



University of British Columbia
Board of Governors
MINUTES

Thursday, February 5, 2009
UBC Vancouver
Ponderosa Centre
8:30 a.m. – 3:00 p.m.

In Attendance:

Board Members

Mr. Brad Bennett, Chair
Mr. Bijan Ahmadian
Ms. Theresa Arsenault
Ms. Bonnie Bates Gibbs
Mr. Tim Blair
Ms. Alexandra Caldwell
Ms. Anne-Marie Fenger
Mr. Robert Fung
Dr. Arun Garg
Dr. Nassif Ghoussoub
Ms. Jacki Hoffman-Zehner
(via teleconference)
Dr. Andrew Irvine
Mr. William Levine
Dr. Barrie McCullough
Chancellor Sarah Morgan-Silvester
Mr. Ross Smith

Administration

Ms. Lisa Castle
Dr. David Farrar
Dr. Nancy Knight
Dr. John Hepburn
Ms. Barbara Miles
Mr. Pierre Ouillet
Mr. Stephen Owen
Dr. Doug Owrap
Mr. Brian Sullivan
President Stephen Toope

Ms. Reny Kahlon

Regrets:

Mr. James Eccott
Mr. Barry Lapointe
Ms. Janet Pau
Ms. Susan Yurkovich

1. REMARKS

1.1 Chair

Ms. Jacki Zehner-Hoffman has resigned her position on the Board, effective February 15, 2009.

The Chair expressed the Board's appreciation for her contributions to the University.

1.2 President

The President made no opening remarks.

1.3 Chancellor

The Chancellor made no opening remarks.

2. GOVERNANCE **Chair: Dr. Arun Garg**

Members: Mr. Bijan Ahmadian, Ms. Theresa Arsenault, Ms. Bonnie Bates Gibbs, Mr. James Eccott, Dr. Andrew Irvine, Ms. Susan Yurkovich *Ex officio*: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

The Governance Committee Chair invited Board members to forward names of potential Board members to the Planning & Liaison Manager.

2.1 Amendment of Policy #25 – Board of Governors Appointees

DEFERRED - In response to comments from Governance Committee members, the policy will be revised prior to presenting it to the Board for approval in due course.

2.2 UBC Investment Management Trust Ltd. (IMANT) Board of Directors Appointments

BE IT RESOLVED that the Board of Governors hereby approve the appointments of Mr. Pierre Ouillet, Vice President Finance, Resources and Operations, and Dr. Daniel Muzyka, Dean of the Sauder School of Business, to the Board of Directors of UBC Investment Management Trust Ltd., effective February 5, 2009.

CARRIED

3. AUDIT Chair: Mr. Ross Smith

Members: Mr. Brad Bennett, Mr. James Eccott, Mr. Barry Lapointe, Mr. Bill Levine

3.1 Quarterly Financial Statements to December 31, 2008

The Audit Committee reviewed the Quarterly Financial Statements for the third quarter of 2008/09, period ending December 31, 2008, at its January 8, 2009 meeting.

Financial statements as circulated in the docket were forwarded to the province on January 13, 2009.

3.2 Quarterly Financial Forecast at December 31, 2008

The Audit Committee reviewed the Quarterly Financial Forecast (circulated with docket) at its January 8, 2009 meeting.

The financial forecast as circulated in the docket was forwarded to the province on January 13, 2009.

4. FINANCE Chair: Mr. Bill Levine

Members: Mr. Bijan Ahmadian, Dr. Nassif Ghossoub, Dr. Andrew Irvine, Ms. Janet Pau, Mr. Ross Smith

Ex officio: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

4.1 Ancillary Presentation: Food Services Budget 2008/2009 and Highlights of the Five-Year Business Plan

Guests: David Rankin, AVP Business Operations
Andrew Parr, Director Food Services

Circulated with the docket:

Food Services' 2008/2009 Business Summary and Budget Submission.

Highlights of the presentation (UBC Vancouver only):

- Food Services is a self-funded ancillary department of UBC, providing support to faculty, staff, students, visitors and the academic mission of UBC through provision of food in residence dining, cash / franchise operations, catering and fine dining. 9000 meals are served per day on campus during the school year.
- Approximately \$15,000-\$17,000 is provided annually in donations and sponsorships to faculty and student initiatives; 68 different departments, student groups and community groups received this supported in the previous year.
- Sales in all segments are consistently ranked between 1st and 3rd as compared to other Canadian universities.

