



York University  
Board of Governors

*Notice of Meeting*  
Monday, April 25, 2011  
3:00 pm to 6:00 pm

Marshall A. Cohen Governance Room  
5<sup>th</sup> Floor, York Research Tower  
Keele Campus

**AGENDA**

**TAB**

**I. CLOSED SESSION**

**II. OPEN SESSION (approximately 3:30 pm)**

<b>1. Chair's Items</b> ( <i>P. Cantor</i> )	
<b>1.1 Report on Items Decided in the Closed Session</b>	
<b>1.2 Executive Committee</b> .....	1
<b>1.2.1 Action Taken on Behalf of the Board</b> .....	2
<b>1.2.2 Sustainability Policy</b> ( <i>For action</i> ) .....	3
<b>2. President's Items</b> ( <i>M. Shoukri</i> )	
<b>2.1 Updates and Current Issues</b>	
<b>2.2 Presentation: Glendon's School of Public and International Affairs</b> ( <i>Alex Himelfarb, Director</i> )	
<b>2.3 Presentation: Schulich India Project</b> ( <i>Dezső Horváth, Dean Schulich School of Business</i> )	
<b>3. Academic Resources Committee</b> ( <i>S. Schwartz</i> ) .....	4
<b>3.1 Appointments, Tenure and Promotion</b> ( <i>For action; S. Schwartz</i> ) .....	5
<b>4. Community Affairs Committee</b> ( <i>R. Lewis</i> ) .....	6
<b>4.1 First Year Challenges: Recruitment Conversion and Retention</b> ( <i>Presentation; R. Tiffin –Background Document attached</i> ).....	7

April 25, 2011

**5. Finance and Audit Committee (O. Ibrahim) ..... 8**

**5.1 Pension Working Group Report (For information) ..... 9**

**5.2 Schulich India Project (For action) ..... 9**

**5.3 Capital Budget Increase, Glendon Centre of Excellence (For action) ..... 10**

**5.4 2011 Endowment Distribution Rate (For action)..... 11**

**6. Investment Committee (G. Burry)..... 12**

**7. Other Business**

**8. In Camera Session**

**CONSENT AGENDA**

**1. Minutes of the Board of Governors Meeting of February 28, 2011 ..... i**

Harriet Lewis  
Secretary



Board of Governors

**York University  
Board of Governors**

Minutes of the Open Session of the Meeting of  
Monday, February 28, 2011  
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 Terrie-Lynne Devonish Billy Gyamfi Ozench Ibrahim Debbie Jamieson Zahir Janmohamed Kuttimol Kurian Patrick LeSage Robert Lewis Kevin McKague Ken Ng Tim Price Samuel Schwartz Mamdouh Shoukri George Tourlakis Paul Tsaparis Henry Wu Bryan Zarnett  <i>Harriet Lewis, Secretary</i>	Julia Foster Rosemary Heneghan Deborah Hutton Sandra Levy Mark Lievonon Honey Sherman David Tsubouchi	James Allan Robert Allison Cynthia Archer Noël Badiou Bruno Bellissimo Gary Brewer Glen Craney David Dewitt Richard Francki Wade Hall Rhonda Lenton Ali Kazimi Paul Marcus Ijade Maxwell-Rodrigues Alex Matos Patrick Monahan Doug Peers Wallace Pidgeon Alice Pitt Trudy Pound-Curtis Bud Purves Lia Quickert Stan Shapson	Rob Tiffin Jacqueline Volkhammer Willam van Wijngaarden Susan Webb Berton Woodward  <i>Cheryl Underhill Assistant Secretary</i>  <i>Elaine MacRae Board Coordinator</i>

**II. OPEN SESSION**

**1. Chair's Items**

Mr Wu was introduced and welcomed to his first meeting as a governor.

*1.1 Executive Committee*

The written report circulated with the agenda was *received*.

## 2. President's Items

### 2.1 Updates and Outstanding Issues

The President reported on the following issues:

- Academic and financial planning by the University in the current political landscape;
- the unanimous approval of the 2010-2015 University Academic Plan by Senate;
- progress in the ongoing *Process Re-engineering and Service Enhancement* (PRASE) and *Better Workplace Initiatives* (BWI) initiatives;
- continued progress on the implementation of the campus safety audit recommendations; and
- recent faculty and student achievements and Honorary Doctorate recipients for the Spring 2011 Convocation.

### 2.2 Presentation: 3D Film Innovation Consortium (FLIC)

Professors Laurie Wilcox (Psychology), Robert Allison (Computer Science & Engineering) and Ali Kazim (Film) gave an interactive presentation on their university-industry-government consortium on 3D Film Innovation (FLIC), which was received with appreciation.

## 3. Academic Resources Committee

Documentation circulated with the agenda was noted by Mr Schwartz. The success of the recent *York Leadership Roundtable* was highlighted, as was the potential for the new *Markham Convergence Centre* to further build York's presence in the 905 region. He also conveyed the Committee's enthusiasm about the preliminary plans for Schulich campus in India.

### 3.1 Appointments, Tenure and Promotion

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

**that the Board approve the President's February 2011 report on Appointments, Tenure and Promotion.**

## 4. Community Affairs Committee

Mr Lewis spoke to the written report of the Committee. He drew attention to the results of the reputational survey conducted by The Strategic Council and student relations matters. The Committee has suggested that the University consider expanding the use of mobile technology, such as "apps", as a way of building community with and among students.

## 5. Finance and Audit Committee

Mr Denison provided a thorough summary of the written report circulated with the agenda, touching on the pertinent matters of budget and pension fund planning, and key initiatives in progress including the Schulich campus in India and PRASE.

### 5.1 Premise Isolation Backflow Preventers

The documentation distributed with the agenda was noted. The proposed capital project is required to meet municipal water supply by-laws. It was duly *agreed*,

**That the Board of Governors approve a budget of \$1.4 million to complete:**

- A) **the detailed design and installation of premise isolation backflow preventers at the Keele Campus at the cost of \$1.05 million;**

- B) **the detailed design and installation of a premise isolation backflow preventer at the Glendon Campus at the cost of \$ .15 million;**
- C) **a detailed individual building isolation engineering review and assessment at both campuses at the cost of \$ .2 million**

5.2 *Glendon Cafeteria Upgrade and Renovation*

The documentation distributed with the agenda was noted. The renovation of the cafeteria will modernize the facility and improve the dining environment for students in keeping with the commitment to upgrade food services made with recent increases to the cost of residence food plans. In response to a question, it was confirmed that these improvements were a partial response to value for money concerns raised by users. It was duly *agreed*,

**that the Board of Governors approve a capital project of \$1,325,000 to upgrade and renovate the Glendon cafeteria in York Hall at the Glendon Campus.**

**6. Governance and Human Resources Committee**

The issues highlighted from the report by Mr Janmohamed included the *Better Workplace Initiative*, succession planning for the Board membership and ongoing oversight of the risk categories assigned to the Committee. The discussion of risk management led to a request by the Chair of the Board for each committee to review each Spring the list of first and second-tier risks to satisfy itself that it is duly monitoring those risk areas assigned to it, and to report on the exercise to the Finance & Audit Committee (which has overall responsibility for the Enterprise Risk Management initiative).

**7. Other Business**

There was none.

**8. In Camera Session**

An *in camera* session was held and is minuted separately.

**Consent Agenda Items**

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 April 25, 2011

*The committee met on April 6 and in addition to items otherwise appearing on the agenda, makes this report to the Board of Governors*

The Committee extended its congratulations to Tim Price on the occasion of his being honored as a distinguished alumnus of the Schulich School of Business.

**President's Items**

President Shoukri advised the committee on the ongoing discussions with the Pan/Parapan Am Games' organizers and the City of Toronto, and affirmed its interest in reaching suitable terms for the university's participation as a venue for the track and field events. The Ontario Budget announced funding for forty-one thousand more undergraduate students going forward as well as the expansion of OSAP and graduate student funding. Announcement of the province's capital plan consistent with submissions made by institutions is expected and York remains optimistic that it will receive favorable news on that front. The transition of the advancement function to a new division is proceeding. It is with regret that the university learned of Mr. Marcus' decision not to assume the Vice Presidential portfolio, but a search committee to fill that position has been established and will be moving to find the right individual to take on the challenge.

**Pension Issues**

The Committee received an update and overview from Ms. Ibrahim and Vice President Brewer on the application for pension solvency relief, and the developing plans for addressing pension reform. Because the committee will be asked to provide to management a clear mandate for community discussion on the reform of the pension plan, it was grateful to receive an update and a heads up on the risks and proposed solutions that will have to be addressed to going forward. The intention of the working group, management, and the consultant retained for the exercise, is to explore ways to ensure that the York Pension Plan is on a sustainable footing going forward, without having a drastic effect on the academic plans of the institution. The committee expects to be in a position at its next meeting, to confirm on behalf of the Board, a mandate for considering and addressing pension reform.

**Updates from Committee Chairs**

As has become the practice, each committee chair briefed the Executive Committee on key issues and information before their committees, the substance of which will be reported in other reports at this meeting. In addition, the committee engaged in a preliminary discussion of committee membership, attendance and effectiveness, a topic to which it shall return at future meetings.

*Paul Cantor*  
*Chair*



UNIVERSITY  
SECRETARIAT

1050 York Research Tower  
4700 Keele St.  
Toronto ON  
Canada M3J 1P3

Tel 416 736 5310  
Fax 416 736 5094

## Memo

To: Board of Governors

From: Paul Cantor, Chair

Date: April 25, 2011

Subject: **Action taken by the Board Executive Committee on behalf  
of the Board**

---

The Executive Committee has dealt with one item of business since the last meeting of the Board of Governors. Pursuant to the authority accorded to it under Article VI, 4(c) of the General Bylaws, the Executive Committee approved the following:

**That Professor Allan Hutchinson be appointed Interim Dean, Faculty of Graduate Studies for a period of one year (July 1, 2011 to June 30, 2012).**

York University

4700 Keele St.  
Toronto ON  
Canada M3J 1P3

## Memo

To: Board of Governors

From: Paul Cantor, Chair, Board Executive Committee

Date: 25 April 2011

Subject: Sustainability Policy

---

### Recommendation:

**The Board Executive Committee recommends that the Board of Governors of approve the proposed *University Policy on Sustainability*.**

### Background:

Following on sustainability initiatives undertaken by President Marsden, in 2008 President Shoukri created the *President's Sustainability Council* to act as an advisory group to provide input and recommendations on how to advance York University's sustainability initiatives, projects, and practices and to provide oversight of the required actions from approved recommendations. The Council has provided a forum for York students, faculty and staff to participate in the planning and implementation of York University's sustainability initiatives.

In 2009, the Council submitted their first Annual Report which included 39 recommendations, all of which the President accepted. Among the recommendations was the creation of a *Sustainability Policy for the University*.

In the spring of 2010, the Council struck a working group to consult and draft such a policy. In addition to consultation with community members, the group reviewed a number of similar policies currently in place at other Canadian universities.

The Council has approved the proposed Sustainability Policy attached hereto as an appendix. The review of the proposed policy by the Executive Committee led to the inclusion of the Board of Governors among those at the University sharing responsibility for promoting and supporting the objectives of the policy. With that amendment made, the Executive is recommending the approval of the policy by the Board. The document provides the framework for sustainable and responsible practices, activities, and operations at York. Not only does the adoption of such a policy demonstrate the University's commitment to sustainability principles, but its intention to work towards environmentally sustainable campuses.



