



York University
Board of Governors

Notice of Meeting

Monday, December 3, 2012
3:00 pm to 6:00 pm

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

AGENDA

TAB

I. CLOSED SESSION

II. OPEN SESSION (approximately 4:00 pm)

1. **Chair's Items** (*J. Foster*)
 - 1.1 **Report on Items Decided in the Closed Session**
 - 1.2 **COU Board Orientation Session** (*E. Wickham*)
 - 1.3 **Executive Committee** 1
 - 1.3.1 **Action Taken on Behalf of the Board**..... 2
2. **President's Items** (*M. Shoukri*)
 - 2.1 **Enrolment Update** 3
 - 2.2 **Presentation: Dean Harvey Skinner, Faculty of Health: "Agents of Change"**
3. **Academic Resources Committee** (*S. Schwartz*) 4
 - 3.1 **Appointments, Tenure and Promotion** (*For approval, S. Schwartz*) 5
 - 3.2 **Proposals to Establish Endowed Chairs and Professorships, Faculty of Environmental Studies and Lassonde School of Engineering** 6
4. **Marketing, Communications and Community Affairs Committee** (*R. Lewis*) 7
5. **Finance and Audit Committee** (*O. Ibrahim*) 8
 - 5.1 **Recommendation on Adoption of New CICA Accounting Standards for Not for Profit Organizations** 9
 - 5.2 **Long-Term Ancilliary Plan** 10

December 3, 2012

TAB

6.	Governance and Human Resources Committee (<i>Z. Janmohamed</i>).....	11
6.1	Pension Plan and Fund Terms of Reference Revision (<i>For approval; Z. Janmohamed</i>) ...	12
7.	Investment Committee (<i>Oral Report, G. Burry</i>)	
8.	Land and Property Committee (<i>P. Tsaparis</i>)	13
9.	Other Business	
10.	<i>In Camera</i> Session	

CONSENT AGENDA

1.	Minutes of the Board of Governors Meeting of October 1, 2012	i
2.	Banking Resolution	14
3.	Pension Board of Trustees Reappointment	15

Harriet Lewis
Secretary

York University
Board of Governors
 Minutes of the Open Session of the Meeting of
 Monday, 1 October 2012
 Marshall A. Cohen Governance Room, York Research Tower

<i>Present:</i>	<i>Regrets:</i>	<i>Others:</i>
Julia Foster, Chair Susan Black Guy Burry William Hatanaka John Hunkin Ozench Ibrahim Debbie Jamieson Zahir Janmohamed Armand La Barge Sandra Levy Bob Lewis Jon O’Kane Sam Schwartz Honey Sherman Mamdouh Shoukri Paul Tsaparis Emile Wickham Paul Wilkinson Harriet Lewis, <i>Secretary</i> Cheryl Underhill, <i>Assistant Secretary</i>	Terrie-Lynne Devonish Deb Hutton Mark Lievonen Martin Lockshin Ken Ng Tim Price Henry Wu	James Allan Noël Badiou Gary Brewer Barbara Crow Wade Hall Rhonda Lenton Ran Lewin Ijade Maxwell Rodrigues Ken McRoberts Patrick Monahan Janet Morrison Jeff O’Hagan Trudy Pound-Curtis Lia Quickert Joanne Ryder Christine Silversides Noël Sturgeon Rod Thornton William van Wijngaarden Susan Webb Robert Everett, <i>Assistant Secretary</i> Elaine MacRae, <i>Board Coordinator</i>

II. OPEN SESSION

1. Chair’s Items

Mrs Foster welcomed all to the first meeting of the new academic year and her first as chair. New governors Emile Wickham, Salvatore Paneduro and Martin Lockshin were welcomed to the Board.

She reported on her attendance at the recent Ontario Universities Fair and the September meeting of Senate. Governors were encouraged to attend the President's speaking engagement at the Empire Club luncheon on 7 November 2012.

1.1 Report on Items Decided in the Closed Session

The Chair reported on the one item decided in the Closed session of the meeting:

- the appointment to the Board of Salvatore Paneduro for a nine-month term effective 1 October 2012.

Mr Paneduro was welcomed to the meeting.

1.2 Executive Committee

The documentation circulated with the agenda was noted by Mrs Foster.

1.2.1 Actions Taken on Behalf of the Board

Referring to the documentation circulated with the agenda, Mrs Foster reported that on behalf of the Board, the Executive Committee:

- approved the appointment of Barbara Crow as the Interim Dean and AVP Graduate Studies for a ten-month term effective 1 September 2012
- concurred with the negotiated three-year agreements reached with four employee groups

1.2.2 Committee Name Change

The documentation with the agenda was *noted* by Mrs Foster. The proposed name change better reflects the function of the committee. It was duly *agreed* that the Board approve **the change in name of the Community Affairs committee to Marketing, Communications and Community Affairs.**

1.2.3 Mission Statement Revision

The documentation with the agenda was *noted* by Mrs Foster. Specifying alumni and volunteers as part of the University's community makes the Mission Statement more comprehensive. It was duly *agreed* that the **Board approve the minor amendment to the York University Mission Statement and to forward the amended statement to Senate for its concurrence.**

2. President's Items

President Shoukri reported on the key academic and administrative objectives for 2012-2013, including the academic priorities of establishing and building the engineering program, and strengthening research; and the administrative priorities of furthering the PRASE initiative and the development of a strategy to use the University's development lands to advance its mission.

He also briefed the Board on:

- the successful start to the year
- the launch of the "This is My Time" campaign
- the public policy context for postsecondary education and continuing funding challenges facing universities
- the measures being taken to achieve York's academic objectives and operational efficiencies
- the candidates for honorary doctorates at the Fall 2012 convocation ceremonies
- recent faculty and student successes

2.1 *Strategic Mandate Agreement*

Vice-President Monahan provided an overview of the University's *Strategic Mandate Agreement* prepared for submission to the Ministry of Training, Colleges and Universities; a copy of the presentation slides are filed with these minutes.

It is an aspirational document, promoting York's key planning directions of:

- an expanded partnership with Seneca College leading to a new satellite campus;
- expanded Life Long Learning programming
- strengthening bilingual education opportunities at Glendon College
- enhancing internationalization
- expanding eLearning

It was suggested that an executive summary of the planning directions be prepared as a companion document to the SMA submission. The Board looks forward to learning of the outcome of the Ministry's exercise.

2.2. *Update: The 2012 Branding Exercise "This is My Time"*

Susan Webb, Executive Director Communications & Public Affairs, presented an overview of the "This is My Time" marketing campaign. The initiative was informed by qualitative and quantitative research with targeted audiences. It has generated considerable interest, and the student response to a contest for the best vision statements has been very strong. The winning student submission and the prize of free tuition will be announced at the University's Red & White Spirit Day on 14 November 2012. Plans to expand the campaign into a new phase are under discussion.

In response to a question about measuring the success of the branding initiative, Ms Webb confirmed that metrics have been established to gauge the short-term and long-term impact of the campaign which will be reported on at a later time.

3. **Academic Resources Committee**

Mr Schwartz noted the report for information circulated with the agenda.

3.1 *Appointments, Tenure and Promotion*

The documentation with the agenda was *noted*. Mr Schwartz emphasized the quality of the junior and senior faculty progressing through the ranks. It was duly *agreed* **that the Board approve the President's September 2012 report on Appointments, Tenure and Promotion.**

3.2 *Establishment of Endowed Chairs and Professorships, Schulich School of Business*

Referring to the documentation, Vice-Provost Monahan congratulated Dean Horváth for building support for the business school's strategic objectives through endowed chairs and professorships. The Board encouraged the same approach be explored by the Lassonde School of Engineering. It was duly *agreed* **that the Board approve the following Chairs and Professorships at the Schulich School of Business:**

- **three Chairs at the Schulich School of Business in Financial Accounting; Operations Management; and Organizational Studies & Strategic Management**
- **an EDC Professorship in International Business at the Schulich School of Business**
- **a Certified General Accountants of Ontario Chair in International Entrepreneurship at the Schulich School of Business**

4. Community Affairs

Mr Lewis spoke briefly to the written report included in the agenda. The Committee will be focusing on marketing and reputational matters, including the priority area of enhancing the student experience. Congratulations were extended to Susan Webb and her colleagues for the excellent work on the branding campaign.

5. Finance & Audit Committee

Referring to the documentation distributed with the agenda, Ms Ibrahim noted the critical planning elements that will shape the University's financial standing in the year ahead. Enrolment data will be monitored as a potential budget pressure.

6. Governance and Human Resources Committee

Noting the written report in the agenda, Mr Janmohamed highlighted the Committee's ongoing work to fill the vacancies on the Board, address the length of terms of both the Chair and governors, and define the role of Vice-Chair. Recommendations on each matter will come forward to the Board once finalized.

6.1 Board Self-Evaluation Questionnaire Results

Governors were thanked for completing the questionnaire last summer. Mr Janmohamed noted the consistent themes in the feedback provided. Work has already begun to address the suggestions for enhancing the Board's effectiveness.

7. Investment Committee

Mr Burry spoke briefly to the written report included in the agenda. The typo in the Treasury report summary was corrected (i.e., 77% not 777%). The Committee will monitor developments in the Province's plan to consolidate public-sector pension (and possibly university endowment) funds.

8. Land & Property Committee

The documentation with the agenda was *noted* by Mr Tsaparis. He highlighted the next steps for the projects in progress, including the Pond-Sentinel development project, the Master Plan and the Pan-Am Games stadium.

8.1 Subway Update

Following a viewing of a video illustrating the subway tunneling excavation process, Vice-President Brewer provided a status report on the subway construction on the Keele campus. The boring machines have resumed the tunnel excavation work under the Schulich Building after a delay in operations. To the satisfaction of the University, measures have been taken to mitigate the risk the tunneling presents to the building.

10. Other Business

Mrs Foster reported that a President's Advisory Council on Advancement has been established, and will be chaired by Mr Hunkin. Updates on matters discussed at the Council will be provided to the Board from time to time. In his capacity as Chair of the Council, Mr Hunkin has joined the Board Executive Committee.

11. *In Camera* Session

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

Consent Agenda Items

All consent items were deemed to be approved.

