Minutes
MEETING OF THE BOARD OF TRUSTEES
Friday, March 1 and Saturday, March 2, 2013 Peter Lougheed Room, 340 Richardson Hall


Via teleconference: L. Long (March 1 Closed Session only)


Regrets: T. Abramsky, D. Bader, E. Speal

CLOSED SESSION
The Board met in Closed Session from 6:30 to 7:05 p.m.

I OPENING SESSION

1. Adoption of Agenda
   Moved by D. Woolf, seconded by B. Erskine, that the Board adopt the agenda with the provision that items 3 to 5 be approved, or received for information, by consent.
   Carried 13-01

2. Opening Remarks
   Chair B. Palk welcomed attendees to the meeting. She extended a special welcome to Andrew Aulthouse and Steven Tanner and congratulated them on their elections to the Board as undergraduate trustee and staff trustee, respectively, commencing June 1.

   Chair Palk also congratulated:
   • L. Long as one of “The Next 36” for 2013, from a group of 70 finalists representing 19 universities. The program’s goal is to increase Canadian prosperity by developing the skills of young entrepreneurs
   • D. McKeown on his new position as Associate Director, Masters Programs, in the School of Business
   • Lewis Tomalty, new faculty trustee, succeeding P. Taylor, on June 1

   The Chair encouraged trustees in their current role as ex-officio councillors to vote in the April election of two University Council trustees to the Board. Six candidates are standing for two positions: Scott Fairley, Ellen Henderson, Adam Janikowski, Damien McCotter, Innes van Nostrand and Mary Wilson Trider.
The Chair welcomed AMS President-elect Eril Ber kok and VP T.K. Pritchard, who will begin their terms on May 1, 2013.

The Chair announced the motions approved in Closed Session. (See II, Committee Motions and Updates, 3.)

Trustees observed a moment of silence to honour the memory of second-year Engineering and Applied Science student Kevin Cournoyer of Winnipeg, who died suddenly on February 20 at his Harkness International Hall residence.

Consent

3. Approval of the Minutes
   a) December 7 and 8, 2012 (Appendix A, page 1) Confidential Closed Session pages 1-4 distributed to Trustees only.

   That the Board of Trustees approve the minutes of December 7-8 as circulated.
   Carried 13-02

   b) Ratification of actions authorized by email dated February 4, 2013 (Appendix A, page 20)

   That the Board of Trustees ratify and confirm the actions authorized by email dated February 4, 2013.
   Carried 13-03

4. Naming Dedications (Appendix B, page 21)

   Goodes Hall Expansion

   That the Board of Trustees approve the dedication of The Ranson Family Meeting Room (Room 401) in recognition of the gift from Sharon Ranson, in support of Queen’s and the Goodes Hall Expansion.
   Carried 13-04

   That the Board of Trustees approve the dedication of The Professor Frank Collom Classroom (Room 400) in memory of Professor Frank Collom, in honour of Soni, Ira and Paul Pancham, and in recognition of the pledge from Dr. Paul Pancham, in support of Queen’s and the Goodes Hall Expansion. (This motion supersedes Motion #11-61.)
   Carried 13-05

   That the Board of Trustees approve the dedication of The Pancham Family Meeting Room (Room 334) in recognition of the pledge from Dr. Paul Pancham, in support of Queen’s and the Goodes Hall Expansion.
   Carried 13-06

   School of Medicine

   That the Board of Trustees approve the dedication of Seminar Room 019 in recognition of gifts and pledges from members of the Class of Medicine 1972, in support of Queen’s and the new Medical Building.
   Carried 13-07

5. Reports
   a) Research Report (Appendix C, page 22)
   b) Quarterly Advancement Report (Appendix D, page 25)
   c) Quarterly Financial Report (Appendix E, page 28)
   d) Quarterly Investment Report (Appendix F, page 45)
   e) Quarterly Pension Report (Appendix G, page 48)
Regular

6. Principal’s Strategic Update
   a) Traffic Light Presentation of the 2012-13 Goals for Queen’s

The Principal updated trustees on progress against key objectives with green illustrating that an item was on track; yellow indicating slow progress and red to convey that an objective was in danger of not being achieved. No reds or yellows were reported at this point in the year.

