University of Waterloo  
BOARD OF GOVERNORS  
Tuesday 25 October 2016

Meeting  
1:30 p.m.  
Needles Hall, Room 3407  

President’s Reception  
Immediately following the meeting  
Federation Hall  

Note: directions/parking information for external members has been distributed. 
Please convey regrets to Emily Schroeder at 519-888-4567, ext. 32749 or eschroeder@uwaterloo.ca.

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   a. Waterloo Budget Model
   b. Memorandum of Agreement between the Faculty Association of the University of Waterloo (FAUW) and the University of Waterloo
   c. Admissions Update – Jeff Casello, associate provost, graduate studies and Ray Darling, registrar

BREAK

10. Reports from Committees
   a. Audit & Risk
   b. Building & Properties
   c. Finance & Investment
   d. Governance
   e. Pension & Benefits

11. Other Business

CONFIDENTIAL SESSION

12. Conflict of Interest

Consent Agenda

Motion: To approve or receive for information by consent items 13 and 14 below.

13. Minutes of the 7 June 2016 Meeting

14. Report of the President
   a. New Appointments with Tenure

Regular Agenda

15. Business Arising from the Minutes

16. Report of the President

17. Reports from Committees
   a. Audit & Risk
   b. Governance

18. Other Business

19. Next Meeting: Tuesday 7 February 2017 at 1:30 p.m.
## IN CAMERA SESSION

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JLA/ees
17 October 2016

Logan Atkinson
University Secretary & General Counsel
Secretary to the Board of Governors
University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday 7 June 2016 Meeting


Guests: Jean Andrey, Sandra Banks, Bruce Campbell, Vivian Choh, Mario Coniglio, Rick Culham, Ray Darling, George Dixon, Jim Frank, Dennis Huber, Peggy Jarvie, Derek Madge, Nick Manning, Jane Manson, Ian Orchard, Diana Parry, Chris Read, Erin Sargeant Greenwood, Daniela Seskar-Hencic, Allan Starr, Pearl Sullivan, Brandon Sweet, Marilyn Thompson, Elise Vist, Stephen Watt, Gah-Jone Won

Secretariat: Laurie Arnott, Logan Atkinson, Karen Jack, Emily Schroeder, Sian Williams

Absent: Jordan Banks*, Andrew Clubine*, Tara Collington*, Tom Jenkins, Carol Leaman*, Satish Rai*
*regrets
**joined by telephone

Organization of Meeting: William Watson, 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. CONFLICT OF INTEREST
Governors were asked to declare any conflicts they may have in relation to the items on the agenda. No conflicts were declared.

2. REMARKS FROM THE CHAIR
Governors’ First Meeting
A number of governors are attending their first meeting. The Chair acknowledged them, as follows:

- **Community-at-Large Representatives:**
  Martha George (member of Building & Properties Committee)
  James Schlegel (member of Audit & Risk Committee and Finance & Investment Committee)
- **Lieutenant Governor in Council Representative:**
  Carol Leaman (member of Finance & Investment Committee – sent regrets because of work-related travel)
- **Faculty Representatives:**
  Greta Kroeker (History)
- **Undergraduate Student Representative:**
  Andrew Clubine (Knowledge Integration – sent regrets because of work-related travel)
- **Graduate Student Representatives:**
  Robert Bruce, Graduate Student Association president, 2016-17 (School of Planning; member of Building & Properties Committee)
  Christopher Pugh (Physics – Quantum Information)

Dinner Reception after Meeting
The Chair reminded all governors, vice-presidents and deans of the annual Board dinner to be held immediately after the meeting in the University Club.
Board of Governors/Senate Joint Orientation
The Chair thanked members of the Secretariat & Office of General Counsel for organizing and hosting the first joint Board of Governors/Senate orientation day, held at the end of April. The event will be held once again in late April 2017.

President’s Golf Tournament
The Chair updated the Board on the very successful President’s Golf Tournament held on 6 June at the Westmount Golf Club.

3. AGENDA/ADDITIONAL AGENDA ITEMS
The Board heard a motion to approve the agenda as distributed, subject to the addition of new Item 18(b) in the Report of the President, Donor List – New Gifts and Pledges $250,000+, 1 May 2015 – 30 April 2016 in confidential session.

Porreca and Pugh. Carried

Consent Agenda

The sabbatical leave for Professor Shai Ben-David in item 5(b), “Sabbatical and Administrative Leaves, and Administrative Appointments” on page 21 is to be removed from the report and will be submitted at a later date.

The Board heard a motion to approve and/or receive for information by consent items 4-7 below, subject to the change noted above.

Witer and Kroeker.

4. MINUTES OF THE 5 APRIL 2016 MEETING
The Board approved the minutes of the meeting as distributed.

5. REPORT OF THE PRESIDENT
   Recognition and Commendation. The Board received the report for information.

   Sabbatical and Administrative Leaves and Administrative Appointments.
   Motion: The Board heard a motion to approve the sabbatical and administrative leaves as presented in the report.

   The remaining items in the report were received for information.

6. REPORT OF THE VICE-PRESIDENT, ADMINISTRATION & FINANCE
   Incidental Fees. The Board heard a motion to approve incidental fee changes as follows:
   Motion: To approve the Federation of Students Fee as presented in the report.

   Motion: To approve the Federation of Students Administered Fee as presented in the report.

   Motion: To approve the Independent Studies Student Society Fee as presented in the report.

   Motion: To approve the Graduate Student Association (GSA) Fees as presented in the report.
7. INSTITUTE FOR QUANTUM COMPUTING ANNUAL REPORT TO INDUSTRY CANADA,
   EXECUTIVE SUMMARY
   Motion: To approve the IQC annual report to Industry Canada as presented in the report.

The question was called, and the motion carried.

Regular Agenda

8. BUSINESS ARISING FROM THE MINUTES
   Orchard spoke to the question of library acquisitions relative to the 2016-2017 budget and the payment of acquisitions in US dollars. There is an agreement with the library to cover any currency exchange deficit. In 2013-2014, the University of Waterloo was comparable to the sector-wide university average calculated as a percentage of operating budgets.

9. STUDENT RESEARCH PRESENTATIONS: THREE MINUTE THESIS (3MT) FINALISTS
   Three Minute Thesis (3MT) is a university-wide competition for research-based master’s and doctoral students at the University of Waterloo. Competitors have one static slide and three minutes to explain the breadth and significance of their research to a non-specialist audience.

   Feridun Hamdullahpur introduced Elise Vist. Arts faculty heat winner, Elise Vist, a PhD candidate in English and member of The Games Institute, presented on “Queer Fans and Intimate Fandoms.” Vist’s research engages in fan studies. Her dissertation shows that intimate publics naturally develop in online fandoms, and the boundaries of those intimate publics are renegotiated or ruptured in contested spaces. Vist presented her research in the 3MT format.

   The slide used in Vist’s presentation can be seen here: https://uwaterloo.ca/secretariat-general-counsel/sites/ca.secretariat-general-counsel/files/uploads/files/item_9_elise_vist_-_arts_3mt.pptx

   Feridun Hamdullahpur introduced Gah-Jone Won. Gah-Jone Won, a PhD candidate in Vision Science and Biology, presented on “The Development of an Antibody-Drug Conjugate to Specifically Target and Soften the Crystalline Lens in vivo.” He was selected as the winner of University of Waterloo’s competition, and went on to win the Ontario Provincial Three Minute Thesis competition. Won advanced to the national competition hosted by the Canadian Association of Graduate Studies. Yesterday, the University announced that he won the national competition as well. As first place winner, Won receives $1,500 and an all-expenses paid trip to the CAGS annual conference. His research focuses on the development of a pharmaceutical treatment for presbyopia, an age-related condition that causes the eyes to lose the ability to focus on nearby objects. He presented his research in the 3MT format.

   The slide used in Won’s presentation can be seen here: https://uwaterloo.ca/secretariat-general-counsel/sites/ca.secretariat-general-counsel/files/uploads/files/won_gah-jone_provincials_16_9_final.pdf

10. REPORT OF THE PRESIDENT
    President’s Update. The President updated the Board of Governors on a number of issues summarized in his written report, and otherwise, including: visits from the Ambassador from the United States and vice-chancellors from several universities in the United Kingdom; book launch by Larry Smith; several community engagement events, including the 10th anniversary of the
Accelerator Centre with special guest His Excellency the Governor General; the Waterloo Global Science Initiative on the subject of “open access energy”; search underway for a new director of the Velocity programs; article in the Wall Street Journal on Silicon Valley recruitment efforts at the University of Waterloo; submissions to the federal PSE Institutions Strategic Investment Fund; visit from the United Nations Under Secretary on 8 June to celebrate the first year of our participation in the HeForShe initiative.

In response to a question related to staff turnover rates referred to in the President’s written report, Marilyn Thompson advised that staff turnover at 4-5% is reported on a calendar year, and that it represents an extremely low number, especially if retirements are removed from the count.

The President supplied some clarification on the submissions to the federal PSE Institutions Strategic Investment Fund, and the involvement of the provincial government in providing support.

On the GEDI initiative referred to in the President’s written report, the President agreed to provide a written update to the Board prior to September, and periodic updates on the progress of various funding applications.

Slides used in the President’s presentation may be seen here: https://uwaterloo.ca/secretariat-general-counsel/sites/ca.secretariat-general-counsel/files/uploads/files/item_10_presidents_update_20160607.pdf

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

Strategic Plan Theme – Robust Employer-Employee Relationship. Marilyn Thompson updated the Board of Governors on objectives of and projects underway in the Robust Employer-Employee Relationship theme group working under the strategic plan.

In response to a question, Thompson commented on the tension between the need to provide internal opportunities for transfer and promotion, and the continuing ability to perform the work that must be done. Much of this is addressed through encouraging individual growth on the one hand, and developing appropriate succession plans on the other. Exit interviews are conducted with staff members as they transfer between units inside the University.

Onboarding programs are extended to everyone working at the University, including teaching assistants.

The progress made in a number of areas in Human Resources is attracting very positive attention to the University, and it is showing in our ability to recruit the top people in their fields.

Slides used in the Associate Provost’s presentation may be seen here: https://uwaterloo.ca/secretariat-general-counsel/sites/ca.secretariat-general-counsel/files/uploads/files/item_11a_reer_board_of_governors_june_2016.pptx

Women’s Leadership. Thompson and Diana Parry updated the Board of Governors on the University’s participation in the United Nations HeForShe campaign as a member university in the “Impact 10x10x10” program.

The ambition is to achieve 29.5% female leadership across the University by 2020. “Senior leadership” includes the president, vice-presidents, and those reporting to the provost. The next level of leadership includes direct reports at the next level, starting with departmental chairs.
Undergraduate Admissions Update. The Registrar advised that acceptances for fall 2016 are 116% of targets established in November 2015, above our ambition to get to 110% of target, and a very high percentage of these new admissions are highly successful high school students. Quality has not been compromised as recruitment efforts have unfolded.

Numbers of new admissions in the Faculty of Engineering show a dramatic increase in the percentage of women admitted to first year programs. Overall, 29.4% of new Engineering students will be women.

Graduate Student Enrolment Update. Jim Frank advised that: graduate enrolment continues to increase with very promising students; historically and into the medium term, domestic graduate student enrolment will be a challenge, and we fall below our targets set by the province; demand for professional, course-based masters programs can be a solution to this challenge.

12. REPORTS FROM COMMITTEES

Building & Properties.

- Light Rail Transit Update (Potential Easements)
  Motion: To grant to the Region of Waterloo four easements for the LRT system with a total area of approximately 180 m² (0.04 acres).
  Gamble and Wilkinson. Carried.

- Kitchener-Wilmot Hydro Easement
  Motion: To grant to Kitchener-Wilmot Hydro a utility easement along the Victoria Street frontage of the Health Sciences Campus.
  Gamble and Vrbanovic. Carried.

Gamble advised the Board that government has requested a Board endorsement for the university-submitted funding proposals under the federal Post-Secondary Institutions Strategic Investment fund, including applications for support for Engineering 7, the Science Research Complex Project, the Chemistry 2 Building Renovations Project, and the Burt Matthews Hall Renovations Project. These projects had been discussed in this context at committee meetings on 11 March and 20 May 2016.

Motion: That the Board of Governors endorse submission by the University of four applications for funding support to the federal Post-Secondary Institutions Strategic Investment fund, including applications for support for Engineering 7, the Science Research Complex Project, the Chemistry 2 Building Renovations Project, and the Burt Matthews Hall Renovations Project.

Gamble and Bruce. Carried
Finance & Investment.

- **Responsible Investing Working Group**

  **Motion:** To approve the formation of a Responsible Investing Working Group of the Board of Governors, and to approve the terms of reference for the group as described in the report.

  Wilkinson and Scott.

  The terms of reference were considered by the Pension & Benefits Committee three times, and at the last consideration some concerns were raised. However, it is the position of the Finance & Investment Committee that the issues raised can be addressed by the Working Group itself as it undertakes its work.

  Governor Gunz advised that there are some concerns with the idea of “financial literacy” as a qualification of membership, especially if the working group has a wide mandate. There are questions about the composition of the committee, and there is nothing in the terms of reference about when and how often the working group is to report.

  Governor DeVidi spoke to the need for ethical literacy for service on the working group, and the unnecessary limitations involved in the idea of “financial literacy.” It must be clear at least that the term “financial literacy” does not require a professional specialization.

  Governor Steffler pointed out that there is no clear requirement for the working group to report to the Board. Rather, it appears that reports would go only to standing committees.

  Governor Bruce wondered if the two members of the working group not required to be financially literate were intended to be students, and was advised by Dennis Huber that this was not the intention.

  Orchard advised that “financial literacy” does not contemplate a professional specialization. The establishment of this working group was not in direct response to student representations to the Board of Governors, but has been under consideration for more than a year. It is anticipated that the working group will make interim reports to the Board; the requirement to report to standing committees is not intended to preclude reports to the Board, and was inserted in response to a suggestion made at Pension & Benefits Committee. It is anticipated as well that this working group will consult widely with the University community in conducting its research and preparing its recommendations and reports.

  Governor Gunz asked that the Board reflect carefully on the need for a diverse set of perspectives in the makeup of the working group. More inclusivity will generate better outcomes.

  Governor Wilkinson advised that removing the term “financial literacy” will not dramatically increase the pool of eligible members, given that service is limited to members of the Board and members of Board standing committees. Governor Gunz advised that this would limit the Faculty Association nominees to the working group to those serving on Pension & Benefits Committee, as there is no guarantee that faculty members on the Board will be financially literate. The Chair advised that all Board members are expected to have a level of financial literacy to enable them to meet their fiduciary responsibilities.
The Board heard a motion to amend the principal motion to amend the proposed terms of reference by deleting the requirement that 10 of the 12 members of the working group be financially literate. Before a seconder for this amending motion was identified, the Board was advised by Dennis Huber that “financial literacy” is defined in the terms of reference of the Audit & Risk Committee, as a result of which DeVidi withdrew his amending motion.

It was suggested that the terms of reference be amended to require that the working group provide periodic reports to the Board of Governors. This suggestion was accepted as a friendly amendment by Governors Wilkinson and Scott.

The question as amended was called, and it carried.

The remaining items in the report were received for information.

Governance.
The Board received the report for information.

Pension & Benefits.
• **Actuarial Valuation of the Pension Plan as at 1 January 2016**
  
  **Motion:** To approve the actuarial valuation report as at 1 January 2016, recognizing that the report will not be filed with the Financial Services Commission of Ontario (FSCO).

  Wilkinson and Witer. Carried.

  There is a trend of a decline in the number of participating members as opposed to retirees. However, this factor is a part of the calculation in valuation of the pension fund, and is not at all unique to the University.

  The remaining items in the report to be received for information.

13. **OTHER BUSINESS**
Questions were raised about the timing of populating Board committees with faculty governors and student governors, and whether appointments could be delayed until seats are filled on the Board. Further, the Governance Committee was asked to consider widening representation of internal governors on standing committees. The Chair advised that these matters would be referred to the Governance Committee for consideration.

The Board convened in confidential session.
CONFIDENTIAL SESSION

Confidential minutes have been removed.
Confidential minutes have been removed.
IN CAMERA SESSION

_In camera_ minutes have been removed.
FOR INFORMATION

Promotion to Professor

Policy 77, Tenure and Promotion of Faculty Members, provides that “Promotion to the rank of Professor recognizes a high order of achievement in both scholarship and teaching by tenured Associate Professors, together with satisfactory performance in service. Although evidence of strong teaching performance is required, normally the greatest emphasis is placed on scholarship and achievement within an individual’s discipline. However, in exceptional cases, a tenured Associate Professor may be promoted on the basis of an outstanding teaching record accompanied by a continuing and long-standing record of satisfactory or better scholarship and service.

A continuous program of scholarship with positive peer review by nationally and internationally recognized scholars is essential for promotion to Professor. The candidate’s record is to be judged in comparison with the records of faculty members recently promoted at UW and other universities of comparable standing. Promotion to Professor is not an assured step in the career of a faculty member, and some will not attain this rank.”

The 2015-16 promotion cycle carried out under Policy 77 resulted in the following individuals being promoted to professor, effective 1 July 2016.

Michael Balogh, Physics and Astronomy
Slim Bouaiza, Electrical & Computer Engineering
Daniel Brown, David R. Cheriton School of Computer Science
Oussama Damen, Electrical & Computer Engineering
Shahrzad Esmaeili, Mechanical & Mechatronics Engineering
Ana Ferrer, Economics
Ori Friedman, Psychology
Jonathan Fugelsang, Psychology
Ian Goldberg, David R. Cheriton School of Computer Science
Jan Kycia, Physics and Astronomy
David Landriault, Statistics & Actuarial Science
Patricia Marino, Philosophy
William Melek, Mechanical & Mechatronics Engineering
Bessma Momani, Political Science
Kirsten Müller, Biology
Josh Neufeld, Biology
Marcel O’Gorman, English Language and Literature
Dawn Parker, School of Planning
Diana Parry, Recreation & Leisure Studies
Jennifer Simpson, Drama and Speech Communication
Daniel Smilek, Psychology
Paul Stolee, School of Public Health and Health Systems
Chaitanya Swamy, Combinatorics and Optimization
Olaf Weber, School of Environment, Enterprise and Development
Jeffrey West, Civil & Environmental Engineering
1. Sabbatical and Administrative Leaves

The University of Waterloo Policy 3 – Sabbatical and Other Leaves for Faculty Members [excerpts below, full text available at: http://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-3] sets out the purpose of leaves for faculty members as well as the requirements/responsibilities of faculty who are granted such leave.

The granting of a leave . . . depends on the University’s assessment of the value of such leave to the institution as well as to the individual, and on whether teaching and other responsibilities of the applicant can be adequately provided for in her/his absence. A faculty member who is granted a sabbatical or other leave is expected to return to duties in the University for at least one year and upon return will be expected to submit a brief report to the Department Chair regarding scholarly activities while on leave.

The purpose of a sabbatical leave is to contribute to professional development, enabling members to keep abreast of emerging developments in their particular fields and enhancing their effectiveness as teachers, researchers and scholars. Such leaves also help to prevent the development of closed or parochial environments by making it possible for faculty members to travel to differing locales where special research equipment may be available or specific discipline advances have been accomplished. Sabbaticals provide an opportunity for intellectual growth and enrichment as well as for scholarly renewal and reassessment.

. . . the granting of sabbatical leave is contingent upon the faculty member’s department being able to make the necessary arrangements to accommodate such an absence, and also upon the financial resources of the University in any given year. Should problems arise in any of the above, it may be necessary to postpone individual requests until such time as all the conditions can be satisfied.

- Sabbatical Leaves

Arocha, Jose Francisco, Public Health and Health Systems, January 1, 2017 to December 31, 2017 at 100% salary

I plan to deepen my knowledge of health numeracy, an area of research and application that is of much importance for health promotion. As part of my plan, I will develop cognitive tasks to study health numeracy in detail, based on applied cognitive theories of comprehension. A research proposal for investigating health numeracy among young and older readers is planned.

Ben-David, Shai, Computer Science, November 1, 2016 to April 30, 2017 at 85% salary

My research area is machine learning and computational and statistical analysis of big data. In November and December 2016, I will be visiting the Empirical Inference group of the Max Plank Institute for Intelligent Systems in Tubingen, Germany. I will also participate in seminars on clustering and machine learning and complexity in Berkeley, California, and Leiden, Netherland. From January to April 2017, I will be a visiting professor at the Simons Institute in Berkeley in their Foundations of Machine Learning program.
Bergsieker, Hilary, Psychology, January 1, 2017 to June 30, 2017 at 100% salary
My research as an experimental social psychologist focuses on intergroup relations, specifically how to reduce stereotyping, resolve conflicts, and build trust in diverse organizations and communities. I will be devoted to advancing existing collaborations and developing new lines of work with collaborators at Amherst College, Princeton University, and the Université catholique de Louvain. We will be analyzing data, designing new studies, and writing manuscripts.

Blight, James, History, January 1, 2017 to June 30, 2017 at 85% salary
I will work on two books, finishing one called “ZERO: The Bottom Line of the Cuban Missile Crisis”, and seeing it through to publication with Rowman & Littlefield (R&L), Publishers (the largest independent publisher of scholarly books in the U.S.); and beginning the rough draft of another book, “JFK’s Backbone: Defeating the Hawks and Waging Peace in a Dangerous World” which, like “ZERO”, is under contract to R&L.

Boehringer, Michael, Germanic and Slavic Studies, January 1, 2017 to December 31, 2017 at 85% salary
Recent political and popular discourses imagine migrants as young, male, sexually charged and violent. I will seek to bring greater understanding to the complexities involved with masculinity and migration, by analyzing literary depictions of the identity changes that men undergo in a migratory context. My goal is to complete the manuscript for a monograph, tentatively entitled “Masculinity and Migration in Recent German Literature”.

Bruce, Gary, History, January 1, 2017 to June 30, 2017 at 100% salary
I will be focused on two projects. The first will entail the completion of an edited volume based on a conference hosted at UW of leading scholars on East German history. For my second project on the Nazi purge of the Sturmabteilung (SA) in 1934, I will conduct an initial foray into archives in Berlin and Munich.