JULIA FOSTER
Chair

HARRIET LEWIS
Secretary

EXECUTIVE COMMITTEE

Report to the Board of Governors

at its meeting of 3 December 2012

The Executive Committee met on October 24 and November 19 and in addition to the item appearing on the Agenda makes this report for information.

Bryden Awards

The committee congratulated John Hunkin, a 2012 Bryden Award winner. The Bryden Awards evening continues to be a wonderful event and a highlight of the year, with many alumni in attendance to wish the winners well and to celebrate York. Thanks were extended to Guy Burry, who for many years was the Chair of the York University Alumni Association and co-host of the awards evening, and who has just stepped down from that position.

Committee Chairs Reports

As is customary, each of the chairs of the Board committees shared information on the items of highest risk and importance raised in their committees, and members engaged with President Shoukri and each other on many of these issues. Most of those items appear in the reports filed by the committees as part of this meeting agenda, or appear on the agenda as action items.

Additional reports were received from Ms. Black on behalf of the Pension Fund Board of Trustees and Mr. Hunkin on behalf of the President's Advisory Council on Advancement.

In discussion of the advancement function and the desirability of the Board having an opportunity to provide both oversight and advice with respect thereto, it was determined that the Vice President Advancement should be invited to make reports to the Finance and Audit committee on an annual basis.

Julia Foster, Chair

Memo

To: Board of Governors

From: Julia Foster, Chair

Date: December 3, 2012

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

The Executive Committee 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 of the General Bylaws, the Executive Committee approved the following:

That Professor Rhonda Lenton be appointed as Vice President Academic and Provost for a term to begin on November 26, 2012 and extend through June 30, 2014.

Background

President Shoukri announced that Vice President Academic and Provost Patrick Monahan had accepted the position of Deputy Attorney General for the Province of Ontario, and would be leaving the university as of November 26 next to take up the position. He has been granted a leave of absence for three years in order to avail himself of this opportunity. Professor Monahan has served the university long and well, and is to be congratulated on being appointed to this prestigious post.

Given the short notice of Professor Monahan's departure, President Shoukri indicated his wish to appoint Professor (and Vice Provost Academic) Rhonda Lenton to the position of Vice President Academic and Provost to complete Professor Monahan's term. The term concludes in June 2014.

Enrolment Update November 2012

Board of Governors
December 3, 2012

VARI HALL

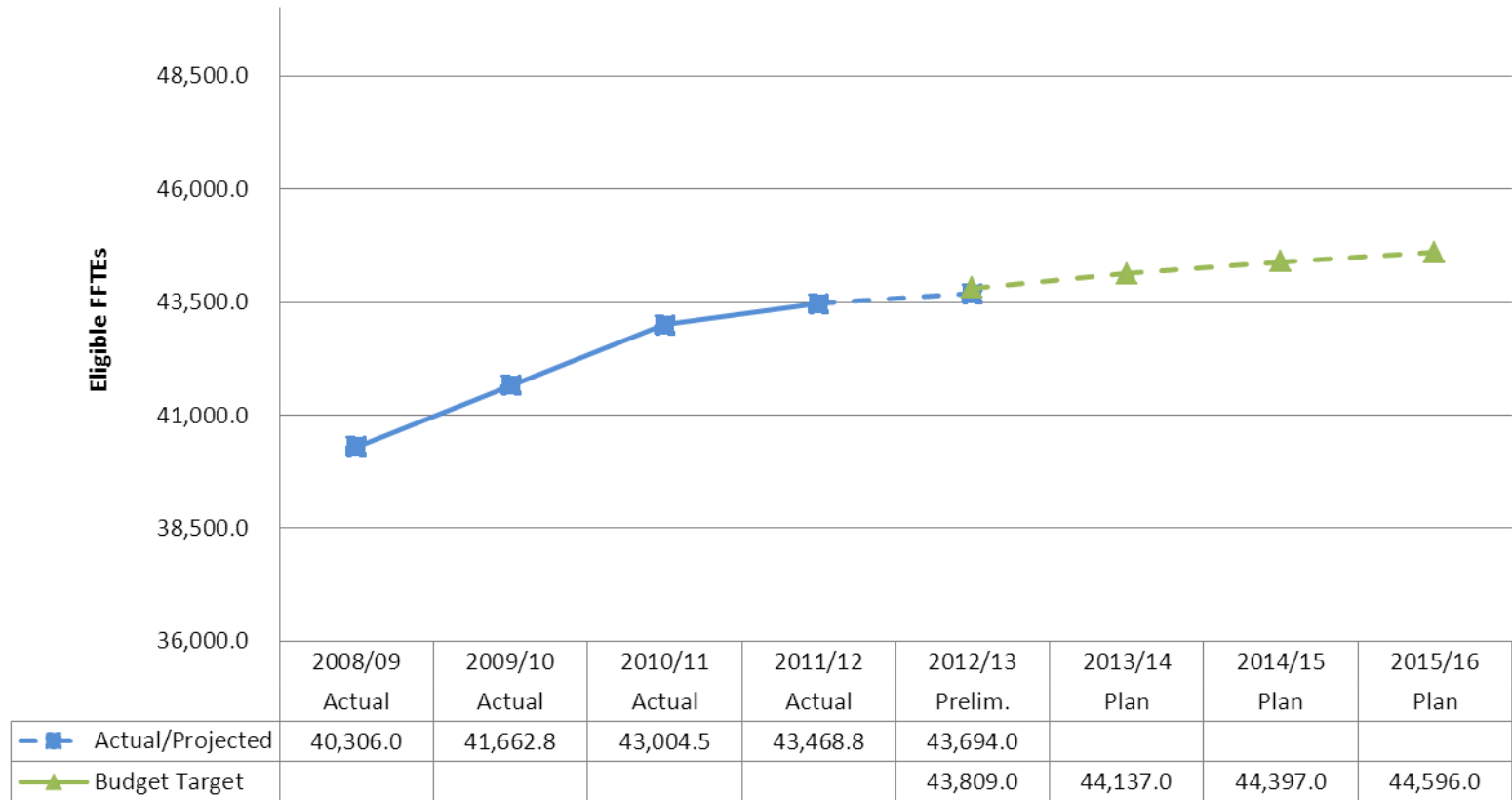
Strategic Goals

- **Strategic enrolment planning for the University is informed by the priorities set out in the White Paper, University Academic Plan 2010-2015, Integrated Resource Plans and the Strategic Mandate Agreement:**
- **Specific objectives relevant for enrolment planning include:**
 - **Increasing Grade Point Average cut-offs for undergraduate and graduate**
 - **Advancing internationalization including the proportion of international students**
 - **Increasing enrolment in engineering and science, health, business and professional programs**

External Environment

- **Enrolment plans also influenced by external context including:**
 - **provincial goal of increasing participation level in higher education up to 70% by 2015-16**
 - **support for growth beyond 2015-16 uncertain**
 - **intensification of competition including online access to universities worldwide**

Check-in Against our Plan: Total Undergraduate (Eligible + International) Enrolment



Enrolment Highlights: Undergraduate

- **As of November 1st, 2012:**
 - **Tracking to undergraduate intake target for 2012-13**
 - **Total undergraduate intake up by ~ 300 heads over 2011-12**
 - **Total undergraduate FFTEs up by ~ 226 FFTEs over 2011-12 (about 110 FFTEs less than planned growth)**
 - **Summer enrolment is significant**

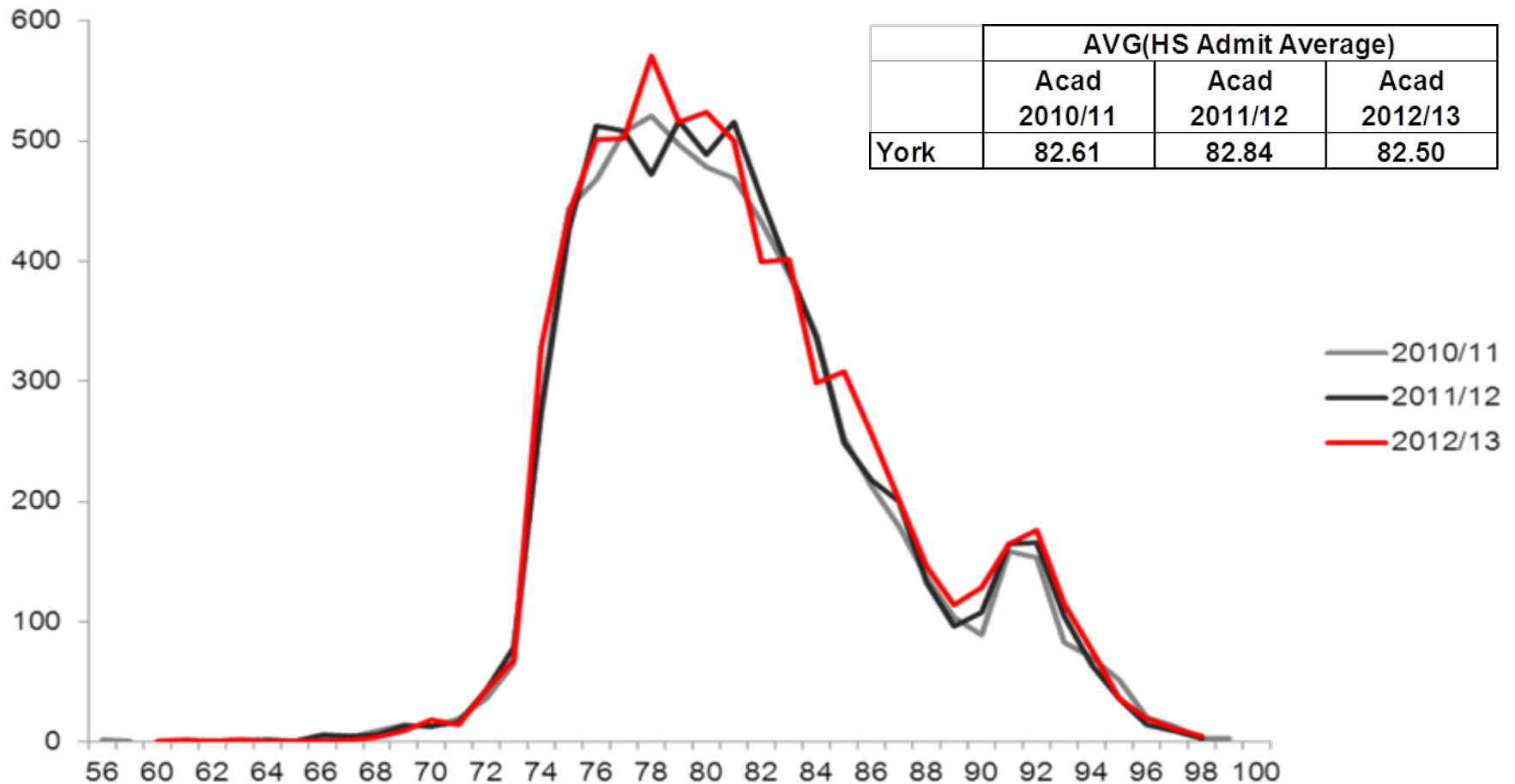
Enrolment Highlights: Graduate

- **As of November 1st, 2012:**
 - **Masters – on track to meet planned eligible growth for 2012-13 (about 12 FFTEs less than expected for Fall 2012, but up over last year by about 79 FFTEs)**
 - **Doctoral – tracking close to planned eligible growth for 2012-13 (about 61 FFTEs less than expected for Fall 2012 and down by about 72 FFTEs over last year)**
 - **Potential for further graduate growth in 2013-14**

