



York University
Board of Governors

Notice of Meeting
Monday, December 7, 2009
3:00 pm to 6:00 pm

5th Floor, York Research Tower
Keele Campus

AGENDA

TAB

I. CLOSED SESSION

II. OPEN SESSION (approximately 3:45 pm)

1. Chair's Items (P. Cantor)

1.1 Executive Committee Report 1

2. President's Items (M. Shoukri)

- **China/Internationalization Report**
- **Task Force on Student Life: Update**
- **Academic Planning:**
 - **Green Paper Process: Update**
 - **Searches: Vice-President University Relations; Deans of Osgoode Hall and Science & Engineering**
- **TTC Busway Opening/Subway Progress Update**

3. Academic Resources Committee (S. Schwartz) 2

3.1 For Action: Appointments, Tenure and Promotion 3

4. Community Affairs Committee (R. Lewis) 4

4.1 Engaging Yorks' Alumni: Report of the Alumni Office (J. Allan) 5

December 7, 2009

5.	Finance and Audit Committee (<i>D. Denison</i>)	6
	5.1 For Action: Scott Library 2nd Floor “Library Commons” Renovation	7
	5.2 For Action: Procurement Code of Ethics	8
	5.3 For Action: Ancillary Operations Long Term Plan	9
6.	Governance and Human Resources Committee (<i>Z. Janmohamed</i>)	10
7.	Land and Property Committee (<i>G. Brewer</i>)	11
8.	Investment Committee (<i>verbal</i>)	
9.	Other Business	

CONSENT AGENDA

1.	Minutes of the Board of Governors Meeting of October 5, 2009	i
2.	Pension Fund Board of Trustees Appointment/Reappointment	12

Harriet Lewis
Secretary



Board of Governors

**York University
Board of Governors**

Minutes of the Open Session of the Meeting of
Monday, October 5, 2009
5th Floor, York Research Tower, York University

<i>Present:</i>	<i>Regrets:</i>	<i>Others:</i>	
Paul Cantor, Chair Susan Black Guy Burry Imogen Coe David Denison Terrie-Lynne Devonish Julia Foster Billy Gyamfi Rosemary Heneghan Ozench Ibrahim Debbie Jamieson Zahir Janmohamed Kuttimol Kurian Sandra Levy Patrick LeSage Robert Lewis Mark Lievonen Randall Oliphant Anna Porter Penelope Reed-Doob Samuel Schwartz Mamdouh Shoukri Emmett Soldati David Tsubouchi Honorary Members Phil Lapp <i>Harriet Lewis, Secretary</i>	Deborah Hutton Andrina Lever Kevin McKague Roy McMurtry Ken Ng	James Allan Cynthia Archer Bruno Bellissimo Alex Bilyk Gary Brewer Glen Craney David Dewitt Richard Fisher Celia Haig-Brown Wade Hall Sharon Hooper Laurie Lawson Rhonda Lenton Paul Marcus Mike Markicevic Scott McLean Ken McRoberts Patrick Monahan Doug Peers Alice Pitt Trudy Pound-Curtis Bud Purves Barbara Rahder	Martin Singer Barbara Sellers-Young Stan Shapson Walter Tholen Rob Tiffin Jacqueline Volkhammer Berton Woodward Cathy Yanosik Sylvia Zingrone <i>Cheryl Underhill</i> <i>Assistant Secretary</i> <i>Elaine MacRae</i> <i>Board Coordinator</i>

II. OPEN SESSION

1. Chair's Items

Governors and guests were welcomed to the meeting, and the new members of the Board, Ms Black and Mr Gyamfi, were introduced. On behalf of the Board, Mr Cantor thanked Richard Fisher, Chief Marketing Officer, for his considerable contributions to York University, and extended best wishes to him in his new role at the University of British Columbia.

1.1 Decisions taken in the closed session

The following decision taken by the Board in the *closed* session was announced:

- the four year appointment to the Board of Susan Black, commencing October 5, 2009;

1.2 Executive Committee Report

The written report of the Committee circulated with the agenda was *noted*. The Chair spoke to the following matters:

- the Board's oversight and insight responsibilities;
- increasing the transparency of material from the Board to the University community
- the implementation of a new structural process that links the key enterprise risks to the oversight responsibility of the Board committees to assist the Board in monitoring risk exposure and risk management

1.2.1 Report of action on behalf of the Board

The Board received the report of the Executive Committee who acted on behalf of the Board to:

- confirm the settlements reached with each of CUPE 1356-1 and YUFA; and
- approve the appointment of Eric Chabeaux Smith to the Pension Fund Board of Trustees as a CUPE 1356-1 nominee for a three year term effective April 1, 2009

2. President's Items

President Shoukri also expressed appreciation to Richard Fisher for his contributions to the University, notably the visual identity and the 50th anniversary celebrations.

2.1 Looking Forward: Plans for the Year Ahead

The President reported on:

- Plans and Priorities for 2009-2010, including the Provostial White Paper exercise
- His response to the Report on the Presidential Task Force on Student Life, Learning and Community
- the continuing tight financial circumstances at the University and the need to adhere to the approved budget plan and align resources to the academic priorities
- the Honorary Degree recipients for the fall convocation ceremonies
- the impressive performance of York athletes at the Canada Summer Games

Vice-President Monahan was congratulated for his work as Chair of the Task Force on Student Life, Learning and Community.

Mr Janmohamed attended the recent Council of Ontario University Board Chairs meeting on behalf of Mr Cantor. The group of Chairs:

- commended York on the Student Task Force and its outcome
- discussed the government's ongoing review of University pension plan frameworks
- discussed the *Access to Ontarians with Disabilities Act* and its applicability to universities

3. Academic Resources Report

Mr Schwartz spoke to the written report circulated with the agenda. Following the Committee's focus the past 18 months on the creation of the Faculty of Liberal Arts and Professional Studies, the Committee looks forward to seeing the Faculty emerge under Dean Singer's leadership. A fruitful discussion was held with Vice-President Monahan on the White Paper exercise and the development of a new plan to help move the University forward. Last year did not provide an opportunity for the Academic Resources Committee to meet as planned with the Senate Executive Committee. The Executive committees of the Board and Senate are meeting in November to discuss shared matters of importance.

3.1 Appointments, Tenure and Promotion

Documentation circulated with the agenda was *noted* by Mr Schwartz. The necessary corrections to the home units of candidates were noted. With those amendments made, it was duly *agreed* to **approve the President's September 2009 report on Appointments, Tenure and Promotion.**

4. Community Affairs Report

Mr Lewis reviewed the highlights of the report circulated with the agenda. Flowing out of the discussion on enrolments, at this point in the fall enrolment cycle the University is approximately 5% ahead of its undergraduate enrolment targets; graduate admissions are still in progress but the doctoral program enrolments are encouraging to date. Enrolments in the post-secondary system in the province are up by 2%, and York's higher than anticipated enrolments can in part be attributed to system-wide circumstances. The University saw movement downward on the grade averages of entering undergraduate students in FW'09 in spite of maintaining admissions standards. Vice-President Monahan confirmed that a focus going forward will be on the quality of the entering student cohort.

5. Finance & Audit

Mr Denison spoke to the written report included with the agenda. A corrected version of item #4 in the report was circulated at the meeting and is filed with these Minutes. The Board *received* the 2008 Annual Report on the York University Pension Fund.

5.1 City of Toronto Interest Free Financing for Sustainable Energy Projects

Documentation circulated with the agenda was noted to by Mr Denison. Vice-President Brewer confirmed there are no conditions of concern to the University for the loan. It was duly *agreed*,

That the Board of Governors delegate authority to the Vice-President Finance & Administration to execute an agreement with the City of Toronto for interest-free financing for sustainable energy conservation projects.

6. Governance and Human Resources

The written report was reviewed by Mr Janmohamed. Governors were thanked for participating in the Board annual evaluation exercise which reflects general satisfaction with the structure of the agendas, length of meetings and other arrangements although in some areas there remains room for improvement.

7. Land and Property Committee

Mrs Foster highlighted the key issues contained in the written report circulated with the agenda, particularly the conclusion of the secondary Plan process and the commencement of a Master Plan exercise. It is hoped that the new Secondary Plan will come forward to the Board for approval early in the new year.

8. Investment Committee

On behalf of the Committee Chair, Mr Cantor provided an oral report from the Investment Committee, which had met the business day prior to the Board meeting. It was reported that:

- the endowment fund has partially recovered from the investment losses over fall-winter 2008-09; as of September 30, 2009 the value of the fund had increased approximately \$60 million since February 2009, to \$280 million;
- the Investment committees (of the University and the Foundation) have approved active currency management for hedging 50% of the endowment fund's currency exposure in the foreign currency portions of the fund (which represents 25% of the total fund in a hedge position).

9. Other Business.

Governors were encouraged to attend the inaugural event of the new York Circle on October 24, 2009.

There being no other business, the open session of the meeting concluded.

10. In Camera Session

An *in camera* session was held. No further decisions were taken. Minutes of the *in camera* session are filed separately.

PAUL CANTOR
Chair

HARRIET LEWIS
Secretary

EXECUTIVE COMMITTEE

Report to the Board of Governors at its meeting of December 7, 2009

The Board Executive Committee met on November 27 and in addition to the items appearing for action on the Agenda, makes this report for information

Risk Allocation:

The assignment of risks to committees under the Enterprise Risk Management Framework was discussed and confirmed and a chart outlining the committees and the risks is Appendix A hereto. The process of considering items under a risk rubric appears to be working well through the first meeting cycle, but will continue to be monitored with a view to making any necessary changes.

President's Items:

President Shoukri updated the Board on a number of items, many of which will be the subject of his remarks at in each of the closed and open sessions. He shared his view that Labour Relations is moving in the positive direction and that the Green Paper and White Paper process is moving forward to engaging the Senate and the wider community in a focused academic planning exercise.

Pension Risk:

The committee concurred with the suggestion by Mr. Dension, arising out of the report at the Finance and Audit Committee meeting, that a subcommittee be formed of members of the Board to support and advise the administration on the complex issues arising with respect to pension funding that have arisen as a result of the losses in the pension fund. This sub-committee will be comprised of Susan Black, Guy Burry, Ozench Ibrahim, and Zahir Janmohamed. While the members of the committee will serve as a valuable resource, the accountability of management to the Finance and Audit Committee remains in respect to this item.

Paul Cantor
Chair

Enterprise Risk Management Board Committee Top-Tier Risk Oversight

Committee	Risk Area <i>Primary</i>	Risk Area <i>Secondary</i>
Executive	<p>Strategic Labour Relations Labour-management strategy, communications strategy, structure</p> <p>Government Policy Government relations strategy</p> <p>Leadership Structure, executive leadership and succession planning</p> <p>Human Resources Academic Labour relations mandate</p> <p>Organizational Structure and Alignment Management accountability framework</p>	Reputation
Academic Resources	<p>Competitor Academic quality and academic recruitment</p> <p>Human Resources Academic Recruitment and retention</p> <p>Budget and Planning UAP, Research Strategic Plan, Faculty Plans</p>	<p>Budget and Planning IT Strategic Plan</p> <p>Strategic Labour Relations Academic Labour Relations</p>
Community Affairs	<p>Reputation External/community/alumni relations, university outreach</p> <p>Leadership Student Leadership</p> <p>Competitor Student recruitment, fundraising, marketing & communications</p>	Government Policy
Finance & Audit	<p>Financial Resources Financial Resources Financial Markets: -pension fund solvency; -Credit rating issues</p> <p>Budget and Planning Integrated Resource Planning, Business Plans, IT Strategic Plan, IT Disaster recovery, Long-Term Financial Plan, Capital Plan, Operating Budget</p> <p>Physical and IT Infrastructure IT infrastructure</p>	Government Policy Legislative Compliance

Committee	Risk Area <i>Primary</i>	Risk Area <i>Secondary</i>
Governance & Human Resources	<p>Organizational Alignment Non-academic management framework, human resource strategy</p> <p>Competitor Non-academic recruitment</p>	<p>Government Policy Governance accountability framework</p> <p>Strategic Labour Relations Non-Academic</p>
Investment	<p>Financial Markets Endowment status</p>	
Land & Property	<p>Physical and IT Infrastructure Physical infrastructure</p>	

ACADEMIC RESOURCES COMMITTEE

Report to the Board at its Meeting of December 7, 2009

The Academic Resources Committee met on November 23, 2009 and submits the following information report to the Board of Governors. Items at the meeting were framed in terms of risk management for the first time. The reports discussed below were considered from the standpoint of Budget and Planning risk management.