**Title:** Policy on Sustainability

---

**Description:** Describes the University's responsibility for and commitment to sustainability, and provides the framework for ongoing implementation of the policy and assists the University Community in incorporating Sustainability into decision making.

---

**Notes:** Reviewed by President and Vice-Presidents, February 16, 2011.

---

Approval Authority: Board of Governors

Signature:

---

## I. Definitions

**Talloires Declaration:** Composed in 1990 at an international conference in Talloires, France, this is the first official statement made by university administrators of a commitment to environmental sustainability in higher education. The Talloires Declaration is a ten-point action plan for incorporating sustainability and environmental literacy in teaching, research, operations and outreach at colleges and universities. It has been signed by hundreds of university presidents and chancellors from around the world. York University signed the declaration in 2002.

## II. Policy

1. In keeping with its subscription to the Talloires Declaration, York will work towards being a sustainable university. A sustainable university is one that enhances the ecological functioning of its campuses; models knowledgeable, active and responsible global citizens; and does so within an integrated, long-term framework of full-cost economic and environmental accounting. Features of a sustainable university include a long-term perspective, a holistic outlook, acceptance of limits, focus on place and active involvement in problem-solving.
2. York will bring vision, scholarship and high ethical standards to achieving and maintaining institutional leadership in sustainable operations and community engagement.
3. Progress will be monitored, and measurable goals will be explored and adopted where feasible.
4.
  - i) York will draw upon the abilities and expertise of the university community to promote practices that maximize the beneficial effects and minimize the harmful impacts that may arise out of its operational, academic and research activities.
  - ii) Priority will be given to identifying ways of improving the long-term quality and regenerative capacity of the environmental, social and economic systems that support the University's activities and needs.

5. York will strive to be at the forefront of sustainability research and education and will use its capacity and expertise to promote sustainability within and beyond the University, with its alumni, governments and the surrounding communities. As part of these efforts, there will be an ongoing program of communication to the York community reporting on progress and achieving goals as they relate to sustainability.
6.
  - i) York will encourage the active engagement of all members of the university community in issues of sustainability and will support sustainability awareness in the greater community.
  - ii) Priority will be given to developing opportunities to collaborate on sustainability initiatives among students, academic and administrative units across and beyond the University.

### **III. Review**

This policy shall be reviewed in two years.

### **IV. Responsibility**

1. The Board of Governors and all York faculty, students and staff members are responsible for acting in a manner that promote and support the objectives of this policy.
2. Each of the President and Vice-Presidents will be responsible for advancing sustainability within their respective areas. Each Division will include a reflection of their commitment to sustainability in their annual integrated resource plans.
3. The President's Sustainability Council is an advisory body to the President with responsibility for providing input and recommendations on how to advance York University's sustainability initiatives, projects, and practices that are align with this policy. It serves as a pan-university forum to ensure that the different dimensions of sustainability are integrated into strategies for a York-specific approach to sustainability.

**ACADEMIC RESOURCES COMMITTEE**

**Report to the Board  
at its Meeting of April 25, 2011**

*The Academic Resources Committee met on April 5, 2011 and submits the following information report to the Board of Governors.*

**1. President's Items**

Dr Shoukri briefed the Committee on postsecondary elements of the provincial budget. Universities and colleagues fared relatively well, and the government has committed to funding sixty thousand additional enrolments (41,000 for universities). No allowance was made for additional and much-needed capital funding, but Queen's Park and the Universities continue to work on a ten-year plan. Funding for student assistance and graduate scholarships has been enriched. The amount invested in research is down, a slippage that can be attributed, in part, to the expiration of dedicated programs in this domain.

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

*Schulich India Project Update:* As was reported to the Board in February, the Committee has been monitoring the University's progress in developing a joint project in India with the GMR Foundation. The objective is to create a new campus which would serve as the home for Schulich programs. Currently Schulich is engaged in a twinning arrangement with the S.P. Jain Institute of Management and Research whereby Indian students pursuing Schulich MBAs study in both their home country and in Canada. The new program with GMR would see Schulich offer degrees and diplomas wholly in India. However, legislation to enable foreign universities to offer programs entirely in India has not received Parliamentary approval. The University remains committed to a strong presence in India, and is working with Schulich and its partners to ensure that activities there are of high quality, provide students with a rich and rewarding curriculum, and enhance York's reputation. Successful management of risk is crucial to the Schulich endeavour and other University activities in India.

*Academic Innovation Fund:* On the eve of announcing recipients of Academic Innovation Fund awards, the Provost reported that ninety-nine applications had been received. After the difficult task of selecting from among the proposals, a total of thirty-nine applicants received a share of the \$2.5 million available. Vice-President Monahan expressed confidence that the funded projects would do much to achieve University Academic Plan and Provostial White Paper objectives, and, especially, have a transformative impact on teaching, learning and the student experience.

*Process Re-engineering and Service Enhancement:* The phase 1 PRASE report from Pricewaterhouse Coopers has now been released, and the Provost described the next steps in a process designed to identify, develop, and implement more effective administrative processes and procedures so as to maximize human and financial resources while better supporting York's mission of academic excellence, student success and community engagement. As summarized in a statement issued by the Provost and Vice-President Finance and Administration, the PWC study found

- inconsistent service levels and customer satisfaction
- higher than necessary costs
- duplication of effort, and
- unclear responsibilities and accountabilities

It was concluded that the current model has “a limited capacity to manage, grow and support York’s strategic academic goals now and in the future.” The University administration has pledged that further steps in the process will be open, ongoing, and consultative. The second phase was launched with public forums led by the co-chairs and the President.

*Workload and Teaching-Only Appointments:* The administration and YUFA have been discussing workload reduction possibilities, with special attention to the creation of teaching-only appointments to ensure that students continue to have contact with full-time faculty members even in scenarios whereby active researchers have a reduced teaching workload. The Provost provided the Committee with a general overview on the nature and status of talks.

### 3. **Report of the Vice-President Research and Innovation**

Vice-President Shapson’s most recent report to the Committee focused on Innovation York and its vital outreach role. Engagement with prospective partners in the GTA is vital for many reasons, and has been grounded in the following principles:

- unlocking the exceptional potential that inheres in partnerships between York researchers and external partners
- the dynamic benefits of partnerships across a full range of social, cultural and economic dimensions
- the need for developing strengths at the local level in order to have impact on the global stage
- innovations that can transform small but meaningful changes into major gains

York’s presence in the Markham Convergence Centre also provides a showcase for research that will foster awareness of the University’s diversity (with ancillary benefits for student recruitment). A number of Faculties are moving decisively, and the results of the University’s efforts are encouraging. Notably, budding partnerships are not confined to the those traditional fields of health, science, and engineering that often come to mind with regard to research and development. Scholars from a growing number of disciplines and interdisciplinary backgrounds are forging creative partnerships. One recent example is a project involving the School of Translation. The Committee continues to express its strong support for outreach initiatives.

*Sam Schwartz, Chair*



## Memo

**University Secretariat**

4700 KEELE ST  
TORONTO ON  
CANADA M3J 1P3  
T 416 736 5310  
F 416 736 5094

**To:** Paul Cantor, Chair, Board of Governors  
**From:** Sam Schwartz, Chair, Academic Resources Committee  
**Date:** April 25, 2011  
**Re:** **President's Report on Appointments, Tenure and Promotion**

---

The Academic Resources Committee recommends

*that the Board approve the President's April 2011 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.

This report also culminates eight of the thirty searches authorized for this year (more will be finalized prior to the next meeting of the Board). Special funding made available by the Provost for new hires this year sets York apart, and the University has been among the most active faculty recruiters on the continent. This has resulted in searches that have attracted outstanding candidates and concluded with the appointment of exceptionally promising scholars, including those who have established impressive records as full-time faculty members at other universities. Another thirty specially-funded appointments have been authorized for next year.

Documentation is attached as Appendix A.

## Appendix A

### 1. Recommendations for Appointment (Tenure Stream)

Name / Gender Start Date	Department / Field	Rank	Highest Degree / University	Research Agenda/Specialization
<b>Liberal Arts and Professional Studies</b>				
Birch, Kean (M) July 1, 2011	Social Science, BUSO	Assistant Professor, Pre- candidacy 2	PhD, Planning (Oxford Brookes, 2007)	Dr. Birch comes to us from the School of Applied Social Sciences at the University of Strathclyde where he is a Lecturer in Human Geography. His research focuses on geographical and sociological understandings of economies and business, as well as the socio-economic implications of and responses to free market restructuring.
Cho, Lily (F) July 1, 2011	English, Canadian Literature	Associate Professor with tenure	PhD, English (Alberta, 2003)	Dr. Cho comes to us from the University of Western Ontario where she has held the appointment of tenured Associate Professor since July 2010. She is a specialist in Asian-Canadian literature, Diaspora studies and cultural studies. She is currently examining the relationship between citizenship and its articulation in Canadian literary and cultural texts.
Lam, Anita (F) July 1, 2011	Social Science, Criminology	Lecturer*/Assistan t Professor, Pre- candidacy 1	PhD, Criminology (Toronto, 2011)	Ms Lam expects to defend her dissertation in June 2011. She specializes in the interdisciplinary study of crime, media and culture. Her research draws from cultural criminology, science and technology, socio-legal studies and communications studies.
Martinez-Osorio, Emiro (M) July 1, 2011	DLLL, Spanish	Assistant Professor, Pre- candidacy 2	PhD, Spanish (Texas, 2009)	Dr. Martinez-Osorio comes to us from Sewanee: The University of the South where he has been an Assistant Professor in the Department of Spanish since 2009. His research focus is on epic-length heroic poems of the 17th and 18th centuries. He has extensive background in Transatlantic studies and contemporary Latin American literature.
Pilon, Dennis (M) July 1, 2011	Political Science, Canadian	Associate Professor, Candidacy 1	PhD, Political Science (York, 2005)	Dr. Pilon comes to us from the University of Victoria where he has held the appointment of Assistant Professor since 2006. In 2005-06, he held a postdoctoral fellowship in Canadian Studies at Trent University. Dr. Pilon is a specialist in Canadian electoral systems and their possible reform.
Tank, Suzanne (F) January 1, 2012	Geography, Biogeochemical Processes	Assistant Professor, Pre- candidacy 1	PhD, Aquatic Biogeochemistry (Simon Fraser, 2009)	Dr. Tank is currently a postdoctoral fellow at the Ecosystems Centre of the Marine Biological Laboratory in Woods Hole, Massachusetts. Her current research focus is on the relationships between aquatic element cycling and hydrology and the effects of changing permafrost dynamics in the north.
<b>Glendon</b>				
Montsion, Jean Michel (M) July 1, 2011	International Studies	Assistant Professor, Pre- candidacy 1	PhD, Political Science (McMaster, 2009)	Dr. Montsion comes to us from the University of Winnipeg where is an Assistant Professor in the Department of Politics. He held a post graduate research fellowship with the Asia Pacific Foundation of Canada in 2009-10. Dr. Montsion's research is in the fields of international relations theory, international political economy, the normative and legal history of international organizations and social movements.