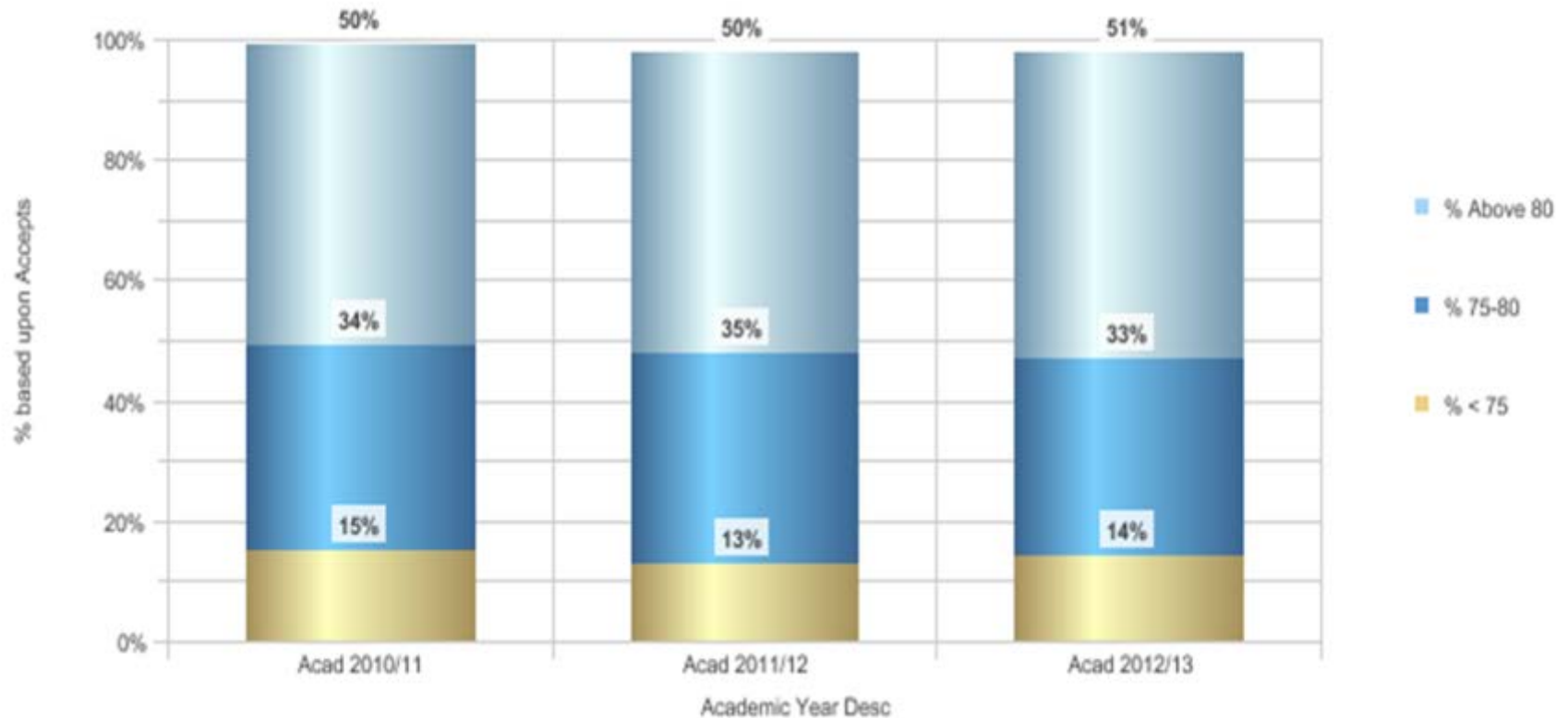
Questions

Appendix

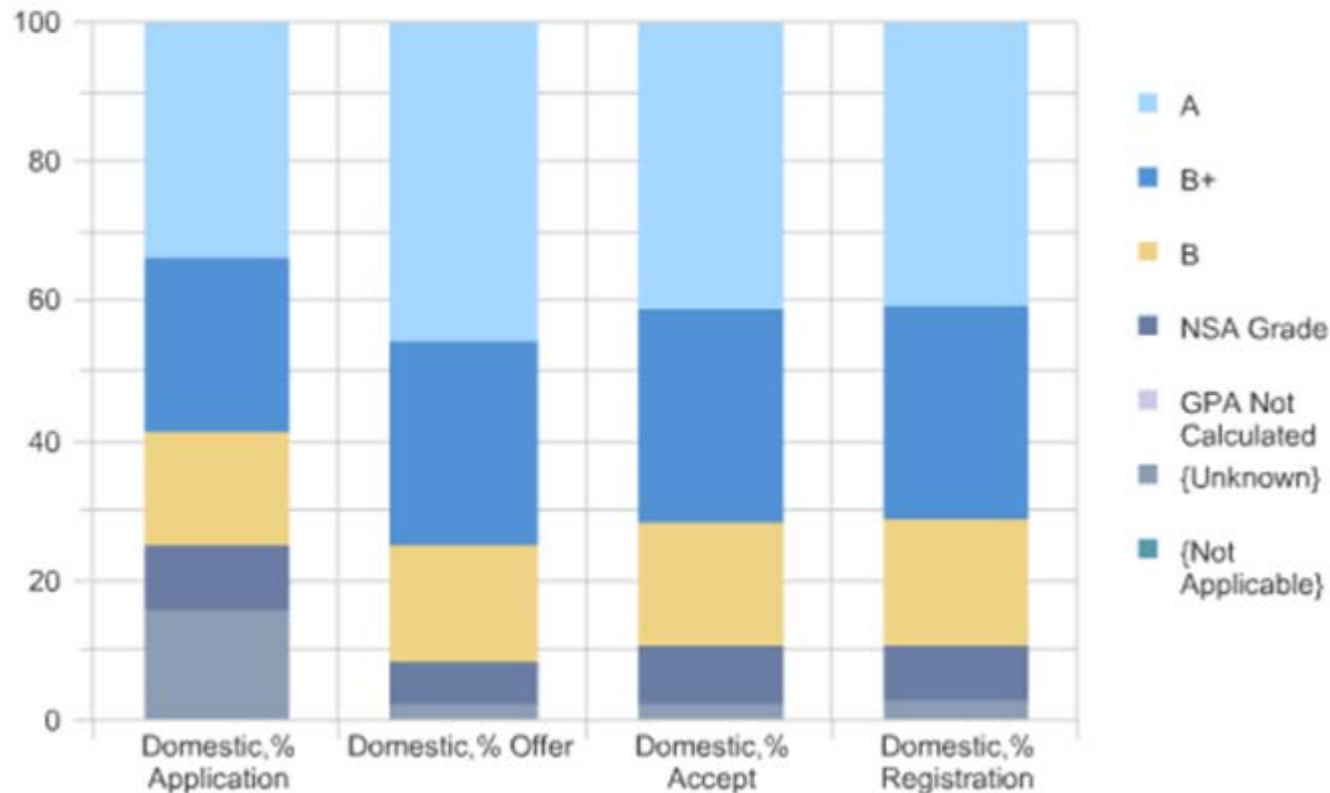
High School Average for Direct Entry 101s



