



The UNIVERSITY of WESTERN ONTARIO

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

November 24, 2005

The meeting was held at 1:30 p.m. in the Cherry Room, Spencer Conference Centre.

PRESENT: Mr. D. McDougall, Chair
Ms. I. Birrell, Secretary

Mr. S. Adams
Dr. D.M.R. Bentley
Mr. T. Brown
Ms. L. Burke
Ms. H. Connell
Dr. P. Davenport
Ms. G. Dybenko
Mr. T. Garrard
Mr. T. Gosnell
Ms. L. Gribbon
Ms. S. Grindrod
Dr. T. Hewitt
Mr. E. Holder

Ms. R. Ivey
Mr. H. Kelly
Ms. G. Kulczycki
Mr. A. Labatt
Dr. F. Longstaffe
Dr. K. McQuillan
Mr. J. Nash
Ms. M. Noble
Mr. M. Pickard
Mr. G. Raymer
Dr. S. Singh
Mr. H. Vander Laan
Mr. R. Yamada

By Invitation: A. Birch, D. Burgess, L. Koza

REMARKS OF THE CHAIR

BG.05-126

Board Membership

The Chair welcomed the newly elected Board members to their first meeting: Professor David Bentley, elected by Faculty, Professor Jerry White, elected by Senate, Mr. Graydon Raymer, elected by the Graduate Students, Ms. Laura Burke, elected by the Undergraduate Students.

The Chair announced the Alumni Association reappointed Ms. Michele Noble to a second term (to December 2009).

BG.05-127 **REPORT OF THE PRESIDENT**

The President reported on the University Report Card, Maclean's Ranking, Provincial issues, Federal Economic Update, his course "In the Footsteps of the Impressionists," and his activities during the months of October and November. Overhead slides used to highlight his presentation are attached as [Appendix 1](#).

BG.05-128 **UNANIMOUS CONSENT AGENDA** [Appendix I]

Prior to considering the Unanimous Consent Agenda, the Board accepted as a friendly amendment the addition of the Board Retreat Summary to the Report of the Senior Operations Committee.

It was moved by G. Dybenko, seconded by M. Pickard,

That the 24 items listed in Appendix I as amended, excluding item 12. Auditor General of Ontario Update and item 16. Annual Report of the Joint Pension Board, be approved and/or received for information by the Board of Governors by unanimous consent.

CARRIED

BG.05-129 **Minutes of the Previous Meeting**

The minutes of the open session of the meeting of September 29, 2005 were approved as circulated.

REPORT OF THE PROPERTY & FINANCE COMMITTEE [Appendix II]

BG.05-130 **Information Items from the Property & Finance Committee**

The Report of the Property & Finance Committee contained the following items that were received for information by unanimous consent:

- Biotron Project - Award of Contract
- Bank of Montreal Faculty Fellowship
- The Bill and Anne Brock Family Professorship in Child Health
- Investment Committee Membership
- Scholarships Bursaries, Awards, Prizes

REPORT OF THE SENIOR OPERATIONS COMMITTEE [Appendix III]

BG.05-131 **Information Items from the Senior Operations Committee**

The Report of the Senior Operations Committee contained the following items that were received for information by unanimous consent:

- New and Re-appointed Board Members
- Administrative Appointments
- Board Retreat Summary

REPORT OF THE DEVELOPMENT & FUNDRAISING COMMITTEE [Appendix IV]

BG.05-132 **Revision to Gift Acceptance Policy**

It was moved by G. Dybenko, seconded by M. Pickard,

That the Board of Governors approve the amendment of the Gift Acceptance Policy (Policy 2.1) by the addition, after the third paragraph in section 2.00, "Types of Gifts Accepted," of the following new paragraph:

From time to time, donors may make gifts to the University that have aspects or characteristics that do not conform with other current University policies—for example, the University investment policy. These gifts will be reviewed by the President, on a case-by-case basis, and will be subject to the approval of the committee or governing body responsible for oversight and approval of the areas of non-conformity—for example, in the case of non-conformity with the University investment policy, the gift would be subject to approval by the University Investment Committee and in turn the Property & Finance Committee. In approving these gifts, consideration will be given to the opinion of the Development & Fund Raising Committee, the size of the gift, its impact at the University and the financial liability (if any) to the University raised by the gift. Case-by-case decisions will not be considered as setting precedent for the next occasion.

