

**Report to the University Council**  
**by**  
**The Elected Representatives to the Board of Trustees**  
**MAY 2009**

The University Council representatives to the Board of Trustees include:

**Jocelyn Hart** (Member, Campus Planning and Development Committee and Queen's Centre Executive Committee); **Joe Lougheed** (Co-Chair, Advancement Committee); **David Masotti; Bruce Mitchell** (Member, Campus Planning and Development Committee and Vice-Chair, Finance Committee); **David Pattenden** (Chair, Environmental Health and Safety Committee, Member, Audit Committee and Pension Committee); and **Innes van Nostrand** (Member, Advancement Committee and University Council Executive Committee)

2008/09 has been an extraordinary year for Queen's. In many ways, it has been the most challenging year in generations. In other ways, it has been a year of great success and change. Of course, challenge, change and success are often intertwined. While the specifics of Board actions are detailed below, there are some topics which deserve highlighting for Council.

At the meeting of University Council one year ago, it had just been announced that Dr. Karen Hitchcock has resigned as Principal and had left Queen's. Dr. Tom Williams had assumed the role of Principal a few days prior to the meeting. Principal Williams has done a first class job in a time of tumult. Under his leadership, the committee of Vice Principals and Deans has been partially re-tooled, and has come together as an effective team to help redefine how the University does its business.

While the Board understood a year ago that the administration required a new approach, the issue was further compounded by the economic downturn and its impact on government funding, our investments, and private giving. The Principal has led a comprehensive process of self-examination, creative option definition, and strategic decision-making, as we plan for 15% cuts to the University's operating budget over the next three years. This has impacted every corner of the institution and has included thorough communication and dialogue with all stakeholder groups over the year.

While the operating budget has been the subject of great attention by the administration and Board, we have also been busy with capital projects as identified below. At the top of this list is one of the most significant additions to the Queen's campus in our history – Phase I of the Queen's Centre. The Board has been focused on a variety of issues, including scope, budget and funding. This spectacular facility, with Phase 1 scheduled to open this fall, will be an outstanding addition to the campus and to student life.

With all of these monumental issues facing the school, it is interesting that the question of Homecoming may have generated the most reaction in the alumni community. In the late fall, Principal Williams announced his intention of suspending Queen's Fall Homecoming for at least two years. While this was an administration and not a Board decision, Trustees are widely supportive. It was clear that the nature of the Aberdeen events has created substantive risk factors for the University from safety, legal and reputational perspectives. The many and varied steps that have been taken over the last few years by the University, students and alumni have not had sufficient impact in reducing these risks. The decision, based on a broadly-based consensus of most stakeholders including student leaders, is a necessary step to minimize the threat of a tragic outcome.

We are indebted to Principal Williams for his leadership in dealing with these extraordinarily difficult issues with wisdom and courage, and, in doing so, laying a solid foundation for his successor, which leads

to the final and perhaps most important highlight. The Board appointed Queen's alumnus Dr. Daniel Woolf as the 20<sup>th</sup> Principal of the University based on the unanimous recommendation of the Joint Board Senate Committee, chaired by Chancellor Dodge. We are delighted to welcome Principal-designate Woolf back to Queen's and look forward to great achievements under his leadership.

It is clear that Queen's, like other universities, faces immense pressures and challenges over the next few years. What has historically differentiated us from peer institutions has been the collegiality of our relations with faculty, staff and students, as well as the goodwill and support of our alumni. We are counting on history to repeat itself, and look forward to meeting these challenges with a sense of shared commitment, goodwill, and innovation.

Over the past year, May 1, 2008 to April 1, 2009 the Board of Trustees has:

**Received for Information**

- Quarterly reports on Senate Actions
- Quarterly Principal's Reports
- Quarterly reports on Research Activities
- Quarterly reports from the President of the AMS, the President of the SGPS and the Rector
- Quarterly Financial Report
- Pension Quarterly Report
- Advancement Quarterly Report
- Investment Quarterly Report
- Reports from the Advancement Committee, the Audit Committee, the Environment Committee, the Finance Committee, the Campus Planning and Development Committee, the Investment Committee and the Pension Committee
- Final Report on Admissions and Enrolment (November 1, 2008 ) from the University Registrar
- Report on the Fall 2008 Convocation Dates and Honorary Degree recipients
- Report on the 2009 Spring and Fall Convocation dates and Honorary Degree recipients
- Dominion Bond Rating Service (DBRS) Rating Report – confirmed AA(high)
- Standard & Poor's Rating Report – AA+
- Exit Poll 2008
- Queen's University International Centre (QUIC) Annual Report 2008
- Appointments to Full Professor and Professor Emeritus/Emerita
- Report on Elections to the Board of Trustees
- Environmental Health & Safety Annual Report, 2007/2008
- Report on the Annual Budget for 2008-2009
- Queen's University Annual Report 2008
- Statement from *Queen's Backing Action on Climate Change* (QBACC)

