Minutes

MEETING OF THE BOARD OF TRUSTEES
September 28, 2012, 6:30 p.m. Robert Sutherland Hall, Conference Room 202


Also present: A. Harrison, C. Davis, T. Harris, S. Liss

Regrets: D. Bader, S.J. Dumbrille, B. Mitchell, D. Woolf

CLOSED SESSION
The Board met in closed session from 6:30 to 7:10 p.m. and approved the following motion:

Moved by I. van Nostrand, seconded by K. McKinnon, that the honorary designation of Chair Emeritus be conferred on William L. Young in recognition of his outstanding service to Queen’s University as Chair of the Board of Trustees from October 1, 2006 to May 31, 2012.

Carried 12-53

The Board also received and approved the report of the Governance and Nominating Committee. The Governance and Nominating Committee motions are included in the minutes under II, Committee Motions and Updates, item 4.

I OPENING SESSION

1. Adoption of Agenda

Moved by G. Anderson seconded by D. Pattenden, that the Board adopt the agenda with the provision that items 3 to 7 be approved, or received for information, by consent.

Carried 12-54

2. Opening Remarks

The Chair conveyed the Principal’s regrets that he was unable to attend the meeting. She reported that some Queen’s community members with close ties to the Board had passed away recently. She asked for a moment of silence in memory of former Chancellor, the Hon. Peter Lougheed, who died September 13, 2012 and former Secretary of the University and Secretary of the Board of Trustees John Bannister, who died September 11.

The Chair welcomed attendees to the first meeting of the 2012-13 year and extended a special welcome to new trustees T. Gkotsis, elected by the Society of Graduate and Professional Students and T. Thomas, elected by University Council.
Consent

3. Approval of the Minutes (Appendix A, pages 1 and 26 Confidential)
   a) May 4, 2012
   b) August 8, 2012

   Carried 12-55

4. Naming Dedications (Appendix B, page 28)

   Goodes Hall Expansion

   The dedication of the ICAO Classroom in recognition of the pledge from the Institute of
   Chartered Accountants, in support of Queen’s and Goodes Hall.

   Carried 12-56

   The dedication of the Richard Hand Graduate Studies Complex, in recognition of the pledge
   from Paul and Victoria Hand, in support of Queen’s and the Goodes Hall Expansion.

   Carried 12-57

   The dedication of the Ernst and Young Team Room, in recognition of the gift from Ernst and
   Young LLP in support of Queen’s and Goodes Hall.

   Carried 12-58

   The dedication of the Mike and Annette MacSween MBA Team Room in honour of Michael
   MacSween, NMBA’07, in recognition of the pledge from Mike MacSween, NMBA’07 and
   Annette MacSween, in support of Queen’s and the Goodes Hall Expansion.

   Carried 12-59

   The dedication of the Augusta and Shawn Cooper Breakout Room in honour of Augusta and
   Shawn Cooper, in recognition of the pledge from Shawn Cooper, in support of Queen’s and the
   Goodes Hall Expansion.

   Carried 12-60

   The dedication of the McIntosh Family Breakout Room, in recognition of the pledge from Doug
   McIntosh, BComm’82 and Cathy McIntosh, BComm’82, in support of Queen’s and the Goodes
   Hall expansion.

   Carried 12-61

   The dedication of the Brown Family Breakout Room in honour of Mona Brown, BAH’93 and
   Simon Brown, BComm’93 in the Goodes Hall expansion, in recognition of the pledge from
   Simon Brown, BComm’93 and Mona Brown BAH’93, in support of Queen’s and the Goodes
   Hall expansion.

   Carried 12-62

   New Medical Building

   The dedication of Seminar Room 224 in the New Medical Building, in recognition of the pledge
   from the Class of Medicine 1971, in support of Queen’s and the New Medical Building.

