



Board of Trustees

(Circulated prior to approval)

Brock University
Niagara Region
500 Glenridge Avenue
St. Catharines, ON
L2S 3A1 Canada

MINUTES OF MEETING #3 (2010-11)

BOARD OF TRUSTEES

THURSDAY, FEBRUARY 17, 2011, 4:00 PM

BOARD ROOM, 13TH FLOOR, SCHMON TOWER

PRESENT:	<i>Chair</i>	Mr. Rudi Kroeker
	<i>Vice-Chair</i>	Mr. Joe Robertson
	<i>Immediate Past Chair</i>	Mr. David Howes
	<i>Members</i>	Mr. Allan Cole
		Mr. Nick DiPietro
		Mr. Paul House
		Dr. Veronica Lacey <i>(via teleconference)</i>
		Mr. Roelof Makken
		Ms. Catherine Mindorff-Facca
		Mr. Dennis Parass <i>(via teleconference)</i>
		Mr. Sebastian Prins
		Mr. Bill Rickers
		Ms. Joy Rogers
		Dr. Maureen Sabia <i>(via teleconference)</i>
		Mr. Abe Schwartz <i>(via teleconference)</i>
		Ms. Betty-Lou Souter <i>(via teleconference)</i>
		Mr. John Suk
		Dr. Susan Sydor
		Ms. Terry Trzacak
		Ms. Kelly Veld
		Professor David Vivian
		Ms. Valerie Wolfe
		Dr. Barry Wright
		Ms. Helen Young
		Ms. Sheila Young
	<i>Ex officio:</i>	
	President and Vice-Chancellor	Dr. Jack Lightstone
	<i>Official Resource:</i>	
	Vice-President, Academic and Provost	Dr. Murray Knuttila
	Vice-President, Finance and Administration	Mr. Steven Pillar
	Vice-President, Advancement	Mr. David Petis

Vice-President, Research

Dr. Ian Brindle

Secretary to the Board
Recording Secretary

Mr. Mike Farrell
Ms. Margaret Thompson

ALSO

PRESENT: Mr. Kevin Cavanaugh, Mr. Darren Harper, Dean Douglas Kneale (for agenda item 9.2), Ms. Joanne McKee, Ms. Martha Nelson, Mr. Tom Saint-Ivany, Mr. Marco Vetrone

OBSERVER: Mr. Sohail Ahmed

REGRETS: Mr. Ned Goodman, Ms. Rebecca Jamieson, Ms. Monica Stenzel, Ms. Mary Turner

1. CALL TO ORDER

Mr. Kroeker welcomed members and called the meeting to order. He confirmed that Dr. Lacey, Mr. Parass, Dr. Sabia, Ms. Souter and Mr. Schwartz were participating in the meeting via teleconference.

2. DECLARATION OF CONFLICT OF INTEREST

A declaration of a conflict of interest was duly noted from Mr. Howes with respect to the in camera item to be presented later in the meeting during the Report of the Joint Meeting of the Capital Projects and Facilities Committee and the Financial Planning and Human Resources Committee.

3. MINUTES OF THE PREVIOUS MEETING

[The minutes of Meeting #2 (2010-11) held on December 2, 2010 had been posted with the meeting materials.]

On a motion by Mr. Howes, seconded by Mr. Robertson and carried, it was

RESOLVED that the Minutes of Meeting #2 (2010-11) of the Board of Trustees held on December 2, 2010 be approved.

4. BUSINESS ARISING FROM THE MINUTES – None

5. REPORT OF THE CHAIR OF THE BOARD

[The Report of the Chair of the Board dated February 17, 2011 had been posted with the meeting materials.]

Mr. Kroeker referred Trustees to his written Report.

The Chair shared the following announcements with the Board:

- Brock University's annual open house will be held on March 6 from 12:30 p.m. to 4:00 p.m. Members of the Board were encouraged to attend.

- With respect to Brock University Athletics achievements, the women's wrestlers won their 4th straight Ontario University Athletics Championship and the 11th in school history; women's hockey finished with a school best 22-05 regular season record and will begin the OUA semi-finals; Beth Clause, a member of the Brock women's hockey team, captured a gold medal with Team Canada at the World University Games in Turkey.

