



York University
Board of Governors

Notice of Meeting
Monday, December 6, 2010
3:00 pm to 6:00 pm

Marshall A. Cohen Governance Room
5th Floor, York Research Tower
Keele Campus

AGENDA

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II. OPEN SESSION (approximately 3:30 pm)

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1.1 Report on Items Decided in the Closed Session

1.2 Executive Committee1

2. President's Items (M. Shoukri)

2.1 Updates and Outstanding Issues

2.2 Presentation: "Cognitive Consequences of Lifelong Bilingualism" (E. Bialystok, Distinguished Research Professor, Department of Psychology, Faculty of Health)

3. Land and Property Committee (M. Lievonen)2

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8. Investment Committee (G. Burry, oral report)

9. Pension Fund Board of Trustees (S. Black, oral report)

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CONSENT AGENDA

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Harriet Lewis
Secretary

York University

Board of Governors

Minutes of the Open Session of the Meeting of

 Monday, 4 October, 2010

 Marshall A. Cohen Governance Room, York Research Tower

<i>Present:</i>	<i>Regrets:</i>	<i>Others:</i>	
Paul Cantor, Chair Susan Black Guy Burry David Denison Julia Foster Billy Gyamfi Rosemary Heneghan Ozench Ibrahim Debbie Jamieson Kuttimol Kurian Patrick LeSage Mark Lievonen Kevin McKeague Penelope Reed-Doob Samuel Schwartz Mamdouh Shoukri George Turlakis Paul Tsparis Bryan Zarnett Honorary Governors Phil Lapp <i>Harriet Lewis, Secretary</i>	Terrie-Lynne Devonish Deborah Hutton Zahir Janmohamed Sandra Levy Robert Lewis Roy McMurtry Ken Ng David Tsubouchi	James Allan Cynthia Archer John Bachelor Noël Badiou Bruno Bellissimo Cindy Bettcher Alex Bilyk Gary Brewer Glen Craney Susan Dimock Steve Dranitsaris Joanne Duklas Carolyn Embury Sharon Hooper Roger Keil Janusz Kozinski David Lawson Paul Marcus Ijade Maxwell-Rodrigues James McGrath Patrick Monahan Maria Papadopoulos Trudy Pound-Curtis Bud Purves	Jennifer Sloan Lorne Sossin Rob Tiffin Jacqueline Volkhammer Willam van Wijngaarden Chris Wong Berton Woodward Cathy Yanosik <i>Cheryl Underhill Assistant Secretary</i> <i>Elaine MacRae Board Coordinator</i>

II. OPEN SESSION

1. Chair's Items

Susan Dimock and William van Wijngaarden, the Chair and Vice-Chair of Senate respectively, Lorene Sossin, Dean of Osgoode Hall Law School and Janusz Kozinski, Dean of the Faculty of Science and Engineering, were all welcomed to their positions. Congratulations were extended on behalf of the Board to Mr Tsubouchi for his appointment as the Ombudsperson for the City of Richmond Hill; and to Ms Lewis as the 2010 recipient of the Bryden *Local Hero Alumni Award* and the *John Hackett Memorial Award* from the Canadian Association of University Solicitors.

The 2009-2010 academic year brought important advances in academic planning with Senate's endorsement of the Provostial White Paper and the establishment of a new strategic planning framework in the Faculty of Liberal Arts & Professional Studies. The Board of Governors will fulfill its role in the achievement of the University's goals as they are manifested in financial resources, property or reputational matters brought before the Board. The Board committees will continue to consider their agendas in the risk management framework to provide a benchmark to evaluate progress.

1.1 Report on Items Decided 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 **Paul Tsparis and Honey Sherman** commencing October 4, 2010.

2. President's Items

2.1 Looking Forward: 2010-2011 Objectives

Dr Shoukri provided an overview of his objectives for the academic year, including:

- continued focus on the long-term goal of building a more comprehensive and research intensive university specifically, oversight of the implementation of the White Paper goals
- aligning budgetary decisions with academic priorities
- improved efficiencies in the administrative structure of the University, through the establishment of a budget resource review project
- amalgamating the fund-raising, alumni affairs and university advancement operations into one new unit to enhance the efficiency and operations within these areas
- enhancing the working environment, through the continuation of the *Better Employer-Better Workplace* initiative
- establishing a strategic communications and government relations plan.

The President also shared recent matters of note at the University such as the success of Osgoode and Schulich in ranking results, the election of four faculty members into the Royal Society of Canada, the intent to build a stadium to host the track & field events of the Pan American Games and the sizeable increase in the success rate of SSHRC funding for 2010.

2.2 Presentation: Professor Roger Keil

Professor Keil gave a presentation on his research on global cities and urban infrastructure which was received with interest and appreciation.

3. Land and Property Committee

Mrs Foster spoke briefly to the written report circulated with the agenda. In order to see first hand the outcome of recent construction projects, members of the Committee were provided a tour of new facilities on the campus by the Vice-President Finance & Administration and the President of YUDC.

3.1 Pan Am Games Stadium Site Location

Mr Purves gave a presentation on the proposed site of the Pan American Games stadium in the athletic precinct of the Keele campus. A copy of the presentations slides are filed with these minutes.

3.2 Approval of the Stadium Site Location

It is the University's intention to maximize the opportunity presented by building the stadium and hosting the track & field events of the Pan American Games by establishing a national centre of

excellence in track and field at York. The key factors considered in selecting the proposed location of the stadium are its proximity to the existing Metro Toronto Track and Field Centre, and maximizing exposure of the University campus in the media's coverage of the Pan American Games. The realigning of the road network that would be necessary with the proposed stadium site is work that would eventually have to be done coincident with campus development plans. It was duly *agreed*,

That the Board approve the preferred location of the Pan Am Games stadium within the easterly portion of the athletic precinct of the Keele campus, south of the Toronto Track and Field Centre and west of the Boyer Wood Lot (as depicted in the map attached as Appendix A), subject to the completion of the site feasibility study.

3.3 Presentation: Subway Station Design

Mr Purves reported on the status of the subway construction project and the pending impact on campus of upcoming stages of construction. A copy of the presentation slides are filed with these minutes. The University and the YUDC are working closely with the TTC on the project. A dedicated office in York Lanes will be opening to keep the community apprised of the project plans and progress. Efforts will be made to maintain sufficient parking during the construction. Mr James McGrath, of the UK architecture firm Foster & Partners, provided a presentation on the design of the York University subway station. He highlighted the concept of the design and the firm's goal to integrate the campus green space and the existing elements of the Commons around the station building. The Board received the presentation with enthusiasm and extended its appreciation to Mr McGrath and his colleagues for the presentation.

4. Academic Resources Committee

Documentation circulated with the agenda was noted by Mr Schwartz. The Committee was pleased to learn that 42 new faculty appointment searches have been authorized, which represents progress towards the White Paper goals, and that a new University Academic Plan is being developed to dovetail with the White Paper.

4.1 Appointments, Tenure and Promotion

On the basis of the documentation circulated with the agenda, it was duly *agreed*,

That the Board accept the President's September 2010 report on Appointments, Tenure and Promotion.

5. Community Affairs Committee

In the absence of the chair, Ms Heneghan spoke to the written report distributed with the agenda. Amongst the issues highlighted were the plans and activities of the Office of Vice-President University Relations and the Fall 2010 enrolments. There has been a slight decline in the retention rates of year 2 and 3 students over the 2009-2010 results; management is investigating the reasons for the drop and continuing to monitor the situation this year.

The Committee will confirm its oversight responsibility and structure once the creation of the new unit for alumni and advancement is finalized.

6. Finance and Audit Committee

Mr Denison spoke to the report of the Finance & Audit Committee. The Committee is encouraged by the improving performance of the ancillary operations as a whole at the University. The pension plan remains an area of concern; a Board pension working group is providing advice to

management to help identify necessary changes for the University to achieve a sustainable plan. Ms Ibrahim, chair of the working group, will provide a report to the Board at its next meeting.

6.1 Building Fire System Upgrades

The documentation distributed with the agenda was noted. Several smaller projects are being brought together into one capital project. It was duly *agreed*,

That the Board approve a capital project in the amount of \$2,500,000 to consolidate several approved fire alarm projects into a single contract.

7. Governance and Human Resources Committee

In the absence of Mr Janmohamed, Mr Cantor presented the report of the Committee. In addition to the written report he highlighted the ongoing work of the committee to bring forward new candidates for the Board and monitor the University's human resources functions under the policy frameworks.

