



Board of Trustees

(As approved on February 18, 2010)

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

MINUTES OF MEETING #2 (2009-10)

BOARD OF TRUSTEES

THURSDAY, DECEMBER 3, 2009, 4:00 PM

BOARD ROOM, 13TH FLOOR, SCHMON TOWER

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| PRESENT: <i>Chair</i> | Mr. Rudi Kroeker |
| <i>Immediate Past Chair</i> | Mr. David Howes |
| <i>Members</i> | Dr. Leslie Anne Boldt Mr. David Civiero Ms. Wanda Gilmore Dr. Valerie Jaeger Ms. Julia Kamula Ms. Melissa Page Mr. Peter Partridge Mr. Sebastian Prins Mr. Bill Rickers Mr. Joe Robertson Ms. Joy Rogers Dr. Maureen Sabia (<i>via teleconference</i>) Dr. John Sivell Ms. Betty-Lou Souter Ms. Monica Stenzel Ms. Mary Turner Ms. Kelly Veld Ms. Valerie Wolfe Mr. Bruce Wormald Dr. Barry Wright |
| <i>Ex officio:</i> President and Vice-Chancellor | Dr. Jack Lightstone |
| <i>Official Resource:</i> Vice-President, Academic and Provost Vice-President, Finance and Administration Vice-President, Advancement Vice-President, Research | Dr. Murray Knuttila Mr. Steven Pillar Mr. David Petis Dr. Liette Vasseur |

Secretary to the Board
Recording Secretary

Mr. Mike Farrell
Ms. Margaret Thompson

ALSO

PRESENT: Mr. Doug Earle, Ms. Pauline McCormack, Ms. Joanne McKee, Ms. Martha Nelson,
Mr. Tom Saint-Ivany, Dr. Philip Wright

GUESTS: *For agenda item 11:*
Dean Thomas Dunk, Faculty of Social Sciences
Dean James Heap, Faculty of Education

REGRETS: Ms. Georgina Black, Mr. Paul House, Mr. Ned Goodman, Mr. Roelof Makken
Mr. Dennis Parass, Mr. John Suk, Ms. Helen Young

1. CALL TO ORDER

Mr. Kroeker welcomed members to the last Board of Trustees meeting for 2009 and called the meeting to order. It was confirmed that Dr. Sabia was participating via teleconference. On behalf of the Board, the Chair congratulated Dr. Sabia on being named by the Women's Executive Network as one of Canada's top 100 Most Powerful Women within the "Trailblazers and Trendsetters" category as recently reported in *The Globe and Mail*.

In keeping with the holiday tradition initiated by Dr. Lightstone of presenting each member with a limited edition print of a Brock student's original artwork, the President introduced this year's artist, Ms. Katie VanCampen. Ms. VanCampen, a third year student in concurrent Education who plans to teach art at the secondary school level, shared the inspiration for her illustration of the escarpment near Morningstar Mill. Following distribution of the artwork, appreciation was expressed to Ms. VanCampen, and she retired from the meeting.

2. DECLARATION OF CONFLICT OF INTEREST

There were no conflicts of interest declared to any matter on the agenda.

3. MINUTES OF THE PREVIOUS MEETING

[The minutes of Meeting #1 (2009-10) held on September 24, 2009 had been posted with the meeting materials.]

On a motion by Ms. Veld, seconded by Ms. Kamula and carried, it was

RESOLVED that the Minutes of Meeting #1 (2009-10) of the Board of Trustees held on September 24, 2009 be approved.

4. BUSINESS ARISING FROM THE MINUTES – None

5. REPORT OF THE CHAIR OF THE BOARD

[The Report of the Chair dated December 3, 2009 had been posted with the agenda materials prior to the meeting.]

Mr. Kroeker began by thanking members for their valuable insight, efforts and time shared with the University and himself. He offered his heartfelt best wishes to Trustees, their family and friends for a happy, healthy and safe holiday season. The Chair noted that he looked forward to continuing to serve Brock and the community in 2010 and beyond.

