

**QUEEN'S UNIVERSITY BOARD OF TRUSTEES
REPORT TO THE SENATE
October 23, 2008**

On October 3/4, 2008, the Board of Trustees:

Undertook the following actions:

Approved the following naming dedications:

- **The dedication of the Student Lounge in the Fitness & Wellness Centre block of the Queen's Centre in recognition of the very generous gift from George and Sheila Watson.**
- **The dedication of the Varsity Gymnasium in the Fitness & Wellness Centre block in recognition of a very generous gift from the Alexander Murray Jeffrey Trust.**

On the recommendation of the Audit Committee the Board of Trustees approved the annual audited Financial Statements for Queen's University for the fiscal year ended April 30, 2008.

On the recommendation of the Advancement Committee, approved Revisions to the Advancement Funding Model so that the allocation to the general university operating fund of 5% of all new gifts is eliminated effective May 1, 2008.

On the recommendation of the Investment Committee, the Board of Trustees approved the allocation of additional funding from the Pooled Endowment Fund (PEF) to the Office of Advancement for the 2008-2009 fiscal year to compensate for the revenues foregone due to the elimination of the gift tax.

On the recommendation of the Finance Committee, approved an increase of \$7,000,000 to the Queen's Centre Phase 1 budget to allow the building of the School of Kinesiology and Health Studies to proceed. This will bring the total Queen's Centre Phase 1 budget to \$169,000,000.

The Board engaged in an intensive session on capital and operating budgets during which the following motions were discussed and approved:

On the recommendation of the Finance Committee, approved a resolution authorizing the Chair of the Board and the Principal and Vice-Chancellor of Queen's University to sign a financing agreement with the Ontario Infrastructure Projects Corporation (OIPC) to borrow an aggregate amount of up to \$180,000,000.

Infrastructure Ontario will lend short-term (up to 5 years) based on Bankers Acceptances + 20 basis points (rate as at September 23 is 3.42%). A similar rate from the major banks would be 3.8%-3.9%. Once approved, there is no obligation to actually borrow the funds, although Queen's would have to borrow a nominal amount within 12 months of being approved. At any point during the 5-year period, Queen's would have the option of paying the loan down

On the recommendation of the Finance Committee, approved the Liability Management Policy.

Since maintaining and increasing its capital assets are fundamental to achieving the University's mission, it is critical to balance the need for both current and future facilities investment. As a result, the University has used and will continue to utilize a mix of funding sources, including internal resources, philanthropy, external debt and general grants to finance capital projects. The policy will assure that an appropriate mix of financing sources are used and that debt, in particular, is used strategically to support the University's mission and purpose as a higher education institution.

On the recommendation of the Nominating Committee, the Board approved the following appointments:

David Grace, Vice-Chair, Pension Committee, effective October 3, 2008

Donald Raymond, member, Pension Committee, effective October 3, 2008 to May 31, 2009

David Pattenden, member, Pension Committee, effective October 3, 2008 to May 31, 2009

The Board received a draft *Queen's University Statement on Responsible Investing* from the Principal with an invitation to comment on the draft before November 1, 2008. The Principal signaled his intention to bring a motion for adoption to the Board of Trustees in December.

The Board received the following written reports for information:

- Report on Senate actions from meetings on May 21 and September 25, 2008.
- Research Report from the Vice-Principal (Research)
- Fall 2008 Convocation Dates and Honorary Degrees
- Promotions to Professor
- Advancement Quarterly Report
- Pension Quarterly Report
- Investment Quarterly Report

Received reports from the President of the AMS, the President of the SGPS and the Rector.