- First goal - relationship building among internal groups:
  - Principal’s constructive contact with student leaders – green
  - New initiatives to increase executive contact with Queen’s community – green
  - Outreach to Senators on contentious issues – green

- Second goal – NAD and Alcohol Policy
  - Completed Non-Academic Discipline reform – green tick
  - Completed review and implementation of University Alcohol Policy – green tick with unanimous endorsement by the administration and student working group followed by review and approval of the University executive

- Third goal - new budget model:
  - Detailed preparatory work completed in fall for roll out for 2013/14 fiscal year – green
  - Successful communication of change: send-outs, meetings and public forums – green

- Fourth goal – continued success of the Initiative Campaign:
  - High profile launch with overall positive feedback – green tick
  - 67% of goal ($335 million of $500 million) achieved by May 2013, including $60 million fiscal goal – green tick (already met)
  - Initiation of parents’ program – green tick

- Fifth goal – governance reform
  - Good progress against mutual understanding by Board and Senate of each other’s roles and responsibilities – green
  - Senate and Board committee reforms: strong progress on committee rationalization at both bodies – green
  - University Council reform and restructuring towards more productive engagement; reform is on track with the Roadmap to Reform as endorsed by University Council – green

- Sixth goal – return of fall Homecoming
  - Manageable fall 2012 with assessment for safe return of Homecoming by December Board meeting – green tick
  - Fully realized plan for safe reintroduction of Homecoming by May 2013 – green

- Seventh goal – continue to build Queen’s international profile
  - An achievable international strategy developed by end of 2012 that sets international priorities, targets and clear metrics – green
  - A plan to increase international student recruitment in the 2013 intake and beyond – green due to 15 per cent increase in international student applications compared to this time last year.

A final status report on these goals will take place in May.

b) Proposed Mandate Statement update

One year ago, the provincial government launched a strategic mandate agreement exercise with post-secondary institutions. Queen’s strategic framework is built on the mandate agreement exercise. With the government in transition, the Ministry has continued to work on the exercise.
with the Higher Education Quality Council of Ontario (HEQCO), which has examined the agreements and is expected to file a report within the next several weeks. The next steps are unclear due to the government transition. The Principal noted that Queen’s should continue to move ahead with its own strategic framework premised on the vision of being the quintessential balanced academy.

c) Board-Senate Retreat recommendations status update
The Principal reported on outreach initiatives, including lunches with individual senators. After the success of the Board-Senate Retreat last September, it is now planned to be an annual event. He noted that the Queen’s University Planning Committee (QUPC), whose members include senators and trustees, is undergoing a review after its first three years.

d) Faculty recruitment
Faculty recruitment and retention continues to be a challenge and endowments are a priority for the campaign. To this end, the Queen’s National Scholars (QNS) program has been reinstated with a new set of criteria developed by the Provost. Recipients will represent areas of strategic focus identified by the Strategic Research and Academic plans.

e) New learning strategies
New learning strategies that embrace experiential and entrepreneurial learning have been introduced. A summer boot camp for entrepreneurs, formerly for Business and Engineering and Applied Science, has expanded. With AMS support, a major grant has been secured and matching funds are now being sought. The Principal stated that he was encouraged by the general cooperative spirit with the partners in student government.

7. Update from the Provost and VP (Academic)

Searches and reviews
Three deans are ending their terms. The search for a new dean for the Faculty of Arts and Science is expected to be completed soon. Second-round interviews will take place shortly. The Faculty of Law search is now a renewal process. A renewal process is also taking place for the Dean of the School of Business. A preferred candidate for the Director of the Isabel Bader Centre for the Performing Arts has been selected. Deputy Provost L. Daneshmend is overseeing a review of the Agnes Etherington Art Centre. An external review of the School of Policy Studies will take place this spring.

University Registrar appointment
The Provost announced the appointment of John Metcalfe as the new University Registrar.

Co-curricular opportunities
Work is progressing on a directory with the Alma Mater Society (AMS), Arts and Science Undergraduate Society (ASUS) and Queen’s Student Alumni Association (QSAA) to help students to identify extra-curricular opportunities more easily.