**Held a Discussion Session on:**

- Budget Framework presentation by the Principal (December 6, 2008)
- Budget Planning for 2009/2010/2011 – presented by Principal T.R. Williams
- Curriculum Review – presented by Vice-Principal (Academic) P. Deane  
<http://www.queensu.ca/vpac/curriculumdiscussion.html>

### **Received for Action**

- On January 25, 2009, the Board of Trustees, on the recommendation of the Joint Board/Senate Committee on the Selection of the Principal, appointed Dr. Daniel R. Woolf as Principal and Vice-Chancellor of Queen's University, effective September 1, 2009.
- Approved the Trustees Code of Conduct  
<http://www.queensu.ca/secretariat/trustees/conduct.html>

### **Ratified the following items approved by the Senate**

- The establishment of the Donald R. Sobey Professorship in the Queen's School of Business.
- The establishment of the Ernie and Edna Johnson Chair in Ophthalmology.

### **Naming and Dedication Opportunities**

- Approved the naming dedication of Student Lounge in the Fitness & Wellness Centre block of the Queen's Centre in recognition of the very generous gift from George and Sheila Watson.
- Approved the naming dedication of the Varsity Gymnasium in the Fitness & Wellness Centre block of the Queen's Centre in recognition of a very generous gift from the Alexander Murray Jeffrey Trust.
- Approved the naming dedication of the International Study Centre at Herstmonceux Castle in honour of Drs. Alfred and Isabel Bader.
- Approved the naming of the Policy Study Building as Robert Sutherland Hall.
- Approved the dedication of the Administrative Wing in Goodes Hall in honour of a very generous donation from the members of the Commerce Class of 1978.

### **Committees**

On the recommendation of the **Advancement Committee** approved the following:

- Approved revisions to the Advancement Funding Model so that the allocation to the general university operating fund of 5% of all new gifts is eliminated effective May 1, 2008.

On the recommendation of the **Audit Committee** approved the following:

- The annual audited Financial Statements for Queen's University for the fiscal year ended April 30, 2008.
- Appointment of KPMG as the External Auditor for Queen's University for the fiscal year ended April 30, 2009.

On the recommendation of the **Environmental Health and Safety Committee** approved the following:

- The Policy Statement on Environmental Management
- The Policy Statement on Health and Safety

On the recommendation of the **Finance Committee** and the **Campus Planning and Development Committee**, approved the following:

- Additional planning funds of \$375,000 to undertake design work for the New Medical School Building. The funding is to be provided by the Faculty of Health Sciences. (3 May 2008)
- An expenditure of \$750,000 in additional planning funds for the New Medical School Building. The funds are to be provided by the Faculty of Health Sciences from funds already raised. (5 December 2008)

- An expenditure of \$500,000 for planning funds for the Queen's Centre Project – Phase 2 and 3. The funding is to be provided by the University and is anticipated to have a minimal impact on the operating budget. (5 December 2008)
- An expenditure of \$100,000 for planning funds for the Site Plan work for the West Campus Fields Project. The funds are to be provided by the funds that have been raised to date. (5 December 2008)
- An expenditure of \$50,000 in planning funds for the Gordon-Brockington Hall Residence Redevelopment Project. The funds are to be provided by the Residences. (5 December 2008)
- For the Performing Arts Centre:
  - An expenditure of \$950,000 in additional planning funds for Site and Zoning testing and approvals and Building Remediation for the Performing Arts Centre. With this increase total planning funds would be \$3,000,000. The funds are to be provided from funds raised to date. (5 December 2008)
  - An expenditure of \$1,050,000 in additional planning funds for Design Development for the Performing Arts Centre. Expenditure of these funds would be subject to receiving full funding from external sources to allow the project to be completed within the University's financial requirements. With this increase total planning funds would be \$4,050,000. The funds are to be provided from funds raised to date. (5 December 2008)