Cheriyan, Joseph, Combinatorics and Optimization, May 1, 2017 to April 30, 2018 at 85% salary
My goal is to focus on a number of on-going research projects in the area of Approximation Algorithms and Combinatorial Optimization.

Christian, Lisa, Optometry and Vision Science, January 1, 2017 to June 30, 2017 at 100% salary
I intend to complete papers on a retrospective review of binocular anomalies in an academically challenged school-age population, and investigate interprofessional collaboration and education in the optometry curriculum. In addition, I will begin recruiting subjects for a multi-center clinical trial sponsored by the National Eye Institute through the pediatric eye disease investigator group.

Clarke, Amelia, Environment, Enterprise and Development, January 1, 2017 to June 30, 2017 at 85% salary
I will focus on my two main research projects: Sustainable Communities through Cross-sector Partnerships; and Youth & Innovation. During this time I will revise papers, present results, co-edit a special issue, work on a book, and fundraise.

Cuddington, Kim, Biology, May 1, 2017 to April 30, 2018 at 100% salary
I will collaborate with climate scientists and mathematicians to develop models of invasive species that are not expected to persist indefinitely in their new location. Many species can have a devastating economic impact in only a few years (e.g. emerald ash borer), and thus current approaches that model potential impact based on indefinite persistence give little information regarding actual risks.
Curtis, Lori, Economics, January 1, 2017 to June 30, 2017 at 85% salary  
Poverty is now recognized as multidimensional leading to a demand for rigorous measures to guide policy. Training in multidimensional measurement of poverty will allow me to test innovative measures while examining the evolution of multidimensional poverty in Canada. Results will be submitted to the International Association for Research in Income and Wealth (IARIW) conference, “Beyond GDP: Past Experiences and Future Challenges in the Measurement of Well-being”, and journal.

Dalziel, Margaret, Conrad Business, Entrepreneurship and Technology, January 1, 2017 to June 30, 2017 at 85% salary  
Building on past research, my work on Council of Canadian Academies and Ontario Government expert panels, and over 70 evaluations conducted by The Evidence Network, I will write a book on the subject of business support program design and evaluation. I will also work on my SSHRC funded project, “Using Transaction Networks to Characterize Sector and Value Chain Architectures.”

Dietl, Werner, Electrical and Computer Engineering, January 1, 2017 to June 30, 2017 at 100% salary  
I was awarded a Google Faculty Research Award in Spring 2016. The sabbatical at Google Research will intensify this collaboration. The project will improve code quality at Google by researching a flexible approach to prevent null-pointer dereference using static, gradual, and dynamic analysis. Being at Google will give me access to unique research problems and raw data for future collaborations.

Dimitrov, Stanko, Management Sciences, November 1, 2016 to April 30, 2017 at 85% salary  
I will focus on my current research projects: the impact of online banking on personal debt, various sports analytics projects in which performance and remuneration are correlated and causal relationships are sought. I will also finish my work on prediction markets, various time-series project as well as running a prediction market on Amazon Mechanical Turk.

Doberstein, Brent, Geography and Environmental Management, January 1, 2016 to June 30, 2017, and July 1, 2018 to December 31, 2018 at 89.2% salary  
My first six months will be used to publish field research results of several projects completed previously (informal waste management, hazards, and disasters), and to co-publish with undergraduate and graduate students on Indonesian disaster risk reduction. I will also serve as the co-Chair of the local organizing committee of the June 2017 ICAADE (“Amphibious Architecture”) conference, held at the University of Waterloo. The second half of my split sabbatical (in 2018) will be focused on new grant applications.

Dubeau, Catherine, French Studies, January 1, 2017 to December 31, 2017 at 85% salary  
I will work full time on my SSHRC project in 18th century French literature: “Genetic Study and Critical Edition of Mélanges (1798, 3 vol.) and Nouveaux mélanges (1801, 2 vol.) by Suzanne Necker (1737-1794)”.

Fillon, Pierre, Planning, January 1, 2017 to June 30, 2017 at 85% salary  
I will carry out research related to my ongoing SSHRC research grant and write and publish material related to this grant. This research project concerns the success and failure of planning attempts at creating high-density suburban multi-functional centres, a key element of metropolitan planning strategies across North America.

Fiolleau, Krista, Accounting and Finance, January 1, 2017 to June 30, 2017 at 100% salary  
My area of research focuses on how organizational and regulatory features of the accounting environment affect accounting professional’s ability to exercise professional judgement. I am
particularly interested in the effect of these environmental features on one’s ability to exercise professional values and his/her ability to maintain the required standards.

**Fugelsang, Jonathan**, Psychology, January 1, 2017 to June 30, 2017 at 100% salary
The majority of my time will be spent collaborating with colleagues Daniel Ansari (Western University) and Matthew Roser (Plymouth University) on projects assessing the brain mechanisms underlying various cognitive processes. I also plan to use this time to familiarize myself with recent trends in brain imaging data analyses.

**Gauthier, Mario**, Chemistry, January 1, 2017 to June 30, 2017, and January 1, 2018 to June 30, 2018 at 85% salary
I will spend four months at Universidad Nacional Autónoma de México with E. Rivera to collaborate on the synthesis of dendrimers for drug release applications. Also, I will spend four months on collaborations with two universities in China, to pursue research on the investigation of dendrigrift polymer-based drug delivery system and catalytic applications of metal-loaded dendrigrift polymers. The rest of the time I will spend in Waterloo completing the write-up of manuscripts.

**Girelli, Florian**, Applied Mathematics, January 1, 2017 to June 30, 2017 at 100% salary
I will be writing a book on “group field theories” which are tools to study the quantum gravity physics. The book will be edited by Springer.

**Goodwin, David**, Drama and Speech Communication, January 1, 2017 to December 31, 2017 at 100% salary
I intend to prepare submissions of my research in the area of Arts-led innovation and entrepreneurship, with a special focus on the digital design and production of commercializable application and products for publication in “Journal of Business Venturing and Entrepreneurship Theory and Practice”, as well as begin work on a co-authored book.

**Han, Peisong**, Statistics and Actuarial Science, January 1, 2017 to June 30, 2017 at 100% salary
I will be conducting a research project on the application of the empirical likelihood method in missing data analysis and causal inference.

**Huissoon, Jan**, Mechanical and Mechatronics Engineering, January 1, 2017 to December 31, 2017 at 100% salary
I plan to visit Delft University of Technology (Netherlands), and Eindhoven University of Technology (Netherlands) to further collaborative research initiatives in vehicle systems and precision machining and also to continue work on a Mechatronics Design textbook that I started some years ago.

**Ioannidis, Marios**, Chemical Engineering, January 1, 2017 to June 30, 2017 at 100% salary
I will pursue a new research direction and catch up with the publication of peer-reviewed research papers. The plan is to spend the majority of the time at Waterloo. My research will focus on the development of models of kidney function, an undertaking that requires me to review a large body of literature in anatomy, biology, and biomedical engineering.

**Koehler, Derek**, Psychology, January 1, 2017 to June 30, 2017 at 85% salary
I will be working on a project to test whether “rationality checklists” can improve people’s judgements and decisions. The starting assumption is that often irrational judgments and decisions stem not from ignorance of superior reasoning strategies, but rather from failure to recognize the applicability of such strategies to the problem or decision at hand.
Kuzniar, Alice, Germanic and Slavic Studies, January 1, 2017 to June 30, 2017 at 85% salary
Following on the heels of my book, “The Birth of Homeopathy out of the Spirit of Romanticism (University of Toronto Press, 2017)”, I wish to investigate the influence of the detailed homeopathic anamnestic on the writings of Germany’s most famous female poet of the 19th century, Annette von Droste-Hülshoff. Droste-Hülshoff was a patient of one of Germany’s first homeopaths, Clemens Bönninghausen.

Laird, Brian, Public Health and Health Systems, January 1, 2017 to June 30, 2017 at 100% salary
I will continue biomonitoring research in the Northwest Territories in order to investigate human exposure to environmental contaminants among Indigenous populations in Canada’s subarctic. This will involve the recruitment of participants for the collection of blood, urine, and hair for the analysis of human exposure to metal and organic pollutants. Thereafter, we will return results to each participant and community.

Li, Bin, Statistics and Actuarial Science, January 1, 2017 to June 30, 2017 at 100% salary
I plan to accelerate developments on the topic of insurance surplus analysis, and its related stochastic controls problems. More specifically, I intend to devote a considerable amount of time on the Insurance-Reinsurance problem through a game theoretic approach.

Lupascu, Adrian, Physics and Astronomy, January 1, 2017 to June 30, 2017 at 85% salary
This leave will be used to work on the development of new research projects. In particular, a new project on quantum annealing will require a significant time investment.

Lutkenhaus, Norbert, Physics and Astronomy, January 1, 2017 to December 31, 2017 at 97.5% salary
I will be interacting with collaborating groups in Brisbane, Erlangen (Germany), Tokyo and Scotland to strengthen my research agenda in the theory of quantum optical communication.

MacVicar, Bruce, Civil and Environmental Engineering, January 1, 2017 to June 30, 2017 at 85% salary
I will study new research carried out in collaboration with researchers at two institutes in Europe (Berlin and Lyon). Funding has been secured for a fellowship while in Berlin and I await word on a similar fellowship for Lyon. Research will examine the dynamics around river processes that lead to bifurcations between single-threaded and braided channels. Such research is important within a context of climate and land-use change in river basins.

McArthur, Murray, English Language and Literature, January 1, 2017 to June 30, 2017 at 100% salary
I will devote my time to completing the research for and the writing of a study of Ted Hughes’s “Birthday Letters”, his 88 poem lyric-narrative cycle about his marriage to Sylvia Plath, published the year of his death (1998).

McIvory, John, Knowledge Integration, January 1, 2017 to June 30, 2017 at 100% salary
I will be advancing my research on: open science collaboration networks; the educational effects of introducing robotics into Ontario classrooms; the evolution of biomedical research and development networks.

McPhee, John, Systems Design Engineering, July 1, 2017 to June 30, 2018 at 97.5% salary
I will be advancing my research in three main areas: Autonomous driving and driver assistance; Biomechatronics; Sports engineering. In addition, I will start to write a book on graph-theoretic modelling, create a new undergraduate course in sports engineering, and propose a new research center for sports engineering.
Moraru, Ruxandra, Pure Mathematics, January 1, 2017 to June 30, 2017 at 85% salary
I will continue my research on the geometry of holomorphic vector bundles and moduli spaces of Hermitian-Einstein connections on non-Kähler complex manifolds. I plan to visit Kieran O’Grady at the Sapienza University of Rome (Rome) as well as Massimiliano Pontecorvo at Roma Tre University (Rome). I also plan to visit collaborators at the Instituto de Ciencias Matemáticas (Madrid) and at the Laboratory of Algebraic Geometry and its Applications (Moscow).

O’Neill, Daniela, Psychology, January 1, 2017 to June 30, 2017 at 85% salary
I plan to accomplish four main goals, a) greater knowledge dissemination to a general audience on the topic of the importance of fostering children’s language in the years before school entry to later child outcomes. One main goal related to this is the completion of a book aimed at a general audience; b) establish key means (e.g., secure community partners and funding) by which to investigate broadening the scope of the use of the Language Use Inventory to include paraprofessionals (e.g., registered nurse practitioners, early intervention home visitors) working in a greater variety of community settings in order to identify children at risk for language delay at an earlier age; c) via a European base, take the opportunity to network with colleagues in Europe engaged in research with the Language Use Inventory, and forge new connections with international researchers (e.g., Bordeaux); d) continue to work on the logistics to create a new course in which UW undergraduate students will be able to learn about early literacy while simultaneously engaging in a term-long placement helping children at a local school with one-on-one reading practice.

Pomeroy, Bradley, Accounting and Finance, January 1, 2017 to June 30, 2017 at 100% salary
I will a) investigate how board members evaluate audit quality and how they decide whether to recommend to the company’s shareholders that the external auditor be reappointed; b) revise working papers. My research activities include: a) conduct interviews and administer an experiment with experienced audit committee members as participants; b) work with co-authors to prepare working papers for publication.

Scott, Steffanie, Geography and Environmental Management, March 1, 2017 to August 31, 2017 at 85% salary
I will spend time between Waterloo and China, where I will be conducting fieldwork for my SSHRC-funded research on ecological agriculture networks in Nanjing, China.

Sullivan, Pearl, Mechanical and Mechatronics Engineering, July 1, 2017 to June 30, 2019 at 100% salary
I will focus on developing a new research program in the integration of nanotechnology into 3D printing to mass manufacture customized polymer-based nanocomposite parts.

Tolson, Bryan, Civil and Environmental Engineering, March 1, 2017 to August 31, 2017 at 85% salary
I plan to have one or two short-term visits to research groups in Europe to collaborate on hydrologic modelling and optimization in water resources. I will also fully develop some key publications outlining a new environmental simulation model evaluation framework. This will be something model developers and users can use to more stringently assess model quality.

Tzoganakis, Costas, Chemical Engineering, January 1, 2017 to June 30, 2017 at 100% salary
I plan to focus on the following activities: a) finalize/improve course notes for three undergraduate courses; b) explore new research activities in polymeric materials development for 3D printing applications; and c) expand our rubber devulcanization technology through our University of Waterloo start-up, Tyromer Inc.
Vechtomova, Olga, Management Sciences, January 1, 2017 to December 31, 2017 at 100% salary
I will conduct research on developing Natural Language Processing methods for a variety of applications, such as identity opinionated and biased statements in text, identifying emotions expressed in text, and categorizing textural content.

Webb, Alan, School of Accounting and Finance, January 1, 2017 to December 31, 2017 at 100% salary
I plan to advance my research program examining the effects of non-cash rewards on individual motivation. Specifically, I intend to design and conduct several experiments that focus on: a) how different types of non-cash rewards affect motivation; b) the effect of reward type on reward satiation; and c) the interactive effects of reward type and incentive scheme type on motivation.

White, Katherine, Psychology, January 1, 2017 to June 30, 2017, at 85% salary
My research explores early language development and language processing. My focus is on infants’ and toddlers’ acquisition of the sounds and words of their language. The purpose of this leave is to write up numerous projects for publication and to make infrastructure and organizational changes in my lab.

Winton, Tracey, Architecture, May 1, 2017 to April 30, 2018, at 100% salary
This will be a vital tool for augmenting skills, gathering and assembling materials for my pioneering research creation project in South-East Asia temple architecture and urban form. Anticipated professional and pedagogical outcomes: exhibition (photo essays, drawings, performance videos); publication (blog, book); replenishing courses (Cultural History, Global Cities, Electives/Seminars) to document complex issues on-site, first-hand. Preparation is underway, with historical background and detailed itinerary of temples and cities.

Wong, William, Electrical and Computer Engineering, January 1, 2017 to December 31, 2017 at 85% salary
I will develop new research opportunities in areas of heterogeneous integration for printed flexible electronics. Focus areas will include a stay at Stanford University in Spring and Summer of 2017 to develop expertise in the processing and characterization of novel polymeric thin-film materials for large-area electronics.

Wright, John, Mechanical and Mechatronics Engineering, January 1, 2017 to December 31, 2017 at 91.3% salary
Demand is strong for window/shading system models, to conserve energy, cut pollution, and reduce CO² production. Software produced for ASHRAE, similar implementations to several major simulation packages and a rating tool have been well received. A new three-temperature indoor-side convection model was developed for these codes. Activity will be aimed at extending and documenting details regarding this new approach.

Wu, Lingling, Earth and Environmental Sciences, January 1, 2017 to June 30, 2017 at 100% salary
I will be working on projects revolving around development of iron isotope tool as a tracer for biogeochemical processes in both natural environments and laboratory settings from Texas. The research goal is to understand fundamental processes in order to predict fate of contaminants and nutrients in soils and aquatic environments under changing environmental conditions.
Young, Vershawn, Drama and Speech Communication, November 1, 2016 to April 30, 2017 at 85% salary

Xie, Wei-Chau, Civil and Environmental Engineering, January 1, 2017 to December 31, 2017 at 100% salary
I will continue writing my new book on “Seismic Risk Analysis of Nuclear Power Plants”. I will further develop research collaboration with Hohai University in China in the area of seismic risk analysis and design of critical engineering structures, such as nuclear power plants and hydroelectric power dams.

Zhu, Yeying, Statistics and Actuarial Science, May 1, 2017 to October 31, 2017 at 100% salary
I will conduct research projects in the area of causal inference, machine learning (big data) and mediation analysis with my collaborators in other universities.

• Sabbatical Cancellation
Majedi, Hamed, Electrical and Computer Engineering, November 1, 2016 to April 30, 2016 has been cancelled.

• Sabbatical Change
Stewart, Cameron, Pure Mathematics, July 1, 2016 to June 30, 2018 at 100% salary, to July 1, 2016 to June 30, 2017 and, July 1, 2018 to June 30, 2019 at 100% salary

FOR INFORMATION

2. Administrative Appointments
Acheson, Katherine, appointment as Associate Dean, Undergraduate Studies, Faculty of Arts, July 1, 2016 to August 31, 2017.

Boutaba, Raouf, appointment as Associate Dean, Research, Faculty of Mathematics, July 1, 2016 to June 30, 2019.

Idziak, Stefan, appointment as Associate Dean, Co-operative Education and Computing, Faculty of Science, September 1, 2016 to August 31, 2019

Jones, Deborah, appointment as Interim Director and Interim Associate Dean, Optometry and Vision Science, Faculty of Science, July 1, 2016 to June 30, 2017

Kenyon, Tim, appointment as Associate Dean, Research, Faculty of Arts, July 1, 2016 to June 30, 2019

MacDougall, Heather, appointment as Acting Chair, History, Faculty of Arts, July 1, 2016 to August 31, 2017

Roberts, Julia, appointment as Associate Dean, Undergraduate Programs, Faculty of Arts, July 1, 2016 to August 31, 2017
Scott, Thomas, re-appointment as Director, Accounting and Finance, Faculty of Arts, July 1, 2016 to June 30, 2020

Simpson, Jennifer, appointment as Chair, Drama and Speech Communication, Faculty of Arts, July 1, 2016 to August 31, 2018

Singh, Rashmee, appointment as Acting Associate Chair, Undergraduate Studies, Legal Studies, Faculty of Arts July 1, 2016 to August 31, 2016

Singh, Simron, appointment as Associate Dean, Graduate Studies, Faculty of Environment, July 1, 2016 to August 31, 2019

Woudsma, Clarence, re-appointment as Director, Planning, Faculty of Environment, July 1, 2016 to June 30, 2017

- **Administrative Appointment Change**
  Acheson, Katherine, appointment as Associate Dean, Undergraduate Programs, Faculty of Arts, July 1, 2015 to June 30, 2019, changed to July 1, 2015 to June 30, 2016.

  Boehringer, Michael, appointment as Acting Chair, Germanic and Slavic Studies, Faculty of Arts, January 1, 2016 to June 30, 2016, changed to January 1, 2016 to July 31, 2016.

  Bruce, Gary, appointment as Chair, History, Faculty of Arts, January 1, 2014 to June 30, 2017, changed to January 1, 2014 to June 30, 2016.

  Chesney, William, appointment as Associate Dean, Undergraduate Studies, Faculty of Arts, September 1, 2013 to June 30, 2016, changed to September 1, 2013 to August 31, 2016.

  Liebscher, Grit, appointment as Chair, Germanic and Slavic Studies, Faculty of Arts, July 1, 2016 to June 30, 2018, to August 1, 2016 to June 30, 2018.

