



SUBJECT	Variation: Chair in Computer Engineering Endowment Fund
SUBMITTED TO	Finance Committee
MEETING DATE	September 9, 2020
SESSION	Recommended session criteria from Board Meetings Policy: OPEN
REQUEST	Action requested - Final approval IT IS HEREBY RESOLVED that the Finance Committee, in accordance with authority delegated by the Board of Governors, approves variations to the Chair in Computer Engineering Endowment Fund, as set out in the amended Endowment Deed attached to the briefing as Appendix 1, and as recommended by the President and University Counsel.
LEAD EXECUTIVE	Hubert Lai, Q.C., AVP Office of University Counsel
SUPPORTED BY	James Olson, Dean, Faculty of Applied Science Elizabeth Moxham, Legal Counsel, Office of University Counsel

PRIOR SUBMISSIONS

The subject matter of this submission has not previously been considered by the Finance Committee.

EXECUTIVE SUMMARY

The Dean of the Faculty of Applied Science, with the support of Telus Communications Inc. (the “Donor”), request that the Finance Committee, in accordance with authority delegated from the Board of Governors, approve a variation to the Chair in Computer Engineering Endowment Fund (the “Fund”) established pursuant to the Fund’s Endowment Deed (the “Endowment Deed”) (attached as Appendix 2), as set out in the attached proposed amended Endowment Deed for the Fund.

The variation will have the effect of:

- (a) renaming the Fund the “Chair in Advanced Information and Communications Technology Endowment” to reflect the work undertaken and more accurately acknowledge the evolution of computer engineering in our modern society; and
- (b) restating the Endowment Deed in accordance with the University’s current standard templates, except that the variation clause and the naming clause from the original Endowment Deed have been retained.

The Fund was established in 1991 as part of UBC’s World of Opportunity fundraising campaign. Similar to some other funds established through the campaign, the Board of Governors approved this Fund using standard documentation although it was never signed. Prior to 1997, multiple unknown donors gifted approximately \$140,000 to the Fund. In 1997, UBC received a pledge of \$500,000 from BC TELECOM Inc. (now TELUS Corporation), which was sufficient to name the Chair in its name. Section 2(5) of the original Endowment Deed allowed UBC to name the Chair in honour of a donor or donors without any amendment to the Endowment Deed.

UBC received the Donor’s pledge payment in 2000 as an unrestricted gift, and the Chair was thereafter known as the Telus Mobility Chair in Computer Engineering. Telus Mobility was a subsidiary of TELUS Corporation that, in 2005, merged with TELUS Communications Inc., another subsidiary of TELUS Corporation. The merged company retained the name Telus Communications Inc., a subsidiary wholly owned by TELUS Corporation. The Donor requested the University to change the name of the Chair to reflect its new name, and the University will honour that name change – it will use Telus Communications Inc. as part of the Chair’s name. Both the original and the amended Endowment Deed allow the University to accommodate changes to the Donor’s corporate name of the Chair, if such changes are needed, without having to submit such requests to the Board of Governors.

The Dean would like to change the descriptive name of the Fund, currently “Computer Engineering” to “Advanced Information and Communications Technology Engineering”, because the current descriptive name does not accurately reflect the industry area that is the subject of the research undertaken by the Chair. The new descriptive name better reflects the broader range of technologies (including audio and video communications) encompassed within the research area of the Chair.

As of March 31, 2020, the Fund has capital of \$980,342 and allocates approximately \$44,000 annually to support the holder of the Chair.

The Board’s authority to vary the terms of the Fund is found in section 6 of the Endowment Deed, which provides that:

“If in the opinion of the University the operation of the Endowment becomes impossible or impractical or is not achieving its purpose in a satisfactory manner the University may vary the terms of this Deed of Endowment, but so that it shall always be administered for teaching and research in an associated field to be determined by the President in consultation with the Dean of Applied Sciences; provided that such a variation may be made only upon the recommendation of the President to the Board of Governors and the approval of the Board.”

The President and the Office of University Counsel support this request.

APPENDICES

1. Proposed amended Endowment Deed
2. Original Endowment Deed



CHAIR IN ADVANCED INFORMATION AND COMMUNICATIONS TECHNOLOGY ENGINEERING ENDOWMENT TRUST DEED

Amended and Restated as of _____, 2020

*(Varies the original Endowment Deed for Chair in Computer Engineering Endowment Deed,
approved July 25, 1991)*

1. Name of Fund

The Endowment Fund shall be known as the Chair in Advanced Information and Communications Technology Endowment Fund (the “**Fund**”) at the University of British Columbia (the “**University**”).

2. Purpose of the Fund

The purpose of the Fund is to support the Chair in Advanced Information and Communications Technology Engineering at the University (the “**Purpose**”). Without restricting the generality of the authority of the University to use the Fund in any manner it sees fit in support of the Chair, the University may:

- (a) use the Fund to pay salary and benefits of the holder of the Chair, research, secretarial, travel and other like expenses; or
- (b) use the Fund to pay the expenses associated with the administration of the Fund.