   Carried 12-63

   Senate item requiring Board ratification:
   a) Queen’s Institute for Energy & Environmental Policy formal institute status

   Carried 12-64

7. **Quarterly Reports**
   a) **Advancement** (Appendix E, page 33)
   b) **Investment** (Appendix F, page 36)
   c) **Pension** (Appendix G, page 39)

Regular

8. **Business Arising from the Minutes**
   None

9. **Principal’s Strategic Update**
   a) **2012-13 Goals for Queen’s**
      On behalf of the Principal, the Provost reported on progress toward the seven goals which had been established by the Board for the Principal in 2012-13 and are, therefore, the goals of the University for the coming year.

      *A slide listing the goals is attached to the minutes. Each goal currently has a green dot beside it, indicating that progress toward that particular goal is on target.*

      The following points were raised during the discussion:
      - The introduction of the new budget model will take place in 2013-14.
      - Plans are on track for a preliminary budget to be presented to trustees in March before the final 2013-14 balanced budget comes to the Board for approval in May 2013.
      - Local Queen’s Campaign Launches will take place in Toronto, Calgary and Ottawa after the official launch at Queen’s on Saturday, September 29, 2012.
      - Governance reform continues: the Board-Senate retreat, which will take place on the morning of September 29, is planned to foster a better understanding between the two bodies; University Council reform continues with a new proposal for its mandate and composition to be presented by March 2013.

10. **Provost’s Operational Update**
    The Provost advised the Board of the following matters:

    **Planning and performance**
    For the second year, the Principal’s goals have been used as a template for performance goals for the Vice-Principals and their direct reports.

    **Budget**
    The Provost’s Advisory Committee on the Budget has for some time been meeting weekly, and will continue to do so as further development of the new budget model takes place. The Committee is about to issue information to the faculties to help them prepare their 2013-14 submissions. Further details are available on the Provost’s website at [www.queensu.ca/provost](http://www.queensu.ca/provost) by following the links.

    **Searches**
    The departure of Joy Mighty, Director of the Centre for Teaching and Learning, for a position at Carleton University provides an opportunity to examine the configuration of the Centre to support the student learning experience. With the departure of Janet Brooke, a review of the Agnes Etherington Art Centre will take place. A search for the first director of the Isabel Bader Centre for the Performing Arts has begun. Searches are also under way for a new Dean of Arts and Science to replace Alistair MacLean and a Dean of Law, to replace William Flanagan.

    **Preliminary Enrolment Report**
The official headcount takes place November 1 after which the final report is submitted to the provincial government to determine the financial support the University will receive for the coming academic year. Board members will receive a more complete report on December 7. The Provost provided the following highlights from preliminary enrolment data:

- Undergraduate enrolment is on target with Senate-approved plans.
- Targets in most programs have been met or have been exceeded.
- Overall 4,289 students have been admitted, compared to a November 1 target of 4,152.
- Thanks to recruitment efforts, admissions to the Bader International Study Centre increased to 133, compared to a target of 140; the highest registration since 2008. Last year, the BISC had 106 admissions.

Entering-class picture
Queen’s welcomed students from all 10 provinces and three territories; 76 per cent are from Ontario, followed by 9.1 percent from British Columbia, 4.2 per cent from Alberta and 4.5 per cent from other Canadian provinces and territories. Preliminary graduate student numbers are not yet available as those students have until early October to register.

International
- 5 percent of undergraduate students are international, including exchange students
- More than 20 per cent of graduate students are international

Total full-time enrolment across all years is currently 20,600, compared to 19,957 on November 1, 2011.

Upcoming reports to the Board
The Provost expects to bring a progress report on an international strategy being developed by Vice-Provost (International) J. Lee, and also an initial draft of a University strategic plan to the December Board meeting. The Board will receive a preliminary budget report in March 2013.

11. Proposed Mandate Statement
The Provost’s presentation is attached to the minutes.

The Provost referred to the Principal’s writings on the future of Queen’s and the system as a whole in the Third Juncture and an op-ed published in the Globe and Mail on August 9, 2012. The Principal expresses the University’s aim to preserve the soul of the institution while positioning the institution as being established, mature and also adaptable and of value in the 21st century. These statements underscore the University’s mandate. The Ministry requested each institution to submit Proposed Mandate Statements by September 30. The proposal, once accepted by the government, will become a Strategic Mandate Agreement between Queen’s and the government. Separately, Queen’s is compiling commentary received over the summer in response to the government’s discussion document. This will also be sent the Ministry as a summary of what Queen’s heard from its community. The Provost confirmed that the Proposed Mandate Statement and the Academic Plan are in step and fully aligned.

