

**University of Waterloo**  
**BOARD OF GOVERNORS**  
**Minutes of the Tuesday 4 February 2014 Meeting**

**Present:** Jordan Banks, Andrea Charette, David Collins, Michelle DiEmanuele, Cindy Forbes, George Freeman, Murray Gamble, Paul Guild, Feridun Hamdullahpur, Robert Henderson, Shelley Hulan, Alexis Hunt, Ophelia Lazaridis, John Lounds, Kevin Lynch, Karen Maidment, Michael Makahnouk, David McKay, Michele Mosca, Bill Power, Gerry Remers, Ronald Schlegel, Ken Seiling, Michael Stork, Mark Walker, William Watson, Beth Weckman, Karen Wilkinson, Marta Witer, Carl Zehr

**Guests:** Nello Angerilli, Barb Blundon, Jana Carson, Mario Coniglio, George Dixon, Susan Elliott, Ian Goulden, Helen Hannusch, Mark Haslett, Sue Horton, Dennis Huber, Tim Jackson, Peggy Jarvie, Beth Jewkes, Cathy Newell Kelly, Jennifer Kieffer, Jane Manson, Geoff McBoyle, Ken McGillivray, Terry McMahan, Carlos Mendes, Bruce Muirhead, Douglas Peers, Chris Read, Ellen Réthoré, André Roy, Allan Starr, Pearl Sullivan, Brandon Sweet, Marilyn Thompson, Bud Walker, Dave Wallace, Glen Wepler

**Secretariat:** Logan Atkinson, Tracy Dietrich

**Regrets:** Brenda Halloran, Thorsten Heins, Barry Warner, Prem Watsa, Nicollette Zaptse

**Organization of Meeting:** Kevin Lynch, chair of the board, took the chair, and Logan Atkinson, secretary of the board, acted as secretary. Atkinson 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**

The chair welcomed those present to the winter meeting. He made special mention of Marilyn Thompson, associate provost human resources, attending her first meeting of the board in her new role.

**2. AGENDA/ADDITIONAL AGENDA ITEMS**

The board heard a motion to approve the agenda as distributed.

Stork and Banks. Carried.

**Consent Agenda**

The board heard a motion to approve and/or receive for information by consent items 3-9 below.

**3. MINUTES OF THE 29 OCTOBER 2013 MEETING**

The board approved the minutes of the meeting as distributed.

In the report of the Governance Committee referred to in the minutes, it is to be noted that the *in camera* sessions are to be for both committees and the board.

**4. BUSINESS ARISING FROM THE MINUTES**

**Report of the Vice-President, Advancement**

- **Policy 7 – Gift Acceptance.** The board received the report for information.

**5. REPORT OF THE PRESIDENT**

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

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**Sabbatical and Administrative Leaves/Leave Cancellation and Administrative Appointments/ Reappointments.** The board approved the recommended leaves/leave cancellation and received the administrative appointments/reappointments for information.

6. **REPORT OF THE VICE-PRESIDENT, UNIVERSITY RELATIONS  
Communications and Public Affairs – Department Name Change.** The board approved the proposed department name change.
7. **REPORT OF THE VICE-PRESIDENT, UNIVERSITY RESEARCH  
Grant & Government Research Contracts and Institutional Programs – Unit Name Changes.** The board received notice of the unit name changes for information.
8. **REPORT OF THE SECRETARY OF THE UNIVERSITY  
Secretariat – Department Name Change.** The board approved the proposed department name change.
9. **ACCOUNTABILITY STATUS REPORTS  
New Graduate Programs/Graduate Academic Reviews, Research Policies and Practices,  
Undergraduate Academic Reviews, and Undergraduate Recruitment and Admissions.** The board received the reports for information.

Watson and Zehr. Carried.

### **Regular Agenda**

#### **10. BUSINESS ARISING FROM THE MINUTES**

There was no business arising.

#### **11. REPORT OF THE PRESIDENT**

The president summarized some activities at the university over the previous months. He expressed his gratitude to members of the board for their continuing contributions.

The proposed purchase of five buildings currently owned by Blackberry Limited was summarized by the president in terms of both the strategic value of the properties and the plan to finance that purchase. He offered comment on the due diligence process and the results of that process to date, and reconfirmed the intent to occupy three of the five buildings immediately, and the other two within a maximum of five years.

**Strategic Plan 2013: Initial Implementation Update.** The president outlined the accountability framework being developed relative to the implementation phase of the university's strategic plan. He also summarized the connections between the university plan and other plans underway at the university, including in particular the faculty-specific plans.

Further, the president summarized the development of the current draft of the university's strategic mandate agreement to be negotiated with the provincial government.

Special attention has been paid to the various metrics developed in connection with both the strategic plan and the strategic mandate agreement. He described the governance structure for implementation of the strategic plan and each of its eight themes, with experiential education, entrepreneurship and transformational research as the three key themes.