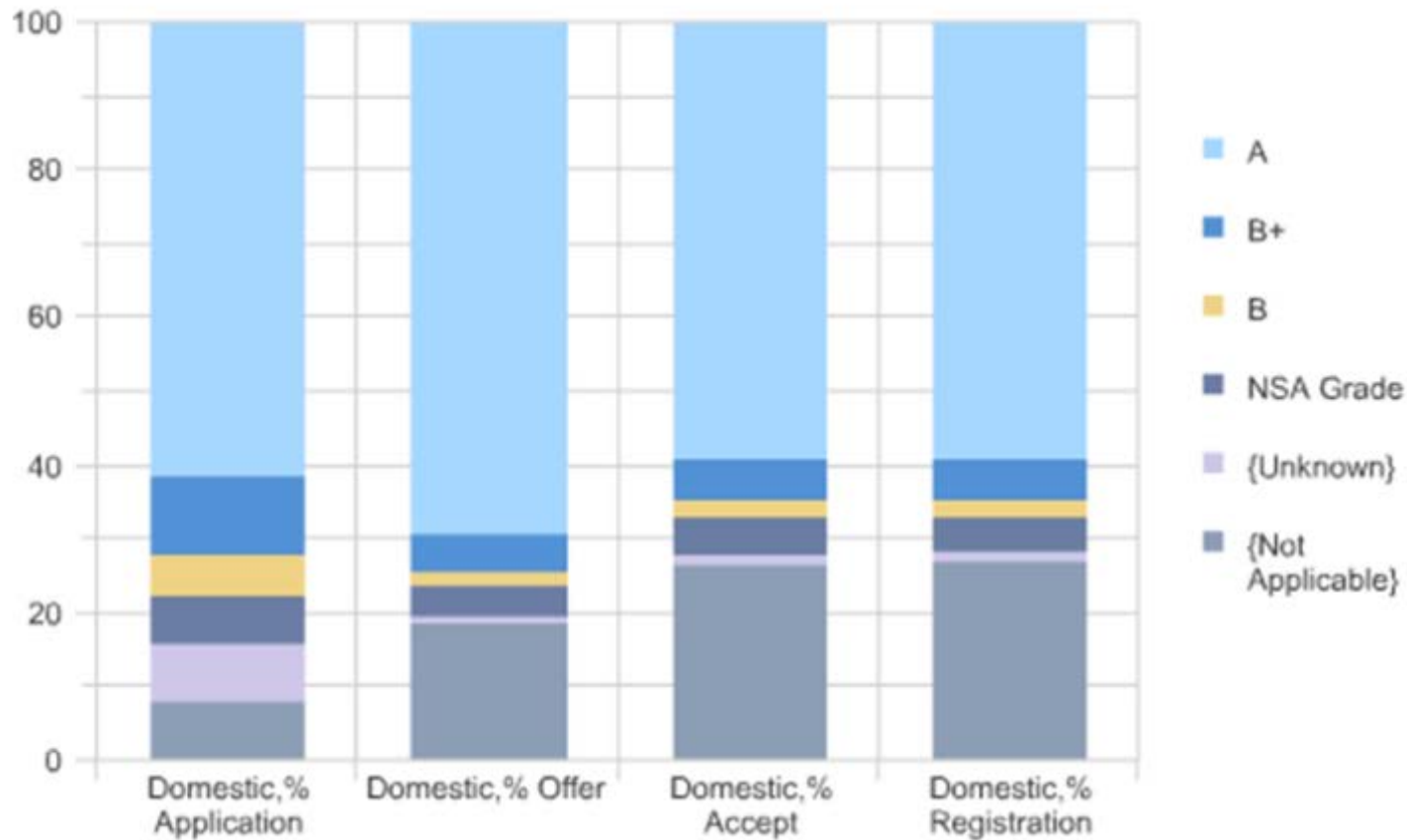
Student Quality by Range for 101s



Fall 2012 Domestic Master Entering Grades

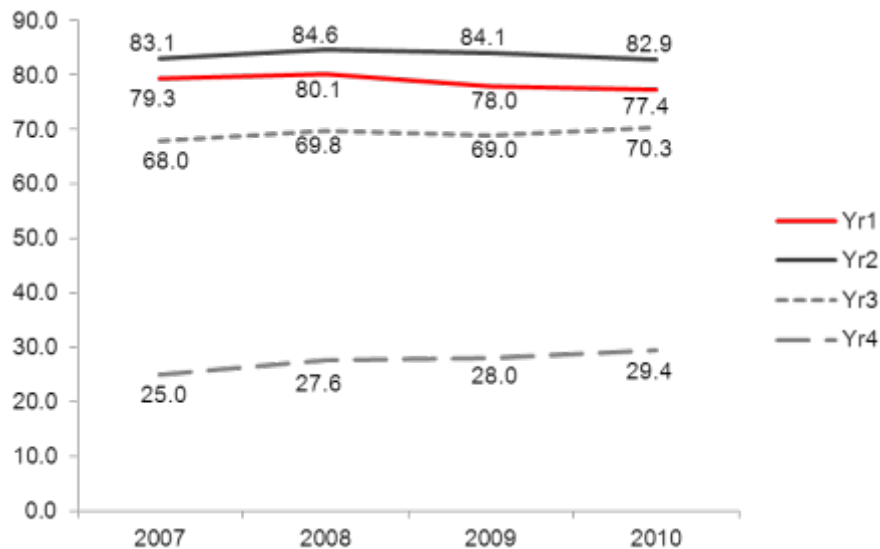


Fall 2012 Domestic Doctoral Entering Grades

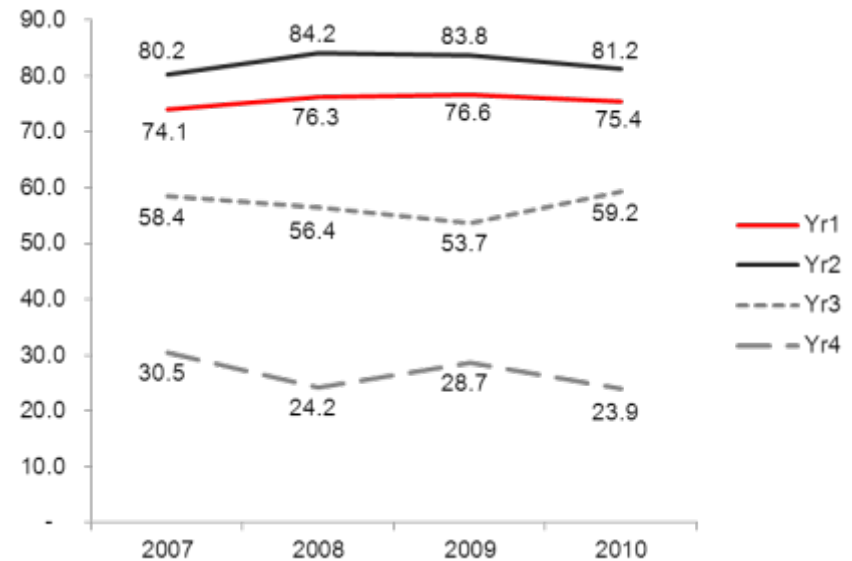


Retention Rates (%) for Direct Entry Fall Undergrads 1 Year Later

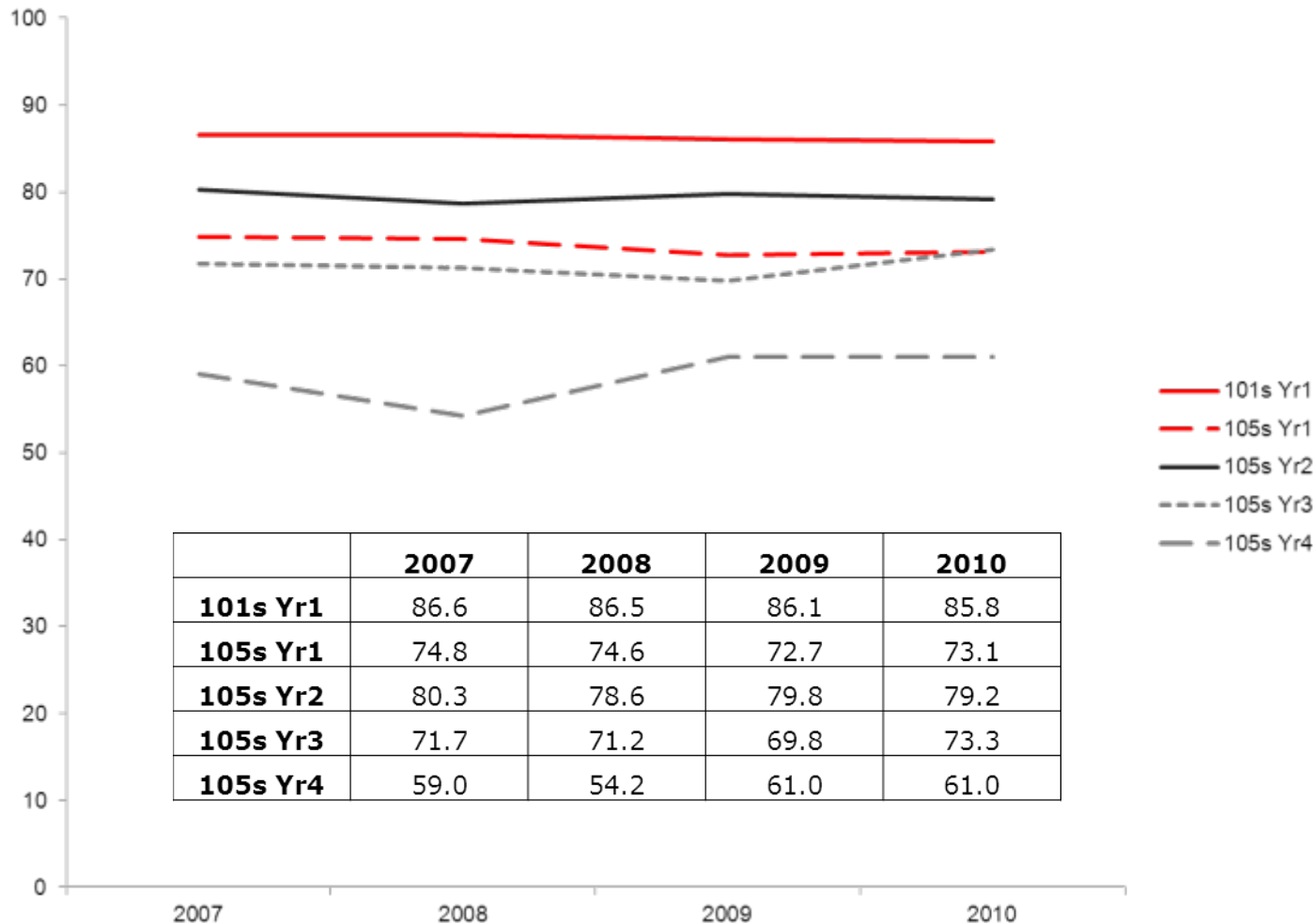
Eligible Students



Visa Students

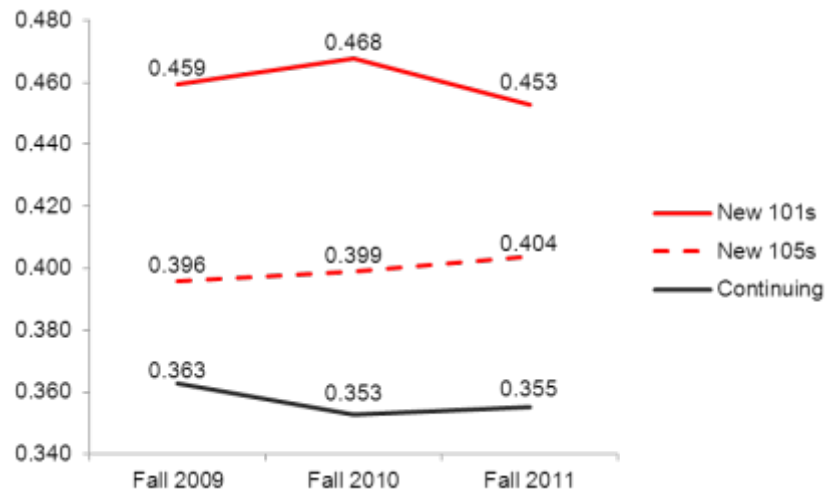


Retention Rates (%) for New Eligible Direct Entry Fall Undergrads 1 Year Later

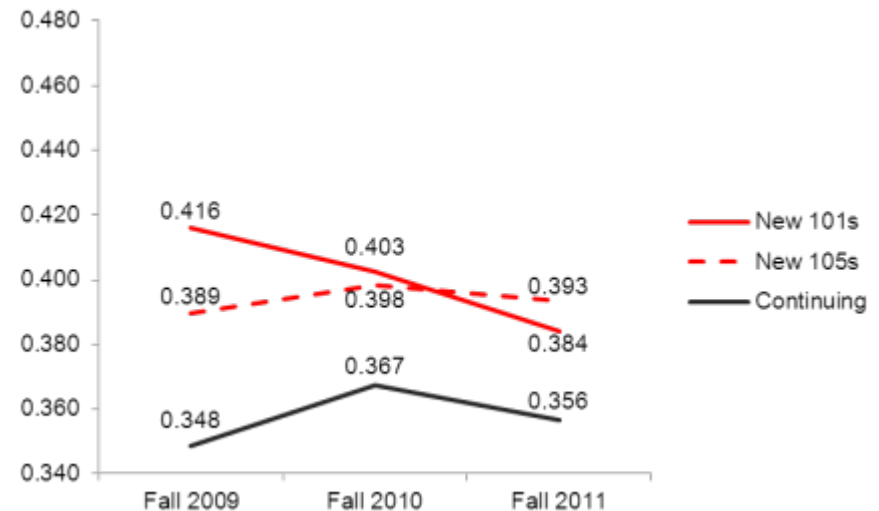


Average Fall Term Course Loads for Year 1 Direct Entry Undergraduate Students

Eligible Students

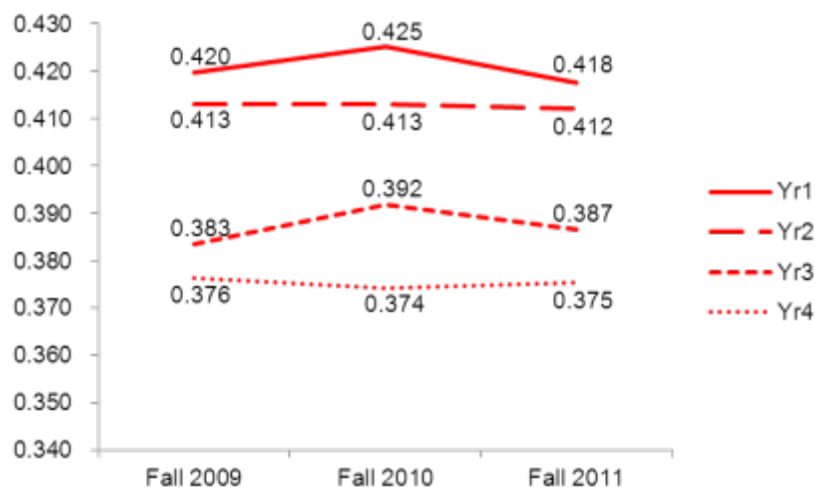


Visa Students

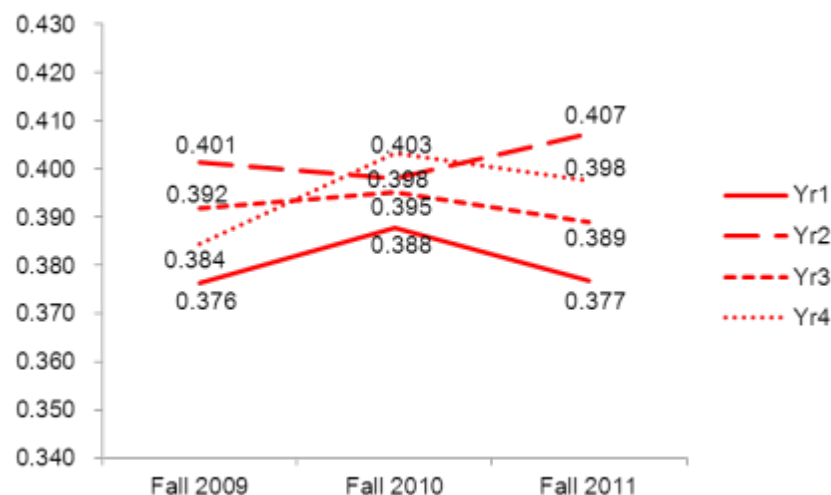


Average Fall Term Course Loads (% of Full Year Load) for Direct Undergraduate Students

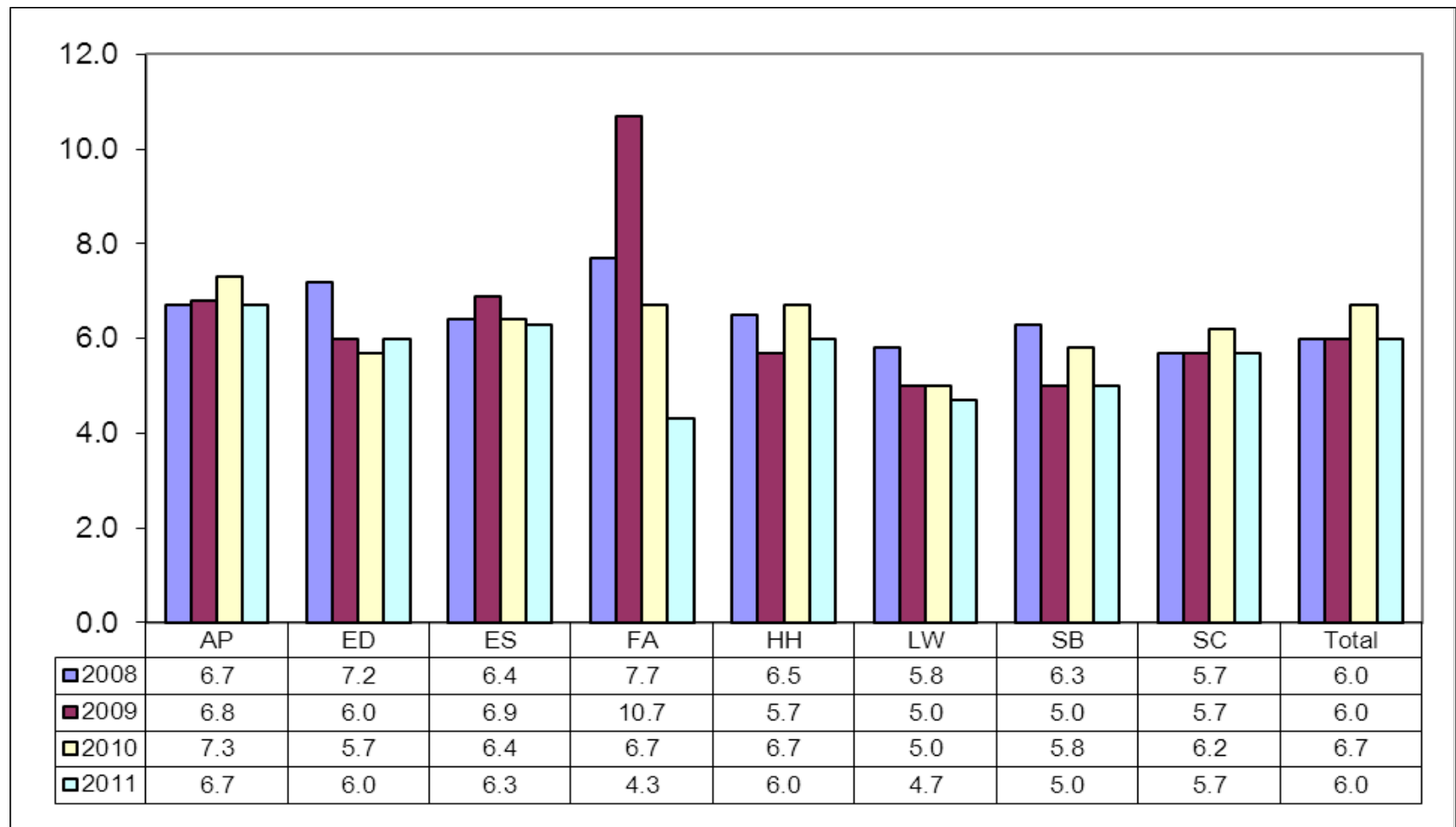
Eligible Students



Visa Students



Median Years to Doctorate for Students Who Graduated in 2008, 2009, 2010 and 2011



ACADEMIC RESOURCES COMMITTEE

**Report to the Board
at its meeting of December 3, 2012**

The Academic Resources Committee met on November 9 and submits the following information report to the Board of Governors. We were pleased to welcome Salvatore Paneduro as the newest member of the Committee and Rhonda Lenton, the Vice-President Academic and Provost-designate.

1. President's Items

Dr Shoukri thanked members of the Board for attending his speech at the Empire Club and commented on his recent trip to China, a highlight of which was a well-attended reception for York alumni in Hong Kong.

2. Report of the Vice-President Academic and Provost