8. Investment Committee

Mr Burry was appointed the Chair of the Investment Committee, succeeding Mr Martin. Mr Cantor expressed appreciation to Mr Martin for serving as chair for the past several years, and for agreeing to remain on the Committee for the year ahead.

Mr Burry provided an oral report from the Committee's meeting the previous week. The endowment fund continues its steady recovery of the losses incurred from 2008-09, however the volatility of the markets remain a concern. The total amount of the endowment fund as at August 31, 2010 was \$289 million. The Committee has continued its focus on the performance and status of two fund managers and actions to address the concerns about their performance have been identified. The Treasurer's report to the Committee confirmed that the University has strong cash balances.

9. Other Business.

There was none.

10. In Camera Session

An *in camera* session was held. No further decisions were taken.

Consent Agenda

All consent items were deemed to be approved.

PAUL CANTOR
Chair

HARRIET LEWIS
Secretary



Board of Governors

EXECUTIVE COMMITTEE
Report to the Board of Governors
at its meeting of 6 December 2010

The Executive Committee met on November 19 and with the Senate Executive Committee on November 22 and in addition to the items on the agenda, makes this report for information:

External Speaker

A report was received on circumstances surrounding the lecture presented by George Galloway under the sponsorship of YFS. Administration members reported that the University's revised policies and procedures were largely successful in keeping both the lecture and the demonstrations within reasonable bounds.

Extension of Terms:

On the recommendation of the President and Vice President Academic and Provost, the committee agreed to the extension of the term of Cynthia Archer, the University Librarian, for a further three years from July 1 2011 to June 30 2014 and the term of Harvey Skinner, the Dean of the Faculty of Health, for a further five years from July 1 2011 to June 30 2016.

Risk Based Approach to Committees' Responsibilities:

The committee would like the oversight of the top risks identified by the Enterprise Risk Management Framework to be considered as an inherent part of each Board committee's work, and to that end, we will be reissuing a listing of the risks assigned to each committee for oversight and consideration as items appear on the agendas.

Review of Key Committee Issues:

In preparation for this meeting, and in general to inform all members of this committee, each of the committee chairs provided an overview of the key issues being taken up in their respective committees currently, and anticipated for the remainder of the governance year.

Meeting with the Senate Executive Committee:

The members of the two executive committees met informally on November 22 and engaged in a lively discussing of the possible implications for York of the report authored by Harvey Weingarten and Fiona Deller on behalf of the Higher Education Quality Council of Ontario and entitled "the Benefits of Greater Differentiation of Ontario's University Sector. The report is available at www.heqco.ca/siteCollectionDocuments/DifferentiationENG.pdf

Paul Cantor
Chair

LAND AND PROPERTY COMMITTEE

Report to the Board of Governors

at its meeting of 6 December 2010

The Land and Property Committee met on November 18, 2010 and in addition to items otherwise appearing on the agenda, makes this report for information.

York University Development Corporation: Pond and Sentinel Development

The committee received a detailed update from Mr. Purves on the process and progress of the proposed development of the lands along Pond Road and Sentinel Boulevard and agreed that a high level overview should be provided to the Board at this meeting, with more detail as well as any action items to come forward in the future.

Pan/Parapan Games Stadium Project Update

The Committee was brought up to date on the discussions with the Toronto 2015 Pan/Parapan organizers and received an overview of the proposed Stadium project, delivery schedule and the division of responsibilities between the parties. A great deal of work has been and is being done in planning the stadium facility, with attention to all of the due diligence issues such as environmental impact, physical interface with the campus itself, and what the optimum use of the stadium will be as a legacy for the campus and community following the games. The detailed schedule moving forward reflects the requirement that the facility be ready for trials in 2014. Pan Am officials are expected to tour the site and the end of November, and work is being done by the YUDC and the University to ensure that funding for the university's contribution is within its means and corresponds to the cost of a new stadium which will be required in any event when the subway is completed. The committee expressed some concern about the environmental footprint of the proposed stadium structure and was assured that it will have limited energy needs. Particular attention has been given to storm water run-off issues. The committee remains excited by the project, the details of which will come forward to the Board through its committees when more defined.

Subway Update

The preparation for subway construction is proceeding with the realignment of roads, reinforcement of Schulich's foundations, bus lay-bys, and early works on Keele Street and elsewhere. The tunnel boring launch site at the North West Gate is complete, and early in the new year, the tunnel boring machines will be launched to begin their work. There has been concern raised as to traffic problems caused by construction for those entering and leaving the campus, and work is being done and will continue to be done with the city in attempts to alleviate the problems, particularly on Pond Road. Although Keele Street is expected to be narrowed further when station construction begins, an extension of Tangiers Road (one block east and parallel to Keele) is being constructed as a by-pass road which is intended to help alleviate congestion on Keele.

Capital Construction

Vice President Brewer reviewed the status of completed and nearly completed capital projects as well as the two large projects, Osgoode Hall renovation and the Life Sciences Building, which are funded by the Federal Knowledge Infrastructure Program. It is anticipated that the projects will be at a sufficient stage of completion to qualify for the full amount of the assigned grants. The Committee understands that the scope of the Osgoode renovation has been expanded to address value for money opportunities for replacement of the roof and other deferred maintenance issues as well as safety matters and code compliance, and the matter of the additional funds is before the Board via the Finance and Audit committee.

The university has submitted five projects to the Province for capital funding, and will be meeting with the Assistant Deputy Minister to review the projects. It is hoped that there will be capital support from the province so that enthusiasm and momentum within the university for some of the projects submitted is not lost.

Julia Foster, Chair

ACADEMIC RESOURCES COMMITTEE

Report to the Board at its Meeting of December 6, 2010

The Academic Resources Committee met on November 8, 2010 and submits the following information report to the Board of Governors.

1. President's Report

Pointing to a number of positive developments, Dr Shoukri expressed his enthusiasm and optimism for the University's future. Fostering mutual understanding and respect on campus continues to be a priority, and this is being expressed in a number of ways.

2. Report of the Vice-President Academic and Provost

In the absence and at the request of the Vice-President Academic and Provost, Vice-Provost Rhonda Lenton facilitated discussion of the following matters:

- progress made by the Academic Policy, Planning and Research Committee in its efforts to present a new University Academic Plan to Senate, and the extraordinary success of a survey that has had more than 3,000 responses from students, faculty, staff and alumni
- the terms and timelines leading a call for proposals under the Academic Innovation Fund (\$7.5 over three years) established by the Provost to permit individuals and groups to pursue specific projects associated with Provostial White Paper priorities
- an update on complements and appointment planning, highlighted by confirmation that some 43 searches have been authorized for this year (an exceptional number which sets York apart) with 30 made possible from central funding
- prompted by the publication of the *Globe and Mail's* annual university survey, an overview of York's standing in various rankings and the special challenges confronted by large commuter institutions
- public policy initiatives related to internationalization and international student recruitment, online education, and improvements in postsecondary participation rates, together with the thrust a report on differentiation released under the auspices of the Higher Education Quality Council of Ontario

3. Report of the Vice-President Research and Innovation

Vice-President Shapson provided the Committee with a comprehensive report on research contexts, performance, strategies, and priorities. Among the topics covered were the following:

- the global and national contexts for university research, with an emphasis on partnerships between industries and universities to achieve economic development goals

- recent notable research achievements by individual and collaborating researchers, and the encouraging results of recently completed SSHRC competitions including large-scale grants
- the University's impressive growth in the citation indices over the last decade
- a collegial review of the model for Organized Research Units, including the principles underlying proposed amendments to the Senate Policy governing the establishment, continuation and closure of research centres and institutes
- the need for research funds, such as start-up costs, in support of projected hirings
- York's distinctive Knowledge Mobilization unit, and the University's connections with public sector and industrial partners (especially in York Region)
- efforts to better profile the University's research, and benchmarking exercises associated with research intensification
- research infrastructure projects such as the York Research Tower, the Sherman Health Sciences Research Centre, the Life Sciences Building, and the University's presence in the Markham Convergence Centre

Vice-President Shapson ended the discussion by looking ahead to the near term. A committee chaired by President Shoukri has begun the search for his successor. In the run-up to the handover, Vice-President Shapson will be working with colleagues to implement objectives in the Provostial White Paper and the new University Academic Plan. Efforts to enhance relations with government and external partners continue apace. It remains a paramount goal to improve York's performance on current indicators while seeking the change the terrain on which research is funded and assessed.

