Minutes

MEETING OF THE BOARD OF TRUSTEES
Saturday, March 3, 2007 at 9:00am, Policy Studies, Conference Room

Members Present: Principal and Vice-Chancellor, Karen R. Hitchcock
The Chancellor, Charles Baillie
The Chair, William Young
The Rector, Johsa Manzanilla

Toby Abramsky, George Anderson, Daniel Bader, Kimberly Bain, Beverley Baines, Mary Balanchuk, Curtis Bartlett, Peter Baxter, Donald Bayne, Kim Black, Louise Cannon, Kingsley Chak, Jeff Chan, Hugh Christie, Donald Cooper, Merv Daub, Graham Davis, Jerry del Missier, Sarah Jane Dumbrille, Jocelyn Hart, George Lavery, Joseph Lougheed, Lindsay Love-Forester, Dean McKeown, Susan Miklas, Barbara Palk, David Pattenden, Andrew Pipe, Kent Plumley, Mark Publicover, Rob Sobey, David Whiting.

I OPENING SESSION

1. Opening of the Meeting
The Chair welcomed everyone and spoke about the exceptional Queen’s Centre Groundbreaking Ceremony the evening before (Friday, March 2) that he characterized as a fun and creative launch for the largest capital project in Queen’s history. Trustees, students, faculty, staff, alumni and friends of Queen’s were on hand to witness the Principal at the controls of the backhoe to mark the occasion.

2. Adoption of the Agenda
The Agenda was adopted as circulated (Hitchcock/Chan).

Carried 07-01

3. Approval of the Minutes of December 1/2, 2006 (Appendix A, page 1)
The Minutes of December 1/2, 2006 were approved as circulated (Hitchcock/Hart).

Carried 07-02

4. Business Arising from the Minutes – None identified.

5. Opening Remarks by the Chair

- Tribute to Gordon Fleming
  (attached)

- New Trustee J. del Missier
  The Chair extended a warm welcome on behalf of the Board to Jerry del Missier.

- Thanks to George Hood
  The Chair spoke about George Hood’s contributions to Queen’s as follows:

  - 1993 Skelton-Clark Fellow and author of “Against the flow: Rafferty, Alameda and the Politics of the Environment.”
• 1994 Director of Queen’s Centre for Resource Studies
• 1995 AVP (Research) and Chair of Canada Foundation for Innovation Task Force
• 1998 VP (Advancement) – restructured and embedded Advancement function in the faculties; Campaign for Queen’s $200M target exceeded and achieved $262.4M; Ontario SuperBuild $52M for Queen’s; Pathfinder; Queen’s Centre Feasibility Project.

In summation, the Chair congratulated George Hood on an outstanding career with many tangible successes, a commitment to win and a passion for Queen’s.

The Principal added highlights of George Hood’s involvement with the community of Kingston, making Queen’s a vital part of Kingston and Kingston a vital part of Queen’s, including:

• Chamber of Commerce President’s Award
• Director of Advantage Kingston
• Director and Chair of the Kingston Economic Development Council (KEDCO)
• Market Square leadership
• LVEC (Large Venue Entertainment Complex) support

The Principal went on to say that in these and numerous other situations, George Hood has practiced the concept of engagement through his dedication to and passion for Kingston and for Queen’s.

• Paul Lucas – Retirement from the Board
  The Chair referred to his email to Trustees in January concerning Paul Lucas’ decision to retire from his position as Trustee (2001-2007) and Chair of the Advancement Committee (2004-2007) due to increased business responsibilities. The Chair expressed regret, and he noted the significant contributions to the work of the Board that Paul Lucas had made over the last six years.

• Student Society Executive Elections for 2007-2008
  The Chair thanked the student society executives for their contributions to work of the Board and welcomed the newly elected incoming representatives who will take office before the next Board meeting on May 5, 2007.

  AMS Executive - Retiring
  AMS President, James MacMillan
  Vice-President (Operations), Ian Black
  Vice-President (University Affairs), Meghan Teuber

  AMS Executive Elect
  AMS President, Kingsley Chak
  Vice-President (Operations), John Manning
  Vice-President (University Affairs), Julia Mitchell

  SGPS President – Retiring: Andrew Stevens
  SGPS President Elect, James Studer

• Undergraduate Trustee – Michael Ceci
  The Chair congratulated and welcomed the incoming Undergraduate Trustee.