8. Campaign Progress Report

VP (Advancement) T. Harris reported that Queen’s has surpassed its $60-million fundraising target for the fiscal year (May 1, 2012-April 30, 2013) with 12,000 donors contributing $61.1 million. Of that total, $52 million come from 60 people. In addition to encouraging the current base of supporters, Advancement is working on several initiatives to generate donations including expanding its friends program to ensure the success of the Initiative Campaign.

   a) January 14, February 12
   The Principal introduced Senator L. Colgan, Chair of the Senate Operations Review Committee, who spoke about the committee’s work and accomplishments on Senate governance reform. These include:
      - Examining the Senate committee structure and Senate composition
      - Bringing forward various amendments to the Rules of Procedure to increase the focus on substantive items to foster engagement
      - Addressing concerns over attendance and making adjustments to the meeting calendar to accommodate students
      - Increasing reporting from various internal academic governance bodies to enhance accountability and transparency.

    Trustees C. Lynch and B. Erskine updated trustees on the University Council reform process. The work is being steered by the Reform Planning Group (RPG), created by the University Council Executive Committee. C. Lynch is an RPG member and B. Erskine is a member of the Executive Committee. One significant point in the reform plan is that Board and Senate members will no longer be ex-officio members on Council. Council membership would be reduced to 40 elected alumni members with some ex-officio members. All current councillors, including senators and trustees, are encouraged to vote on the new plan in April. The membership will reduce gradually to 40 elected members in 2017 as elected members’ terms expire, but the reduction matrix has been designed to allow for annual renewal of elected councilors despite the attrition plan.

    I. van Nostrand noted that implications exist for prospective councillor trustee skill sets to be aligned with the needs of the Board, and that the Governance and Nominating Committee is aware of this.

11. Annual Alumni Association Reports

   a) QUAA (Appendix J, page 62)
   President J. Joss described QUAA current activities, including outreach to students on exchange and annual giving. A priority is to increase the number of new alumni who participate in annual giving to the level that is seen at U.S. universities.

   b) QSAA (Appendix K, page 83)
   President R. Garcia described mentoring opportunities, including student exposure to the alumni network so that they feel at home wherever they go in the world. Fall Homecoming will provide opportunities for students to partner with alumni for informal mentoring and volunteer recruitment.

12. Student Reports (Appendix L)

   a) Rector (page 85)
   Agnes Benidickson Tricolour Award
   The Rector noted that his initial plans for a Tricolour Awards Dinner were replaced by an increased focus on publicizing the award, which recognizes students’ non-academic contributions to the University. This resulted in a flood of applications. Recipients will be announced at the May Board meeting.
Faculty Board Review
The Rector expressed concern that Queen’s faculties may have different and potentially conflicting policies on student exchanges. This could affect students from different Queen’s faculties attending the same partner institution. He suggested that there should be a place in the Senate for internationalization, potentially in the form of a committee. Additionally, he and incoming AMS President E. Berkok plan to review faculty board operations, specifically their policies on students and international exchanges, which he expects to be finalized in May.

b) **AMS President** (page 87)
D. Johnson welcomed members of the new AMS executive. Team transitioning will continue to take place over the next eight weeks. He noted the exceptional level of student involvement in clubs and university governance. He stated that it was important for the University to continue to involve students in all levels of decision-making. In his view, the 2011 suspension for one year of first-year admissions to the Bachelor of Fine Art program, the non-academic discipline review and the Alcohol Working Group process would have benefited from increased collaboration and consultation with students. He noted that student engagement is strong due in large part to the reopening of the Physical Education Centre (PEC), increased participation in intramurals and applications for new clubs. Despite this, he counseled caution about the pursuit of internationalization while existing international students are improperly equipped and athletic programs are underfunded and overused. Students can accomplish great things when they are allowed to participate in university decision-making and take responsibility and ownership over their university experience.

c) **SGPS President** (page 89)
M. Scribner noted that the normally the SGPS executive turns over on April 1. This will now take place on May 1. A new SPGS president and graduate trustee to replace T. Gkotsis, who is stepping down due to graduation, will be attending the May Board meeting. He noted his concern about continuing cuts to student services and increases to tuition fees. He also disagreed with the notion that students should not be involved in departmental decision-making because they leave after four or five years. He felt that student experience and input should be valued as much as that of the faculty and staff in university decision-making.

