

University of Waterloo
BOARD OF GOVERNORS
Minutes of the Tuesday 04 April 2023 Meeting
[in agenda order]

Present: Nasser Abukhdeir, Michael Ashmore, Carol Cressman, Lori Curtis, Catherine Dong, Michael Eubanks, Cindy Forbes (chair), Teresa Fortney, Murray Gamble, Vivek Goel, Rob Gorbet, Susan Grant, Nancy Heide, Russell Hiscock, Andre Hladio, Andrea Kelman (acting secretary), Achim Kempf, Sheryl Kennedy, Mary Robinson, John Saabas, Matthew Schwarze, Jagdeep Singh Bachher, Kevin Strain, Dan Weber, Stanley Woo, Stephanie Ye-Mowe

Guests: Christiana Alkiviades, Sandra Banks, Aubrey Basdeo, Jean Becker, Alison Boyd, Aldo Caputo, David DeVidi, Bernard Duncker, Rebecca Elming, Diana Goncalves, Sarah Hadley, Angela Herman, Michelle Hollis, Diane Johnston, Robert Lemieux, Peter Lowe, Nick Manning, Ian Milligan, Cathy Newell Kelly, Fayaz Noormohamed, Leanne Perreault, Jacinda Reitsma, Ian Rowlands, James Rush, Daniela Seskar-Hencic, Jeremy Steffler, Kerry Stryker, Sherri Sutherland, Brandon Sweet, Mathew Thijssen, Sean Thomas, Caitlin Vaux, Nickola Voegelin, Sarah Willey-Thomas, Katy Wong-Frank

Regrets: Nyla Ahmad, Dominic Barton, Peter Barr, Jack DeGooyer, Ellen MacEachen, Dorothy McCabe, Karen Redman, Naima Samuel, Berry Vrbanovic

OPEN SESSION

1. CONFLICT OF INTEREST

Governors were asked to declare any conflicts of interest they may have in relation to the items on the agenda. In relation to the Pension & Benefits Committee report, it was noted that Kevin Strain is the CEO of Sunlife and would be joining the call and that Cindy Forbes has an advisory agreement with GreenShield.

2. REMARKS FROM THE CHAIR

Cindy Forbes provided opening remarks which included:

- Territorial acknowledgment.
- Welcome to incoming new Governors – Aubrey Basdeo, Linda Blair and Bilal Khan.
- Reflections on recent Board Education and Strategic Sessions on Waterloo at 100, Sustainability and the provincial funding environment.
- Thanks to all Governors, and particularly outgoing Governors, for their service to the University. Outgoing Governors include: Peter Barr, Nyla Ahmed, Lori Curtis, Sheryl Kennedy, Carol Cressman, Catherine Dong, Susan Grant, Achim Kempf, Mary Robinson, Naima Samuel, Matthew Schwarze, and Stephanie Ye-Mowe.

3. AGENDA/ADDITIONAL AGENDA ITEMS

There were no additions or changes to the agenda. Bachher and Grant. Carried.

4. BUSINESS ARISING FROM THE MINUTES

The Board reviewed the summary of business arising items as presented in the agenda package.

5. REPORT OF THE PRESIDENT

a. General Update

The President delivered a verbal update, noting:

- Recent Sunrise Ceremony led by Indigenous Knowledge Keeper Myeengun Henry along with other Elders including Bill Woodworth, and the presentation of an Eagle Staff to the University of Waterloo. The Eagle Staff represents the University's journey towards reconciliation and will be integrated into institutional ceremonies like Convocation.
- Overview of provincial and federal updates relating to funding for universities generally.
- Overview of progress to date on Waterloo at 100.

- Recent trip to Asia, including three cities in East Asia and week-long trip to India to meet with research partners, alumni and attend conferences aligning with Canada's new Indo-Pacific strategy.

b. Waterloo at 100

Goel presented the Waterloo at 100 vision paper to the Board, noting the key components of the paper, guiding principles that emerged from discussion, and work to be done at the intersection of the futures articulated in the paper.

The Board discussed:

- Evolution of the vision paper between drafts.
- Extent of consultation and how it has been reflected in the document.
- Next steps in moving ideas forward.
- Future impact of the document to attract people and inspire.
- Role for the Strategic Plan in light of Waterloo at 100.

Motion: That the Board of Governors endorse the vision paper, Waterloo at 100, as presented. Goel and Gamble. Carried.

c. Policy 3 – Sabbatical and Other Leaves for Faculty Members

Goel presented changes to Policy 3, noting changes were made in consultation with the Faculty Relations Committee (FRC) and the Faculty Association of the University of Waterloo (FAUW) and that the changes clarify guidance relating to sickness, bereavement and compassionate care leaves. The Board discussed whether post-dated cheques would be required as per the Policy and agreed this point would be taken away and further clarified.

Motion: That the Board of Governors approve the amendments to Policy 3- Sabbatical and Other Leaves for Faculty Members, as presented. Goel and MacEachen. Carried.

6. REPORTS FROM COMMITTEES

a. Audit & Risk Committee

Russell Hiscock provided a summary of the internal audit projects for the 2023/2024 year and proposed the motion regarding the external audit as a standard item to come forward each year.