• Board Agenda
  The Chair thanked the Trustees who had contacted him with ideas and suggestions for improvement. He reported that he had received one observation about the importance of the Saturday theme sessions and he hoped that as many Trustees as possible would endeavour to attend the sessions. A great deal of time and effort is expended by the presenters to provide
Trustees with an insight into aspects of Queen’s teaching, research, the broader learning environment, and many other issues relevant to postsecondary education. He urged all Trustees to plan to attend whenever possible.

The Chair expressed his interest in exploring a new format for the Agenda. He proposed that the Board consider adopting a Consent Agenda in which the routine items are grouped together in one omnibus motion. This would only occur for items for which full information had been circulated in advance and the likelihood of extensive discussion or amendment was virtually nil. Of course, in the event that a Trustee believed an item should be fully discussed, the opportunity to remove that item from the Consent Agenda would occur under the Adoption of the Agenda at the beginning of the meeting.

The Chair said that he would ask the Secretary to recast the March 3 Agenda in a Consent Agenda format to circulate to Trustees for consideration prior to the next meeting. If agreed, the use of the Consent Agenda would start at the September 28th meeting.

The Chair reported on another change that he proposed take effect immediately. There will be a 10-15 minute Question Period at the end of the Principal’s Report to ensure that Trustees have a standing opportunity to ask questions.

• 50th Anniversary of Queen’s Law
The Chair called on Trustee David Pattenden (Law ’71 and Chair of the Dean’s Steering Committee for the 50th Anniversary) to introduce the presentation. Dean Bill Flanagan said that he welcomed the opportunity to present to the Board the DVD produced to accompany the history “Let Right Be Done: A History of the Faculty of Law at Queen’s University”, written by Professor Mark D. Walters (Law’89, D.Phil. Oxford ’95) and published by the Queen’s Law Journal. Copies of the history and the DVD were provided to all Trustees.

6. Principal’s Report
The Principal began her remarks by thanking everyone for their participation in the Queen’s Centre Ground Breaking Ceremony and for making it a perfect celebration of Queen’s. She thanked the many planners and organizers of the event and especially the student athletes whose presence highlighted the goals and aspirations of the project.

The Principal echoed the Chair’s thanks to the outgoing student executives and a warm welcome and congratulations to the incoming teams. She added her thanks and good wishes to Dean Flanagan and Trustee Pattenden for sharing the Law School 50th anniversary publication and DVD with the Trustees.

The Principal said how pleased she was that Dr. Kim Woodhouse would be joining Queen’s as Dean of Applied Science on July 1, 2007. Details of the appointment had been sent to Trustees by email earlier in February. The Principal recognized the outstanding service of Dr. Tom Harris as Dean of the Faculty for the past eleven years.

The Principal reported that the search committee for the next Vice-Principal Advancement had been convened and included Trustees Tom O’Neill and Toby Abramsky.

The Principal commented on the successful conclusion to five agreements completed with employee groups representing approximately 3,000 of Queen’s 4,000 employees.

Pension discussions with the various employee groups continue under the leadership of VP Morrison with the recognition that it is important to balance speed with due consideration of the issues as all work to reach an early resolution.

The Principal went on to address a number of items in detail.
a) **S&P Credit Rating**
Following distribution by email of a preliminary report, the Principal said she was pleased to share with Trustees the final report for the Standard & Poor’s 2006 Rating of AA+, quoting just one of the many constructive comments: “On a peer basis Queen’s financial and demand metrics are superior to most, if not all, other universities rated by Standard & Poor’s.” She noted that Queen’s strong demand profile for academic programs will position the University to take advantage of demographic trends, further strengthening its financial position.

b) **Federal and Provincial Funding**
The Principal commented that both the Federal and Provincial budgets were anticipated in March and she reinforced her earlier message to Trustees about the need for advocacy for postsecondary education funding at both the Provincial and Federal levels. Provincially, it did not appear that there would be any substantive increases in higher education funding. There was cause for more optimism at the Federal level, since the Finance Minister had spoken consistently in support of the need for investment in postsecondary education in Canada in order for the country to be competitive in the knowledge economy. However, there has been no information on the nature of Federal transfers to support this goal.