In the absence and at the request of the Provost, Vice-Provost Academic Lenton briefed the Committee on a number of initiatives. She began with an overview of the public policy context for postsecondary education, and in doing so confirmed that the University had submitted its vision statement at the opening stage of the Strategic Mandate Agreement process. Prorogation of the Legislature and the Liberal leadership campaign have created some uncertainty about the process, but a group designated by the Higher Education Quality Council of Ontario has been established to review submissions and advise the government.

Other matters included the following:

- the development of benchmarks to track and report progress on planning priorities
- enrolments for 2012-2013, which are at or near targets across-the-board for new domestic and international undergraduate and graduate students
- progress on the new budget model
- the relatively poor showing recent rankings and student surveys (which, although they are often undeserved, have real consequences and demand real action)

A significant challenge associated with enrolment management is retention. A relatively high proportion of York undergraduates do not continue their studies at various stages of their studies. This has serious implications for the resource picture and academic planning. The Committee spent considerable time exploring this issue – reasons, impact, and possible remedies -- at the meeting. Vice-Provost Lenton described steps being taken at the University- and Faculty-level to address the situation. They include projects supported by the Academic Innovation Fund (AIF) and streams of the Process Re-Engineering and Service Enhancement (PRASE) initiative. It was agreed that this issue will be a priority for the year, and the Committee has scheduled a fuller discussion at its next meeting.