On a motion by Dr. Lacey, seconded by Mr. Howes and carried, it was

RESOLVED that the Board of Trustees express its congratulations to all student athletes, coaches and the athletic staff for an outstanding and successful year.

6. REPORT OF THE EXECUTIVE COMMITTEE

[The minutes of Meeting #1 held on November 30, 2010 and Meeting #2 held on February 10, 2011 had been posted with the meeting materials.]

The Chair referred members to the minutes of the meetings held on November 30, 2010 and February 10, 2011. As reported during the previous meeting of the Board, there were no items for the Board's consideration from the meeting held on November 30, 2010.

During the meeting held on February 10, 2011, the Executive Committee ratified three-year collective agreements between the University and CUPE Local 1295 which represents maintenance and trades employees and with CUPE 2220 which represents staff at Rodman Hall.

7. REPORT OF THE PROVOST AND VICE-PRESIDENT, ACADEMIC

Dr. Knuttila provided a brief oral update on the three decanal searches currently underway and student applications.

8. REPORT OF THE ACTIONS OF THE UNIVERSITY SENATE

[The Reports of the Actions of the University Senate, together with the Senate Highlights, from the 584th meeting held on December 8, 2010, the 585th meeting held on January 19, 2011 and the 586th meeting held on February 9, 2011 had been posted with the meeting materials.]

Dr. Sydor highlighted several items within the Reports of the Actions of the University Senate. She was saddened to note the recent passing of Dr. Marlene Moser who had been a faculty member in the Department of Dramatic Arts.

9. REPORTS OF STANDING COMMITTEES

9.1 Advancement, Community Relations and Research Committee

[The minutes of Meeting #3 (2010-11) held on January 20, 2011 had been posted with the meeting materials.]

Ms. Rogers presented the Report of the Advancement, Community Relations and Research Committee. There were no decision items for the consideration of the Board from the meeting. Information items that had been reviewed by the Committee included the following:

a) Brock University Office of Research Services

[An Information Item TOPIC: Brock University Office of Research Services had been posted with the meeting materials.]

At the invitation of Ms. Rogers, Dr. Brindle highlighted several areas within his Report.

b) University Rankings in the Media

Ms. Rogers noted that during the meeting of the Committee, members had been provided with a presentation regarding university rankings in the media and how Brock University fares in the rankings.

It was further noted that Brock University had recently released a new recruitment video. A link to the video would be forwarded to members following the meeting.

c) Acceptance of the Report

On a motion by Ms. Rogers, seconded by Ms. Mindorff-Facca and carried, it was

RESOLVED that the Report of the Advancement, Community Relations and Research Committee as contained in the minutes of the meeting held on January 20, 2011 be accepted.

9.2 Joint Meeting of the Capital Projects and Facilities Committee and the Financial Planning and Human Resources Committee

[The minutes of Joint Meeting #1 (2010-11) of the Capital Projects and Facilities Committee and the Financial Planning and Human Resources Committee held on January 27, 2011 had been posted with the meeting materials.]

Mr. Suk presented the Report of the Joint Meeting of the Capital Projects and Facilities Committee and the Financial Planning and Human Resources Committee. The Chair noted that a motion was required to move *in camera* for discussion of a confidential item.

On a motion by Mr. Suk, seconded by Mr. Makken and carried, the Board moved *in camera* at 4:22 p.m. Non-Trustees retired from the meeting. Dean Kneale and the Associate Vice-Presidents had been invited to remain for the closed session.

The Board resumed open session at 4:58 p.m. Non-Trustees rejoined the meeting.

[During the *in camera* session, the Board considered confidential reports and passed confidential recommendations.]

During the closed session, Dr. Sabia had excused herself from the remainder of the meeting due to a prior commitment.

a) Acceptance of the Report

On a motion by Mr. Suk, seconded by Dr. Sydor and carried it was

RESOLVED that the Report of the Joint Meeting of the Capital Projects and Facilities Committee and the Financial Planning and Human Resources Committee as contained in the minutes of the meeting held on January 27, 2011 be accepted.

9.3 Capital Projects and Facilities Committee

[The minutes of Meeting #3 (2009-10) held on January 27, 2011, together with the reports indicated below, had been posted with the meeting materials.]