c) **Faculty Hiring**
Faculty hiring is one of the many challenges in the fiscally constrained environment. The Principal spoke about the need for Queen’s to develop strategies to remain competitive in its recruiting of talented faculty whose innovative educational and research programs ensure that the best undergraduate and graduate students are attracted to Queen’s. She reported that the University was in the midst of recruiting some 55 new faculty, a 28% increase over last year. The bridge funding approved by the Board last year, coupled with success in obtaining government and private funding for Canada Research and endowed chairs, has helped to make this possible. Clearly, efforts must continue to manage the University’s resources and to identify new funds to support this recruitment priority.

d) **Follow-up to Henry Report**
The Principal reported that, since the release of the Henry Report a year ago, Queen’s University has been deeply engaged in an examination of a range of issues – from racial and ethnic diversity, to accessibility and inclusiveness. The Principal drew attention to an article in the February 26, 2007, Gazette by Vice-Principal Deane. She commented that it was an excellent piece – thoughtful, and occasionally provocative – which discusses the complexity of the issues raised by the Report and the necessity for multiple strategies and approaches to address them. It calls for a realistic appreciation of the “practical, political and intellectual” dimensions of a major societal issue. A multitude of constructive initiatives by a multitude of groups and individuals are underway, and these will be documented in detail in a future edition of the Gazette. In keeping with the commitment to the Board when the Henry Report was tabled at Senate, a complete Report of current activities and future plans will be provided at the May meeting of the Board.

For the remainder of her report, the Principal updated Trustees on a number of initiatives which will have a major impact on Queen’s and will greatly enhance the scope of academic programs and help to fulfill our shared vision for the University. All of these projects have major implications for Queen’s role as a leader in Canadian postsecondary education; all build on distinctive institutional strengths; all expand the educational opportunities for students; all are responsive to local, provincial or national needs; and, all have the potential to bring major new resources to the University. All will help to achieve the goals of the Strategic Plan.

e) **Performing Arts Campus**
The purchase of 3.3 acres of waterfront property – the J.K. Tett Centre property – on King Street West to develop a performing arts campus for Queen’s will provide badly-needed
performance and academic space for our departments of Film Studies and Drama, as well as the School of Music, and allow collaboration with members of the Kingston arts community to enrich the quality of life for all Kingston citizens. Dr. Tom Williams, Professor Emeritus and former Operations Vice-Principal of Queen’s, has been appointed as project manager. Dr. Williams chairs a committee composed of faculty, staff and students which will recommend project architects and define the building programs for the performance and academic programs, in consultation with faculty and the city. At the same time, negotiations continue with the Domino Theatre regarding its lease, as well as with Corrections Canada regarding the acquisition of the adjacent land in order to fully implement the vision for this new campus.

Specific goals include approval of project architects in May, completion of the building program by the end of June, and, if all goes well, commencement of construction by Spring or Fall, 2008. It is an ambitious schedule, but achievable given the work that has already been completed.

The Principal reported that, throughout the process to date, strong support had been shown by the City, the citizens of Kingston and, most important, Queen’s faculty and students. This investment in the performing arts will, like the Queen’s Centre, enrich the environment for learning and provide students with the facilities they require to benefit fully from their educational experience. In keeping with the Strategic Plan, the new performing arts campus will enrich undergraduate and graduate programs, enhance Queen’s ability to attract talented students, and permit programs of education and performance to serve the community and foster engagement with the City of Kingston.

The Principal concluded by noting that none of this would have been possible without the extraordinary generosity of Isabel and Alfred Bader, who have committed some $14M to the project to fund a new performing arts centre. She spoke with deep gratitude about their continuing support of Queen’s University.

f) Institute for Energy and Environmental Policy

One of the major areas of research strength at Queen’s is the nexus of energy and the environment. Wedding this research to excellence in policy has given rise to the Queen’s Institute for Energy and Environmental Policy. Seeded in 2006 with funds from the VP Research, the School of Policy Studies and the Deans of Arts and Science, Applied Science and the Queen’s Business School, its goals are to facilitate the formulation of informed public policy in an area of great importance to Canada and the world, to generate practical advice to decision-makers, to be a resource for policy-makers in terms of relevant energy and environmental research results, and to provide a mechanism for generating funding for our faculty.

The Institute will be a resource for policy formulation and will provide critically-needed analytic expertise to government, as well as professional development opportunities for public and private sector executives in the area of environmental and/or energy policy.