12. Campaign Launch Presentation
a) Presentation (Appendix H, page 41)
VP (Advancement) T. Harris’s presentation is attached to the minutes. VP Harris noted that, at the May 4, 2012 meeting, trustees approved the campaign goal of $500,000 and the theme and that a synopsis of the case statement was in the agenda materials.

13. Student Reports (Appendix I)
a) Rector (page 43)
Rector N. Francis recounted his summer activities, including participating in 20 convocation ceremonies and working in the Office of the Provost and VP (Academic). In particular, he noted his participation in the Queen’s Annual Appeal campaign activities, highlighting mental health initiatives.

b) AMS President (page 45)
President D. Johnson updated trustees on several AMS initiatives over the past several months including changes to the student non-academic discipline system that will maintain sound stewardship of the process by the students. He also noted upgrades to services, a renewed focus on health and wellness, nutrition support for students, and a more proactive role in community relations ensuring the university district as a clean and welcoming area. He noted the relatively good behaviour of students over the past few September weekends with no major incidents taking place.

c) SGPS President (page 47)
President M. Scribner expressed concern with some of the results in the recently released 2012 Exit Poll, specifically from Education and Law students about low satisfaction levels related to their learning experiences.

II COMMITTEE MOTIONS AND UPDATES

1. Audit and Risk Committee
   a) Committee Chair’s Update
      K. Brooks reported that at its meeting that day, the committee received a benchmarking report on Orientation and student health and wellness from Vice-Provost and Dean of Student Affairs A. Tierney and a report on environmental health and safety from the Director of Environmental Health and Safety D. Langham. Both were positive. The Committee also examined a report prepared by Internal Audit on fraud risk benchmarking, comparing the University’s practices to best practices. As a result of the review, VP (Finance and Administration) C. Davis and her team will examine ways that the University can strengthen its fraud risk management, starting with those that are inexpensive to implement and will reduce risk at the top levels of the organization.

b) Approval of Audited Financial Statements for the fiscal year ending April 30, 2012
   (Appendix J, page 49)

   Moved by K. Brooks, seconded by D. Pattenden, that the Board of Trustees approve the audited consolidated financial statements of Queen’s University at Kingston for the fiscal year ended April 30, 2012.

   Carried 12-65

   K. Brooks noted that the report is different from usual because it included the results of all of the operations of the university and not just the operating budget. She complimented administration for the quality of work on the statements.

c) Queen’s University Theological College Financial Statements (Appendix K, page 86)
K. Brooks explained that the review of the audited financial statements item was a one-time matter, which was the result of the disbanding of the College’s Board due to the merger of the Theological College with the University effective May 1, 2012.

   Moved by K. Brooks, seconded by E. Speal, that the Board of Trustees approve the audited consolidated financial statements of the Queen’s Theological College, operating as Queen’s School of Religion, for the year ending April 30, 2012.

   Carried 12-66
d) **Enterprise Risk Management Policies and Procedures Framework** (Appendix L, page 104)  
A presentation by VP (Finance and Administration) C. Davis is attached to the minutes.

K. Brooks noted that Enterprise Risk Management was a new focus for the Board and one that she and the Board Chair would like the Board to adopt. VP (Finance and Administration) C. Davis and her team have worked on a strategy for the past 18 months. Enterprise Risk Management involves the University effectively managing its most significant risks to reduce threats to achieving its strategic goals. After identification of these risks, the Board will then ensure that administration is executing against the mitigation plans for those risks. A risk register has been developed and the Board will discuss this register and the resultant 10 most significant risks in December. Thereafter, the Board will be involved in a continuous process of overseeing risks and mitigation plans as developed by the administration. As a result, a policy and procedures framework for managing Enterprise Risk has been developed for Board approval.