- Over the last 10 years, Food Services revenue has grown by an average of 7% per year, from just under \$13M to just over \$24M annually. This growth rate exceeds the campus growth rate and inflation, likely due to improved customer service.
- Over the past five years, \$8M has been invested back into Food Services operations, vastly improving the availability and access to food on campus.
- During those five years, the financial of the department has improved and debt has been reduced by almost \$2M.
- Revenue and net income projections for 2008/2009 presented to the Board in March 2008 have already been exceeded. Five-year projections will be adjusted to reflect actual figures.
- Financial performance is assessed on a regular basis, with consistently positive net income. Annual fluctuations in income are related to the level of business on campus over the summer months.
- Six capital development projects are planned for 2009, representing a reinvestment of over \$4M in capital renewal.
- The department's gross margin and labour costs are improving as a result of careful management of food and labour costs, the largest and most controllable budget items.
- Absenteeism has a direct and significant impact on labour costs. Through the implementation of an attendance management program and improved workplace morale, the department has seen a decline in absenteeism, labour cost savings and improved department morale.
- An appreciative enquiry process has been underway for about three years. While not yet at the implementation stage, the process has been a great morale booster for staff.
- Food Services employs a work force of just over 400 people, including student workers. The department provides student learning opportunities through programs such as SEEDS and directly within faculties.
- Having students on staff is an important piece for Food Services, providing real life experience for students and reducing the department's labour costs. Despite increased efforts encouraging students to consider working for Food Services, fewer students are interested in working for Food Services, perhaps due to an increasing number of student placement opportunities on campus.

- The core values and statement created internally by the Food Services management team has become the cornerstone of the department's philosophy, embraced at the staff level as well.
- One core value is sustainability, with a commitment to social, economical and ecological business practices in all Food Services activities.
- Over seven years, 21 sustainability initiatives have been implemented, including a shift to 100% fair trade organic coffee at all un-branded units, diverting organic waste from the traditional waste stream, and using electric vehicles to distribute food on campus. The department sources ecologically friendly local and ethical products through its procurement division on an ongoing basis.
- Three Food Services locations use produce from the UBC Farm; local organic apples are purchased year round. Although challenging, purchasing local products wherever possible is an important sustainability focus for the department.
- Currently, franchise operations are slightly high against non-branded operations; the goal is to find the balance that best meets market needs. Upcoming capital projects will adjust the balance in favour of non-franchise outlets.
- Franchise contracts include a 60-90 day exit clause; Food Services used this clause recently to cancel a franchise arrangement that was not working.
- UBC catering has been rebranded as Wescadia, bringing a bolder, fresher, more professional image to catering on campus. Positive results from the rebranding are already apparent, as more people on campus use the catering service, with increased revenue and customer satisfaction.
- Food Services conducts two waves of silent shopper assessment annually, with feedback used to improve customer service. Customer feedback is solicited both online and on paper on a regular basis as well.
- The department has won awards in three different categories: franchise, service auditing and industry recognition of innovation and leadership.
- Professional development for chefs is a priority for the department, resulting in silver and gold medals in six local, national, and international competitions.
- It is anticipated that Pacific Spirit Place will continue to operate; more information with regard to SUB Renewal is needed before further planning can proceed. Food Services will continue to work closely with the University and students going forward to address issues such as capacity and service wait times.

- VANOC has selected Food Services to provide food and beverages for the upcoming sledge hockey tournament later this month, possibly leading to opportunities during the Olympics as well.

4.2 UBC Foundation Financial Statements – March 31, 2008

UBC Foundation financial statements (circulated in the docket) were reviewed by the Finance Committee on January 20, 2009.

4.3 General Purpose Operating Fund Budget Projection to March 31, 2009

GPOF projections were reviewed by the Finance Committee on January 20, 2009.

Financial documents circulated with the docket are unchanged from those presented to the Board in November 2008.

4.4a Spend Rate Review

Guest: Zainul Ali, Senior Consultant, Towers Perrin

Highlights of the presentation:

- Considered in the endowment analysis was the question of achieving a better-than-average probability of generating sufficient investment return to maintain intergenerational equity in the coming 10-year period.
- Assumptions: \$800M endowment assets with estimated cash flows of \$61.9M annually over the next 10 years; expected average annual cash flow from UBC Properties Trust approximately \$18M annually.
- To this point, there has been a 5% annual spend rate. An 8% minimum return would therefore be required to achieve intergenerational equity going forward, also considering expenses and inflation.
- One thousand different economic scenarios over ten years were modeled around the base assumptions, with spend rates ranging from 3% to 5%.
- Modeling a 5% spend rate over 10 years resulted in a 50% probability of achieving intergenerational equity over the next 10 years.
- A variety of asset mixes were evaluated at the different spend rate levels, with very modest improvements when an increase in alternative investments was modeled. None of the evaluated asset mixes was capable of providing 100% certainty of achieving intergenerational equity.

