

Secretariat: Marie Armstrong, Tracy Dietrich

Regrets: Tara Collington, Brenda Halloran, Geoffrey Hayes, Karen Maidment, Michael Makahnouk, Gerry Remers, Barry Warner, Prem Watsa, Beth Weckman

Organization of Meeting: Kevin Lynch, chair of the board, took the chair, and Marie Armstrong, secretary of the board, acted as secretary. Armstrong advised that due notice of the meeting had been given, a quorum was present, and the meeting was properly constituted.

OPEN SESSION

1. REMARKS FROM THE CHAIR
First Meeting as Chair. Governor Lynch remarked that he was honoured and humbled to serve as chair of the board of such a unique and distinguished university. He noted that there is much work to do, including strategic reflection, and welcomed the involvement of the governors.

Welcome. The chair welcomed new and continuing governors: Lieutenant Governor in Council appointees – Ophelia Lazaridis and Marta Witer; faculty members – David DeVidi, George Freeman, Barry Warner and Beth Weckman; undergraduate student members – Jesse McGinnis, Andrew Noble (president of Federation of Students) and Nicollette Zaptses; and graduate student members – Mike Makahnouk and Hassan Nasir (president of Graduate Student Association).

Conflict of Interest Declaration [distributed with the agenda]. Consistent with the Board of Governors Bylaw 1, the chair requested governors to complete and return the declaration to the secretary by 29 June 2012.

2. 5 JUNE 2012 BOARD AGENDA
The board heard a motion to approve the agenda with the addition of one new item: Undergraduate Admissions Update (Item 8).

McKay and Wilkinson. Carried.

Consent Agenda
The board heard an omnibus motion to approve and/or receive for information by consent items 3 and 4 below.

3. MINUTES OF THE 3 APRIL 2012 MEETING
The minutes of the meeting were approved as distributed.
4. REPORT OF THE PRESIDENT
   Recognition and Commendation. The board received this report for information.

   Sabbatical/Administrative Leaves/Leave Change and Administrative Appointments. The board approved the recommended sabbatical/administrative leaves/leave change and received the administrative appointments for information.

   Zehr and Watson. Carried.

Regular Agenda

5. BUSINESS ARISING FROM THE MINUTES
   There was no business arising.

6. RESEARCH PRESENTATION
   Professor Geoffrey Fong, psychology, described the work of the International Tobacco Control program, a large interdisciplinary effort involving the faculties of Applied Health Sciences, Arts and Mathematics that studies the effectiveness of tobacco control policies worldwide under the Framework Convention on Tobacco Control. Governors heard that the program is a potential model for other health domains where population level interventions for reducing non-communicable diseases are being considered.

7. REPORT OF THE PRESIDENT
   Passages. The president welcomed those attending their first board meeting in their new roles: Tim Jackson, vice-president, university relations and interim vice-president, advancement; Sallie Keller, vice-president, academic & provost; and Chris Read, associate provost, students. He paid tribute to the exemplary leadership of those leaving their respective offices 30 June 2012: Alan George, associate provost, information systems & technology; Leo Rothenburg, associate vice-president, international; and Adel Sedra, dean of engineering.

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

   Global Scan. The president noted that the pace of change is accelerating, with growing need for education, health care and long term care, commodities, and clean technologies; there have been increases in worldwide research and development spending; and there is growing international competition for students, faculty and staff.

   University Scan. After reviewing Waterloo’s priorities (aging and health promotion, auto, climate change, energy, financial risk management, information communications technology and digital media, quantum, nano, and water) and anticipated challenges (increasingly competitive market, increased government quality and accountability requirements, demand for new technologies and sustainability, and performance evaluation against international rankings and benchmarks), the president set out Waterloo’s ambitions (lead a few trends, be recognized world leaders in specific strategic areas, attract globally recognized talent, and create and retain world-class entrepreneurs).

   Discussion included: diversification of trade partners is important; productivity growth through innovation is key, including turning research into products; Waterloo needs to distinguish itself to be in the top tier; intellectual property practices in China may reduce interest in working there; productivity improvements needed together with a change in attitude regarding streamlining activities; Canada’s private sector is falling behind the US; and Waterloo should lead a few trends that are consistent with its vision for the future.
2012-13 President’s Priorities. The board received this report for information.

8. REPORT OF THE VICE-PRESIDENT, ACADEMIC & PROVOST
Noting that she is delighted to be here, the provost indicated her desire to build on the foundational pillars and aspirations and help change the world.

Changes to FAUW/UW Memorandum of Agreement. The board heard a motion to approve amendments to the Memorandum of Agreement between the Faculty Association of the University of Waterloo and the University of Waterloo as detailed in the report.

DeVidi and Freeman.

Discussion included: there is a desire to prevent the generation of salary anomalies; salary increases depend entirely on performance; and it may be useful to see what others are doing.

