



SUBJECT STRATEGIC INVESTMENT FUNDS – TERMS OF REFERENCE

MEETING DATE FEBRUARY 15, 2016

Forwarded to the Board of Governors on the Recommendation of the President

**APPROVED FOR
SUBMISSION**

Martha C. Piper, Interim President and Vice-Chancellor

**DECISION
REQUESTED** IT IS HEREBY REQUESTED that *the UBC Board of Governors approve the creation of the Vancouver and Okanagan Strategic Funds to support the University's 'excellence' goals and as outlined in the attached document.*

Report Date January 26, 2016

Presented By Angela Redish, Provost and Vice-President *pro tem*
Deborah Buszard, Deputy Vice-Chancellor and Principal, Okanagan
Cynthia Mathieson, Provost and Vice Principal, Academic, Okanagan

EXECUTIVE SUMMARY

In December 2015, the Board of Governors approved an increase in international student tuition fees across the UBC system. The administration proposed that a share of the revenue would be allocated to a Strategic Investment Fund to support the University's 'excellence' goals and the ambition to become Canada's best university over the next decade. The Funds – one on each campus - are intended to support strategic initiatives that will ensure

- (1) the recruitment and retention of exemplary faculty members and students,
- (2) the conduct of innovative, cutting-edge research, and
- (3) an excellent student learning experience.

The document included in this report articulates what 'excellence' means, the process for determining allocations for funding, and the accountability for both spending allocations and outcomes.

INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

- ✓ Learning
- ✓ Research
- ✓ Innovation
- ✓ Engagement
(Internal / External)
- ✓ International

or Operational

The University of British Columbia

Strategic Investment Funds

Terms of Reference

February 2016

Context

In December 2015, the Board of Governors approved increases in international student tuition fees; the administration proposed that a share of the revenue (approximately 61% of the incremental revenue) would be allocated to *Strategic Investment Funds* to support the University's 'excellence' goals and the ambition to become Canada's best university over the next decade. The Funds – one on each campus – are intended to support strategic initiatives that will ensure:

- (1) the recruitment and retention of exemplary faculty members, students, and staff,
- (2) the conduct of innovative, cutting-edge research, and
- (3) an excellent student learning experience for domestic and international students, at the graduate and undergraduate levels, inside and outside the classroom.

This document articulates what 'excellence' means, the process for determining allocations for funding, and the accountability for both spending allocations and outcomes.

UBC is a globally recognized centre of research and educational excellence, and our goal is to enhance this excellence through targeted strategic investments on both campuses, which will enable the University to leverage its existing intellectual and fiscal strengths and empowering locations – a westward facing, cosmopolitan city on a spectacular and land-rich campus in Vancouver, and a small campus experience in the growing Okanagan region – to become the preeminent university in the country.

'Excellence'

There is one characteristic, among the factors that could be considered, that inarguably distinguishes world-class universities from all the others: having outstanding students, researchers and teachers, and staff. To achieve our ambitions, we must create an environment that draws the very best undergraduate and graduate students from across the country, and internationally. These are the leaders, the discoverers, the creators of tomorrow, and they will come to UBC if we provide an outstanding learning environment – one that employs pedagogy that research has shown to be most effective and that supports learners to realize their full potential. Similarly, we must attract, support and retain outstanding faculty members – those researchers, teachers, scholars, and artists who by never failing to question, analyze and create, change lives and society for the better.

There is one characteristic, among the many factors that could be considered, that inarguably distinguishes world-class universities from all the others: having outstanding students, researchers and teachers, and staff.

Goals

Our three goals are interconnected and we will build on those synergies. Great faculty and students will enable cutting-edge research while top students will only come for an excellent student learning experience. There is no avoiding the fact that the quality of a university's faculty and the strength of its academic programs are influenced by the research environment. The quality of students' learning experiences is dependent upon their interactions with scientists and scholars who are focused on discovery and knowledge dissemination. Students are best positioned to achieve their full potential when provided appropriate advice, support, and facilities, and a range of learning opportunities inside and outside the classroom. Outstanding faculty acquire substantial research funding, which attracts other excellent faculty members, and then they attract the best students – students who yearn to be exposed to the best minds. With outstanding faculty in place, UBC will have the ability (and privilege) to yield a diverse class of exceptional graduate and undergraduate students – intellectually curious, academically gifted, and socially engaged.

In the research arena, it has been noted that across the globe and across disciplines, research-intensive universities (and their funding agencies) have seen expansion of teams of cross-disciplinary and cross-institutional researchers benefiting from multiple perspectives and scaled up research investments. In Canada, the Canada First Research Excellence Fund (CFREF) is the most recent incarnation of this approach and has led to significant financial support for a few research teams (five Canadian research clusters, including UBC's Quantum Matter Institute, were awarded between \$33.5 million and \$113.9 million, over seven years, in the first competition). This approach has required a more strategic approach in support of research. No longer is it sufficient to expect that researchers will independently compete for scarce resources. What has become clear, in this new environment, is the importance of scaffolding for success – awards at the regional level precede national awards and small team grants precede successful applications for larger ones. Research infrastructure, from grant-writing facilitation to high performance computing, matters. UBC must continue to build upon its track record of excellence in research upon which to leverage new cutting edge opportunities and discovery.