- The volatility column included in the presentation indicated 34.9% private equity volatility compared to 18% volatility for index equity.
- Return assumptions for private equity are conservative (1% premium over public), as historically private equity has provided a higher premium over public.
- Over longer periods such as 10 years, there is a smoothing effect on both returns and volatility.
- Similar studies were undertaken in 2002 and 2004, with actual earnings (approximately 8-9%) slightly above forecast due to better-than-average market conditions between 2002 and 2008. Regardless, past spend rates were probably too high and not sustainable.
- When making investment decisions, risk vs. return is considered - is the projected return sufficient to compensate for the risk taken with high-volatility assets? Allocation to private equity within the overall endowment is approximately 10%, a small allocation that does not magnify the total volatility of the fund in a material way.
- Public equities are valued on a daily basis and have a longer history, making it relatively easy to provide return projections. Given the volatility of private equity, a conservative 1% premium over public equity over 10 years has been projected.
- Included in UBC's portfolio are assets such as real estate that tend to protect against inflation; inflation has been taken into account in the information presented to the Board.
- A review of the endowment experience at Yale indicates the risk in budgeting based on the amount spent in the previous year – as market returns declined dramatically, spending from the endowment continued without adjustment.
- Overall, the entire analysis indicated that achieving intergenerational equity over the next 10 years will require adjustments to the asset mix, a reduction in spending, or a combination of both.
- With the current asset mix, a 3.5% spend rate provided a 70% probability of achieving intergenerational equity.

4.4b Policy #113 – Endowment Management

Policy #113 was due for renewal at this time, an opportunity to increase transparency, address the intergenerational sustainability of the spend rate going forward, protect

funds against inflation and provide a mechanism to stabilize payouts to students and programs. In addition, the new policy addresses underwater endowments.

The following follow-up items were raised at the Finance Committee meeting in response to the first draft of the policy:

Pooling of stabilization funds: Trust agreements with donors state that accounts cannot be used to subsidize other accounts; pooling of stabilization funds is therefore not possible. The very personal reasons for donor contributions must also be respected.

Addressing underwater funds: The policy provides a strategy for bringing the majority of underwater accounts back to their original balance over a 10-year period.

Stress testing the policy: Six different scenarios have been modeled over four specific endowments, from very healthy to incredibly underwater, against potential market outcomes over the next 10 years to see what would happen from stabilization standpoint, from a donor's perspective and from faculty and student perspectives, with satisfactory results.

Board oversight and control: the policy provides for quarterly reviews of endowment funds, with complete visibility through stabilization accounts. Results of quarterly reviews will be provided to the Board. The Board will have full authority to review and adjust the spend rate annually if needed.

The policy was further revised in response to feedback from Finance Committee members and circulated prior to this meeting.

Six principles guide the overall policy:

- Commitment to full segregation; individual endowment funds are segregated from all others.
- Commitment to intergenerational equity and preservation of endowed capital against inflation; it is the explicit objective of the policy to adjust the value of capital accounts for inflation and to provide a tracking mechanism to ensure that discipline is maintained.
- Sustainability of individual endowments, with a 70% probability of achieving intergenerational equity, will be provided by the annual review conducted by Finance, Treasury and IMANT, and overseen by the Board of Governors.
- Commitment to correcting the current underwater situation over a 10-year period; a very small number of endowment funds may take slightly longer than 10 years to correct.

- Stability of payouts to increase opportunities for strategic planning by faculty and academic administrators; very minor adjustments, if any, to the spend rate will be made on an annual basis. Modeling has indicated that the proposed three-year rolling average provides a very effective smoothing effect.
- Simplicity of concept and application, allowing for broad understanding and effective administration; account holders and donors will be provided with easily understood documentation.

The basic structure of the policy remains the same as that presented to the Finance Committee, with capital, spending and stabilization accounts attached to each fund within the endowment.

Capital accounts will consist of the value of the original donation plus any remaining capitalized income after decapitalization and will be structured to grow at the rate of inflation.

Annual allocations to spending accounts will be calculated on a three-year rolling average of the market value of the endowment fund, multiplied by the spend rate set annually by the Board. Allocations will be calculated on December 31 annually for budgets beginning April 1, giving account holders the opportunity to do forward planning. Spending accounts will provide account holders with a straight-forward measure of available funds throughout the year.

Stabilization accounts are defined as cumulative investment net of inflation, administrative expenses and annual allocations. These accounts will represent the performance of the endowment fund relative to financial markets.