Directed by Dr. Bryne Purchase, the Institute has attracted a prestigious Board of Directors, including Dr. Alan Nymark, former Deputy Minister of the Environment. Given provisional approval by the Senate this past year, the Institute has already held - or has planned - a number of high profile conferences and workshops. The Institute will coordinate a “Bio-Economy Initiative” at Queen’s, partnering with BIOCAP, a national not-for-profit foundation that develops solutions to address climate change issues, the School of Environmental Studies, and the Faculty of Applied Science and the Faculty of Arts and Science. Queen’s has received positive feedback on its funding application for this initiative from the Ivey Foundation.
Not only will this Institute be a major resource for science and policy-based faculty, but it also plans to offer graduate work in the critical area of energy and environmental policy, an area of great interest to student applicants.

It is important to note that this Institute is a model for a distinctive approach. Queen’s plans to take in a number of research areas of national and global significance. By creating an environment where faculty involved in science and technology research can collaborate directly with faculty experts in public policy, there is the potential to emerge as a leader in the development of public policy informed by state-of-the-art research, a need frequently expressed by our governments’ policy-makers. Indeed, given Queen’s strengths in public policy, this approach to informed policy formulation can be extended to a number of different research areas at Queen’s.

**g) Population and Public Health Initiatives at Queen’s**

Public Health is the science and art of promoting health, preventing disease, prolonging life and improving quality of life through the organized efforts of society. Three related activities have emerged from university-wide faculty discussions regarding Queen’s involvement in the area of Population and Public Health:

- Planning for a School of Population and Public Health.
- Planning a professional Master’s degree in public health.

Great progress has been made over the last year and a half.

**The Institute of Population and Public Health.**

In September 2005, a large group of faculty came together to discuss the feasibility of developing a multidisciplinary research institute focused on population and public health. It was clear from the outset that interest in this area existed across virtually all the faculties of our university, and across the full range of basic and applied research, including public policy. The Institute obtained provisional approval by the Senate in 2006. Dr. Kristan Aronson from the Department of Community Health and Epidemiology is the Director. Dr. Kevin Hall, Head of Civil Engineering chairs the Advisory Board.

There are now over 100 members of the Institute across twenty-five departments, plus a number of local agencies and other partners. A strategic plan for the Institute has been drafted and Institute-sponsored activities have begun. The following mission has been developed: “The Institute strives to further knowledge and practice that will contribute to the improvement of individual, community and population health and well-being at local, regional, provincial, national, and global levels.” The Institute will identify strategic research opportunities in population and public health; will address health issues of local, national and global priority; will generate new knowledge through its programs of research and, notably, will influence decision-makers and regulatory agencies. Its particular research themes will include vulnerable populations and social determinants of health; global issues; and, sustainable environment and health. And, as with the Environmental and Energy Policy Institute already described, it will wed the research results in these fields to policy formulation in the field of public health. Indeed, this process of knowledge transfer to ensure the development of informed public policy will be a distinctive feature of the Institute.

**School of Population and Public Health**

Given the clearly extensive faculty interest in population and public health-related research, a Retreat was convened at the end of January, 2006, to discuss the idea of establishing a School at Queen’s.

That meeting, chaired by Arthur Sweetman, Director of the School of Policy Studies and Bill Mackillop, Chair of the Department of Community Health and Epidemiology, brought together
over 100 faculty and students. The recommendation was clear: Queen’s should develop a plan for a School of Population and Public Health. The group recommended that the School should be multidisciplinary in keeping with the nature of the field; that it should be developed utilizing new resources; and, that its focus should be global. Its mission should involve population health problems that transcend national borders.

As a result of that retreat, the Principal reported that she had recruited Dr. John Hoey as her Special Advisor for the entire Population and Public Health initiative. Dr. Hoey, formerly the Editor of the prestigious Canadian Medical Association Journal, is a highly respected and experienced academic who has published widely in the areas of public health, clinical epidemiology and health services research. He has provided invaluable input and leadership to the various planning groups involved in these pan-campus initiatives. Indeed, the planning for a new School has involved faculty from across our entire campus, as well as public health professionals from the City of Kingston.

The Principal commented that there is some urgency involved in planning for a School of Public Health at Queen’s. Until the recent announcement by the University of Alberta, there were no schools of public health in Canada. However, a number of universities are beginning to contemplate the establishment of such schools, and Queen’s is determined to be one of the early entrants into this high priority area.

The proposed School of Population and Public Health would embrace all the functions of Queen’s current schools and faculties: research, teaching and service. Indeed, the research arm of the School, the Institute for Population and Public Health, is already established and well along in its development.