Feridun Hamdullahpur
President
University of Waterloo
BOARD OF GOVERNORS
Report of the President
7 June 2016

FOR INFORMATION

Recognition and Commendation

Vice-President, Academic & Provost Ian Orchard has announced the winners of the 2015 Outstanding Performance Award. Effective May 1, 2005, in accordance with the 2003 Faculty Salary Settlement, the University established an Outstanding Performance Fund to reward faculty members for outstanding contribution in teaching and scholarship. The 2015 winners are: **Applied Health Sciences:** Jack Callaghan, Leeanne Ferries, David Hammond, Heather Keller, Diana Parry, and Suzanne Tyas. **Arts:** Janice Aurini, Emma Betz, Emanuel Carvalho, Tara Collington, Martin Cooke, Joan Coutu, James Danckert, Shannon Dea, Andrew Faulkner, Myra Fernandes, Geoffrey Fong, Eric Helleiner, Jingjing Huo, Margaret Insley, Greta Kroeker, Kate Lawson, Patricia Marino, Bessma Momani, Marcel O’Gorman, Susan Roy, Jennifer Schulenberg, Anindya Sen, Winfried Siemerling, Daniel Smilek, Tony Wirjanto, and Dinghai Xu. **Engineering:** Mark Aucoin, James Craig, Eric Croiset, Samir Elhedhli, Monica Emelko, Roydon Fraser, Fatma Gizara, Keith Hipel, Karim Karim, Robert McKillop, John McPhee, Kevin Musselman, Mansour Raafat, Catherine Rosenberg, Manoj Sachdev, Lola Sheppard, Stephen Smith, Gordon Stubley, Lin Tan, Ehsan Toyserkani, and Mark Weber. **Environment:** Derek Armitage, Sarah Burch, Claude Duguay, Brendon Larson, Markus Moos, and Stephen Murphy. **Mathematics:** Christopher Bauch, Byron Becker, Shai Ben-David, Timothy Chan, Bertrand Guenin, Kevin Hare, Matthew Kennedy, Katherine Larson, Alejandro Lopez-Ortiz, Bruce Richter, Marek Stastna, Justin Wing Lok Wan, Ruodu Wang, Bernard Wong, Grace Yi, and Mu Zhu. **Science:** Avery Broderick, Zheng-Yu Chen, Andrea Edginton, Shaun Frape, Nadine Furtado, Elizabeth Irving, Rohan Jayasundera, Juewen Liu, Elizabeth Meiering, Kirsten Muller, Josh Neufeld, Kevin Resch, Marlee Spafford, and Benjamin Thompson. (Daily Bulletin, 1 June 2016)

Communicators from across campus have had their content celebrated with national and international recognition from the Canadian Council for the Advancement of Education (CCAE) and the Council for Advancement and Support of Education (CASE). On Wednesday, June 8, CASE recognized three University of Waterloo publications among their Circle of Excellence award winners, including: a **Gold Medal** win in the Promotional Publications (Print) category for the CECA International Brochure. A **Bronze Medal** win in the President’s Reports & Annual Reports (Print) category for the State of the University Report, Facts and Figures, and Entrepreneurs Thrive Here. A **Bronze Medal** win in the Strategic Communication - Public Relations and Community Relations Projects category for Building our Community — Community Impact Report. (Daily Bulletin, 16 June 2016)

Fourth-year student and former Waterloo Society of Pharmacy Students President Jennifer Mackenzie received the 2016 Ontario Pharmacist Association’s Student of Distinction Award for her leadership ability and commitment to advancing the profession. Jenn’s win marks the fifth consecutive year that a Waterloo student won the Student of Distinction Award, with last year’s award won by Holly McGinnis. The tenets of the award – advocacy for the profession and mentorship of peers – align with Waterloo Pharmacy’s own values and are personified in Jenn. “As leader of the student council, Jenn effectively balanced the needs of her classmates, faculty and staff, and members of the University’s student government,” says Prof. David Edwards, Hallman Director, School of Pharmacy and Associate Dean, Faculty of Science. “She worked tirelessly to enhance the student experience and ensure a sense of belonging for all. That patience and compassion for her peers contribute to Jenn’s excellence as a leader.” Jenn is also the founder and chair of a Student Professional Recognition
Committee, a group organized to celebrate exceptional professionalism among her peers, and to identify areas where improvement is possible. Her work as a developing pharmacist has led her across the country, from a retail pharmacy in her hometown of Amherst, Nova Scotia to working as a reviewer for high-risk clients at Manulife Financial in Kitchener. Her optimism, her warmth and her just ‘get it done’ philosophy are evident in the many successful initiatives she’s been a part of, like planning education and competition components of the annual 2016 Professional Development Week conference for pharmacy students. (Daily Bulletin, 21 June 2016)

A device that harvests ambient emissions from smartphones and converts them into power to run smart contact lenses has earned a team of Waterloo Engineering students a third-place finish and a $4,500 US prize in an international design competition. Fifty student teams vied for honours at the IEEE Antennas and Propagation Symposium in Puerto Rico after being challenged to design and build power-harvesting devices capable of turning radio-frequency emissions into useful DC power. Supervised by electrical and computer engineering professor George Shaker, the multidisciplinary Waterloo team included master’s student Luyao Chen and undergraduates Ben Milligan and Shiran Qu. They met the challenge with a tiny harvesting device to power contact lenses equipped to monitor glucose levels in the tears of wearers with diabetes, an idea now being developed by companies including Google and Microsoft. “A smart contact lens is the next step towards taking control of our own health,” the students said in a supporting video. “Team Waterloo has brought us that much closer to making it a reality.” The students noted that diabetes, which can lead to health problems including heart attacks, strokes and nerve damage without careful glucose monitoring, is expected to affect 380 million people worldwide by 2025. (Engineering News, 5 July 2016)

Two celebrated scholars from the University of Waterloo’s Department of History were among those most recently named to the Order of Canada. John English, distinguished professor emeritus, was promoted to Officer of the Order of Canada for his contributions as a historian, author and administrator whose contributions have increased our knowledge of Canada’s political heritage. English was named a Member of the Order of Canada in July 2000. Jim Walker is an expert in human rights and race relations in Canada. He was named a Member of the Order of Canada for his influential scholarship that has shed light on the contributions of black Canadians to the development of the country. Professor Walker created the first courses in African-Canadian history at any Canadian university. Among other honours, English is a Fellow of the Royal Society of Canada and was a Senior Killam Fellow. He has written several books, including biographies of Lester Pearson and Pierre Trudeau, and other works on Canada in the 20th century. Walker is a fellow of the Royal Society of Canada and a former Bora Laskin National Fellow in Human Rights Research. He has published several works relating to the historical development of human rights. (Daily Bulletin, 6 July 2016)

A renowned Waterloo hydrogeology professor, who helped set global standards for safely disposing hazardous waste, received the 2016 Lee Kuan Yew Water Prize in July. John Cherry, now a distinguished professor emeritus, is the first Canadian to receive the prestigious prize. Cherry, who spent his career dedicated to groundwater management and protection, received the honour in the company of water experts from around the world, including a Waterloo delegation, at Singapore International Water Week. The honour came with a prize of more than $280,000 CDN. “It is a great honour for me to be the 2016 recipient of the Lee Kuan Yew Water Prize,” Cherry said in his acceptance speech. “I am most pleased because this prize granted to me draws attention to the importance of groundwater in the global water crisis.” Cherry, who joined Waterloo’s Department of Earth and Environmental Sciences in 1971 when it was known as the Department of Earth Sciences, worked to set benchmark criteria for choosing safe disposal sites for hazardous industrial and nuclear waste that were later adopted into regulatory frameworks around the world. Cherry says he plans to use some of the prize money to update, translate and publish his Hydrogeologists Without Borders textbook online. In 1979, Cherry co-authored the book under the title Groundwater. (Daily Bulletin, 12 July 2016)

Three professors from Waterloo Engineering have been cited for recognition by their peers at a gala that will bring together industry innovators, business leaders and policy makers in November. Organized by the Ontario
Society of Professional Engineers and Professional Engineers Ontario, the prestigious annual event will showcase the contributions engineers make to economic growth and technological advances through their work as innovators and entrepreneurs. The award recipients from Waterloo are: Lin Tan, electrical and computer engineering: winner of a medal for young engineers. Cross-appointed with computer science, her research interests include software reliability and security, software engineering and systems. Susan Tighe, civil and environmental engineering: winner of a medal for research and development. She is a Canada Research Chair, Norman W. McLeod Chair and Director of the Centre for Pavement and Transportation Technology. John Yeow, systems design engineering: winner of a medal for engineering excellence. He is a Canada Research Chair with interests in micro/nanoelctromechanical systems, microassembly and nanodevices for biomedical applications. Tan, Tighe and Yeow are among 10 winners to be honoured in Mississauga on November 19 at the 2016 Ontario Professional Engineers Awards, which have been running for almost 70 years. (Daily Bulletin, 21 July 2016)

Salient Energy, a company developing new high-tech batteries that will enable the shift towards renewable energy, was among the top winners at the Velocity Fund Finals, held in July. Founded by Ryan Brown, Dr. Linda Nazar, Dr. Dipan Kundu and Dr. Brian Adams, Salient Energy is working to commercialize battery technology that will help address fluctuations in power supply and demand that have been a hurdle in advancing renewable energy. In addition to winning a $25,000 prize, Salient Energy also won the top hardware prize of $10,000. Winning the Velocity Fund Finals will allow Salient to move from its current model to build an application scale prototype and secure partners for their pilot project. The following three companies were also grand-prize winners of $25,000 and will receive free workspace at the Velocity Garage: CubeXLab Technologies provides automated vision inspection solutions that are affordable, flexible and easy-to-use for part and component manufacturers in automotive, fastener, plastic injection and pharmaceutical industries. Knote offers a natural language processing platform to help companies leverage the power of artificial intelligence in documents and big data processing. UpGrain uses low frequency electro-magnetic field stimulation of seeds to increase overall yield of various crops by 20 percent. The winners of the Velocity $5K are: Gymnatik provides one day passes to gyms around the world. MycoCup is a sustainable take-out cup made of agricultural waste and mycelium, the roots of fungi. The Playful Pixel hosts large group entertainment events that combine the best of theatre, board games, and video games. (Daily Bulletin, 25 July 2016)

CANEU (which stands for CANadian European Union) is a unique co-operative education experience that partners two North American universities with two European universities. European students travel to Waterloo or Victoria, BC to study, while Canadian students travel to Germany or Austria on work terms. Lisa ter Woort, one of four founders of CANEU Co-op and account manager, international, at Co-operative Education and Career Action (CECA), says this is the story of four universities coming together to make a unique co-op program. Having played a key part in building CANEU co-op from the ground up, ter Woort has helped establish a renowned program. The British Columbia Council for International Education award celebrates distinguished education leaders from across Canada and abroad. “I’m totally excited how CANEU co-op was in itself a great opportunity to work with people at very different levels and different institutions, and to see how it did grow opportunities for our students,” said ter Woort. (Daily Bulletin, 27 July 2016)

The International Council on Monuments and Sites Canada has selected School of Planning master’s student Ashley Rudkevitch as one of two winners of their 2016 juried award. The 2008 Cultural Heritage Grant Fund awards one or several grants to young Canadians who wish to travel to pursue advanced studies, carry out specialized research or take part in advanced training in the field of immovable cultural heritage. Rudkevitch will use the prize to support her master’s thesis research on the subjective perspectives of locals and tourists toward cultural heritage in the northern community of Yellowknife, Northwest Territories, Canada. (School of Planning News, 1 August 2016)

Several St. Paul’s GreenHouse students received Social Impact Fund grants at the most recent Social Impact Showcase, held at St. Paul’s University College. All of the recipients were GreenHouse Fellows, winners of Big Ideas Challenge for Social Good whose GreenHouse accommodations were funded by the Libro Prosperity Fund.
Congratulations to the following Social Impact Fund recipients: **Zied Etleb**: $2,500. Developing an adjustable smart mattress that automatically redistributes pressure to prevent bedsores and provides data to health care providers. **Sharita Henry**: $2,500. Integrating support systems for youth living with Autism Spectrum exceptionalities. **Nikhil Jagga**: $2,000. Designing a simple low-tech solution to help create positive habits by developing self-awareness. **Tina Chan**: $2,000. Developing and selling a mental health first aid kit for stress management on campuses and workplaces. **Richard Yim**: $2,000. Building an autonomous machine to defuse landmines safely in Cambodia. **Nia Rajamohan**: $2,000. Organizing South East Asian classical performing art workshops and performances for therapeutic purposes. **Joanna Hausen**: $1,000. Creating healthy, natural, and ethically sourced skin care products with repurposed waste materials. (Daily Bulletin, 16 August 2016)

Recently, two University of Waterloo computer science professors from the David R. Cheriton School of Computer Science, **J. P. Pretti** and **Troy Vasiga**, accompanied their team of Canadian high school students to the annual International Olympiad in Informatics. Held in Kazan, Russia, from August 12 - 19th, the Olympiad saw all four members of the Waterloo-backed team earn medals. The high school students were selected for the team based on their exceptional performances in the Canadian Computing Competition earlier this year. The team of Canadian high school students continuing on is led by coaches with deep expertise in the field, and this year Professors Pretti and Vasiga led Canada’s four-person squad. Team member Timothy Li earned a gold medal and a 7th place finish out of the more than 300 competitors hailing from more than 80 different countries. Kevin Sun followed close behind, earning a silver medal finish. Jeffrey Xiao and Farbod Yadegarian each won bronze medals at the competition. Three of the four competitors - **Timothy Li, Jeffrey Xiao** and **Farbod Yadegarian** will be beginning their undergraduate studies at Waterloo this fall in the Faculty of Mathematics. (Daily Bulletin, 23 August 2016)

Three professors are among the new fellows of the Royal Society of Canada (RSC). The fellowship of the RSC consists of individuals who have made outstanding contributions in the arts, the humanities, science, and Canadian public life. They have been peer-selected as among the best in their field. The University of Waterloo's newest RSC fellows are as follows: **Jennifer Clapp**, School of Environment, Resources and Sustainability, Faculty of Environment. Jennifer Clapp’s research focuses on the global governance of problems that arise at the intersection of the global economy, the environment, and food security. In particular, her research has centred on questions of how international economic policies can better foster food security and environmental sustainability goals on a global scale. Professor Clapp holds a Canada Research Chair in Global Food Security and Sustainability. **Colin MacLeod**, Department of Psychology, Faculty of Arts. Colin MacLeod’s research has emphasized the broad domain of human cognition, with particular interest in learning and memory. Initially, Professor MacLeod's work was in the area of verbal learning and memory, with emphasis on long-term memory structure and process, and especially in intentional forgetting. In recent years, his memory research has focused on the roles of consciousness, context, and inhibition in memory. **Tamer Özsu**, Cheriton School of Computer Science, Faculty of Mathematics. Tamer Özsu is a world leader and pioneer in distributed data management — a field he helped shape and on which he wrote a widely referenced textbook. His research focuses on the efficient management of increasing volumes of Resource Description Framework (RDF) data distributed across the web. (Waterloo News, 7 September 2016)

Gender Based Analysis of Mental Health Needs and Supports among University Students,” $10,000. Jennifer Whitson, Sociology and Legal Studies, “Evaluating the University of Waterloo’s student-lead First Person Scholar and GI Janes: Institutional best practices for “doing feminism in the male-dominated field of game study,”” $10,000. Christine Wiedman, School of Accounting and Finance, “Gender Parity in Academe,” $7,314. The Gender Equity Research Grants support research that investigates and addresses gender equity with preference given to projects that advance Waterloo’s three IMPACT 10x10x10 commitments or of demonstrated relevance to Waterloo. (Daily Bulletin, 8 September 2016)

Twenty-nine researchers at the University of Waterloo will receive $5.7 million from the federal government to advance research and encourage partnerships that will lead to innovative approaches to improve the well-being of Canadians. The Social Sciences and Humanities Research Council (SSHRC) is awarding the funding through Partnership Grants, Partnership Development Grants, Insight Grants, and Insight Development Grants. “Social sciences and humanities research is the foundation for advancing social, cultural, economic, and intellectual change across Canada and around the world,” said D. George Dixon, vice-president, university research. “As a comprehensive university, funding for research in this area is an important and valuable balance to generating new knowledge that is broad and diverse.”

The federal government awarded funds to the following Waterloo researchers and projects:

**Partnership Grant**
- **Engineering**
  - Philip Beesley (School of Architecture): Living architecture systems ($2,476,738)

**Partnership Development Grants**
- **Arts**
  - Jasmin Habib (Political Science): A socio-cultural mapping of Arab-Canadian migration, settlement, and integration: collaboration, community, co-authorship ($199,062)

**Insight Development Grants**
- **Applied Health Sciences**
  - Luke Potwarka (Recreation and Leisure Studies): Leveraging Youth Sport Participation Impacts of International Sport Events: The Case of Track Cycling in Milton's Velodrome ($64,297)

- **Arts**
  - Joel Blit (Economics): The potential for a selective immigration policy to increase innovation; evidence from Canada ($60,731)
  - Tao Chen (Economics): Functional dynamic factor models ($31,422)
  - Elise Lepage (French Studies): Du pays au paysage. La poésie québécoise en perspective depuis 1950 ($42,297)
  - Thomas Parker (Economics): Uniform Inference Using Simple Gaussian Field Asymptotics ($36,418)

- **Environment**
  - Andrea Collins (School of Environment, Resources and Sustainability): A New Alliance with Old Problems: A Gendered Analysis of the G8 New Alliance for Food Security and Nutrition ($36,355)
John McLevey (Knowledge Integration): Remaking the Boundaries of Open and Proprietary Science: A Longitudinal Study of Biomedical Research and Development Networks in Canada ($67,790)

Prateep Nayak (School of Environment, Enterprise and Development): Social-Ecological Regime Shifts (SERS) and Governance in Coastal-Marine Systems ($74,990)

Kathryn Plaisance (Knowledge Integration): Increasing the Impact of Philosophy of Science in Scientific Domains ($59,302)

Mathematics
Yeying Zhu (Statistics and Actuarial Science): Understanding the Causal Mechanism of Reputation Using Big Data in e-Commerce ($51,145)

Insight Grants

Arts
Jefim Efrim Boritz (School of Accounting and Finance): The role of external valuation specialists in determining fair values in corporate reports ($103,865)

Alan Huang (School of Accounting and Finance): The information content of debt IPO prospectuses: a text-based study ($67,223)

Patricia O’Brien (School of Accounting and Finance): Credible financial reporting ($115,648)

Peter J. Carrington (Sociology and Legal Studies): The structure of the national Canadian criminal network ($198,032)

Heather Henderson (Psychology): Mechanisms linking childhood shyness and self-regulation ($166,862)

Daniel Henstra (Political Science): Multilevel governance and climate change adaptation policy in Canada ($81,532)

Kathryn Hochstetler (Political Science): Wind and solar power in South America ($80,489)

Marcel O’Gorman (English Language and Literature): Digital abstinence: the art, politics, and philosophy of unplugging ($159,511)

Jennifer L. Schulenberg (Sociology and Legal Studies): Policing innovation: an investigation of specialized responses to youth crime ($200,436)

Winny Shen (Psychology): Adaptability or inconsistency/understanding antecedents and consequences of change in leadership behaviours ($107,346)

Mikal Skuterud (Economics): The impact of the temporary foreign worker program on the Canadian economy ($87,440)

Engineering
Robert-Jan van Pelt (School of Architecture): The Barrack-Hut in history ($75,503)
Environment

**Derek Armitage** (School of Environment, Resources and Sustainability): Integration of social wellbeing and ecosystem service bundles for adaptive governance of coastal systems experiencing rapid change ($327,160)

**Luna Khirfan** (School of Planning): The potential of daylighting - deculverting - urban streams for climate change adaptation and mitigation and for place-making: Amman's Seil and Seoul's Cheonggyecheon ($243,814)

**Steffanie Scott** (Geography and Environmental Management): Cultivating pathways to ecological agriculture: rural-urban interfaces and regional dynamics in the agri-food sector in Nanjing, China ($238,841)

**Olaf Weber** (School of Environment, Enterprise and Development): The impact of voluntary codes of conduct and financial sector sustainability regulations on banking project financing and investing ($110,980)

The Waterloo awards are part of a larger announcement where the Honourable Kirsty Duncan, Minister of Science, announced $163 million for nearly 1,150 social sciences and humanities research projects. *(Daily Bulletin, 16 September 2016)*

Five young women with a passion for computer science, physics and engineering have received $12,000 scholarships under the University of Waterloo’s HeForShe IMPACT scholarship program. The HeForShe IMPACT Scholarships annually awards female students who apply to science, technology, engineering and math (STEM) programs. This year’s recipients come from as far away as India and China and all are excited about diving into their chosen professions through their co-op education work terms. The five winners of the University of Waterloo HeForShe IMPACT Scholarships (and their chosen programs of study) are: **Anjali Joshi**, mechanical engineering; **Carmen Kwan**, software engineering; **Yue Ding**, computer science; **Ankita Mishra**, computer science; and **Stephanie Swanson**, physics. Launched last year, the scholarship program will support a total of 24 women over a four-year period as part of Waterloo’s ongoing efforts to achieve gender equity in STEM—science, technology, engineering and mathematics—programs. Each student will receive $1,500 per term. For profiles of the young scholarship winners, visit the *Waterloo Stories* page. *(Daily Bulletin, 19 September 2016)*

On Thursday 6 October, six women from the University of Waterloo were recognized for their efforts in leadership, arts and culture, health and wellness, academic achievement, and professional excellence at the annual K-W Oktoberfest Women of the Year event. **Nooran Abu Mazen**, a biology student, won in the Young Adult (14 to 25) category, which recognizes young women for leading by example and being a role model to her peers.

Professor **Pearl Sullivan**, Dean of Engineering, and **Tobi Day-Hamilton**, Associate Director, Communications and Strategic Initiatives at the Institute for Quantum Computing, were nominated in the Science, Technology, Engineering and Math category, which recognizes women for outstanding advancement in STEM fields.

Professor **Jean Andrey**, Dean of Environment, was nominated in the Professional category, which recognizes women for dedicating themselves to the pursuit of excellence in their chosen careers. **Jude Doble**, Associate Director, Advancement Communications and Special Projects, was nominated in the Arts and Culture category, which recognizes women for enriching the culture of our community through creation or promotion of the arts on a volunteer or professional basis.

**Betty Pries**, Sessional Instructor, Peace and Conflict Studies at Conrad Grebel University College, was nominated in the Health and Wellness category, which recognizes women for promoting and helping others achieve and promote mental, physical or spiritual well-being in her career or community involvement. *(Daily Bulletin, 11 October 2016)*

Three professors from the University of Waterloo are among the new members of the Royal Society of Canada (RSC) College of New Scholars, Artists and Scientists. Members have reached a high level of achievement at an early stage of their careers. They represent the emerging generation of scholars and leaders in science and the arts in the country. Membership is for seven years. The Waterloo researchers among the incoming members of the College of New Scholars, Artists and Scientists are:
Zhongwei Chen, Department of Chemical Engineering, Faculty of Engineering. Professor Chen is developing new materials that make batteries and fuel cells smaller, lighter and longer-lasting. His patented technology for silicon-based lithium-ion batteries will enable smartphones and other electronic devices to last 40 to 60 per cent longer between charges and electric cars to drive 500 kilometers farther. Professor Chen is Canada Research Chair in Advanced Materials for Clean Energy.

John Turri, Department of Philosophy, Faculty of Arts. Professor Turri works in experimental philosophy, an exciting new field of research at the intersection of traditional philosophy and cognitive science. His research focuses on social cognition and communication to understand how social factors affect our interpretation of verbal behavior, and the fundamental role that knowledge plays in governing speech.

Tze Wei (John) Yeow, Department of Systems Design Engineering, Faculty of Engineering. John Yeow is testing micro and biomedical nanodevices with highly selective sensors that are able to diagnose and treat diseases such as cancer. He is working with a cancer research centre to find ways to improve radiation therapy. He is Canada Research Chair in Micro and Nanodevices and is a member of the Waterloo Institute of Nanotechnology.

The Waterloo professors were among 80 news members elected to the College. The induction ceremony will take place Friday 18 November 2016 in Kingston, Ontario. (Daily Bulletin, 14 October 2016)
This report is submitted following the committee’s deliberations during June/July, August and September 2016.

FOR INFORMATION

From June to September 2016, the following resolutions were considered by the Executive Committee and passed on behalf of the Board of Governors. Resolutions are effective as of the dates noted.