The University will hold the Fund in trust, use the Fund to support the Purpose and manage the Fund in accordance with the University’s policies, including the Endowment Management Policy and its associated procedures, as amended from time to time (the “**Policies**”). Without limiting the generality of the foregoing, the University will:

- (c) make an annual allocation based on the spending rate established under the Endowment Management Policy and credit the annual allocation to the Fund’s spending account; and
- (d) use the funds in the spending account to support the Purpose.

3. The Endowment Pool

The University manages a large number of endowment funds in its endowment pool (the “**Endowment Pool**”), of which the Fund will be one. All of the endowment funds that make up the Endowment Pool are governed by the Policies.

4. Investment of the Fund

The University may:

- (a) invest and reinvest the Fund in such investments as the University decides and in making those investments the University is not limited to the investments authorized by the *Trustee Act* of British Columbia or any other law relating to trust funds; and
- (b) invest and maintain the Fund as part of the Endowment Pool.

5. Additional Contributions

The University may accept or make further contributions to the Fund, from any source, whether by gift, Will or otherwise, provided that any further contributions will be governed by the trust terms established in this Endowment Trust Deed.

6. Naming the Chair of the Fund

The University may name the Chair of the Fund in honour of a donor or donors contributing in accordance with the provisions of section 5.

7. Encroachment on the Fund

Although very uncommon, circumstances may arise where it is advisable for the University to encroach on the Fund. The University may encroach on the Fund in such circumstances but only if that encroachment is recommended by the President to the Board of Governors and is approved by the Board of Governors.

8. University Policy

Decisions, financial and otherwise, with respect to the selection of the holder of the Chair and his or her continuing relationship with the University, as well as any matters relating to the investment, management, use and administration of the Fund will be made in accordance with the Policies.

9. Variation of Terms

If in the opinion of the University the operation of the Fund becomes impossible or impractical or is not achieving its purpose in a satisfactory manner the University may vary the terms of this Endowment Deed, but so that it shall always be administered for teaching and research in an associated field to be determined by the President in consultation with the Dean of Applied Sciences; provided that such a variation may be made only upon the recommendation of the President to the Board of Governors and the approval of the Board.

The University has executed this amended and restated Endowment Deed on the date appearing below.

The University of British Columbia
by its Authorized Signatory:

Santa J. Ono
President and Vice-Chancellor

Date: _____

Approved as to form by the Office of the University Counsel:

Date: _____

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TELUS MOBILITY CHAIR

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THE UNIVERSITY OF BRITISH COLUMBIA
CHAIR IN COMPUTER ENGINEERING ENDOWMENT DEED

1. The Endowment Fund shall be known as the Chair in Computer Engineering Endowment Fund.
2.
 - (1) The capital of the Fund shall be held by the University of British Columbia and may be invested and reinvested by the University in such investments as the University shall decide; and in making such investments the University shall not be restricted to the investments for trustees set out in the Trustee Act of the Province of British Columbia, in any similar legislation or in any amendments to the Act or similar legislation.
 - (2) Without restricting the generality of the provisions of sub-clause (1) above, the University may invest the Fund as part of its pooled endowment investments.
 - (3) In making investment decisions, the University shall have as its objective the maintenance of the real capital value of the Fund and the generation of a sufficient flow in income to fund the Chair properly.
 - (4) The University may accept further contributions, from any other source, whether by gift, will or otherwise, or may itself add to the capital of the Fund, provided that the terms and conditions of any such donation or addition to the capital shall be in conformity with this deed of Endowment.
 - (5) The University may name the Chair in honour of a donor or donors contributing in accordance with the provisions of clause 2(4).
3.
 - (1) The income of the Fund shall be used by the University to fund the Chair in Computer Engineering and without restricting the generality of the authority of the University to use the income in any manner it sees fit in support of the Chair, the University may:
 - (a) use income to pay salary and benefits of the holder of the Chair, research, secretarial, travel and other like expenses;
 - (b) use income to pay the expenses associated with the administration of the Fund;
 - (c) where income is not for the time being used invest such income in accordance with the provisions of clauses 2(1) and (2), but so that the investments shall retain the status of income;

(d) capitalize income in order to preserve the real capital value of the Fund.

(2) If in the opinion of the University it is clearly necessary to do so in order to carry out the purposes of the Fund, the University may from time to time encroach upon the capital of the Endowment; provided however that such encroachment may take place only upon the recommendation of the President to the Board of Governors and the approval of the Board.

4. Decisions on the appointment of the holder of the Chair and on his or her continuing state of employment at the University, and decisions on the administration, financial or otherwise, of the Fund shall be made in accordance with the policies of the University as they may be amended from time to time.

5. The incumbent of the Chair shall submit an annual report to the President of the University, and the University shall undertake a review of the activities carried out under the auspices of the Chair at intervals of no more than every 7 years. The annual report shall be published.

6. If in the opinion of the University the operation of the Endowment becomes impossible or impractical or is not achieving its purpose in a satisfactory manner the University may vary the terms of this Deed of Endowment, but so that it shall always be administered for teaching and research in an associated field to be determined by the President in consultation with the Dean of Applied Sciences; provided that such a variation may be made only upon the recommendation of the President to the Board of Governors and the approval of the Board.

Signature of Donor

Date

Authorized Signatory for
The University of British Columbia

Date