Mr. Rickers presented the Report of the Capital Projects and Facilities Committee. He noted that Committee Chair, Ms. Turner, had participated in the meeting via teleconference. There were no decision items for the consideration of the Board from the meeting.

The following reports had been considered by the Committee and forwarded to the Board for information:

a) Major Projects Update

[An Information Item *TOPIC: Major Projects Update* dated January 27, 2011 had been posted with the meeting materials together with the following Project Status Update Reports: Norman Road (International Centre), Thistle Courtyard/Marketplace, Cairns Family Health and Bioscience Research Complex, and Marilyn I. Walker School of Fine and Performing Arts.]

b) Cairns Family Health and Bioscience Research Complex Update

[An Information Item *TOPIC: Cairns Family Health and Bioscience Research Complex* dated January 27, 2011, together with the following Attachments had been posted with the meeting materials:

1. Niagara Health and Bioscience Research Complex – Project Master Schedule dated January 10, 2011
2. Niagara Health and Bioscience Research Complex – Construction Tender and Contract Status Report dated January 13, 2011
3. Niagara Health and Bioscience Research Complex – Funding and Expenditure Log dated January 11, 2011
4. Niagara Health and Bioscience Research Complex – Risk Register dated January 10, 2011]

c) Acceptance of the Report

On a motion by Mr. Rickers, seconded by Mr. Suk and carried, it was

RESOLVED that the Report of the Capital Projects and Facilities Committee as contained in the minutes of its meeting held January 27, 2011 be accepted.

9.4 Financial Planning and Human Resources Committee

[The minutes of Meeting #3 held on February 10, 2011, together with the reports indicated below, had been posted with the meeting materials.]

Mr. Makken presented the Report of the Financial Planning and Human Resources Committee. He noted that there were four items for the decision of the Board and several items for information.

a) 2011-12 Residence Fees

[A Decision Item *TOPIC: 2011-12 Residence Fees* dated February 10, 2011, together with Attachment 1: Brock University Residence Operations Proposed 2011-12 Budget and Attachment 2: Fee by Residence, had been posted with the meeting materials. An additional confidential attachment was circulated to members during the meeting.]

On a motion by Mr. Makken, seconded by Ms. Young and carried, it was

RESOLVED that the residence fees for 2011-12 be approved as proposed.

For the record, Mr. Prins abstained from voting on the motion.

b) Student Tuition Fees for 2011-12

[A Decision Item *TOPIC: Student Tuition Fees for 2011-12* dated February 10, 2011, together with Attachment 1: Brock University Fee Proposal 2011-12 and Attachment 2: Executive Summary: Centre for Continuing Teacher Education Tuition Adjustment Proposal, had been posted with the meeting materials.]

During the Board's consideration of the proposed student tuition fees for 2011-12, senior administrators responded to questions.

On a motion by Mr. Makken, seconded by Mr. Cole and carried, it was

RESOLVED that the Tuition Fees for 2011-12 be approved as proposed.

For the record, Mr. Prins voted in opposition to the motion.

c) 2011-12 Endowment Spending Rate

[A Decision Item *TOPIC: 2011-12 Endowment Spending Rate* dated February 10, 2011 had been posted with the meeting materials.]

On a motion by Mr. Makken, seconded by Mr. Robertson and carried, it was

RESOLVED that the endowment bursary payout rate for 2011-12 remain at 3%.

d) Brock Pension Fund – Reduction in the Asset Allocation of Canadian Equities

[A Decision Item *TOPIC: Brock Pension Fund – Reduction in the Asset Allocation of Canadian Equities* dated February 10, 2011 had been posted with the meeting materials together with Attachment 1: Brock University Foreign vs. Domestic Equities.]

Mr. Makken noted that as he had voted in opposition to the proposed recommendation during the meeting of the Financial Planning and Human Resources Committee, he preferred not to move the motion at this time.

MOVED (Lightstone/Robertson)

That the Canadian equity asset policy percentage of the total fund is changed from 15% to 12% and the global equity asset policy percentage of the total fund is changed from 45% to 48%, with an annual review of such asset policy percentage allocations. The asset policy percentage for the individual global equity managers would be evenly divided at 16% each (currently 15% each).