1. **Report of the Vice-President Academic and Provost**

Vice-President Academic and Provost Monahan provided the Committee with summary reports of discussions at an academic planning forum held on November 2 and November 3. The event, co-sponsored by the Academic Policy, Planning and Research Committee of Senate, focused on green papers issued as part of the Provostial Whiter Paper process. As previously reported to the Board, the White Paper exercise has been designed to produce a guiding academic vision for the University over ten to fifteen years. Consultations to date have been wide and deep, and will continue to be intensive in the time leading up to a final draft of the White Paper. Integrated Resources Planning will be used to more closely align academic planning with resource allocations.

The Provost also shared a report, originally presented to Senate, on “Measures of Institutional Quality.” The report covers a range of indicators associated with quality and reputation. In this sense, the data cited point the need for a clear sense of purpose and strategies that will move the University in a positive direction. It is a priority of the Provost to define and enhance quality across a full spectrum of academic activities and, in the process, improve the University’s reputation and manage the risk associated with lagging on indicators.

2. **Report of the Vice-President Research and Innovation**

Vice-President Shapson presented a survey of the research landscape in his report to the Committee on “Research Performance and Strategies.” In particular, the report covered these topics:

- recent success stories
- the York Leadership Roundtable
- events scheduled for Research Month in November (including a reception to honour the recipient of the President’s Research Award, Professor John Tsotsos, and winners of the Research Merit Award, Professor Ellen Bialystock and Professor Paul Lovejoy)
- total research income and research intensity (per capita funding) indicating that York’s intensity is less than comparable institutions
- York’s standing among “comprehensive” universities ranking in the annual survey by Research Infosource, which also show a drop off intensity
- journal publications and citations by York researchers

- the changing context of research (for example, with more government funding targeted to initiatives aligned with public policy)
- the research green paper issued in the White Paper process
- participation rates in funding competitions by researchers showing a generational gap
- scenarios by which increases in the participation rates would translate into higher income (assuming a steady state of success rates) and have residual favourable impact on allocations to programs such as the Canada Research Chairs
- network and partnership strategies, defined as critical in a recent report by the Council of Canadian Academies, aimed at bridging a gap in university funding
- opportunities to leverage local research partnerships into global strengths
- Innovation York and plans to open a York Region Office in conjunction with the town of Markham

Vice-Presidents Shapson and Monahan are working together, and in cooperation with the Deans / Principal, to ensure that research planning takes place at all levels and that it is well coordinated. Research performance is critical given the risk of not attracting faculty members, capitalizing on funding, and maximizing the impact of York's research.

Sam Schwartz
Chair



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Memo

To: Paul Cantor, Chair, Board of Governors
From: Sam Schwartz, Chair, Academic Resources Committee
Date: November 23, 2009
Re: **President's Report on Appointments, Tenure and Promotion**



The Academic Resources Committee recommends

that the Board approve the President's November 2009 report on Appointments, Tenure and Promotion.

Dr Shoukri confirms that tenure and promotion decisions followed due process and that the advice of the appropriate bodies was considered. One of the two new appointments reported here will be the Jean Augustine Chair for the Study of Education in the New Urban Environment. This endowed chair is in an area of strategic priority for the Faculty and honors an eminent politician, activist, and former member of the Board.

Documentation is attached as Appendix A.

Appendix A: Recommendations for Tenure and Promotion

I. Appointments

Name	Department, Field	Rank	Highest Degree	Research Agenda/Specialization
Education				
Dlamini, Nambuso (F) January 1, 2010	Jean Augustine Chair for the Study of Education in the New Urban Environment	Associate Professor with tenure	PhD, Education (Toronto, 1996)	Dr Dlamini comes to us from the University of Windsor where she is currently an Associate Professor and Research Leadership Chair in the Faculty of Education. In 2004 and 2005 she received the Award for Excellence in Research and Scholarship. Her research interests are in 1) youth engagement, negotiation, and production of Diaspora identities; 2) gender, women's health, and socioeconomic livelihood; and 3) migration, poverty, and social vulnerability.
Science				
Daly, Michael (M) July 1, 2009 (on leave to December 1, 2009)	ESSE, Space Science	Associate Professor, Candidacy 1	PhD, Engineering Physics (McMaster, 1996)	Dr Daly comes to us from his long-time position as staff engineer with MDA. He is well known to the space science community in Canada and internationally for his contributions to the Phoenix Mission. His research interests are varied within the subject of space instrumentation development. Dr. Daly is currently an adjunct member of York's Centre for Research in Earth and Space Science and York's Graduate Program in Earth and Space Science.

II. Promotion to Full Professor

Name	Faculty	Unit (If Applicable)	Highest Degree (University)	Specialization(s)
Kapoor, I (M)	Environmental Studies		PhD Toronto	Postcolonial Politics and Participatory Development and Democracy
Molot, L(M)	Environmental Studies		PhD Alaska	Aquatic Ecology, Biogeochemistry
Li, L (M)	Liberal Arts & Professional Studies	Administrative Studies	PhD Lancaster	Marketing, International Business
Lo, L (F)	Liberal Arts & Professional Studies	Geography	PhD Toronto	Immigrant Settlement and Economic Integration
Mortimer- Sandilands, C (F)	Environmental Studies		PhD York	Environmental Cultural Studies, Gender, Sexuality & Environments

III. Tenure with Promotion to Associate Professor

Name	Faculty	Unit (If Applicable)	Highest Degree (University)	Specialization(s)
Derayeh, M (F)	Liberal Arts & Professional Studies	Humanities	PhD Mc Gill	Islamic social & Cultural issues, Intellectual & Literary movements within this religious tradition
McMurtry J J (M)	Liberal Arts & Professional Studies	Social Science	PhD York	Social and Political Thought, Social economy
Park, H O (F)	Liberal Arts & Professional Studies	Sociology	PhD California, Berkley	East Asia Historical & comparative sociology, Diaspora Studies
Solis ,A (M)	Liberal Arts & Professional Studies	Administrative Studies	PhD Alabama	Supply chain management; Inventory systems modeling

IV. Tenure at the Rank of Assistant Professor

Name	Faculty	Unit (If Applicable)	Highest Degree (University)	Specialization(s)
Thompson, K (F)	Liberal Arts & Professional Studies	Administrative Studies	PhD York	Organizational Theory



Board of Governors

COMMUNITY AFFAIRS COMMITTEE

Report to the Board of Governors at its meeting of December 7, 2009

The Community Affairs Committee met on November 6, 2009 and makes the following report to the Board of Governors for information:

For the first time the agenda of the committee was organized with reference to the risks in respect to which the committee will exercise oversight on behalf of the Board. More specifically, there were three items which were considered under the Reputation Risk heading.

President's Task Force on Student Life, Learning and Community:

Vice Presidents Monahan and Tiffin provided an overview of the implementation plans for the recommendations of the President's Task Force. Many have already been implemented, and plans are being put in place to implement most of the others. Of particular note were the establishment of a Standing Committee on Campus Dialogue which will be chaired by Professor David Leyton Brown and which will have the mandate to promote dialogue and discussion on issues of interest on campus. Two projects to enhance student space are planned for the immediate future: The Library Learning Commons appears on the agenda of this meeting for approval, and plans for expanding the usability of Vari Hall are being presented to students and others for commentary. A new enforcement mechanism for ensuring appropriate and organized use of university space is also being implemented. A process will be designed shortly for the review of the Student Code of Conduct, to include language highlighting students' rights and responsibilities.

Provostial White Paper Exercise:

The committee received and commented on two of the Green Papers prepared for the White Paper planning exercise: Student Experience and York's Overall Reputation and engaged with the Provost in a discussion of the concept of "engagement" as a unifying theme of the White Paper process.

Alumni Activities:

Vice President Tiffin and James Allen, Director of Alumni Relations gave an overview of the activities of the university's Alumni Office in 2009. Event attendance is growing, as are revenues from the "Perks Program", both of which are evidence of the greater involvement of alumni in addition to their greater numbers. The York University Alumni Association Board has been renewed with a new mission, and bylaws and a membership which is more reflective of the alumni community. The large number of alumni relative to the resources dedicated to alumni activities remains a major challenge. The committee was impressed with the variety and scope of alumni activities, and suggested that governors

may be interested in helping with some of the programs such as speed mentoring, the Taste Program (take a student to lunch) and other initiatives which connect alumni with the university's student body. The initial event of the York Circle was considered a great success and the next event, to be held on May 1, will be promoted through the alumni community.

Globe Report Card and Maclean's Rankings:

Again under the rubric of Reputation Risk, the committee heard a report on the university's status in a number of rankings most particularly the student satisfaction survey conducted by the Globe and Mail and the Maclean's University Rankings. As in past years, York and other large metropolitan universities were at the bottom of the rankings. Still, over a three year period, York's rankings have dropped in almost every category, a discouraging result. A chart comparing the results for 2008 through 2010 (current year) in each category is attached as Appendix A to this report. York's ranking in Maclean's remained the same as last year (9th of 11 in its category). Its highest scores were for scholarship support (4th) and amount spent on student services (1st).

Other Business:

The committee was made aware by Mr. Soldati of the prestigious North American University Debating Tournament which will be held at the Keele campus January 20-21. Mr. Gyamfi also noted a series of evacuations of the Ross Building and Vari Hall due to false alarms and other mischief at the time of mid term tests, and the committee was advised that the Registrar is chairing a task force to look into the issue of academic disruption due to such incidents.

Alumni Office – Update 2009

Presented to the Board of Governors
Dec 07, 2009

York's Alumni Community - 2009



York's Alumni Community

- 231,857 alumni in 146 countries around the world
- 78% living in the GTA; 93% in Canada; 7% international
 - 4.0% of the adult population of the GTA graduated from York.
- 54% female, 46% male
- Community currently growing by ~10,000 / year

Outreach

- Alumni are potentially our most effective reputation ambassadors.

Alumni Office – Recent Activities



YUAA Board renewal

- New mission, by-laws, members

Recruitment

- Alumni Families program
- YUAA calling pilot

Communications

- New channels: videos/podcasts, social media, etc.
- New audiences via direct mail

Perks Program

- Addition of new partners: revenue-generators and loss-leaders
- New strategies for promotion: cross-selling, segmentation

Alumni Office – Recent Activities



Geographic outreach

- Annual events across Canada and in targeted locations in US
- Chapter network: strategic expansion

Focus on recent grads:

- “Gratitude” event for student leaders
- Real Life series

Educational content:

- Educational component to all events
- Promotion of Continuing Education
- York Circle

Connecting alumni and students:

- Career Conversations
- TASTE program

Next Steps



Creation of VP University Relations

- Finding synergies with M&C / UECR
- Seeking greater alignment with YUF as well – both for annual fund and major gift fundraising

Metrics project

- internal and national (CCAIE)

Ongoing research

- Rerun of major attitudinal project against '06-'07 benchmarks

Building on momentum of 50th anniversary

Alumni Office – Background

Provided to the Board of Governors
Dec 07, 2009

The Alumni Office Mission



The York Alumni Office engages alumni -- and students as future alumni -- in the life of the University in its broadest sense. We do this with the dual aims of enriching the lives of our graduates and building support among them so that all alumni can benefit from and contribute to the University's achievements and ambitions.

We work to accomplish this by:

- creating innovative programs and activities that connect alumni to each other, to current students and to other communities at York;
- producing communications and events that help alumni stay abreast of the latest developments at York;
- offering services that provide real value to alumni, both at York and beyond;
- engaging alumni as leaders, mentors and advocates who can help York continue to make innovation its tradition.

Alumni Office Growth, 2004-2009



Since 2004, York has made a significant investment in Alumni & Advancement Services which is already starting to show a return:

- Doubling of revenue from the Alumni Perks program from 2002-2008
- Increased participation across the range of Alumni Office programs

Year	Number of AO Events	Number of Attendees	Average Attendees per event
2005	4	158	39.5
2006	12	538	44.8
2007	25	1178	47.1
2008	29	1350	46.6

Alumni Research Highlights, 2006-2008



From 2006-2008 the Alumni Office conducted attitudinal studies among York alumni to learn more about their attitudes to the University and to Alumni Office programs.

- 70% of alumni felt that York has a positive reputation and nearly 50% felt that York’s reputation had improved over the previous 5 years.
- Many alumni felt a sense of alienation from the University while attending; this has resulted in a limited investment in their relationship with York.
 - Therefore, interest in participating in Alumni Office programs/events is contingent upon deriving tangible personal benefit or value.
- The Perks Program is the best-known Alumni Office’s program with 71% awareness
- Recent graduates are significantly more interested in current and proposed alumni programs than other graduates.
- Alumni are keenly interested in education- and research-oriented programming.



