Minutes of the meeting of the Board of Governors of Ridley College held in the Ross E. Morrow Theatre, Ridley College, St. Catharines, Ontario, on Friday, February 19, 2010 at 2:15 p.m.

MEMBERS PRESENT:

George C. Hendrie, Chair
Georgina H. Black          Robin E. A. Lampard
David K. Carter            Jonathan Leigh
Kelvin S. Chen             Jack N. Lightstone
Peter B. Coffin            G. Scott Paterson
Helen M. Graham            Joseph C. Robertson
Juan A. Hinestrosa         Robert S. Stratton
William T. Hutton

MEMBERS UNABLE TO ATTEND:
I. Christopher Carter      Michael J. Sabia

ALSO ATTENDING:
Cynthia A. Weedon

INVITED GUEST:
Dr. Andrew Weller

The meeting opened at 2:15 p.m. with Mr. G.C. Hendrie as Chair and Ms. C.A. Weedon as Secretary.

11. REPORT OF THE CHAIR

- Mr. G.C. Hendrie outlined the focus of the Board meetings going forward will be to include time for generative discussions about issues and concerns facing the school and strategic directions much like those that took place at the previous AGM.

12. ADMISSIONS AND FINANCIAL ASSISTANCE

12.1 Generative Discussion

- Dr. A. Weller, Dean of Admissions, outlined both short-term and long-term strategies for Admissions and Financial Assistance.
- The Powerpoint presentation augmenting Dr. A. Weller's discussion is attached as Appendix A to these minutes.
• Other discussion items included: the need for an updated weekly website, further strategies around tour guides, the request for Board members to host parties and make telephone calls, as well as the need to track who and why parents did not send their children to Ridley.
• It was suggested further Board meetings should include discussion around strategies regarding Financial Assistance for bursaries and scholarships and what do we want the student population to look like in the next five years.

13. REPORT OF THE HEADMASTER

• Mr. J. Leigh referred to his Report of the Headmaster, which was previously circulated and is filed as Appendix B to these minutes.
• Mr. J. Leigh also reported on behalf of Mr. J. Goulart, Executive Director of Advancement, that the annual funding raised so far for this year is just under $500,000, noting that since July 1, 2009, $3,400,000 of new funds have been received in gifts and pledges and the Advancement Office is continuing to work with the key 12 to 15 prospects to help with completing the funding for the athletic project.
• Further discussions included the School undergoing a space audit and proposal for areas in the second century building, the teacher review process, as well as the reasons around suspending football and the on-going Guidance Department's review.

14. REPORT OF THE CHAIR - FINANCE, AUDIT & HUMAN RESOURCES COMMITTEE

14.1 Review and Approval of the Draft Unaudited Budget Report for the Quarter Ending December 31, 2009 (attached for information purposes only)

• Mr. J.C. Robertson reviewed the Draft Unaudited Budget Report for the Quarter Ending December 31, 2009 which was previously circulated and is filed as Appendix C to these minutes.

14.2 Draft Budget 2010/2011

• With reference to the draft budget for 2010/2011 which was previously circulated and is filed as Appendix D to these minutes, Mr. J.C. Robertson explained that the budget is presented at this time of year, to approve:

(1) the fees
(2) the financial assistance allocation
(3) the salary increase for staff
(4) the allocation for capital property improvements/maintenance

• In September, the final draft budget for 2010/2011 will be presented to the Board. At this time, the zero-based budgeting will have been inputted and the actual enrolment will be known.
• The Finance, Audit & Human Resources Committee has met on two occasions with Mr. J. Leigh, Ms. C.A. Weedon and Ms. Brenda Lockhart, Manager of Financial Reporting, to review and discuss the draft budget.
• The draft budget includes a one-time adjustment for the pension asset/liability accrual since 2001 to bring the budget to a cash basis.
Enrolment

- The enrolment of 600 students was determined through recommendations by Dr. A. Weller and the Administration Team.
- A separate report was tabled at the meeting and is attached as Appendix E to these minutes.
  - This report shows the budgeted decrease in the boarding student population of 6.76% and an increase in the day student population of 10.2%.
  - Although the decrease this year in boarding was 13.2%, it is anticipated there will be a further slippage in boarding numbers.
  - The decline in boarding numbers has a huge financial impact to the bottom line as reflected in the draft budget.

Tuition

- The Finance, Audit & Human Resources Committee reviewed peer schools in Canada, Ontario and North America and approved the recommendation by the School Administration of a slightly under 5% increase in boarding fees and a slightly under 4% increase in day school fees with the exception of grades 1 to 6 which vary due to designed smoothing of lower school fees.

Salary

- The Finance, Audit & Human Resources Committee reviewed the recommendation by the School Administration for a 1% increase to both faculty and support staff as it was suggested that this increase would:
  - (a) Clearly communicate to both our faculty and support staff that they are valued.
  - (b) Show that the school is committed to the faculty and support staff.
  - (c) Provide clarity to staff by trying to avoid further distraction created by the staged increase approached last year, as well as being fiscally responsible.
  - (d) Show an increase in faculty salaries of 2.5% in 2010/2011. Over the last two years, schools with similar boarding enrolment dependence such as Lakefield and TCS show faculty salary adjustments of a 0% and -1.5% respectively.

Capital Expenditures

- It is recommended that the capital budget be increased from $680,000 in this year's budget to $1,000,000 in 2010/2011.
- The increase is warranted based on an independent third party survey that was conducted in 2006 which stated that approximately $1,800,000 - $2,000,000 would need to be invested in the School's facilities to reach an index of 8% to 10% (which is considered a good level in Facility Condition Index (FCI)).
- Both Ms. J. Bertollo, Director of Physical Plant and the Facilities Management Committee have agreed with the $1,000,000 investment in the 2010/2011 budget with the understanding that it would be increased to $1,300,000 for the following year, at a minimum.