The Principal thanked the student government representatives for their contributions to the betterment of the University over the past year. He noted that as a community with multiple stakeholders, he takes the concerns of students seriously and continually works to improve the experience of Queen’s students. Student participation in governance at Queen’s is a long tradition and the depth of involvement is exceptional compared to other universities. On behalf of the administration, he wished them well.

II COMMITTEE MOTIONS AND UPDATES

1. Audit and Risk
   a) **Committee Chair Update**
      It was noted that K. Brooks had to leave the meeting early and therefore no update was available.

   b) **University Foundation Wind Down** (Appendix M, page 91)

      Moved by J. Nesbitt, seconded by D. Tisch, that the Queen’s University Foundation pursue wind down including discontinuation of its operations and that all remaining assets of the Foundation be moved to Queen’s University, and that the Government of Ontario be advised of said decision.

      Carried 13-08
C. Davis explained that the foundation was created in 1992 to allow for better tax credits for donations. This advantage no longer exists under current regulations and there was therefore no benefit in maintaining the foundation.

c) **Indemnity and Insurance Resolution** (Appendix N, page 93)

Moved by J. Nesbitt, seconded by D. Pattenden, that the Audit and Risk Committee recommend to the Board of Trustees that the Policy on Insurance and Indemnification Coverage for Board Members, previously approved in March, 1992, be amended as shown in Attachment 1 to this report to extend indemnification to members of Board committees and make insurance coverage express.

**Carried 13-09**

C. Davis explained that the motion extends insurance coverage to Board committee members who are not trustees to the same extent as provided to trustees.

2. **Finance**

a) **Committee Chair’s Update**

G. Anderson reported that at its meeting earlier in the day, the Finance Committee discussed:

- Future enrolment and progress on implementing the new budget model, to be discussed in further detail at the Board on March 2.
- A renewed focus on the University’s debt policy due to the Board’s decision on December 7, 2012 to finance two new residence buildings with $7 million in debt. This has required a review of the University’s previous debt policy. It is important to differentiate between debt that is serviced from the operating budget versus debt incurred to pay for assets that generate an income flow sufficient to fully service the resultant debt. He observed that rating agencies do not distinguish between these two kinds of debt, however it is material when the affordability of the debt is examined.
- The question of whether sinking funds should be maintained for self-financing projects with debt was under examination. In general, the committee felt that maintaining a sinking fund had benefits that allow the University to take advantage of spreads between borrowing costs and investment returns. This will be considered as the new debt policy is developed.
- At its December 7, 2012 meeting, the Board approved $70 million in project funds for two new residences. Several banks were asked to apply; three responded. On January 30, 2013, the Finance Committee considered the Residence Debt Financing terms and agreed to approve the financing and related interest-rate swap proposal from the Bank of Montreal, being the least expensive of the three proposals and offering the most flexibility. It involves a 17.33-year term with an interest-only period for the first two years and four months while the buildings are being constructed. The remaining 15 years will be subject to amortization with the payment of principle and interest monthly until the loan matures November 1, 2030. The final rate is 3.18 per cent.

b) **Standard and Poor’s Credit Rating Report** (Appendix O, page 100)

G. Anderson drew attention to the stable rating for the University, which represents a combination of a few warning signs and acknowledgement of some positive accomplishments.
c) Protocol for Introducing or Changing Student Activity Fees (Appendix P, page 110)

Moved by G. Anderson, seconded by B. Mitchell that the Board of Trustees approve the Queen’s Protocol for Introducing or Changing Student Activity Fees (revised 2013).

Carried 13-10

d) West Campus Servery Approval (Appendix Q, page 119)

Moved by G. Anderson, seconded by N. Francis, that the Board of Trustees approve the renovation project for the Servery of the West Campus Dining Hall to ensure that students at West Campus have a positive meal plan experience and allow the location to handle additional volume as West Campus develops.

Carried 13-11

e) Sidewalk Café Approval (Appendix R, page 124)

Moved by G. Anderson, seconded by C. Lynch, that the Board approve the project to renovate the former Sidewalk Café in the Ericsson wing of the John Deutsch University Centre (JDUC) to provide additional and innovative food services space.

Carried 13-12

f) Items requiring Board ratification

i. Queen’s-RMC Fuel Cell Research Centre (Appendix S, page 129)

Moved by G. Anderson, seconded by B. Erskine, that the Board of Trustees ratify the decision of Senate to renew the Queen’s-RMC Fuel Cell Research Centre for an additional period of five years, effective December 3, 2012.