Mr. Kroeker related that Ms. Pauline McCormack would be retiring in a few weeks and this would be the last Board meeting she would be attending in her capacity as Associate Vice-President, Human Resources. Ms. McCormack has been employed by Brock University since 1972 and joined the Human Resources team in 1989. She became Executive Director in 2003 and was promoted to Associate Vice-President in 2008. The Chair further noted that Ms. McCormack has been an outstanding leader in Human Resources providing excellent services, promoting personal and professional development, building strategic partnerships and fostering a safe and healthy workplace. She is also a Brock alumnus and has been an active volunteer in the community.

On behalf of the Board of Trustees, Mr. Kroeker thanked Ms. McCormack for her many years of exemplary service, dedication and commitment to Brock University and for the sage advice and counsel provided to him and to the Board of Trustees. He noted that Ms. McCormack would be further recognized during the President's Annual Holiday Celebration and Faculty and Staff Recognition event to be held on December 8 in the Lowenberger Dining Hall.

On a motion by Dr. Lightstone, seconded by Ms. Souter and carried unanimously, it was

RESOLVED that the Board of Trustees express its sincere appreciation and gratitude to Pauline McCormack, Associate Vice-President, Human Resources, for her many years of exemplary service, leadership, dedication and commitment to Brock University.

Ms. McCormack noted that it had been a pleasure to serve the University and the Board of Trustees. Board members applauded in recognition of Ms. McCormack.

Trustees were referred to the Report of the Chair dated December 3, 2009 which had been posted with the meeting materials prior to the meeting. During a brief discussion, he responded to questions. The Secretary would forward a copy of the Chair's Report to Dr. Sabia following the meeting.

6. REPORT OF THE EXECUTIVE COMMITTEE

The Chair reported that a meeting of the Executive Committee was held prior to today's Board meeting. There were no items for the consideration of the Board from the meeting.

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

Dr. Knuttila provided an oral update which included information regarding student enrolment, the

three decanal searches underway, academic initiatives underway and/or being considered to further enhance revenue, and the increase of the awareness of Brock University as a result of the new marketing campaign. He was pleased to note that the University had been successful in its bid to host the Congress of the Humanities and Social Sciences in 2014 to which more the 8,000 delegates are expected to attend.

Due to a previous commitment, Ms. Souter excused herself from the remainder of the meeting.

8. **REPORT OF THE ACTIONS OF THE UNIVERSITY SENATE**

[The Reports of the Actions of the University Senate from the 572nd meeting held September 23, 2009, the 573rd meeting held October 14, 2009 and the 574th meeting held November 18, 2009 had been posted with the meeting materials. The Senate Highlights had been posted prior to the meeting.]

Professor Sivell highlighted several items outlined within the Reports of the Actions of the University Senate for the information of the Board. He then presented highlights of the teaching and research activity in and around the University which had been shared with Senate. The highlights had been linked to the Board agenda in the portal just prior to the meeting and, in future, would be posted at the time of distribution of the meeting materials.

9. **REPORTS OF STANDING COMMITTEES**

9.1 **Capital Projects and Facilities Committee**

[Minutes of Meeting #2 (2009-10) held on October 22, 2009, together with the reports indicated below, had been posted with the meeting materials.]

Ms. Kamula presented the Report of the Capital Projects and Facilities Committee, noting there were no decision items for the consideration of the Board. The following reports had been considered by the Committee and forwarded to the Board for information:

a) Niagara Health and Bioscience Research Complex

[An Information Item to the Committee *TOPIC: Niagara Health and Bioscience Research Complex* dated October 22, 2009 together with Attachment 1: Niagara Health and Bioscience Research Complex Project Schedule, Attachment 2: Niagara Health and Bioscience Research Complex Tender and Contract Report and Attachment 3: AIA Best Practices document "The Basics of Design-Assist Contracting" and an Information Item *TOPIC: Niagara Health and Bioscience Research Complex Ad-Hoc Contract Award Committee* dated October 22, 2009 had been posted with the meeting materials]

b) Academic and Cultural Arts Centre for Downtown St. Catharines

[An Information Item to the Committee *TOPIC: Academic and Cultural Arts Centre for Downtown St. Catharines* dated October 22, 2009 together with Attachment 1: Academic and Cultural Centre for Downtown St. Catharines Milestones Requiring Board/Council Approvals had been posted with the meeting materials.]