Sam Schwartz
Chair



Board of Governors

COMMUNITY AFFAIRS COMMITTEE

Report to the Board of Governors at its meeting of December 6, 2010

The Community Affairs Committee met on November 12, 2010 and in addition to items which will be addressed on the Agenda, makes this report to the Board of Governors for information.

Chair's Items:

The Committee welcomed new governor and committee member Honey Sherman.

President's Items:

The President announced the appointment of Professor Patricia Bradshaw as the chair of the Community Safety Council, a body created as a follow-up to the Community Safety Audit. He provided an overview of discussions with the organizers of the Pan/Parapan Games and the university's engagement in issues of stadium design, costing and fundraising.

University Relations:

Government Affairs Issues

Vice President Sloan reviewed the results of the recent municipal elections in Toronto and municipalities in the York region, noting the post election status of those councilors who have had or will have an interest in and connection to York. University Relations and the President's office have been in communication with all those councilors and a plan for following up with them has been put in place.

As the committee expressed an interest in positions taken both by the provincial government and the opposition parties, it was confirmed that the university has and continues to build relationships with all parties, and to work through the Council of Ontario Universities and several of its committees on particular issues.

Interactive Campus Map and Mobile Apps Strategy

The committee welcomed Robin Edmison of the Division of University Affairs who provided a preview of the work being done on a new interactive digital map of the Keele Campus. The technology facilitates prompt cost effective updates of the campus map while allowing users to plot their destination on their screen and spot bottlenecks caused by subway and other construction and have access. The new system also promises greater accessibility to persons with disabilities. The Committee was impressed with the simplified map design and its interactive capability.

It is intended that the map will become a mobile app, downloadable to devices but the issue of what platform would provide the greatest number of individuals with access must be determined, given the cost of development. A committee is being formed to research and recommend on the issue, and currently students are being surveyed for their preferences. The intention is to launch this and other apps under development in Summer 2011.

Student Affairs:

Vice President Tiffin reviewed with the committee the university's standing in the Globe and Mail's University Report Card. There has been some improvement in student satisfaction in a number of areas, although the results in the "very satisfied" category are down. In discussion the committee members signaled the value of participation in surveys, both domestic and international, concluding that the surveys are useful in indicating areas for improvement. It was acknowledged that in satisfaction surveys, smaller universities continue to do better than large ones, and that participation rates are generally lower in larger schools.

Enrolment Update

Enrolment in the university remains strong, increasing by about 500 students year over year. Goals for attracting undergraduates from both the secondary school and post secondary school pools were met, with a distinct shift towards Liberal Arts & Professional Studies. Notwithstanding the success in meeting enrolment targets there remains concern about retention rates which are lower than historically has been the case, possibly for economic reasons. International enrolments have reached and exceeded the target set by the White Paper. As planned, the entering averages of the incoming class have increased in accordance with White Paper targets, with more students entering with grades 75% and higher. The President noted however that the university still lacks some of the programs most wanted by applicants, or has limited space in programs such as business, so good students who cannot be accommodated and can not be "converted" to other programs, go elsewhere. Insofar as graduate studies are concerned, the university met or exceeded targets for PhD students, but is below target for Masters students.

YFS Election Update

Vice President Tiffin has met with the YFS and communicated the university's desire to see a change in election practices to ensure democratic renewal, focusing on the need for an independent elections committee and chief returning officer who should not be a permanent staff member of YFS. York's administration is closely monitoring the situation and expects there to be substantial reform to the process.

Vari Hall Update

The first phase of renovations to Vari Hall has been well received and the next phase, including a water station and accessible washroom, is scheduled for the Spring.

Feedback from the Student Representative Roundtable

Through the student nominees to the Board, the Committee sought some input from the Student Representative Roundtable on issues of concern to students. Mr. Zarnett reported on issues raised at the roundtable as well as his own observations. Study, recreational and social spaces remain a priority as is the enhancement of the students' ability to meet and socialize with one

another. The challenge of social animation on a commuter campus when many students also hold off-campus jobs was acknowledged. The ability to create community through technology was suggested as something worth consideration at the roundtable.

ROBERT LEWIS
Chair

FINANCE AND AUDIT COMMITTEE
Report to the Board of Governors
at its meeting of 6 December 2010

The Finance and Audit Committee met on 15 November 2010 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 Committees received an Internal Audit Status report from the Director of Internal Audit covering the period of 1 September 2010 to 31 October 2010. The department undertook 14 audit engagements, of which six have been completed, including the cycle of regulatory audits required by the Ministry of Training, Colleges and Universities.

The Committee is satisfied that good progress is being made on the Internal Audit plan for the year. The Internal Audit department is also continuing work on the development and implementation of the Enterprise Risk Management Initiative.

2. Second Tier Enterprise Risk

The Committee received and discussed a report on changes in the six second-tier risk exposures that have occurred at the University over the past 12 months. The Committee was pleased to learn that over the last year the University's second-tier risk exposures have stabilized in terms of residual risk due to changing circumstances and management's mitigation initiatives.

Last year it was decided that the monitoring of the University's top ten risks would be assigned to Board committees as appropriate with the "risk owners" in the management team engaging the committees in the consideration of the amelioration of these risks. It is anticipated that this year the framework of risk monitoring by committees will be extended to include the second-tier risks.

3. Update on Pan Am Games

The negotiations of the terms of the stadium project are continuing between the University and the Pan/Parapan Am Games Organizing Committee. The project is in the Master Planning stage. The budget is being finalized, and the University is in the process of building the business case for the project. It is expected that the financial arrangements for the facility will be brought to the Finance & Audit committee and the Board for approval at their respective meetings in February 2011.

4. Budget Update

Endowment Fund Performance

The investment performance of the endowment fund continues to improve steadily, achieving rates of return of 2.86% for the 5-month fiscal year-to-date and 6.7% for the calendar year at 30 September 2010, both of which are slightly ahead of the benchmark. The ongoing volatility of the markets, however, remains a concern.

Pension Fund Performance and Deficit Update

The Pension Fund has also experienced positive gains, achieving a return of 5.4% for the calendar year to the end of September 2010, but remained slightly below the benchmark of 5.8%. The government recently announced its decision to allow public pension funds three years to establish a pension fund liability plan, which would in turn provide the institution a three-year exemption from the current funding requirements for a solvency deficiency. The Board pension working group is working with management to help develop a more sustainable pension plan for submission to the Province. An update from the working group is expected at this meeting.

2010-11 Undergraduate Enrolments

The target for first-year undergraduate enrolments was generally met, and the entering grades of the cohort are higher. The retention rate of upper year students remains a concern; management is continuing to investigate the reasons for the decline in enrolments in this student group. At the graduate level, enrolments at the Masters level were below the target, while doctoral level enrolments exceeded the plan and are slightly above the Ministry funding cap. A long term plan to align enrolments in PhD programs with the Ministry level targets is being developed.

Budget Pressures

Vice-President Brewer reviewed and updated the budget planning issues and risks. Two key risks were highlighted: the variability of investment returns and the potential impact on pension costs and future endowment distributions; and uncertainty about the impact of the public-sector wage freeze through 2010-11. Both matters are being closely monitored.

4. Credit Rating Update

The University has recently completed its annual credit review process with Dominion Bond Rating Service Limited (DBRS) and Standard & Poor's (S&P) as required by its issuance of debentures in 2002 and 2004. DBRS has reconfirmed York's rating of AA Low, and S&P has confirmed York's rating of AA- Stable. Both ratings reflect York's strong enrolment demand and student quality profile, solid reputation, sound government funding and support, manageable debt burden and record of conservative management. Both credit rating agencies commented on their expectation that York's operating deficit would continue to improve, that unrestricted financial resources will not deteriorate substantially and there would be no immediate plans for additional debt. Relative to other Ontario universities, a handful of whom have had their credit rating either downgraded or had their outlook changed to negative, York's outlook is stable.

5. Annual Report on Emergency Preparedness

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 *2009-2010 Annual Report on Emergency Preparedness*, which summarizes the activities and progress achieved during the year as well as the proposed goals and objectives for 2010-2011. Considerable progress continues to be made in emergency preparedness training, building communication capabilities and the creation of a culture of awareness of emergency preparedness. Copies of the report can be found at:

<http://publish.yorku.ca/~univsec/board/committees/finance%20and%20audit/Documents/Emergency%20Preparedness%20Report.pdf>

6. Annual Report on Access Control

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 *2009-2010 Annual Report on Access Control*. During the year the following critical control measures were taken:

- Installation of access control systems in the new Sherman Health Sciences Research Centre and the 4th floor addition to the Petrie Science & Engineering building
- Development of access control plans for the new Life Sciences building, the renovated/expanded Osgoode building and the Centre of Excellence facility at Glendon;
- Completion of on-line access control for undergraduate residence buildings on Keele campus (each residence room door now has an independent card reader, as well as on-line card readers on building entrance doors) and card readers on all residence building entrance doors on the Glendon campus.