Carried 13-13

ii. Centre for Health Services and Policy Research (Appendix T, page 132)

Moved by G. Anderson, seconded by B. Mitchell, that the Board ratify the decision of Senate to renew the Centre for Health Services and Policy Research for an additional period of five years, effective December 3, 2012.

Carried 13-14

3. Governance and Nominating (In Closed Session)

a) Advancement Committee Working Group

Moved by I. van Nostrand, seconded by T. Thomas, that the Advancement Committee of the Board of Trustees be retired and that the External Relations and Development Committee of the Board be established with the Mandate and Terms of Reference, as recommended by the Governance and Nominating Committee.

The mandate and terms of reference of the External Relations and Development Committee are attached to the minutes as Attachment 1.

Carried 13-15

b) Committee Appointments

Moved by K. McKinnon, seconded by D. Pattenden, that Don Raymond be appointed as a Vice-Chair of the Pension Committee, effective immediately, for a term ending May 31, 2014.

Carried 13-16

c) 2013-14 Board Vice-Chair Appointments

Moved by I. van Nostrand, seconded by R. Burge, that Kelley McKinnon, Don Raymond, Karyn Brooks and David Grace be appointed as Vice-Chairs of Board of Trustees, effective immediately, for the balance of each of their respective current terms of appointment to the Board of Trustees.

Carried 13-17

4. Committee Updates
   None

III OTHER BUSINESS

None

IV RECESS

Recess was declared at 8:57 p.m.

V RECONVENE OPEN SESSION: Saturday, March 2, 2013, 8:30 a.m.

1. Draft Campus Master Plan Consultation (Appendix U, page 135)

   The Provost introduced Joe Berridge and Warren Price of Urban Strategies Inc. The following highlights from their presentation were recorded:
   - The Campus Master Plan will be developed over four phases and involves several experts including the University’s Campus Master Plan Advisory Committee.
   - The consultants will work with Queen’s to establish a broad and inclusive list of stakeholders, including faculty, staff, Kingston residents, the City and other agencies.
   - Interviews and small focus groups will take place along with public consultation.
   - Multiple forums for engagement, including a workshop, open houses and meetings with standing committees tailored to both the audience and the nature of the material to be discussed. Additional forums may be added to the process as required.
   - A project website and social media strategy will support and augment communication.
   - Key challenges:
     - Ensuring that campus spaces give a consistent experience – West Campus, Innovation Park, the Isabel Bader Centre for the Performing Arts and the main campus
     - Dealing with the perception that the West Campus is remote from the main campus
     - Dealing with the increase in pedestrian traffic on King Street after the performing arts centre is constructed; the reinvention of King Street as a waterfront esplanade
     - Aligning facility renewal with space needs
     - Ensuring a culture of collaborative planning and that the plan is a platform to promote the University.

2. Strategic Enrolment Management (Appendix V, page 136)

   The Provost’s presentation is attached to the minutes.
The Provost noted that:
- The Strategic Enrolment Management Group (SEMG) has met several times.
- Modest increases to enrolment are proposed in 2013-14 and 2014-15.
- Its second task is to prepare a longer-range enrolment plan.
- Capacity is an issue; new residences will be operational in 2015.
- A plan is required that looks at the rate of growth.
- Attention will continue to be devoted to the student learning experience, helping to maintain retention rates.

3. **Draft 2013-14 Budget Overview** (Appendix W, page 144)

The budget presentation is attached to the minutes.

The Provost provided a budget overview, including preliminary projections. He noted that:
- The planning cycle was compressed, due to the introduction of new budget model this year and that planning for 2014-15 has begun.
- Budget numbers are not yet final; conservative assumptions have been used in tuition projections.
- Planning and budgeting supports Queen’s as a research-intensive university with the transformative student learning experience and the quintessential balanced academy.
- The recommendations of the Provost’s Advisory Committee on the Budget (PACB) are informed by budget and staffing submissions from faculties, schools and shared services, and the units’ presentations of their submissions at PACB meetings.
- The total increase in budgets over 2012-2013 is $16.2M, an increase of 6.5 per cent.
- Little provision for deferred maintenance has been made and a contingency fund has not yet been set aside.
- Enrolment projections for 2015-16 will not be recommended for Senate approval until the spring of 2014; for now the associated revenue projections are provisional.
- Strategies are needed to mitigate the risk of making continuing base commitments against revenue projections pending greater certainty of realization.
- Any additional revenue growth will be applied to structural deficits.
- Pension solvency is very sensitive to long-term interest rates; every 1-per-cent increase/decrease will decrease/increase Queen’s pension liability by $150 million.