Initial value of stabilization funds created after April 1 will be set at zero. When the market performs well, values within stabilization accounts will rise above zero; if markets perform poorly, stabilization funds will go below zero. Over the long term, the average value of stabilizations funds should be zero or slightly positive.

The collar mechanism discussed at the Finance Committee meeting has been eliminated, as a variety of scenarios modeled has shown that collars are not needed to achieve stability under the proposed policy structure. Market fluctuations will be absorbed in stabilization accounts; even dramatic short-term fluctuations are to be expected and are likely to smooth out over the long term.

Where accounts are underwater as of December 31, 2008, transitional provisions will be implemented to amortize the underwater amounts at the rate of 10% a year, with recovery over a 10-year period except in the most extreme cases. Modeling done since the Finance Committee meeting included the amortization mechanism as an integral part of the assumptions.

Impact of the spend rate reduction on faculties was discussed, based on the two major sources of funds for programs – endowment payouts (as expected with a 3.5% spend rate) and the GPOF. (GPOF amounts are provided for illustration only and do not reflect actual budgets for 2008/2009; the budget process is currently underway).

With the two sources of income combined, the majority of faculties will face a 3-4% budget reduction, on average. In consultation with individual account holders, the following mitigating strategies can be applied on a case-by-case basis:

- Review programs to maximize efficiency and effective management of resources.
- Access unrestricted funds held within individual faculties, with full visibility for account holders and deans around available amounts.
- Transfer of GPO funds where appropriate.
- Top up by donor or donor approval to reset the principle amount at current value of the endowment (if permitted under trust laws and account parameters).
- Where the above measures are not sufficient to address shortfalls, a central review will be done to make decisions in the best interest of UBC.

Board members were assured that there is sufficient flexibility within these mitigation strategies to provide individual solutions for each of the affected endowment funds / programs.

The Provost has been working very closely with Finance and Development, reviewing accounts individually. There has been extensive discussion with deans and academic administrators about the extent to which faculties can manage reduced endowment payouts. As a result, 12 UBC Vancouver faculties have chosen to manage the reduced endowment funding via available unrestricted funds. Two faculties, Forestry and the Centre for Interdisciplinary Studies, will require assistance and continue to work with the Provost and the VP Research to identify mitigation strategies.

At UBC Okanagan, only the Irving K. Barber School of Arts & Sciences has a large endowment and will therefore be impacted. As well, the Reichwald Professorship is officially underwater. There will be discussion with deans about managing the situation.

Communication

In late November 2008, donors were sent a letter similar to that circulated to all UBC constituencies.

An update to the internal UBC community is being drafted and will be circulated as soon as possible. Similar letters will be distributed to external constituencies.

An education and training session for development officers is scheduled for February 9. Development officers will then connect with their deans and facilities regarding communication with donors.

Communication to donors and potential donors will provide assurances that UBC is fiscally responsible, has a plan and will do whatever it can to mitigate potential impacts. Where possible, communication will include in-person conversations.

As there are a great many donors (approximately 3600), they have been divided into segments based on donation amount, with a plan in place to address each group.

Twenty-eight individuals and 137 corporations donated \$250,000 or more; communication with this donor group will begin immediately. Individuals will be contacted by phone, followed by a face-to-face meeting with key administrators, deans, faculty members and/or development officers. Corporations will be approached in the same manner, where possible.

Information will be available on the UBC website, and will be included in the September 2009 annual report as well.

A Board member commented that it would be useful to provide information on where the UBC endowment ranks against other Canadian endowments, in addition to stating that it is 68th in North America.

In response to a concern that those faculties that had undertaken entrepreneurial fundraising efforts were now in a difficult position because of those efforts, the President said that this aspect of the endowment situation is under discussion with the province.

Student assistance and awards payouts from the endowment will be reduced by \$6.5M; the University will fund any shortfall as required to maintain existing commitments, including those made under Policy #72, through unrestricted funds remaining from previous years and GPOF.

At this point, while individual students sometimes face challenges, system-wide issues are not apparent at either campus. Emergency student aid funds continue to be in place.

The three student governments at both campuses will be asked to provide feedback on student reaction and effective communication.

Further details regarding current student financial assistance commitments and additional initiatives previously presented to the Board will be provided at the April 2009 Board meeting, including information regarding communication to students.