Current program areas within the Alumni Office:

- Alumni Perks Program
- Communications
- Stewardship, Events and Programs
 - Events and programs for recent graduates
 - Alumni Chapters
 - Strategic outreach and stewardship
- Campus Partnerships and Alumni Support
- Research, Metrics and Data

FINANCE AND AUDIT COMMITTEE

Report to the Board of Governors

at its meeting of 7 December 2009

The Finance and Audit Committee met on 23 November 2009 and in addition to the items on the agenda for action, submits the following report to the Board of Governors for information:

1. Internal Audit Report

The Committee received an Internal Audit Status report from the Director of Internal Audit covering the period September 1, 2009 to October 31, 2009. The department undertook 13 audit engagements, of which five have been completed.

The Internal Audit department is also continuing work on the development and implementation of the Risk Management Initiative.

2. Pension Deficit Solvency Relief Measures

The status of the funded position of the University's pension fund is slowly improving after the sizeable investment losses in the fall 2008-winter 2009 period. However the status of the fund represents a considerable budget risk issue for the University going forward. The University is required to file its pension valuation next in September 2011; the projected deficit at that time would carry a substantial solvency payment. Government measures under consideration could give some relief by splitting the impact of the solvency payment over ten years. A related risk to the University is the York University Faculty Association's challenge to the *Financial Services Commission of Ontario* (FSCO) with respect to the administration of a key element of the Pension Plan indexing formula, known as the non-reduction benefit provision. The net impact of applying YUFA's interpretation would be to increase Plan liabilities by about \$90 million. The matter is to be heard by FSCO in February 2010.

The University is taking tangible measures to help mitigate the pension plan budget risks, including working with Watson Wyatt consultants to identify a course of action which would spread risk and stabilize contributions for a more sustainable pension plan and it has been agreed to establish a sub-committee of governors to support and advise management in addressing these issues.

3. Procurement, Travel and Hospitality Policies

In recent months a number of procurement-related controversies within government agencies have unfolded resulting in considerable scrutiny of the Provincial Government's procurement practices. As a result:

- in July the government announced some changes to the Government's procurement rules which include tendering of all engagements regardless of dollar value, and also placed significant limitations on allowable expenses;
- in September the Ministry of Research and Innovation announced requirements for universities' compliance with its procurement and travel policies, which are particularly focused on consulting services;

- in October the Deputy Minister of the Ministry of Training, Colleges and Universities encouraged universities to review the government's guidelines on procurement, travel and hospital expenditures and to incorporate any measures that may improve a university's procurement/expense framework; and
- in the same month the office of the Auditor General of Ontario released findings of the eHealth audit and proposed a number of stringent recommendations that will likely influence the resolve of government to introduce legislated procurement requirements for the entire broader public sector.

At York University the relevant policies and procedures/guidelines that provide guidance in the areas of procurement and reimbursement of expenses include:

- Conflict of Interest Policy and Guidelines for Employees
- Conflict of Interest Policy and Guidelines for Faculty and Librarians
- Conflict of Interest for Members of the Board of Governors
- Reimbursement of Expenses
- Procurement of Goods and Services

As a result of the communications received recently from the Government and as a risk management measure, the University administration has completed a full review of its policies and procedures for Procurement of Goods and Services and Reimbursement of Expenses and has compared them in detail to the Provincial Government's policies. The review has identified no substantive difference in practices for Procurement with the exception of the recently announced amendment which requires tendering of consulting engagements regardless of dollar values. No substantive differences occur with respect to York's policy on Reimbursement of Expenses.

The University administration is currently reviewing both policies and where appropriate will incorporate changes that will improve our existing frameworks.

4. Multi-Year Budget Planning

Endowment and Pension Fund Performance

The investment performance of the endowment fund improved steadily over the months of August and September, but experienced volatility in October. For fiscal year to date (September 30, 2009) with the effect of currency overlay, the fund generated a 16.03% return. The nine month calendar year to September 30, 2009 investment performance result is 18.13%. Preliminary results for October indicate a small pull back of returns in the range of -2%.

The Pension Fund also experienced positive gains between March - September 2009, but then saw negative results in the month of October in the range of -1.7%. The total fund returns for the calendar year to date (September 30, 2009) is 14.9% versus the benchmark of 14.5%.

The University will continue to monitor the investment performance of both the Endowment and Pension Funds. Regular updates will be provided to the Board throughout the year.

2009-2010 Undergraduate Enrolments

Last spring undergraduate enrolments were projected to see:

- a 10% decrease in FTEs for the Summer 2009 session; and
- a 15% decrease in first year intake for the FW '09-10 academic year and significant reductions in retention of upper year students.

However:

- total FTEs in the Summer 2009 session were up approximately 1% (BIUs were essentially flat); and
- as of October 31, 2009 total enrolments – both heads and FTEs - are running 2% above pre-strike targets. The revenue impact (BIUs) is estimated at \$2.9 million over 2008-09, assuming student retention remains constant through the winter term and MTCU provides full funding.

It is not yet known to what to attribute the better enrolment news, or what the impact of the higher enrolments will have on quality over the longer term. Graduate enrolments are continuing to build. Doctoral level enrolments are tracking to plan and, although Masters level enrolments have increased by approximately 100 FTEs, the totals are below plan. The government targets for graduate enrolment growth are viewed as unrealistic by universities in the province, and they are asking for flexibility in meeting those targets.

Budget Pressures

Vice-President Brewer reviewed and updated the budget planning issues and risks. In spite of slight improvements in undergraduate enrolments and investment returns, the University's overall fiscal environment remains challenging. Planned budget cuts through to 2010-11 remain necessary.

5. Annual Report on Emergency Preparedness 2008-09

In October 2005 the Board of Governors approved an Emergency Preparedness Policy to provide the foundation for the development of an Emergency Preparedness Program. Since that time the University has continued to formalize the operational organizational structure for the Program and to implement planning actions in order to develop and continuously improve the University's emergency preparedness capabilities.

The Committee received and reviewed the *2008-09 Annual Report on Emergency Preparedness*, which summarizes the activities and progress achieved during the year as well as the proposed goals and objectives for 2009-2010. During the year significant progress was made in implementing emergency communication tools and emergency preparedness training programs; an Emergency Operations Centre was completed and a back-up facility planned; and pandemic planning for the H1N1 alert was initiated.

6. Access Control Annual Report 2008-09

In October 2005, the Board approved an Access Control Policy to provide the foundation for the development of an ongoing Access Control Program at the University. To further enhance its ability to control access to campus facilities, a University-wide access control program has been developed that integrates processes and activities of service units within the Department of Campus Services and Business Operations as they relate to the ongoing programmatic needs of user departments and groups across the campuses and the overarching goal of security of property.

The Committee received the *2007-08 Annual Report on Access Control*. During the year the following control measures were taken:

- extension of the key control program on the Keele campus to the Glendon campus
- development of an annual key control audit survey
- installation of an more than twenty-five additional access control systems across the University
- completion of access control plans for the new Sherman Centre for Health Science Research and the York Research Tower
- initiation of the process to place all main entry points of undergraduate residences on on-line electronic access control (completion by summer 2010).

The Committee commended the enhanced infrastructure of access control implemented by the University and trend of decreasing security incidents over the past five years.

7. Second-Quarter Operating Results

The Committee received the 2nd Quarter Operating results from the Vice-President Finance and Administration. There is one issue to bring to the attention of the Board at this time. Student accounts receivables have increased significantly with an increase of \$20.1million or 23% over the prior year. While increased tuition fees account for \$16.9 million of the increase, the remaining difference reflects a slower pattern of payment. An analysis of the receivables confirms that the majority of the increase is in current receivables which consist primarily of fees relating to the 2009-2010 academic year. Some of the delay in payment is attributed to new electronic invoicing practices and the impact of the labour disruption on students' cash flows. Student Financial Services is actively managing these receivables working with the students to collect the outstanding fees.

There are no other significant operating budget issues at this point in the year. Operating revenues are running ahead of last year (\$78.4 million) due to the impact of the reversal of the 2008-2009 deferred tuition and grant revenue of \$53.9 million, increased tuition revenue due to fee increases and some enrolment growth. Operating expenditures are also running higher than last year (by \$10.3 million), owing to the impact of salary increments and special pension payments. The actual expenditures are tracking at 49.8% of the annual budget, which is slightly lower than the expected level of 50%. Ancillary operations are running an in-year surplus mostly attributable to the reversal of the 2008-2009 revenue deferred due to the labour disruption. And cash and short-term investments are slightly lower due to higher student receivable balances and the decision to internally finance the York Research Tower (\$56M) from working capital.

David Denison
Chair

University Secretariat

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Memo

To: Board of Governors
From: David Denison, Chair, Finance and Audit Committee
Date: November 23, 2009
Subject: **Capital Approval Scott Library 2nd Floor Renovation**



Recommendation

That the Board of Governors approve a capital project of \$2,685,000 for a multi-phase renovation of the 2nd Floor of the Scott Library and related areas to significantly enhance the learning space for students.

Background

The Scott Library has fallen behind relative to other institutions in terms of the quality and amount of available study space that it provides to students. For example, other GTA institutions have recently allocated major capital resources to update their library facilities, including a new \$45,000,000 mixed-use library being planned at Ryerson University and the University of Toronto has allocated \$15,000,000 to renew the Robarts Library.

Academic library design is undergoing a fundamental shift. The model of libraries as functional facilities for holding collections has given way to a new era of academic libraries designed for learners. Today's learners are multi-modal and require a greater variety of learning spaces as well as different kinds of resources and services. In survey research conducted by York University Libraries last year, students expressed a need for spaces designed specifically for collaborative and group work, informal lounge areas, and technology-rich environments.

The renovation plan includes the implementation of a new "Learning Commons" at the Scott Library that will integrate a broader range of academic support service offerings that were previously scattered across campus. The recent report from the Task Force on Student Life, Learning and Community identified a concrete need for new informal student study space on campus, and a renovated Scott Library will play a leading role in fulfilling this need.

The Library has a student seating ratio of 15:1. Compared to other Ontario universities, York currently ranks second to last in this key performance measure. Increasing the Scott Library's seating capacity and improving the student seating ratio is a major consideration of this renovation. The Library hopes to achieve an 11:1 student seating ratio over time.

Studies have confirmed that the conditions of the Library are one of the determining factors in attracting enrolment to an institution. Studies have also shown that the retention of students is to a degree affected by the quality of the institution's library.

The Scott Library, originally built in 1969-1970, is in desperate need of renewal and re-invention. The intent is to shift the Scott Library from a traditional library model to a new progressive space with a mix of open and semi-private multi-purpose areas which will provide a variety of learning environments facilitating interaction, collaboration, individual study, group study and teaching, thus enhancing the overall study space experience.

There is a total of 43,632 ft² of space on the 2nd floor of the Scott Library. Over time, the Library plans to renovate 26,390 ft² of this space. The scope of this capital project includes the following:

- development of the Conceptual Master Plan for the entire 26,390 ft²
- review of the design and infrastructure of mechanical and electrical systems in regard to Energy Management Program and/or Facilities Renewal Program upgrades
- asbestos abatement and related work
- the renovation of 17,090 ft² of the 26,390 ft² of space

Financial Considerations and Schedule

The budget for the Scott Library 2nd floor Renovation Project is as follows:

		<u>\$ 000</u>
Renovation of 2 nd Floor Space including all furnishings	=	2,100 M
Asbestos abatement, related work & contingency	=	<u>585</u>
Total	=	\$2,685 million

Funding for the renovations will be provided by the Library's budgetary carry forward (operating funds that have been set aside by the Library each year toward library space re-development) and the funding for the asbestos abatement, related work and contingency will be funded from University capital reserves.

Approval of this capital project by the Board of Governors in December 2009, will allow for project completion and occupancy in time for the start of the Fall 2010 academic term.

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Memo

To: Board of Governors
From: David Denison, Chair Finance and Audit Committee
Date: November 23, 2009
Subject: **Procurement Code of Ethics**

Recommendation:

That the Board of Governors approve the adoption of the Procurement Code of Ethics (*attached*).

Background:

The Ontario Government created a Supply Chain Secretariat to facilitate and accelerate the widespread implementation of integrated supply chain management and other “back office” leading practices by Ontario’s Broader Public Sector (BPS).

The Secretariat has been developing a Supply Chain Guideline (“Guideline”) to support and improve BPS supply chain activities. It incorporates 12 foundational supply chain principles, including a Supply Chain Code of Ethics, four standards, and seven metrics.

Ontario’s Treasury Board of Cabinet has directed that the Guideline be incorporated into the transfer agreements of BPS organizations receiving more than \$10 million in funding per fiscal year from a Government Ministry. A Code of Ethics and Procurement Policies and Procedures are to be implemented by March 2010. The remaining principles are to be implemented by March 2011.

The Secretariat has been consulting widely with the University Sector and the draft guidelines were prepared drawing heavily on York University’s Procurement Policies as well as those of other public sector entities.

York’s existing Procurement Policy meets all the current requirements of the Guidelines. However, to be fully compliant for March 2010, York is also required to adopt an Institutional Supply Chain Code of Ethics.