3. Report of the Vice-President Research and Innovation

In his report, Vice-President Haché identified major initiatives updated the Committee on the status of processes underway. He reported that a recent analysis of research impact undertaken by Higher Education Strategy Associates showed that York fares much better when indicators are not tied in the main to income. The University is fourth in the province and eighth in Canada according to the measurements employed in the study. In general, the University has retained its ranking in terms of research income, but a number of large awards

over the last year and a half will likely result in a marked improvement in rankings when results are tallied for 2011-2012.

A key focus for the Vice-President and his colleagues is the creation and approval by Senate of a new Strategic Research Plan. Consultations to date have been intensive and productive, and the process remains on track for consideration by Senate in the Spring of 2013. Vice-President Haché advised that the community values research highly but agrees that greater emphasis must be placed on research intensification, excellence, and making the connections that will create interdisciplinary and collaborative opportunities. The next stage will involve consideration of draft themes for the SRP.

Progress is also being made on the assessment and implantation of recommendations made by external reviewers who were asked to survey the Organized Research Landscape, and on the provision of services through Innovation York and other offices within the VPRI Division.

Vice-President Haché also pointed to a number of recent achievements by York researchers, including new chairs, major grants, and Knowledge Mobilization and commercialization. The Committee shares the conviction that more needs to be done to celebrate research at York, and we reiterated our readiness to assist in recognizing the many outstanding individuals and teams who are engaged in world-class research.

4. Thanks to Patrick Monahan

The Committee expressed its appreciation to Patrick Monahan for his leadership as Vice-President Academic and Provost and wished him well as Deputy Attorney General of Ontario.

Sam Schwartz, Chair



University Secretariat

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

Memo

To: Julia Foster, Chair, Board of Governors

From: Sam Schwartz, Chair, Academic Resources Committee

Date: November 9, 2012

Re: **President's November Report on Tenure and Promotion**

Motion and Rationale:

The Academic Resources Committee recommends that the Board approve the President's November 2012 report on Tenure and Promotion.

Dr Shoukri confirms that tenure and promotion decisions followed due process and that the advice of the appropriate bodies was considered.

Documentation is attached as Appendix A.

Appendix A – President’s Report

1. Recommendations for Promotion to Full Professor

Name	Faculty	Unit	Highest Degree (University)	Specialization(s)
Elder, James (M)	Science	Computer Science and Engineering	PhD (McGill)	Psychophysical and Computational Methodes for Studying Human Vision

2. Recommendations for Promotion to Associate Professor

Name	Faculty	Unit	Highest Degree (University)	Specialization(s)
Kuk, Jennifer (F)	Health	Kinesiology and Health Science	PhD (Queens)	Exercise Physiology

University Secretariat

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

Memo

To: Julia Foster, Chair, Board of Governors

From: Sam Schwartz, Chair, Academic Resources Committee

Date: November 9, 2012

Re: **Approval of Endowed Chairs and Professorships**

Motion and Rationale:

The Academic Resources Committee recommends that the Board approve the establishment of the Bergeron Chair in Engineering Entrepreneurship and the PowerStream Chair.

The Provost's correspondence provides details about the Chairs and in doing so confirms that they are consistent with the Policy on Endowed Chairs and Professorships. Both received the concurrence of the Academic Policy, Planning and Research Committee of Senate as is required under the Policy. These new Chairs will help the Lassonde School of Engineering and the Faculty of Environmental Studies advance their academic planning mission and priority goals.

Documentation is attached as Appendix A.




**OFFICE OF THE
VICE-PRESIDENT
ACADEMIC &
PROVOST**

4700 Keele St.
Toronto Ontario
Canada M3J 1P3
Tel 416 736 5280
Fax 416 736 5876

vpacademic.yorku.ca

Memorandum

To: David Mutimer, Chair, APPRC

From: Patrick Monahan, Provost 

Date: September 12, 2012

Subject: Bergeron Chair in Engineering Entrepreneurship, Faculty of Science & Engineering

I am writing to seek the concurrence of APPRC for the establishment of an endowed Chair, the Bergeron Chair in Engineering Entrepreneurship, in accordance with university Policy on Endowed Chairs and Professorships. The proposed Chair will support the development of the sciences and engineering at York, consistent with institutional priorities. The Chair will be funded by an endowment from Douglas Bergeron (CEO and director of VeriFone, a telecommunications development company), as part of the Bergeron Entrepreneurs in Science and Technology (BEST) initiative, and will be matched by funds from other sources. The BEST program is highly interdisciplinary, and is intended to support entrepreneurial programs and initiatives focused on science, technology, engineering and mathematics (STEM).

The Bergeron chairholder will be responsible for development and implementation of the BEST program, coordinating collaboration with the Schulich School of Business and other academic partners within and outside York, including internationally. The program will be open to undergraduate and graduate students in STEM majors wishing to earn the "Bergeron Distinction in Entrepreneurship and New Ventures" in addition to their regular academic program credentials. BEST will offer real world business experience to aspiring student entrepreneurs, enabling them to be better prepared to understand and assume the risks of business ownership and management. It will include a selection of designated activities in financial engineering, venture capital, private equity finance, international intellectual property, and technology entrepreneurship. Students will learn to use rapid prototyping techniques, develop business plans, protect technology-based business ideas, conduct relevant market analyses, and start up a business. The objective is to provide STEM graduates with an understanding of the challenges and opportunities facing entrepreneurs in the process of creating a technology-based business, by giving them an appreciation of the stages of business development, in order to be better prepared for tomorrow's market.

The York University Policy on Endowed Chairs and Professorships indicates that in such situations as this, where the proposed Chair is consistent with an existing Senate-approved teaching program and where the other terms and conditions set out in the policy are met, the Vice-President Academic & Provost may ask for the concurrence of APPRC so that the Board of Governors might consider the proposal. By this memorandum, I confirm that the

proposed Chair satisfies the expectations of the University policy, and unless APPRC has questions about it, I will ask that this matter be placed on the agenda of the Board of Governors for consideration at its next meeting.

Cc: Dean J. Kozinski

Bergeron Chair - Addendum

Academic Policy, Planning and Research Committee / Briefing Note

The communication from the Provost seeking concurrence with a proposal to establish the Bergeron Chair also includes preliminary information on the Bergeron Entrepreneurs in Science and Technology initiative associated with the Chair. In response to inquiries on the Committee's behalf, Lassonde Dean Koziński stresses that BEST is at a conceptual stage only and that the possibilities cited are illustrative of how it may be structured. The incumbent of the Chair will have important responsibilities for refining BEST. The Dean also confirms that any aspect of BEST requiring approval will be submitted to the appropriate collegial bodies. (For example, scholarships are assigned to the Awards Committee of Senate. Approval authority is delegated to the Office of Student Financial Services and the Awards Committee provides Senate with an annual report and analysis. Similarly, approval by Faculty Council and/or the Academic Standards, Curriculum and Pedagogy Committee may be necessary for certain kinds of academic initiatives).


**OFFICE OF THE
VICE-PRESIDENT
ACADEMIC &
PROVOST**

4700 Keele St.
Toronto Ontario
Canada M3J 1P3
Tel 416 736 5280
Fax 416 736 5876

vpacademic.yorku.ca

Memorandum

To: David Mutimer, Chair, APPRC

From: Patrick Monahan, Provost 

Date: October 2, 2012

Subject: PowerStream Chair, Faculty of Environmental Studies

I am writing to seek the concurrence of APPRC for the establishment of an endowed Chair, the PowerStream Chair in Sustainable Energy Economics, in the Faculty of Environmental Studies, in accordance with university Policy on Endowed Chairs and Professorships. The Faculty has secured funding from PowerStream to support the Chair for a period of four years, with the possibility of renewal. This Chair will provide leadership in interdisciplinary research and action on the economics and financing of sustainable energy.

The PowerStream Chair will enable the Faculty of Environmental Studies to recruit an outstanding scholar of sustainable energy economics. FES is well-known for its groundbreaking research and teaching on ecological economics, as well as the successful knowledge mobilization efforts of its Sustainable Energy Initiative. The proposed Chair brings together these two aspects by supporting research and teaching on the economics of sustainable energy systems and technologies, including energy conservation and demand management and low-impact renewable energy technologies. Providing leadership to the Sustainability Energy Initiative, the Chair will further its role in working with regional, provincial and municipal energy authorities, large institutions such as universities and hospitals seeking to improve their own energy management plans, and international planning agents who are working on building sustainable energy capacities in their countries. The Chair will build on and augment the Faculty of Environmental Studies' reputation as a leader in relation to sustainability and social and environmental justice – values which are consistent with those of the donor.

The York University Policy on Endowed Chairs and Professorships indicates that in such situations as this, where the proposed Chair is consistent with an existing Senate-approved teaching program and where the other terms and conditions set out in the policy are met, the Vice-President Academic & Provost may ask for the concurrence of APPRC so that the Board of Governors might consider the proposal. By this memorandum, I confirm that the proposed Chair satisfies the expectations of the University policy, and unless APPRC has questions about it, I will ask that this matter be placed on the agenda of the Board of Governors for consideration at its next meeting.

Cc: Dean N. Sturgeon

MARKETING, COMMUNICATIONS AND COMMUNITY AFFAIRS COMMITTEE

Report to the Board of Governors at its meeting of 3 December 2012

The Marketing, Communications and Community Affairs Committee met on 14 November 2012 and provides this report for information.

University Rankings

In his report, President Shoukri addressed the University's position in a number of rankings including the Globe and Mail, Maclean's and the Higher Academic Strategy Association's rankings of research impact. York's rankings continue to be a concern, despite the improvement in such measures as research intensification and impact. Given the relevance of the rankings for the university's reputation and profile the President plans a more strategic approach to participation in the many ranking exercises.

Safety and Security on Campus

At the request of the Committee, Vice President Brewer attended and provided an overview of the numerous safety initiatives which have been undertaken or are being implemented. A copy of the slide presentation provided is included as Appendix A.