<b>Health</b>				
Davis Halifax, Nancy (F)  January 1, 2011	SHPM, Disability Policy, Culture and Research	Assistant Professor, Pre-candidacy 1	PhD, Curriculum, Teaching and Learning (Toronto, 2002)	Dr. Davis Halifax has held a 3-year contractually limited appointment with the School of Health Policy & Management at York. She has done some teaching at the University of Toronto and the University Health Network, Toronto Western Hospital. Her research focuses on disability and health, social determinants of health, and equity and human rights.

## 2. Recommendations for Appointment (Contractually Limited Appointments)

<b>Health</b>				
Gorman, Rachel (F)  July 1, 2011 – three years	SHPM, Critical Disability Studies	Sessional Assistant Professor	PhD, Adult Education and Counseling, Psychology (Toronto, 2005)	Dr. Gorman is currently the inaugural Research Fellow at the Center for Disability Studies at the University of Buffalo. She previously completed a three-year Lectureship at the Women and Gender Studies Institute at the University of Toronto where she served as Undergraduate Coordinator. Her research addresses disability politics in the context of global capitalism, from transnational feminist, critical antiracist, and historical materialist perspectives.

## 3. Recommendations for Promotions to Full Professor

<b>Name / Gender</b>	<b>Faculty</b>	<b>Unit</b>	<b>Highest Degree</b>	<b>Specialization(s)</b>
Brooke, S (M)	LA&PS	History	PhD (Oxford University)	Modern British history
Judge, J (F)	LA&PS	History	PhD (Columbia University)	Chinese cultural history
Martel, M (M)	LA&PS	History	PhD (York University)	Canadian history, 20th century
Mensah, J (M)	LA&PS	Social Science	PhD (University of Alberta)	Geographical and statistical analysis
Mukherjee Reed, A (F)	LA&PS	Political Science	PhD (University of Southern California)	South Asian and Development Studies

## 4. Recommendations for Tenure and Promotion to Associate Professor

<b>Name / Gender</b>	<b>Faculty</b>	<b>Unit</b>	<b>Highest Degree</b>	<b>Specialization(s)</b>
Chin, G (M)	LA&PS	Political Science	PhD (York University)	Chinese politics, East Asian politics
Dauphinee, E (F)	LA&PS	Political Science	PhD (York University)	International relations and political theory
Hadlaw, J (F)	Fine Arts	Design	PhD (Simon Fraser University)	History of design
Hoffman, K (F)	Health	Psychology	PhD (University of Arizona)	Neural basis of perceptual learning and memory
Martin, L (M)	Education		PhD (Oxford University)	Mathematical understanding
Robinson, D (F)	Fine Arts	Dance	PhD (University of California)	Popular dances of the African Diaspora
Rosenbaum, S (F)	Health	Psychology	PhD (University of Toronto)	Cognitive neuroscience
Schweitzer, M (F)	Fine Arts	Theatre	PhD (University of Toronto)	19-20th century commercial American theatre
Shan, J (M)	Science and Engineering	Earth and Space Science and Engineering	PhD (Harbin Institute of Technology)	Space Engineering

### 5. Recommendations for Tenure at the Rank of Associate Lecturer

<b>Name</b>	<b>Faculty</b>	<b>Unit</b>	<b>Highest Degree / University</b>	<b>Specialization(s)</b>
Chesser, H (M)	Science and Engineering	Earth and Space Science and Engineering	MASc (University of Toronto)	Robotic Design



## COMMUNITY AFFAIRS COMMITTEE

### Report to the Board of Governors

at its meeting of April 25, 2011

*The Community Affairs Committee met on April 1, 2011 and in addition to the item on the agenda on recruitment and retention of first year students, makes this report for information.*

The committee continues to view issues on the agenda through a risk management lens and engaged in discussion of competitor risk, government policy risk, reputation risk and enrolment target risk.

#### University Relations Issues:

- **Website Redesign:** The refreshment and redesign of the home page of the external portal to the university's website is underway and is seen as vital tool for communication with future students, the public and the media. Some students (as polled in survey of American undergrads) make their decision on applying to a university on the basis of the appearance and usefulness of its web site. The committee saw a preview of the architecture and appearance of the new home page which aims to reflect the dynamism of York and the vitality of its campuses, and to better serve as a recruitment tool for high quality students. The committee also reviewed a preview of the redesigned Home Page and provided comments. The new Home Page will be launched this summer. Efforts will be focused on the development of a consistent and improved user experience throughout the York external site, with a more direct, intuitive way of navigating and clear messaging.
- **Mobile Strategy:** There is high demand for information through mobile applications and the university has been surveying students, faculty and staff to determine what platform(s) and applications are preferred as the mobile apps plans move forward. The plan is that applications will be available free of charge to access timetables/ exam schedules and campus maps.
- **University Fact Sheet:** A monthly Fact Sheet containing a summary of facts and other information is being launched. The purpose is to assist community members to articulate York's story in a consistent and timely way. It will be widely distributed and posted.
- **Media Relations Website:** A website is being prepared with the intention of creating a robust, interactive online Media Room to assist in proactively "broadcasting" York's story to the external community. Accessible information will include faculty profiles and contact information, media kits and releases and information about York's media studio and its availability for live, two-way interviews.

## **Government Relations:**

The committee received an overview of the latest Federal Budget, the Liberal's "earning passport" initiative and relevant items in the Ontario budget

## **Student Affairs:**

- **Reputational Issues:** Vice President Tiffin reported on the atmosphere on campus during the recent Israeli Apartheid week, noting that the university (particularly the Centre for Human Rights) and the student groups have worked effectively throughout the year and the week to create and maintain an atmosphere for dialogue. Some planned events were cancelled and others proceeded with minimal disruption.
- **Enrolment Issues:** Vice President Tiffin provided an overview of the recruitment, enrolment, conversion and retention challenges, particularly with respect to first year students. Retention rates are of concern, and work is being done to improve retention rates by enhancing the student experience in a variety of ways. A group of those concerned have formed a Retention Council to assess and address the issues. Graduate recruitment is an ongoing concern. While York's ability to move in the area is affected by provincial funding tied to Masters and PhD targets, the length of time taken by some graduate students to complete their doctoral studies exceeds the period for which the government provides funding.

ROBERT LEWIS  
Chair

# 2011 Retention Background Report

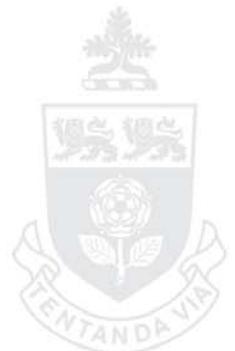
Board of Governors  
April 25<sup>th</sup>, 2011

YORK



redefine THE POSSIBLE.

UNIVERSITÉ  
UNIVERSITY



# Overview



Overall targets for retention were met for 2010-11

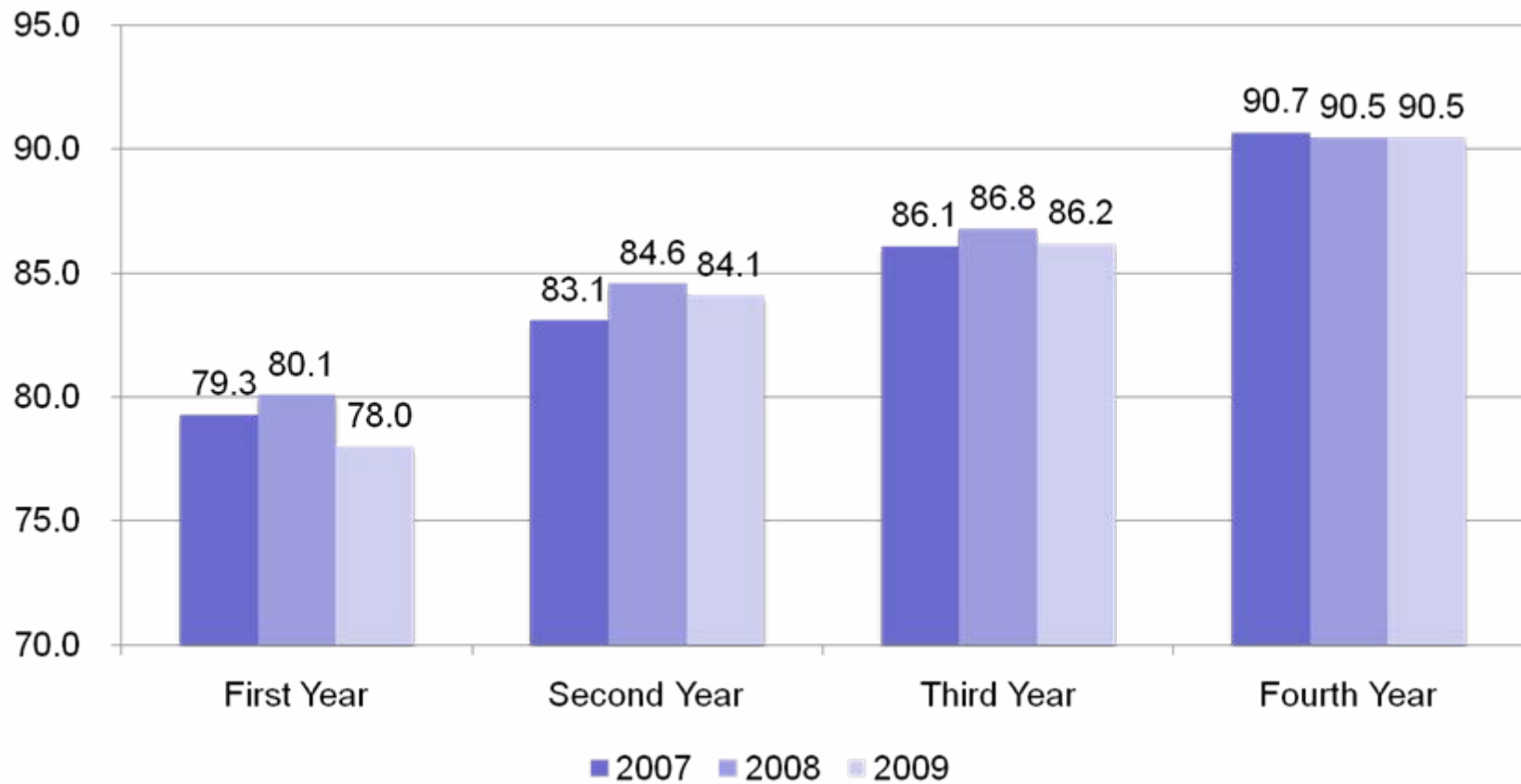
However,

- retention rate assumptions were conservative, and
- year one retention fell below target

Retention is at historically low levels

The Retention Council has been re-constituted as part of the White Paper commitment to Academic Excellence.