The trend of decreasing security incidents over the past several years continued in 2009-2010, which saw a 6% drop in property crimes for the University (indoors and outdoors) as a whole. The cumulative effect of the annual access control measures taken since 2005 is evident in the comparison of the absolute number of property crimes from 2003-2004 to 2009-2010: between this period there was a drop in incidents from 116 to 43. The Committee found the results impressive and encouraged management to share the success of the initiative with the community.

Second-Quarter Operating Results

The Committee received the 2nd Quarter Operating Report from the Vice-President Finance and Administration. There are no significant operating budget issues to report.

David Denison, Chair

**University
Secretariat**

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Memo

To: Board of Governors
From: David Denison, Chair Board Finance and Audit Committee
Date: December 6, 2010
Subject: **Capital Budget Adjustment – Osgoode Hall Law School
Renovation and Expansion Project**



Recommendation

The Board Finance and Audit Committee recommends that the Board of Governors approve a \$7 million adjustment to the capital project budget for the Osgoode Hall Law School Renovation and Expansion Project, from \$50 million to \$57 million.

Background and Rationale

In June 2009, the Board of Governors approved a \$50 million academic capital expansion project, in conjunction with the awarding of \$25 million of government funding for this project under the Knowledge Infrastructure Program.

The Osgoode project includes:

- (1) Addition of approximately 23,000 square feet providing student space with new student services, administrative offices, a new state of the art electronic courtroom, and a new steel-framed skylight on the east-west length of the building along the north wall of the existing 5-storey building. A new entry pavilion has been added above the existing east building entrance.
- (2) Renovation of approximately 192,000 square feet in the existing 5-storey building. This work included removal of asbestos from the existing building and substantial replacement of the out-of-date building systems.

The renovation/expansion project has proceeded on a very tight timeline. The schedule is driven by the March 31, 2011 funding cut-off date that was established by government for KIP projects, as well as the academic requirement to have the renovated classrooms available for beginning of the Fall 2010 term. The project remains on schedule, with the renovated classrooms delivered on time, and the full move-in still expected to be completed for the Fall 2011.

The project has reached a sufficiently advanced stage over the past two months where it has become clear that the required scope for the project cannot be accommodated within the \$50 million budget approved in June 2009. A number of significant factors contribute to the budget cost pressures, as outlined below:

- Additional asbestos abatement costs were incurred, as the scope of abatement was expanded to include “asbestos containing materials”. \$0.75M
- Additional life safety and code compliance items were added to project scope, including fire damper replacement and additional sprinkler modifications in the existing building. \$1.25M
- Additional accessibility-related items were added to project scope, including an additional elevator in order to facilitate access to classrooms by students with disabilities, as well as other measures that reflect emerging AODA requirements. \$0.75M
- Additional architect and user-driven requirements that increased scope including additional classroom/seminar room work and revisions to existing flooring. While beyond the original scope, these items provide good “value for money” in the context of this project. \$1.00M
- Addition of deferred maintenance related items that provide good “value for money” in the context of this project and to protect the renovation investment. These items include roof replacement on the existing building and replacement of heating/cooling fin tubes and risers in the renovated existing offices. \$1.00M
- Schedule acceleration related costs, in particular related to having the classrooms ready for Fall 2010 increased cost and necessitated out of sequence work. \$0.50M
- Several other relatively smaller factors (such as structural revisions, Security, AV/data requirements) contribute the remainder of the increase. \$1.75M

An aggressive effort was undertaken in an effort to mitigate the cost pressures, and some savings were achieved. However, given the advanced state of the project, the significant complexities involved in working with an existing building that is over 40 years old, and the very tight timelines involved with the project, it is felt that the \$7 million proposed increase offers the best value for money decision for the University at this time.

The impact of the higher capital cost on the project funding assumptions is outlined in the table below. The original funding plan included a fundraising target of \$10 million. The Law School has confirmed that this target has already been met, with payments made totaling \$6.3 million and pledges at \$3.7 million. Given this successful fundraising effort, the fundraising component is being increased to \$12 million.

Revised Osgoode Project Financing Plan

	(millions)		(millions)
<i><u>Originally Approved - \$50 million</u></i>		<i><u>Revised - \$57 million</u></i>	
KIP Funding	\$25.0	KIP Funding	\$25.0
University Capital	15.0	University Capital	20.0
Fundraising	<u>10.0</u>	Fundraising	<u>12.0</u>
	\$50.0		\$57.0

The additional \$5 million amount required from University capital sources will include allocations of about \$1.5 million from the deferred maintenance funding (FRP grant) to cover the cost of maintenance related items, including the replacement of the roof. The remaining \$3.5 million will be covered by available capital reserves.

University
Secretariat

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Memo

To: Board of Governors
From: David Denison, Chair Board Finance and Audit Committee
Date: December 6, 2010
Subject: **Long-Term Ancillary Plan**



Recommendation

The Board Finance and Audit Committee recommends that the Board of Governors approve the attached update to the Long-Term Ancillary Plan.

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.

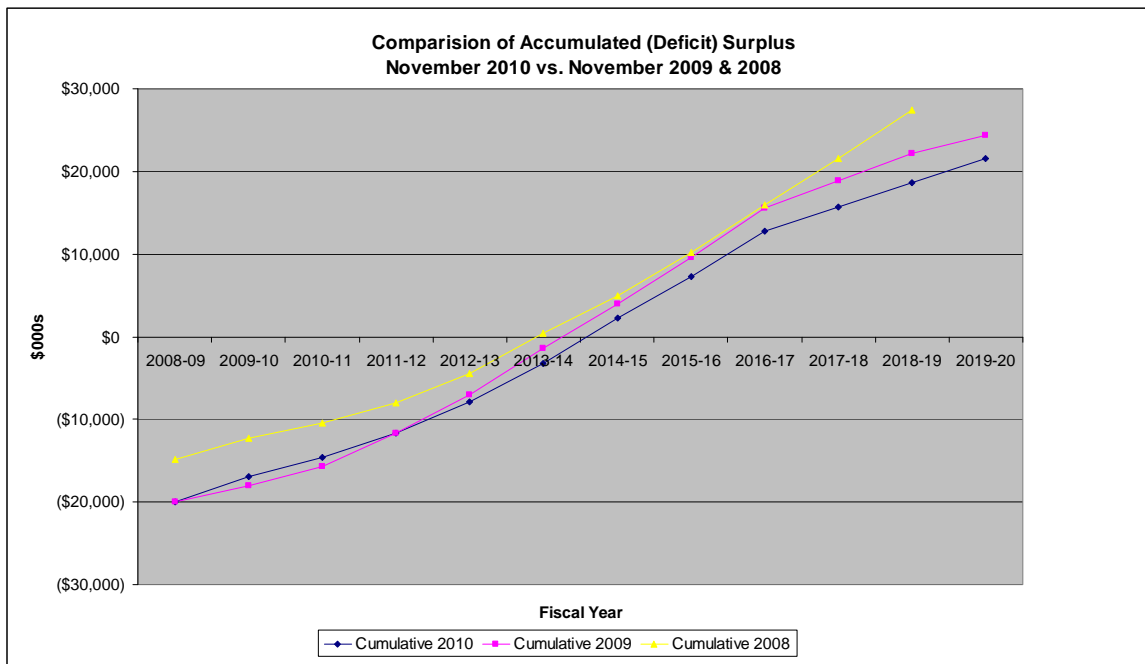
In the Fall of 2008, the ancillary plan was updated to include the funding of a deferred maintenance plan beginning in 2010-2011 to address the accumulated deferred maintenance in the University residences. At the same time, a sustainable capital renewal and deferred maintenance program for parking facilities to begin in 2014-2015 was built into the ancillary plan to reflect the amounts needed for facility renewal which created a more responsible and reasonable plan.

In the Fall of 2009, the ancillary plan was updated to reflect the impact of the extended labour disruption and the impact of the H1N1 crisis on the operations of the ancillary operations,

In the Fall of 2010, the ancillary plan has been updated to reflect the anticipated impact of the subway in 2015 on parking operations, significant changes to the long term housing plan to reflect the weakening demand of York's style of residence and the projection of potential closures of residences over the term of the plan.