- c) Faculty of Applied Health Sciences Community Outreach Initiative: “Brock University Human Performance Centre” - A Proposed Partnership with the City of Welland
[An Information Item to the Committee *TOPIC: Faculty of Applied Health Sciences Community Outreach Initiative: “Brock University Human Performance Centre” – A Proposed Partnership with the City of Welland* dated October 22, 2009 had been posted with the meeting materials.]

Ms. Kamula invited the Vice-President, Advancement to provide an update on developments of the project that have occurred following the Committee’s meeting.

Mr. Petis noted that as a result of the recent announcement of Toronto’s successful bid for the 2015 Pan Am Games, during which Welland would be host site for several competitions, the City of Welland is moving forward to construct a new Flat Water sports centre. The University would continue to discuss opportunities for the Faculty of Applied Health Sciences to house revenue generating programs within the sports centre, and thereby establish a Brock University presence in the City of Welland. A Memorandum of Understanding is being developed with the City of Welland which outlines the parameters for moving forward with this partnership.

- d) Major Capital Projects Update
[An Information Item to the Committee *TOPIC: Major Projects Update* dated October 22, 2009 had been posted with the meeting materials, together with the following Project Status Update Reports: Welch Hall Addition, Norman Road (International Building), Thistle Courtyard/Marketplace, Second Campus 13.8kv Electrical Feed and Blackstart Capability, Niagara Health and Bioscience Research Complex, and the Marilyn I. Walker School of Fine and Performing Arts.]
- e) Information Technology Services Update
[An Information Item *TOPIC: Information Technology Services Update* dated October 22, 2009 had been posted with the meeting materials.]
- f) Acceptance of the Report

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

RESOLVED that the Report of the Capital Projects and Facilities Committee as contained in the minutes of its meeting held October 22, 2009 be accepted.

9.2 Financial Planning, Audit and Human Resources Committee

[The minutes of Meeting #2 (2009-10) held on November 23, 2009, together with the reports indicated below, had been posted with the meeting materials.]

Mr. Partridge, Vice-Chair of the Financial Planning, Audit and Human Resources Committee, presented the Report. He noted that the minutes of the meeting held November 23, 2009 had been posted with the agenda. A report from an additional meeting held via teleconference on December 1 to consider, in camera, the report of the External Audit Services Selection Committee had been circulated at the outset of the meeting.

a) Pension Plan Audited Financial Statements

[A Decision Item to the Committee *TOPIC: Pension Plan Audited Financial Statements* dated November 23, 2009 together with the DRAFT Financial Statements of Brock University Pension Plan – Year ended June 30, 2009 dated November 12, 2009 had been posted with the meeting materials.]

Mr. Partridge referred Trustees to the Report. Ms. McKee noted a correction on page 2 of the *DRAFT Financial Statements of Brock University Pension Plan – Year ended June 20, 2009*. The word “decrease” in net unrealized loss in investments was amended to “increase”. She noted that the adjustment had been confirmed with the auditors and the statements would be updated prior to filing the final statements.

On a motion by Mr. Partridge, seconded by Dr. Jaeger and carried, it was

RESOLVED that the Audited Financial Statements of the Brock University Pension Plan for the year ended June 30, 2009 be approved as amended.

b) Endowment Fund – Asset Mix Guidelines

[A Decision Item to the Committee *TOPIC: Endowment Fund – Asset Mix Guidelines* dated November 23, 2009, together with a Report to the Committee dated June 18, 2009 “Endowment Fund – Asset Mix, Asset Allocations and Investment Managers” had been posted with the meeting materials.]

Mr. Partridge noted that, as indicated in the Report, the draft Operating Guidelines for Managing the Asset Mix of the Endowment Fund had been further reviewed by the Investment Committee and considered at the November 23rd meeting of the Financial Planning, Audit and Human Resources Committee.