This Guideline must:

- be distributed to all employees across the institution involved in supply chain activities
- be communicated across the institution
- be visible in York's Procurement Department
- be formally approved and endorsed by the Board or the organization's management team
- be electronically available to all employees through an internal website
- contain all the elements of personal integrity, professionalism, accountability transparency, compliance and continuous improvement

The University currently requires only the staff in Procurement Services to adopt such similar code of ethics to meet the compliance requirements.

The attached "Procurement Code of Ethics" has been developed to ensure York's compliance with the Government's requirements and approval is now being requested as required through the University's governance structures.

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Memo

To: Board of Governors
From: David Denison, Chair Finance and Audit Committee
Date: November 23, 2009
Subject: **Long-Term Ancillary Plan**



Recommendation

It is recommended that the Board of Governors approve the update to the Long-Term Ancillary Plan (attached).

Background

The sound management of ancillary operations continues to be an important element in managing the Unrestricted Net Asset Deficit. The University's Long-Term Ancillary Plan in this planning period continues to reflect the financial impact of the opening of the two parking structures, a 440-bed residence, as well as the Executive Learning Centre.

Ancillary facilities are expected to be self-funded over their life. These assets typically experience operating cycles that report operating losses for the initial years when new assets are brought into service until they reach a steady-state of operations that recovers the accumulated loss over a reasonable planning horizon.

In the Fall of 2007, the ancillary plan was updated to reflect current factors such as lower energy costs, increased demand for residence accommodation and changes to the pattern of use of parking on campus.

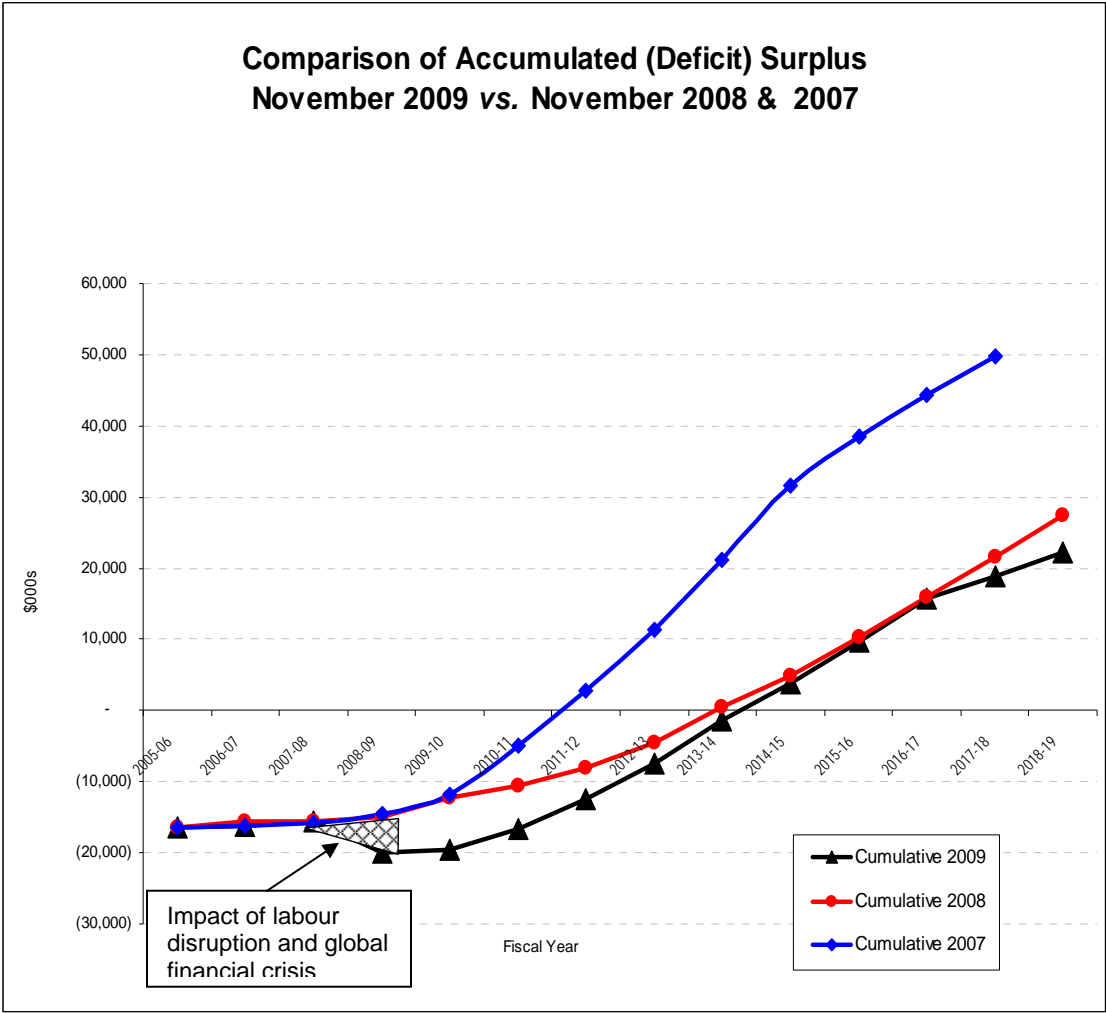
In the Fall of 2008, the ancillary plan was updated to include the funding of a deferred maintenance plan beginning in 2010-2011 to address the accumulated deferred maintenance in the University residences. At the same time, a sustainable capital renewal and deferred maintenance program for parking facilities to begin in 2014-2015 was built into the ancillary plan. The addition of these planning assumptions to the Ancillary Plan (presented to the Board Finance and Audit Committee in November 2008) significantly reduced the previously projected surpluses over the longer term horizon (see graph below), but the explicit recognition of amounts needed for facility renewal created a more responsible and reasonable plan.

In the Fall of 2009, the ancillary plan has been updated to reflect:

- a. the impact of the extended labour disruption in 2009, and
- b. the impact of the global financial crisis and the impact of the H1N1 threat on the University's ancillary operations, particularly the Executive Learning Centre and related Executive Education programs.

The impacts of these events are significant and will take a period of time before the unfavourable results experienced in 2008-2009 will be fully recovered.

The detailed long-term plans for each ancillary operation are outlined in the attached report.



**ANCILLARY OPERATIONS
LONG-TERM PLAN**

**Report to the York University
Board of Governors
Finance and Audit Committee**

November 23, 2009

**Office of the Vice-President
Finance and Administration**

TABLE OF CONTENTS

1. <i>Purpose of this Report</i>	1
2. <i>Key Planning Assumptions</i>	1
3. <i>Bookstore</i>	3
4. <i>Student Housing Services</i>	3
5. <i>Parking Services</i>	4
6. <i>YU-card Program</i>	5
7. <i>Telecommunications</i>	6
8. <i>Executive Learning Centre</i>	6
9. <i>Other Ancillary Operations</i>	7
9.1. <i>Food and Contract Management</i>	7
9.2. <i>Printing Services</i>	8
Appendix: 2009 Long-Term Plans	9

ANCILLARY OPERATIONS LONG-TERM PLAN
Report to the York University
Board of Governors Finance and Audit Committee
November 23, 2009

1. Purpose of this Report

The purpose of this report is to update the Board Finance and Audit Committee on the University's long-term plan for the Ancillary Operations. The long-term plan is consistent with the University's overall planning with respect to enrolments and the recent campus expansion as a result of the SuperBuild and other capital expansion programs. The plan is updated to reflect the most current planning parameters, including up-to-date enrolment numbers.

The sound management of ancillary operations continues to be an important element of the plan to manage the Unrestricted Net Asset deficit. Each of the ancillary operations has an approved business plan that takes into consideration the impact of the budget, economic, enrolment and staffing changes that are forecast. This report contains a discussion of each of the business units and highlights changes in the long-term plan. The business plans for each are presented in the Appendix along with comparisons to the net income targets that were set in the November 2008 long-term plan.

The consolidated revenue, expense and net income projection for all ancillary operations is provided in Figure 1. This chart illustrates that the ancillary operations experienced a "turnaround" in 1995-1996 and operated profitably to 2002-2003. With the commencement of the operations of the Executive Learning Centre and The Pond Road Residence, as well as the operations of the two new parking structures and the success achieved in Parking and Transportation to reduce the number of single occupant vehicles on campus, the ancillary plan reported net operating losses in the years 2004 through 2006 as the significant cost impact of the new facilities was absorbed. The plan also shows a return to profitable status in 2007. The 2008 plan had expected that the plans would continue to report a profitable status as revenues gradually were expected to come into line with the costs of the new facilities. The current year's revisions reflect the unfavourable impact of the 2009 extended labour disruption and the global crisis which have significant impacts on the ancillary operations particularly in the Executive Learning programs and the residence, parking and bookstore operations. The 2009 plan reflects the impact of the unfavourable results from 2008-2009 and the expected recovery period on ancillary operations. It is projected that ancillary operations will return to profitable results in 2009-2010 to continue to achieve full recovery of their costs thereafter. Figure 2 considers the consolidated net income only and compares this year's plan to the two prior years' plans.

2. Key Planning Assumptions

As in past years, the ancillary business plans are based on assumptions regarding inflation, compensation and interest rates that are consistent across the business units. Consistent with last year's plan and given the increased volatility in energy prices, separate assumptions on electricity, heating and cooling and water were used in the development of the ancillary business plans. The assumptions are as follows:

	2008-09	2009-10	2010 and onwards
Consumer Price Index (CPI):	2.0%	2.0%	2.0%
Compensation:	3.0%	3.25%	3.0% for 2010-11 and 2% onwards
Heating & Cooling:	2.0%	2.0%	2.0%
Electricity:	3.0%	3.0%	3.0% for 2010-11 and 3.5% onwards
Water:	9.0%	9.0%	9.0% to 2014-15 and 3% onwards

Figure 1
Ancillary Operations
November 2009 Long-Term Plan
Consolidated Revenue/Expenses/Net Income

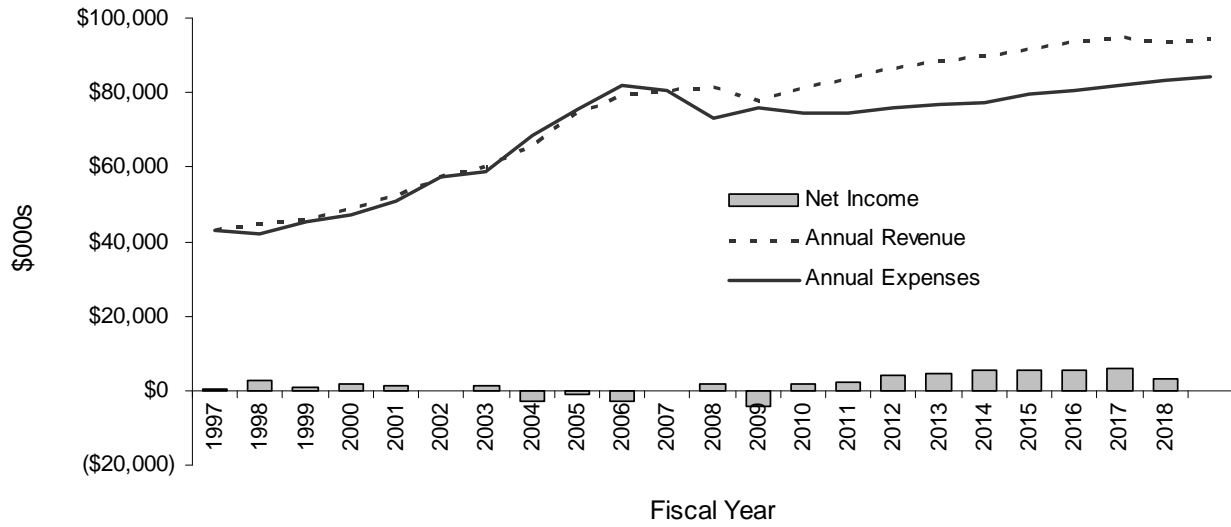
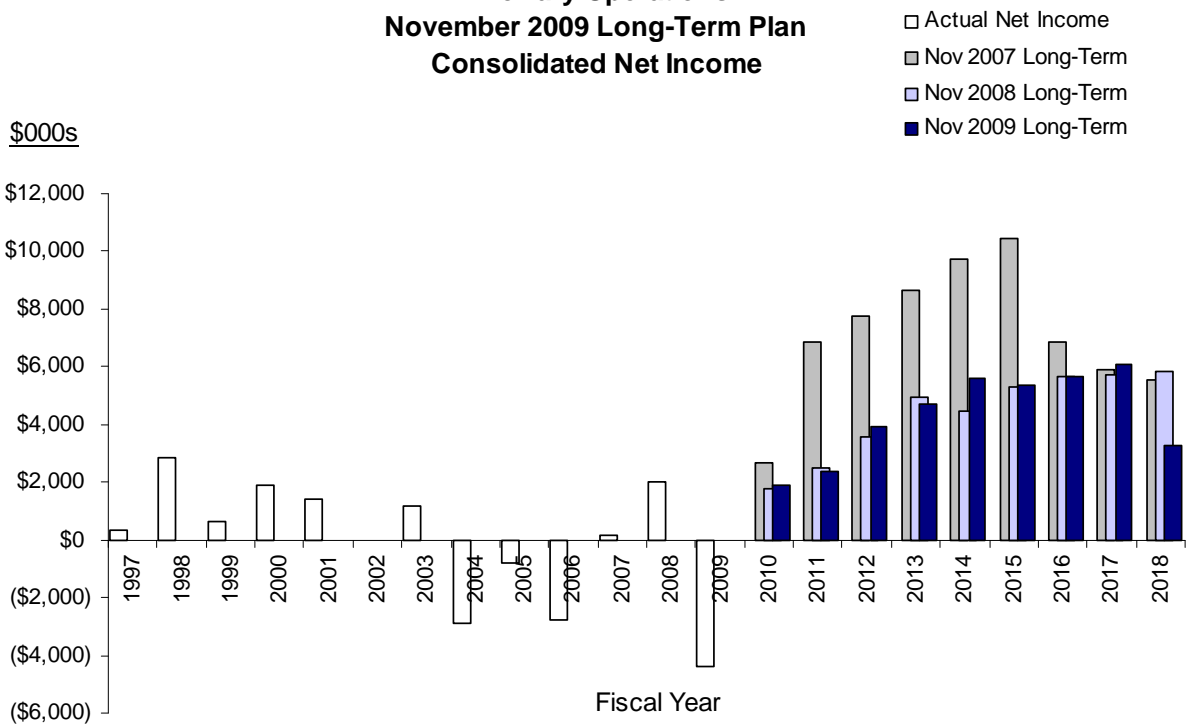