Financial Assistance

- The Financial Assistance allocation remains at approximately $2,500,000, which is 13.15% of tuition revenue and is comparable to the current year’s investment in Financial Assistance.
• The Finance, Audit & Human Resources Committee is not comfortable with recommending a deficit for 2010/2011 of $660,000, however, given the circumstances, it is a decision that needs to be made at this point in time.
  o The Finance, Audit & Human Resources Committee has also looked at a five-year forecast, which does suggest the School will return to a surplus position.
  o It is anticipated that the Finance, Audit & Human Resources Committee will spend more time on the forecast at future meetings.

It was recommended by Mr. J.C. Robertson and seconded by Ms. R.E.A. Lampard that the draft budget for 2010/2011 be approved in regards to the tuition fees, the salary increase, the financial assistance allocation and the capital expenditure allocation.

Carried.

14.3 Pension Fund Statement of Investment Policies & Procedures (SIP&P)

• The Statement of Investment Policies and Procedures for the Pension Fund was briefly reviewed by Mr. J.C. Robertson who outlined the changes in the statement from the previously-approved policy.
  o This policy was previously circulated and is filed as Appendix F to these minutes.

It was moved by Mr. J.C. Robertson and seconded by Mr. D.K. Carter that the Pension Fund Statement of Investment Policies & Procedures (SIP&P) be approved.

Carried

14.4 Risk Management Update

• Mr. J.C. Robertson updated the Board on the events that had taken place regarding Risk Management since the last Board meeting.

  o An internal Committee Chaired by Ms. C.A. Weedon has been set up which includes members encompassing all areas of the school (11 members).
  o This Committee will be reviewing the risk areas of the school and reporting back to the Administration Team.
  o The internal Committee has met with Deloitte Touche to hear a proposal by the firm to provide a risk management assessment and report.

Next Steps

• The Administration Team will review the Deloitte Touche proposal and provide a recommendation to the Finance, Audit & Human Resources Committee.
• The internal Committee will report back to the Administration Team before reporting to the Finance, Audit & Human Resources Committee.

14.5 Joint Health & Safety Question

• Mr. J.C. Robertson asked if there were any outstanding or unresolved occupational, health, safety and environmental issues to which Mr. J. Leigh indicated that there is nothing that is not actively being worked on.
15. REPORT OF THE CHAIR - GOVERNANCE & NOMINATION COMMITTEE

15.1 Governance & Nomination Committee Charter

- Ms. G.H. Black briefly reviewed the Governance & Nomination Committee Charter indicating no changes had been made since the previous Board approval.
  - The Charter was previously circulated and is filed as Appendix G to these minutes.

It was moved by Ms. G.H. Black and seconded by Ms. R.E.A. Lampard that the Governance & Nomination Committee Charter be approved. Carried

15.2 Head of School Performance Evaluation and Compensation Committee Membership Update

- Ms. G.H. Black updated the Board on the new membership for the Head of School Performance Evaluation Committee.
  - Mr. G.C. Hendrie will be replacing Mr. J.R. Anderson as Chair; Mr. J.C. Robertson will be replacing Ms. R.E.A. Lampard as Chair of the Finance, Audit & Human Resources Committee, and Ms. R.E.A. Lampard will be the additional member to the Committee, replacing Mr. J.C. Robertson.

16. CESI STANDARD

- Ms. G.H. Black explained that the Canadian Association of Independent Schools and the Canadian Educational Standard Institute have combined with the new name of SEA+L.
  - This new organization will be continuing with the standard reviews of member independent schools.
  - Ridley College's review will be in October 2010.
  - This review will be more robust than the last and will also contain a government standard.
  - The Governance Standard was previously circulated and is filed as Appendix H to these minutes.
  - Along with good governance and the SEA+L review, a Board Effectiveness Survey will likely be sent out to members in the spring.

17. LEGAL ISSUES UPDATE

- Mr. J. Leigh reported that a previous student's car had driven on A squad and crashed into a tree causing much damage to the property.
- The school is currently working on having the repair costs covered by the parents' insurance company.

18. CONFIRMATION OF THE MINUTES

It was moved by Ms. G.H. Black and seconded by Mr. P.B. Coffin that the minutes of the Board of Governors’ meetings held December 4, 2009, December 4, 2009 (AGM) and December 5, 2009 be approved. Carried
19. **Other Business**

- Ms. C.A. Weedon reported to the Committee that a new website has been developed to electronically house Board information such as the Board manual handed out at the Orientation Session as well as on-going minutes for the Board and Standing Committees.
  - A link and a password will be e-mailed to the Board by our IT Department.
- Mr. G.C. Hendrie reported that all the Board members’ police clearances have been cleared.
- Mr. G.C. Hendrie was pleased to announce that Mr. P.B. Coffin had agreed to be Chair of the Advancement and Admissions Committee.
  - The first task of the Chair, along with the Governance & Nomination Committee will be to populate this new Committee.
  - It was noted that if any Board members want to offer their names or recommend other names to the Advancement and Admissions Committee, please forward this information to either Mr. P.B. Coffin or to the Secretary of the Board.
  - A further update will take place at the April Board meeting.

There being no further business, it was moved by Mr. W.T. Hutton and seconded by Ms. H.M. Graham that the meeting be adjourned at 5:25 p.m.  

Carried

The meeting continued In-Camera.

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George C. Hendrie        Cynthia A. Weedon
Chair                    Secretary