The "this is my time" campaign

The committee was provided an overview of the vast exposure of the campaign through print, electronic and social media. The internal "vision" contest for a year's free tuition generated 3,480 submissions, and the overall winner and the remainder of the top ten were to be celebrated on the Red and White Day. The Much Music and theatre promotions have given wide exposure to the target audience of potential students and their families and the internal campaign has been well received. The committee acknowledged the value of the campaign while encouraging its expansion as part of the efforts to promote the university and advance its reputation, and next steps will be considered once the success of the campaign has been evaluated.

Alumni and Advancement

Vice President O'Hagan provided an overview of this year's fundraising progress, and efforts underway to build infrastructure for the next fundraising campaign.

Recruitment and Retention

The Registrar, Ms. Duklas, provided a presentation on behalf of the Vice Provost Students. The three elements which underlie the recruitment and retention strategy at this time are increasing grade point average, increasing the proportion of international students, and increasing enrolment in science, health, business and professional programs.

The university has more students than it had last year, but course enrolments are down slightly from plan. It is anticipated that overall the targets will be met. The number of students directly entering from high school is up, but increased competition for indirect entries (e.g. from colleges) has meant those numbers are weaker than in the past. It is anticipated that with January enrolments, all targets will be met. Much work is being done to address the issue of retention, including looking at advising services, fostering pride and engagement, and providing student support.

Robert Lewis, Chair

SAFETY INITIATIVES

Board of Governors
Marketing, Communications, and Community Affairs
Committee

VARI HALL



METRAC SAFETY AUDIT RECOMMENDATIONS OVERVIEW

1 OCTOBER 2012

TOTAL RECOMMENDATIONS:**101**

STATUS	FEB 11	MAY 11	SEP 11	DEC 11	MAR 12	SEP12
COMPLETED	7	8	8	8	10	11
COMPLETE & ONGOING	10	13	21	24	26	25
SIGNIFICANTLY ADVANCED	23	23	32	31	34	40
ACTIVELY UNDER REVIEW	27	39	30	31	27	23
PENDING REVIEW	18	18	11	10	7	5
NO STATUS	18	8	7	5	5	5

TIME FRAME:**1-5 YEARS**

***CATEGORIES TOTAL MORE THAN 101, AS SOME RECOMMENDATIONS HAVE BEEN SUBDIVIDED

Safety Investments

• 17 new Emergency Blue Phones (underway)	\$200,000
• 44 LCD screens added in the summer	\$440,000
• Emergency PA system commitment	\$3,000,000
• Lighting Upgrades over 2 years	\$400,000
• Security Staff	
• 10 New Security Officials (annual cost)	\$675,000
• 2 New Security Supervisors (annual cost)	\$173,000
• Training (annual commitment)	\$100,000
• Safety Awareness Campaign (incl. Coordinator)	\$150,000

Safety Investments – 2

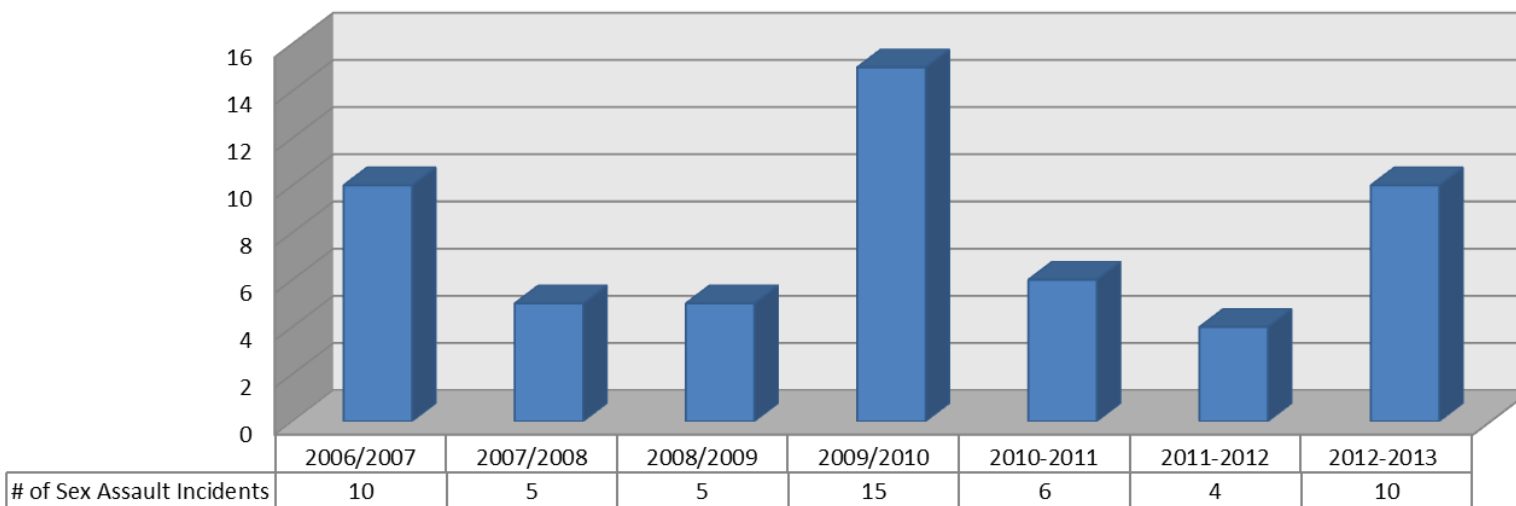
- 2 New Advisors in CHR \$205,000
 - Sexual Harassment Prevention
 - Education and Training (REDI development)
 - REDI Development (committed) \$245,000
- Campus Shuttle
 - 4 new buses \$385,000
 - Extended routes into Village (annual) \$100,000
 - Glendon goSAFE to 1am (annual) \$24,000
- Violence Threat Risk Assessment \$35,000