Success depends on both depth and breadth – we must ensure that all our scholars have the support that they need to succeed, but we must also support excellence. To do so, it is proposed that the University invest in the support of research clusters in various stages of development, from those that are emerging to those that are the next CFREF recipients. In addition, we must have the flexibility to recruit distinguished faculty members and to recognize and retain our current complement of excellent faculty members. We must celebrate our success and lay the groundwork for more to come.

Outstanding students seek out universities such as UBC because they have exceptional learning environments, excellent teachers, and opportunities to engage in research, service learning, and other forms of experiential learning. Over the past decade, UBC has – perhaps more than any other large public research university – focused on developing an outstanding learning environment for undergraduate students. The *Carl Wieman Science Education Initiative* was launched to support research-informed changes in how classes are taught; that is, research results that demonstrate how to improve learning outcomes are applied. Consequently, the Faculty of Science has transformed undergraduate teaching in many of its departments. *Flexible Learning* has seen an investment across the campuses in curriculum renewal, blended classes, and classroom redesign.

Overall, this is a success story that we have likely understated, but the world of higher education is changing and we must continue to learn from the science of how students learn and to invest in research supported innovation. To further advance the supports provided to students, and to ensure that they are provided the opportunity for transformative learning through outstanding teaching and enriched educational experiences, we will invest in more experiential learning opportunities, including community and international service learning and work-learn opportunities, employ more teaching and learning fellows, and establish more attractive funding packages for outstanding graduate students.

These are but a few of the important and innovative activities that could further support our research, teaching, and learning endeavours, understanding that not all learning takes place within the classroom. The development of the strategic initiatives funds is the first step. Broad consultation with the University community and ongoing evaluation are critical to ensuring that the funds are allocated appropriately and effectively such that our goals are met. Strategic nimbleness is essential in a fast changing environment. We want to be proactive so that we can respond when opportunities arise.

While ‘Canada’s best university’ is difficult to define, there are several distinguishing features. The University would boast that it:

- Is ranked highest among Canada’s universities (e.g., by the Times Higher Education World University Rankings or the Shanghai Jiao Tong University Academic Ranking of World Universities)
- Attracts and retains the best students in Canada and from around the world – graduate and undergraduate – and provides an outstanding student learning experience
- Offers an exceptional learning environment characterized by evidence-based and technology-enhanced program delivery
- Offers a wide range of experiential learning opportunities to all students, inside and outside the classroom, including an international experience
- Attracts the best scholars in the world because it provides access to world-class research resources, including laboratories and libraries
- Claims the greatest share of award-winning researchers and teachers (e.g., Fellows of the Royal Society of Canada, the Canadian Academy of Health Sciences, The Canadian Academy of Engineering, and 3M National Teaching Fellowships)
- Attracts the greatest amount of research funding per researcher
- Enables hundreds of companies to utilize technology developed at the University
- Is the “go-to” locus of informed and expert opinion and analysis on issues of national importance. Its faculty members are sought by the leading social, political and economic think tanks
- Has alumni who are notable leaders, nationally and internationally, in government, industry, and not-for-profit organizations, and
- Is a desirable international partner that has strong ties with the leading universities and research institutions of the world.

Principles

The key principles underlying the allocation of the funds are:

Excellence – funds must support UBC’s goal of being Canada’s pre-eminent university.

Sustainability – funds may not be invested in permanently recurring expenditures; many approved allocations (for faculty hiring support) will be for a 5-7 year term, while others will be shorter term (e.g., PhD support) or one time.

Strategic nimbleness – the allocation process will recognize the need to capitalize on new opportunities and changing circumstances.

Effectiveness – funds may be used to leverage additional funding – for example, donations or grants that require matching funds.

Openness – all members of the academic community will be invited to give, and given forums for providing, advice to the Provosts on strategic uses of the funds and prioritization of initiatives.

Accountability – metrics will be developed to measure the impact and outcomes of all allocations.

Transparency – the Provosts will report annually to the University community and especially to the Board of Governors and Senate Budget Committees on the impact and outcomes of the funds.

Governance of the Strategic Investment Funds

Budgeting

The funds will be ring-fenced within the University budget and the allocations proposed from the funds will be presented to the Board of Governors annually, as part of the budget approval process. Some non-targeted funding will be held to capitalize on opportunities, as they arise, in keeping with the principle of strategic nimbleness. This latter category of funding will not exceed \$2.5 million in Years 1 and 2, and will be re-specified in Year 3 when evaluation data are available.

Prioritization

In developing annual recommendations to the Board for the Funds, the Provosts will consider input from:

- Annual meetings of the Provosts, VP Students, and AVP Students, with the elected student leadership to discuss priorities,
- The VP Research and International, who will meet with the President’s Research Advisory Committee to discuss priorities and the outcomes of the previous year’s allocations,
- The Committee of Deans/Deans Council, and
- The Senate Budget Committees.

Approvals

Following the consultation phase, the Provosts will develop budget plans for the Funds, aligned with the goals above. Metrics will be identified to monitor progress toward the University’s goals. The budget recommendations will be presented to the Senate Budget Committees, the Executive, and the Board of Governors for final approval. Each year, the Provosts will present annual reports on the Strategic Investment Funds, including the actual expenditures, their initial impact, and variances to budget allocations.

Review

The specified terms for the Strategic Investment Funds will be reviewed on a 3-year cycle to ensure that the goals of this initiative are realized.