**VI CLOSED SESSION**

The Board met in Closed Session from 9:30 to 11:05 a.m.

**VII IN-CAMERA SESSION**

1. Board members with the Principal and the Secretary
2. Board members alone, without the Principal or the Secretary
VII ADJOURNMENT

The meeting adjourned at 12:05 p.m.

Attachment 1

Mandate and Terms of Reference: External Relations and Development Committee

1. The External Relations and Development Committee shall be composed of the Principal, Chair of the Board, Chancellor, Rector and President of the Alumni Association, all to be ex-officio members, together with a) such other members of the Board as the Board considers appropriate, one of whom will chair the committee; and b) such other members as the Board considers appropriate, who are not members of the Board.
2. Appointments shall be made by the Board of Trustees on the recommendation of the Governance and Nominating Committee.
3. A Chair and a Vice-Chair shall be appointed by the Board.
4. The Secretary of the Board of Trustees shall ensure that a secretary is available to support the committee.
5. A majority of the Committee shall constitute quorum.
6. The Committee shall meet at least three times a year at a location and on a schedule as determined by the Committee from time to time.
7. The Committee shall report regularly to the Board of Trustees.
8. The External Relations and Development Committee has the primary mandate of overseeing the development of policies, principles and strategic plans by the administration for the approval of the Board of Trustees which support and enhance the University’s brand, its reputation, its relationships with external constituencies and its goals for development and donor relations.
9. The Committee, on behalf of the Board, shall monitor and report to the Board on the processes by which these policies, principles and strategic plans are developed and progress against the goals and objectives established through them.
10. The Committee will achieve its mandate through being responsible for the following:
   a) With respect to development and donor relations:
      i. Guiding the Board in its leadership of Queen’s philanthropic culture as an integral support of the University’s mission.
      ii. Ensuring that a policy framework is in place that encourages philanthropy, that is donor-focused and which transparently communicates how fund raising and other development activities support the mission and strategic priorities of the University.
      iii. Providing strategic guidance and oversight to development and donor relations at the program level; leaving activities to the administration.
      iv. Reviewing and approving for ratification by the Board long-term institutional fund raising and other development strategies to support the academic and research strategies of the University, and recommending annual financial targets for fund raising and other development to the Board.
      v. Monitoring and evaluating progress throughout the year in meeting fund raising and development financial targets and plans and reporting regularly to the Board on the impact, efficiency and efficacy of fund raising and other development programs.
   b) With respect to brand, reputation and relationship management with external constituencies:
      i. Reviewing and recommending Board approval of policies that support communications, marketing and relationship development and management strategies that will enhance Queen’s identity and profile at the international, national, provincial and local levels.
ii. Providing strategic guidance and oversight to government and stakeholder relations strategies at the program level; leaving activities to the administration.

iii. Approving strategic communications or marketing themes and key messages to targeted audiences designed to enhance relationships, influence outcomes and advance the University’s interests.

iv. Monitoring the health of the Queen’s brand, and its reputation as measured objectively through development, communications, marketing and external relations measures.

v. Liaising with the Audit and Risk Committee to identify and address policy gaps which create risks in the areas of brand health, reputation management, external relationships, development and donor relations.

11. The Committee will be supported in its work by the Vice-Principal (Advancement), the Chief Communications Officer and the Executive Director, Marketing.