# Retention Rates by Year of Study



## Retention Rates by Cohort

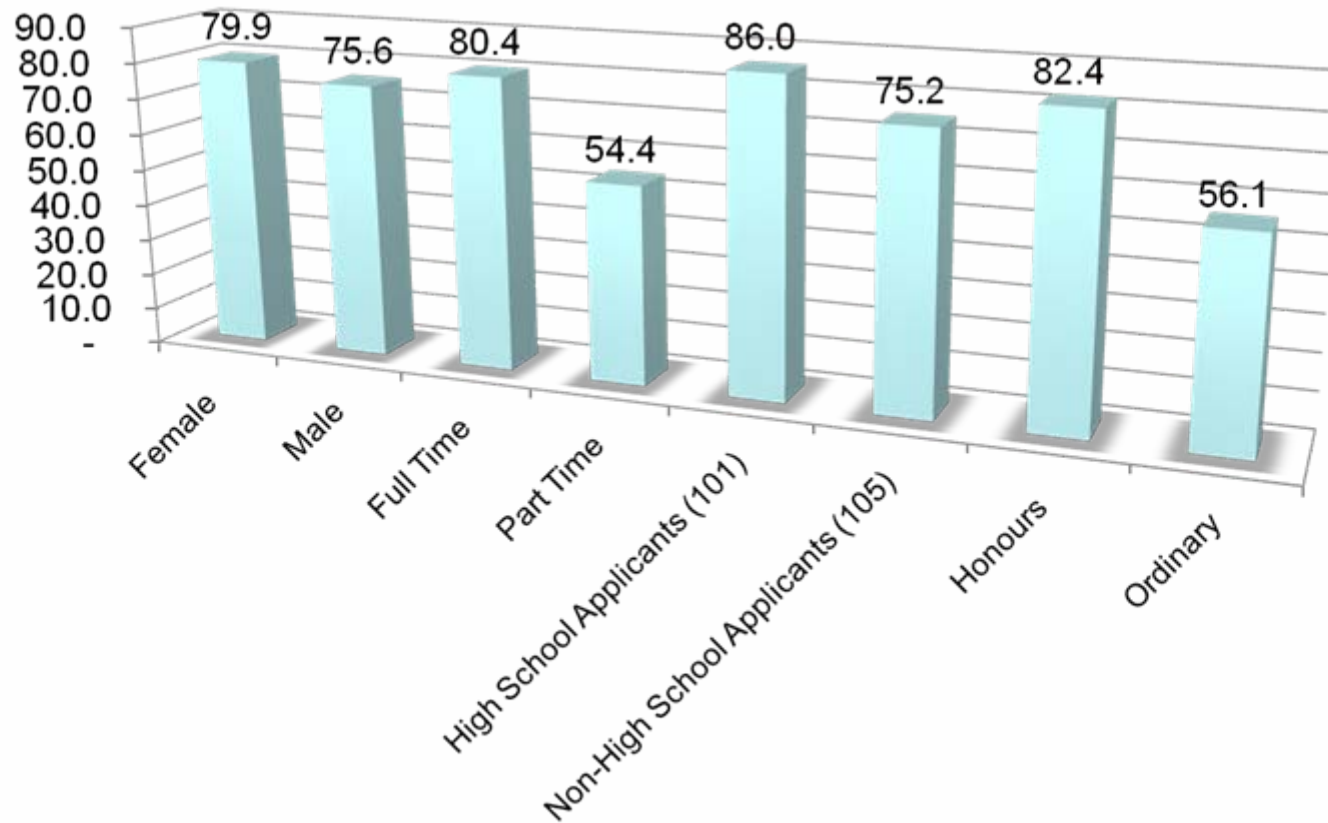


Different types of students have different retention rates

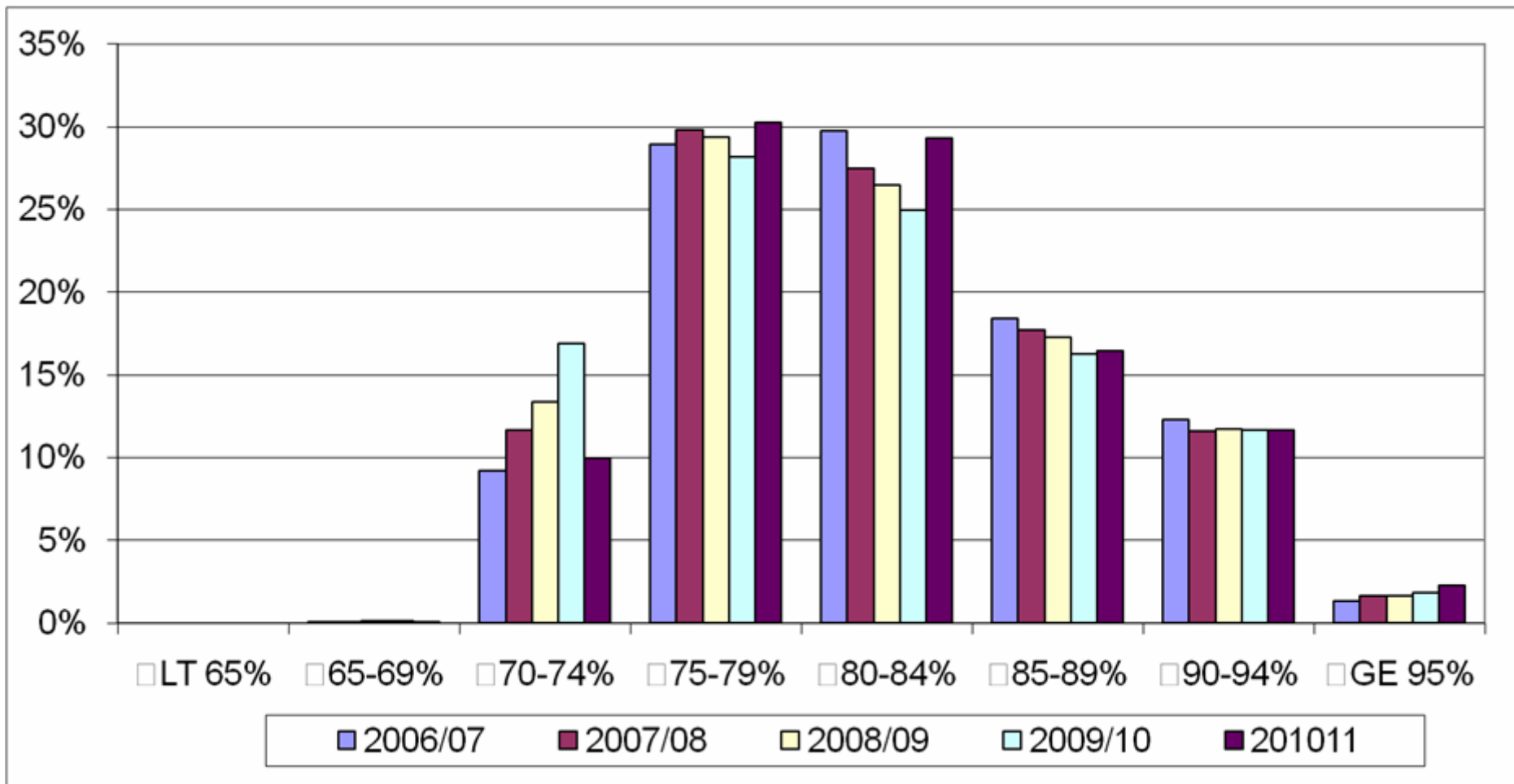
Research shows that –

- Females do better than males
- Students who come directly from high school do better than those who do not
- Full time students do better than part time students
- Honours (4-year degree) students do better than Ordinary (3-year degree)
- Students who have higher entrance grades do better.

# 2010-11 Year One Retention Rates by Cohort of Students



# Quality of the Incoming Class – Distribution of Entering Averages





## Looking Forward



Enrolment estimates for next year will continue to use conservative retention rate assumptions

- average entry grades are up for 2010-11 which should increase year one retention

Research continues on why retention rates are remain low

- York is the project lead on a Higher Education Quality Council of Ontario funded, multi-year, multi-institution study on the determinants of retention

Retention Council – Associate Deans, Academic Advisers, College Masters, Student Community and Leadership Development, Careers, Institutional Research, Library.

## Retention Council



The Retention Council brings together faculty and staff from across the institution to

- implement programs that will improve the student experience in order to increase retention and
- share best practices

It is co-chaired by VP Students and AVP Academic Learning Initiatives

The Retention Council has six foci

- Student Advising
- Students
- Year to Year/Orientation
- Peer Mentoring
- Faculty
- Data analysis

**FINANCE AND AUDIT COMMITTEE**  
**Report to the Board of Governors**  
at its meeting of 25 April 2011

*The Finance and Audit Committee met on 4 April and 19 April 2011 and in addition to the items on the agenda, submits the following report to the Board of Governors for information:*

**1. Pension Plan Issues**

Aon/Hewitt was engaged by the University last year to assist in the analysis of the current Pension Plan and the development of possible Plan changes. Consultants from Aon/Hewitt have been working with the Board Pension Fund Working Group on the review exercise. Mr Allan Shapira of Aon/Hewitt joined the Finance & Audit meeting on 4 April to present and discuss the following with the Committee:

- the status of the York University Pension Plan as at December 31, 2010
- the University's Application for Solvency Relief submitted to the Province in March
- analysis of current plan provisions and recommendations for changes to the Plan design

The goal of the review exercise is to create a more sustainable pension plan. A presentation on these matters and the next steps in the project will be made to the Board by Ms Ibrahim at this meeting.

**2. Budget Planning Update**

The proposed budget plan for 2011-2014 will come to the Finance & Audit Committee in May and the Board in June for approval. At the meeting on 4 April Vice-President Brewer provided an update on the emerging issues and key budget decisions that are shaping the next three-year budget. The driving issues of the operating budget at this time include:

- The 2011 Provincial Budget
- Enrolment plans for 2011-12
- Pension valuation implications
- PRASE budget implications

The provincial budget delivered in March confirmed that full-funding will be provided for 41,000 additional undergraduate and graduate spaces beginning in 2012-13. Announcements on 2012-13 tuition fees and post-secondary education capital funding are pending.

In addition to the news that the Province will fully fund the enrolment growth, positive budget developments to date include:

- strong undergraduate enrolments
- an optimism that solvency deficit relief will be granted for the pension fund from the provincial government, creating the potential for \$35 million savings in the total employer solvency deficit contribution for 2011
- Progress towards a more sustainable Pension Plan
- steadily improving investment performance of both the endowment and pension funds;

- opportunities for significant savings in administrative processes identified from the PRASE initiative (both short-term and long-term)

Notwithstanding, a tight fiscal environment persists at the University. Issues that may affect planning assumptions include the tuition fee framework for 2012 and beyond, Faculties achieving planned budget cuts and the outcome of upcoming collective bargaining exercises. In that context, a budget plan that aligns resources to the University's strategic plans and priorities will be developed and brought forward.

### **3. Report of the Internal Auditor**

#### *Internal Audit Status Report*

The Committee received and discussed an Internal Audit Status report from the Director of Internal Audit covering the period 1 February 2011 to 31 March 2011. The department undertook 11 audit engagements during this cycle, of which four have been completed. Three of the audits were categorized as *generally adequate*, and the third was categorized *adequate*, with several corrective actions identified to enhance controls.

The Internal Audit department is also continuing work on the development and implementation of the next phase of the Enterprise Risk Management initiative.

#### *Internal Audit Plan for 2011-12*

The Committee reviewed and approved the Internal Audit Plan for 2011-2012. The Plan is a risk based plan, which aligns with the University's strategic objectives and the key organizational risks as identified in the Enterprise Risk Management Initiative. The key elements of the 2011-2012 Audit Plan are to cover high-risk areas across academic and administrative units at the University, and to optimize resources, enhance services and align academic priorities and resources. The staff complement of the department will be held at five auditors reflecting the risk and overall complexity of University operations. The planned level of resources remains within a reasonable range for large universities.