The provost provided further detail, beginning with the strategic mandate agreement and the provincial government's insistence that universities articulate the ways in which they are

differentiated from each other. In response to an invitation from the province, the strategic mandate agreement was re-drafted by the university in December and re-submitted, and in doing that the university integrated the thinking that had emerged during the development of the strategic plan. The provost reported in particular on the metrics expected to be used by the province in monitoring execution of the strategic mandate agreement in the years to come.

Negotiation of the strategic mandate agreement is to be completed with the province by the end of March 2014. Preliminary indications from the province are that the draft strategic mandate agreement is strongly in keeping with the province's priorities. In many ways, and because of its possible connection to funding levels, the strategic mandate agreement will drive much of what the university does over the next several years.

The provost then summarized some detail distributed to the board on progress in developing the strategic themes articulated in the strategic plan, including the developing priorities in each theme, the longer term planning, and individual theme- and project-based metrics.

In response to a question, the provost and the president provided comment on what might be anticipated in the event of a change in the provincial government. With respect to the "Global Prominence and Internationalization" theme, the provost explained the idea of a "private pathway college" as a recruitment tool. The provost suggested that a further report would be done for the next board meeting to provide greater detail on immediate priorities. There was comment on the challenges of space planning and utilization in the context of the growth targets described in the strategic mandate agreement, and the provost summarized some of the plans to be developed to address that question.

The president provided additional detail on the entrepreneurship theme in the strategic plan, focusing on discovery space, incubation space and possible new space at the MaRS facility in Toronto. Comment was provided on the relationship between academic programming and entrepreneurship initiatives, and the president indicated that this question will be considered as the entrepreneurship theme in the strategic plan is developed.

The president thanked Governor Michael Stork for his philanthropic support of entrepreneurship initiatives at the university.

The chair indicated that, prior to the next board meeting, a special 90 minute session would be held to further explain the implementation strategy to the board, and to allow the board an opportunity to engage in conversation with theme leaders. Of special interest will be an explanation of how realizable the plan's targets will be.

Comment was provided on the continuing need to differentiate the university, not just in the provincial domain but more broadly, and also the need to develop and capitalize on the university's brand.

There was further comment on the relationship between the key research initiatives referred to in the strategic plan, and aspects of the strategic mandate agreement.

Slides used in the presentation of the president and provost may be seen at:  
[https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/president\\_5.pdf](https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/president_5.pdf)

**Note:** Links to two matters re: entrepreneurship briefly mentioned during discussion of this item:

- Interview with Mike Kirkup, director of Velocity (BNN, 2 Feb.): <http://uwaterloo.us7.list-manage.com/track/click?u=e42c58640b8594c67503814f3&id=51458e2edd&e=944b947519>

- Interview with John Hennessy, president of Stanford University (*Financial Times*, 2 Feb.):  
<http://www.ft.com/intl/cms/s/0/e11e1efc-899e-11e3-8829-00144feab7de.html#axzz2t2r9XxUI>

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

**2014-15 Residence Fees.** The board heard a motion to approve the 2014-15 residence fees as presented in the report.

Hamdullahpur and Maidment.

Explanation was offered for the extent of the increases relative to the consumer price index. Comment was offered on the challenges experienced by students in paying for the cost of residence, and the need to demonstrate increased value for increased cost.

The motion carried.

### **Tuition Fees 2014-15 and Incidental/Co-op Fees**

- **Tuition Fees 2014-15.** The board heard a motion to approve the tuition fees 2014-15 as presented in the report.

Schlegel and Lazaridis.

Explanation was provided for differences in the increases proposed for different programs at different levels of study. It was agreed to add a background paper in the future to support the proposals more thoroughly. Concern was expressed about the relationship between increased fees and an enhanced experience for students, faculty and staff. The vice-president answered a question on the relationship between the accounting surplus reflected in the financial statements and the operating budget. There was some discussion about the utility of a university-specific inflation index for budget planning.

The motion carried.

- **Incidental/Co-op Fees.** The board heard a motion to approve the incidental (Engineering Society and Architecture Graduates)/co-op fees as presented in the report.

Henderson and Gamble. Carried.

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

**Operating Budget: 2013-14 Update/Planning for 2014-15.** The provost provided an update on the year-to-date experience relative to the 2013-2014 budget, and outlined some assumptions inherent in budget planning for the 2014-2015 year. The request was made for more detail going forward on the “salaries and benefits” commitment for the years going forward, plus some additional historical comparative data. It was indicated that a multi-year activity budget model is in development, and that ought to address some of these concerns. The provost commented on the current faculty and staff hiring freeze, and the likelihood that it will be lifted in early 2014-2015.

**Undergraduate Applications and Admissions Update.** Associate Registrar Mark Walker presented the report on undergraduate applications and admissions for the coming cycle. It was observed that additional data ought to be provided for the quality of students attracted to the university as a feature of the university’s commitment to excellence as expressed in the strategic plan.

Slides used in the presentation may be seen at:

[https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/undergrad\\_admissions.pdf](https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/undergrad_admissions.pdf)

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#### 14. REPORT OF THE DEAN OF ENVIRONMENT

Dean Roy delivered a presentation on the Faculty of Environment, explaining the faculty's organization and goals, and celebrating some of the many outstanding achievements of its faculty and students.