1. Engineering Society Fee and Mathematics Student Society Fee
   Resolved that the Executive Committee of the Board of Governors approve, on behalf of the Board of Governors, the following student fee increases:

   **Engineering Society Fee**
   That the Engineering Society Fee, assessed and collected each term from all full-time on-campus undergraduate engineering students, be increased effective Fall term 2016 as follows:

<table>
<thead>
<tr>
<th></th>
<th>Current Fee</th>
<th>Proposed Fee</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate full-time</td>
<td>$15.75</td>
<td>$15.90</td>
<td>1%</td>
</tr>
</tbody>
</table>

   **Math Student Society Fee**
   That the Math Student Society Fee, assessed and collected each term from all full-time on-campus undergraduate mathematics students, be increased effective Fall term 2016 as follows:

<table>
<thead>
<tr>
<th></th>
<th>Current Fee</th>
<th>Proposed Fee</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate full-time</td>
<td>$10.00</td>
<td>$12.50</td>
<td>25%</td>
</tr>
</tbody>
</table>

   This resolution was effective 11 July 2016.

2. Financial Statements for Year Ended 30 April 2016
   Resolved that the Executive Committee of the Board of Governors approve the Financial Statements on behalf of the Board of Governors. (See attached Appendix A)

   This resolution was effective 5 August 2016.

William Watson
Chair, Executive Committee
Financial Statements

April 30, 2016
STATEMENT OF MANAGEMENT RESPONSIBILITY

Management of the University of Waterloo is responsible for the preparation of the financial statements, the notes thereto and all other financial information contained in this annual report.

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations developed by the Chartered Professional Accountants of Canada. Management believes the financial statements present fairly the University’s financial position as at April 30, 2016 and the results of its operations and its cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal control designed to provide reasonable assurance that university assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit & Risk Committee.

The Audit & Risk Committee is appointed by the Board and its members are not officers or employees of the University. The Committee meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy itself that each party is properly discharging its responsibilities and to review the annual report, the financial statements and the external auditors’ report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance. The Committee also considers, for approval by the Board, the engagement or reappointment of the external auditors.

Financial statements for the year ended April 30, 2016 have been audited by Ernst & Young LLP. The independent auditors’ report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.
Independent auditors’ report

To the Board of Governors of the University of Waterloo

We have audited the accompanying financial statements of the University of Waterloo, which comprise the balance sheet as at April 30, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the University of Waterloo as at April 30, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Kitchener, Canada
August 5, 2016

Chartered Professional Accountants
Licensed Public Accountants
<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$240,698</td>
<td>$246,848</td>
</tr>
<tr>
<td>Short-term investments (note 3)</td>
<td>186,705</td>
<td>150,121</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>26,962</td>
<td>26,895</td>
</tr>
<tr>
<td>Inventories</td>
<td>3,499</td>
<td>3,430</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>8,161</td>
<td>7,688</td>
</tr>
<tr>
<td>Total current assets</td>
<td>466,025</td>
<td>434,982</td>
</tr>
<tr>
<td>Long-term investments (note 3)</td>
<td>511,032</td>
<td>545,195</td>
</tr>
<tr>
<td>Capital assets, net (note 4)</td>
<td>843,635</td>
<td>814,964</td>
</tr>
<tr>
<td></td>
<td>1,820,692</td>
<td>1,795,141</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities (note 5)</td>
<td>70,441</td>
<td>74,159</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>83,590</td>
<td>73,967</td>
</tr>
<tr>
<td>Current portion of long-term debt (note 6)</td>
<td>11,797</td>
<td>1,510</td>
</tr>
<tr>
<td>Deferred contributions (note 7)</td>
<td>216,041</td>
<td>226,724</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>381,869</td>
<td>376,360</td>
</tr>
<tr>
<td>Employee future benefits (note 8)</td>
<td>278,796</td>
<td>227,045</td>
</tr>
<tr>
<td>Long-term debt (note 6)</td>
<td>27,686</td>
<td>39,483</td>
</tr>
<tr>
<td>Deferred capital contributions (note 9)</td>
<td>430,380</td>
<td>426,936</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,118,731</td>
<td>1,069,824</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted surplus (note 10)</td>
<td>13,921</td>
<td>17,272</td>
</tr>
<tr>
<td>Internally restricted (note 11)</td>
<td>354,661</td>
<td>372,314</td>
</tr>
<tr>
<td>Endowments (note 12)</td>
<td>333,379</td>
<td>335,731</td>
</tr>
<tr>
<td></td>
<td>701,961</td>
<td>725,317</td>
</tr>
<tr>
<td></td>
<td>$1,820,692</td>
<td>$1,795,141</td>
</tr>
</tbody>
</table>

(See accompanying notes to the financial statements)

On behalf of the Board of Governors:

William Watson          Feridun Hamdullahpur
Chair                   President
UNIVERSITY OF WATERLOO
STATEMENT OF OPERATIONS
for the year ended April 30, 2016
(with comparative figures for the year ended April 30, 2015)
(thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic fees</td>
<td>$389,216</td>
<td>$357,889</td>
</tr>
<tr>
<td>Donations</td>
<td>10,830</td>
<td>9,860</td>
</tr>
<tr>
<td>Grants and contracts</td>
<td>388,235</td>
<td>392,357</td>
</tr>
<tr>
<td>Sales, services and other revenue</td>
<td>121,263</td>
<td>114,120</td>
</tr>
<tr>
<td>Income from investments (note 3)</td>
<td>14,062</td>
<td>34,063</td>
</tr>
<tr>
<td>Amortization of deferred capital contributions (note 9)</td>
<td>28,742</td>
<td>27,951</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>952,348</td>
<td>936,240</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>462,440</td>
<td>439,973</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>94,425</td>
<td>99,893</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>17,764</td>
<td>17,064</td>
</tr>
<tr>
<td>Supplies and other (note 6)</td>
<td>104,723</td>
<td>111,605</td>
</tr>
<tr>
<td>Travel</td>
<td>22,001</td>
<td>21,288</td>
</tr>
<tr>
<td>Minor repairs and renovations</td>
<td>20,849</td>
<td>18,784</td>
</tr>
<tr>
<td>Equipment, maintenance and rentals</td>
<td>20,048</td>
<td>18,926</td>
</tr>
<tr>
<td>Scholarships and bursaries</td>
<td>104,977</td>
<td>109,975</td>
</tr>
<tr>
<td>Municipal taxes and utilities</td>
<td>23,951</td>
<td>23,566</td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>46,528</td>
<td>45,656</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>917,706</td>
<td>906,730</td>
</tr>
<tr>
<td><strong>Excess revenue over expenses for the year</strong></td>
<td>$34,642</td>
<td>$29,510</td>
</tr>
</tbody>
</table>

(See accompanying notes to the financial statements)
STATEMENT OF CHANGES IN NET ASSETS
for the year ended April 30, 2016
(with comparative figures for the year ended April 30, 2015)
(thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Surplus</strong></td>
<td>$17,272</td>
<td>$372,314</td>
</tr>
<tr>
<td><strong>Internally Restricted</strong></td>
<td>$34,642</td>
<td>$34,642</td>
</tr>
<tr>
<td><strong>Endowments</strong></td>
<td>$17,653</td>
<td>$(17,653)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$59,567</td>
<td>$53,933</td>
</tr>
<tr>
<td><strong>Excess revenue over expenses for the year</strong></td>
<td>34,642</td>
<td>34,642</td>
</tr>
<tr>
<td><strong>Change in net assets internally restricted (note 11)</strong></td>
<td>17,653</td>
<td>$(17,653)</td>
</tr>
<tr>
<td><strong>Change in unrealized gain on investments held for donor endowments (note 12)</strong></td>
<td>$(11,737)</td>
<td>$(11,737)</td>
</tr>
<tr>
<td><strong>Employee future benefit remeasurement costs (note 8)</strong></td>
<td>$(50,357)</td>
<td>$(50,357)</td>
</tr>
<tr>
<td><strong>Internally endowed amounts (note 12)</strong></td>
<td>$(5,289)</td>
<td>5,289</td>
</tr>
<tr>
<td><strong>Endowment contributions (note 12)</strong></td>
<td>4,096</td>
<td>4,096</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$13,921</td>
<td>$354,661</td>
</tr>
</tbody>
</table>

(See accompanying notes to the financial statements)
<table>
<thead>
<tr>
<th>Activity</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess revenue over expenses for the year</td>
<td>$34,642</td>
<td>$29,510</td>
</tr>
<tr>
<td>Add (deduct) non-cash items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in unrealized gain on internally endowed investments</td>
<td>3,945</td>
<td>(2,923)</td>
</tr>
<tr>
<td>Change in unrealized gain on unrestricted investments</td>
<td>3,247</td>
<td>(861)</td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>46,528</td>
<td>45,656</td>
</tr>
<tr>
<td>Amortization of deferred capital contributions</td>
<td>(28,742)</td>
<td>(27,951)</td>
</tr>
<tr>
<td>Net change in employee future benefits</td>
<td>1,394</td>
<td>11,074</td>
</tr>
<tr>
<td>Net change in non-cash balances (note 15)</td>
<td>(12,851)</td>
<td>23,556</td>
</tr>
<tr>
<td>Cash provided by operating activities</td>
<td>48,163</td>
<td>78,061</td>
</tr>
<tr>
<td><strong>FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of long-term debt</td>
<td>(1,510)</td>
<td>(4,414)</td>
</tr>
<tr>
<td>Contributions for capital assets</td>
<td>32,186</td>
<td>22,844</td>
</tr>
<tr>
<td>Endowment contributions</td>
<td>4,096</td>
<td>5,605</td>
</tr>
<tr>
<td>Cash provided by financing activities</td>
<td>34,772</td>
<td>24,035</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of capital assets</td>
<td>(65,660)</td>
<td>(60,314)</td>
</tr>
<tr>
<td>Net purchases of investments</td>
<td>(23,425)</td>
<td>(40,615)</td>
</tr>
<tr>
<td>Cash used in investing activities</td>
<td>(89,085)</td>
<td>(100,929)</td>
</tr>
<tr>
<td>Net change in cash and cash equivalents during the year</td>
<td>(6,150)</td>
<td>1,167</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>246,848</td>
<td>245,681</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$240,698</td>
<td>$246,848</td>
</tr>
</tbody>
</table>

(See accompanying notes to the financial statements)
1. **Description**

The University of Waterloo (the “University”) was incorporated in 1959 under the terms and provisions of the University of Waterloo Act. A new University of Waterloo Act was passed in 1972 which provided that the University continue as the corporation which was established in 1959.

The objectives of the University are the pursuit of learning through scholarship, teaching and research. The University is a degree granting and research organization offering undergraduate and graduate programs. The University is also a registered charity under Section 149 of the Income Tax Act and is, therefore, exempt from income taxes.

These financial statements reflect the assets, liabilities, net assets, income and expenses of all the operations of the University. Included are the academic, administrative and other operating expenses funded by academic fees, grants and other general revenue; restricted purpose funds including endowment funds; and the ancillary enterprises, including Housing & Residences, Food Services, Parking and Retail Services.

2. **Summary of Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook – Accounting, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and include the following significant accounting policies:

(a) **Cash and cash equivalents**

Cash and cash equivalents consist of balances with banks and investments in highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value, unless they are held for investment rather than liquidity purposes, in which case they are classified as investments. These instruments are carried at cost plus accrued interest.

(b) **Investments and investment income**

All investments are recorded at fair value. Fair value is the amount of consideration that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act. Publicly traded securities are valued based on the latest closing prices and pooled funds are valued based on reported unit values. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred. Investment income (loss), which consists of interest, dividends and realized and unrealized gains (losses), is recorded as income (loss) from investments in the statement of operations, except for investment income (loss) deferred or recorded directly in endowment net assets.

(c) **Derivative financial instruments**

The University uses forward contracts to economically hedge the impacts of foreign currency changes for investments denominated in foreign currencies and interest rate swaps to mitigate the effect of changes in interest rates on variable-rate debt. Forward contracts used to hedge investment
transactions are recorded at fair value and included in investments on the balance sheet. The change in fair value of the derivatives is reflected in investment income.

The fair value of derivative financial instruments reflects the daily quoted market amount of those instruments. Investment dealer quotes or quotes from a bank are available for the University’s derivative financial instruments.

The University follows hedge accounting for its interest rate swap which results in the interest expense related to certain long-term debt being recorded in the financial statements at the hedged rate rather than at the original contractual interest rate. In order for a derivative to qualify for hedge accounting, the hedge relationship must be identified, designated and formally documented at its inception. Changes in the cash flows on the interest rate swap must be highly effective in offsetting changes in the amount of cash flows on the hedged long-term debt. Interest rate swaps in qualifying hedging relationships are not recognized until their maturity.

(d) Other financial instruments

Other financial instruments, including accounts receivable and accounts payable, are initially recorded at their fair value and continue to be carried at this value, which represents cost, net of any provisions for impairment.

(e) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventory is the weighted-average purchase cost and net realizable value is the estimated selling price in the ordinary course of business. Items that are written down to net realizable value are adjusted back up to cost if there is a subsequent increase in the net realizable value. There have been no write-downs of inventory or reversals of previous write-downs during the year.

(f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value on the date of contribution. Capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

- Buildings 40 years
- Parking lots/roadways 15 years
- Furniture and equipment 3-10 years
- Library acquisitions 5 years

Contributions received for capital assets are deferred and amortized over the same term on the same basis as the related capital assets.

Works of art are recorded at cost and not amortized.

(g) Revenue recognition

The University follows the deferral method of accounting for contributions, which include donations and grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Endowment contributions and restricted contributions used to purchase land are recognized as direct increases in net assets in the period in which the contributions are received or when the land is purchased.
Tuition and other academic fees are recorded as revenue on the accrual basis of accounting. All fees that relate to an academic term occurring within the fiscal year are included as revenue. Fees billed and collected that relate to academic terms commencing after the end of the fiscal year are included in “Unearned revenue”.

Sales, services and other revenue are recognized at point of sale or when these services have been provided.

(h) **Long-term debt**

Long-term debt is initially recorded at fair value and subsequently measured at amortized cost using the effective interest rate method.

(i) **Employee future benefits**

The University has a defined benefit pension plan for its employees and provides other retirement and post-employment benefits such as extended health care and life insurance coverage. The University accounts for these plans using the immediate recognition approach. Under this approach, the University recognizes the accrued benefit obligation, net of the fair value of plan assets on the balance sheet. Current service and finance costs are expensed during the year, while remeasurements and other items, representing the total of the difference between actual and expected return on plan assets, actuarial gains and losses, and past service costs, are recognized as a direct increase or decrease in net assets. The University has elected to use an actuarial valuation prepared for funding purposes to measure the defined benefit obligation in respect of its pension plan. The accrued benefit obligation for funded employee future benefits is determined using a roll-forward technique to estimate the accrued obligation using funding assumptions from the most recent actuarial valuation which is prepared at least every three years. The accrued obligation for unfunded plans is prepared on a basis consistent with funded plans. Employee future benefit plans’ assets are measured at fair value at the date of the balance sheet.

(j) **Accounting estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These amounts are based on management’s knowledge of current events and actions that the University may undertake in the future. Significant areas requiring the use of management estimates relate to the assumptions used in the valuation of pension and other post-employment retirement benefit obligations, and the recording of contingencies. Actual results could differ from those estimates.

(k) **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at year end. Revenues and expenses are translated at exchange rates in effect on the date of the transaction. Gains or losses arising from these foreign currency transactions are included in revenue except to the extent that they relate to investments, in which case they are recognized in the same manner as investment income.
3. Investments

The University is subject to various risks with respect to its investment portfolio. To manage these risks, the University has established a target mix of investment types designed to achieve the optimal return within reasonable risk tolerances.

(a) Total investments at fair value consist of the following components:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term bonds and guaranteed investment certificates</td>
<td>$186,705</td>
<td>$150,121</td>
</tr>
<tr>
<td>Long-term investments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits and bankers’ acceptances</td>
<td>19,189</td>
<td>27,238</td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>27,310</td>
<td>47,278</td>
</tr>
<tr>
<td>Corporate</td>
<td>82,305</td>
<td>103,314</td>
</tr>
<tr>
<td>Pooled</td>
<td>185,468</td>
<td>199,000</td>
</tr>
<tr>
<td>Equity investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td>102,804</td>
<td>95,950</td>
</tr>
<tr>
<td>US</td>
<td>5,217</td>
<td>5,127</td>
</tr>
<tr>
<td>Other international including currency derivatives</td>
<td>88,739</td>
<td>67,288</td>
</tr>
<tr>
<td></td>
<td>196,760</td>
<td>168,365</td>
</tr>
<tr>
<td>Total long-term investments</td>
<td>511,032</td>
<td>545,195</td>
</tr>
<tr>
<td>Total investments</td>
<td>$697,737</td>
<td>$695,316</td>
</tr>
</tbody>
</table>

(b) Investment income recorded in the statement of operations is calculated as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest, dividend income and realized gains (losses) earned from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted resources</td>
<td>$10,113</td>
<td>$11,925</td>
</tr>
<tr>
<td>Special purpose resources</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Change in unrealized gains from unrestricted resources</td>
<td>(3,247)</td>
<td>861</td>
</tr>
<tr>
<td>Investment income (loss) from endowments (note 12):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor endowed</td>
<td>7,859</td>
<td>14,021</td>
</tr>
<tr>
<td>Internally endowed</td>
<td>(663)</td>
<td>7,242</td>
</tr>
<tr>
<td>Total investment income recognized in the year</td>
<td>$14,062</td>
<td>$34,063</td>
</tr>
</tbody>
</table>


(c) Included in long-term investments are foreign currency derivatives as follows:

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Notional Amount</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States dollar forward contract 13-Jul-16</td>
<td>$17,694</td>
<td>$ 833</td>
</tr>
<tr>
<td>United States dollar forward contract 13-Jul-16</td>
<td>16,310</td>
<td>768</td>
</tr>
<tr>
<td>United States dollar forward contract 13-Jul-16</td>
<td>485</td>
<td>5</td>
</tr>
<tr>
<td>United States dollar forward contract 13-Jul-16</td>
<td>485</td>
<td>5</td>
</tr>
<tr>
<td>Great Britain pound forward contract 13-Jul-16</td>
<td>3,595</td>
<td>33</td>
</tr>
<tr>
<td>Japanese yen forward contract 13-Jul-16</td>
<td>3,976</td>
<td>83</td>
</tr>
<tr>
<td>Japanese yen forward contract 13-Jul-16</td>
<td>335</td>
<td>4</td>
</tr>
<tr>
<td>Euro forward contract 13-Jul-16</td>
<td>9,481</td>
<td>390</td>
</tr>
<tr>
<td>Euro forward contract 13-Jul-16</td>
<td>275</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$52,636</strong></td>
<td><strong>$2,122</strong></td>
</tr>
</tbody>
</table>

Liabilities

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Notional Amount</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Britain pound forward contract 13-Jul-16</td>
<td>$ 40</td>
<td>$(1)</td>
</tr>
</tbody>
</table>

As at April 30, 2016, the fair value of the forward contracts was determined with reference to a quotation from a derivatives dealer which the university accepts as the fair value of this instrument.

4. Capital Assets

Capital assets consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated Amortization</td>
</tr>
<tr>
<td>Land</td>
<td>$16,745</td>
<td>$-</td>
</tr>
<tr>
<td>Buildings</td>
<td>974,629</td>
<td>267,978</td>
</tr>
<tr>
<td>Parking lots/roadways</td>
<td>6,358</td>
<td>4,005</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>345,411</td>
<td>235,231</td>
</tr>
<tr>
<td>Library acquisitions</td>
<td>50,710</td>
<td>46,561</td>
</tr>
<tr>
<td>Works of art</td>
<td>3,557</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,397,410</strong></td>
<td><strong>$553,775</strong></td>
</tr>
</tbody>
</table>

Less accumulated amortization

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>(553,775)</strong></td>
<td><strong>(510,354)</strong></td>
</tr>
</tbody>
</table>

Net book value

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$843,635</strong></td>
<td><strong>$814,964</strong></td>
</tr>
</tbody>
</table>

Included in the cost of buildings is $118,712 (2015 - $70,167) of construction in progress that is currently not being amortized.

5. Government Remittances Payable

Included in accounts payable and accrued liabilities at April 30, 2016 are government remittances payable of $15,224 (2015 - $14,022).
6. **Long-Term Debt**

(a) Long-term debt obligations are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1892160 Ontario Limited:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage payable with 0% interest; $10,250 to be repaid February 14, 2017 and $10,250 to be repaid February 14, 2019</td>
<td>$20,500</td>
<td>$20,500</td>
</tr>
<tr>
<td><strong>Ontario Housing Corporation:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease agreements payable with an interest rate of 6.875% to 7.125% and maturing on December 1, 2020</td>
<td>1,129</td>
<td>1,313</td>
</tr>
<tr>
<td><strong>Canada Mortgage and Housing Corporation:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgages payable with interest rates ranging from 5.375% to 6.25% and maturities between July 1, 2016 and February 1, 2019</td>
<td>403</td>
<td>707</td>
</tr>
<tr>
<td><strong>Canadian Imperial Bank of Commerce:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term instalment loan, non-revolving and maturing on October 1, 2017 with a floating interest rate which is fixed at 6.045% through an interest rate swap</td>
<td>17,451</td>
<td>18,473</td>
</tr>
<tr>
<td>Less current portion</td>
<td>(11,797)</td>
<td>(1,510)</td>
</tr>
<tr>
<td><strong>Long-term debt</strong></td>
<td>$27,686</td>
<td>$39,483</td>
</tr>
</tbody>
</table>

The term instalment loan matures on October 1, 2017 and all amounts due are repayable at that time. CIBC may at its sole discretion, upon written request by the University given to CIBC not more than 10 months prior to the maturity date of this loan, extend the maturity date for additional one year periods. Accordingly, scheduled repayments presented below reflect the maturity date of October 1, 2017. An extension of the maturity date will be requested by the University.