### **4. Student Association Financial Statements**

The Committee received a report from the Vice-President Students on the Audited Financial Statements of the student associations at the University. Twenty-four of the University's thirty-one centrally funded student governments and organizations have submitted audited Financial Statements and Letters to Management for fiscal 2010. Twelve of the twenty-four completed audits received unqualified opinions from the auditors, representing 74% of the student levy money collected in 2009-2010.

The Office of Student Community Development continues to support the student groups with assistance and advice to ensure they are meeting their fiduciary responsibilities and mitigating risk. Significant surpluses were noted for several student associations. The Committee advised that a cost analysis be conducted to explore whether specific student levy amounts exceed the level required to support the intended function of the respective associations.

### **5. Annual Report of the Insurance and Risk Management Office**

The Committee received the fiscal 2010 Annual Report from the *Insurance and Risk Management Office* in the *Finance Department*. During the past year the *Insurance and Risk Management* unit has overseen the coordination and development of insurance and related risk management programs to safeguard the University's property and personnel and enhance the mission of the University.

Some of the key areas staff focused on to promote effective risk management practices included:

- reviewing contracts from a risk management perspective;
- conducting an audit of the University's automobile fleet and driver training practices
- meeting with the university community to reinforce good risk management practices
- participating on pan-university committees to assist with insurance and risk management issues
- participating with external insurance groups to ensure York's practices are consistent with industry best practices

#### **6. 2011-12 Student Housing Rates**

It was reported to the Committee that the undergraduate residence room fees for the Keele and Glendon campuses in 2011-2012 will not be increased and will remain at the current 2010-2011 rates. Applications for undergraduate residence have declined sharply over the past five years. The University has commissioned a consultant to conduct a market and demand analysis and to develop a master plan for student housing at York for the longer term. Once the consulting study has been completed, the University will be better positioned to develop the business plan model going forward.

The York Apartment rates will increase by 0.7% across the board, in accordance with the *2011 Ontario Provincial Rent Control Guideline* which took effect 1 January 2011.

*David Denison*  
*Chair*



Office of the  
Vice-President  
Finance and  
Administration

4700 KEELE ST  
TORONTO ON  
CANADA M3J 1P3  
T 416 736 5282  
F 416 736 5421

To: Board of Governors

From: David Denison, Chair Board Finance and Audit Committee

Date: April 25, 2011

Subject: Cooperation Agreement between York University and the GMR Group for the Schulich School of Business, GMR Campus, India

---

**Recommendation:**

**The Finance and Audit Committee recommends to the Board of Governors that the President be authorized to execute a Cooperation Agreement between York University and the GMR Group to develop and operate a campus in Hyderabad, India in accordance with the Term Sheet in Appendix B attached.**

**Background:**

To remain competitive in today's globalized education markets, a business school must have a presence in both developed and developing nations around the world. The pool of eligible candidates for MBA programs has been continuously eroding in the developed world over the years, particularly in Canada. With shrinking demand, competition will intensify. However, significant growth in demand is occurring in developing nations, and in particular in Asia and Latin America. The demographics of India, coupled with the lack of quality domestic academic institutions to deal with the demand, make India the best location to focus future growth. A briefing document on the full project has been prepared and is attached as Appendix A.

The Indian Government has taken steps to encourage the entry of high quality foreign universities through the introduction of the Foreign Educational Institutions Bill ("FEIB"). It is currently anticipated that the Bill will be passed in 2011, although it could be delayed into the future. The passing of this legislation will permit Schulich to independently operate a campus in India. The Schulich School of Business is currently operating in India under legislation which permits the operation of a twinning arrangement with an existing educational institution. To mitigate risk, Schulich has developed plans for continuing with its expansion into India in the scenario where the Bill is delayed or is ultimately approved with aspects which would not be acceptable to the University and the School. These contingency plans involve continuing with a twinning arrangement, in conjunction with GMR, at a new campus in Hyderabad.

In January 2010 York University signed a non-binding MOU with GMR Varalakshmi Foundation (“GMR”) which contemplated GMR building a new campus for the Schulich School of Business as part of its development in Hyderabad, the 6<sup>th</sup> largest city in India (2010 population of 4.1M).

This report is recommending that York University, or an entity to be created by York, enter into a Cooperation Agreement with GMR Group, which requires GMR Group to construct, at its cost, and for which it retains legal title, a campus built to specifications agreed between the parties. York agrees to pay GMR Group the ongoing operating and management costs for the facilities based on a Service Level Agreement. The Agreement includes the construction of both academic and support facilities which GMR Group will operate on a commercial basis. York will be required to provide a minimum guarantee of 80% occupancy of the Student Residence and associated Student Meal Plan. In the event of a lower level of occupancy, York will be required to compensate GMR for the shortfall. This contingency has been considered in the financial risk assessment for the project.

York University further agrees to establish an international business school in India, offering both academic degrees and executive development programs as permitted by applicable laws for foreign institutions operating in India. The parties agree to make best endeavors to commence operations in January 2013 under the then applicable legislation, either as a certified foreign university offering programs in India, or in a twinning arrangement for academic programs only with a suitable institution connected to GMR Group.

The agreement however recognizes that without the legislation and regulations being known at this time, that Schulich would continue to operate the campus under a twinning arrangement, similar to the one that is being operated with the SP Jain Institute of Management & Research (SPJMR) in Mumbai. Should the passing of the legislation be deferred or ultimately passed with aspects which would not be acceptable to the University, the Cooperation Agreement with GMR could be terminated.

**Benefits to York University:**

This is a York University initiative that is being led by the Schulich School of Business, consistent with the principles outlined in the University Academic Plan (UAP). The Provostial White Paper, endorsed by Senate in April of 2010, and our University Academic Plan 2010-2015, approved in February of 2011, commit this institution to pursue a focus on academic quality in a globalized world, in part by broadening and deepening our engagement with our international communities as well as locally. The determination to extend our global reach builds on our leadership in internationalization – through, for example, the development of research partnerships and collaborations worldwide, innovative summer internships for our students in international locations and with international organizations, and student exchange opportunities – as well as commitments to diversity, social justice and access. The UAP articulates the importance of internationalization: “For York over the next five years, a key imperative is a redoubling of efforts to internationalize the university. This will be accomplished by increasing the presence of graduate and undergraduate international students and faculty members on the University’s campuses, and by increasing the opportunities for members of the community to gain global experience. This imperative arises from the ever increasing pace of globalization worldwide, and the fact that a global perspective will be a precondition to success, and a core competency for active participation in a knowledge-based society in the years and decades ahead.” The creation of a campus in Hyderabad, India will be a significant contribution towards achieving this goal.

## **India Project Review Process**

To provide oversight to this project, a Steering Committee was established consisting of the VP Academic & Provost, the VP Finance & Administration, the University Secretary and General Counsel and the Dean of the Schulich School of Business. A Working Group was formed consisting of Senior Management representing Legal, Finance, Human Resources, Facilities, the VP Academic Office and members of the Schulich School of Business. External consultants located in both Canada and India were engaged in the areas of Legal, Finance, Tax and Property Management, to advise the Steering and Working Group on critical aspects of this project.

The Working Group reviewed and tested the assumptions associated with the various planning and financial documents prepared for this project. The Dean and Senior Managers of the Schulich School of Business, the VP Academic and Provost and the President of York University have travelled to India to obtain clarification and develop appropriate relationships with key individuals such as principals of the GMR organization, the Indian Government, Export Development Canada-India Office, Cushman Wakefield Property Management Consultants, Quest Management Consultants and BMR Tax Consultants. The University General Counsel engaged Legal Counsel located in Canada with experience in establishing corporations in India, and Indian Counsel has also been consulted.

## **Risk Assessment**

The University Administration has identified and assessed the magnitude and probability of the risks associated with this project and the Schulich School of Business has developed three alternative plans that could be utilized to mitigate and manage the possible impacts of the various risks identified. The areas of risks that were identified include:

### Strategic Risks

- Global Competitiveness
- Determining Target Market
- Developing a Presence
- Selecting the Right Partner

### Legislative and Legal Risks

- Foreign Education Institutional Bill
- All India Council for Technical Education Regulations
- Corpus Fund Requirement under FEI Bill
- Terms of the Cooperation Agreement
- Legal and Regulatory Risks

### Financial and Operating Risks

- Tuition and Recruitment
- Facilities and Operating Costs
- Student Residence Occupancy Assurance
- Market Risk
- Commitment to Faculty Hires
- Human Resources and Employee Relations
- Indian Taxation
- Cash Flow Impact



### **Financial Projection Summary**

The projected financial results over a six-year period under three options that could be utilized for the India campus operations were developed. The assumptions underlying these projections for revenues and expenditures have been reviewed in detail by the Steering Committee and the Working Group. Independent advice was obtained from Cushman Wakefield to ensure the validity of the projected operating costs for the campus in Hyderabad. Management is satisfied that the financial projections are a reasonable representation of the expected financial outcomes. The financial projections have taken a conservative view of the revenues and excluded the potential for additional contributions through the operation of additional degree and non-degree academic programs at the GMR campus (e.g., Executive MBA programs, Post graduate Diploma in Advanced Management summer programs and the Schulich Executive Education Programs).

Under the Full Plan, a twinning arrangement would exist until January 2013 when the new campus is scheduled to be open. Under this assumption the FEIB legislation would have passed with terms and regulations satisfactory to both York and the Schulich School of Business. Under this plan the financial results over a six year horizon would be profitable in year and cumulatively by the end of year four. In the interim years it would be drawing down on its accumulated surplus as it ramps up to its planned enrolment.

Under the two additional options presented, the twinning arrangement with GMR would be extended based on the scenario that the Bill is delayed or is ultimately approved with aspects which would not be acceptable to the University and the School. The main difference between the two options is the number of terms the students would study in Canada, thereby impacting the total program enrolment. Under both these scenarios the financial results would generate in year profits by the end of year four but in all years would remain in a cumulative surplus position.

The Finance and Audit Committee is satisfied that the financial projections confirm that each of the three scenarios is financially viable.

President Shoukri fully supports this recommendation.



Appendix A

Summary Description of the Project



## **SCHULICH IN INDIA**

The Schulich School of Business is poised to move forward with its strategic plan for expansion of the School's activities into India at a dedicated campus in Hyderabad to be opened January 2013.

### ***Why Go Global***

To be competitive in today's globalized education markets, a business school must have a presence in both developed and developing nations around the world. The pool of eligible candidates for MBA programs has been continually eroding in the developed world over the years, particularly in Canada. As well, career options are becoming more limited due to the hollowing out effect taking place in Canada. With shrinking demand, competition will intensify. However, significant growth in demand is occurring in developing nations, in particular in Asia and Latin America. Schulich's strategic plan has anticipated the need for the School to expand its activities globally. Schulich has been active in the global marketplace during the past two decades, particularly in China and India. However, compared to China, the demographics of India, coupled with the lack of quality domestic academic institutions to deal with the demand, make India the best location for this next stage of Schulich's development.