Figure 2
Ancillary Operations
November 2009 Long-Term Plan
Consolidated Net Income



The planning assumptions reflect an annual general inflation rate of 2% over the planning period, with the exception of electricity and water costs in the short-term. Compensation assumptions reflect a rate established for planning purposes for future settlements. Electricity costs reflect an increase of a 2% annual rate of inflation in 2009-2015. Water costs are expected to increase at an annual inflation rate of 9.0% in 2009-2015 and 3% thereafter. In addition to more global assumptions on inflation for compensation and energy, assumptions that are particular to each ancillary operation are factored in for each of the plans.

3. Bookstore

The Bookstore has two locations: York Lanes on the Keele Campus and York Hall on the Glendon campus. This unit has significantly improved customer service, particularly in the Fall rush periods and has lowered inventory levels and improved buying. The management team is focused on further enhancing the operational performance, reducing cost base, continuing process improvements and improving the student experience related to the Bookstore.

Fiscal 2007-2008 reports a profit of \$256K. Fiscal 2008-2009 reported a loss of \$677K (\$852K unfavourable to the budget), attributable to lower sales due to the labour disruption. The long term forecast, taking into account the zero growth for student population and significant adjustments to its operating budgets, shows modest returns over the ten-year period.

4. Student Housing Services

Student Housing Services provides close to 4,000 rentable beds and apartment units for York's undergraduate and graduate students at the Keele and Glendon campuses.

The demand for undergraduate residence has typically exceeded available beds however there was a sharp decline in applications for the 2009-2010 F/W academic year. Applications fell by 14% as a result of increased off-campus housing options within walking distance to York, and a weakened economy. York currently offers a residence guarantee to all first year students who apply by the deadline without any distance or grade criteria, and returning students are offered housing as long as they are eligible to proceed at York.

It is becoming more difficult for Housing to attract and retain students given York's enrolment demographics with 65% of undergraduate residents coming from GTA addresses, and the nearby housing developments offering more private, modern, and economic options. In addition, less strict academic criteria has caused higher rates of rescinded offers and withdrawals from university.

The reduction in applications has resulted in a 5% drop in occupancy levels in undergraduate residences for 2009-2010; however Housing expects to meet revenue targets by exploring business opportunities with other university partners and making beds available to students enrolled in YUELI programs, and Seneca@York.

Housing will continue to work collaboratively to develop marketing strategies with: Admissions and Recruitment to align with York's enrolment priorities; Student Community Leadership and Development to promote the residence experience; Faculties and Colleges to enhance living and learning communities; and student advisory groups and tenant associations to deliver quality accommodation with a service-oriented focus .

The long term plan currently assumes that the 2009-2010 reduction in undergraduate residence applications is atypical, but will need to be re-adjusted in the event application rates do not return to normal levels.

The York U Apartments are sustaining 95-99% occupancy levels for the Fall/Winter academic year and close to 60% during the summer months. Approximately 50% of the apartment population is mature undergraduate students who are eligible to apply as long as they are 21 years or older.

The current cumulative shortfall in meeting VFA deferred maintenance priorities remains close to \$30 million when factoring in inflationary costs. Fire alarm systems, major mechanical, plumbing and electrical systems, and building structural components are becoming prone to more equipment failures that lead to extended service interruptions, higher repair and utility costs. Investments to enhance the building amenities and technologies such as wireless internet are also important so that Housing can promote the notion of value for money and remain competitive with similar and surrounding markets.

York's current rates for both undergraduate and apartment housing units remain competitive with other commuter universities and colleges located in the GTA, and surrounding neighborhood.

York's modest rate increases, which are less than the rate increases envisioned for the prior plan submission, will maintain a reasonable balance of value based on desirability within the overall inventory of housing types offered at York and off-campus. However, the overall reduction in the rate increases has translated to cuts to capital and deferred maintenance expenditures of \$4.7M over the prior plan submission.

Fiscal 2007-2008 shows a net income position of \$382K, \$661K favourable to the budget. Fiscal 2008-2009 reflects a net income position of \$649K. As a result of the extended labour disruption, \$1.4 million of revenue was deferred to the next fiscal year. Had this deferral not been required, the actual results were running in excess of \$1 million favourable to the plan. The accounting deferral reversed into the 2009-2010 fiscal year.

5. *Parking Services*

Parking Services has approximately 10,000 parking stalls (Glendon and Keele) across 36 parking lots and various on-street and off-street parking areas. Vacancy rates in permit lots have stabilized over the past few years and continue to hover anywhere between 25% and 35%. Weekday demand peaks are Wednesdays and Thursdays, with Fridays being the lowest demand day.

Permit sales have also stabilized year over year with only a slight decline over the prior year sales. However, there continues to be an increase in demand for daily pay parking. The overall decline in permit parking demand and corresponding increase in the need for short term parking is largely attributable to success of the TTC Student Metropass program and increased transit service to the Keele Campus. The expansion of short term parking options meets the demand for occasional parking needs for those who use transit as their primary mode of transportation to campus.

In light of the transportation modal shift to primarily transit, Parking Services has continued to focus on increasing the supply and location of short term parking spaces on the Keele campus and have implemented a new Pay & Display system at Glendon to accommodate short term parking needs.

Proposed redevelopment in areas adjacent to campus where visitors can park and walk to their final destination continues to be a concern, as evidenced by the use of roadways for parking south of the Keele campus. The net effect of future development on Parking Services depends on the type of development and the strategies used to control parking in those areas.

Further campus development projects could result in a reduction of available parking spaces which, in turn, will put increased pressure on supply within the core of the campus. Given the surplus available relative to demand, Parking Services does not anticipate any issues with respect to meeting this need.

Parking Services continues to work with the Subway Construction Project team in relation to the impact of Subway construction on the availability of parking spaces and vehicular circulation but the magnitude is currently unknown as we await information regarding construction methodology and staging.

Parking Services has also begun the process of evaluating its Parking & Access Revenue Control System. The current system is aging and indications from the vendor are that the hardware and software will not be upgraded or supported. Given the current condition of the system, we have embarked on a 3 – 5 year program to replace this technology with a current industry standard.

Fiscal 2007-2008 shows a profit of \$875K, \$715K favourable to the budget. Fiscal 2008-2009 reflects a loss of \$2.9M, \$3.3M unfavourable to the budget primarily due to the labour disruption.

6. YU-Card PROGRAM

The purpose of the YU-card program is to provide a consistent and predictable process for York University photo identification for students, faculty and staff in the form of a campus “one-card” program. One-card programs are intended to improve the student experience by enabling convenient access to services across campus with a single card, while providing cost efficiencies and opportunities for service enhancement and innovation for University departments. The YU-card was launched in September 2006.

Key drivers for the long-term plan are card usage related to debit services and the annual license/maintenance fees for the YU-card system software and hardware. License/maintenance fees are based on the number of active cards in use during a given year and the amount of hardware installed. The YU-card program currently absorbs all software license fees for the integration of services such as the Libraries and recreation facilities. Following significant and sustained annual increases in licensing costs, in 2008 a four-year fixed price contract was negotiated with the vendor to limit increases while the YU-card program continues to expand.

This year’s long-term plan has been revised to reflect the addition of new services and revised Meal Plan rates implemented in 2009-2010, a further winding-down of expenditures for new hardware as the program matures, and the incorporation of hardware replacement costs expected every five years as equipment reaches end-of-life.

Revenue increases in 2010-2011 are dependent on continued strong growth in card usage and an increase in the administration fee charged to vendors participating in the Meal Plan program.

The unit shows operating deficits for fiscal 2007-2008 of \$142K, and \$145K for 2008-2009, which are \$60K and \$12K favourable to its budget targets for the respective years.

7. Telecommunications

The York Telecommunications revenues are used primarily to support University voice infrastructure and services, along with some elements of the University's data network infrastructure. To the extent that a revenue surplus accumulates in Telecommunications over time, it is used to assist in balancing the overall ancillary budget for the University. Telecommunications' operations consist of three distinct segments:

- Telephone equipment and services to units of the University;
- Telephone equipment and services to students in residence;
- Cable TV services to students in residents.

Of these three segments, the first is the most significant in size accounting for over three-quarters of Telecommunications' revenue. Services to students in residence account for the remainder.

There are no significant changes annually to the updated plan. The prior year's financial targets were met and the projected plan reports a reduction of \$514K over the prior year's plan as a result of the necessity to increase the staff complement to add an additional PBX system administrator to manage the continuous expansion of the network.

8. Executive Learning Centre

This plan represents the consolidation of the financial results for the Executive Learning Centre on Keele Campus and the Executive Learning and Graduate Program site located at the Nadal Centre in downtown Toronto.

To the end of the prior fiscal year, the financial plan for these operations have met target.

The original 10-year plan was approved in November 2003 and forecast a cost recovery of all cumulative deficits over 10 years, i.e. it would be fully recovered by the end of 2013-2014 having reached its maximum cumulative deficit of \$6.9M in 2009-2010. This new 10-year plan forecasts a full recovery in 13 years from the original start date of November 2003, at the end of 2016-2017 with a maximum cumulative deficit of \$12.0M in 2010-2011.

Plan assumptions

- Both ELC/Nadal and SEEC (Schulich Executive Education Centre) will be impacted by the recession and not fully recover to pre-recession levels until 2011-2012
- SEEC contributions will be transferable to the ELC ancillary fund at a rate to ensure that no in year deficits occur (assuming there are enough SEEC contributions) and that accumulated deficits will be fully recovered over the 13 years
- This new transfer policy will be put into effect in fiscal year 2010-2011
- On-going maintenance of the ELC facility will be paid for in-year as an operating expense. This plan assumes that in year 10 of the facility (2013-2014), \$2M would be required to pay for kitchen fixture replacement, guest room renovation and penthouse floor upgrades. This capital expenditure would be amortized over 10 years

Drivers of the 10 year Plan

1) SEEC Plan Assumptions

- That SEEC is impacted by recession in 2009-2010 and 2010-2011 and will not resume pre-recession levels until 2011-2012
- That SEEC's growth is forecast conservatively from \$17,400K in 2011-2012 to \$21,000k in 2016-2017
- That SEEC will use the recession period of 2009-2010 and 2010-2011 to grow its sales force by hiring three high quality persons to position it for growth from 2011 onwards

SEEC Capabilities

- SEEC's reputation and rankings have grown over the last five years and is now considered a strong player in custom leadership programs for major international organizations.
- In the year prior to the onset of the recession SEEC had begun to make significant inroads into Russia, China and India, which will be a source of growth once the recession is over.
- Although the Canadian market is projected to be relatively flat over the next few years after the recession recovery period, major competitors such as Franklin Covey, Nexient and Ryerson University have withdrawn or pulled back significantly from the Canadian market providing opportunity for growth for SEEC.