CARRIED by unanimous consent.

BG.05-133 **Quarterly Report on Fundraising**

The quarterly report on Fundraising, detailed in Appendix IV, Annex 1, was received for information by unanimous consent.

REPORT OF THE AUDIT COMMITTEE [Appendix V]

BG.05-134 **Auditor General of Ontario Update**

The Board received an update, detailed in Appendix V, Annex 1, on a recent meeting with staff from the Auditor General's Office regarding the impact of the Auditor General's expanded mandate.

Mr. McDougall asked if the outcomes of the audit conducted by the Auditor General's Office affect the scope of Board's accountability. Ms. Kulczycki advised that the legislation passed in November 2004 expanded the Auditor General's mandate to include organizations in the broader public sector, such as school boards, university, colleges and hospitals. The Auditor General's office informed the Ontario universities that it is their intention to audit a process, financial or operational, at several universities to compare best practices. It is unknown at this time how such an audit will affect the independence of the Board of Governors. Mr. McDougall cautioned that the Board and the administration be alert to findings that result in changes to behaviour involving governance issues. Dr. Davenport advised that the administration will be vigilant but wishes to be seen as enthusiastic supporters of accountability. Western already benchmarks many activities as can be seen in the annual report on performance indicators. Ms. Noble noted that the Auditor General is charged with assessing whether public resources are well administered, whether government and broader public-sector activities are managed with due regard to economy and efficiency, and whether procedures

to measure and report on the effectiveness of programs and organizations have been established and are operating satisfactorily. This is often referred to as the "value-for-money mandate" of the Auditor General.

BG.05-135 **Information Items from the Audit Committee**

The Report of the Audit Committee contained the following information items that were received by unanimous consent.

- Equity Services - Annual Report 2003-04
- Risk Management and Internal Audit Update
- Information Security - Graduate Studies

REPORT OF THE CAMPUS & COMMUNITY AFFAIRS COMMITTEE [Appendix IX]

BG.05-136 **Annual Reports: Code of Student Conduct**

The Board received for information the Annual Report on the Code of Student Conduct which consists of findings of misconduct in the University (Appendix IX, Annex 1a) and appeals to the University Discipline Appeal Committee (Appendix IX, Annex 1b).

REPORT OF THE JOINT PENSION BOARDS [Appendix VI]

BG.05-137 **Joint Pension Boards Report - November 2005**

Ms. Koza presented the Joint Pension Boards Report - November 2005, detailed in Appendix VI. Overhead slides used to highlight her presentation are attached as **Appendix 2**. The report covers the calendar year January 1 to December 31, 2004 as well as ongoing initiatives of the Pension Boards in 2005, including member education and participation.

Responding to Mr. Yamada's question about comparing Western's pension plan with other universities, Ms. Kulczycki stated that currently a consultant firm is obtaining measures from several Ontario universities to facilitate the comparison of the value of pension and benefits plans. This information will be shared with representatives of the Faculty Association and the PMA group.

ITEMS REFERRED BY THE SENATE [Appendix VII]

BG.05-138 **Guidelines for Educational Partnerships**

It was moved by G. Dybenko, seconded by M. Pickard,

That the Board of Governors approve the Guidelines for Educational Partnerships, detailed in Appendix VII, Annex 1, to replace the Policy on International Student Exchanges [MAPP 1.26] effective January 1, 2006.

CARRIED by unanimous consent.

BG.05-139 **Guidelines for International Research Partnerships**

It was moved by G. Dybenko, seconded by M. Pickard,

That the Board of Governors approve the Guidelines for International Research Partnerships, detailed in Annex 2, effective January 1, 2006.

CARRIED by unanimous consent.

BG.05-140 **Information Items Reported by the Senate**

Appendix VII - Items Referred by the Senate - contained the following information items that were received by unanimous consent:

- Planning for 2006-07: Guidelines for the Faculties
- Report of the Academic Colleague on the 277th Meeting of the Council of Ontario Universities
- Annual Progress Report on Strategic Research Plan
- Annual Report on Strategic Plan for Internationalization
- Academic Appointments

BG.05-141 **SELECTED CLIPPINGS** [Appendix VIII]

The Board received for information selected media clippings about the University, detailed in Appendix VIII.