### ***Why India***

India's economic boom is set to continue and the pace of economic growth shows no sign of slowing. The lack of top-tier management schools is an impediment to realizing India's full growth potential. A young and urbanizing population is driving demand for higher education in addition to products and services. Relaxation of government regulations is paving the way for significant cross-border investment activity, new business opportunities, and the increasing presence of global corporations in India. India's large corporations are actively pursuing global growth opportunities primarily through acquisitions/mergers or partnerships abroad.

Middle class growth (somewhat over 300 million – approaching 30% of the population) is fueling a rapid expansion of the local economy, including financial services (e.g., insurance, pension funds, mutual funds, etc.). In contrast to other Asian nations with an export-led growth model (e.g., China), India's rapidly developing corporate sector is increasingly creating a global presence through exports, investments and acquisitions abroad. The Indian Government continues to deregulate various corporate sectors to allow foreign entrance into the Indian economy.

With a population of 1.15 billion, over half of which are under the age of 25, a growing middle class and an economic boom, the market for business education in India is very strong indeed. The NCAER's India Science Report in late 2005 reported that the number of all university and college graduates in India rose to 48.7 million in 2004 from 20.5 million in 1991, and the demand continues to grow. The private education market in India estimated to be worth \$40 billion in 2008 will increase to \$68 billion by 2012. As domestic professional salaries are going up by 20-25% per year, students and young executives will prefer to stay in India.

India increasingly needs well-educated management and leadership. Schulich has the opportunity to pre-empt international and domestic competition. There are few domestic competitors: the largest are the five Indian Institutes of Management (IIM); the Indian School of Business (ISB); and a handful of quality private institutions, including S.P. Jain Institute of Management and Research. The number of business graduates is less than 3,000 per year from the schools mentioned above. There is a \$4 billion (USD) outflow annually on post-secondary education due to the limited supply of quality programs in India.

As the population rapidly grows, it is unlikely, not to say impossible, that federal/local governments will be able to accommodate the demand for education in a timely fashion. The Indian Government has taken steps to encourage the entry of high-quality foreign universities through the introduction of the Foreign Educational Institutions Bill. The FEIB represents India's response to its need to increase world class graduate and professional educational opportunities in India. It is anticipated that the Bill will be passed in 2011; however, Schulich has developed plans for moving forward with expansion into India both in the scenario where the Bill is passed by that time and in the alternative scenario where the Bill is delayed or is ultimately approved with aspects which would not be acceptable to the School and the University.

***Schulich in India: A Phased Approach***

Schulich's goal is to offer graduate management degree programs and executive education in India tailored to attract students and managers, not only from India, but from around the world. Given the educational regulatory framework in India, it has been necessary to approach this in two phases:

Phase One: the offering of the Schulich MBA through a twinning program, now in its second year of operation, with the highly regarded S.P. Jain Institute of Management & Research (SPJIMR) located in Mumbai.

Phase Two: the full offering in India of Schulich's graduate and executive development programs at a dedicated campus to be built in Hyderabad in cooperation with the GMR Varalakshmi Foundation to be opened in January 2013.

Once all necessary government approvals are in place, Schulich will launch a full MBA program that can be completed in India or a combination of India and Toronto. Schulich in India is not a separate, independent school, but a branch of the Schulich School of Business, York University. Schulich will be one business school with two locations. Schulich will recruit globally for both the Canadian and Indian campuses. Placements of students will also be global.

Strategic Differentiation is critical to Schulich's plans for its MBA offering in India.

Indian Schools (in general)

Students admitted at 21-22 directly from Undergraduate studies with no work experience.

Students are Indian nationals.

The curriculum focuses on India.

Faculty members are Indian.

Placement of students is nearly exclusively in local firms in India.

Schulich in India

Students admitted at 28-29 with extensive work experience

Students are from India and around the world (roughly 1/3 non-Indian nationals at steady state).

The curriculum is globally-oriented with local/global perspectives.

Faculty members have global experience and diverse origins.

Placement of graduates is in Indian and global firms, locally and world-wide.

### ***Schulich's New Partner – GMR***

In January of 2010 Schulich and York signed an MoU with GMR under which GMR would build a new campus for the Schulich School of Business as part of its "aerotropolis" development in Hyderabad, the 6th largest city in India (2010 population of 4.07 M). GMR Group is a Bangalore headquartered global infrastructure organization with interests in Airports, Energy, Highways and Urban infrastructure. The Group is also actively engaged in the areas of Education, Health, Hygiene and Sanitation, Empowerment & Livelihoods and Community-Based Programs under its Foundation wing, reaffirming its grass root presence as change agents of society in the field of Corporate Social Responsibility. A dedicated division, the GMR Varalakshmi Foundation, has a mandate to develop social infrastructure and enhance the quality of life of communities around the locations where the Group has a presence.

G.M. Rao, Chair of the GMR Group, has been a strong supporter of the arrangement between GMR and Schulich. Rao and various family members own 100% of GMR Holdings, which holds close to 71% of GMR Infrastructure. Rao has recently committed his entire 12.5% personal interest in GMR Group, valued at \$340 million (INR 1,540 crore), for the GMR Varalakshmi Foundation (GMRVF). Rao has received many prestigious awards, including: 'Entrepreneur of the Year' from the Economic Times Awards for Corporate Excellence 2006–07; 'Most Inspiring Entrepreneur of the Year – 2008' from the National Institute of Industrial Engineering, Mumbai; 'Infrastructure Person (Infra Person) of the Year Award - 2009' by the Infrastructure Journal; 'First Generation Entrepreneur of the Year – 2009' at the CNBC TV18 India Business Leader Awards.

Rao has been the driving force in promoting social responsibility at GMR, as recognized by awards such as: 2008 Routes Orbis Award for enhancing the quality of life in the communities living around the new Rajiv Gandhi International Airport at Hyderabad; 2008 award as the Outstanding Organization for Ethics in Business from the European Parliament; the 2009 TERI Award for Corporate Social Responsibility – India's best known CSR Award. Rao has received honorary doctorates from the Jawaharlal Nehru Technological University, Hyderabad, and from the Andhra University, Visakhapatnam. York will recognize Rao's impressive long-term commitment to philanthropy and social responsibility at the June 10, 2011 Spring Convocation where he will receive an honorary doctorate.

### ***Schulich's Proposed New Campus – The GMR Campus***

The new Schulich School of Business, GMR Campus will be located within the proposed first phase of GMR's major "Greenfield" development associated with the Rajiv Gandhi International Airport at Shamshabad on the outskirts of Hyderabad. The airport, currently serving 12 million passengers annually, will be developed in three phases and when completed will provide infrastructure for 40 million passengers annually within a total site area of 5,495 acres, of which approximately 1,000 acres are available for commercial development. The GMR Campus will be a part of a larger educational zone, and occupy approximately 15 acres of land with an additional 10 acres of shared park and recreational space immediately adjacent to the campus lands (Campus Commons).

GMR will build the academic and residential facilities for the Schulich School of Business. GMR will charge a notional rental of \$1 per annum and will provide the necessary support services for the Campus under contract with York, on the basis of cost plus management fee or the prevalent market rates or a combination of both. Of importance in assessing the overall project is the value of the arrangement being offered. The facilities that will be built to Schulich's specifications will be of a quality and distinctiveness comparable to the Seymour Schulich Building in Toronto and, if it were to be built in Canada, would have a value of approximately \$100M.

The draft Cooperation Agreement expects a term of 20 years, with provisions for the Parties to exit the agreement after an initial period of 7 years with two years notice, or at any time by mutual agreement of both parties and if in the best interests of the School.

### ***Schulich in India Phase One: Twinning***

Under the existing regulatory framework, the Schulich School is operating in Mumbai under a three year Twinning Agreement with the highly-ranked S.P. Jain Institute of Management & Research (SPJIMR). The first year of the two-year Schulich MBA in India is delivered at SPJIMR's Mumbai Campus and students will spend their second year at the Schulich Toronto campus.

Schulich/York University received initial approval from the All India Council for Technical Education (AICTE) for the offering of its MBA on September 23rd, 2009. Recruitment for year 1 of the program began November 2009, directly following official notification of the terms of the approval. Given the late approval from AICTE, enrolment was capped at 25. This first MBA cohort began studies at SPJIMR facilities in January 2010. The second cohort began studies in January 2011. This year's enrolment target was set at 35 highly qualified students and 37 are currently enrolled. Schulich's successes in Phase One have resulted in extensive media coverage and increased interest from India students for both the MBA in India and Schulich's offerings in Toronto. As well, Phase One has helped assure the Indian Government of Schulich's long-term intentions.

### ***Schulich in India Phase Two: The Schulich School of Business, GMR Campus***

The Schulich School of Business, York University, will offer its program in world class facilities at the new campus in Hyderabad with the same curriculum, the same faculty, the same quality as in Toronto. Schulich's programs will operate within the Indian legal and regulatory framework but will clearly be an offering of Schulich School of Business, York University.

With the opening of the GMR Campus anticipated in January 2013, Schulich would be in a position to provide full academic activity at the GMR Campus in Hyderabad at that time. Both the original MoU and the draft Cooperation Agreement are clear that this activity will be carried out under the Foreign Educational Institutions Bill (FEIB) which is currently before the Indian Parliament and that to proceed as planned, any regulations under it would have to be passed in a form that is acceptable to the Schulich School of Business and York University.

The Schulich MBA in India will begin in September 2013 with an intake of 60 students, rising to an intake of 120 students one year later in 2014. The academic facilities will have the capacity for this number to increase to an annual intake of 180 MBA students if the market allows. Because the GMR Campus will be available as of January 2013 but the regular MBA cannot begin until September of that year, Schulich will have one intake of 60 MBA students under a twinning program starting in January 2013 in order to maintain market presence and to maximize return from the GMR Campus. These students would then complete their studies at the Toronto Campus beginning September 2013, as the regular MBA program begins at the GMR Campus.

### ***Schulich in India Phase Two: Interim Plan (A & B)***

In order to mitigate risks associated with a delay in the passage of appropriate enabling legislation, Schulich has interim plans which are both academically and financially feasible under existing legislation. With the passage of the FEI Bill in a form acceptable to the School and the University, Schulich would revert to its main plan and admit 120 MBA students in the next appropriate September. These students could complete their entire Schulich MBA in India.

Interim Plan A would see Schulich's current twinning activity relocated to the new campus in Hyderabad for a January 1, 2013 intake. At that time, Schulich would admit 60 MBA students under a twinning agreement with a suitable institution promoted by GMR as the new Twinning Partner. This arrangement would operate under our existing twinning model and within the current regulatory framework; however, our students will attend classes at the GMR Campus for two semesters before coming to Toronto for the remaining two semesters of their degree. Depending on the length of the delay in the passage of the FEI Bill, this Plan could increase enrolment to 75 in year 2 and 90 in year 3.

Interim Plan B would have the twinning program operating in a continuous format over 4 semesters with students coming to Toronto only for the 4<sup>th</sup> semester. Under Interim Plan B, intake would be set at 60 in the first year but in 2014 would move to two intakes of 60 students each year (January and September).

***Additional Offerings:***

In addition to the offering of the MBA (either as a twinning program or a complete program in India), Schulich has planned to offer other degree and non-degree academic programming at the GMR Campus.