Master’s of Public Health (MPH)
In terms of teaching, Dr. Hoey struck a curriculum committee last fall to develop a master’s of public health degree. Chaired by Dr. Bev Chalmers of the Department of Community Health and Epidemiology, the Committee has faculty and student representatives from six faculties and schools at Queen’s. After extensive planning, consultation and program development, the proposal has been submitted for review to the School of Graduate Studies and Research. If approved by Queen’s and the Ontario Council on Graduate Studies, students would be enrolled as early as September, 2008.

The creation of a professional master’s degree in public health, an MPH, will help fill a need for additional training for existing public health workers in Canada and around the world. It will also provide increased graduate opportunities for undergraduate students concerned about global health problems and who are looking for additional training so that they can work effectively with populations at risk in Canada and around the world.

The Principal concluded her remarks on this area by noting that, given numerous reports over the past few years which identified the need for a focus on public health in Canada, and very particularly, the need for increased public health human resources, she had convened a group of sister institutions from across Canada to develop a national strategy to address these needs. A white paper has been completed as a basis for approaching the Federal government for increased funding for public health. She said that she had been working closely with the Public Health Agency of Canada and its Chief Public Health Officer, Dr. David Butler-Jones, to align the proposed national strategy with the Agency’s goals and the need for more professional public health training and more research in population and public health. She noted that, as Queen’s moved forward with its plans, it will be important to advocate for support for public health initiatives in general, and for Queen’s specifically, at both levels of government. New resources will clearly be needed to bring the various initiatives to fruition. There is a real opportunity to acquire these resources given the high priority both provincial and federal governments have accorded public health.
The Principal concluded her report by noting that the initiatives in the Performing Arts, Energy and Environmental Policy and Population and Public Health related directly to the Strategic Plan, Engaging the World. They will strengthen Queen’s academic programs and expand the research profile in strategic areas; they represent areas of local, national and global priority where Queen’s is well-positioned to make major contributions; and, they provide a vehicle for enhanced partnerships with external constituencies and the development of new resources for faculty and students.

h) Dedication Opportunity (Appendix B, page 25)

Motion 1: David Smith Hall, International Study Centre

Moved by K. Hitchcock
Seconded by L. Cannon and agreed:

That the Board of Trustees approve the dedication of David Smith Hall at the International Study Centre in recognition of the very generous gift from Alfred and Isabel Bader.

Carried 07-03

Motion 2: CARA Lecture Theatre, Goodes Hall, room 348

Moved by K. Hitchcock
Seconded by L. Cannon and agreed:

That the Board of Trustees approve the dedication of the CARA Lecture Theatre Room 348 in Goodes Hall in recognition of the very generous pledge from CARA Operations Limited.

Carried 07-04


a) Establishment of the Department of Development Studies – for ratification (page 31)

Moved by K. Hitchcock
Seconded by B. Baines and agreed:

That the Board of Trustees ratify the decision of the Senate on November 30, 2006, to establish the Department of Development Studies in the Faculty of Arts and Science.

Carried 07-05


In addition to the information contained in the written report, Vice-Principal (Research) Kerry Rowe announced that Professor David Lyon, Sociology, has been named as a new Killam Research Fellow.

9. Student Affairs

a) Report of the Rector, Johsa Manzanilla (Appendix E, page 40)

The Rector spoke to the main points of her written report and summarized the current “hot topics” as follows:
• **Student representation on the Board of Trustees** – the Journal has covered this in recent weeks and during the campus elections a desire to increase the number of student Trustees was the focus of some attention. The Rector encouraged Trustees to engage directly with students as much as possible. She mentioned the standing invitation to lunch on Board Fridays and to the QP following the Board meeting.

• **Environmental Sustainability** – the AMS will be celebrating on March 22

• **Cultural Diversity** – Queen’s Multicultural Festival at the end of March; Pride Week; Aboriginal Awareness

• **Debating Championships** – Queen’s is hosting the national competition in March

b) **AMS – President, James MacMillan**

The AMS President reported on the following:

• **Environmental Sustainability** – AMS event on March 22

• **Governance of the Queen’s Centre** – now that construction is starting, the importance of developing the governance structure has taken on new meaning and is being approached with much enthusiasm in the AMS

• **George Hood** was made a Honorary Lifetime Member by the AMS

• **AMS transition** is underway for the incoming executive and commissioners.

• **AMS Sesquicentennial** will occur in 2008 and planning has started to celebrate this milestone.