The impacts of these events are significant and have required significant management focus.

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 15, 2010

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

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ANCILLARY OPERATIONS LONG-TERM PLAN

Report to the York University Board of Governors Finance and Audit Committee November 15, 2010

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 2009 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 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 and 2008, as revenues gradually came into line with the costs of the new facilities. The 2009 results reflected the unfavourable impact of the extended labour disruption and the global crisis which have significant impacts on the ancillary operations particularly in the Executive Learning programs. The ancillary operations returned to generating operating surpluses in the past fiscal year. The 2010 plan revisions reflect the impact of the subway in 2015, the weakening of demand for York's dormitory style of residence and the impact of potential planned closures of residences over the term of the plan. It is projected that ancillary operations will continue to be profitable and achieve full recovery of their costs. 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:

	2010-11	2011 and onwards
Consumer Price Index (CPI)	2.0%	2.0%
Compensation:	3.0%	0% for 2011-12 and 2012-13 and 2.0% onwards
Heating & Cooling:	11.7%	3.8% for 2011-12, and an average of 2.5% thereafter
Electricity:	10.0%	10.0% for 2012-13 and 2013-14, 7.5% for 2014-15 and 5% thereafter
Water:	9.0%	9.0% to 2014-15 and 3% onwards

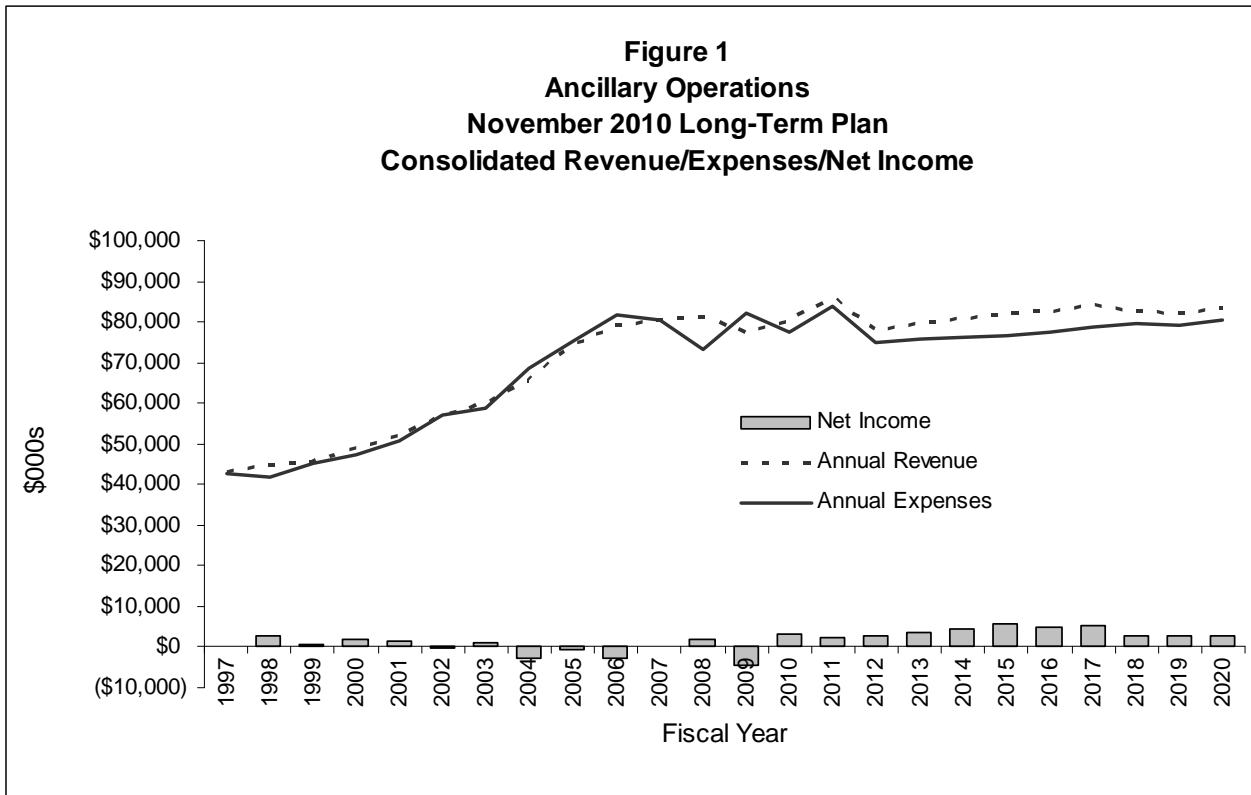
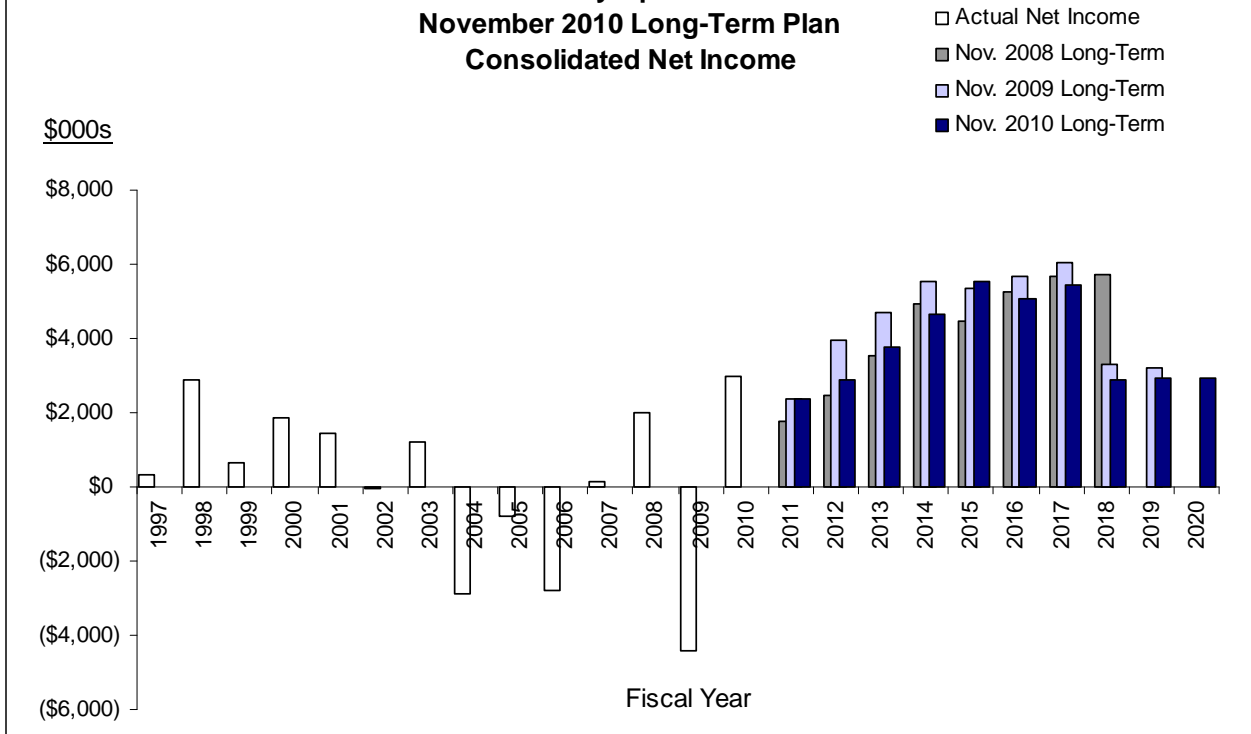


Figure 2
Ancillary Operations
November 2010 Long-Term Plan
Consolidated Net Income



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 10% for 2012-2013 and 2013-2014, 7.5% for 2014-15 and 5% thereafter. Water costs are expected to increase at an annual inflation rate of 9% in 2010-2015 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. 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 2011-2012 will reflect a reduction in labour cost base due to June 2010 organizational changes.

Fiscal 2008-2009 reported a loss of \$677K attributable to lower sales due to the labour disruption. Fiscal 2009-2010 reported a profit of \$470K through prudent control of costs, and relatively flat revenues. The long term forecast, assumes a decline in revenues in 2011-2012 due to changes from traditional print books to digital books, followed by 1.7% growth, slightly less than the rate of inflation. Significant adjustments to labour and other operating expenses are needed on a continuous basis to show 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.