The University has entered into an interest rate swap contract to manage the cash flow risk associated with a long-term debt obligation. The contract has the effect of converting the floating rate of interest to a fixed rate of 6.045% (2015 - 6.045%) on $17,451 (2015 - $18,473) of the debt obligation. The notional amount of the derivative financial instrument does not represent amounts exchanged between parties and is not a measure of the University’s exposure resulting from the use of a financial instrument contract. The amounts exchanged are based on the applicable rates applied to the notional amount. The fair value of the interest rate swap at April 30, 2016 was $(4,933) (2015 – ($5,139)). As the University has applied hedge accounting, the fair value is not included in the financial statements.

Future scheduled annual debt principal repayments are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$11,797</td>
</tr>
<tr>
<td>2018</td>
<td>16,694</td>
</tr>
<tr>
<td>2019</td>
<td>10,495</td>
</tr>
<tr>
<td>2020</td>
<td>240</td>
</tr>
<tr>
<td>2021</td>
<td>257</td>
</tr>
<tr>
<td></td>
<td>$39,483</td>
</tr>
</tbody>
</table>
The total interest expense on long-term debt recognized in “Supplies and other” for the year ended April 30, 2016 was $1,234 (2015 - $1,366).

7. Deferred Contributions

Deferred contributions represent unspent externally restricted grants, donations and investment income for research and other specific purposes. Changes in the deferred contributions balance are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning</td>
<td>$226,724</td>
<td>$213,169</td>
</tr>
<tr>
<td>of year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>178,491</td>
<td>203,480</td>
</tr>
<tr>
<td>received during the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>(28,784)</td>
<td>(19,097)</td>
</tr>
<tr>
<td>transferred for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>capital purchases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>(160,390)</td>
<td>(170,828)</td>
</tr>
<tr>
<td>recognized as</td>
<td></td>
<td></td>
</tr>
<tr>
<td>revenue during the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, end of</td>
<td>$216,041</td>
<td>$226,724</td>
</tr>
<tr>
<td>year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Employee Future Benefits

The University has a defined benefit pension plan that provides pension benefits to eligible employees. This registered pension plan is based on years of credited service, highest average earnings in 60 consecutive months in the 10 years immediately preceding retirement, and the CPP average. Pension benefits will increase annually by the ratio between the average of each of the two previous years’ indices of the Consumer Price Index, normally to a maximum of 5%. Effective May 1, 2014, guaranteed indexation changed as follows: pension earned as of December 31, 2013 is indexed at 100% of CPI to a maximum of 5%, and pension benefit earned as of date of retirement less the pension benefit earned as of December 31, 2013 will be indexed at 75% of CPI to a maximum of 5%.

The latest actuarial valuation for the registered pension plan was performed as at January 1, 2016. The next required actuarial valuation for the registered pension plan is as of January 1, 2017. The University measures its accrued benefit obligation and the fair value of plan assets for accounting purposes as at April 30 of each year.

The University also has a benefit plan that provides other retirement benefits, including extended health care and life insurance and one that provides for long-term disability income benefits after employment, but before retirement.

The pension expense for the year is $31,031 (2015 - $33,613) and other benefit plans expense is $22,691 (2015 - $26,975). Remeasurements, which are recorded in the statement of changes in net assets are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit Plan</td>
<td>($84,244)</td>
<td>$ 76,104</td>
</tr>
<tr>
<td>Other Benefit Plans</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Actuarial gains</td>
<td>206</td>
<td>43,348</td>
</tr>
<tr>
<td>(losses)</td>
<td>33,681</td>
<td>68,856</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference between</td>
<td>($84,038)</td>
<td>$43,348</td>
</tr>
<tr>
<td>actual and expected</td>
<td></td>
<td></td>
</tr>
<tr>
<td>return on plan assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial gains (losses)</td>
<td>206</td>
<td>43,348</td>
</tr>
</tbody>
</table>

13
Information about the University’s benefit plans is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pension Benefit Plans</td>
<td>Pension Benefit Plans</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>$1,408,154</td>
<td>$1,395,720</td>
</tr>
<tr>
<td>Accrued benefit obligation</td>
<td>1,491,957</td>
<td>1,410,510</td>
</tr>
<tr>
<td>Plan deficit</td>
<td>(83,803)</td>
<td>(14,790)</td>
</tr>
</tbody>
</table>

9. **Deferred Capital Contributions**

Deferred capital contributions represent the unamortized amount of grants, donations and investment income received and used for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations. Changes in the deferred capital contributions balance are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$426,936</td>
<td>$432,043</td>
</tr>
<tr>
<td>Additions for capital purchases</td>
<td>32,186</td>
<td>22,844</td>
</tr>
<tr>
<td>Amortization of deferred capital contributions</td>
<td>(28,742)</td>
<td>(27,951)</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$430,380</td>
<td>$426,936</td>
</tr>
</tbody>
</table>

10. **Unrestricted Surplus**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational surplus</td>
<td>$16,970</td>
<td>$16,516</td>
</tr>
<tr>
<td>Unrealized gain on unrestricted investments</td>
<td>9,259</td>
<td>12,506</td>
</tr>
<tr>
<td>Land purchased with restricted funds</td>
<td>726</td>
<td>726</td>
</tr>
<tr>
<td>Provision for vacation pay</td>
<td>(13,034)</td>
<td>(12,476)</td>
</tr>
<tr>
<td>Total surplus</td>
<td>$13,921</td>
<td>$17,272</td>
</tr>
</tbody>
</table>

11. **Internally Restricted Net Assets**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic and academic support department carryforwards and operational commitments</td>
<td>$299,561</td>
<td>$277,510</td>
</tr>
<tr>
<td>Employee future benefits (note 8)</td>
<td>(278,796)</td>
<td>(227,045)</td>
</tr>
<tr>
<td>Ancillary enterprises</td>
<td>24,493</td>
<td>16,753</td>
</tr>
<tr>
<td>Unspent realized income on internally endowed investments</td>
<td>2,357</td>
<td>3,045</td>
</tr>
<tr>
<td>Unrealized gain on internally endowed investments (note 12)</td>
<td>2,738</td>
<td>6,683</td>
</tr>
<tr>
<td>Bridge financing for housing and other construction projects</td>
<td>(75,102)</td>
<td>(57,678)</td>
</tr>
<tr>
<td>Net assets invested in capital assets</td>
<td>379,410</td>
<td>353,046</td>
</tr>
<tr>
<td>Total internally restricted net assets</td>
<td>$354,661</td>
<td>$372,314</td>
</tr>
</tbody>
</table>

The University appropriates funds at year end to cover outstanding operational commitments.
12. **Endowments**

Contributions restricted for endowment consist of restricted donations received by the University and donations internally designated by the Board of Governors. The investment income generated from external and internal endowments must be used for the purposes designated by the donors or Board of Governors. The University ensures that all funds received for restricted purposes are expended for those purposes for which they were provided.

Investment income on endowments is recorded in the statement of operations if it is available for spending at the discretion of the University or if the conditions of any restrictions have been met. Fundamental to the University’s philosophy on endowments is the general principle of maintaining the purchasing power of all endowment funds by limiting the amount made available for spending and reinvesting any income not made available for spending in a particular year.

Net assets restricted for endowment consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor endowed (cost)</td>
<td>$239,106</td>
<td>$235,010</td>
</tr>
<tr>
<td>Internally endowed</td>
<td>86,724</td>
<td>81,435</td>
</tr>
<tr>
<td>Unrealized gain on</td>
<td></td>
<td></td>
</tr>
<tr>
<td>investments held</td>
<td>7,549</td>
<td>19,286</td>
</tr>
<tr>
<td>for donor endowments</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$333,379</td>
<td>$335,731</td>
</tr>
</tbody>
</table>

Endowment net investment income includes the following:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor Internally</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endowed Endowed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realized income</td>
<td>$9,482</td>
<td>$14,442</td>
</tr>
<tr>
<td>earned</td>
<td>$3,282</td>
<td>$4,319</td>
</tr>
<tr>
<td>Unrealized gains</td>
<td>-</td>
<td>(3,945)</td>
</tr>
<tr>
<td>(losses) recognized as income</td>
<td></td>
<td>- 2,923</td>
</tr>
<tr>
<td>Income deferred</td>
<td>(1,623)</td>
<td>(421)</td>
</tr>
<tr>
<td>Income (loss)</td>
<td>7,859</td>
<td>14,021</td>
</tr>
<tr>
<td>recognized in</td>
<td>(663)</td>
<td>7,242</td>
</tr>
<tr>
<td>statement of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>operations (note 3(b))</td>
<td>7,859</td>
<td>14,021</td>
</tr>
<tr>
<td>Increase in net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized gains</td>
<td>11,737</td>
<td>6,865</td>
</tr>
<tr>
<td>Preservation of</td>
<td>2,825</td>
<td>7,973</td>
</tr>
<tr>
<td>capital</td>
<td>949</td>
<td>2,385</td>
</tr>
<tr>
<td></td>
<td>$14,562</td>
<td>$14,838</td>
</tr>
<tr>
<td></td>
<td>$949</td>
<td>$2,385</td>
</tr>
</tbody>
</table>

13. **Commitments and Contingencies**

(a) The University is a member of a self-insurance co-operative, named CURIE, in association with other Canadian universities. Under this arrangement, a contractual agreement exists to share the property and liability insurance risks of member universities. The projected cost of claims is funded through members’ premiums based on actuarial projections. As at December 31, 2015, CURIE had an accumulated surplus of $69,679 (2014 - $74,231), of which the University’s pro rata share is approximately 4.1% (2014 - 4.2%) on an ongoing basis. The University does not have access to their pro rata share of the accumulated surplus and accordingly, no amount is recorded in these financial statements.
(b) The University has entered into a long-term land lease and operating agreement with Ivest Properties Limited and London Property Corp. for the construction and rental of student housing. The University has a commitment to rent units in the townhouse complex with an option to terminate. The University is committed until at least September 1, 2018. Based on the number of units available for rent as at April 30, 2016 the following are the annual lease payments committed:

2017 - $2,731     2018 - $2,782     2019 - $933

(c) The nature of the University's activities is such that there are usually claims or potential claims in prospect at any one time. At April 30, 2016, the University believes it has valid defenses and appropriate insurance coverage in place on certain claims which are not expected to have a material impact on the University's financial position. There also exist other claims or potential claims where the ultimate outcome cannot be determined at this time. Any additional losses related to claims would be recorded in the year during which the amount of the liability is able to be estimated or adjustments to the amount recorded are determined to be required.

14. Financial Instruments

The University is exposed to various financial risks through transactions in financial instruments.

(a) Currency risk

The University is exposed to foreign currency risk with respect to its investments denominated in foreign currencies because the fair value and future cash flows will fluctuate due to the changes in the relative value of foreign currencies against the Canadian dollar. To manage foreign currency risk, the University hedges a percentage of currency exposures for investments in the US and some other international markets (hedges for the US dollar, pound, yen and euro).

(b) Credit risk

The University is exposed to credit risk in connection with its accounts receivable and its short term and fixed income investments because of the risk of one party to the financial instrument may cause a financial loss for the other party by failing to settle an obligation. The credit risk related to bonds is considered to be negligible because the University invests in bonds with investment grade ratings by recognized credit rating services. The University is also exposed to counterparty credit risk inherent in its interest rate swap agreement and foreign currency derivatives. In all contracts, the counterparty is a Canadian chartered bank and the University has assessed these risks as minimal.

(c) Interest rate risk

The University is subject to interest rate cash flow risk with respect to its floating rate debt. The University has addressed this risk by entering into an interest rate swap agreement that fixes the interest rate over the term of the debt. The University is also exposed to interest rate risk with respect to its investments in fixed income securities because the fair value will fluctuate with changes in market interest rates.

(d) Liquidity risk

The University is exposed to liquidity risk to the extent it will encounter difficulty in meeting obligations associated with its financial liabilities.

(e) Other price risk

The University is exposed to other price risk through changes in market prices (other than changes from interest or currency rates) in connection with its equity and pooled fund investments.
15. **Net Change in Non-Cash Balances**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ (67)</td>
<td>$ (3,415)</td>
</tr>
<tr>
<td>Inventories</td>
<td>(69)</td>
<td>493</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(473)</td>
<td>(819)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(13,256)</td>
<td>1,784</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>9,623</td>
<td>6,286</td>
</tr>
<tr>
<td>Deferred cash contributions</td>
<td>(8,609)</td>
<td>19,227</td>
</tr>
<tr>
<td></td>
<td><strong>($12,851)</strong></td>
<td><strong>$23,556</strong></td>
</tr>
</tbody>
</table>
Dear Governors,

Welcome back to the UW for the beginning of our 2016-17 new academic year. As you would have seen on campus after September or read about it, our campus is bustling with thousands of new students who started this chapter of their life here at UW and with returning students. This is yet another record breaking year for us with respect to the number quality of our incoming undergraduate and graduate students. As of November 1st, we anticipate 6,509 incoming students which is 6% over our target.

Speaking of history, we are now excited for our upcoming 60th anniversary celebrations and are getting ready for it.

I am pleased to provide you with a brief summary of major achievements, initiatives and goals we have in front of us. I am also very pleased to provide you with a full progress summary of our Strategic Plan implementation as part of our accountability framework. I will be happy to further discuss these in fuller detail at the meeting but, my main focus will be on what I am hoping will be a good interactive dialogue on one of our top risks - government policy. Specifically, I will bring to your attention the “Funding Formula” issue as it applies, to the post-secondary sector in general and the UW specifically. I have attached a separate brief on this particular issue and I look forward to our conversation and your feedback on this important issue.

Congratulations/Achievements

Royal Society of Canada elects new Fellows – Jennifer Clapp, School of Environment, Resources and Sustainability, Faculty of Environment, Colin MacLeod, Department of Psychology, Faculty of Arts, Tamer Ozsu, Cheriton School of Computer Science, Faculty of Mathematics

Royal Society of Canada names three Waterloo professors College Members – Zhongwei Chen, Department of Chemical Engineering, Faculty of Engineering, John Turri, Department of Philosophy, Tze Wei (John) Yeow, Department of Systems Design Engineering, Faculty of Engineering

University of Waterloo appoints new director of Velocity – Jay Shah, a former startup co-founder and alumnus joined Velocity in September. Jay joined Velocity from Google where the entrepreneur has worked since the tech-giant acquired the company he co-founded in 2012.

University of Waterloo appoints vice-president, advancement – Joanne Shoveller who is currently associate dean, Advancement and alumni relations at INSEAD will join Waterloo effective January 1, 2017.
Pitchbook 2016 – UW remains the top Canadian institution in venture-capital backed entrepreneurs

Two Waterloo history professors named to Order of Canada - John English, distinguished professor emeritus, was promoted to Officer of the Order of Canada for his contributions as a historian, author and administrator whose contributions have increased our knowledge of Canada’s political heritage.

Jim Walker is an expert in human rights and race relations in Canada. He was named a Member of the Order of Canada for his influential scholarship that has shed light on the contributions of Black Canadians to the development of the country. Professor Walker created the first courses in African-Canadian history at any Canadian university.

Velocity Fund Awards $35K in funding to commercialize revolutionary battery technology - Salient Energy, a company founded by a student, two researchers, and a chemistry professor are working to commercialize battery technology that will help address fluctuations in power supply and demand that have been a hurdle in advancing renewable energy.

UW helps launch first HeForShe University IMPACT Parity Report - UW joined leaders from nine of the world’s top universities in New York to update the United Nations on progress as part of the UN HeForShe Impact 10x10x10 initiative. I was joined by Anya Forestell, a Science student and one of the first recipients of a Waterloo HeForShe scholarship an event held at the Museum of Modern Art on Sept. 20. Prime Minister Justin Trudeau also attended and formally launched his role as United Nations Youth Ambassador.

Nano-scale Canadian flag sets world record in lead-up to nation’s 150th birthday - Guinness World Records granted the inaugural award for the smallest national flag to the Institute for Quantum Computing for the flag measuring 1.178 micrometres in length. It is invisible without the aid of an electron microscope.

Research Update

Waterloo-led research receives $91M as part of federal announcement of $900M in recent CFREF competition. Transformative Quantum Technologies, with Professor David Cory as the Principal Investigator received $76M. To date, this is the single largest research grant awarded to Waterloo. Waterloo also partnered with the University of Saskatchewan in Global Water Futures, receiving $15M of the $77M awarded. Professor Philippe Van Cappellen of Waterloo will lead the water quality theme of the project.

Waterloo at the forefront of Social Sciences and Humanities research for the better part of a decade. For seven consecutive years, Waterloo has been ranked #1 in SSHRC Grants* in the Comprehensive category of Maclean’s magazine’s annual university rankings. More impressively though, Waterloo ranked second overall
against all Canadian institutions in all categories in the last published rankings (November 2015). We expect to see an improvement in our 2016 ranking due to the recent Partnership Grant awarded to Philip Beesley of the School of Architecture [Living Architecture Systems - $2,476,738]. It should be noted that this phenomenal success has been primarily achieved by the Faculty of Arts and Faculty of Environment researchers and their efforts should be recognized and praised.

*The size of grants ($) is listed per full time faculty member; the number of grants is per 100 full time faculty members. The ranking reflects a weighted average of the two.

<table>
<thead>
<tr>
<th>Institution</th>
<th>Grants ($)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>McGill</td>
<td>$15,910</td>
<td>37.23</td>
</tr>
<tr>
<td>Waterloo</td>
<td>$13,785</td>
<td>27.91</td>
</tr>
<tr>
<td>Ottawa</td>
<td>$13,525</td>
<td>26.41</td>
</tr>
<tr>
<td>Toronto</td>
<td>$11,688</td>
<td>30.05</td>
</tr>
<tr>
<td>McMaster</td>
<td>$14,934</td>
<td>22.74</td>
</tr>
</tbody>
</table>

Professor Geoff Fong (Department of Psychology) received the largest of all 120 CIHR Foundation Grants awarded in the amount of $11M over 7 years for his work to implement policies in accordance with the 2003 World Health Organization treaty, the Framework Convention on Tobacco Control which obligates 180 countries (90% of the world’s population) to implement policies to reduce global tobacco use. If fully implemented, the FCTC would be the greatest diseases prevention initiative in history.

Thomson Reuters and Waterloo joins forces in data science. Valued at over CAD $20M, it includes the establishment of the Thomson Reuters-funded Research Chair in Data Cleaning from Theory to Practice, the creation of four positions for undergraduate and graduate Waterloo students through their Thomson Reuters Labs-Waterloo Region, and joint collaboration on the Problem Lab which helps students find and understand important problems which is the first step of entrepreneurial innovation. They will also provide students and researchers in the Faculty of Math and the School of Accounting and Finance with access to Thomson Reuters Eikon computers which provide solutions for consuming real-time and historical data, enabling financial markets transactions and connections with the financial markets community.

Green and Intelligent Automotive (GAIA) Research Facility opens – this $10M facility is the result of a partnership between the University, industry leaders and two levels of government. This facility housed in the Faculty of Engineering will allow teams of researchers using the latest tools to develop, test and refine innovations for the next generation of smart, clean vehicles under one roof.

**Commercialization**

An MOU was recently signed in China between Waterloo and two Chinese companies, China Canada Emerging Technologies Park (also known as Canada
Town) and Zenith Capital. Prime Minister Justin Trudeau was in attendance. It is anticipated that the MOU will promote collaboration between China and Canada, advancing the commercialization of technologies developed at Waterloo and across Canada. Zenith Capital and Canada Town will establish the Emerging Technology Development Fund, investing approximately $2B. The fund includes about $100M in venture capital earmarked to support commercialization projects and startup companies, $20M of which will be allocated to WatCo.

Research Partnerships

UW’s Research Partnership group promotes and manages contract research relationships between the private and public sectors and UW. The last quarter has been exceptionally busy with many research contracts negotiated on behalf of faculty members. These include multiple Industrial Research Chairs ($1 million from Thomson-Reuters, $3 million from C-COM, $1.5 million from GM), a large long-term commitment by Johnson & Johnson to the Centre for Contact Lens Research ($6 million), large commitments in automotive research (QNX/Magna/Plastcoat $1.4 million, Renasas $700,000, ArcelorMittal/Honda/Promatek $1 million), telecom research (Huawei, $700,000), and significant new government contracts with MTO ($370,000), Region of Waterloo ($250,000), NIST ($460,000), and DND ($530,000). These numbers show the strength and reputation of UW as a go-to partner for results-oriented research for both the private and public sectors.

International

Waterloo International continued to serve the broader UW community on international issues in a variety of ways during this reporting period.

With respect to development of key strategic partnerships for UW, Waterloo International hosted numerous international delegations and assisted faculties/units with their own visits as well. Representatives from major universities in Australia, China, Japan, Singapore, South Korea, and the United Kingdom, for instance, visited campus during this period. The fall continues to be the most popular term for ‘incoming international exchange students’. Some – as well as incoming international students starting their degrees at UW – were met by UW teams at Pearson airport as they began their UW experience and others got the chance to meet staff and faculty during the UW ‘International Orientation’ at the beginning of September. Additionally, winter term is usually the most popular for our ‘outgoing exchange students’, so preparations for their beginning-of-2017 departures continues.
Waterloo Innovation Summit

The University of Waterloo, partnering with Communitech hosted the 4th Waterloo Innovation Summit September 14-16, 2016. The Summit theme “Growth through Innovation: Rising Above the Rest” featured dynamic keynotes, panels and workshops including Walter Isaacson, Chamath Palihapitiya.

As you will recall, the Summit is designed to raise awareness of the region’s strong ecosystem and support the University’s reputation as a thought leader in the global innovation space.

There was strong representation from the federal government as part of the program, including a keynote presentation by Minister Bains on “inclusive innovation”, as well as entrepreneurship and innovation-focused panel discussions featuring Minister Kirsty Duncan and Minister Bardish Chagger.

University of Waterloo 60th Anniversary

Extensive plans are underway to celebrate the University of Waterloo’s 60th anniversary throughout 2017. The University will also recognize Canada’s 150th through a series of events and partnerships in 2017.