J. MacMillan concluded his remarks by thanking the Trustees for their continued commitment to the AMS and for the invaluable mentoring given to students.

c) **SGPS – President, Andrew Stevens** (Appendix F, page 46)

The SGPS President reported as follows:

• **Divestment Darfur, Sudan** – full support for this by the SGPS

• **Child Care** remains a priority for the SGPS

• **Law Students’ Society Social Justice Symposium** was held on February 10/11, 2007

• **University Health Insurance Plan** – the Report of the Special Committee on International Graduate and Professional Students is appended in full to the SGPS President’s report for the information of Trustees. The SGPS will continue its lobbying efforts to get reasonable health care coverage for international students.

• **Robert Sutherland Room** – the SGPS supports transferring the naming dedication from the JDUC (dedicated in 1998) to a new and prominent location in the Queen’s Centre.

10. **Queen’s Centre** – Andrew Simpson and Andrew Pipe

A. Pipe spoke about “the quintessential sparkling moment” of the Groundbreaking on Friday and thanked his colleagues on the Queen’s Centre Executive Committee who have worked consistently
to get to this point and now look forward to seeing the project take shape on the site. He recognized the tasks in front of the administration with respect to value engineering, budget models and the fundraising initiatives required to support the largest capital project in Queen’s history.

A. Simpson went on to explain the advantages of the decision to use the construction management approach for the Queen’s Centre. Intense financial pressure results from the escalation of costs in the construction industry and for this reason Queen’s decided against a fixed cost contract.

A. Browne explained the advantages of value engineering. Queen’s and the construction manager will work closely to get the best value for money as tenders are prepared for each element. The overall goal is to deliver to the $230M budget.

In discussion, A. Browne noted that peer assessment would be employed only if necessary and said she was confident that the value engineering exercise would ensure a good grasp of the costs prior to tendering.

A. Simpson said that the goal is to keep to the overall budget and to ensure that the phases are also on budget. Of course, the timeframe to completion of each phase will allow some flexibility to treat Phases II and III as separate units. The Board will hear about the results of the value engineering exercise in May.

II REPORTS OF COMMITTEES

1. Advancement Committee

   Quarterly Report of the Advancement Committee (Appendix G, page 54)

   D. Bader reported on the matters reviewed by the Committee:

   - **Results** indicate that Advancement is tracking well at 80% of its goal of $40M for the year.
   - **Fields Project** – the Campaign Cabinet pledges total $250,000 and represent 100% participation.
   - **QUAA** reports 80% engagement under the Alumni Action Plan
   - **Annual Giving** results show good progress at $25,000/week
   - **Alumni Weekend**, May 23-25, 2008 – plans are in process to introduce a Spring educational weekend

2. Audit Committee

   H. Christie reported on the matters reviewed by the Committee:

   - **Socially Responsible Investing** – the Principal reported on the issues raised by students and her reference of their concerns to the Investment Committee and the Pension Committee. H. Christie said that the Audit Committee will follow this topic and review the Board’s past actions.
   - **Pension Plan** – the Principal updated the Committee about the ongoing discussions.
   - **Risk Management and Audit Services (RMAS) Charter** – the Committee approved the proposed Charter.
   - **Annual Insurance Update** – including Canadian Universities Reciprocal Insurance Exchange (CURIE) and Marsh Canada coverage for items not covered by CURIE.
• **CICA** – Canadian Institute of Chartered Accountants new guidelines regarding the presentation and disclosure of Financial Instruments will come into effect at Queen’s for the fiscal year beginning May 1, 2007.

• **Credit Rating Reports** – Final copy of Standard & Poor’s and a discussion of how to leverage credit ratings as a tool.

• **2007 Audit Plan** – KPMG Engagement Manager is Lori Huber, CA.

• **Internal Audit Report** – submitted by the Director of RMAS.

• **Non-financial Risk Factors** – the Audit Committee is reviewing what role, if any, it might play regarding matters of academic integrity.

3. **Campus Planning and Development Committee**

J. Hart reported on the matters reviewed by the Committee:

• **Capital Projects Update** - Regular reports from Vice-Principal Simpson and Associate Vice-Principal (Facilities) Browne.

• **Goodes Hall Expansion** – the Committee approved the re-appointment of Ventin Group Architects and supported a recommendation for approval of planning funds.

• **Memorial Quadrangle** – the Committee approved the concept plan.

• **Artificial Field/Parking Garage** – the Committee received an update on the parking project.