Application and occupancy levels for the Keele undergraduate residences have declined sharply over the past 2 years due to an overstock of new off-campus housing options (e.g. "The Village") within walking distance to York, and a continued weakened economy. While applications from new students remain level, applications from upper year students have dropped by close to 30% since 2007. Housing Services no longer receives more applications than available beds and the occupancy level for 2010 has dropped to 86%. More upper year undergraduate students are choosing to live in "The Village", citing that it is a more affordable option which allows them to live within their selected groups, enjoy greater independence, and have access to newer and more private facilities including kitchens.

It is anticipated that the increased off-campus housing options and some larger university planning initiatives will continue to present vacancy challenges for student housing on campus and therefore a re-adjustment of the Long Term Plan was necessary to offset a significant reduction in revenues. The significant changes include the following:

- A continuing trend in declining occupancy levels for the undergraduate traditional dormitory style residences including full closure of some buildings; Founders in 2011-2012 and Vanier and Winters in 2018-2019.
- A decreased revenue projection for the conference/hospitality business segment due to uncertainty of available and marketable space.

- A reduced deferred maintenance budget over prior year plan to reflect the planned closing of residences.
- A resetting of energy expenditures for 2010-2011 based on revised estimates from Energy Management.
- A reduction of \$1.6 M of capital expenditures and \$1.5M of other operating savings over prior plan to help offset overall projected lower revenues of \$30.6 M.

The plan envisions no undergraduate rate increases for 2011-2012 and future rate increases of 2% per year to address inflationary costs. This will enable the residences to remain competitive with the off-campus market and as well maintain affordability for students.

Over the coming year, a number of consulting studies will be undertaken to develop a strategic plan for student housing at York. This will include: updating of the deferred maintenance priorities and cost projections; a market and demand analysis and operational review; and the development of a realistic business plan that is sustainable. The long term plan for Housing will eventually align with the final recommendations of the Housing Master Plan and overall strategic goals and direction of the university as reflected in:

- The University Academic Plan
- The White Paper and Enhancement of the Student Experience
- The Campus Master Plan and Secondary Plan
- The Integrated Resource Plan

The Housing Master Plan is expected to be completed in Spring 2011.

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 Tuesdays and Thursdays, with Fridays being the lowest demand day other than weekends.

Permit and daily sales has seen a slight drop this year as compared to prior year. The overall decline in daily parking demand is largely attributable to the success of the TTC Student Metro pass program and increased transit service to the Keele Campus as well as parking off-campus particularly in “The Village”. The significant drop in overall revenues is due primarily to students being able to purchase metro passes directly from TTC outlets; \$4.2M. Parking Administration sells metro passes only to staff, faculty, YUELI students and University of Ottawa students at Glendon.

Parking has experienced significant challenges in accommodating various construction projects with primary focus on the TTC Subway’s early works program. 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.

Redevelopment in areas adjacent to campus where visitors can park and walk to the University continues to be a concern, as evidenced by the use of roadways for parking south of the Keele campus in “The Village”. It has been noted that the planned assuming of these roads in the

Village by the City of Toronto will hopefully result in stronger City enforcement that will encourage these parkers to come back onto campus.

Parking Services has also begun the process of evaluating its Parking and 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 into the future. Given the current condition of the system, the University has embarked on a 3 to 5 year program to replace this technology with a current industry standard. This new technology will allow the University to conform to regulatory Payment card Industry (PCI) and EMV Chip and Pin compliance.

Fiscal 2008-2009 reflected a loss of \$2.9M, \$3.3M unfavourable to the budget primarily due to the labour disruption. Fiscal 2009-2010 reported a net profit of \$671K, essentially on budget.

Commencing in fiscal 2015-2016 the plan has been adjusted to reflect the anticipated impact of the completion of the TTC subway. Daily sales estimates have been decreased by \$500K in anticipation of the increased use of public transportation. Monthly parking rates have also been frozen for 2011-2012 and modest increases of 2% thereafter. Daily parking rates are projected to be frozen until 2014-2015.

6. YU-Card Program

The purpose of the YU-card program is to provide consistent photo identification for York University students, faculty and staff in the form of a campus "one-card" program. One-card programs 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 meal plan sales, card usage related to other 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. The YU-card program has grown substantially since its introduction due to the integration of popular services such as printing and photocopying, and aggressive marketing of the card's benefits.

While the long-term plan presented is balanced to last year's forecast, the plan is based on growth in Flex account debit usage by students and relative stability in meal plan sales. Since YU-card revenues are highly dependent upon meal plan sales, a significant and sustained decline in the occupancy rate for traditional undergraduate residence beds would impact the program. Declines in residence occupancy in 2010-2011 were offset by large meal plan price increases; however, the meal plan price/demand relationship has become more elastic. It will also become more difficult to sustain high growth in Flex account usage unless new services are introduced to the program. This will be a focus for the YU-card program in 2011-2012.

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 brought forward in the updated plan. The prior year's financial targets were met.

8. Executive Learning Centre

This plan provides 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 2009 fiscal year, the financial plan for these operations have met target.

The original 10-year plan was approved in November 2003 and forecasted 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. The 10-year plan submitted in November 2009 forecasted 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. The updated plan for November 2010 remains consistent with the prior year's plan.

Plan assumptions:

- Both ELC/Nadal and SEEC (Schulich Executive Education Centre) have been impacted by the recession and are not expected to 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 is in effect in the current 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 growing 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

The November 2010 updated plan has confirmed the prior year's plan projections.

- ELC was 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 will be 2011-2012 – \$6,196K sales with \$123K net contribution

10-year Plan assumptions

- ELC/Nadal is 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 the academic budget for use of the facility for the MBA program.
- Moderate assumptions 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 difficult competitive and structural challenges within the campus environment. These include capital requirements to update aging facilities, such as dining halls which are not exclusively controlled by Food Services, and the loss of retail and catering business to the Student Centre (which is subsidized by a student levy), and York Lanes. Increased retail development in proximity to the campus will also impact food sales. Further, external caterers, which do not provide revenue to the University, are being used by departments and student organizations at an increasing rate. At the same time, the

community's expectations with respect to sustainability practices in food service delivery necessitate a different approach to the management of dining operations.

Last year's plan noted that the long-term sustainability of the Food Services plan and campus catering contracts require that these structural challenges be reviewed and corrected to the extent possible. Food Services completed a comprehensive strategic review of the Keele campus market and developed a food service master plan and an assessment of the residence Meal Plan program based on quantitative research, and the results have been incorporated into this plan.

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 independent 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. Several kits have now been produced in digital versions, which will increase in the future. The revenue and profitability of e-kits is unknown. The Bookstore has developed a secure platform for selling e-kits produced by Printing Services.

Modest projections for increased revenues of 1.5% are incorporated in the long term plan. There will be an emphasis on continual process improvement, enhanced service methods, and a focus on bottom line results. Including modest investments to maintain and replace equipment, facilities, and technology, including state of the art graphics and digital programs. Fiscal 2008-2009 reported a loss of \$13K, unfavourable to the budget due to the labour disruption. Fiscal 2009-2010 reported a profit of \$19K, with long term plans to better control and reduce fixed costs, adjusting labour as needed for changes to digital formats, resulting in a return of 5% on sales.

APPENDIX
2010 Long-Term Plans

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
BOOKSTORE
in \$000s**

	Actual 2008	Actual 2009	Budget 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue												
Revenue from Sales	\$19,283	\$19,576	\$19,833	\$18,512	\$18,822	\$19,141	\$19,468	\$19,802	\$20,145	\$20,497	\$20,857	\$21,226
Rent Subsidy from York University	\$629	\$554	\$551	\$585	\$587	\$589	\$590	\$592	\$593	\$595	\$596	\$598
Total Revenue	\$19,912	\$20,130	\$20,384	\$19,097	\$19,409	\$19,729	\$20,058	\$20,394	\$20,739	\$21,092	\$21,453	\$21,823
Expenses												
Remuneration	\$3,471	\$2,372	\$2,821	\$2,565	\$2,447	\$2,393	\$2,336	\$2,178	\$2,216	\$2,050	\$2,086	\$2,123
Cost of Goods Sold	\$14,556	\$14,944	\$14,930	\$14,135	\$14,380	\$14,630	\$14,887	\$15,150	\$15,420	\$15,695	\$15,978	\$16,267
Occupancy Costs	\$1,191	\$1,071	\$1,068	\$1,074	\$1,084	\$1,094	\$1,105	\$1,115	\$1,126	\$1,136	\$1,147	\$1,159
Other Operating Expenses	\$1,356	\$1,234	\$1,306	\$1,190	\$1,200	\$1,219	\$1,238	\$1,258	\$1,278	\$1,304	\$1,330	\$1,357
Capital Expenditures	15	38	20	20	21	21	22	22	22	23	23	24
Total Expenses	\$20,589	\$19,659	\$20,145	\$18,985	\$19,132	\$19,358	\$19,588	\$19,723	\$20,061	\$20,208	\$20,564	\$20,929
Net Income/(Loss) for Fiscal Year	(\$677)	\$471	\$239	\$113	\$277	\$372	\$470	\$671	\$677	\$884	\$889	\$895
Net Income/(Loss) per Nov. 2009 Plan			\$239	\$451	\$675	\$667	\$659	\$650	\$642	\$627	\$612	\$297
Change from Nov. 2009 Plan			(\$0)	(\$339)	(\$398)	(\$295)	(\$189)	\$20	\$36	\$257	\$277	\$598
Cumulative Change from Nov. 2009 Plan												(\$32)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
STUDENT HOUSING SERVICES
in \$000s**