2) ELC/Nadal Stand Alone Plan

- ELC has been severely impacted by recession, strike and H1N1 (cancellations from China) and will not fully recover to pre-recession levels until 2011-2012
- Last pre- recession year was 2007-2008
\$5,439K sales with \$163K net contribution
- Recovery year 2011-2012
\$6,196K sales with \$123K net contribution

10 year Plan assumptions

- ELC/Nadal expected to grow due to increased use of the facility by Ontario Archives, York Research Tower and Accolade buildings that were not fully operational prior to 2008-2009
- Nadal rent revenues increased from \$400k to \$690K in 2008-2009 due to major renovations of the facility to bring it up to ELC standards
- Nadal rent revenues also increased by \$400k in 2010-2011 to reflect charge to academic budget for use of the facility for the MBA program

- Moderate assumptions of have been built in for greater use of the facility by York University for overnight stays and catering to partially replace business that is going to local hotels and vendors. This growth will be achieved by marketing initiatives to raise the profile and sell the benefits of using York's ELC.
- SEEC's growth in business in 2011-2012 and beyond will also drive the growth of ELC/Nadal
- Hotel occupancy was approximately 40% for the best pre-recession year of 2007-2008; it is expected to grow to 50% occupancy by 2011-2012 and max out at that percentage over the whole 10 year plan period
- The original 10 yr plan forecasted that maximum occupancy would reach 65% based on a 365 day year. Unlike a commercial hotel, ELC clients do not utilize the facilities over Christmas, six weeks in summer and most Saturdays (total of 97 days); bringing the adjusted occupancy in 2011-2012 to 67%, a reasonable use of the asset.
- Historical contribution margins for Hotel, Food & Beverage and Facility rentals have been 80%, 30% and 10% respectively. As the ELC grows, we have assumed the same contribution margins over the plan period

9. Other Ancillary Operations

9.1 Food and Contract Management

Lease and Agreement Management negotiate and manage revenue generating contracts and hosting agreements with third parties on behalf of the University. The long-term plan includes revenue sources from all antenna contracts, Hart House and Hoover House leases, media advertising, Crestwood Valley Day Camp at Glendon and leases for tenants in 190 Albany Road. Revenue and operating expense recoveries from other contracts that are currently managed, such as Tennis Canada, Seneca College, Athlete's Care, and Computer Methods Building, flow to central University budgets.

Food and Vending Services establishes and manages contracts with third party vendors for food and vending services in order to provide students, faculty, staff and visitors with a variety of products and services. The vending contracts include laundry for student residences, ABMs, beverage and snack machines and other minor contracts in numerous locations on both campuses.

Food Services continues to face several competitive and structural challenges within the campus environment. These include unfunded capital requirements to update aging facilities, such as dining halls which are often not exclusively controlled or utilized by Food Services' caterers or customers, and the loss of retail and catering business to the Student Centre (which is subsidized by a student levy) and York Lanes. Further, external caterers, which do not provide revenue to the University, are being used by departments and student organizations at an increasing scale in the absence of a University-wide food service policy. At the same time, expectations for greater central coordination of food services are increasing, particularly in light of recent public food safety issues at other universities and national food suppliers, and the growing demand for sustainable practices within food operations.

Last year's plan noted that the long-term sustainability of the Food Services plan and campus catering contracts requires that these structural challenges be reviewed and corrected to the greatest extent possible. In early 2009 Food Services began a comprehensive strategic review of the Keele campus market, in order to develop a food service master plan and to conduct an assessment of the residence Meal Plan program, based on quantitative research. Recommendations from this review will be presented to senior administration in early 2010.

Changes in revenues in the current plan are largely the result of the change in primary service providers that occurred in summer 2008, and the two-year closure of food services in the Osgoode Hall Law School building due to renovations. Increased revenues from a new contract for Glendon food services have also been incorporated. The unfavourable results experienced in fiscal 2008-2009 resulted from the requirement for capital buy-back expenses resulting from terminated contracts.

Fiscal 2008-2009 results reflect an operating deficit of \$705K as a result of that terminated contract.

9.2 Printing Services

Printing Services serves the community with the printing of stationery and other related printing matter including secure printing of exams and diplomas, course materials including course kits, and a wide range of marketing and communication projects. Printing Services incorporates the Copyright Clearance Centre, which provides customized publishing services while ensuring all copyright royalties are respected. Accounting for the value of these services, the revenues from course kits exceeds 50% of total revenues.

The department works strenuously to improve its campus market share, however, future demand for printing will depend upon decisions by departments and Faculties to outsource or keep printing in house.

Course kit volumes have declined slightly, due in part to the increased cost of copyright, but continue to be widely used for course materials. Work is being done to improve workflow while introducing digital alternatives that would be sold through the Bookstore.

Despite the uncertainty of revenues, increases of 1.5% are incorporated in the long term plan. There are modest investments to maintain and replace equipment, facilities, and technology, including state of the art graphics and digital programs. There will be an emphasis on continual process improvement, enhanced service methods, and a focus on bottom line results. By controlling and reducing fixed costs, enhancing and providing a reliable service, it is expected that the unit will provide a return of 5%.

Fiscal 2007-2008 shows a profit of \$156K, \$20K favourable to the budget. Fiscal 2008-2009 reflects a loss of \$13K, \$147K unfavourable to the budget due to the labour disruption.

APPENDIX
2009 Long-Term Plans

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
BOOKSTORE
in \$000s**

	Actual	Actual	Budget										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Revenue													
Revenue from Sales	\$20,265	\$19,283	\$19,822	\$19,402	\$19,671	\$19,952	\$20,238	\$20,529	\$20,824	\$21,124	\$21,430	\$21,740	
Rent Subsidy from York University	\$464	\$629	\$552	\$559	\$561	\$564	\$567	\$569	\$572	\$575	\$578	\$581	
Total Revenue	\$20,729	\$19,912	\$20,374	\$19,961	\$20,232	\$20,516	\$20,805	\$21,098	\$21,396	\$21,699	\$22,007	\$22,320	
Expenses													
Remuneration	\$2,878	\$3,471	\$2,875	\$2,729	\$2,551	\$2,367	\$2,414	\$2,462	\$2,512	\$2,562	\$2,613	\$2,665	
Cost of Goods Sold	\$15,349	\$14,556	\$14,678	\$14,664	\$14,872	\$15,089	\$15,309	\$15,533	\$15,761	\$15,992	\$16,227	\$16,466	
Occupancy Costs	\$988	\$1,191	\$1,064	\$1,070	\$1,080	\$1,090	\$1,100	\$1,110	\$1,121	\$1,132	\$1,143	\$1,154	
Other Operating Expenses	\$1,251	\$1,356	\$1,308	\$1,239	\$1,256	\$1,274	\$1,293	\$1,311	\$1,330	\$1,349	\$1,374	\$1,399	
Capital Expenditures	\$6	\$15	\$20	\$20	\$21	\$21	\$22	\$22	\$22	\$23	\$23	\$24	
Total Expenses	\$20,472	\$20,589	\$19,944	\$19,723	\$19,781	\$19,841	\$20,138	\$20,439	\$20,746	\$21,058	\$21,380	\$21,708	
Net Income/(Loss) for Fiscal Year	\$256	(\$677)	\$430	\$239	\$451	\$675	\$667	\$659	\$650	\$642	\$627	\$612	
Net Income/(Loss) per Nov. 2008 Plan			\$404	\$522	\$566	\$589	\$611	\$638	\$689	\$719	\$479	\$434	
Change from Nov. 2008 Plan			\$25	(\$283)	(\$115)	\$86	\$55	\$21	(\$39)	(\$77)	\$148	\$178	
Cumulative Change from Nov. 2008 Plan													\$0

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
STUDENT HOUSING SERVICES
in \$000s**

	Actual	Actual	Budget									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	\$24,225	\$23,665	\$25,003	\$25,546	\$25,982	\$26,423	\$26,996	\$27,606	\$28,243	\$28,896	\$29,567	\$30,255
Total Revenue	\$24,225	\$23,665	\$25,003	\$25,546	\$25,982	\$26,423	\$26,996	\$27,606	\$28,243	\$28,896	\$29,567	\$30,255
Expenses												
Remuneration	\$5,038	\$5,298	\$5,521	\$5,686	\$5,800	\$5,916	\$6,034	\$6,155	\$6,278	\$6,404	\$6,532	\$6,663
Other Operating Expenses	\$5,744	\$4,418	\$5,267	\$5,372	\$5,480	\$5,589	\$5,701	\$5,815	\$5,931	\$6,050	\$6,171	\$6,294
Energy (HVAC, Electricity, Water)	\$5,686	\$5,197	\$5,566	\$5,711	\$5,899	\$6,031	\$6,244	\$6,470	\$6,709	\$7,036	\$7,464	\$7,922
Capital Expenditures	\$1,160	\$1,888	\$1,930	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,908	\$1,520
Total Operating Expenses	\$17,628	\$16,801	\$18,284	\$18,470	\$18,879	\$19,236	\$19,680	\$20,140	\$20,619	\$21,190	\$22,074	\$22,398
Operating Income	\$6,596	\$6,864	\$6,719	\$7,076	\$7,102	\$7,187	\$7,316	\$7,466	\$7,624	\$7,707	\$7,493	\$7,856
Contribution to Capital Reserve	\$0	\$0	\$0	\$3,350	\$3,350	\$3,350	\$3,350	\$3,298	\$3,440	\$3,583	\$3,454	\$3,980
Labour Disruption 08/09 Impact			(\$1,400)									
Debt Service Costs	\$6,214	\$6,214	\$6,214	\$3,478	\$3,478	\$3,478	\$3,478	\$3,478	\$3,478	\$3,401	\$3,299	\$3,120
Net Income/(Loss) for Fiscal Year	\$382	\$649	\$1,905	\$248	\$274	\$358	\$488	\$690	\$706	\$722	\$739	\$756
Net Income/(Loss) per Nov. 2008 Plan			\$505	\$291	\$659	\$931	\$1,121	\$708	\$721	\$734	\$747	\$761
Change from Nov. 2008 Plan			\$1,400	(\$43)	(\$385)	(\$573)	(\$633)	(\$18)	(\$15)	(\$11)	(\$8)	(\$4)
Cumulative Change from Nov. 2008 Plan												(\$290)

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
PARKING SERVICES
in \$000s**

	Actual	Actual	Budget	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue												
Revenue	\$18,873	\$17,313	\$20,180	\$20,261	\$20,357	\$20,496	\$20,639	\$20,980	\$21,128	\$21,279	\$21,433	\$21,590
Total Revenue	\$18,873	\$17,313	\$20,180	\$20,261	\$20,357	\$20,496	\$20,639	\$20,980	\$21,128	\$21,279	\$21,433	\$21,590
Expenses												
Remuneration	\$2,929	\$3,031	\$3,229	\$3,441	\$3,510	\$3,580	\$3,651	\$3,724	\$3,799	\$3,875	\$3,952	\$4,031
Cost of Sales TTC Metropasses	\$4,324	\$4,472	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136	\$5,136
Other Operating Expenses	\$2,334	\$2,398	\$2,198	\$2,252	\$2,299	\$2,349	\$2,400	\$2,452	\$2,506	\$2,560	\$2,616	\$2,673
Overhead	\$481	\$2,337	\$657	\$677	\$691	\$704	\$719	\$733	\$748	\$763	\$778	\$793
Capital Maintenance	\$256	\$325	\$587	\$587	\$587	\$587	\$587	\$587	\$587	\$587	\$587	\$587
Total Expenses	\$10,324	\$12,563	\$11,807	\$12,092	\$12,222	\$12,356	\$12,493	\$12,632	\$12,775	\$12,920	\$13,069	\$13,221
Operating Income Before Amort/Land Rent	\$8,549	\$4,750	\$8,373	\$8,169	\$8,135	\$8,140	\$8,146	\$8,348	\$8,353	\$8,359	\$8,364	\$8,370
Amortization - Debt	\$5,232	\$5,204	\$5,176	\$5,147	\$5,119	\$4,908	\$4,426	\$4,202	\$4,202	\$4,202	\$4,202	\$4,202
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,221	\$1,194	\$1,167	\$1,139	\$1,110
Net Contribution Transp/goSAFE/CCTV/Card Acces	\$1,253	\$1,306	\$1,369	\$1,410	\$1,438	\$1,467	\$1,497	\$1,526	\$1,557	\$1,588	\$1,620	\$1,652
Land Rent	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189
Total Amortization, Reserve, Land Rent	\$7,674	\$7,698	\$7,734	\$7,746	\$7,746	\$7,564	\$7,112	\$8,138	\$8,142	\$8,146	\$8,150	\$8,154
Net Income/(Loss) for Fiscal Year	\$875	(\$2,949)	\$640	\$422	\$389	\$577	\$1,034	\$210	\$211	\$213	\$214	\$216
Net Income/(Loss) per Nov. 2008 Plan			\$640	\$441	\$390	\$562	\$1,003	\$207	\$209	\$210	\$212	\$213
Change from Nov. 2008 Plan			\$0	(\$19)	(\$2)	\$15	\$31	\$2	\$2	\$2	\$2	\$3
Cumulative Change from Nov. 2008 Plan												\$38