The motion carried.

2012-13 Operating Budget. The board heard a motion to approve the 2012-13 Operating Budget as presented.

Koenderman and Watson.

Discussion included: there is to be a 2% expenditure reduction in faculties and increased student numbers; incentives have been designed to try to increase graduate domestic student numbers; it is possible that there will not be full funding for undergraduates; there is great potential for graduate growth; faculty retention is important; fundraising teams are in place; efficiency committee will identify a few areas and then bring in a consultant; income diversification is important; and tuition increases improve the quality of education through scholarships, additional faculty and teaching assistants, labs and equipment, and Student Success Office.

The motion carried.

Undergraduate Admissions Update
[https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/060512uaes.pdf]. Referring to his slides, the registrar spoke to first year admissions, confirmations and scholarships, advising that enrolment in arts and environment is down across the province.

Discussion included: attrition rate should be investigated; living in residence can be a positive experience; co-op will be challenged with the increase in enrolment; and competition for students is intense.

Leadership. The provost noted that the new CIO Dave Wallace will start on 9 July 2012 and the hiring of the associate vice-president, international is almost complete.

9. REPORT OF THE VICE-PRESIDENT, ADMINISTRATION & FINANCE
Changes to Incidental Fees
- Federation of Students Fee, Federation of Students Administered Fee and Orientation Fee. The board heard a motion to approve: that the compulsory Federation of Students Fee, assessed and collected from all full-time undergraduate students, be increased from $39.85 per term to $44.80 per term effective September 2012 (fall term); that the Federation of Students Administered Fee be increased to reflect changes to the health, dental and U-Pass components effective September 2012 (fall term); and that the Orientation Fee, assessed and collected from each incoming full-time, first-year undergraduate student, be increased from $101.00 to $103.53
effective September 2012 (fall term).

Noble and McGinnis. Carried.

- **GSA Administered Fees and Graduate Student Society Fees.** The board heard a motion to approve: that the GSA Administered Fees, assessed and collected from active full-time and part-time graduate students, be increased as detailed in the report; that the Kinesiology Graduate Student Association Fee be increased from $5.00 per term for full-time graduate students and $2.50 per term for part-time graduate students to $7.00 per term for full-time students and $3.50 per term for part-time students effective September 2012 (fall term); and that a new graduate student society fee be assessed for the School of Public Health and Health Systems – the proposed fee would be $5.00 per term for full-time graduate students and $2.50 per term for part-time graduate students effective September 2012 (fall term).

Nasir and Noble. Carried.

- **Copyright Management** [at governors’ places]. The board heard a motion to delegate to the Executive Committee authority to approve copyright management fees in the event the university develops a fee arrangement acceptable to all internal stakeholders prior to the Fall 2012 fee assessment.

Governors heard that the provost, associate provost resources, the libraries and the student associations will meet to discuss possible fees.

Watson and Gamble. Carried

10. **REPORT OF THE VICE-PRESIDENT, UNIVERSITY RELATIONS AND INTERIM VICE-PRESIDENT, ADVANCEMENT**

After referring governors to the written report, the vice-president noted that planned giving is critical.

Discussion included: building relationships with alumni is key; it is important to donors that the return on investment is demonstrated; and it would be interesting to know the percentage of co-op employers that make gifts.

11. **REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH**


Speaking to his slides, the vice-president advised that federal funding has decreased; the next round of Canada Foundation for Innovation proposals has been filed; metrics related to input, output and impact are important; Waterloo has experienced great success in NSERC Discovery Grants; the majority of research funding currently comes from provincial and federal governments, but deficits will have an impact; the federal government is moving to supporting government priorities and research in the private sector; Waterloo can strengthen collaborations will industry; and research activity in China and India are increasing greatly, so relationships there will be explored. Noting that Research Infosource had named Waterloo the top research university in the comprehensive category, he went on to highlight successes, including grants, chairs, and awards.

12. **REPORTS FROM COMMITTEES**

Audit

- **UW Financial Statements, 2011-12.** The board heard a motion to delegate its authority to approve the university’s audited financial statements for the fiscal year ended 30 April 2012 to the Board Executive Committee.

McKay and Schlegel. Carried.
The chair of the committee advised that the committee has discussed emergency procedures and academic integrity and is following up diligently and regularly on any unsatisfactory internal audit reports.

The remaining items in the report received for information.

**Building & Properties**
- **Science Addition.** The board heard a motion to delegate its authority to the Building & Properties Committee to award a design/build contract for the construction of the science building addition after the Board of Governors meeting on 5 June 2012 (and before the board meeting in October).

  The chair of the committee advised that the budget has been approved and RFPs for design/build close later this month.

  Booth and Stork. Carried.

The remaining item in the report received for information.

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

Discussion included: there is a concern about economic integrity and a desire to protect funds; and work will be done to bring cash holdings back in line.