• **Potential Open Space Projects** – the Committee received a list for information from the Campus Grounds Advisory Committee of fourteen potential projects provided to Advancement as opportunities for prospective donors.

• **Construction Impact** - In response to a question from K. Bain, Associate Vice-Principal Browne confirmed that a schedule of road closures and construction activity would be posted on the Queen’s website and published in the Queen’s Gazette. K. Bain requested that this information be included in the agenda package for the next Board meeting.

4. **Environmental Health and Safety Committee**

S. Miklas reported that the Committee received information on how the University’s policies were put into effect in the following areas:

• **Pandemic Planning** – work continues through the Emergency Management Group and the Committee heard about the links to external constituencies such as the City. A Seasonal Influenza website was published in early February and can be accessed by links from the Queen’s website. The Committee also heard about workshops conducted by the Canadian Association of University Business Officers (CAUBO).

• **Ontario University Safety Group** – Queen’s continues to receive a rebate of $25,000 annually from the Workplace Safety and Insurance Board for its participation and good performance as a member of the Ontario University Safety Group.

• **Waste Management and Recycling** – while there is not yet legislation for e-waste, Queen’s established a pilot project in 2005/2006 that diverted 2,281 pieces of e-waste, or 26 tonnes. This continues with a particular focus this year on computers. A second pilot project for
fluorescent tube recycling is underway to divert 20,000 tubes per year. Each tube contains a low level of mercury vapour which collectively is a significant amount.

- **PCB Regulations** – anticipated changes are expected to have no impact at Queen’s because the University has addressed this issue effectively.

- **Industrial Noise Exposure Regulations** – lower limits are anticipated.

S. Miklas concluded her remarks by noting that the Committee was impressed and reassured by the proactive and effective approach being taken by the departments of Environmental Health and Safety and Physical Plant Services.

R. Sobey asked about the University’s approach to LEED (Leadership in Energy and Environmental Design) construction, noting that the ecological footprint for Canada is five times the global average.

Vice-Principal Simpson reported that Beamish Munro Hall, home of the Integrated Learning Centre in Applied Science, is a LEED Silver Certified building. The Queen’s Centre will be LEED certified. He also noted that standards are constantly evolving and cited retrofits as an example.

### 5. Finance Committee

a) **Quarterly Financial Report** (Appendix H, page 69)

G. Anderson reported that the Finance Committee discussed the following matters:

- **Long-Term Strategy and Funding Model for Graduate Enrolment Growth** presented by Dean of Graduate Studies Janice Deakin and Vice-Principal (Academic) Patrick Deane.

- **Annual Update on the Donald Gordon Centre** presented by Dean of Business David Saunders and Business Manager Steve Millan.

- **Annual Credit Rating Reports** from Standard & Poor’s and Dominion Bond Rating Service. The Committee recognized that these ratings are not ends in themselves and the University should seek ways of managing their value rather than being managed by them.

- Uncertainty about the **2007/2008 Budget** due to the Province’s tendency to provide cash rather than additional base funding. Planning indicates the possible need for cuts of up to 4% plus the challenge of funding the potential Pension shortfall.


- **Regular Update on Capital Projects**.

b) **Capital Projects**

   i) **Goodes Hall – Planning Funds** (Appendix I, page 73)

   **Moved by G. Anderson**

   **Seconded by J. Hart and agreed:**
That, on the recommendation of the Finance Committee and the Campus Planning and Development Committee, the Board approve the expenditure of $300,000 in planning funds for the Goodes Hall Expansion project.

Carried 07-06

In response to a question from C. Bartlett, the Vice-Principal (Operations and Finance) confirmed that the funds would be derived from fundraising by the School of Business.

ii) Redevelopment of University Avenue

Moved by G. Anderson  
Seconded by J. Hart and agreed:

That the Board of Trustees approve the revised total allocation of $8,700,000 for the redevelopment of University Avenue.

Carried 07-07

The original allocation of $6,720,000 was approved in March 2006. When the tendering for the redevelopment work closed in February 2007 the low bid was $1.98M over the approved March 2006 budget estimate. The additional funding required will be sourced from within the University. Philanthropic donations, a contribution of $1M from the City of Kingston and Deferred Maintenance funds will be used.

6. Investment Committee – (Appendix J, page 75)

- Performance
  L. Cannon noted the good performance of the Queen’s funds: the Pooled Endowment Fund gained 7.9% for the fourth quarter and 14.8% for the last twelve months.