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
YU-Card Program
in \$000s**

	Actual	Actual	Budget									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue												
Revenue	\$324	\$390	\$712	\$552	\$645	\$646	\$701	\$748	\$798	\$850	\$906	\$965
Expense Recovery - Central Support	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Total Revenue	\$424	\$490	\$812	\$652	\$745	\$746	\$801	\$848	\$898	\$950	\$1,006	\$1,065
Expenses												
Remuneration	\$258	\$265	\$287	\$296	\$302	\$308	\$314	\$320	\$327	\$333	\$340	\$347
Other Operating Expenses	\$189	\$185	\$254	\$232	\$237	\$241	\$246	\$251	\$256	\$261	\$266	\$272
Major Renovations/Equip/Soft Licence	\$118	\$186	\$340	\$151	\$212	\$227	\$211	\$229	\$292	\$235	\$240	\$245
Total Expenses	\$566	\$635	\$881	\$679	\$751	\$776	\$771	\$801	\$875	\$829	\$846	\$863
Net Income/(Loss) for Fiscal Year	(\$142)	(\$145)	(\$69)	(\$27)	(\$6)	(\$30)	\$30	\$47	\$22	\$121	\$160	\$202
Net Income/(Loss) per Nov. 2008 Plan			(\$69)	(\$82)	(\$51)	(\$16)	\$45	\$68	\$93	\$121	\$150	\$202
Change from Nov. 2008 Plan			(\$0)	\$55	\$46	(\$14)	(\$15)	(\$21)	(\$71)	\$0	\$10	(\$0)
Cumulative Change from Nov. 2008 Plan												(\$9)

**ANCILLARY OPERATIONS
OCTOBER 2009 LONG-TERM FORECAST
UIT, TELECOMMUNICATIONS
in \$000s**

	Actual 2007	Actual 2008	Budget 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	\$5,711	\$5,427	\$4,979	\$4,952	\$4,934	\$4,920	\$4,909	\$4,901	\$4,894	\$4,889	\$4,884	\$4,881
Expenses												
Remuneration	\$1,918	\$1,967	\$1,984	\$2,149	\$2,171	\$2,181	\$2,213	\$2,235	\$2,257	\$2,280	\$2,305	\$2,329
Other Operating Expenses	\$1,669	\$1,448	\$1,124	\$1,132	\$1,144	\$1,158	\$1,174	\$1,191	\$1,210	\$1,230	\$1,251	\$1,255
Repair / Maintenance (Inventory/amortization)	\$200	\$224	\$200	\$200	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Debt Service Costs	\$602	\$570	\$172	\$143	\$232	\$306	\$249	\$234	\$225	\$116	\$57	\$57
Total Expenses	\$4,389	\$4,209	\$3,480	\$3,624	\$3,647	\$3,745	\$3,736	\$3,760	\$3,792	\$3,726	\$3,713	\$3,741
Net Income/(Loss) for Fiscal Year	\$1,322	\$1,218	\$1,499	\$1,328	\$1,287	\$1,175	\$1,173	\$1,141	\$1,102	\$1,163	\$1,171	\$1,140
Net Income/(Loss) per Nov. 2008 Plan			\$1,573	\$1,470	\$1,358	\$1,270	\$1,237	\$1,172	\$1,188	\$1,153	\$1,057	\$1,215
Change from Nov. 2008 Plan			(\$74)	(\$142)	(\$71)	(\$95)	(\$64)	(\$31)	(\$86)	\$10	\$114	(\$75)
Cumulative Change from Nov. 2008 Plan												<u>(\$514)</u>

ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
EXECUTIVE LEARNING CENTRE & NADAL MANAGEMENT CENTRE
in \$000s

	Actual 2007	Actual 2008	Budget 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Revenue													
Executive Learning Centre	6,221	5,779	4,700	6,900	8,400	9,160	9,500	10,020	10,500	10,800	8,000	8000	
Nadal Management Centre	395	685	690	1,096	1,102	1,166	1,172	1,178	1,185	1,192	1,198	1198	
Total Revenue	6,616	6,464	5,390	7,996	9,502	10,326	10,672	11,198	11,685	11,992	9,198	9,198	
Expenses													
Executive Learning Centre	4,831	4,956	4,700	4,970	5,270	5,640	5,700	5,800	5,900	5,950	5,950	5,950	
Nadal Management Centre	771	862	1,103	1,103	1,103	1,167	1,167	1,167	1,167	1,167	1,167	1167	
Amortization of ELC Start-Up Costs	303	303	202	0	0	0	0	0	0	0	0	0	
Depreciation of ELC Fixed Assets	284	284	250	165	160	160	200	200	200	200	200	200	
Debt Repayment	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1850	
Total Expenses	8,039	8,255	8,105	8,088	8,383	8,817	8,917	9,017	9,117	9,167	9,167	9,167	
Net Income/(Loss) for Fiscal Year	(1,423)	(1,791)	(2,715)	(92)	1,119	1,509	1,755	2,181	2,568	2,825	31	31	
Net Income/(Loss) per Nov. 2008 Plan			(1,421)	(1,134)	(731)	(77)	623	1,403	2,091	2,473	2,773	2,773	
Change from Nov. 2008 Plan			(1,294)	1,042	1,850	1,586	1,132	778	477	352	(2,742)	(2,742)	
Cumulative Change from Nov. 2008 Plan													439

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
FOOD AND CONTRACT MANAGEMENT
in \$000s**

	Actual	Actual	Budget									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	\$1,838	\$1,477	\$1,616	\$1,643	\$1,791	\$1,833	\$1,853	\$1,874	\$1,899	\$1,921	\$1,943	\$1,965
Total Revenue	\$1,838	\$1,477	\$1,616	\$1,643	\$1,791	\$1,833	\$1,853	\$1,874	\$1,899	\$1,921	\$1,943	\$1,965
Expenses												
Remuneration	\$222	\$229	\$246	\$254	\$259	\$264	\$269	\$275	\$280	\$286	\$292	\$297
Other Operating Expenses	\$690	\$653	\$720	\$734	\$752	\$767	\$787	\$808	\$834	\$867	\$906	\$1,001
Major Renovations/Mtce/Equipment	\$358	\$1,299	\$556	\$526	\$486	\$496	\$506	\$516	\$529	\$543	\$554	\$565
Total Expenses	\$1,270	\$2,182	\$1,523	\$1,514	\$1,497	\$1,527	\$1,562	\$1,599	\$1,644	\$1,695	\$1,751	\$1,863
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	\$568	(\$705)	\$93	\$129	\$294	\$306	\$291	\$276	\$255	\$226	\$192	\$103
Net Income/(Loss) per Nov. 2008 Plan			\$93	\$144	\$145	\$144	\$143	\$142	\$138	\$133	\$132	\$63
Change from Nov. 2008 Plan			(\$0)	(\$15)	\$149	\$162	\$148	\$134	\$118	\$93	\$61	\$39
Cumulative Change from Nov. 2008 Plan												\$888

**ANCILLARY OPERATIONS
NOVEMBER 2009 LONG-TERM FORECAST
PRINTING SERVICES
in \$000s**

	Actual	Actual	Budget									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	\$3,105	\$2,934	\$2,889	\$2,931	\$2,975	\$3,019	\$3,064	\$3,109	\$3,155	\$3,202	\$3,263	\$3,326
Expenses												
Remuneration	\$1,320	\$1,433	\$1,336	\$1,376	\$1,404	\$1,432	\$1,461	\$1,490	\$1,520	\$1,550	\$1,581	\$1,613
Cost of Sales	\$1,142	\$1,145	\$974	\$988	\$1,003	\$1,017	\$1,032	\$1,048	\$1,063	\$1,079	\$1,099	\$1,120
Major Renovations/Equipment	\$28	\$10	\$75	\$40	\$36	\$31	\$26	\$21	\$15	\$10	\$12	\$11
Other Operating Expenses	\$459	\$358	\$397	\$390	\$393	\$397	\$401	\$405	\$409	\$414	\$418	\$426
Total Expenses	\$2,949	\$2,947	\$2,781	\$2,794	\$2,836	\$2,877	\$2,920	\$2,963	\$3,007	\$3,052	\$3,110	\$3,170
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	\$156	(\$13)	\$107	\$137	\$139	\$141	\$143	\$146	\$148	\$150	\$153	\$156
Net Income/(Loss) per Nov. 2008 Plan			\$133	\$135	\$137	\$139	\$141	\$143	\$145	\$147	\$150	\$153
Change from Nov. 2008 Plan			(\$25)	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
Cumulative Change from Nov. 2008 Plan												\$0



Board of Governors

Governance and Human Resources Committee

Report to the Board of Governors at its meeting of December 7, 2009

The committee met on November 4, 2009 and makes this report to the Board for information:

Governance Issues: Nominations

The committee is continuing to consider candidates for the remaining Board vacancy which it has determined should be filled by a nominee with financial and business expertise. It is expected that a suitable candidate will be proposed by the next meeting.

Human Resources Issues:

Since the last Board meeting the committee has continued to **oversee the human resources risks** faced by the university. It received reports on ongoing **labour relations** issues including the appointment of an administrator for CUPE 3903 and the contract discussions with the Osgoode Hall Faculty Association, OPSEU and CUPE 1356 (2) (student security personnel). We also received a progress report on the matter before the **Financial Services Commission of Ontario** on the interpretation of the non reduction guarantee in the university's pension plan. The hearing is scheduled for early 2010.

Vice President Brewer reported on the results of the **performance ratings of the Confidential, Professional and Managerial employees for the 2008-2009 performance year**, which arise out of the CPM Compensation Management System that was implemented in 2006 in conjunction with a new Job Evaluation Plan. The system is based on the principle that compensation programs are designed and administered to recruit and retain excellence, be fiscally responsible, to consider both internal equity and external market factors, be transparent and straightforward, and to establish employee performance as the primary driver of changes to individual compensation. In keeping with these principles, merit for job performance was the sole basis for individual compensation for CPM employees, a departure from the previous "across the board" salary increases. A copy of the memorandum from Vice President Brewer outlining the program and the distribution of the awards is attached as Appendix A to this report.

Assistant Vice President Sharon Hooper gave an overview of the progress being made on **learning and development initiatives** noting particularly the work being done on internships for potential Executive Officers and the Leadership Development programs. The regular **report on WSIB** performance indicated that a few claims of knee and back injury continue to account for the majority of lost days, but there has been a substantial decrease in days lost from the first quarter of 2009 to the third which is a positive sign. A copy of the graph showing the statistics from January 2006 to the present is attached as Appendix B to this report. All new claimants are receiving timely offers of modified work and the university is aggressively pursuing return to work opportunities.

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Memo

To: Board Governance and Human Resources Committee

From: Gary Brewer, Vice-President Finance and Administration

Date: November 4, 2009

Subject: 2008 – 2009 CPM Performance Distribution and Merit Awards

INTRODUCTION

The purpose of this memorandum is to report on the results of the performance ratings of Confidential, Professional and Managerial (CPM) employees for the 2008-2009 performance year and the related merit awards.

BACKGROUND

The CPM Compensation Management System was implemented in 2006. It was developed in conjunction with a new Job Evaluation Plan and based on the principle that compensation programs are designed and administered:

- to recruit and retain excellence in human resources and contribute positively to the University's goal of being the employer of choice within the university sector;
- to be fiscally responsible;
- to consider both internal equity and external market factors;
- to be transparent, straightforward and compliant with employment related legislation including the principles of "equal pay for equal work" and "equal pay for work of equal value"; and
- to establish employee performance as the primary driver of changes to individual compensation.

2008-2009 was the third year of this program. Some program changes were made particularly to the design and salary administration of the A to C grades (administrative support jobs largely of a "Confidential" nature). The salary ranges were converted from a fixed step approach to an open range approach similar to the D to J grades (jobs largely of a "Professional and Managerial nature), but with a narrower range structure. In addition, another performance level was added to the A to C group of jobs. These changes allowed for more comparable merit adjustments between A to C and D to J.

The 2008-2009 program again focused on merit for job performance as the sole basis for individual compensation increase for CPM employees (as was introduced in 2007-2008) – with no reference to "across-the-board" (ATB) salary increases.



SUMMARY OF RESULTS

A. Performance Distribution

Appendix A1 summarizes the actual distribution of the performance levels for the CPM organization by percentage, number of employees and category (A to C and D to J) and includes the targeted distribution associated merit percentage. Appendix A2 summarizes the distribution of performance levels by Division.

Appendix B contains the definitions for the four performance levels for group A to C and the five performance levels for group D to J.