BE IT RESOLVED that *the Board of Governors hereby approve a 3.5% endowment spend rate for the University's 2009/2010 fiscal year.*

CARRIED

BE IT RESOLVED that *the Board of Governors hereby approve decapitalization of any previously capitalized income to the extent that net income has fallen short of aggregate spending for affected endowment funds.*

CARRIED

BE IT RESOLVED that *the Board of Governors hereby rescind UBC Policy #113 (Endowment Management), to be replaced by the revised Endowment Management Policy attached hereto as Attachment 1, effective as of April 1, 2009.*

CARRIED

JOINT: FINANCE / PROPERTY & PLANNING

Lead Chair: Mr. Bill Levine Chair: Dr. Andrew Irvine

4.6 Faculty of Law Building

Information circulated in the docket was reviewed at the January 20, 2009 meeting of the Standing Committees.

It was noted that this project is a major outlier in terms of numbers, with over 50% unfunded at Board 2. The Board Chair acknowledged that to be the case, adding that the Museum of Anthropology was also recognized as a required and special project for the University. In addition to the great need for the Law Building, the Board has received assurances from the Administration around donor possibilities for bridging the funding gap. At some point, it may become necessary to reduce the scope of the project to fit financial parameters.

Extending the timetable for the project may also be explored.

A student referendum will be held in March 2009 around the possibility of a student donation towards the building.

BE IT RESOLVED that *the Board of Governors hereby approve the following:*

FACULTY OF LAW BUILDING

FULL BOARD 2

Approval

Project in Principle	\$55,901,000
Operating Budget	\$1,110,490
Schedule	
Board 2	February 2009
Conditional Board 3	May 2009
Commencement Construction	July 2009
Substantial Completion	June 2011
Final Occupancy	August 2011
Board 4	August 2012
Program (sq. m)	
Law Faculty Program	5,117.5
Law Library Program	<u>2,757.6</u>
(approximately 35% of overall building)	
Total Net	7,875.1
Total Gross	12,206.4
Authorization to Issue Development Permit	
Proceed to Working Drawings and Tender	
Funding Release	\$400,000

CARRIED

4.7 Update on Negotiations with the AMS regarding a new Student Union Building (SUB) on University Square

At the January 20, 2009 meeting, Committee members learned that the four Agreements with the AMS remain in various stages of drafting, pending resolution of outstanding matters.

Since January 20, the VP Students has updated the AMS in writing and in person on Committee deliberations and the Administration's view of planning status.

Consultation around the underground transit terminal has continued and may wrap up soon. Campus & Community Planning has indicated that the next step will be a collaborative planning process involving the AMS, alumni, and the GSS.

The AMS is circulating for comment a programming draft received from their consultant.

While the Partnerships BC assessment is not yet complete, a draft of the Phase 1 report is available for review and discussion.

The AMS and UBC have agreed to continue discussions at the user committee, to identify shared ground, discuss project management and controls, expenses generated to this point and payment of those expenses.

5. PROPERTY & PLANNING Chair: Dr. Andrew Irvine

Members: Mr. Tim Blair, Ms. Alexandra Caldwell, Ms. Anne-Marie Fenger, Mr. Robert Fung, Mr. Bill Levine, Dr. Barrie McCullough, Ms. Janet Pau *Ex officio*: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

5.3 Appointment to the Advisory Urban Design Panel (AUDP)

BE IT RESOLVED that *the Board of Governors hereby approve the appointment of Ms. Lisa Castle to the Advisory Urban Design Panel, for a term to expire in January 2011.*

CARRIED

5.4 Norman B. Keevil Mining Institute Building

Materials circulated in the docket were reviewed at the Committee meeting.

The Board was assured that all parties involved are pleased with revisions to the project scope and capital budget.

BE IT RESOLVED that *the Board of Governors hereby approve the following:*

**NORMAN B. KEEVIL MINING INSTITUTE BUILDING
BOARD 1 REVISED**

Approval

Project in Principle	see report
Consultant Selection	see report
Revised Program	
Research Support	114.2
Academic Offices	181.8
Scale Processing and Wet Chemistry Lab	265.4
Coal and Mineral Preparation	33.2
Total Net Square Metres	<u>594.6</u>
Unassignable	230.4
Total Gross Square Metres	<u>825.0</u>
Revised Capital Budget	\$3,518,000
Revised Operating Budget	\$74,382
Revised Schedule	
Revised Board 1	February 2009
Board 2	May 2009
Board 3	September 2009
Commencement Construction	September 2009
Substantial Completion	August 2010
Final Occupancy	September 2010
Board 4	September 2011
Proceed to Schematic Design	
Funding Release	n/a

CARRIED

5.5 UBC Renew Phase 2A Biological Sciences West and South

Materials circulated in the docket were reviewed and discussed by the Committee.

The project will not proceed unless application for funding from the Government of Canada's *Building Canada Fund* is successful; provincial funding is not expected.

As of this meeting, the University had not yet received information regarding the division of infrastructure funds set aside for universities and colleges in the recent federal budget.