	Actual	Actual	Budget									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	\$23,665	\$24,577	\$26,366	\$23,584	\$23,814	\$24,044	\$23,883	\$24,088	\$24,414	\$24,745	\$23,248	\$23,643
Total Revenue	\$23,665	\$24,577	\$26,366	\$23,584	\$23,814	\$24,044	\$23,883	\$24,088	\$24,414	\$24,745	\$23,248	\$23,643
Expenses												
Remuneration	\$5,298	\$5,277	\$6,102	\$6,102	\$6,102	\$6,224	\$6,349	\$6,476	\$6,605	\$6,737	\$6,872	\$7,010
Other Operating Expenses	\$4,418	\$5,626	\$5,251	\$5,319	\$5,425	\$5,534	\$5,645	\$5,716	\$5,830	\$5,947	\$5,235	\$5,340
Energy (HVAC, Electricity, Water)	\$5,197	\$4,131	\$5,711	\$3,934	\$4,170	\$4,414	\$4,643	\$4,834	\$5,077	\$5,381	\$5,030	\$5,148
Capital Expenditures	\$1,888	\$1,747	\$2,248	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Total Operating Expenses	\$16,801	\$16,781	\$19,312	\$16,855	\$17,197	\$17,672	\$18,137	\$18,526	\$19,012	\$19,565	\$18,637	\$18,998
Operating Income	\$6,864	\$7,796	\$7,054	\$6,729	\$6,617	\$6,372	\$5,746	\$5,562	\$5,402	\$5,180	\$4,611	\$4,645
Contribution to Capital Reserve	\$0	\$500	\$3,328	\$2,778	\$2,662	\$2,413	\$1,790	\$1,602	\$1,511	\$1,263	\$840	\$831
Labour Disruption 08/09 Impact		(\$1,419)										
Debt Service Costs	\$6,214	\$6,214	\$3,478	\$3,478	\$3,478	\$3,478	\$3,478	\$3,478	\$3,401	\$3,299	\$3,120	\$3,037
Net Income/(Loss) for Fiscal Year	\$650	\$2,501	\$248	\$473	\$477	\$481	\$478	\$482	\$490	\$618	\$651	\$777
Net Income/(Loss) per Nov. 2009 Plan			\$248	\$274	\$358	\$488	\$690	\$706	\$722	\$739	\$756	\$774
Change from Nov. 2009 Plan			\$0	\$199	\$119	(\$7)	(\$212)	(\$224)	(\$232)	(\$121)	(\$105)	\$3
Cumulative Change from Nov. 2009 Plan												(\$580)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
PARKING SERVICES
in \$000s**

	Actual 2008	Actual 2009	Budget 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue												
Revenue	\$17,313	\$20,054	\$20,752	\$15,159	\$15,420	\$15,701	\$16,190	\$15,516	\$15,977	\$16,349	\$16,875	\$17,317
Total Revenue	\$17,313	\$20,054	\$20,752	\$15,159	\$15,420	\$15,701	\$16,190	\$15,516	\$15,977	\$16,349	\$16,875	\$17,317
Expenses												
Remuneration	\$3,031	\$3,182	\$3,283	\$3,382	\$3,382	\$3,349	\$3,415	\$3,484	\$3,553	\$3,625	\$3,697	\$3,771
Cost of Sales TTC Metropasses	\$4,472	\$5,251	\$5,725	\$973	\$1,099	\$1,242	\$1,403	\$1,586	\$1,792	\$2,025	\$2,288	\$2,586
Other Operating Expenses	\$2,398	\$1,895	\$2,230	\$2,303	\$2,373	\$2,435	\$2,493	\$2,548	\$2,603	\$2,660	\$2,711	\$2,764
Overhead	\$2,337	\$657	\$677	\$677	\$677	\$691	\$704	\$719	\$733	\$748	\$763	\$778
Capital Maintenance	\$325	\$938	\$669	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Expenses	\$12,563	\$11,923	\$12,584	\$7,834	\$8,031	\$8,216	\$8,517	\$8,836	\$9,182	\$9,557	\$9,959	\$10,398
Operating Income Before Amort/Land Rent	\$4,750	\$8,130	\$8,169	\$7,324	\$7,389	\$7,485	\$7,673	\$6,680	\$6,796	\$6,792	\$6,916	\$6,919
Amortization - Debt	\$5,204	\$5,176	\$5,147	\$5,244	\$5,033	\$4,551	\$4,327	\$4,327	\$4,202	\$4,202	\$4,202	\$4,202
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Contribution Transp/goSAFE/CCTV/Card Acces	\$1,306	\$1,095	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410
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	\$7,698	\$7,460	\$7,747	\$7,843	\$7,632	\$7,151	\$6,927	\$6,927	\$6,802	\$6,802	\$6,802	\$6,802
Net Income/(Loss) for Fiscal Year	(\$2,949)	\$671	\$422	(\$519)	(\$243)	\$334	\$747	(\$246)	(\$6)	(\$10)	\$114	\$117
Net Income/(Loss) per Nov. 2009 Plan			\$422	\$389	\$577	\$1,034	\$210	\$211	\$213	\$214	\$216	\$220
Change from Nov. 2009 Plan			(\$0)	(\$908)	(\$820)	(\$700)	\$537	(\$458)	(\$219)	(\$224)	(\$102)	(\$102)
Cumulative Change from Nov. 2009 Plan												(\$2,995)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
YU-Card Program
in \$000s**

	Actual 2008	Actual 2009	Budget 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue												
Revenue	\$390	\$610	\$562	\$581	\$624	\$672	\$710	\$751	\$795	\$842	\$891	\$943
Expense Recovery - Central Support	\$100	\$290	\$217	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Total Revenue	\$490	\$900	\$779	\$681	\$724	\$772	\$810	\$851	\$895	\$942	\$991	\$1,043
Expenses												
Remuneration	\$265	\$271	\$329	\$329	\$329	\$335	\$342	\$349	\$356	\$363	\$370	\$378
Other Operating Expenses	\$185	\$210	\$232	\$245	\$250	\$255	\$260	\$265	\$270	\$276	\$281	\$287
Major Renovations/Equip/Soft Licence	\$186	\$318	\$245	\$137	\$150	\$194	\$201	\$209	\$214	\$218	\$223	\$227
Total Expenses	\$636	\$799	\$806	\$711	\$729	\$784	\$803	\$823	\$840	\$857	\$874	\$892
Net Income/(Loss) for Fiscal Year	(\$146)	\$101	(\$27)	(\$30)	(\$5)	(\$12)	\$7	\$28	\$55	\$85	\$117	\$151
Net Income/(Loss) per Nov. 2009 Plan			(\$27)	(\$6)	(\$30)	\$30	\$47	\$22	\$121	\$160	\$202	\$18
Change from Nov. 2009 Plan			\$0	(\$24)	\$25	(\$42)	(\$40)	\$6	(\$66)	(\$75)	(\$85)	\$133
Cumulative Change from Nov. 2009 Plan												(\$167)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
UIT, TELECOMMUNICATIONS
in \$000s**