- Schulich will offer an Executive MBA program of 16 months duration, tailored to the Indian market, with an intake of 50 students beginning September 2013. Under existing regulations, at least one semester of these programs must be completed outside of India and so the final semester will be offered at Schulich facilities in Canada.
- Schulich will offer Post-graduate Diploma in Advanced Management (PDAM) summer programs for MBA graduates in India as well as tailor-made summer programs for MBA students from partner Schools. These latter programs are degree credit programs for partner Schools from around the world and will be focussed on India, attracting 40 and 60 annually.
- Schulich will increase its offering of Executive Education programs in India, using the GMR Campus as a base; however, the actual facilities required for this activity already exist in the form of GMR's Novotel which is in close proximity to the GMR Campus site.
- As a contingency, not yet included in the financial projections, Schulich can introduce its Master of Finance program of 11 months duration with an initial intake of 25 to 30 students rising to a steady state of 50 to 60 students, at a time of the School's choosing.

***Financial Projections***

Projections have been developed dealing with enrolment levels, major assumptions and financial projections for Schulich's Plan for a fully-fledged academic operation in India. This Plan would proceed under the Foreign Educational Institutions Bill, currently before the Indian Parliament. However, in advance of the September 2013 intake for the MBA program which can be completed in India, Schulich would offer one last MBA program under existing twinning legislation beginning in January 2013 in order to maintain market presence and maximize return from the GMR Campus.

The current wording of the FEI Bill refers to a corpus fund of INR 500 million (approximately \$11M Canadian). The Bill provides the possibility of certain institutions being exempted from the requirement of the Corpus Fund but, of course, until the Bill is passed we will not know for certain. However, in discussions with the Minister and Deputy Minister responsible, Schulich has been advised it would be in the category of those institutions eligible for consideration for exemption. They have also expressed their opinion that it would be highly unlikely for the final legislation to require an actual deposit of \$11M for institutions required to create a corpus fund, rather than some arrangement such as a bank guarantee. As well, we have had discussions with Export Development Canada officials in Canada and India and they have signalled that it would be possible for EDC to assist us with any financial guarantees, if that were a requirement under the proposed Bill. EDC has also signalled that they will provide a loan for the equipment and IT requirements, currently set at \$3.5M, under this plan and under the interim plans.

The projections dealing with enrolment levels, major assumptions and financial projections for Schulich's Interim Plans (A & B), which would come into operation in January of 2013 if the passage of the Foreign Educational Institutions Bill is delayed. The Corpus Fund discussed above does not apply under the Interim Plans.



Appendix B: Term Sheet- Cooperation Agreement with GMR



## Draft Term Sheet- Cooperation Agreement with GMR

**Parties:** York University  
GMR Holdings Private Limited,  
an Indian corporation with significant business operations in India including airports,  
urban infrastructure, highways and energy

**Objective:** To collaborate to set up an international business school at Hyderabad, India to operate as the Indian campus of Schulich School of Business, offering both academic degree and executive education programs, all as permitted by Indian laws for foreign institutions operating in India.

**Name of the business school:** “Schulich School of Business, GMR Campus, York University” (or such other name as the parties may mutually agree).

**Term:** 20 years, with a 7-year lock-in period at commencement of term.

**Termination:** At any time on 2-years’ prior written notice; termination during 7-year lock-in period can be only for the reason that Indian laws impose restrictions/requirements on York as to prevent the business school from operating in accordance with either its interim or ongoing plans (provided parties will take reasonable steps to identify possible mutually satisfactory alternative ways to continue).

**Opening Date:** January 2013, with at least one section of 60 students. Parties to make best endeavours to commence the MBA program under then applicable Indian legislation, either as a certified foreign university offering programs in India, or in a twinning arrangement with a suitable Indian institution.

**Approvals:** Agreement is subject to the approvals of governing bodies of each of York and GMR, as well as the Government of India and any other Indian regulatory authorities vested with powers to regulate the establishment of the international business school.

**Review Committee:** To be established within 30 days of signing of the Agreement, with representatives from each of the parties, to review the progress of the implementation of the Agreement.

### **GMR Responsibilities:**

- (i) provide land - 15 acres for academic campus plus 10 acres for recreational sports facilities
- (ii) construct the academic campus and basic recreational and sports facilities and related utilities – power, water, communication network, sewerage, drainage etc.

Above to be a one-time capital requirement with a two-year building warranty to an agreed standard; after which York is to establish a replacement reserve account based on agreed annual contributions, from which all capital maintenance costs to be funded

- ongoing operation and non-capital maintenance of the academic campus to be to an agreed standard with costs payable by York
- lease developed land to York for nominal Cdn\$1.00 per annum
- develop student and faculty residences and lease them to occupants on terms previously approved by York
- provide necessary support services including housekeeping, security, landscaping/gardening, transportation and others on agreed terms, conditions and fees

## **York Responsibilities:**

- take reasonable steps to operate the business school as an extended campus of Schulich School of Business, Toronto, with agreed programs and numbers of students
- meet all operational requirements for the business school
- provide furniture, library and technology including electronic communications link to Toronto campus
- assure a minimum 80% occupancy of student residential campus and agreed student meal plan; in the event of a shortfall, York to compensate GMR for deficiency
- advise GMR of numbers of faculty residences required and guarantee to GMR the related rental income
- recruitment, admission, academic advising, instruction, review and evaluation of students for awarding degrees/diplomas and certificates
- development of academic programs, curriculum
- recruitment of faculty and staff
- supervision and training of academic counselors
- accreditation of programs
- all operating expenses applicable to the academic campus e.g. insurance, property taxes, township maintenance charges

**Exclusivity and Non-Compete:** Neither party to take any steps to enter into similar arrangement with any third party for setting up a business school in India, Bangladesh, Pakistan, Nepal or Sri Lanka

Office of the Counsel  
April 12, 2011



## Memo

To: Board of Governors

From: David Denison, Chair Board Finance and Audit Commit

Date: April 25, 2011

Subject: **Capital Budget Increase, Glendon Centre of Excellence**

---

### Recommendation

**The Board Finance and Audit Committee recommends that the Board of Governors approve a capital budget increase of \$2,500,000 for the Centre of Excellence project at the Glendon campus, raising the total project budget to \$24,000,000.**

### Background

In April 2008, York University received a one time capital grant of \$20 million from the Government of Ontario's \$1.4 billion Investment in Strategic Infrastructure program. These funds were granted to assist the University in undertaking a proposed Centre of Excellence for Francophone and Bilingual Postsecondary Education project. Specifically, the grant was provided to upgrade existing teaching facilities and to create additional capacity.

On April 27, 2009, the York Board of Governors approved a capital budget of \$21,500,000 for the project. Consistent with the terms of the Provincial grant, interest generated by the original \$20 million was to be used for the project and that amount was estimated to be \$1.5 million. In the capital approval request to the Board Finance and Audit Committee dated April 6, 2009, the Committee was advised that additional program elements, estimated at about \$5 million, might be brought forward for approval should further funding become available, for example, as a result of fund raising.

Since that time, the Architectural firm of Daoust Lestage was retained to prepare detailed designs and documents for the project, focusing on the construction of a new wing on the north-west part of York Hall. The construction firm, Pomerleau Inc., was selected through a competitive bidding process to implement the project and began work in August 2010, with completion scheduled for December 2011. An official groundbreaking ceremony took place on September 20, 2010.

The three storey structure will feature 20 class and seminar rooms, student space and a 250-seat lecture theatre. Conceived as a 'lightbox', the new addition will create an attractive formal entrance to Glendon and will mark one's arrival to the Glendon Campus.

When the design was completed and the final cost estimate prepared, it was recognized that the \$16 million originally contemplated for construction would be inadequate and, as

part of a value engineering strategy, some elements of the project were eliminated including:

1. Roof terrace and access
2. Third floor service room for terrace
3. Third floor lecture hall
4. Display cases in basement
5. Fine arts studio
6. Finished outside Café space

Additionally, substitution was made to utilize less costly finishes.

The facility users felt that the elimination of the items identified above would significantly reduce the benefit of the project in terms of teaching facilities and the ability to generate revenue through rental of the roof terrace for events. The Glendon campus community agreed to launch a fund raising campaign to restore these items and set a campaign goal of at least \$2 million.

### **Finances**

The value of the contracts awarded and other costs committed to date for the \$21.5 million approved project include:

Architectural Services	\$ 2,095,800
Construction Contract	\$17,204,200
Upgrading of Building Systems to accommodate additional facilities	\$ 1,003,800
Permits and Insurances	\$ 260,000
Temporary Works, Contingencies and Administrative costs	<u>\$ 936,200</u>
	\$ 21,480,000

The Project Committee has contemplated using the proceeds of fund raising initiatives to be deployed for furnishings, equipment, technology and any cost of additional scope of reintroducing items eliminated by value engineering. Separate pricing for the construction of these items were included in the contract and estimates for soft cost. This amount was targeted at \$2 million. Additionally, owing to difficulties of construction in a restricted site, unforeseen soil conditions, the presence of asbestos and the impact of the change from GST to HST, a further \$500,000 would be required.

The additional \$2.5 million, for which approval is being sought, will be derived from:

Additional interest generated on the \$20 million grant /University capital	\$ 500,000
Fund raising initiatives	\$2,000,000

A detailed fund raising program has been initiated and approximately \$3 million in potential gifts is currently in play. So far, over a quarter of the \$2 million campaign objective has been raised, with almost \$600,000 already paid and/or pledged. Any shortfall in the fundraising target will be met by the University.

## Memo

To: Board of Governors  
From: David Denison, Chair Board Finance and Audit Committee  
Date: April 25, 2011  
Subject: **York University – Recommendation on 2011 Endowment  
Distribution Rate**

---

### **Recommendation:**

**The Board Finance and Audit Committee recommends that the Board of Governors approve changes to the 2011 distribution rate for endowments as follows:**

- 1) Suspend Capital Protection for 2010-11.**
- 2) Distribution for endowments with funded positions (Market Value to Book Value) as at April 30, 2011 as follows:**
  - a) 5% for those endowments with a funded position greater than 1.10.**
  - b) 4% for those endowments with a funded position of 1.08 to 1.10.**
  - c) 3% for those endowments with a funded position of 1.06 to 1.07**
  - d) Suspend distributions for all endowments with funded positions of 1.05 or less.**

### **Background and Rationale:**

The Endowment Funds of York University and York University Foundation include donations received that are restricted for the purposes designated by the donors. The restricted purposes are generally for scholarships and bursaries, research chairs and other special projects. The endowment assets are invested in long term investments in accordance with an approved Statement of Investment Policies and Procedures.

The responsibility for the investment of the funds resides with the Boards of the University and Foundation through their respective Investment Committees. Responsibility for the setting of the distribution policy resides with the Boards through their respective Finance and Audit Committees.

Due to the significant volatility in capital markets in recent years, the administration of the University and management of the Foundation have been closely monitoring and regularly reporting to both the Investment Committees and the Board Finance and Audit Committee on the performance of the fund and the probability that the endowment capital, at market, will be sufficient to maintain the annual distributions. This updated status report is being provided to the Committees for information purposes at this time.

This report is being provided to the Board Finance and Audit Committee to recommend changes to the distribution rate for 2011. A similar recommendation is being made to the Finance and Audit Committee of the Foundation.

**Fund Position – Consolidated York University and York University Foundation**

Figure 1 below has been updated to the end of February and demonstrates the decline and disappearance of the positive revenue between market value and book value over the period from January 31, 2007 to February 28, 2010. This figure also demonstrates the results of the positive returns that have been experienced from February 2009 to the end of February 2011.