Grades A to C (Confidential clerical/administrative group)

Given the group of employees in Grades A to C, one would expect to see the majority of employees in their first year of employment at performance level 2 moving to performance level 3 in their second year. Depending on employee turnover in this group of employees one would expect 75% to 80% of employees in a mature organization such as York University to be at performance level 3 and approximately 5% at Level 4. While the overall performance distribution of this group is acceptable it is skewed a little heavily to level 4.

Grades D to J (Specialist, Professional, Management, Senior Management)

As the program matures, we will be better able to track whether employees at performance level 1 (“does not meet expectations”) improve to the next level in their current job, transfer to other jobs in the organization or transition out of the organization (voluntarily or involuntarily). The current thinking is that the majority rated at this level do transition out of the organization one way or the other.

The majority of employees rated at performance level 2 should be those who are new to the organization and developing in their role. However, a substantial number of employees new to the organization or the job were not rated at this level. Normally, an organization would see employees moving from this level to performance level 3 and beyond. Depending on the number of new hires/promotions in a given performance period, one would expect to see the largest fluctuation, year over year, between performance Level 2 and 3.

Depending on employee turnover, one would expect up to 60% of employees in a mature organization such as York University to be at performance level 3 and approximately 20% at Level 4 and 5% at level 5. Overall, the organization is skewed too heavily towards performance levels 4 and 5 at just under 40% -- two Divisions in particular at level 4 (Academic and Research & Innovation) and two Divisions in particular at level 5 (Academic and Finance & Administration). More rigorous application of performance management and refinement of performance level criteria may correct the tendency to award the same people levels 4 and 5 year over year.

B. Merit Awards – Base Salary Adjustments

	<u>2008/2009</u>	<u>2007/2008</u>	<u>2006/2007</u>
Grades A to C			
Does Not Meet Expectations	0%	0%	0 + 3.3% ATB
Meets Some Expectations	3.25%	n/a	n/a
Meets All Expectations	3.75%	6%	3% + 3.3% ATB
Exceeds Expectations	4.25%	9%	6% + 3.3% ATB
Grades D to J			
Does Not Meet Expectations	0%	0%	0 + 3.3% ATB
Meets Most Expectations	3.25%	3.0%	2% + 3.3% ATB
Meets All Expectations	3.75%	4.5%	3% + 3.3% ATB
Exceeds Expectations	4.25%	6.0%	4% + 3.3% ATB
Outstanding	4.75%	7.5%	6% + 3.3% ATB

NEXT STEPS / LOOKING AHEAD

The University continues to be committed to a merit program applicable to all eligible CPM employees based on their job performance. Within the University's present financial context, it may become increasingly difficult to sustain meaningful levels of pay for performance. Given existing union contracts awarding automatic increases each year, we must continue to recognize the performance of CPM employees beyond those automatic union awards if we wish to continue to attract and retain high calibre, high performing employees. The trend over the past three years since this program was implemented has been to reduce the merit amounts and reduce the merit differential between the performance levels (in percent of base salary terms). The University needs to be wary of reducing compensatory increases to an extent that merit becomes meaningless. Likewise, the award differentials between performance levels need to be sufficient to encourage employees to perform at and beyond expectation and to continue to build a culture of performance within the management community.

Continued training on performance management and linking employee goals and objectives to clearly defined business plans will increase the efficacy of the program and provide the basis for more rigour in the application of the performance level definitions.

**CPM Organization
Actual Distribution of Performance Ratings
2008/2009**

Appendix A1

Salary Adjustments Grades A to C

Performance Level	2008 - 2009 Merit Adjustment	Target Distribution of Performance Ratings	Actual Distribution of Performance Ratings	Number of Staff Within this Level
1. Does Not Meet Expectations	0%	0-10%	0.00%	0
2. Meets Some Expectations	3.25%	Up to 15%	11.67%	7
3. Meets All Expectations	3.75%	Up to 75%	76.67%	46
4. Exceeds Expectations	4.25%	0-10%	11.67%	7
				60

Appendix A1

Salary Adjustments Grades D to J

Performance Level	2008 - 2009 Merit Adjustment	Target Distribution of Performance Ratings	Actual Distribution of Performance Ratings	Number of Staff Within this Level
1. Does Not Meet Expectations	0%	0-10%	1.11%	7
2. Meets Most Expectations	3.25%	25%-35%	11.45%	72
3. Meets All Expectations	3.75%	35%-45%	48.81%	307
4. Exceeds Expectations	4.25%	15%-20%	34.18%	215
5. Outstanding	4.75%	0-5%	4.45%	28
				629

**CPM Organization
Performance Rating Distribution Summary
2008-2009**

Appendix A2

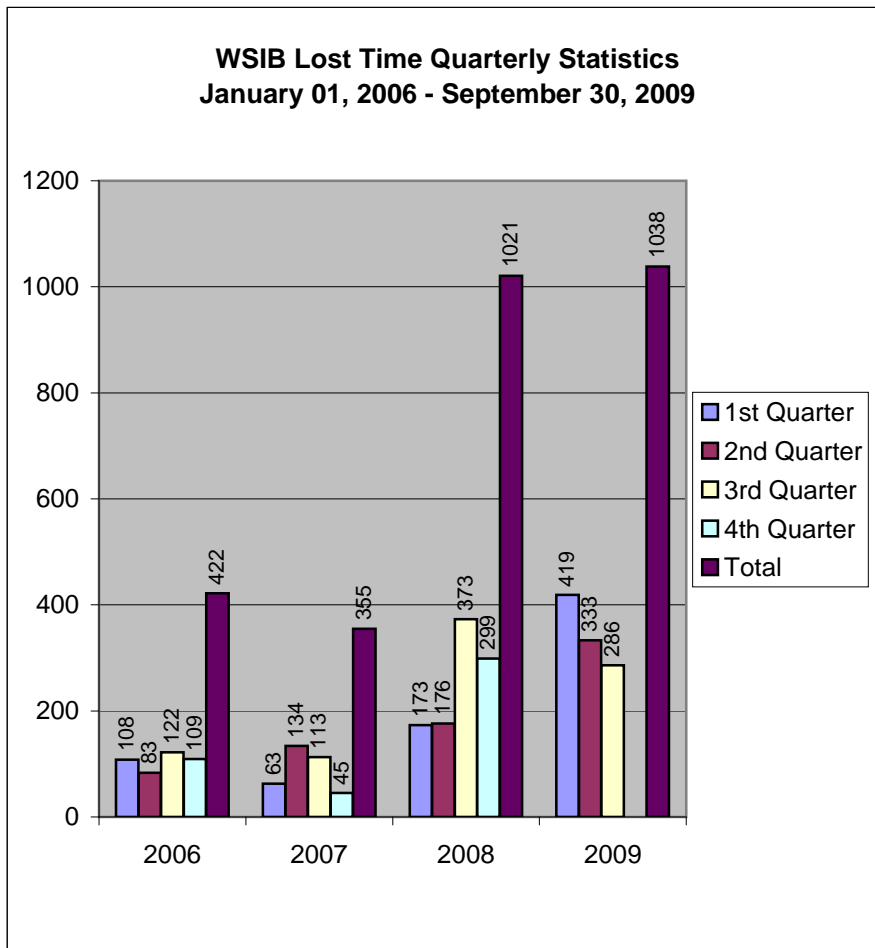
Division	Grades A to C					Grades D to J					
	Total # Eligible Employees	Performance Level 1	Performance Level 2	Performance Level 3	Performance Level 4	# Eligible Employees	Performance Level 1	Performance Level 2	Performance Level 3	Performance Level 4	Performance Level 5
Academic	9	0.00%	11.11%	77.78%	11.11%	224	1.79%	8.48%	42.41%	41.96%	5.36%
Finance & Administration	27	0.00%	18.52%	74.07%	7.41%	173	1.16%	12.72%	55.49%	24.86%	5.78%
Students	5	0.00%	20.00%	60.00%	20.00%	132	0.00%	14.39%	50.00%	33.33%	2.27%
President	15	0.00%	0.00%	86.67%	13.33%	86	1.16%	10.47%	54.65%	30.23%	3.49%
Research & Innovation	4	0.00%	0.00%	75.00%	25.00%	14	0.00%	21.43%	21.43%	57.14%	0.00%
Total Organization	60	0.00%	11.67%	76.67%	11.67%	629	1.11%	11.45%	48.81%	34.18%	4.45%

**CPM Organization
Performance Rating Distribution Summary
2008-2009**

Appendix A2

Appendix B

**Governance and Human Resources Committee
WSIB Quarterly Statistics
January 01, 2006 - September 30, 2009**



LAND AND PROPERTY COMMITTEE

Report to the Board of Governors at its meeting of December 7, 2009

The Land & Property Committee met by teleconference on 12 November 2009 and submits this report to the Board for information:

1. Secondary Plan Issues (Under Physical Infrastructure Risk)

Final Report to City Council

The updated York University Secondary Plan was approved by the North York Community Council on November 10, 2009. It was commended by Council as being a transit-supportive plan that connects and integrates well with the University's surrounding neighbourhoods. The North York Community Council will recommend approval of the Plan by the Toronto City Council at its meeting on November 30, 2009. The outcome of that meeting will be reported at the Board meeting on December 7, 2009.

With City Council's approval of the Secondary Plan, it will be brought forward to the Board for approval.

Heritage Act Proceedings

It was reported to the Board at the meeting in October that the City wished to have 14 academic buildings and four pioneer structures at the Keele Campus evaluated with a view to "list" those academic buildings that showcase modern architecture on the City's Inventory of Heritage Properties, and to "designate" the pioneer structures in accordance with the Ontario Heritage Act. At its meeting on October 22, 2009 The Toronto Heritage Preservation Board approved the recommendation to *list* the 14 buildings and to *designate* Stong House, Stong Barn and the Hoover House under the Ontario Heritage Act. These recommendations were also approved by the North York Community Council on November 10, 2009 and will in turn be recommended for approval by the Toronto City Council on December 1, 2009. If passed by City Council, formal notice under the Heritage Act to *designate* and *list* all of the buildings will proceed in 2010. This is a constructive development which will bring positive recognition for the University.

University's Appeal of the Toronto Official Plan

In 2003 the University filed an appeal at the Ontario Municipal Board (OMB) regarding the adoption of the City of Toronto's 2002 Official Plan. The appeal targeted specific policy issues contained in the Plan that applied to both the Keele and Glendon campuses. Resolution of the issues in relation to the Keele campus has been achieved in the amended Secondary Plan process. Upon Toronto City Council's approval of the amended Secondary Plan, the University, with the support of the City, will formally withdraw its appeal of the Toronto Official Plan to the OMB. The withdrawal of the appeal is a necessary step towards the Secondary Plan approval being granted legislative status.

The resolution of matters pertaining to the Glendon campus have also been resolved by the City's amendment of its Official Plan in a manner that satisfactory reflects York's original concern. As such, the City intends to propose a motion to the OMB to dismiss the University's original appeal as it pertains to the Glendon campus; the University will not oppose the motion to dismiss the Glendon appeal.

Memo

To: Board of Governors

From: Paul Cantor, Chair, Executive Committee

Date: November 27, 2009

Subject: Appointment and Reappointment to Pension Fund Board of Trustees

Recommendation

That the Board of Governors approve the following appointment and reappointment to the *Pension Fund Board of Trustees*:

Appointment:

Susan Black as a Board of Governors' nominee, effective January 1, 2010 for a three-year term.

Rationale

The Pension Fund Board of Trustees has responsibility for the pension fund as delegated by the Board of Governors under the Trust Agreement. The Board of Governors approves the appointment of all members to the Pension Fund Board of Trustees – from the employee groups, administration and the Board of Governors.

Mr Tsubouchi, one of three Governors serving on the Board of Trustees, is completing his term as a Trustee. It is recommended that Dr Black succeed Mr Tsubouchi as a Trustee. Her considerable background in investment and corporate banking makes her very well suited to the role.

Reappointment:

Iouldouz Raguimov as a CUPE 3903 nominee, effective October 1, 2009, for a three year term.

Mr. Raguimov teaches in the Department of Mathematics and Statistics. This is his first reappointment as a Trustee and has been a member of the Pension Fund Board of Trustees since 2006.

Rationale

The Pension Fund Board of Trustees (BoT) has responsibility for the pension fund as delegated by the Board of Governors under a Trust Agreement. BoT's Terms of Reference, approved by the Board of Governors, specify that various bodies recommend members for BoT. Those recommended become members when they are approved by the Board of Governors and have signed an acknowledgement that they are bound by the Trust Agreement.

Even though a specific body nominates a Trustee, once appointed, Trustees do not represent only that particular body, but have fiduciary responsibilities to all the members and beneficiaries of the pension plan.

The normal term of office is three years, with retiring members being eligible for reappointment.