The Committee will undertake a review of this mandate in 2016 and provide a report to the Governance and Nominating Committee with respect to its adequacy and effectiveness.
Traffic Light Presentation
University Goals for 2012-2013
Progress on Key Measures

Board of Trustees
March 1st 2013

Goal Progress Legend
- On track
- Slow progress
- In danger

Internal Relationship Building
• Principal’s constructive contact with student leaders
• New initiatives to increase executive contact with Queen’s community
• Outreach to Senators on contentious issues

NAD and Alcohol Policy
• Complete Non-Academic Discipline reform
• Complete review of and implementation of University Alcohol Policy

New Budget Model
• Detailed preparatory work completed in fall for roll out for 2013/14 fiscal year
• Successful communication of change: send-outs, meetings and public forums

Successfully Launch Public Campaign
• High profile launch with overall positive feedback
• 67% of goal ($335 million of $500 million) achieved by May 2013
• Initiation of parents’ program
### Governance Reform

- Mutual understanding by Board and Senate of each other’s role and responsibility
- Senate and Board committee reforms: report on progress by May 2013
- University Council reform and restructuring towards more productive engagement

### Return of Homecoming in 2013

- Manageable fall 2012 with assessment for safe return of Homecoming by December Board meeting
- Fully realized plan for safe reintroduction of Homecoming by May 2013

### International Profile Building

- An achievable international strategy developed by end of 2012 that sets international priorities, targets and clear metrics.
- A plan to increase international student recruitment in the 2013 intake and beyond.
Strategic Enrolment Management

Board of Trustees
Saturday, March 2, 2013

Process

- Strategic Enrolment Management Group (SEMG) has met several times this winter
- SEMG’s initial report, to be released next week, addresses its first task
  - Prepare enrolment plan and projections for 2013-2014 and 2014-2015 for submission to Senate via SCAD, together with initial projections for 2015-2016
- SEMG’s second task is to prepare a longer-range enrolment plan

Report

- Proposals are strategic
  - Switch from consecutive to concurrent education
  - Increased enrolment in MEng and other professional graduate programs
  - Upper year transfers into Arts and Science
  - Increased enrolment in Life Sciences
  - Increased enrolment in undergraduate engineering

Report

- Addresses institutional capacity
  - Residences
  - Academic learning support
  - Athletics and recreation
  - Career services
  - Health, Counselling and Disability Services
  - Food services
  - Aboriginal student support
  - International student support
  - Financial aid

Report

- Addresses initial Faculty projections for enrolment in 2015-2016
  - Large increase in Arts and Science undergraduate admissions
  - Modest increases in Engineering undergraduate admissions and transfers

2013-2014

- Early offers are improving our conversion rate
- Increase in applications from aboriginal students
- Increase in applications from international students
The New Budget Model and the 2013-2014 Budget

Board of Trustees
Saturday, March 2, 2013

- “The research-intensive university with the transformative student learning experience” (Academic Plan)
- “The quintessential balanced academy” (Proposed Mandate Statement)

Faculty/School Budgets

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Indirect Costs

| Gross Revenue | $178.2M | $79.9M | $61.4M | $19.4M | $52.4M | $11.5M |

| Indirect Costs | $75.9M | $16.5M | $30.5M | $7.4M | $25.2M | $3.6M |

Shared Service Budgets

- $2.7M non-discretionary incremental funding including
  - $0.9M for utilities
  - $0.4M for collective bargaining commitments
  - $0.4M for new occupancy costs
  - $0.2M for QNS
- $1.7M discretionary incremental funding
### Faculty/School Budgets

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<th>Business</th>
<th>Health Sci</th>
<th>Education</th>
<th>Eng/App Sci</th>
<th>Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Budget (New Budget Model)</td>
<td>$102.2M</td>
<td>$63.4M</td>
<td>$30.9M</td>
<td>$12.0M</td>
<td>$27.2M</td>
<td>$7.9M</td>
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<tr>
<td>2012-2013 Budget Target</td>
<td>$97.3M</td>
<td>$54.3M</td>
<td>$39.6M</td>
<td>$14.2M</td>
<td>$25.7M</td>
<td>$7.5M</td>
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</tbody>
</table>

### Faculty/School Budgets

<table>
<thead>
<tr>
<th></th>
<th>Arts/Sci</th>
<th>Business</th>
<th>Health Sci</th>
<th>Education</th>
<th>Eng/App Sci</th>
<th>Law</th>
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</thead>
<tbody>
<tr>
<td>Budget increase between 2012-13 and 2013-14</td>
<td>$5.0M</td>
<td>$9.1M</td>
<td>-</td>
<td>-</td>
<td>$1.5M</td>
<td>$0.3M</td>
</tr>
</tbody>
</table>