**Moved by K. Brooks, seconded by D. Tisch, that the Board of Trustees approve the Queen’s University Enterprise Risk Management Policies and Procedures Framework as presented.**  
**Carried 12-67**

K. Brooks noted that the matter is a work in progress and that the policy may change as work progresses and as input is received on this first-ever policy.

A discussion ensued on the topics of risk appetite and process, including reputational risks as a category and combinations of different risks and appropriate responses. D. Raymond noted that it would be useful to articulate how much residual risk the Board is willing to withstand. C. Davis advised that the discussion would require an understanding of some concepts that the administration, including faculties, have not yet acquired, but will be acquiring over the coming months.

E. Speal observed that although it is difficult to quantify the risks, it is important to quantify the probability of the risks taking place. C. Davis advised that a discussion among administrators about assigning probability had taken place, and it was agreed that had numbers been used, it might have given the false sense that the figures had been arrived at in a methodical way.

The Chair advised that a risk dashboard would be developed for use on an ongoing basis.

2. **Finance Committee**
   a) **Committee Chair’s Update**
   G. Anderson advised the Board that Ernst and Young had developed a potential financing strategy for the University. Part of this strategy is being designed to address an upcoming decision on whether to build two new residences. At the September 28 meeting, when the Finance Committee looked at the residence development model, there was strong agreement among members that, should a decision be made to construct these buildings, financing them directly by the University made the most sense and that borrowing money from a bank instead of using a public/private partnership was desirable. It was noted that there is a clear need for the residences due to an existing shortage of space.

   G. Anderson advised the Board that the government policy is still unclear around pension solvency payments. The Committee agreed that it should not rush to attempt to address this matter and that longer-term analysis would be required.

   b) **2012-13 Budget Review**
   Provost Harrison’s presentation is attached to the minutes.
The Provost noted that the Board approved the 2012-13 budget at the May 4, 2012 meeting. He referred to subsequent questions at the May meeting about how and whether it was a balanced budget, and that the purpose of the presentation was to address these questions.

The Provost addressed:
- How budget allocations are done
- What it means to balance the budget
- The requirements from units with respect to budget planning.

c) **Residence Planning Funds** (Appendix M, page 127)

Moved by G. Anderson, seconded by K. Brooks, that the Board of Trustees approve the expenditure of $400,000 in planning funds for two new residence buildings. The funds are to be provided from Residence operations.  

*Carried 12-68*

The Board was advised that this approval was for planning funds only. Any commitment to proceed with the project was expected to come forward at the December meeting.

Although N. Francis said he was not opposed to building residences to address space issues, he expressed concern about the financial impacts associated with potential increases in enrolment which had not been addressed. In particular, he noted that any plans to increase the student population would put severe strain on the availability of scholarships, health and other services, and that no discussion of additional funding to address these issues had taken place. T. Abramsky, Chair of the Campus Planning and Development Committee, noted that the committee approved the siting and massing for the residence buildings at its meeting earlier that day.

3. **Updates – Optional Oral Reports at Committee Chair’s Request**
   
   None

4. **Governance and Nominating**

   Moved by I. van Nostrand, seconded by K. McKinnon, that the Board approve the following individuals for committee appointments: John Nesbitt to the Audit and Risk Committee, Tobias Thomas to the Governance and Nominating Committee and Rosemary Jolly to the Campus Planning and Development Committee, with all terms ending May 31, 2013.  

   *Carried 12-69*

III **OTHER BUSINESS**

None

IV **IN CAMERA**

a) In Camera Session of Trustees, including the Provost on behalf of the Principal, and the Board Secretary

b) In Camera Session of Trustees alone, except for the Principal

V **ADJOURNMENT**

The meeting adjourned at 9:48 p.m.

**SATURDAY SESSION** – September 29, 2012, 8:00 a.m. to 11:50 a.m.
Trustees participated in a Board-Senate Retreat in Lecture Room 132, New Medical School Building, moderated by Erik Lockhart, Associate Director of the Queen's Executive Decision Centre, Queen’s School of Business.