Working with campus partners, we have developed a communications and internal engagement plan to introduce Waterloo’s 60th anniversary year in 2017. To align with the University’s future-facing brand, communications materials and messaging are being designed to support a dual message: 60 years of Innovation/The Next 60 Years. A website and engagement campaign will be launched this fall, including a campus feature and call-to-action in the fall issue of Waterloo Magazine, presence at key events, including Convocation, Alumni celebrations and the President’s Town Hall.
**GEDI- Global Entrepreneurship & Disruptive Innovation**

The Global Entrepreneurship and Disruptive Innovation (GEDI) initiative proposal is under fast-track development and refinement by the University Relations team in collaboration with the Office of Research, Advancement, Co-operative Education and Career Action, and the Accelerator Centre, among other partners.

The initiative was launched publicly by Feridun Hamdullahpur as part of a keynote speech commencing the Waterloo Innovation Summit in September.

An updated proposal will be submitted to the Government of Canada in October in coordination with the federal government's continued investment in the innovation agenda strategy, including $800 million in funding towards innovation networks and clusters. An enhanced marketing communications deck is being finalized and an outreach plan has begun to confirm interest and future support with our top ten list of potential corporate partners.

**Brand Refinement Project**

Following delivery of the brand platform, guidelines and communications campaign theme in June, the implementation phase is now well underway. The objectives of the campaign are to support an increase in reputation, recruitment, funding, partnerships and pride.

One of the first campaign deliverables is “Beyond Innovation,” this year’s State of the University Report (SOTU), which showcases the Beyond campaign theme, and twelve stories featuring the unique journeys of students, alumni, researchers and teachers. The campaign will reach key national and international audiences.

**Student Space Update**

- Applied Health Sciences Addition (Occupancy received in July)
- Hagey Hall – Courtyard In-fill (Occupancy received in August)
- North-west campus (Site servicing complete and public road open)
- New Student Residence
  - Approx. 60% complete
  - Completion scheduled for summer 2017
- Engineering 7
  - Approx. 30% complete
  - Completion scheduled for summer 2018
- SLC/PAC Expansion
  - Targeting to award the construction contract in early 2017
- South Commons (Completed during the week of October 3)
Strategic Plan Update

Fall updates have been prepared and will be distributed to all governance committees throughout the coming months.

A cross theme objective of increasing opportunities for research for undergraduates provides high level information on student interest, intersection with Waterloo strengths in research, entrepreneurship and experiential education, and examples from each of the six faculties.

Below please find some key highlights with respect to each of the strategic plan themes.

Experiential Education

- Spring 2016 had 6,651 scheduled work terms with a final employment rate of 96.4%. This rate exceeded Spring 2015 final employment rate by .8% absorbing much of the growth in schedule work terms for Spring 2016. As of September 1, 2016, 5,890 of the 6,348 total students seeking employment have jobs (an employment rate of 96.3%). CECA is confident that we will meet our employment rate target of 99.5% for Fall 2016.
- The Co-op 2.0 initiative has progressed. The project team is looking into a broad range for first work term experiences, and how we can enable more success for students at that level. Environmental scans of co-op practices elsewhere are planned to ensure the innovative nature of the 2.0 projects. Project timelines are being created to allow for thorough stakeholder engagement and approvals through each faculty prior to bringing specific projects to university administration and Senate beginning in mid-2017.
- The Centre for Career Action (CCA) is piloting a new service delivery model that involves more intensive train-the-trainer relationships with student-staff groups across campus, to intentionally grow/strengthen UW’s career community.
- CCA has launched an online CareerHub that contains new content on: (i) entrepreneurship and being an entrepreneurial employee; (ii) getting international experience; and (iii) how to identify and articulate one’s skills gained at UW.

Academic Programming

Improved oral and written communications skills among graduating students

- Thirty new online resources have recently been developed and published, and a new interactive online module on writing literature reviews is in development with CEL. As the English Language Proficiency Exam is phased out, the Writing Centre is facilitating an increased number of workshops and sessions in undergraduate and graduate classrooms to support communication outcomes.
• The Steering Committee for English Language Competency Initiatives consulted with Deans to identify next steps. It is anticipated that by Fall 2019, communication courses in all six faculties will be required of UW undergraduates.

Increased professional and transferrable skills incorporated into graduate programs
• The GSO-led Graduate Professional Skills Working Group continues to develop new workshops and events, and raise the profile of graduate professional skills across campus. Integrating professional skills into the graduate curriculum is an ongoing focus of the GRADventure program.
• GRADventure hosted its first collaborative half-day “Research Matters” event. GRADventure students will: identify professional development needs and opportunities in each faculty; conduct gap assessments; develop comprehensive outreach plans; conduct research and focus groups; and plan, organize and develop rationales for new events and workshops. Additionally, each student will be engaging in a research project on a topic related to: outreach, including engaging the wider community; developing a mentorship program and connections with industry; and, the value of implementing a credential for professional skills at the graduate level.

National leadership in high quality online courses and programs
• eCampus Ontario’s Strategic Planning document indicates the next round of proposals will be focused on programs, and collaboration, so we are already engaging with potential candidates to ensure maximum participation and quality of submissions. CEL will also launch a KickStart program in the fall that will use a workshop approach to allow groups of faculty working with CEL to produce more courses, more quickly and efficiently.
• CEL is launching two Online Teaching Awards in 2016 to showcase and incentivize high quality online development and instruction.
• CEL is partnering with Faculty of Mathematics and MapleSoft in the development of Mobius, a STEM courseware authoring tool that promises to make STEM course development more efficient. This will secure CEL development expertise in the STEM area and provide opportunities for 30-40 more STEM projects over the three year period.

Provide support, training and policies to promote outstanding graduate supervision and mentoring
• A new program to provide support, training, and policies to promote outstanding graduate student supervision and mentoring started in Fall 2015. To date, 73 faculty members have completed this program. This training is one option by which new faculty colleagues can be granted ADDS status early in their career so that they may have more opportunities to supervise students, produce Highly Qualified Personnel (HQP), and be more successful in subsequent grant applications.
**Student Experience**

- The Federation of Students and IST have established a ‘Student Technology Council’ (STC), chaired by the CIO, to provide a forum for discussion of issues relating to the provision of information technology services and support to students.
- The new Library Ambassadors Pilot Project was launched to offer new high impact development opportunities for regular stream (non-co-op) students. Each term, 5 students have been hired for positions that will have an increased level of self-direction by allowing the students to initiate, develop and implement student engagement and wellness projects as well as participate in library committees and other projects. This pilot will support the EDGE Certificate and vibrant student experience strategic directions of the University.
- Three large institutional surveys were completed in the Winter term; NCHA: a survey of student health behaviors, coordinated by Health Services (response rate 13%); CUSC: a satisfaction survey of first year students (response rate 43%); CGPSS administration: a satisfaction and engagement survey of graduate and professional students (response rate 34%) was administered to graduate students in the Winter of 2016.

**Transformational Research**

- Math and Environmental Studies are now piloting Open Scholar, an easy way to create and maintain personal websites for faculty and researchers.
- A task force of the Working Group on Bibliometrics has begun to assess Waterloo’s use of bibliometric tools, including InCites, and aims to have a recommendation prepared by the end of the winter 2017 term.
- The research metrics framework reports include bibliometric data on publications and citations from six research areas on campus: The Water Institute, the Waterloo Institute for Nanotechnology, the Institute for Quantum Computing, the Aging Network, the Waterloo Institute for Sustainable Technology, and the Propel Centre for Population Health.
- Work has begun to profile undergraduate experiences in research available at Waterloo. This is a cross-theme initiative involving: Academic Programming, Experiential Education, Transformational Research, Entrepreneurship, and Student Experience.

**Entrepreneurship**

- Occupation Innovation Displays were installed in Dana Porter Library, Davis Centre Library, and the Centre for Career Action lobbies from May 31-June 17. The goal of Occupation Innovation was to encourage students to think entrepreneurially about their career path, whether they intend to start their own venture or work for an existing business.

**Global Prominence and Internationalization**

- A new single-page marketing campaign design was developed and has been used to highlight STEM Opportunities for Girls at University of Waterloo, in support of HeForShe.
• Co-op continues to meet with Waterloo International to maintain, improve and integrate initiatives across institutional internationalization stakeholders. Annual reporting to IAP included more qualitative metrics on student satisfaction with international work terms, and student evaluation from international employers for the first in the ‘internationalization’ theme.
• For Fall 2016 there are currently 174 co-op students working outside Canada and the USA, and there are 635 students working in the USA.

Robust Employer-employee Relationship
• The University of Waterloo has been short-listed for the Canada’s Top 100 Employer competition. The results will be released in the Globe and Mail on November 7, 2016.
• A new Employee and Family Assistance Program has been contracted to Homewood Health, effective September 1, 2016. The EFAP will provide a confidential, short term, counselling service for employees and their eligible family members who are faced with personal challenges at no additional cost to employees.
• In 2014, MUR initiated a 3-year pilot project to establish a network of recruitment agents in several key recruitment markets. We have increased the network from 12 agencies to 25 and have grown from 3 markets to 7, with one large agency covering multiple markets. For fall 2016, we doubled the intake of international confirmed students through agents to 152.

The mid-point review summary covers highlights of achievements in the past 2.5 years and identifies several areas for improvement: research funding increase and diversification, co-op 2.0, improving student experience, strengthening the entrepreneurship brand, and continued development of strategic international partnerships.

A tentative plan for the summative phase of the 2013-2018 strategic plan and initiation of the new cycle of strategic planning were shared with the EC and other key audiences during this Fall update.

NRAM (now referred to as the Waterloo Budget Model)

An overarching implementation plan consisting of eight components is currently being put into action to prepare for the first year the model will be used (2017-18). The plan addresses the need to establish various structures and processes that are necessary for transition to the new model while taking into consideration change management issues.

An initial version of a resource allocation planning tool has been released and will continue to be developed. This will allow the six faculties to engage in scenario planning.
University stakeholders will learn more about the new model during the Fall 2016 term through a series of scheduled presentations and communications. A new website for the budget model has also been designed and will go “live” in October.

**Strategic Enrolment Management**

The Faculty of Arts is now in the process of prioritizing and implementing recommendations from the Faculty of Arts Strategic Enrolment Management pilot project. Several recommendations emanated from this project within the following categories: Marketing, Outreach, Faculty Identity, Co-op and Student Retention. The recommendations are heavily weighted toward strategies that will improve the “top” of the enrolment funnel (mainly student recruitment).

With increasing awareness of enrolment management issues, the Faculty of Arts is poised to exceed its Fall 2016 intake targets.

I look forward to discussing these and any other issues and subjects on October 25th.

Feridun Hamdullahpur
President and Vice-Chancellor
MEMO

To:        Board of Governors
From:     Feridun Hamdullahpur
           President and Vice-Chancellor
Date:   October 25, 2016
Re:      BRIEFING: GOVERNMENT POLICY RISK – FUNDING FORMULA REVIEW

Background

Ontario universities receive the lowest grant funding per student of any universities in Canada. Many discussions and reviews have been undertaken over the years to try to address this challenge, the most recent being a review of the funding formula used to fund Ontario universities, initiated in 2015. After broad consultations throughout the summer and fall of 2015, in May 2016 the Ministry of Advanced Education and Skills Development (MAESD, formerly MTCU) announced that Glenn Craney would lead the technical design of the funding formula review.

Progress and Next Steps

The Ministry is now working to finalize recommendations which will be taken to cabinet later this fall for design changes to the university funding formula. As such, the update below describes our current understanding of the directions the Ministry is likely to recommend to Cabinet for approval. Since discussions and work at the Ministry is ongoing, the structure of the new approach may still change considerably.

Model Structure

The model shared by the Ministry proposes a new funding model consisting of three core elements, generally referred to as three “funding envelopes” –
The details of the mechanisms used for the Differentiation and Special Purpose envelopes are still under discussion, and are likely to be refined over the next few years, but signals show that the Ministry has strong interest in re-introducing a corridor to manage enrolment funding for the university sector.

**Corridor Funding**

A corridor mechanism has been a feature of the university funding formula since the late 1980s, but the impact of the corridor has been muted in recent years due to the availability of growth envelopes at both the undergraduate and graduate level. Re-introducing a corridor will change the way in which universities receive funding for enrolment.

The corridor was introduced in 1987/88 to provide grant revenue predictability and stability to universities in a period when relatively stable enrolments were anticipated. The corridor governed enrolment funding for universities until the arrival of the double-cohort in 2003, when growth envelopes were introduced, nullifying the impact of the corridor.

A corridor is effectively an agreement between the university and government, designed to provide the university with stable funding, allowing both universities and government to plan with certainty over the short-medium term. Under a corridor system the university receives an agreed upon level of funding so long as their enrolment (measured in Basic Income Units or BIUs) remains within a certain percentage (up or down, historically +/- 3%) of an agreed upon enrolment midpoint – i.e. within its corridor. Under a corridor small changes in enrolment do not impact funding, meaning that universities are not penalized for unplanned decreases to enrolment and government is...
not automatically obligated to fund small increases in enrolment.

Corridor funding has distinct advantages – both for universities and for governments – but it does require that institutions monitor enrolment changes carefully to avoid surprise shifts in enrolment that can have serious financial consequences.

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**Enrolment Funding**

In 2015/16 Waterloo received a total of $243.6 M in operating grant support from the Ministry.

<table>
<thead>
<tr>
<th>Grant Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Operating Grant</td>
<td>$205.6 M</td>
</tr>
<tr>
<td>International Student Recovery</td>
<td>($3.3)</td>
</tr>
<tr>
<td>Undergraduate Accessibility</td>
<td>$15.8</td>
</tr>
<tr>
<td>Graduate Expansion</td>
<td>$6.7</td>
</tr>
<tr>
<td>Grant in Lieu of Municipal Taxes</td>
<td>$2.2</td>
</tr>
<tr>
<td>Quality &amp; Performance Funding</td>
<td>$11.4</td>
</tr>
<tr>
<td>Clinical Education</td>
<td>$1.3</td>
</tr>
<tr>
<td>Research Overhead</td>
<td>$1.6</td>
</tr>
<tr>
<td>Other 1</td>
<td>$2.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$243.7 M</strong></td>
</tr>
</tbody>
</table>

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1 Includes Credit Transfer ($311K), Ontario Trillium Scholarship ($640K), Women’s Campus Safety Grant ($50K), Optometry Administrative Costs ($17K), First Generation bursaries ($129K), Aboriginal support ($239K), and support for students with disabilities ($1M).

2 Totals may not add due to rounding.
Benefits/Risks of Corridor Funding

The corridor has distinct advantages, for both universities and government. There are also risks inherent in corridor funding that make it critical for the university to manage enrolment carefully.

For Universities
- Stability of Funding
- Flexibility
- Protects “on-going” funding from dramatic fluctuations
- Protection from the actions of other universities
  → Requires careful attention to enrolment planning

For Government
- Predictability of funding
- Effectively caps funding – easing budget preparations
- Gives government greater control of enrolment growth
  → Paying for enrolment that universities haven’t delivered
  → Less ability to steer behaviour
Policy 42 – Prevention and Response to Sexual Violence

The policies found on the website of the Secretariat & Office of General Counsel (SOGC) are compulsory rules for the University community. The authoritative copies of the policies are held by the SOGC and bear the seal of the University. The online version accessible through the website of the SOGC is available for information purposes only. In case of discrepancy between the online version and the authoritative copy held by the SOGC, the authoritative copy shall prevail. Please contact the Equity Office for assistance if necessary.

Established: 25 October 2016
Revised: N/A
Mandatory Review Date: 1 January 2019
Supersedes: N/A
Class: G
Responsible/Originating Department: Equity Office
Executive Contact: Vice-President, Academic & Provost, University Secretary & General Counsel

Related Policies and Agreements:
1. Policy 18 – Staff Employment
2. Policy 33 – Ethical Behaviour
3. Policy 34 – Health, Safety and Environment
4. Policy 36 – Dispute Resolution for University Support Staff
5. Policy 71 – Student Discipline
6. Policy 72 – Student Appeals
7. The Sexual Violence Response Protocol and Procedures
8. Collective agreement between the University of Waterloo and CUPE Local 793
9. Memorandum of Agreement between the Faculty Association of the University of Waterloo and the University of Waterloo

Capitalized terms used in this Policy have the meaning assigned to them in Appendix A.

1. Introduction
The University is committed to fostering a safe, welcoming and inclusive environment for all community members. In that respect, members of the University Community play an important role in promoting a safe and respectful environment where the impact of Sexual Violence is understood and actions are taken aimed at preventing Sexual Violence and supporting individuals affected by Sexual Violence.

The University provides education and support to members of the University Community to raise awareness about Sexual Violence and assist individuals who have been affected by it. The University also facilitates administrative processes for members of the University Community to address their complaints of Sexual Violence.
2. **Scope**

This Policy and the related procedures apply to all members of the University Community, including those who are in the University’s learning environment, the University’s work environment or both. The learning and work environment encompasses any setting where University learning, work or other activities take place, including (but not limited to) University Property and activities under the auspices of the University (such as off-campus University-sponsored events and activities). In the event that a member of the University Community is affected by Sexual Violence in a situation that occurs outside of the University’s learning or working environment, the support intended to be provided under this Policy will still be available.

Persons who are not members of the University Community (including visitors, contractors and others) but who are affected by Sexual Violence occurring on University Property or at an activity under the auspices of the University are encouraged to consult with the Sexual Violence Response Coordinator (SVRC). The SVRC will assist any of these individuals by connecting them with available community support resources.

Sexual Harassment is part of the continuum of Sexual Violence and is of great concern to the University and members of the University Community. Sexual Harassment is included in the definition of Sexual Violence appearing in Appendix A of this Policy; it is addressed with other types of harassment, under Policy 33, Ethical Behaviour.

The pursuit of criminal, civil or other legal actions or remedies remains available to all members of the University Community despite any action taken pursuant to this Policy.

Nothing in this Policy is intended to diminish Academic Freedom as defined and articulated in Memorandum of Agreement between the University and the Faculty Association at the University.

3. **Legal Framework**

In addition to the abovementioned “Related Policies and Agreements”, the policy will be construed in accordance with applicable law, in particular:

- **Ministry of Training, Colleges and Universities Act**, R.S.O. 1990, c. M.19
- **Sexual Violence and Harassment Action Plan Act (Supporting Survivors and Challenging Sexual Violence and Harassment)**, 2016, S.O. 2016, c.2

If any of these legal provisions are modified, abrogated, superseded, or added to, the policy will be interpreted in accordance with the new legal framework.
4. Purpose
This Policy establishes the University’s commitment to the awareness of and prevention of Sexual Violence and to a process for addressing complaints of Sexual Violence. It outlines the roles and responsibilities of the University and members of the University Community. It also details supports and resources available for those affected by Sexual Violence and includes options for disclosing, seeking interim measures, reporting and pursuing complaints related to Sexual Violence.

5. Principles and Commitments
The following principles and commitments guide the implementation of this Policy:

5.1 Sexual Violence will not be tolerated; individuals found in violation of the law or breach of this or related policies will be held accountable for their actions.

5.2 Reprisal or threat of reprisal against anyone pursuing their rights under this Policy, or who participates in proceedings under this Policy, is not permissible. Any reprisal or threat of reprisal shall be grounds for a Report under this Policy. It is a breach of this Policy to engage in any act of reprisal against a Complainant, a Respondent, any witness, or anyone else pursuing a right or remedy or participating in a proceeding pursuant to this Policy and/or the Sexual Violence Response Protocol and Procedures.

5.3 The University encourages individuals who have been affected by Sexual Violence to seek support [link to SVRC and resources]. The University is committed to providing interim measures to support the needs of individuals affected by Sexual Violence (see Section 7.5) and has developed a set of protocols and procedures for providing support through the Sexual Violence Response Protocol and Procedures [link].

5.4 Individual experiences of Sexual Violence are affected by factors including, but not limited to, age, ancestry, racialization, ethnicity, religion, sexual orientation, socio-economic status, ability, gender identity and gender expression. The individual’s identity is a key consideration when interim measures are offered. Further, the University’s initiatives aimed at raising awareness and addressing Sexual Violence will be designed with the diversity of the University Community in mind.

5.5 The University understands that Sexual Violence can have a serious impact on an individual’s physical and psychological wellbeing. Individuals who Disclose or Report Sexual Violence will be treated with compassion, dignity and respect. The University recognizes the individual’s right to not initiate or participate in an investigation conducted by the University.

5.6 In the interpretation and application of this Policy, the University will uphold the principles of natural justice. The principles of natural justice include the right to a fair hearing (where all parties are given the opportunity to present their case and to respond to the evidence against them) and the right to a fair process (where a decision is reached in a manner that is untainted by bias and where reasons for the decision, the evidence relied upon and the results are given in writing). The University
recognizes that it is in the best interests of the University Community to investigate complaints in a timely manner.

5.7 The University recognizes the importance of confidentiality to persons involved in a matter related to Sexual Violence. The University will keep information Reported or Disclosed confidential, taking reasonable steps to ensure that the information reported to the Minister pursuant to MTCU Act, subsection (7) does not disclose personal information within the meaning of Section 2.(1) of the Freedom of Information and Protection of Privacy Act., subject to the limits outlined in Sections 6.4 and 6.5.

5.8 The University shall maintain and report anonymized statistics regarding Disclosures and Reports of Sexual Violence on campus, in accordance with legislative requirements.

5.9 The University will raise awareness about Sexual Violence and implement prevention strategies. In addition, University employees providing resources and support services will be trained to respond to and address Sexual Violence. The University is committed to ensuring that investigations are conducted by those trained to respond to Sexual Violence.

6. Overview of Procedures

6.1 Individuals who Disclose or Report an incident of Sexual Violence that falls within the scope of this Policy should consult the Sexual Violence webpages for information about resources and supports. Students or employees who want to Disclose or Report an incident of Sexual Violence should consult the University’s Sexual Violence Response Protocol and Procedures. Parties to a Report such as Complainants and Respondents as well as witnesses are encouraged to seek the support of the SVRC. University community members can receive information and support from the SVRC without Disclosing or Reporting an incident of Sexual Violence.

6.2 Parties to proceedings resulting from a Disclosure or a Report pursuant to this Policy may appeal decisions in accordance with appropriate appeal procedures, as identified in the University’s Sexual Violence Response Protocol and Procedures.