BE IT RESOLVED that *the Board of Governors hereby approve the following:*

**UBC RENEW PHASE 2A
BIOLOGICAL SCIENCES WEST & SOUTH
BOARD 1 and BOARD 2**

Approval

Preliminary Capital Budget	\$82,000,000
Preliminary Operating Budget	\$1,270,805
Project in Principle, Schedule	subject to funding
Location	reference Appendix 2 Site Plan
Preliminary Program	filed with Board Secretariat
Proceed to Schematic Design	subject to funding
Funding Release*	\$1,000,000

*Subject to project funding

CARRIED

**5.6 UBC Okanagan Master Plan and UBC Okanagan Design Guidelines
Amendments**

Materials circulated in the docket were reviewed and discussed by the Committee.

Widespread consultation was conducted at UBC Okanagan; a positive response to the amendments was received.

BE IT RESOLVED that *the Board of Governors hereby approve housekeeping amendments to the UBC Okanagan Master Plan and Gateway Design Guidelines amendment to the UBC Okanagan Design Guidelines.*

CARRIED

5.7 UBC Okanagan Student Housing Phase 4

Materials circulated in the docket were reviewed and discussed at the Committee meeting.

UBC Okanagan is moving towards a goal of housing 50% of the student population on campus.

BE IT RESOLVED that *the Board of Governors hereby approve the following:*

UBC OKANAGAN STUDENT HOUSING PHASE 4

Partial BOARD 1

Approval

Project in Principle	see report
Consultant Selection	see report
Preliminary Program	300 beds
Preliminary Capital Budget	\$19,711,000
Preliminary Operating Budget	see report

Schedule

Board 1 Partial	February 2009
Board 1 & Board 2	March 2009
Board 3	May 2009
Commence Construction	July 2009
Substantial Completion	September 2010
Occupancy*	October 2010
Board 4	November 2011

Proceed to Schematic Design

Funding Release **\$400,000**

CARRIED

5.8 University Town Communication Initiatives

The Committee received a report on January 20, 2009.

The purpose of these communication initiatives is to increase public awareness of development and sustainability objectives for University Town.

5.9 Major Projects Status Report

The status report was circulated with the docket.

A Board member suggested that parameters be set for maximum unfunded amounts at each project stage (Board 1, Board 2 and Board 3). In addition to providing further clarity in the approval process, the requirement for a certain level of funding may prove to be an incentive for donor contributions.

The President informed the Board that an internal review of the Board approval process has begun, somewhat driven by the realization that the P3 process does not fit within the current approval process.

The Administration will work closely with the Property & Planning Committee to draft a more effective Board approval process.

5.10 Capital Projects Update

Materials circulated in the docket were reviewed for the Committee.

5.11 UBC Okanagan Campus Build Out Update

The Deputy Vice Chancellor informed the Board of his concerns around the delayed completion of the Engineering Management building and the upcoming accreditation of the engineering program. Arts & Sciences 2 is also facing delays.

The delays mean that portables must be rented to accommodate staff and students, at considerable cost not always anticipated in department budgets.

Contingency plans will be put in place and regular updates will be provided to the Board.

One possibility is a planned phased opening for the Engineering Management building. Increasing availability of trades in the Okanagan will assist in meeting milestones.

6. PEOPLE, COMMUNITY & INTERNATIONAL Chair: Mr. James Eccott

Members: Ms. Theresa Arsenault, Ms. Bonnie Bates Gibbs, Mr. Tim Blair, Ms. Anne-Marie Fenger, Mr. Robert Fung, Dr. Arun Garg, Dr. Nassif Ghossoub, Ms. Jacki Hoffman-Zehner, Ms. Susan Yurkovich
Ex officio: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

6.1 Naming of Campus Facilities

BE IT RESOLVED that *the Board of Governors hereby approve the following recommendations forwarded by the President from the January 6, 2009 meeting of the President's Advisory Committee on the Naming of Facilities (in accordance with Naming Policy #124 for Class 1 Facilities):*

- 1. Learners' Walk** for the outside walkway along the west side of the Irving K. Barber Centre; and,
- 2. Rashpal Dhillon Track and Field Oval** for the track and field oval under construction on the SE corner of Thunderbird Park.

CARRIED

6.2 Human Resources Strategy Implementation Update – Focus on People: Workplace Practices at UBC

Materials circulated in the docket were presented at the Committee meeting.

The Board viewed a *Focus on People* video that was unavailable at the Committee meeting.

Details of Focus on People initiatives: www.focusonpeople.ubc.ca

6.3 Student Financial Support Initiatives

The *Student Financial Support Report for Fall 2008* was circulated with the docket and the data reviewed for the Committee.