On a motion by Mr. Partridge, seconded by Dr. Boldt and carried, it was

RESOLVED that the Operating Guidelines for Managing the Asset Mix of the Endowment Fund be approved as proposed.

c) Appointment of External Auditor

[A Decision Item to the Committee *TOPIC: Appointment of External Auditor – Revised* dated December 3, 2009 had been circulated at the outset of the meeting. An Information Item to the Committee *TOPIC: External Audit Services - Update* dated November 23, 2009 had been posted with the meeting materials.]

Mr. Partridge referred members to the Report regarding the appointment of the University’s external auditors. The Report had been reviewed by the Committee at a special meeting held via teleconference on December 1, 2009.

MOVED (Partridge/Wormald)

That the firm of KPMG be appointed as Brock University's external auditors commencing with the 2009-10 fiscal year for a period of five years with consideration of annual reappointments thereafter but no longer than ten years before another tender would be conducted by the University. It is understood that the appointment is subject to affirmation annually by the Board of Trustees and that the Financial Planning, Audit and Human Resources Committee of the Board of Trustees reserves the right to recommend to the Board that the auditors not be reappointed, if dissatisfied in any way with the performance, the fees charged, or any other elements of the service provided.

Ms. McKee reviewed the background information, process and timeline for reappointment as detailed in the Report.

During discussion, senior administrators responded to questions. It was noted that as outlined in the General Bylaws of the Board of Trustees (Article 41 a), the Board annually appoints the external auditor each June.

MOVED (Sivell/Prins)

THAT the proposed recommendation be modified and divided into two separate recommendations.

- 1) The appointment of the External Auditors**
- 2) The RFP process**

CARRIED

On a motion by Dr. Sivell, seconded by Mr. Partridge and carried, it was

- 1. RESOLVED that the firm of KPMG be appointed as Brock University's external auditors for the 2009-10 fiscal year.**

During consideration of the second related motion, it was noted that in the absence of a policy regarding the extent of engagement of the external auditor, the proposed recommendation would provide direction to management.

Dr. Sabia objected to the proposed second resolution and asked that her objection be recorded in the minutes on the basis that the external auditor should be appointed each year for one year only.

On a motion by Dr. Lightstone, seconded by Mr. Civiero and carried, it was

- 2. RESOLVED that, unless triggered by the refusal in any one year of the Board of Trustees to reappoint KPMG as external auditors, an RFP process to choose external auditors not be undertaken for a minimum five years and for a period not to exceed ten years.**

Mr. Partridge referred members to the following information items which had been reviewed by the Committee and forwarded to the Board for information:

- d) Pension Plan Annual Report July 1, 2008 to June 30, 2009
[An Information Item *TOPIC: Pension Plan Annual Report July 1, 2008 to June 30, 2009* dated November 23, 2009 had been posted with the meeting materials.]
- e) Investment Committee Report
[An Information Item *TOPIC: Investment Committee Report* dated November 23, 2009 had been posted with the meeting materials.]
- f) Mid-Year Budget Review 2009-10
[An Information Item *TOPIC: Mid-Year Budget Review 2009-10* dated November 23, 2009, together with Appendix 1 “Brock University Operating Budget” had been posted with the meeting materials.]
- g) 2010-11 Budget Development
[An Information Item *TOPIC: 2010-11 Budget Development* dated November 23, 2009 had been posted with the meeting materials together with the following appendices:
Attachment 1 – Brock Community Town Hall Meeting October 2009
Attachment 2 – Brock News article “Fixing the Budget will Need Creativity and Unity”
Attachment 3 – Budget Deficit Communications Plan
Attachment 4 – Invitation to University constituency groups to meet with the Budget Committee
Attachment 5 - Summary of Revenue Generation/Cost Containment Strategies]

At the request of Mr. Partridge, Mr. Pillar provided a brief overview of the initiatives underway as outlined in the Reports with respect to the development of the 2010-11 budget.

- h) Internal Auditor Services – Charter (Draft)
[An Information Item *TOPIC: Internal Audit Services – Charter (Draft)* dated November 23, 2009, together with the draft Internal Audit Charter, had been posted with the meeting materials.]