D. McDougall
Chair

I. Birrell
Secretary

President's Report to the Board

- University Report Card
- Maclean's Ranking
- Provincial Issues
- Federal Economic Update

Paul Davenport Nov. 24, 2005

University Report Card

- Western is included in the category of Large Universities (enrolment over 25,000), which includes 15 universities:
Western, Toronto, McGill, McMaster, Dalhousie, Laval, Alberta, UBC, Montreal, Queen's, Calgary, Saskatchewan, Sherbrooke, Ottawa, and Manitoba.

University Report Card

- The Report Card received evaluations from 26,000 university students on 67 specific criteria, and reported the ranking of universities on each criteria on its website
- Of the 67 criteria, Western ranked 1st in 26, including "Overall educational experience" and "Overall Reputation of your University."
- On overall scores, Western again ranked first among the G10 research-intensive universities.

Report Card: #1 Rankings

Academic reputation, courses, teaching

- Overall academic reputation of university
- Overall educational experience
- Quality of teaching
- Availability of faculty outside class
- Overall course variety/availability
- Number of courses to choose from
- Reputation of professional schools

Report Card: #1 Rankings Services and Facilities

- Library services
- On-line library resources
- Classrooms/lecture halls
- Lab/research equipment
- Computer accessibility on campus
- Academic support/counselling
- Overall on-campus buildings/facilities
- Attractiveness of campus
- Recreation/Athletic programs/services
(but 6th in sports and recreation facilities)

Report Card: #1 Rankings Services and Environment

- Overall quality of student services
- Campus bookstore
- Food services
- Student residences
- Availability of off-campus housing
- Student Union/Community Centre
- Tolerance of diverse opinions/ideas
- Quality of off-campus environment
- Sense of personal safety/security
- Opportunities to have fun on campus

Western's Mission

The best student experience among the research-intensive universities of Canada

Consistent first place ranking among G10 in URC is a tribute to the talent and hard work of our faculty and staff.

URC: Marks of C or C+

- Availability of needs-based scholarships
- Availability of merit-based scholarships
- On-campus employment opportunities
- Career counseling/placement services
- Assistance with locating part-time jobs
- Co-op/internship opportunities

Maclean's Ranking

- 3rd place ranking again in 2005, behind McGill and Toronto
- Ranked first in:
- graduation rates
 - classes taught by tenured faculty
 - student aid
 - library acquisitions

Maclean's: Some Lower Rankings

- 11th in out-of province enrolment
- 10th in SSHRC grants
- 7th in reputational survey
- 9th in international enrolment

Unfortunately, no survey of alumni satisfaction in 2005. Western was best among the research universities in 2004.

Provincial Government Issues

- Medical enrolment expansion
- Graduate enrolment expansion
- Ontario Trust for Student Support
- Tuition Consultation

Federal Economic Update

- \$2.7 billion over 5 years in additional student aid
- Funding the indirect costs of research at 40%
- 50% increase in the number of Canada Graduate Scholarships
- \$1 billion trust fund for infrastructure and modernization of facilities
- Additional funding: CIHR and NSERC (\$35 m), SSHRC (\$15 m) and CFI (\$500 m for next five years)



The University of Western Ontario

Academic and Administrative Staff Pension Boards

Report to Board of Governors for Calendar Year 2004
November, 2005

Highlights

- Summary of plan design, costs and investments
- Industry challenges and pension board initiatives

Academic and Administrative Staff Pension Boards



Joint Pension Board Mission

Our Mission is to provide members with the opportunity to accumulate adequate funds for retirement. We seek to provide sufficient choice but not onerous choices. We seek to provide services and options on a cost-effective basis to accommodate members who are active in the management of their retirement savings and also for those members who look to the Board for guidance.