### University Fund

- $30.0M, of which $27.2M allocated to
  - Transfers from operating to capital: $13.8M
  - Health Sciences: $8.8M
  - Education: $2.3M
  - SPS: $2.1M
  - SURP: $0.2M

### Assumptions, Opportunities, Risks

- Increase: $16.2M (6.5 percent)
- 2012-2013 budget total: $250.6M
- 2013-2014 budget total: $266.9M
- Assumptions
  - Modest undergraduate growth, fully funded
  - Modest graduate growth, incompletely funded
  - Projections for (negative) effects of provincial budget
  - Tuition framework more restrictive than in recent years
  - PIF income of $4.2M (down from $9M)
  - Pension Benefits Guarantee Fund payment of $2.3M
  - Increase in utility costs
Assumptions, Opportunities, Risks

Opportunities
- Existing tuition framework renewed
- Adjustments to international tuition
- New budget model promotes net revenue growth

Risks
- Tuition freeze
- Discounted BIUs
- Little provision for deferred maintenance
- No contingency

2013-14 to 2015-2016 preliminary operating budgets relative to 2012-13

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>TOTAL OPERATING REVENUES</td>
<td>$433.9k</td>
<td>$455.4k</td>
<td>$21.6k</td>
<td>$467.3k</td>
<td>$484.2k</td>
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<tr>
<td>Faculties and Schools Allocations</td>
<td>$255.6k</td>
<td>$266.9k</td>
<td>$11.3k</td>
<td>$266.9k</td>
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<td>Shared Services Allocations</td>
<td>$161.9k</td>
<td>$166.3k</td>
<td>$4.4k</td>
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<td>Tuition freeze</td>
<td>$8.9k</td>
<td>$9.8k</td>
<td>$0.9k</td>
<td>$9.7k</td>
<td>$9.7k</td>
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<tr>
<td>Discounted BIUs</td>
<td></td>
<td></td>
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<tr>
<td>Little provision for deferred maintenance</td>
<td>$3.5k</td>
<td>$3.4k</td>
<td>($0.1k)</td>
<td>$3.4k</td>
<td>$3.4k</td>
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<tr>
<td>No contingency for tuition freeze</td>
<td></td>
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<tr>
<td>To Be Allocated</td>
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<tr>
<td>TOTAL OPERATING EXPENDITURES</td>
<td>$423.7k</td>
<td>$444.9k</td>
<td>$21.2k</td>
<td>$453.5k</td>
<td>$470.3k</td>
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<tr>
<td>OPERATIONS</td>
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<tr>
<td>Net Surplus before Capital Expenditures</td>
<td>$10.4k</td>
<td>$11.8k</td>
<td>$1.4k</td>
<td>$11.9k</td>
<td>$11.9k</td>
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<tr>
<td>Transfer to Capital Budget</td>
<td>$13.3k</td>
<td>$13.3k</td>
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<td>$13.3k</td>
<td>$13.3k</td>
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<tr>
<td>Net Budget Surplus (Deficit)</td>
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<td>$19.3k</td>
<td>$19.3k</td>
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<tr>
<td>Drawdown of Employee Future Benefit or Cash Reserves**</td>
<td>$3.5k</td>
<td>$3.4k</td>
<td>($0.1k)</td>
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<tr>
<td>Net Surplus (Deficit)</td>
<td>$15.8k</td>
<td>$16.9k</td>
<td>$1.1k</td>
<td>$16.9k</td>
<td>$16.9k</td>
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</tbody>
</table>

Context

- No allowance for salary and benefit growth
- No allowance for direct costs of generating additional revenue (Faculties/Schools)
- No allowance for indirect costs of generating additional revenue (Shared Services)
- Will enrolment growth be approved?
- Is enrolment growth attainable?
- Prospect of pension solvency payments
- No allowance for student support, research

Risk Mitigation

- Cost containment as phase 2 of budget model
- Reduction in structural deficit will be first call on revenue growth in future years
- Ongoing expenditures against revenue will require confidence revenue stream is secure

Queens's University
2013-14 to 2015-16 Preliminary Operating Budget ($000s)

*The drawdown of cash reserves is for one-time only expenditures
**Revenues and Expenses for 2012-13 have been restated to mirror the New Budget Model Format
This includes the addition and allocation of Non-Credit Tuition Fee Revenues