Motion: That the Board of Governors approve the amendments to Policy 3- Sabbatical and Other Leaves for Faculty Members, as presented. Hiscock and Kennedy. Carried.

b. Building & Properties Committee

Murray Gamble presented the Building and Properties Committee Report and noted the changes to the Earth Science and Chemistry building as part of a larger renovation project for the Science Faculty, noting budget increases since the budget was initially approved two years ago given inflation and second motion related to award the contract to a successful tenderer.

The Board discussed:

- Assessment of the renovation as the University moves towards a carbon neutral campus.
- Role of PACOD in planning for the campus and Campus Master Plan.
- Development of renovation guidelines.
- Source of funds for the budget increase.
- Selection process for projects and impact of budget.
- Pros and cons of heat pump system included in the renovation.

Motion: That the Board of Governors approve a \$6.4M (25%) increase to the project budget of the ESC renovations. Gamble and Samuel. Carried.

Gamble continued noting the second related motion and noted good results with the tendering process.

- Cost differential between bids.
- Nature of stipulated-price contracts.
- Contingency related to the project.
- Risk mitigation efforts if something were to go wrong with the contract and due diligence process.

Motion: That the Board of Governors approve the award of a stipulated-price contract (CCDC2) to Harbridge & Cross Limited in the amount of \$23,005,000.00 (excluding HST). Gamble and Fortney. Carried.

Gamble noted ongoing work by administration to review the project process and very robust process going forward, including related impact on deferred maintenance and sustainability.

c. Finance & Investment Committee

Jagdeep Singh Bachher presented the motion noting no changes to the investment partners, alignment with innovation; and addition of real estate and infrastructure to asset classes. The Board discussed the table included in the policy.

Motion: That the Board of Governors approve amendments to the Statement of Investment Policies and Procedures for the University of Waterloo Endowment, as described in Attachment 1 to this report. Bachher and Hiscock. Carried.

Catherine Dong and Matthew Schwarze left the meeting.

Bachher introduced the 2023/2024 operating budget and invited James Rush to deliver the budget presentation.

Rush noted the following:

- Impact of upcoming events to affect revenue and expense sides throughout the year and anticipated budget update in the Fall when enrolment results finalized and status of compensation agreements.
- Impact of increased salary costs and constrained revenue and mitigation efforts, including scenario planning, advocacy work, etc.
- Impact of tuition rate and number of students in combination and related impact on revenue.
- Impact of students using accelerated pathways to graduation on revenue.
- Overview of the expense summary including decrease in non-salary expenses, 1% budget reduction last year.
- Overview of University Fund Strategic priorities.
- Non-salary expenses.

i. Motion: That the Board of Governors approve the 2023/24 Operating Budget, as described in Attachment 2 to this report.

Bachher and Woo. Carried.

d. Finance & Investment Committee and Pension & Benefits Committee

i. Motion: To approve the amendments to the Responsible Investment Policy (RIP) as provided in Attachment #1

Bachher presented the amendments to the Responsible Investment Policy noting the changes are housekeeping in nature and were precipitated by the annual review of the policy.

Motion: To approve the amendments to the Responsible Investment Policy (RIP) as provided in Attachment #1. Bachher and Kennedy. Carried.

e. Governance Committee

i. Motion: That the Board of Governors approve the following amendment to the terms of reference for the Building & Properties Committee.

Forbes presented the amendments to the Building & Properties Committee terms of reference noting the double quorum role has been problematic. The Board discussed if the requirement stemmed from the University of Waterloo Act and existence of a similar rule at other institutions.

Motion: That the Board of Governors approve the following amendment to the terms of reference for the Building & Properties Committee. Gamble and Woo. Carried with one abstention.

ii. Motion: That the Board of Governors approve the amendment to the terms of reference for the Finance & Investment Committee, the Pension & Benefits Committee and the Pension Investment Committee as described in Attachment #1 to this report.

Forbes presented changes to the Finance & Investment, Pension & Benefits and Pension Investment Committee terms of reference noting interrelationships between the committees; the changes create more efficiencies; and maturity of PIC as it has been four years since the committee was created.

Motion: That the Board of Governors approve the amendment to the terms of reference for the Finance & Investment Committee, the Pension & Benefits Committee and the Pension Investment Committee as described in Attachment #1 to this report. Forbes and Gamble. Carried with one abstention.

f. Pension & Benefits Committee

i. Motion: To approve the amendments to the Statement of Investment Policies and Procedures (SIPP), and Fund Implementation Procedures (FIP) as provided in Attachments #1 and #2.

Fortney presented the amendments to the SIPP and FIP on behalf of Peter Barr, noting annual requirement to review the procedures and overview of the various changes.

Motion: To approve the amendments to the Statement of Investment Policies and Procedures (SIPP), and Fund Implementation Procedures (FIP) as provided in Attachments #1 and #2. Fortney and Grant. Carried.

Consent Agenda

The Board heard a motion to approve and/or receive for information by consent items 7-8 as below. Fortney and Gamble. Carried.

7. MINUTES OF THE 7 FEBRUARY 2023 MEETING

The minutes were approved as presented.

8. REPORT OF THE VICE-PRESIDENT, ACADEMIC & PROVOST
a. Sabbatical and Administrative Leaves
b. University Professor Designation

The Board convened in confidential session.

23 May 2023

Andrea Kelman
University Secretary (Acting)