As of December 5, 2008, UBC students received \$102,995,095 in need-based student financial support across both campuses and from all sources. UBC continues to meet needs-based assistance commitments (as identified by students) under Policy #72.

Merit-based entrance scholarships for 2009/2010 will likely continue at 2008/2009 levels, with slight decreases possible. Needs-based assistance and bursaries will pay out at least as much as in 2008/2009.

6.4 Report on Centenary Celebrations

A summary of the Centenary year was presented at the Committee meeting; members viewed a short video retrospective of the 2008 UBC Centenary celebrations.

One hundred new student scholarships have been created as part of the Centenary year.

Expenses for the Centenary year were within the program's budget.

6.5 Award Winners

Faculty members profiled at this meeting included:

- Dorothy Shaw, Clinical Professor, Obstetrics and Gynaecology, Faculty of Medicine
- Michael Hayden, University Killam Professor, Medical Genetics, Faculty of Medicine

The report listing additional faculty awards and recognition, as well as awards to and recognition of students, staff and alumni, was circulated in the Board docket.

6.6 Alumni Affairs Activity Report

The January 2009 report was circulated in the docket.

The Committee received a presentation from Mr. Ian Robertson, Chair of the Alumni Association Board, on January 20, 2009.

6.7 Strategic Enrolment Management Follow-up Report on Student Experience of the Admissions Process

Historically, UBC Vancouver enrolment management has been based on the institution's perspective and needs. As the provincial, national and global landscape shifts, responsiveness to individual student situations is receiving greater consideration.

At UBC Okanagan, goals of enrolment management have been to minimize under-enrolment, maintain established entrance standards and position UBC O as a destination of choice.

The Board was provided with an overview of the admissions process from an institutional perspective, outlining the challenges of balancing applications, admittance criteria, and actual enrolment. Optimum enrolment is determined through consultation with faculties and administration at both campuses, in the context of UBC's overall strategic plan.

Details of application/admissions experiences of a number of real students were shared with the Board, illustrating challenges from the students' perspective.

Where students are just below admittance requirements, they receive a letter indicating that while their chances of being admitted are good, other options should be explored in the event that the admission requirement is not reduced. Where appropriate, students not admitted to UBC Vancouver receive an alternative offer from UBC Okanagan.

Both UBC Vancouver and UBC Okanagan Senates have approved principles of effective undergraduate admissions – providing students with a timely and complete offer, including scholarships and housing.

A recent decision allowing admittance based on Grade 11 marks for Grade 12 courses where a grade is not yet available has been enthusiastically taken up by all faculties.

A comprehensive policy review is underway, identifying steps that can be taken to create effective enrolment management from both the students' perspective and the University's perspective. Specific goals include ensuring that 90% of domestic offers are issued no later than May 1 each year and increasing UBC's out-of-province yield rate.

Student surveys have been conducted during the application process in two of the last three years. Some individual faculties conduct surveys of current students; alumni are also surveyed. Additional information is provided annually through the Canadian University Survey Consortium (CUSC) and the National Survey of Student Engagement (NSSE). Responses from international students are parsed out to identify any differences in experience and perception of UBC.

A challenge to strategic enrolment management in Canada is a lack of national databases containing information about prospective students, not available to the same extent as in the US. UBC is beginning to use a client relationship management tool and expects to see results of relationship building efforts over the next two years.

The President stressed the importance of responding to local conditions of applicants as part of an effective national and international enrolment strategy, adding his strong support for investment of resources needed to make more localized assessments possible.

6.8 Policy #60 - Privacy

Due to time constraints at the Committee meeting, discussion of this item was deferred to the Board meeting.

The proposed policy was initially presented to the Board in November 2008, following by a call for comments over a 2½-week period. Feedback received was considered by the Policy Development Committee and incorporated into the policy as circulated in the docket and made available on the Board website.

Since the Committee meeting, further consultation with the Faculty Association has taken place, resulting in additional policy revisions by the Policy Development Committee. The latest revisions were circulated to Board members just prior to this meeting, presented for information only to allow Board members sufficient time to review the policy.

Board members discussed the possibility of providing another opportunity for community feedback, balancing the desire within the broader community for further consultation against the well-established policy development process that has already taken place.

Comments from the Board meeting will be taken into consideration with regard to next steps around the proposed policy, to be considered again at the Board's April 2009 meeting.

6i. Development Working Group Chair: Ms. Jacki Hoffman-Zehner

Members: Mr. James Eccott, Mr. Robert Fung

Ex officio: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

6i.1 Campaign Planning Update

The Committee received a brief update regarding the overall UBC feasibility study, launched on January 28, 2009.