**Pension & Benefits**
- **Actuarial Valuation of the UW Pension Plan as at 1 January 2012.** The board heard a motion to approve the “Actuarial Report: University of Waterloo Pension Plan” as of 1 January 2012, recognizing that the report will not be filed with the Financial Services Commission of Ontario.

  Governors heard that unfunded liability is significant and changed assumptions are on recommendation of the actuary (people are living longer).

  Wilkinson and Freeman. Carried.

  Governors heard that the committee will present the recommendations to the university community this month and bring the matter to the October meeting.

The remaining items in the report received for information.

**13. OTHER BUSINESS**
**Institute for Quantum Computing Annual Report to the Minister of Industry – Executive Summary.** The board heard a motion to approve the report for submission to Industry Canada.

  McKay and Schlegel. Carried.

  Discussion included: this is a world-class research institute; the quality and reputation of graduates and postdoctoral applicants are outstanding; 20-21 September will be the tenth anniversary of the institute and the opening of the new building.

The board convened in confidential session.

Marie Armstrong

Associate University Secretary

3 August 2012
CONFIDENTIAL SESSION

It was understood that governors are to keep confidential any discussion and decisions reached in this section of the meeting. The vice-presidents were invited to remain for this session and Susan Elliott and Geoff McBoyle for the report from the Building & Properties Committee (Item 15).

The following item (report from the Governance Committee) was considered by the board out of agenda order.

14. REPORTS FROM COMMITTEES

Governance
- **Election of Governor/Governor as Vice-chair.** The board heard a motion to elect David McKay as Community-at-Large member and as vice-chair, terms 1 May 2012 – 30 April 2015.

  Lynch and Hamdullahpur. Carried.


  Lynch and Hamdullahpur. Carried.

- **Board Chair Emeritus.** The board heard a motion to approve the creation of the honorary title “Board Chair Emeritus” to be granted to deserving individuals in recognition of distinguished service to the University of Waterloo.

  Lynch and Hamdullahpur. Carried.

  The board heard a motion to grant the title “Board Chair Emeritus” to Robert Harding.

  Lynch and Hamdullahpur. Carried.

The chair excused himself from the meeting; the vice-chair assumed the chair.

Governor Schlegel excused himself.

Building & Properties
- **Schlegel Collaboration Agreement.** The board heard motion to approve the Collaboration Agreement among the University of Waterloo, Schlegel-UW Research Institute for Aging Foundation, Ronald P. Schlegel and Schlegel Villages Inc. dated effective 1 May 2012.

  Governors heard that: the arrangement includes a land lease for research and teaching facilities; the proposed siting is consistent with the campus master plan; there is a long-standing relationship which includes four research chairs already in place; the two core functions are research and teaching; all six faculties will participate; and nine additional research chairs are expected.

  Booth and Zehr.

  Discussion included: there are governance issues in Schedule A that should be revisited; Senate approved 2004 and 2009 agreements; Waterloo approval is required before the land lease could
be transferred to a different operator; the research institute is a separate entity; the Ministry of Health licenses operators of long-term care facilities; the faculty association should be involved in governance discussions; classroom scheduling and timetabling responsibility will be worked out; areas of focus for new research chairs and graduate programs will be planned; and this matches pre-existing research priorities and will attract the kind of faculty members Waterloo wants.

Following discussion, a friendly amendment to the motion was accepted: Motion to approve the Collaboration Agreement among the University of Waterloo, Schlegel-UW Research Institute for Aging Foundation, Ronald P. Schlegel and Schlegel Villages Inc. dated effective 1 May 2012 save and except for Schedule A and to delegate approval of Schedule A to the Board Executive Committee.

The motion carried.

The remaining item in the report received for information.

Governor Schlegel rejoined the meeting.

Consent Agenda
The board heard an omnibus motion to approve by consent items 15-17 below.

15. MINUTES OF THE 3 APRIL 2012 MEETING
The minutes of the meeting were approved as distributed.

16. REPORT OF THE PRESIDENT
New Appointments with Tenure. The board approved the recommended new appointments with tenure.

Tenure Recommendation. The board approved the tenure recommendation as presented in the report.

17. OTHER BUSINESS
Appointment to the Pension & Benefits Committee [at governors’ places]. The board approved the appointment of Steve Brown (statistics & actuarial science) as faculty representative, replacing Christiane Lemieux, term 1 July 2012 to 30 April 2015.

McKay and Wilkinson. Carried.

Regular Agenda

18. BUSINESS ARISING FROM THE MINUTES
There was no business arising.

19. OTHER BUSINESS
There was no other business.

20. NEXT MEETING
The next meeting is scheduled for Tuesday 30 October 2012.

21. ADJOURNMENT
The meeting adjourned at 7:25 p.m.

3 August 2012

Marie Armstrong, Associate University Secretary