On the recommendation of the **Finance Committee**, the Board approved the following:

- A proposed \$350M balanced operating budget for 2008-2009.
- Residence Fees for 2009-2010, as recommended by the Senate Residence Committee, and Residents Society Fees for 2008-2009 proposed by the Main Campus Residents Council and the Jean Royce Hall Society.
- Proposed Tuition Fees for 2009-2010, presented to the Senate for information on April 24, 2008 and revised Tuition Fees for 2009-2010, presented to the Senate for information on November 27, 2008.
- An increase of \$7,000,000 to the Queen's Centre Phase 1 budget to allow the building of the School of Kinesiology and Health Studies to proceed. This will bring the total Queen's Centre Phase 1 budget to \$169,000,000. (3 October 2008)
- A resolution authorizing the Chair of the Board and the Principal and Vice-Chancellor of Queen's University to sign a financing agreement with the Ontario Infrastructure Projects Corporation (OIPC) to borrow an aggregate amount of up to \$180,000,000. Officers that are authorized to borrow money pursuant to the agreement with the Ontario Infrastructure Projects Corporation. The amount and timing of such borrowing will be based on projections provided to the Finance Committee of the Board of Trustees.
- The Liability Management Policy.
- Funding of \$33,500,000 for a three year replacement of Queen's core administrative systems. The QUSAR project will be funded from the operating budget over the next twelve years.
- An amendment to the Signing Authorities (Motion 07-49, sections I (a) and II(a)) to include the position of Director of Compensation and remove the position Director, Compensation and Benefits.

On the recommendation of the **Investment Committee**, approved the following:

- The allocation of additional funding from the Pooled Endowment Fund (PEF) to the Office of Advancement for the 2008-2009 fiscal year to compensate for the revenues foregone due to the elimination of the gift tax.
- Adjustments to the Spending Policy for the Pooled Endowment Fund (PEF) and the Pooled Investment Fund (PIF):

For fiscal year 2009/2010, the payout from the Pooled Endowment Fund should be 12.49 cents per unit. This is the payout derived from the Yale method, and is approximately 1.3% below the 2008/2009 payout of 12.65 cents per unit.

In 2009, Queen's will examine "underwater funds", i.e. donations made over the last few years where the book value exceeds the market value. The objective will be to develop a spending policy for these funds.

The payout rate for the General Endowment portion of the Pooled Endowment Fund should be 7.5% of these funds.

The withdrawal from the Pooled Investment Fund around the end of April, 2009 should be the same formula as last year, i.e. 7.5% of mean assets.

- The Queen's University Statement on Responsible Investing  
<http://www.queensu.ca/secretariat/trustees/policy/Investing.pdf>

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

- Amendments to the Queen's Pension Committee's constitution

#### Appointments of

- Donald Raymond, as a Trustee for a 4-year term and as a member of the Pension Committee.
- G. Anderson as Vice-Chair of the Board for 2008-2009
- David Grace, Vice-Chair, Pension Committee, effective October 3, 2008
- Donald Raymond, member, Pension Committee, effective October 3, 2008 to May 31, 2009
- David Pattenden, member, Pension Committee, effective October 3, 2008 to May 31, 2009
- Members to serve on the Joint Board/Senate Advisory Committee to Select the Principal:  
T. Abramsky, G. Anderson, D. Bayne, K. Black, R. Burge, L. Jackson, K. Macmillan  
D. Pattenden and W. Young

#### Re-appointment of

- W. Young as Chair of the Board for 2008-2009
- K. Black as Vice-Chair of the Board for 2008-2009
- A. Pipe as Vice-Chair of the Board for 2008-2009

### Theme Sessions

*Saturday, December 6, 2008*

A theme session on "Human Resources/Human Rights/Equity" was facilitated by the Vice-Principal (Human Resources)

With a goal of increased efficiency and reduced costs, the Board of Trustees received all agenda material electronically for the March 6/7, 2009, meeting. Paper materials were not sent by courier to Trustees in advance of the meeting. Electronic access was provided through QShare. Trustees were encouraged to use laptops during the meetings. The Secretariat printed a small number of paper copies at the request of a few participants. These copies were available at the meeting.