	Actual 2008	Actual 2009	Budget 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	\$5,427	\$4,605	\$4,952	\$4,909	\$4,895	\$4,884	\$4,876	\$4,869	\$4,864	\$4,859	\$4,856	\$4,850
Expenses												
Remuneration	\$1,967	\$2,079	\$2,149	\$2,110	\$2,110	\$2,152	\$2,195	\$2,239	\$2,284	\$2,330	\$2,376	\$2,424
Other Operating Expenses	\$1,448	\$605	\$1,132	\$1,155	\$1,178	\$1,201	\$1,225	\$1,250	\$1,275	\$1,300	\$1,326	\$1,353
Repair / Maintenance (Inventory/amortization)	\$224	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Debt Service Costs	\$570	\$180	\$143	\$97	\$77	\$18	\$0	\$0	\$79	\$77	\$73	\$71
Total Expenses	\$4,209	\$3,064	\$3,624	\$3,562	\$3,565	\$3,571	\$3,621	\$3,689	\$3,838	\$3,907	\$3,976	\$4,048
Net Income/(Loss) for Fiscal Year	\$1,218	\$1,541	\$1,328	\$1,347	\$1,330	\$1,313	\$1,255	\$1,180	\$1,026	\$952	\$880	\$802
Net Income/(Loss) per Nov. 2009 Plan			\$1,328	\$1,287	\$1,175	\$1,173	\$1,141	\$1,102	\$1,163	\$1,171	\$1,140	\$802
Change from Nov. 2009 Plan			\$0	\$60	\$155	\$140	\$114	\$78	(\$137)	(\$219)	(\$260)	\$0
Cumulative Change from Nov. 2009 Plan												(\$67)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
EXECUTIVE LEARNING CENTRE & NADAL MANAGEMENT CENTRE
in \$000s**

	Actual 2008	Actual 2009	Budget 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue												
Executive Learning Centre	5,779	4,666	6,900	8,400	9,160	9,500	10,020	10,500	10,800	8,000	8000	8000
Nadal Management Centre	685	691	1,096	1,102	1,166	1,172	1,178	1,185	1,192	1,198	1198	1198
Total Revenue	6,464	5,357	7,996	9,502	10,326	10,672	11,198	11,685	11,992	9,198	9,198	9,198
Expenses												
Executive Learning Centre	4,956	4,640	4,970	5,270	5,640	5,700	5,800	5,900	5,950	5,950	5,950	5,950
Nadal Management Centre	862	1,066	1,103	1,103	1,167	1,167	1,167	1,167	1,167	1,167	1167	1167
Amortization of ELC Start-Up Costs	303	202	0	0	0	0	0	0	0	0	0	0
Depreciation of ELC Fixed Assets	284	245	165	160	160	200	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	1850	1850
Total Expenses	8,255	8,003	8,088	8,383	8,817	8,917	9,017	9,117	9,167	9,167	9,167	9,167
Net Income/(Loss) for Fiscal Year	(1,791)	(2,646)	(92)	1,119	1,509	1,755	2,181	2,568	2,825	31	31	31
Net Income/(Loss) per Nov. 2009 Plan	(1,791)	(2,715)	(92)	1,119	1,509	1,755	2,181	2,568	2,825	31	31	0
Change from Nov. 2009 Plan		69	0	0	0	0	0	0	0	0	0	31
Cumulative Change from Nov. 2009 Plan												31

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
FOOD AND CONTRACT MANAGEMENT
in \$000s**

	Actual	Actual	Budget									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	\$1,477	\$1,775	\$1,805	\$1,925	\$1,973	\$2,002	\$2,032	\$2,074	\$2,104	\$2,135	\$2,166	\$2,199
Total Revenue	\$1,477	\$1,775	\$1,805	\$1,925	\$1,973	\$2,002	\$2,032	\$2,074	\$2,104	\$2,135	\$2,166	\$2,199
Expenses												
Remuneration	\$229	\$225	\$244	\$244	\$244	\$249	\$254	\$259	\$264	\$269	\$274	\$280
Other Operating Expenses	\$653	\$1,005	\$850	\$878	\$924	\$963	\$1,001	\$1,035	\$1,068	\$1,102	\$1,129	\$1,158
Major Renovations/Mtce/Equipment	\$1,299	\$233	\$582	\$554	\$524	\$537	\$544	\$558	\$572	\$593	\$677	\$682
Total Expenses	\$2,182	\$1,464	\$1,676	\$1,675	\$1,692	\$1,750	\$1,799	\$1,851	\$1,904	\$1,964	\$2,080	\$2,120
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	(\$705)	\$311	\$129	\$250	\$282	\$253	\$233	\$223	\$200	\$171	\$86	\$79
Net Income/(Loss) per Nov. 2009 Plan			\$129	\$294	\$306	\$291	\$276	\$255	\$226	\$192	\$103	\$45
Change from Nov. 2009 Plan			(\$0)	(\$44)	(\$25)	(\$39)	(\$43)	(\$33)	(\$25)	(\$21)	(\$17)	\$34
Cumulative Change from Nov. 2009 Plan												(\$212)

**ANCILLARY OPERATIONS
NOVEMBER 2010 LONG-TERM FORECAST
PRINTING SERVICES
in \$000s**

	Actual	Actual	Budget									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	\$2,934	\$3,046	\$3,132	\$3,072	\$3,117	\$3,163	\$3,209	\$3,256	\$3,304	\$3,353	\$3,402	\$3,452
Expenses												
Remuneration	\$1,433	\$1,350	\$1,393	\$1,393	\$1,393	\$1,421	\$1,450	\$1,479	\$1,508	\$1,538	\$1,569	\$1,601
Cost of Sales	\$1,145	\$1,169	\$1,106	\$1,019	\$1,034	\$1,049	\$1,064	\$1,080	\$1,096	\$1,112	\$1,128	\$1,145
Major Renovations/Equipment	\$10	\$9	\$56	\$64	\$88	\$84	\$80	\$75	\$71	\$66	\$57	\$147
Other Operating Expenses	\$358	\$499	\$440	\$445	\$449	\$454	\$458	\$463	\$467	\$472	\$482	\$491
Total Expenses	\$2,947	\$3,027	\$2,995	\$2,921	\$2,964	\$3,008	\$3,052	\$3,097	\$3,142	\$3,189	\$3,236	\$3,383
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	(\$13)	\$19	\$137	\$151	\$153	\$155	\$157	\$160	\$162	\$164	\$167	\$69
Net Income/(Loss) per Nov. 2009 Plan			\$137	\$139	\$141	\$143	\$146	\$148	\$150	\$153	\$156	\$68
Change from Nov. 2009 Plan			(\$0)	\$11	\$11	\$12	\$12	\$12	\$12	\$12	\$11	\$1
Cumulative Change from Nov. 2009 Plan												\$94



Board of Governors

Governance and Human Resources Committee

Report to the Board of Governors at its meeting of December 6, 2010

The committee met on November 10, 2010 and in addition to items appearing on the agenda, makes this report for information.

Human Resource Matters

Labour Relations:

Dr. Miller and Vice President Brewer provided the committee with updates on the rounds of bargaining taking place or concluded in some of the other Ontario universities. It appears that monetary settlements are being reached notwithstanding the messaging of the wage restraint legislation. Discussions between York and some of its unions are ongoing outside of negotiations, in the context either of resolving ongoing issues (such as workload for full time faculty) or in advancement of the better workplaces initiative.

Pension Update:

Ontario universities still await provincial regulations on solvency relief. Notwithstanding, the university is communicating with its employees through a series of 3 open fora on pension issues to ensure that employees understand the plan, the challenges, and the pension deficiency's impact on the university's budget.

Employment Equity:

The university has prepared and filed a report in compliance with its obligations under the Federal Contractors Program and the report will be mounted on the university web site. Presently, the response rate to the employee employment equity survey under the program is approximately 66%, with a target rate of 85%. The results show that women are well represented in the York workforce, exceeding the benchmark in most areas. Less well represented are visible minorities, First Nations and persons with disabilities. Recruitment outreach plans are underway to improve the benchmarks for underrepresented categories.

Accessibility for Ontarians with Disabilities Act:

The university achieved and reported compliance last March in respect to the first of the standards issued pursuant to this legislation: the Customer Service Standard. Since then, both web and in person training has been taking place in accordance with the legislation, and a web hub for information on the legislation and on issues of accessibility for persons with disabilities is being developed. Three of the remaining standards: Information and Technology, Employment and Transportation have been combined into one

Integrated Standard and a draft has been circulated for consultation. York has provided its comments. It is expected that this next set of standards will be in force in the Spring, and the requirements for compliance, particularly with respect to communications, are currently being incorporated into plans and activities.

Governance

Having proposed the nomination of two additional governors at this meeting, the committee will be reviewing the matrix of competencies of the current governors to inform what additional talents might be desirable.

*Zahir Janmohamed
Chair*