineering; the official opening of the Waterloo Summit Centre for the Environment in Huntsville was held in late January.

In discussion, governors heard that there are currently no post-secondary bridging programs for unemployed youth; with respect to whether Canada would continue to attract international students given what is happening in Australia and in England, the funding structure and overall post-secondary context in those countries are very different from in Canada.

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

2011-12 Residence Fees. The board heard a motion to approve the recommended residence fees.

Smith and Zehr. Carried.

2011-12 Tuition Fees. Having noted from the vice-president that, because of a recent technical interpretation from MTCU, some of the tuition fees listed in the report will be reduced by as much as \$2.00/term, the board heard a motion to approve the recommended tuition fees.

Hayes and Gordon.

In discussion, governors heard that the major increases in tuition fees (most universities increase fees by the full amount allowable) are related to the Student Success Office, about to be launched, and to improving the student:faculty ratio, and that governors could anticipate a report at the end of fiscal 2011-12 on what has been achieved. Further, that while salary increases have been fixed at 0 percent for the current and next fiscal years, strategic hiring continues and merit and benefit costs continue to rise.

The motion carried. Three opposed.

GSA Administered Fees. Having noted a typo on page A17 (should read Spring 2011), governors heard a motion to approve the recommended increase of \$0.50 to support Graduate House activity, effective May 1, 2011.

Nasir and Makahnouk. Carried.

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

Operating Budget [www.secretariat.uwaterloo.ca/20110201vpap.pdf]

- **2010-11 Budget Update.** The provost, speaking to his powerpoint slides, reviewed in detail the components constituting operating income and operating expenses which, at February 2011, have resulted in a \$3.221 million excess. Looking ahead, he outlined factors which may impact the budget: uncertain economic environment; current market conditions and their effect on pension and endowment fund earnings; the large provincial deficit; and that Ontario undergraduate enrolment is expected to continue to increase for another few years.
- **2011-12 Budget Overview.** Pressures on the budget will include undergraduate growth, student support and scholarships, pensions and benefits, space/new buildings, and utilities/maintenance. Speaking to his powerpoint slides, the provost reviewed the planning assumptions for both revenue and expenses and concluded that Waterloo “continues to work with uncertainty but [is] using caution to minimize risk.”

11. REPORT OF THE VICE-PRESIDENT, EXTERNAL RELATIONS

Deferred to the April meeting.

12. REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH

Deferred to the April meeting.

13. REPORTS FROM COMMITTEES

Audit. The board received this report for information.

Building & Properties

- **Stratford Campus.** Having noted that the spread of the five qualified bids ranged from a low of \$9.3 million to a high of \$12.7 million and that the project is at \$250/square foot, governors heard a motion to approve the award of an \$11,595,000 (plus HST) design-build construction contract (CCA14) to Bondfield Construction Company Limited.

Booth and Moggach. Carried.

- **Psychology, Anthropology and Sociology Animal Care Facilities Fit-out.** The board heard a motion to approve a project budget of \$6,000,000 for the fit-out of the animal care facilities in the lower level of the PAS building.

Booth and Guild. Carried.

- **Science Expansion Building.** The board heard a motion to approve a \$45 million project budget for the construction of Phase 1 of the science expansion building attached to the south side of Biology 2 and west side of Biology 1.

Booth and Moggach.

In discussion, governors heard that, with respect to the balance of the funding for the project, there is provision in the science operating budget for a five to 10-year payback if required to cover any fundraising shortfall; the per square foot cost of the project, which is a combination of undergraduate labs (expensive), offices and classrooms, is ~\$375.00 and in the range of most science projects (pharmacy construction costs were about \$375.00 which included soil remediation). It was suggested that in presenting such projects for approval, more context (e.g., number of qualified bidders, high and low bids, cost/square foot) would be useful, and, in response, that such detail is provided to the B&P Committee for consideration.

The motion carried.

The committee chair drew governors' attention to item 5, capital projects funded through the Knowledge Infrastructure Program, noted Waterloo's success in achieving the March 31, 2011 deadline and gave credit to the vice-president, administration & finance and to his staff's superlative efforts to meet the deadline.

The remaining items in the report were received for information.

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

Pension & Benefits

- **Flexible Pension Plan.** The board heard a motion to approve the proposed resolution winding-up the flexible pension plan in stages, and giving the P&B Committee the authority to make the necessary revisions to the pension plan to reflect the foregoing.

Hayes and McCutchan. Carried.

The remaining items in the report were received for information.

14. OTHER BUSINESS

Change to Policy 49, Extra-university Activity (Faculty Members). The board heard a motion to approve the proposed rewrite to the “note” in Policy 49, Extra-university Activity.

Hayes and Ager. Carried.

New Policy 10, Naming Opportunities. The board heard a motion to approve the proposed new Policy 10, Naming Opportunities.

Hamdullahpur and Smith. Carried.

Secretary of the University. Thanking the secretary of the university for her service to Waterloo over the past 31 years and particularly for her service in her current office, on behalf of the board, the vice-chair presented Mrs. Claxton with beautiful, thoughtful gifts of appreciation.

The board convened in confidential session.

LC:tad
February 2, 2011

Lois Claxton
Secretary of the University