Slides used in the presentation may be seen at:

<https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/environment.pdf>

#### 15. RESEARCH PRESENTATION

Roy introduced Jennifer Clapp, professor of environment and resource studies. Clapp reported on her research examining ways to improve the global governance of problems at the interface of the global economy, the environment, and food security.

Slides used in the presentation may be seen at:

[https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/food\\_security\\_sustainability.pdf](https://uwaterloo.ca/secretariat/sites/ca.secretariat/files/uploads/files/food_security_sustainability.pdf)

#### 16. REPORTS FROM COMMITTEES

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

##### Finance & Investment

- **Endowment Fund Investment Guidelines.** The board heard a motion to approve the 4 March 2013 version of the University of Waterloo Endowment Fund Investment Guidelines as presented in the report.

Maidment and McKay. Carried.

Maidment reported on the joint meeting of the Finance & Investment Committee, the Pension & Benefits Committee, and the Registered Pension Plan Investment Subcommittee.

The board received the remaining items in the report for information.

##### Pension & Benefits

- **Technical Plan Amendment to Clarify Treatment of Future Indexation on Accrued Benefit.** The board heard a motion to approve the resolution requiring a technical amendment to the university's registered pension plan, effective as of 1 January 2014.

Watson and Wilkinson. Carried.

The board received the remaining items in the report for information.

#### 17. OTHER BUSINESS

**Davos 2014.** The chair summarized discussions at the recent Davos conference, focusing especially on the prospect for an increased pace of change based in technological innovation and its impact on work and the economy in general, and the relationship to innovation in education. The university's strategic plan will be critical to allow the university to position itself to meet the challenges inherent in these changes.

The board convened in confidential session.

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**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.

**Consent Agenda**

The board heard a motion to approve by consent items 18-20 below.

**18. MINUTES OF THE 29 OCTOBER 2013 AND 6 JANUARY 2014 MEETINGS**

The board approved the minutes of the meetings as distributed.

**19. REPORT OF THE PRESIDENT**

**New Appointments with Tenure.** The board approved the recommended new appointments with tenure.

**20. PENSION & BENEFITS COMMITTEE APPOINTMENT/REAPPOINTMENT**

The board approved the recommended names for appointment/reappointment to the committee.

McKay and Schlegel. Carried.

**Regular Agenda**

**21. BUSINESS ARISING FROM THE MINUTES**

**Appointment of Vice-President, Academic & Provost.** Hamdullahpur provided further detail on the appointment of Dr. Ian Orchard as the university's next vice-president, academic & provost, to take office on 1 July 2014. Gamble confirmed that, in the opinion of the search committee, the appointee represents a very strong cultural fit for the university. Governors offered encouragement to the administration in integrating the new provost into the culture of the university.

**Report of the Vice-President, Advancement**

- **Donor List – New Gifts and Pledges \$250,000+.** It was noted that this report was received by the board at its June 2013 meeting.

**22. REPORT FROM THE GOVERNANCE COMMITTEE [at governors' places]**

**Appointment/Reappointment of Governors.** The board heard a motion to approve the following appointment/reappointments:

- **Community-at-Large Representatives:** reappointment of Murray Gamble, Kevin Lynch, Michael Stork and Bill Watson, terms 1 May 2014 to 30 April 2017.
- **Lieutenant Governor in Council Representatives:** reappointment of Cindy Forbes and Karen Wilkinson, terms 1 May 2014 to 30 April 2017; appointment of Satish Rai (filling a vacant seat), term 1 May 2014 to 30 April 2016.
- **Board Chair:** reappointment of Kevin Lynch, term 1 May 2014 to 30 April 2017.

McKay and Lounds. Carried.

**President's Invitation to Join the Strategic Committee of the Sorbonne University.** The board heard a motion to approve the appointment of the president to the strategic committee of the Sorbonne University.

Gamble and Lazaridis. Carried.

**23. OTHER BUSINESS**

**Gift Proposal.** The president reported on a gift proposed to the university from anonymous donors of \$25 million over a seven year period. Both donors are graduates of the university. There are no naming rights or other conditions attached to the gift, except that it is to be directed to a new engineering building. The anonymity of this gift is to be ensured. The university administration has done extensive due diligence and is satisfied that the gift acceptance policy of the university is respected in this gift, and that there is no risk to the university in the acceptance of this gift.

The board heard a motion to approve the acceptance of a gift in the amount of \$25 million to be paid over seven years and to be directed to the construction of the next engineering building.

Hamdullahpur and Gamble. Carried.

**Recognition.** The board recognized Murray Gamble for his recent receipt of the 2013 Waterloo Region Record Barnraiser Award, and David McKay on the announcement of his appointment as president and chief executive officer of the Royal Bank of Canada.

**24. NEXT MEETING**

The next meeting is scheduled for Tuesday 1 April 2014 at 1:30 p.m. with a reception in honour of those “stepping down” to immediately follow the meeting.

The board convened *in camera*.

5 February 2014

Logan Atkinson  
University Secretary & General Counsel