During discussion, Mr. Makken expanded on his opposition to the proposed reduction in the asset allocation of Canadian equities. Included in his remarks were that the Canadian portfolio has had the least volatility and the proposed recommendation does not reduce risk; other pension plans such as the Ontario Teachers' Pension Plan have less exposure in foreign equity and have outperformed their benchmark; and as most Brock pensioners reside in Canada, increasing foreign equity exposes pension members to additional risk.

Question on the motion

DEFEATED

Mr. Makken then referred members to the following Reports that had been considered by the Committee and forwarded to the Board for information:

e) Insurance Renewal and Claims Report

[An Information Item *TOPIC: Insurance Renewal and Claims Report* dated February 10, 2011, together with Attachment 1: Brock University Insurance Premium Summary 2009-2010 and Attachment 2: CURIE Subscriber Premium and Loss History, had been posted with the meeting materials.]

f) Investment Committee Report

[An Information Item *TOPIC: Investment Committee Report* dated February 10, 2011 had been posted with the meeting materials.]

g) 2010-11 Fiscal Forecast @ January 31, 2011

[An Information Item *TOPIC: 2010-11 Fiscal Forecast @ January 31, 2011* dated February 10, 2011, together with Appendix 1: Brock University Operating Budget, had been posted with the meeting materials.]

h) 2011-12 Budget Development

[An Information Item *TOPIC: 2011-12 Budget Development* dated February 10, 2011 had been posted with the meeting materials.]

By way of an overhead presentation, Mr. Pillar and Ms. McKee expanded on the development of the 2011-12 budget. It was noted that following today's Board meeting, the President and Vice-Chancellor would be forwarding a communication to the Brock community regarding this year's process to formulate the draft 2011-12 Operating Budget.

A discussion ensued during which Mr. Pillar and Dr. Lightstone responded to questions. It was noted that while every unit is requested to submit their budget to reach this year's 1.8% target by increasing ongoing revenues and/or decreasing ongoing expenditures, the target is a global amount to be reached by the University and may differentiate among units depending on the associated implications to achieve the target.

With respect to the impact of the budget exercise on the academic program of the University, the Provost and Vice-President, Academic noted that he is in continuous discussions with the Faculty Deans. Dr. Sydor related that the Senate Budget Advisory Committee has been provided each year with a summary of the academic implications from the Provost and questioned if such information would be of benefit to the Board. Noting that the Board relies on the advice of Senate, the Chair would refer the question to the Financial Planning and Human Resources Committee.

i) Acceptance of the Report

Prior to considering a motion to accept the Report of the Committee, it was

MOVED (Robertson/Young)

THAT the motion related to the Brock Pension Fund and the reduction in the asset allocation of Canadian equities be reconsidered.

Mr. Robertson questioned if Board members had adequate time and sufficient discussion prior to voting on the motion. As a member of the Pension Committee and the Financial Planning and Human Resources Committee, Mr. Robertson noted he had additional information to provide to the Board. The Chair noted that normal procedure would require the proposed recommendation to reconsider to be made by a member of the prevailing side, however, he would accept the proposed motion as moved by Mr. Robertson. When recognized by the Chair, Mr. Makken stated that he had no objection to reconsideration.

CARRIED

Mr. Parass excused himself from the remainder of the meeting.

The Chair then stated the pending question, that had been moved by Mr. Robertson and seconded by Dr. Lightstone, as follows:

THAT the Canadian equity asset policy percentage of the total fund is changed from 15% to 12% and the global equity asset policy percentage of the total fund is changed from 45% to 48%, with an annual review of such asset policy percentage allocations. The asset policy percentage for the individual global equity managers would be evenly divided at 16% each (currently 15% each).

The Chair opened the floor for discussion. In response to a question, the Chair confirmed that the discussion of the motion was not required to be held in camera. Mr. Robertson expanded on the thorough deliberations that had occurred during the meetings of the Pension Committee and the Financial Planning and Human Resources Committee prior to both Committees passing recommendations in favour of the proposed motion. Mr. Robertson then addressed the points raised by Mr. Makken earlier in the meeting. He pointed out that the desire of the Pension Committee is to reduce foreign equity even lower than what is being proposed today. Ultimately, the Pension Committee would want to allow fund managers to balance their own portfolio to further maximize the return on the pension fund.