6.3 If any party to a proceeding resulting from a Disclosure or Report is not an employee or student of the University, the matter will be referred to Waterloo Regional Police Service (WRPS) or local police. Consistent with the provisions of this Policy, the University may refer other Sexual Violence matters to WRPS or local police (see Section 2, Sexual Violence Response Protocol and Procedures).

6.4 The University will endeavour to maintain as confidential all information received or generated in relation to the Disclosure or Reporting of Sexual Violence, and will limit disclosure of information about individuals to those University employees who have a need to know the information to carry out their responsibilities and to assist the University in fulfilling its legal obligations and commitments under this and other policies. Under the following circumstances however, the University may not be able to maintain complete confidentiality:
i. where an individual is at risk of self-harm;
ii. where an individual is at risk of harming an identified individual;
iii. where members of the University Community or the broader community may be at risk of harm;
iv. where the release of confidential information is required by law, including but not limited to, an incident involving a minor, obligations related to the Occupational Health and Safety Act, human rights legislation, and where the University may be required to take steps to address actual or possible civil law, criminal law or disciplinary aspects to an incident of Sexual Violence; and/or
v. pursuant to contractual obligations with WRPS or other local police (see Section 2, Sexual Violence Response Protocol and Procedures).

6.5 Notwithstanding any other provision of this Policy and in particular 6.4, when an incident of Sexual Violence has been Reported or Disclosed with sufficient identifying information, the University may initiate an investigation and take other action, if deemed necessary and reasonable by the University in order to protect the University Community. If a Complainant requests that the University not act on a Report, the University must consider its obligation to provide equitable learning, working and living environments that are safe and free from Sexual Violence for all members of the University Community.

Persons with supervisory authority have a duty to inform the University when they become aware of an incident of Sexual Violence. A Disclosure or Report to a “person with supervisory authority” can lead to an investigation by the University. Persons with supervisory authority should consult with the SVRC when they are assisting someone who Discloses or Reports an incident of Sexual Violence.

The University will conduct a Sexual Violence Risk Assessment:

i. where an incident of Sexual Violence has been Reported;
ii. where an incident of Sexual Violence has been Disclosed to the SVRC with sufficient identifying information, and the SVRC as a result of a preliminary assessment of the circumstances underlying the Disclosure, is of the view that a Sexual Violence Risk Assessment is necessary and reasonable for the purposes of protecting a member of the University community or the University Community itself; and/or
iii. where the University may be required to take steps to address actual or possible legal action.

Where a Sexual Violence Risk Assessment is required pursuant to this clause 6.5, the SVRC shall refer the matter to an expert Sexual Violence Risk Assessment panel. In all situations where it is determined that a Sexual Violence Risk Assessment or further investigation is necessary, the University will make the safety and anonymity of those involved a priority, and will provide the Complainant with timely updates during the investigation, and information concerning the outcome of the investigation.
7. Roles and Responsibilities

7.1 All members of the University Community have a responsibility to uphold this Policy and promote respectful behaviour in the learning, teaching, working and living environments. Members of the University Community are encouraged to:
   - support the University’s awareness and prevention efforts; and
   - speak-out about Sexual Violence and its underlying causes.

7.2 The President, Vice-President Academic and Provost and their direct reports, shall maintain and communicate their commitment to address the issue of Sexual Violence. University officials shall ensure that the resources necessary to support the implementation of this Policy are offered.

7.3 The University shall perform Risk Assessments in accordance with Section 6.5, giving primary consideration to the concerns of all individuals affected by Sexual Violence and considering secondarily the obligations of the University.

7.4 The Equity Office shall work in collaboration with the University Secretariat & Office of General Counsel and the Vice-President Academic and Provost, to assist with the interpretation and application of this Policy and, in collaboration with partners in the University Community, coordinate Policy-related communication and education, including proactive and sustained prevention-focussed education on Sexual Violence as well as training on responding to incidents of Sexual Violence. Education and training content will be customized to address individual roles and responsibilities including in particular, the roles of those involved in responding to and addressing Sexual Violence.

7.5 The University shall provide a SVRC to support students and employees who are affected by Sexual Violence. This person will be a key resource to coordinate the provision of support and referral to students or employees who Disclose or Report Sexual Violence and will be separate from the investigative function.

7.6 The University shall provide a resource to investigate complaints of Sexual Violence.

7.7 When aware of an incident of Sexual Violence or because of the outcome of an investigation, those with supervisory responsibilities including directors of support units and associate deans (graduate and undergraduate) shall take necessary action, including but not limited to:
   i. providing interim measures (e.g., the separation of parties, for students, faculty and staff) where necessary;
   ii. assisting with the resolution of complaints and addressing appeals of decisions regarding Sexual Violence as set out in the Sexual Violence Response Protocol and Procedures; and
   iii. determining needed action, subject to any rights the Respondent may have pursuant to a collective agreement or contract.
7.8 All individuals involved in the provision of interim measures shall act in good faith.

7.9 UW Police Services shall provide assistance with matters such as safety planning and communications about incidents.

8. Policy Review
   This Policy will be reviewed after two years and then regularly every three years thereafter, always in consultation with University Community members.
Appendix A

Definitions

“Complainant” refers to the person who is making a complaint.

“Disclose/Disclosed/Disclosing/Disclosure” means to share information pertaining to an incident of Sexual Violence for the purpose of learning about and/or receiving support and resources.

“MTCU Act” means the Ministry of Training, Colleges and Universities Act, R.S.O. 1990, c. M.19

“Report/Reported/Reporting” means to inform about an incident of Sexual Violence to learn about the University’s complaint procedures and/or to seek redress using them and/or or pursue rights to criminal, civil or legal action.

“Respondent” refers to the person against whom a complaint has been filed.

“Risk Assessment” means the identification of risks and the evaluation of the quantitative or qualitative nature of Risks related to a specific situation and recognized as a threat, performed by means of tools developed by the University pursuant to Policy 11, University Risk Management. Risk assessment can be a multi-party process and includes assessing risks to health and safety. Health and safety risks may include situations where:
   a. an individual may be at risk of self-harm;
   b. an individual may be at risk of harming another person; and
   c. there is reason to believe members of the larger community may be at risk of harm.

“Sexual Harassment” means (a) engaging in a course of vexatious comment or conduct against an individual because of sex, sexual orientation, gender identity or gender expression, where the course of comment or conduct is known or ought reasonably to be known to be unwelcome, or (b) making a sexual solicitation or advance where the person making the solicitation or advance is in a position to confer, grant or deny a benefit or advancement to the individual or and the person knows or ought reasonably to know that the solicitation or advance is unwelcome.

“Sexual Violence” means any sexual act or act targeting a person’s sexuality, gender identity or gender expression, whether the act is physical or psychological in nature, that is committed, threatened or attempted against a person without the person’s consent, and includes sexual assault, Sexual Harassment, stalking, indecent exposure, voyeurism and sexual exploitation.

“SVRC” means Sexual Violence Response Coordinator, a member of the University Community employed as a resource person whose role includes assisting with the provision of support and facilitating interim measures.

“University” means the University of Waterloo.
“University Community” means in aggregate all individuals employed by the University, and all students registered as such at the University.

“University Property” means all real property or interests in real property owned or leased by the University and under the operational control of the University.
1. Introduction
The purpose of this Response Protocol and Procedures (“the Response Protocol”) is to support the implementation of the University’s Policy 42 Prevention and Response to Sexual Violence. In the event there is a discrepancy between the Response Protocol and the Policy, the Policy will apply.

The scope of application of the Response Protocol is defined in the Policy.

Where a Report of Sexual Violence is made and either the Complainant or the Respondent is not a member of the University Community, the case will be referred to the Waterloo Regional Police Services (WRPS) or local police. In addition the University will make its own determination about further investigation or any action on its part.

The Equity Office will ensure training and education sessions are provided to raise awareness about Sexual Violence, to support the implementation of the Policy and the Response Protocol, and will assist members of the University Community in the interpretation and implementation of the Policy and the Response Protocol.

The following sections outline: the various options available for University Community members for Disclosing or Reporting incidents of Sexual Violence; University procedures for responding to Disclosures and Reports; University procedures for investigation and appeal; information about seeking assistance and interim measures, and data collection and record keeping.

2. Procedures for Disclosing [Link to definition] or Reporting [Link to definition] an incident of Sexual Violence
A member of the University Community including any student or employee who has experienced Sexual Violence is encouraged to contact the SVRC directly. The SVRC is trained to understand and support individuals affected by Sexual Violence. The SVRC is a central resource person for members of the University Community including Complainants, Respondents, witnesses and front-line service providers. The SVRC will assist by providing guidance on where to find support, options that are available and information on next steps, including safety planning, and navigating University procedures. The SVRC will inform the individual who is affected by Sexual Violence about the level of confidentiality that can be expected before Disclosure takes place. The SVRC will advise individuals providing assistance to maintain confidentiality in accordance with the Policy.

The University will conduct a Sexual Violence Risk Assessment when an incident has been Reported or Disclosed with sufficient identifying information and where, as a result of a preliminary assessment of the circumstances underlying the Disclosure, the SVRC is of the view that a Sexual Violence Risk Assessment is necessary.

1 Capitalized terms used but not otherwise defined in the Response Protocol shall have the meanings assigned to those terms in the Policy.
Where a Sexual Violence Risk Assessment is required pursuant to Section 6.5 of the Policy, the SVRC shall refer the matter to an expert Sexual Violence Risk Assessment panel. In all situations where it is determined that a Sexual Violence Risk Assessment or further investigation is necessary, the University will make the safety and anonymity of those involved a priority, and will provide the Complainant with timely updates during the investigation, and information about the outcome. The University recognizes that the Complainant may refuse to participate in an investigation.

UW Police Services are contractually obligated to inform WRPS or local police of a Disclosure or Report of Sexual Violence that is brought to their attention, in the following circumstances (see Policy Section 6.4.v.):
   a. There is a public safety concern;
   b. There is reason to believe that there is an investigation underway or charge by WRPS/local police; or,
   c. Where there is evidence that the complaint is in bad faith.

A Disclosure or Report to a “person with supervisory authority” may lead to an investigation by the University. Persons with supervisory authority should consult with the SVRC when they are assisting someone who Discloses or Reports an incident of Sexual Violence. University employees have a duty to report a Disclosure or Report of Sexual Violence to Family and Children Services, if a minor (under 18 years of age) is involved.

A. Disclosure of an incident of Sexual Violence
A member of the University Community who is affected by Sexual Violence is strongly encouraged to seek support, including medical attention as needed. The following are resources available in the Waterloo Region.

   On-campus Support
   Counselling Services: 519-888-4567 Extension 32655 (for students and employees, available 24 hours/day and 7 days a week)
   Health Services: 519-888-4096 (for students, available during business hours)
   Sexual Violence Response Coordinator: TBD

   Off-campus Support
   Waterloo Region Sexual Assault and Domestic Violence Treatment Centre, St Mary’s Hospital: 519-749-6994 (available 24 hours/day, 7 days a week)
   Sexual Assault Support Centre of Waterloo Region: 519-741-8633 (crisis line is available 24 hours/day, 7 days a week)

B. Reporting an incident of Sexual Violence
In case of an emergency, individuals should call 911 directly. For non-emergencies, individuals can call WRPS at 519-653-7700. Individuals can Report an incident to both WRPS or local police and UW Police Services.

The SVRC can assist a member of the University Community who is affected by Sexual Violence to file a Report to UW Police Services or to Report through the University’s administrative process.
I. Criminal Reporting Option
The SVRC can assist a member of the University Community to Report an incident of Sexual Violence to UW Police. UW Police Services will liaise with WRPS or local police who will conduct the criminal investigation. Individuals may also choose to Report to WRPS or local police directly.

II. Non-criminal, On-Campus Reporting Options
Instead of, or in addition to, reporting to UW Police Services, a University employee who has been affected by Sexual Violence may Report the incident to their supervisor, or the individual to whom their supervisor reports (where the Respondent is the employee’s supervisor). For the purposes of the Protocol, the person to whom the Report is made is referred to as the “Supervisor”. The Supervisor will inform the Complainant about confidentiality before a complaint is filed.

Instead of, or in addition to, reporting to UW Police Services, a University student who has been affected by Sexual Violence may Report the incident to the Associate Dean (undergraduate or graduate) of their Faculty or the Dean of their Faculty (where the Respondent is the Associate Dean of the Faculty). For the purposes of the Protocol, the person to whom the Report is made is referred to as the “Recipient”. The Recipient will inform the individual about confidentiality before a complaint is filed.

Instead of, or in addition to, contacting UW Police Services, any University Community member who has experienced Sexual Violence and wishes to file a complaint of Sexual Harassment may do so pursuant to Policy 33 and the related procedures.

In each of the situations referred to in Section 2.B.II., the Report will be forwarded to the investigator (see Section 6.5, Policy). The investigator will assess the matter to determine whether an investigation will be conducted by considering whether or not:

- The University has jurisdiction;
- The conduct complained of appears to meet the definition of Sexual Violence (excepting Sexual Harassment); and
- There is a dispute of facts.

The investigator has been trained on conducting Sexual Violence investigations and therefore understands matters such as consent and how trauma affects individuals coming forward, and can render findings about whether an incident/misconduct occurred or not on a “balance of probabilities.”

If the respondent’s relationship with the University ends and the individual is no longer with the University, the University may suspend its complaints process.

3. Confidentiality
Confidentiality is important to preserve the integrity of the University’s processes contemplated under the Policy and the Response Protocol including the investigation process. Therefore, parties to a Report, their support persons and any witnesses will be advised about the importance of and the limits to confidentiality (See Policy Sections 5.7, 6.4 and 6.5).
Any allegation of a breach of confidentiality and its impact pending a final decision, can be assessed and considered in the handling of the Report.

4. **Access to Assistance**
Members of the University Community are encouraged to seek assistance and support throughout the Disclosure or Reporting Procedures. Assistance may be sought from the following individuals:

- Employees can seek the assistance of a representative of their association or union (Faculty Association at the University of Waterloo/University of Waterloo Staff Association/CUPE Local 793).
- Students can seek the assistance of an executive member of their student association (Federation of Students/Graduate Student Association).
- Members of the University Community can bring a family member/friend.

Communication between an individual and the person providing them assistance is not a breach of confidentiality. To protect the integrity of the investigation process, the investigator will make the final determination about the involvement of a person who provides assistance to individuals, on a case-by-case basis.

5. **Interim Measures**
A University Community member can speak about their experience to the SVRC to request an interim measure, even if the member who Discloses Sexual Violence does not want to Report pursuant to one of the options provided in 2.B.II. above. The SVRC is knowledgeable about Sexual Violence and its impact and will play a role in facilitating the request for an interim measure(s).

The University may establish interim measures as needed to address the needs of students affected by an incident of Sexual Violence including (without limitation) their safety needs (See Disclosure and Reporting Pathways chart). In the case of employees who have not filed a Report, but where a safety risk has been determined, the University may establish an interim measure as needed. Interim measures may include, but are not limited to:

- Discontinuing contact between the Complainant and Respondent by altering work, study or on-campus residence arrangements;
- No contact orders; and
- Extensions on academic or work assignments.

If relocation is necessary, normally it is the Respondent who is relocated when a Report of Sexual Violence is made to the University. Interim measures may be implemented during the investigation of a Report and pending final decision. Interim measures are temporary, do not constitute discipline and cannot be construed as such.

6. **Investigations, Decisions and Appeals**
Decisions about Policy violations and appeals will be dealt with as expeditiously as possible according to the policies or related procedures articulated in the reporting pathway, (see Disclosure and Reporting Pathways chart).
Any party to a Report of Sexual Violence can challenge the participation of the Supervisor or Recipient on the grounds that the individual has a potential conflict of interest in the matter or there is a reasonable apprehension of bias. The conflict of interest and the basis for it shall be promptly raised in writing with the Director of Equity. The Director of Equity will forward the correspondence to the person to whom the Supervisor or Recipient reports, for a decision.

Investigating a Report of Sexual Violence normally includes interviewing the Complainant, the Respondent and any witnesses. Where investigations are conducted, a report will be provided to the Supervisor or Recipient, and the Equity Office and a copy will also be provided to the appropriate senior manager (Vice-President Academic and Provost/Vice-President /University Secretariat & Office of General Counsel or designate). The Supervisor or Recipient will determine necessary action in a timely manner, subject to any rights the Respondent may have pursuant to a collective agreement or contract. The Supervisor or Recipient will convene with Human Resources and other appropriate University resources (including the Equity Office) before taking action, as well as determining any necessary actions pertaining to any systemic issues. The results of the investigation will be communicated to the Complainant and the Respondent, in writing.

A Policy or criminal law violation can constitute the basis for discipline up to and including termination or expulsion/suspension from the University, subject to applicable agreements or procedures. In cases where the Policy is found to have been breached, determining consequences is guided by the notion of progressive discipline. Discipline will vary and depending on relevant factors including the severity of the conduct, one or more of the following penalties may be imposed:

- A reprimand;
- Suspension;
- Eviction from residence; and
- Restricted or prohibited access to University campuses and services.

Other disciplinary action may be taken as appropriate.

Appeals of discipline arising from a Policy breach may be undertaken by students pursuant to Policy 71, by faculty pursuant to the Memorandum of Agreement with faculty, by staff pursuant to Policy 36 and by CUPE members pursuant to the CUPE collective agreement.

7. Data Collection, Reporting and Retention of Records

The Equity Office will maintain anonymized statistics on Disclosures and Reports of incidents of Sexual Violence and in accordance with legislative requirements, will take reasonable steps to ensure that the information reported to the Minister pursuant to the MTCU Act, subsection (7) does not disclose personal information within the meaning of Section 2.(1) of the Freedom of Information and Protection of Privacy Act.

Records of a Report of Sexual Violence where the Policy was found to be violated will be retained as required, subject to the provisions of an applicable employee agreement or the CUPE collective agreement but no longer than 5 years from the date the complaint file was closed, unless there is further process undertaken pursuant to the Policy. In cases where disciplinary action is taken pursuant to related policies against students, faculty or staff, the
associated records will be maintained according to Records Classification and Retention Schedules HR43, HR45 or ST85 respectively.

8. Review
This Protocol will be updated as needed and in consultation with the Provost’s Advisory Committee on Equity. The Vice-President Academic and Provost and the University Secretariat & Office of General Counsel share oversight responsibilities.
Policy 42 - Reporting and Disclosure Pathways

Students can speak directly with associate deans and employees can speak directly with department heads about interim measures.

- "Disclose" means to share information pertaining to an incident of Sexual Violence for the purpose of learning about and/or receiving support and resources. Disclosure can happen anytime and may be ongoing at the complainant’s discretion.
- "Report" means to inform about an incident of Sexual Violence to learn about the University’s complaint procedures and/or to seek redress using them and/or or pursue rights to criminal, civil or legal action.
- A report of reprisal will be treated as a Report under this policy.
- The complainant may access the on-campus disclosure and reporting pathways, the health care pathway and the criminal pathway, at any time.

- The complainant can refuse to participate at any point during the University’s reporting and disclosure procedures.

**On-campus Options**

- **Health Care Option (disclose)**
- **Criminal Reporting Option**

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* Students, faculty or staff member with a concern (allegation of sexual violence)

Discloses directly or via a trusted person

Sexual violence response coordinator support/resources/interim measures/risk assessment

Complainant makes a report?

Yes

Report to UW

Investigation

Policy violation?

Yes

No

End

No

UW determines: investigate or not?

Yes

End

* Students can speak directly with associate deans and employees can speak directly with department heads about interim measures.

- "Disclose" means to share information pertaining to an incident of Sexual Violence for the purpose of learning about and/or receiving support and resources. Disclosure can happen anytime and may be ongoing at the complainant’s discretion.
- "Report" means to inform about an incident of Sexual Violence to learn about the University’s complaint procedures and/or to seek redress using them and/or or pursue rights to criminal, civil or legal action.
- A report of reprisal will be treated as a Report under this policy.
- The complainant may access the on-campus disclosure and reporting pathways, the health care pathway and the criminal pathway, at any time.
- The complainant can refuse to participate at any point during the University’s reporting and disclosure procedures.
Change to the Memorandum of Agreement between the Faculty Association of the University of Waterloo (FAUW) and the University of Waterloo

Motion: To approve the following amendments to Articles 13.3 and 13.5 of the Memorandum of Agreement between FAUW and the University of Waterloo.

(Note: new text denoted with underline; deletions denoted with strikethrough)

13.3 Selective Salary Increases

13.3.1 Selective salary increases are intended to move a Member through the salary structure at a rate determined by her/his achievements in the profession and contributions to the University, measured by annual performance ratings undertaken as specified in 13.5. In order to ensure orderly career progress consistent with long-range academic goals, the commitment of funds required for this purpose shall have the highest priority in the preparation of the annual budget.

13.3.2 Within each Faculty, the Selective Increase Pool for Members shall be determined as follows:

- 0.25 SIU for each FTE Member, plus
- 0.25 SIU for each FTE Member with salary below T2, plus
- 0.5 SIU for each FTE Member with salary below T1.

For these purposes the value of the SIU shall be its value as of May 1 of the salary year in which the selective increases are to take effect, adjusted from year to year as specified in 13.2.2.

13.3.3 (a) A Member’s selective salary increase depends both on her/his annual performance rating (actual R) and on the position of the Member’s salary relative to the thresholds T1 and T2 for her/his rank. Thus the annual performance rating (adjusted R) for purposes of calculating a Member’s selective increase amount may not be the same as the annual performance rating (actual R) determined as specified in 13.5.5. For Members on a biennial performance review cycle, during non-review years, actual R is equal to the actual R for the previous year. These non-review year actual Rs are subject to adjustment, just as review year actual Rs are. The appropriate values for the adjusted annual performance rating shall be determined in the following way:

- If salary is less than T1 then adjusted R is actual R
- If salary is equal to or greater than T1 but less than T2 then adjusted R is actual R less 0.75
- If salary is equal to or greater than T2 then adjusted R is actual R less 1.25

The value of adjusted R shall never be less than 0

(b) The actual dollar value in any one year associated with an adjusted R of 1.0 in each Faculty is calculated by adding all individual adjusted ratings in that Faculty together, and dividing the resulting number into the total value of that Faculty’s Selective Increase Pool as determined by 13.3.2. All other adjusted R values are assigned a selective increase dollar value by multiplying the adjusted R value by the dollar value of an adjusted R of 1.0.
(c) Where a selective salary increase as determined in 13.3.3 (a) and (b) would result in a salary which crosses a threshold, that increase shall be "feathered". That is to say, that part of the increase which would bring a Member's salary up to a threshold shall be received by the Member, but the part of the increase which would cause the salary to exceed the threshold shall be adjusted to make it commensurate with the selective increase to which she/he would be entitled with a salary at or above that threshold.