Mr. Partridge noted, in addition to the reports outlined above, the Committee had received, in camera, an Internal Auditor Report and had approved a recommendation related to negotiations which had been forwarded to the Executive Committee for consideration.

- i) Acceptance of the Report

On a motion by Mr. Partridge, seconded by Dr. Jaeger and carried, it was

RESOLVED that the Report of the Financial Planning, Audit and Human Resources Committee as contained in the minutes of its meeting held November 23, 2009 be accepted.

9.3 Advancement, Community Relations and Research Committee

[The minutes of a Meeting #2 (2009-10) held on November 19, 2009, together with the reports indicated below, had been posted with the meeting materials.]

Mr. Robertson presented the Report of the Advancement, Community Relations and Research Committee noting that there were no decision items for the consideration of the Board.

a) Brock Days – A Community and Homecoming Celebration

[An Information Item to the Committee *TOPIC: Brock Days – A Community and Homecoming Celebration* dated November 19, 2009 had been posted with the meeting materials.]

In addition to the report regarding Brock Days, Mr. Robertson noted that the Committee had received, for information, a report regarding Brock Research.

It was noted that a motion was required to move in camera for the next report. On a motion by Mr. Robertson, seconded by Ms. Kamula and carried, the Board moved in camera at 5:30 p.m. Non-Trustees retired from the meeting. Ms. McKee, Ms. Nelson and Mr. Earle had been requested to remain for the closed session.

The Board resumed open session at 5:38 p.m. Non-Trustees rejoined the meeting.

b) Acceptance of the Report

On a motion by Mr. Robertson, seconded by Dr. Wright 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 November 19, 2009 be accepted.

Report of the Governance/Nominating Committee

Mr. Kroeker invited the Chair of the Governance/Nominating Committee to provide an oral update. Mr. Howes related that the Committee had met on November 2, 2009. There were a number of items under consideration which would be presented to the Board in the near future. A sub-group of the Committee would be meeting on December 16, 2009 to further discuss the style of minutes taken for Board and Committee meetings with respect to a record of due diligence and to plan for the upcoming Strategic Issues Session of the Board to be held on January 14, 2010. As well, the Committee continues its consideration of nominees to the Board of Trustees. Currently, there are two lay member vacancies to be filled for the current year and further vacancies will arise next year. The Committee is also reviewing a draft report on Administrative Procedures for Board Policies which will clarify the process for the development and amendment of University policies.

Due to a previous commitment, Ms. Rogers excused herself from the remainder of the meeting.

11. REPORT OF THE PRESIDENT AND VICE-CHANCELLOR

[The Report of the President and Vice-Chancellor dated November 9, 2009, together with a copy of a presentation “Brock Community Town Hall Meeting October 2009”, had been posted with the meeting materials. Copies of Dean Heap’s presentation “Faculty of Education - Live Life Learning (Betwixt Tower and Field)” and Dean Dunk’s presentation “Faculty of Social Sciences” were circulated at the outset of the meeting together with additional promotional materials.]

Dr. Lightstone referred Trustees to his detailed Report that had been posted for information with the meeting materials.

With respect to today’s Generative Discussion, the series of presentations to the Board from the various Deans would continue. Dr. Knuttila introduced Dean James Heap, Faculty of Education, and Dean Thomas Dunk, Faculty of Social Sciences.

By way of overhead presentations, each Dean provided an update on developments within their respective Faculty. During discussion, the Dean responded to questions and received feedback from Trustees.

Mr. Kroeker thanked Dean Heap and Dean Dunk for their informative presentations and for enriching the Board with insight needed to make informed decisions.

12. OTHER BUSINESS - None

13. ADJOURNMENT

On behalf of the Board of Trustees and in this season of celebration, Mr. Kroeker expressed appreciation to the Chancellor, Senate, the President and Vice-Chancellor, administration, faculty, staff and students for their talent, time and effort in making it an honour and privilege to serve Brock University and the community. Trustees joined in a round of applause.

The meeting adjourned at 6:40 p.m. and was followed by a reception and dinner in the Pond Inlet.

Michael Farrell, Secretary

Rudi Kroeker, Chair