During discussion, it was suggested that it would be beneficial for the Board to be provided with a presentation, including comparative data and benchmarks, from Mr. Service and that consideration of the motion be postponed to the next meeting.

MOVED (Trzecak/Lacey)

THAT consideration of the motion be postponed to the next meeting of the Board of Trustees.

CARRIED

Mr. Service would be requested to provide a presentation to the Board regarding the proposed reduction in the asset allocation of Canadian equities at the next meeting.

Due to a previous commitment, Dr. Lacey excused herself from the remainder of the meeting.

On a motion by Mr. Makken, seconded by Dr. Sydor and carried, it was

RESOLVED that the Report of the Financial Planning and Human Resources Committee as contained in the minutes of its meeting held February 10, 2011 be accepted.

10. REPORT OF THE GOVERNANCE/NOMINATING COMMITTEE

[The Report of the Governance/Nominating Committee dated February 17, 2011, together with the reports indicated below, had been posted with the meeting materials.]

Mr. Howes presented the Report of the Governance/Nominating Committee noting that there were three items for the decision of the Board.

a) Motion to Amend the General Bylaws of the Board of Trustees

Pursuant to Article 22 of the General Bylaws of the Board of Trustees, a Notice of Motion had

been presented to the Board during its December 2nd meeting to amend the General Bylaws regarding the term of the Chair of the Board.

Mr. Howes reviewed the rationale for the proposed amendment, as detailed in the Report, to reduce the term of the Chair of the Board to two years from the current three years and reduce the overall length of service for a Board member who becomes Chair.

On a motion by Mr. Howes, seconded by Mr. Cole and carried, it was

RESOLVED that the Articles 8 b); 9 and 31 f) ii and iv) of the General Bylaws of the Board of Trustees be amended as outlined in the Report.

b) Brock University Integrated Plan

[The Brock University Integrated Plan dated 1 December 2010 and Brock 2020: Taking Our Own Tack – An Introduction to the Over-Archiving Strategy of our Planning had been posted with the meeting materials.]

On a motion by Mr. Howes, seconded by Ms. Rogers and carried, it was

RESOLVED that the Board of Trustees endorse the overarching strategy as the right one at this time as outlined within the planning documents *The Brock University Integrated Plan* and *Brock 2020: Taking Our Own Tack - An introduction to the Over-arching Strategy of our Planning* as received by the Board on January 13, 2011, and furthermore, the President and Vice-Chancellor shall present to the Board the institution-wide strategic plan for the June 23, 2011 Board meeting.

c) Governance Model for Oversight of the Integrated Plan

Dr. Lightstone indicated that with respect to the proposed recommendation, the Governance Committee of Senate would be requested to comprise the other half of the joint committee.

On a motion by Mr. Howes, seconded by Mr. Prins and carried, it was

RESOLVED that the Board of Trustees approve that the Executive Committee of the Board comprise part of the proposed joint committee to oversee the implementation of the Brock University Integrated Plan and that this joint committee report to both the Board and to the Senate.

d) Acceptance of the Report

On a motion by Mr. Howes, seconded by Mr. Cole and carried, it was

RESOLVED that the Report of the Governance/Nominating Committee dated February 17, 2011 be accepted.

11. REPORT OF THE PRESIDENT AND VICE-CHANCELLOR

[The President's Report to the Board dated February 1, 2011, together with a presentation "Board of Trustees Retreat January 13, 2011 on Brick's Strategy Forward – President's Preliminary Remarks", had been posted with the meeting materials.]

Dr. Lightstone referred members to his written Report. The President added that the University has held informal discussions with the Brock University Students' Union regarding their preliminary plans for the construction of a new student union building and its relationship to other sites, including the new Faculty of Business building.

Noting the hour at 6:25 p.m., the President suggested, and the Board concurred, that the generative discussion planned for today's meeting regarding the overview of Ontario Government policy and mechanisms for funding university operating costs be postponed to the next meeting of the Board.

12. OTHER BUSINESS – None

13. ADJOURNMENT

The meeting adjourned at 6:26 p.m. and was followed by a dinner in the Pond Inlet.

Michael Farrell, Secretary

Rudi Kroeker, Chair