**Figure 1**

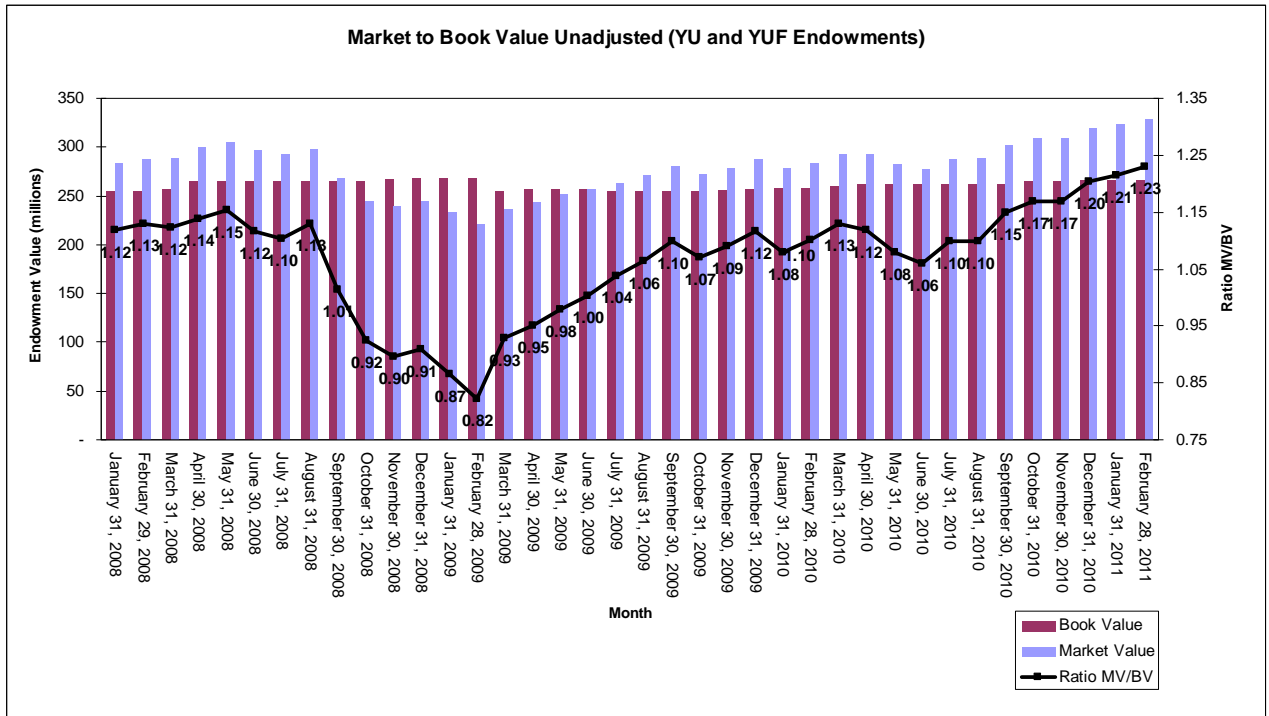


Figure 1 demonstrates the significant reserve that existed at January 2007 that had been seriously eroded to the level of 82 percent (ratio of Market Value to Book Value) at February 2009. As a result of subsequent strong investment performance and the actions taken to reduce distributions, the reserve is recovering and, at the end of February 2011, is at the level of 1.23 (ratio of Market Value to Book Value). What this graph clearly demonstrates is the need to maintain reasonable levels of reserves in order to sustain consistent distribution over the long term.

The normal annual distribution rate for endowments, with the exception of a special arrangement for one donor, has been 5% of the adjusted book value. In the last two years, the Board Finance and Audit Committee revised the distribution rate and took a number of measures to help preserve the capital of these endowments. The measures included a combination of suspension of CPI, reversal of previous capitalizations and a reduced distribution of 3% restricted to endowments that had a funded position of .90 or greater.

Each individual endowment account is required to stand on its own and must be analyzed based on its characteristics derived from timing of cash inflows and investment history. Consequently, each individual endowment can be ranked by strength based on its unique ratio of market value to book value that, in essence, is based on the length of time it has been invested in the endowment fund.

A detailed review of the endowments and their individual ratio of market to book value has been analyzed and Figure 2 below outlines the position of these funds in ranges. The detailed analysis was prepared based on the end of February 2011 balances.

**Figure 2**

<b>Market to Book Value Analysis YU and YUF Consolidated as at February 28, 2011</b>					
<b>MV/BV Ratio</b>	<b>Count</b>	<b>Current Book Value Book value - 31-Jan-11</b>	<b>Eligible Book Value Book value - 30-Apr-10</b>	<b>% Weight by Eligible BV</b>	<b>Current Market Value Estimated 28-Feb-11</b>
Greater than 1.10	1,639	196,490,775	194,460,841	93%	243,965,440
1.08 to 1.10	51	4,822,635	4,595,675	2%	5,282,509
1.06 to 1.07	16	4,804,493	4,791,804	2%	5,087,426
1.05 or less	8	5,142,256	5,135,756	2%	5,254,537
<b>TOTALS</b>	<b>1,714</b>	<b>211,260,160</b>	<b>208,984,076</b>	<b>100%</b>	<b>259,589,913</b>
Excludes:					
1) New Endowments contributed later than April 30, 2010.					
2) YU&YUF Endowments that do not normally receive distribution.					
3) Schulich Special Arrangement Distribution endowments					

The investment objective of the Endowment Fund is to preserve the Fund capital in real terms in order to provide a flow of income to endowment beneficiaries in perpetuity. An additional investment objective of the Endowment Fund is to provide a rate of return sufficient to support stable expenditures over time.

In surveying Canadian universities, most continue to be conservative with their endowment distribution rates for 2011 in an attempt to maintain some reserves to assist should capital markets continue to be volatile in the near term.

This proposal represents a cautious approach, which balances the desire to make as much available as possible from the endowments, with the need to maintain reasonable reserves within each endowment and not expose the University's central budget to additional cost pressures in future years.

Based on the above formula, it is estimated that the endowment distribution will amount to \$10.3M as compared to \$10.5M, which is the value had the distribution policy remained at the normal level of 5%.

The University will mitigate the shortfall in funding that is created as a result of this reduced distribution by:

- 1) Providing supplementary support for student awards from the University operating budget to a minimum level of 4%.
- 2) Providing full support from the University operating budget for any shortfall in distribution for salary and benefit costs for endowed chairs.
- 3) The Foundation will communicate to the donor community and will work with individual donors with special arrangements as appropriate.
- 4) The Foundation has and will continue to encourage donors who have established endowed funds to provide additional funding equivalent to the required distribution to fund the intended purpose.

**INVESTMENT COMMITTEE**  
**Report to the Board of Governors**  
at its meeting of 25 April 2011

*The Investment Committee met on 28 March 2011 and submits the following report to the Board of Governors for information:*

**1. Meeting of the Investment Committee**

The Committee received the Treasurer's Report on cash flow and short-term investments to January 31, 2011. There have been no significant changes since last quarter to short-term funds investment allocations: nearly all of the University's aggregate funds (99.99%) are held either as cash deposits in the banks or in the laddered fixed income portfolio (bonds & mortgages); and almost the entire liquid portion of the short-term funds is being held in bank accounts which are yielding a higher rate of return than the other short-term investment vehicles. The very solid returns on the fixed income portfolio has yielded an excess of \$5.3 million of revenue per annum, relative to the cash alternative, for the University.

The Investment Committee was joined by the members of the Investment Committee of the Foundation Board for a joint meeting.

**1. Endowment Fund Performance**

*Semi Annual Investments & Performance Snapshot and Performance Summary*

The Committees received the semi-annual investments and performance summary as at December 31, 2010, and the total fund performance summary to February 28, 2011. In September 2010, the historical returns for the endowment fund returned to positive territory indicating the fund had fully recovered from the depreciation due to market declines from Fall 2007 to Spring 2009. Since September, the investments have been adding incremental returns month by month. As at 28 February 2011 the total market value of the fund was at \$327.8 million, which is a growth of 2.37% for the calendar year (2 months), and 11.29% for the fiscal year to date (10 months); the former is slightly below the benchmark, the latter slightly above.

Consistent with the requirements of the *Statement of Investment Policies and Procedures*, the Committees also received and reviewed the fee structure and fund expenses for the endowment fund for the calendar year 2010 versus 2009. There was an increase in fees in 2010 over 2009 of approximately 37%, which is attributable mainly to the 14% increase in assets and the higher fees for active currency management and a 5% reallocation from Canadian equity to Emerging Market equity. The higher fees were not unexpected. The strong fund performance results speak to the value of the recent changes made to the asset mix and the investment strategy.



### *Performance Monitoring Report*

The results of the 2010 calendar year-end review of the fund managers conducted by Aon Hewitt were presented to the Committees at the meeting in March. Consistent with the previous year the analysis provided valuable information to inform decisions about manager selection.

It was reported to the Board in December that over the Fall the Committees had made decisions about two fund managers in response to concerns about their performance and/or their organizational stability. In September the decision was taken to replace AllianceBernstein with a new manager for the *Global Equity* asset class, and in December the Committees decided that *Fiera Sceptre* would be replaced with a new manager for the *Canadian Equity* portfolio. It was also decided, based on the recommendations from Aon Hewitt's study of the Canadian Equity asset class structure, to maintain the multi-manager approach, using active management for the asset class and a mix of Value and Core styles of management.

## **2. Canadian Equity Investment Manager**

Following the decision taken to replace *Fiera Sceptre* as manager for a *Canadian Equity* portfolio, a search for a replacement Manager for the portfolio was conducted by the University. Two members of the Investment Committees participated in the search. At the meeting in March, the Committees approved the appointment of *Mawer Investment Management* to manage certain assets of the endowment fund in a new *Canadian Equity* specialty mandate, subject to the completion of the due diligence exercise. The specialty mandate for *Mawer Investment* will be presented to the Committees for approval at its next meeting in May.

## **3. Global Equity Investment Manager Mandate and Transition of Asset Funds**

In December 2010 the Committees approved the appointment of *Aberdeen Asset Management* to provide specialty investment management services for the *Global Equity* asset class of the endowment fund, replacing *AllianceBernstein*. *Aberdeen* was also appointed manager of the same asset class for the Pension Fund. With the change in manager, a Global Equity specialty mandate for *Aberdeen* was approved by the Committees in March 2011.

The move to a new investment manager for the *Global Equity* portfolio required a process for transitioning the legacy AllianceBernstein portfolio to Aberdeen. The amount of assets that needed to be transitioned was \$70 million for the endowment fund and \$130 million for the Pension Fund. It was a complex exercise done in three stages. The process was facilitated by the use of a specialty transition manager who was selected through an open RFP process. As planned the transition was executed and completed on February 28, 2011; trading resulted in a net gain of 81 basis points over the portfolio's beginning of day valuation. The Committees commended management for the thorough planning and careful oversight of this sensitive and complex matter.

## **4. Endowment Distribution for 2010**

A recommendation from the Finance & Audit Committee pertaining to endowment distribution for the 2011-12 academic year is on the agenda for the Board's approval. The proposed changes were brought to the Investment Committees for information, and they support the recommendation.

*Guy Burry*  
*Chair*