- Investment Manager Changes
  The Committee monitors performance using benchmarks and through a regular review of managers and asset classes. As a result of less than satisfactory performance by fixed income managers the following changes were approved by the Investment Committee and will likely be completed by the end of March:
  - The mandate for Beutel, Goodman Investment Counsel will be changed from a full fixed income mandate to a Canadian corporate bond mandate with assets held by this manager reduced accordingly.
  - TD Asset Management (Canadian passive mandate) and Seix Advisors (U.S. high yield bonds mandate) will be terminated.
  - Phillips, Hager and North Investment Management, Pacific Investment Management Company and Brandes Investment Partners will be retained to actively manage a portion of the fixed income assets with the ability to invest outside of Canada and consider high yield investments.

- Sudan Divestment
  At the request of the Principal, the Investment Committee considered possible divestment of certain investments in companies dealing with the Sudan government, a request in keeping with concerns expressed by students directly to the Principal. A decision was taken to instruct managers to divest certain investments held by Queen’s with respect to the Sudan. L. Cannon noted that this would affect two investments that represent less than one percent of the
portfolio. She reminded Trustees of the Committee’s fiduciary responsibility to ensure the maximum return on investment for Queen’s.

- **Spending Policy and Payout**
  L. Cannon explained the proposed change with respect to the application of the Yale Method and associated cap adopted by the board of Trustees in December 2003. In calculating the payout for fiscal year 2007/2008, the Queen’s administration noted that the cap of two times CPI would apply this year. With the Bank of Canada’s inflation target of 2% per annum, the cap could have an impact for some years into the future. The two times CPI cap was originally envisioned as a safeguard against the payout becoming unsustainably high but, with low levels of inflation, experience is indicating that the cap may be unduly constraining an appropriate level of payout based on fund returns. The spending policy is subject to regular review, and it is the Investment Committee’s intention to conduct a review later in 2007 / early 2008. The proposed action means that the payout rate for fiscal year 2007/2008 will be 11.96 cents per unit; this is an increase of 4.8% over the previous payout rate and will be the first one above 11.69 cents – the payout five years ago.

**Moved by L. Cannon**

**Seconded by D. Cooper and agreed:**

That the Board of Trustees remove the cap on spending so that it does not apply for the upcoming fiscal year, that is for the payout as of April 30, 2007.

*Carried 07-08*

At the request of the Chair, L. Cannon confirmed that the difference was anticipated to be $200,000.

7. **Pension Committee** – (Appendix K, page 83)

- **Fund Return**
  W. Cannon noted the fourth quarter return of 7.2% and the calendar year return of 14.7%. He updated Trustees on the return for the first five months of the new plan year (September 1, 2006, to January 31, 2007) reporting 9.34% and anticipating that the return for the first six months would be 10%.

- **Investment Manager Changes**
  Concern about the performance of Addenda Capital Management has led to the decision to reduce the assets managed by 50%. The Pension Investment Subcommittee is in the process of interviewing prospective fixed income managers prior to the next Pension Committee meeting on March 20.

- **Actuarial Valuation**
  Preliminary valuation results have been reviewed and the question of whether to file the valuation as of August 31, 2006, or as of February 28, 2007, is still being discussed, as are the possible solutions to address the increasing size of the unfunded liability. The results indicate that Queen’s mortality experience continues to be light and this suggests that mortality tables must be strengthened to ensure correct and affordable pensions. Discussions with employee groups continue.

- **Sudan Divestment**
  At the request of the Principal, the Pension Committee will consider divestment at its meeting on March 20, 2007.

  Graduate Trustee Lindsay Love-Forrester thanked the Principal, the Investment Committee and the Pension Committee for taking the concerns expressed by students seriously and for showing a commitment to social justice. She urged the Board to continue to monitor the situation.
8. Nominating Committee

In Closed Session the Board approved the following motions.

Motion I

Moved by J. Lougheed  
Seconded by L. Cannon and agreed:

That the Board of Trustees appoint Tom O’Neill as Chair of the Advancement Committee effective immediately.  

Carried 07-09

Motion II

Moved by J. Lougheed  
Seconded by J. Hart and agreed:

That the Board of Trustees appoint David Dodge to the Board of Trustees effective June 1, 2007.  

Carried 07-10

J. Lougheed explained that David Dodge will fill the vacancy created by the resignation of Paul Lucas from a four-year term, due to run until 2009.