Study results and overall campaign planning information will be presented to the Board in April 2009.

7. LEARNING & RESEARCH

Chair: Dr. Barrie McCullough

Members: Mr. Bijan Ahmadian, Ms. Alexandra Caldwell, Mr. James Eccott, Dr. Nassif Ghossoub, Ms. Jacki Hoffman-Zehner, Ms. Janet Pau *Ex officio*: Mr. Brad Bennett, Chancellor Sarah Morgan-Silvester, Professor Stephen Toope

7.1 Endowments

It was noted that Item C1 was withdrawn from the list of endowments circulated, pending further consideration.

BE IT RESOLVED that *the Board of Governors hereby approve endowment fund documents listed under Part (1) of the docket, effective as of February 5, 2009;*

and,

That *the variations to endowment fund documents listed under Part (2) of the docket be approved effective as of February 5, 2009.*

CARRIED

7.2 CFI Inter-Institutional Agreement (CUPIC)

The inter-institutional agreement requires formal approval, as UBC is held accountable for CFI and BCKDF funds awarded.

BE IT RESOLVED that *the Board of Governors hereby authorize the execution of an Inter-Institutional agreement between Children and Women's Health Centre of British Columbia and the University in a form approved by the University Counsel.*

CARRIED

Board members were informed that during the most recent allocation of Canada Research Chairs, at a time when many major universities are losing CRCs, UBC gained seven additional Canada Research Chairs.

7.3 Academic Presentation

Human Trafficking in Canada:
Collaborative Student-Faculty Research to Understand a Hidden Problem

Guest: Dr. Benjamin Perrin, Assistant Professor, Faculty of Law

Details of the innovative research model used for this research project and preliminary findings were shared with the Board.

In addition to paid research assistance positions, the project has included student volunteers, with a corresponding increase in student opportunities and engagement. In-kind volunteer student hours were matched with a cash contribution to the project. Computer science students were also engaged, creating a prototype database to manage case files for the project.

A great deal of interest was shown by students, with 70 applications received for the working group. The capacity of the research model is limited by factors such as availability of a faculty member directly involved with the subject area and the need for a paid research assistant to coordinate the day-to-day work of the working group. It would be difficult for a faculty member to manage two groups at once, given the time demands of this type of research model.

Human trafficking has only been a crime under Canada's criminal code for three years; protection and assistance for foreign victims has been available for two years.

One purpose of this collaborative student-faculty research has been to examine the true extent of this hidden problem and to provide a comprehensive account of Canada's involvement in human trafficking in all its forms. Effective law and policy changes are also proposed.

Involved in the project is a large network of external partners, both government and non-government groups. Media attention is an important part of the project's strategy to achieve research with impact.

Initial RCMP efforts were directed to the issue of women from Asia and Europe being trafficked through BC and Ontario, on the assumption that there were no Canadian victims. This assumption has unfortunately proven to be inaccurate.

Canada's criminal intelligence service recently confirmed UBC research findings – across the country, organized crime networks are actively trafficking Canadian-born women and girls in individual provinces, across the country and in some instances in the US. Through interviews with police, social service workers and others, UBC researchers have concluded that one organization is responsible for human trafficking in Vancouver, Calgary, Winnipeg, Toronto, Mississauga, Brampton and Montreal.

A clear finding of the research has been with respect to sentencing provisions around trafficking of children. Rather than waiting for final publication of findings, the groups worked with MPs, police and NGOs to propose a bill in the House of Commons to impose mandatory five-year minimum sentences for child trafficking.

Another achievement has been the implementation of immigration relief measures, providing assistance to foreign victims for six months, rather than deporting them immediately.

Research results and underlying documentation from the project will be available online once research has been published.

International collaboration is another outcome, with the research model picked by the University of Queensland. A sister working group has been created examining Australia's role in human trafficking. Best practices information is shared and students have been exchanged between the working groups as well.

7.4 Recommendations from UBC Okanagan Senate

BE IT RESOLVED that *the Board of Governors hereby accepts recommendations resulting from the UBC Senate (Okanagan) meetings of December 10, 2008 and January 14, 2009.*

CARRIED

Approval required under the *University Act*, Sections 37 (1) (i) (o) (p) and 38.

7.5 Recommendations from UBC Vancouver Senate

BE IT RESOLVED that *the Board of Governors hereby accepts recommendations resulting from the UBC Senate (Vancouver) meeting of December 17, 2008.*

CARRIED

Approval required under the *University Act*, Sections 37 (1) (i) (o) (p) and 38.