(d) Effective May 1, 2006, the University will provide annually an Anomalies Fund for each Faculty equal in value to five percent of that Faculty's Selective Increase Pool, to correct individual salary anomalies. These special permanent increases require the approval of the Vice President Academic and Provost (VPA&P) who shall consult with the President of the Association. Any unspent amount in the anomalies fund of a given Faculty will be carried forward to the next salary year.

(e) Effective May 1, 2004, the University will provide annually an Outstanding Performance Fund for each Faculty equal in value to ten percent of that Faculty's Selective Increase Pool, to provide special permanent salary increases as described below.

Members in each Faculty unit (department or school) whose annual performance rating for the current year is within the top twenty percent of ratings within the unit may be considered for a special permanent salary increase. For Members on a biennial review cycle, eligibility for consideration for Outstanding Performance Fund salary increases during non-review years are based on the previous year’s performance ratings. Members who have received a special increase in either of the previous two years are not eligible to receive a special increase, and are excluded for purposes of determining the top twenty percent and those within it.

All Members identified by the process above will form a single Faculty-wide pool. The Dean of the Faculty, in consultation with the Vice-President, Academic & Provost, will review the performance of all Members in this pool, and make special salary increase awards equal in value to one Selective Increase Unit (SIU) to a subset of them. For at least eighty percent of the awards, the sole criterion will be outstanding performance in teaching and scholarship. Remaining awards may be given on the basis of outstanding service to the University. Consideration also should be given to dispersing the awards across Faculty units, ranks, and to both women and men. Awards given on the basis of outstanding service will not be limited to Members holding administrative positions. The number of awards made will be such that, in the aggregate, they will differ from ten percent of each Faculty's Selective Increase Pool by less than one SIU, and any unspent amount in the Fund of a given Faculty will be carried forward to the next salary year. The Vice-President, Academic & Provost will publicly announce the award recipients.

…

13.5 Member Evaluation

13.5.1 (a) Each Faculty shall have Faculty Performance Evaluation Guidelines setting out the evaluation criteria for that Faculty. The Faculty Performance Evaluation Guidelines shall be reviewed and updated no less than once every five (5) years, and changes shall be approved by a majority vote of the Faculty Council no later than 15 October in the year before the evaluation calendar year to which the changes would apply. The Guidelines shall be consistent with this
Agreement and with the evaluation criteria in Policy 77, and shall be made available to all Members prior to the commencement of the calendar year being evaluated. If there is a conflict between the Guidelines and this Agreement (or the criteria in Policy 77), the provisions in the Agreement (or the criteria in Policy 77) shall take precedence.

(b) Each Department shall have an Addendum to their Faculty Performance Evaluation Guidelines setting out the performance expectations in the Department for scholarship, teaching, and service. The Addendum shall be reviewed and updated biennially, and changes shall be approved by: (i) a majority vote of members of the Department, and (ii) the Faculty Dean who shall review for consistency with the documents listed in 13.5.1(c) no later than 15 October in the year before the evaluation calendar year(s) to which the changes would apply. The Addendum shall be consistent with this Agreement (and the evaluation criteria in Policy 77) and with the Guidelines. The Addendum shall be annually reviewed and updated, and changes shall be approved by a vote of members of the Department before the commencement of the evaluation calendar year to which it would apply. If there is a conflict between the Addendum and the Guidelines, or between the Addendum and this Agreement (or the criteria in Policy 77), precedence shall be given first to this Agreement (or the criteria in Policy 77), and then to the Guidelines.

(c) Faculty Performance Evaluation Guidelines and Departmental Addenda shall be consistent with this Agreement, and with University policies, procedures and guidelines (including the evaluation criteria set out in Policy 77). Departmental Addenda shall also be consistent with Faculty Performance Evaluation Guidelines. In the case of a conflict, precedence shall be given first to this Agreement; then to University policies, procedures and guidelines; and then to the Faculty Performance Evaluation Guidelines.

(d) Current versions of Faculty Performance Evaluation Guidelines and Departmental Addenda shall be posted on the relevant Faculty website and publically accessible.

13.5.2

(a) Each Member shall receive an annual performance evaluation based upon documentation provided by the Member, submitted in the format and by the deadline specified in the Faculty Performance Evaluation Guidelines. Performance evaluations shall occur on an annual basis for Members holding probationary or definite-term appointments, and on a biennial basis on odd numbered years for Members holding tenured or continuing appointments. A Member who does not submit the required documentation by the specified deadline normally will receive an overall rating of at most 0.5 as specified in 13.5.3.

(b) Members shall provide documentation for the calendar year(s) under evaluation (one year for Members holding probationary or definite-term appointments, and two years for Members holding tenured or continuing appointments), plus the number of previous years specified by their Faculty Guidelines. Members shall in addition provide documentation for the number of previous years specified by their Faculty Guidelines. Scholarship shall be assessed on the total evidence from a window of two, three, or four years. Teaching and service shall be assessed on the evidence from the year(s) under evaluation. The remaining documented years shall provide context to the assessed evidence.

(c) When Faculty Performance Evaluation Guidelines or Departmental Addenda change during the course of a Member’s probationary contracts, the Member will continue to be governed by the guidelines and addenda in effect at the beginning of their first probationary contract, unless the Member elects to be governed by the new set of guidelines or addenda, at the Member’s discretion. The Member shall advise their Department Chair if they elect to be governed by the new set.
13.5.3 Each Member shall receive one of the following nine numerical performance ratings in each of teaching, scholarship and service:

- 2.0 Outstanding
- 1.75 Excellent
- 1.5 Very Good
- 1.25 Good
- 1.0 Satisfactory
- 0.75 Needs Some Improvement
- 0.5 Needs Significant Improvement
- 0.25 Needs Major Improvement
- 0.0 Unsatisfactory

13.5.4 (a) Performance ratings shall pertain to the portion of the evaluation year during which the Member was a paid employee of the University, including sabbatical leave, but excluding pregnancy, adoption, parental, or sick leave.

(b) For newly appointed Members, and for Members on paid or unpaid leave, it may not be possible to assess performance in all three categories during the evaluation year. In these cases only, the practices described in 13.5.1, 13.5.2, and 13.5.3 may be amended as follows: (1) A newly appointed Member shall receive, in any category where assessment is not possible, a rating equal to the average rating of Members in the Department who hold the same rank; and (2) A continuing Member who has been on leave shall receive the average of up to the three previous years' ratings in any category where assessment is not possible as a result of the leave, in any category where assessment is not possible as a result of the leave, a rating equal to the average ratings of the three previous years in which the Member was not on leave.

(c) In situations where a Member has held a fractional load appointment, or has taken a leave of absence, in the period for which evaluation data is being considered, expectations for quality shall remain the same but expectations for quantity shall be adjusted.

13.5.5 (a) The overall rating (R) for each Member shall be computed as the weighted average of the individual ratings in teaching, scholarship and service for that year or the year(s) being reviewed. For Members on a biennial performance review cycle, the rating for non-review years shall be equal to the rating for the previous review year. The weight for each area shall be as specified in the member’s letter of appointment. In the absence of specified weights for professorial positions, the normal weights shall be 40 percent for teaching, 40 percent for scholarship, and 20 percent for service; for lecturer positions, the normal weights shall be 80 percent for teaching and 20 percent for service. These default weights do not apply to lecturer appointments made prior to May 1, 2008, and existing weights remain in effect for the duration of the appointment unless otherwise changed under sub-articles (b) and (c). There is no intended linear relationship between the percent for teaching and the number of courses taught.

(b) Weightings and duties may be adjusted in a formal agreement between the Member and the Chair with the approval of the Dean. The weights shall be at least 20 percent in every category, except in the case of lecturer appointments. Weight redistribution does not modify the performance quality expected in any of the three areas, though expectations for quantity will change.
(c) Any such formal agreement under 13.5.5 (b) shall be by mutual consent and, except in the case of definite-term appointments, shall be for a period of up to 5 years but no less than 2 years. Such an agreement may be renewed by mutual consent.

(d) The performance evaluation of a Member shall be done with all evaluators being informed of the weights in each area, and any adjustments made to the weights in each area, over the entire period for which evaluation data is being considered. Each Member shall be informed of the weight information used in their evaluation. The Chair shall collect and provide this weight information, which must be consistent with sub article (a) and any adjustments made under sub articles (b) and (c).

13.5.6 (a) The Chair has the responsibility for annual performance evaluations of all Members in the Department. The Chair shall inform the Dean of the proposed ratings in the three categories and overall.

(b) For Departments with 15 or fewer full-time equivalent regular faculty positions, the Members of the Department shall decide by majority vote whether to elect an advisory committee of no more than five Members to assist the Chair in carrying out the responsibility in 13.5.6 (a). A common committee spanning two or more small Departments may be considered.

(c) For Departments with more than 15 full-time equivalent regular faculty positions, the Members of the Department shall elect an advisory committee of no more than five Members to assist the Chair in carrying the responsibility in 13.5.6 (a).

13.5.7 The Dean shall review the ratings proposed by the Chair, and may establish an advisory committee to assist with this review. The Dean may modify the ratings for a Member or Members of a Department, if necessary, to maintain consistency of standards across the Faculty. The Dean shall inform the Chair in writing of the final individual and overall ratings, together with reasons for any changes.

13.5.8 The Chair shall inform the Member in writing of her/his final individual and overall ratings, and shall provide an opportunity for the Member to discuss her/his performance evaluation.

13.5.9 The Dean shall evaluate the performance of Department Chairs and Associate Deans, and shall forward proposed performance ratings in the three categories and overall to the VPA&P for approval. The VPA&P shall inform the Dean and the Chair or Associate Dean in writing with reasons of any changes in the recommended ratings.

13.5.10 (a) A Member who disagrees with her/his performance evaluation should proceed first to the Department Chair, and then, if not resolved, to the Dean of the Faculty for disposition.

(b) A Department Chair or Associate Dean who disagrees with her/his performance evaluation should proceed first to the Dean, and then, if not resolved, to the VPA&P for disposition.

(c) Annual performance evaluations and selective salary increases are not normally grievable except under Article 9.2.2 or 9.2.3 of this Agreement.
13.5.11 Histograms showing the distribution of final overall ratings in the Department, and by rank in the Faculty, shall be made available for perusal in the Offices of the Dean and Chair. Ratings histograms for small departments may be combined to preserve confidentiality.

Histograms showing the distribution in each Department, and by rank in the Faculty, of: (a) final overall ratings and (b) unweighted ratings in the categories of teaching, scholarship, and service, shall be provided to each Member with their performance evaluation. Ratings histograms for small Departments may be combined with those of other Departments from similar disciplines in the same Faculty in order to preserve confidentiality.

**Rationale:** The proposed amendments serve to change the frequency of faculty performance evaluations from every year to every two years, and to align the various prescribing language and processes into the biennial cycle. This benefits both faculty and administration in reducing the overall workload for said evaluations. As well, histogram information will now be provided directly to faculty members along with greater detail on the various individual ratings. Some existing language in the document has been moved and consolidated for clarity. These changes were adopted and recommended for approval by Faculty Relations Committee at its meeting of 15 September 2016, and were ratified by a vote of the FAUW membership on 14 October 2016. If approved, the changes to the agreement will take effect in 2016 and Faculties’ alignment to the biennial cycle will begin starting in 2018.

Ian Orchard
Vice-President, Academic & Provost
This report is submitted following the committee’s meetings of 27 July 2016 and 6 October 2016. The meeting of 27 July was cancelled due to lack of quorum.

**FOR APPROVAL**

1. **Appointment of External Auditors**

   **Motion:** To reappoint Ernst & Young as the university’s external auditors for the fiscal year ending 30 April 2017.

   **Background:** This recommendation is made with the endorsement of the vice-president, administration & finance, and in conjunction with the approval of the audit plan and fee (item #2 of this report). In accordance with industry best practices, a planned rotation in the engagement partner is forthcoming. Additionally the committee members participated in a critical services review for the external audit function (along with selected staff within Finance) and all responses indicated that the present external auditor meets or exceeds expectations in all areas. This outcome helped inform the committee’s recommendation.

**FOR INFORMATION**

2. **Audited Financial Statements**

   The audited Financial Statements for the fiscal year ended 30 April 2016 were provided to the members. A motion to approve the audited Financial Statements was made electronically and the Financial Statements were approved. A recommendation was sent to the Board Executive Committee for approval.

3. **External Audit Plan For 2017**

   The committee reviewed the external audit plan for the fiscal year ended 30 April 2017. For the upcoming year, the committee approved the overall planned audit approach together with the fees for the external audit plan as proposed by the external auditors (Ernst & Young).

4. **Director’s and Officers’ Insurance**

   The committee reviewed a summary and noted that there were no significant changes in coverage from the previous year. Management compared its officers and directors’ insurance coverage with other Canadian universities of similar size and concluded that coverage meets or surpasses that in place of the other institutions.

5. **Statutory Compliance**

   The Secretariat & Office of General Counsel have created a list of federal and provincial statutes and municipal bylaws and international regulations posing the greatest potential risk for the university in the event of non-compliance.
Staff responsible for institutional compliance have reviewed these statutes, bylaws and regulations, and have signed a declaration indicating that there are no issues of material non-compliance related to their areas of responsibility, as at the date of their signature with one exception under the *Occupational Health and Safety Act, R.S.O. 1990.* The Safety Office must maintain a “designated substances inventory” including a record of asbestos locations on campus. A mitigation plan has been created and is currently underway and it is expected that the university will be in compliance by 1 December 2016.

6. **Internal Audit Summary Update**

The approved 2015-2016 audit plan has been completed with a few exceptions which have been deferred and will be completed as part of the 2016-17 activities. Internal audit is confident that management’s current plans to address outstanding observations will mitigate the risk to an acceptable level in all reports issued.

/lew

Thorsten Heins
Chair, Audit & Risk Committee
The meeting scheduled for 7 October 2016 was cancelled due to lack of quorum.

FOR INFORMATION

Members have been provided with the following for information pending the committee’s next meeting:

- A summary of capital financing commitments associated with construction projects, with the advice that these commitments fall within Waterloo’s board-approved debt policy
- Particulars of the design & construction status of capital projects
- The conceptual designs for the $34 million Student Life Centre and Physical Activities Complex addition
- The committee’s annual work plan

A special meeting of the committee is scheduled for 21 November 2016 to address outstanding business.

Murray Gamble
Chair, Building & Properties Committee
This report is submitted following the committee’s meeting of 6 October 2016.

FOR INFORMATION

1. General Oversight

   Investment Fund Performance. The committee reviewed the performance of the registered pension plan, endowment fund, IQC trust fund, and payroll pension plan portfolios as at 30 June 2016.

   The fund managers for the registered pension plan fund and the payroll pension plan are generally performing as expected relative to the current market. The committee accepted for information the update on the solvency deficiency in the Registered Pension Plan. The IQC trust fund is outperforming its intended target. The endowment fund has performed well over all and there have been recent signs of improvement with the one manager that has been placed on the watch list. An update on the Payroll Pension Fund was provided to the committee which confirmed that the fund is tracking its benchmark.

2. RPPI – Search for Additional Global Equity Managers

   The Registered Pension Plan Investment Subcommittee (RPPI) discussed the possibility of selecting additional fund managers and provided a shortlist of four possible managers for further consideration by the Finance & Investment Committee and the Pension & Benefits Committee for potential inclusion on the global equity roster for the pension plan. The Finance & Investment Committee would independently determine if the recommended managers would be appropriate for inclusion on the approved investment manager roster for the non-pension funds.

   The committee discussed the intention of the Pension & Benefits Committee to make a recommendation to the Board to make an investment in a global index fund.

3. Pension Fund Financial Statements

   As part of its annual work plan, the committee reviewed the audited pension fund financial statements as at 31 December 2015. The Financial Statements were approved by the committee and it was confirmed that the statements have been filed with the Superintendent of Ontario.

4. Pension Plan - Asset Liability Study

   The committee accepted for information the asset liability study that was provided by the University’s Actuary, (Aon Hewitt). A list of asset classes to be considered was provided for consideration by the committee and further discussion at the next scheduled meeting.

5. Execution Against The Work Plan

   Committee reviewed the work plan and it was confirmed that it is currently on target.

Satish Rai,
Chair, Finance & Investment Committee
FOR INFORMATION

1. Amendment of Bylaw 1.B.1

At the 7 February 2017 meeting of the Board of Governors, the Governance Committee will bring forward the following motion for consideration:

Notice of Motion of a proposed amendment to Bylaw 1 of the Board of Governors having been given to the full Board by email of 19 September 2016 as required by Bylaw 1.M.1, it is recommended to the Board of Governors that Bylaw 1.B.1 be amended by striking out the words and punctuation “each of whom shall be a Canadian Citizen, and”.

The proposed amendment is intended to bring the bylaw into conformity with the amendment to The University of Waterloo Act, 1972 to the same effect, accomplished through S.O. 2016, c.5, Schedule 31, effective April 2016.

2. Board Retreat

Members of the Board of Governors are reminded to reserve Friday 2 December 2016 for the annual Board Retreat. The theme this year will relate to the top risk identified by management through the recent re-set of the institutional risk register, that is, Government Policy risk. While the agenda is still under development, we are advised that the focus will be on the areas of greatest risk to the University in its relationship with different levels of government, and the mitigation strategies in place and under development. All members of the Board are encouraged to attend.
FOR APPROVAL

1. Investment in two TDAM Index funds

Motion: To approve the Pension & Benefits Committee’s recommendation to invest a total of $15 million in the two TDAM indexed funds (to be distributed 60% in the TD Emerald U.S. Equity Index Fund and 40% in TD Emerald International Equity Index Fund), by reallocating approximately 10% of the current cash in the fund.

Background: Committee members are concerned about the growing liability in the pension fund and have determined that they would like to invest a portion of the cash in the two TDAM index funds. The committee believes the proposed index funds would lower investment costs for the fund with an opportunity to increase market returns.

FOR INFORMATION

2. Investment Recommendation from Finance & Investment Committee

The Pension & Benefits Committee heard a recommendation from the Finance & Investment Committee that the Registered Pension Plan fund sell 50% (approximately $60 million) of the U.S. treasury bonds currently held and to allocate the proceeds of the sale in equal parts to the existing universe bonds and short corporate bonds. Motion was carried.

3. Implementation of New Pension Administration System

The Pension & Benefits Committee received an update advising that it was necessary to change the target launch date of the new pension administration system, Ariel, from September 1, 2016 to November 1, 2016, due to a number of complicating factors. Members heard and carried a motion for the following:

   i) Change the launch date from September 1 2016 to November 1, 2016 with Morneau Shepell agreeing to waive any corresponding additional implementation fees;
   
   ii) Assign a Project Manager from within HR to assist with the internal non-vendor portions of the project;
   
   iii) Hire a temporary resource to support the pension team with the regular administration and some implementation activities; est. cost of $18,000.00 -$20,000.00 for the July to December 2016 period.

The committee was advised in October that with the additional investment made the project is on track to launch November 1st.

4. Government Pension Plan Initiatives

The committee received an in depth report from the University’s actuary on the Government Pension Plan Initiatives, and was presented with a report entitled “Review of Ontario’s Solvency Funding Framework for
Defined Benefit Plans” (the “Report”). Members discussed two possible approaches to solvency regulation that the government is currently considering as outlined in the Report: Approach A - Modify Solvency Funding Rules, and Approach B - Eliminate Solvency Funding and Strengthen Going Concern Funding. Various options were discussed and received a suggestion that funding a percentage of solvency liability was reasonable.

5. **Q2 Dashboard Summary**

The plan’s going concern funded ratio increased to 95.9% at the end of Q2 due to the combined effects of asset performance exceeding expectations, contributions of $19.2 million and an increase in liabilities primarily due to interest growth. For the going concern, asset-liability return at the end of Q2, assets returned 2.2% during the quarter while liabilities returned 1.4 %, resulting in a funded status increase of 0.9%. In regard to the risk-free benchmark funded status, the plan’s funded ratio decreased to 56.5% at the end of Q2, due to the combined effects of asset performance exceeding expectations, contributions of $19.2 million, and an increase in liabilities due to a decrease in the risk-free rate. For the risk-free benchmark, funding assets returned 2.2% during the quarter while liabilities returned 3.8%, resulting in a funded status decrease of 1.2%. In regard to the solvency, funded status, the plan’s funded ratio decreased to 79.9% at the end of Q2 primarily due to the combined effects of asset performance exceeding expectations, contributions of $19.2 million, and an increase in liabilities primarily due to a decrease in risk-free rates and accruals, off-set by an increase in the annuity purchase spread. For the solvency funds, assets returned 2.2% during the quarter while liabilities returned 2.7%, resulting in a funded status decrease of 0.7%. In terms of average solvency numbers across the university sector, the university plan was performing relatively well.

6. **CPP Enhancement Impact**

Any CPP enhancements will require that incremental contributions, benefit entitlements and payments would have to be accounted for separately. CPP enhancement contributions and benefit accruals will start 1 January 2019, with a phase-in of contributions and benefits over the period until 2025. The additional employee contributions will be tax deductible rather than tax credits (treated like an RRSP).

7. **General Oversight**

The committee receives regular reports from the consulting actuary on legislative and policy changes anticipated and in force that impact public sector pensions, as well as changes implemented by other public sector pension plans. The committee discusses implications for the pension plan and takes the information into account when making decisions on matters including plan design, funding and administration.

/srw

Karen Wilkinson
Chair