Academic and Administrative Staff Pension Boards



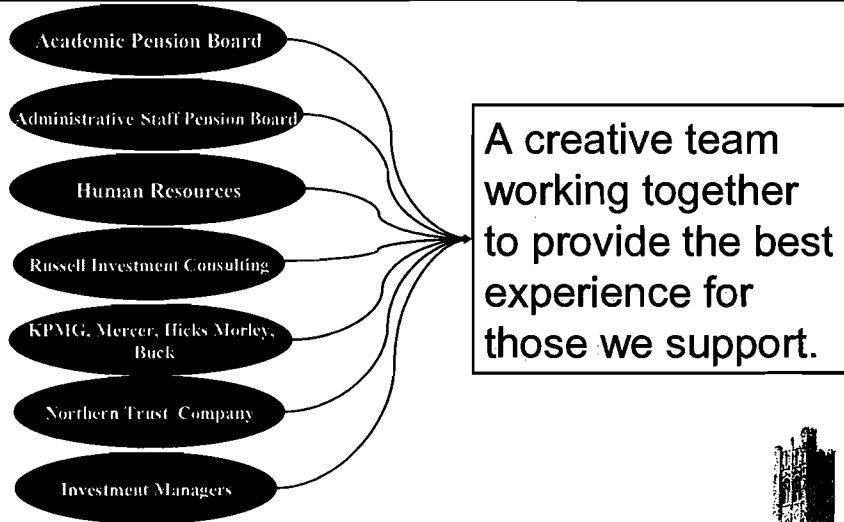
Plan Design

- Defined contribution
 - University commitment is 7.5-8.5% of pay; member commitment as low as 1.5% but can maximize tax savings
- Members make investment decisions
- Accumulation used to by a stream of income at retirement : annuity, RRIF, locking in provisions
- \$1B in assets, 5,800 investors, 15 investment options
- Unique design for Ontario faculty and rare in Canadian University environment

Academic and Administrative Staff Pension Boards



Pension Board Governance & Resources



Academic and Administrative Staff Pension Boards



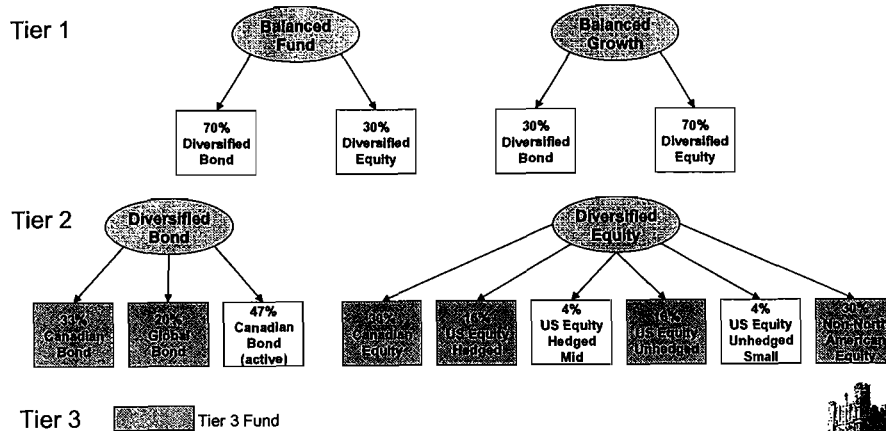
Efficient and Effective

- Lean investment management and operational costs
- Maximizing economies by keeping assets after employment and including affiliated businesses
- Internal administration, risk management
- Tiered investment structure

Academic and Administrative Staff Pension Boards



Western Investment Funds Tier 1 and Tier 2 Composition



Academic and Administrative Staff Pension Boards



Leaders in Canadian Retirement Plan Industry

- Effective lobbying for statute change
- Influencing best practices (CAP guidelines)
- First to offer RRIF structure with pension plan

Academic and Administrative Staff Pension Boards



Challenges & Initiatives

Operations:

- Upgrade of technology: records, investment decisions
- Education of Members: lunch and learn, annual report, newsletter, web site
- Navigation of securities and pension statute: variable annuities, spousal RRSP

Academic and Administrative Staff Pension Boards



Challenges & Initiatives

Investments:

- Pursuit of value added over market indices: Canadian, Europe, Asia
- Foreign asset investing:
 - synthetic v. physical
- Continual evaluation of new investment opportunities

Academic and Administrative Staff Pension Boards



Outcomes

- Average rate of return for members (at 12/2004):
 - 1 yr: 8.9%, 2 yr: 11.7% 5 yr: 4.3%
- Average projected account balance at retirement
 - \$800k Faculty; \$500k for Staff
- Expected replacement of pre-retirement earnings: 65%