Safety Expenditures

Total Safety Related Expenditures 2011-12

\$10,200,000

Total Reported Sexual Assaults 2006-2011

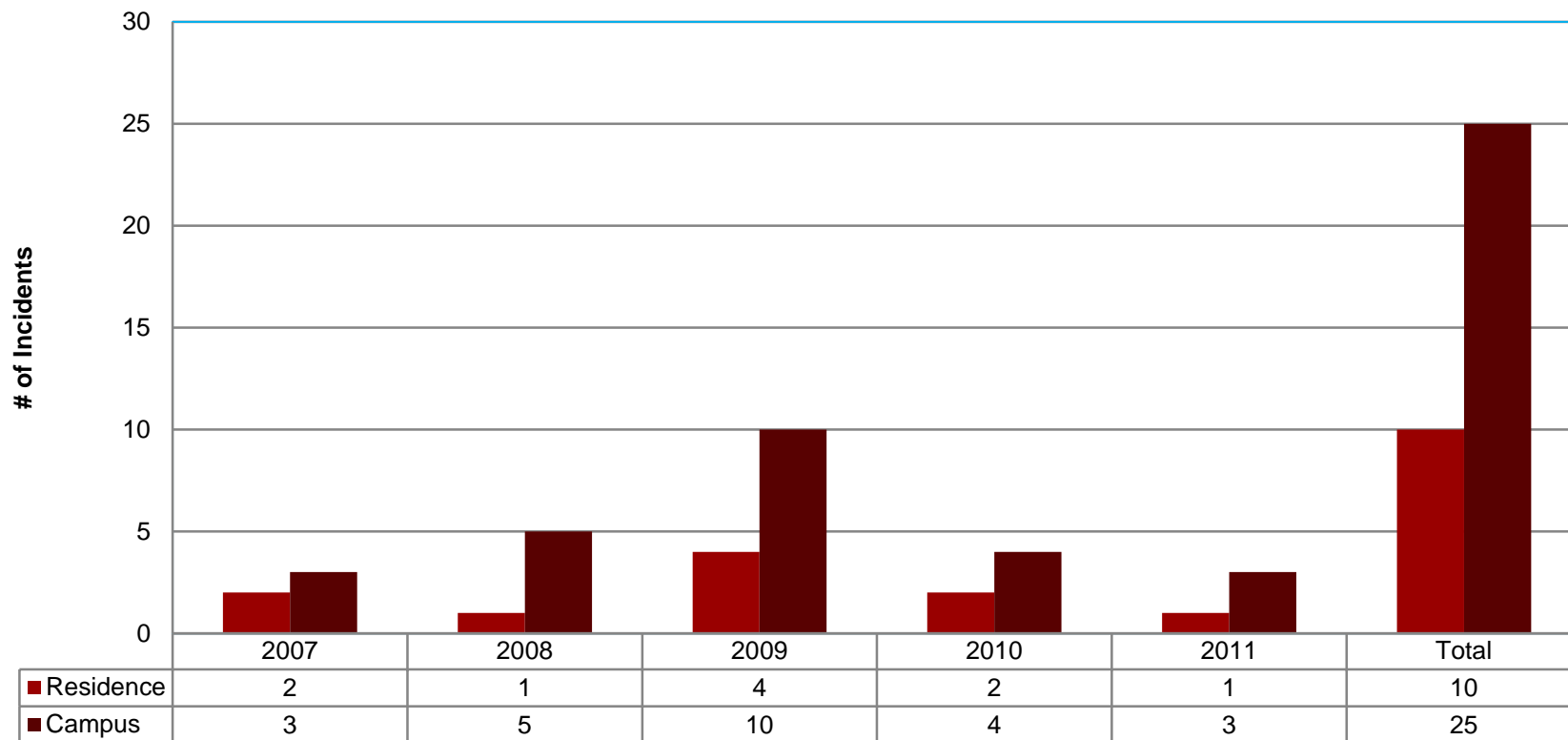


Sexual Assaults: Overview

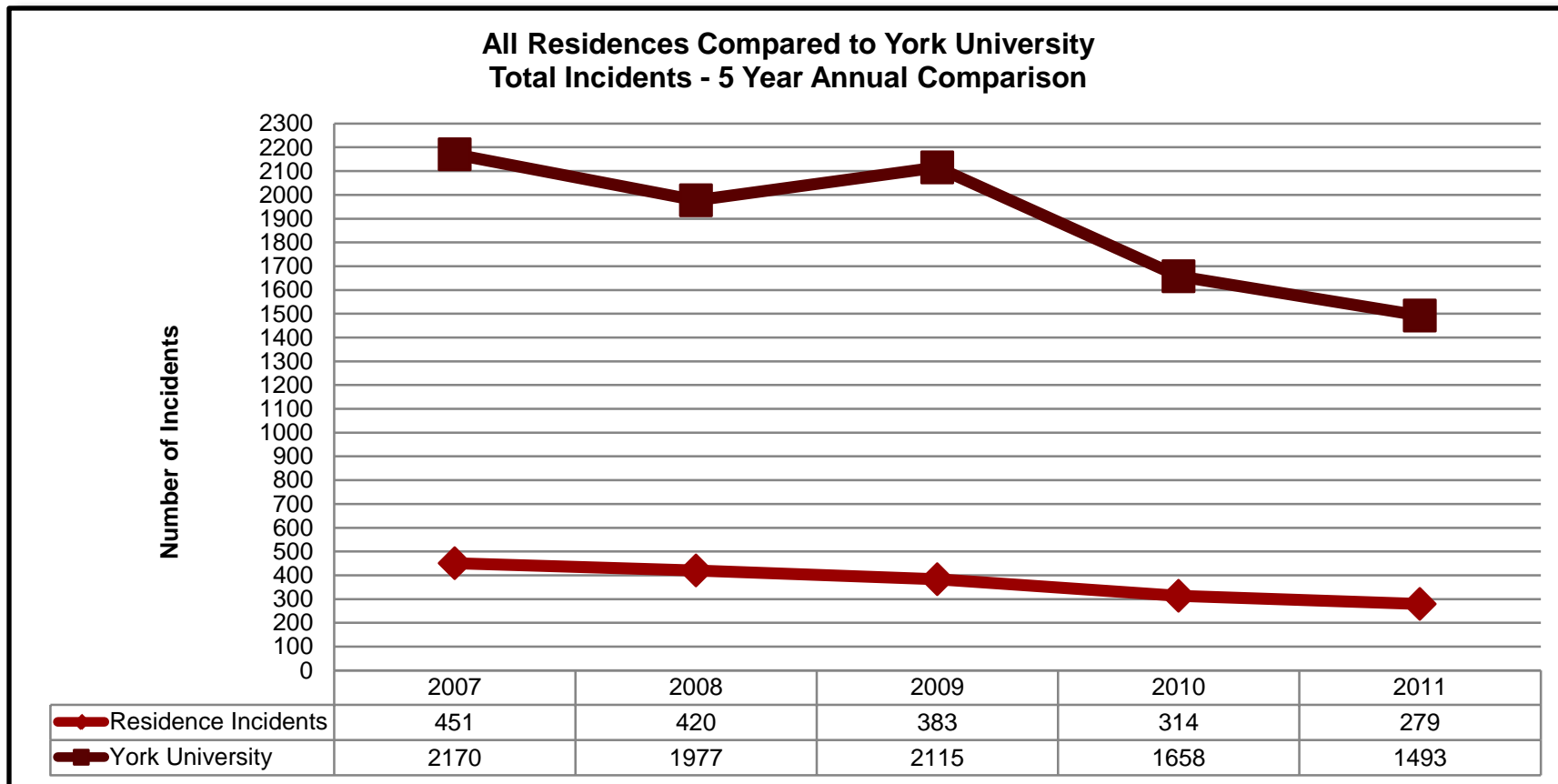
- 35% occur between midnight and 2:00am
- 25% occur between 2:00pm and 4:00pm
- 62% occur on Thursdays and Fridays
- 33% occur in September
- 40% of suspects are York Students
- 30% of cases result in arrests
- 73% of those arrested are students

Residence Compared to Campus

Sexual Assaults : Undergraduate Residence vs Campus



Total Security Reports



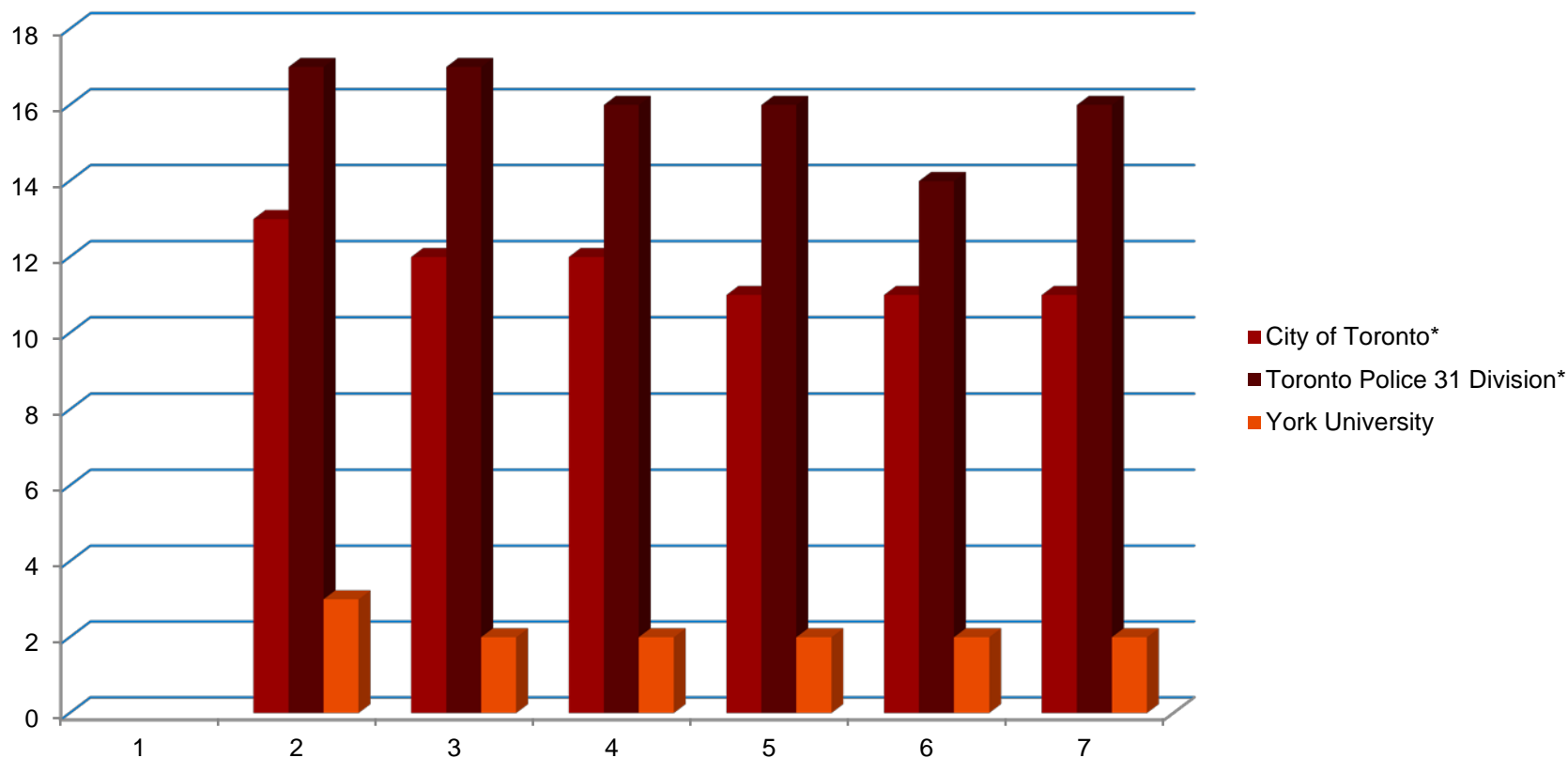
York Compared to Toronto

From 2007 to 2010:

- Criminal Code cases in Toronto decreased 15%
- Security Reports at York decreased 24%
- Security Reports in Residences decreased 30%

York Compared to Toronto

Crimes against the person per thousand population



New Security Bulletin Protocol

- To help foster a safe environment, York is committed to sharing timely information about emerging security risks on and/or adjacent to its campuses
- Security Bulletins are issued to outline the facts of incidents and to provide information and advice to all members of the community
- The community needs to be empowered to self-assess risk and take appropriate precautions

New Security Bulletin Protocol

- When are bulletins issued?
 - Following a serious incident with a risk of recurrence; or
 - When there is a recurring pattern of less serious incidents; and / or
 - A police or Security investigation would be assisted
 - If the University determines, at its discretion, a Bulletin is appropriate in the circumstance
- The same criteria may be applied to incidents that occur on property adjacent to the University

New Security Bulletin Protocol

- What is the timeframe for issuing Bulletins?
 - As soon as possible after an incident is reported to Security
 - Normally, within 24 hours, but all efforts are made to issue within 4 hours (exclusive of emergencies under EPP)
- How will they be distributed?
 - Via email to all students, faculty and staff
 - CPM critical in distribution to faculty and staff
 - Social Media
 - Website
 - LCD Screens

Security Roles and Responsibilities

- York's Security model has always tried to reflect the norms and expectations of its community
- Community makes these norms known through the Community Safety Council (previously the Security Advisory Council) and other community and student-based advocacy groups
- York's Security model continues to be complementary of the role of Toronto Police Services

Security Roles and Responsibilities

Background:

- June 2010 - METRAC recommended review of Security's role
- August 2011 - President and Vice-Presidents approved in principle enhanced role for Security Officials as well as issuing them with personal protective equipment
- January 2012 – Consultative focus groups with Community Safety Council on role of Security
- Spring Summer 2012 – Program development and training

Security Roles and Responsibilities

- Commencing 20 November 2012, Security Officials will:
 - Be issued with personal protective equipment (PPE) which will include collapsible batons and handcuffs
 - Be empowered to carry out a citizen's power of arrest as outlined in the Criminal Code of Canada

Security Roles and Responsibilities

- New SOPs have been approved to oversee the enhanced role of Security:
 - Security Intervention Model
 - Use of Force
 - Arrest and Search
 - Licensing, Training & Certification
- A complaints process SOP will be in place to coincide with implementation

Security Roles and Responsibilities

- All Security Officials were trained and certified over the summer:
 - 40 hours of training
 - use of force
 - reporting requirements
 - personal protection and safety
 - powers and authority
 - care and custody of PPE
 - equity and diversity training
- Training to be annual for all personnel in the future

Safety Campaign

Goal

- Through education and empowerment create a community that feels valued and safe

Key Objectives

- Develop a sense of individual and communal responsibility
- Build a foundation that embraces diversity and promotes an open and inclusive process of engagement and dialogue amongst community members

Safety Campaign

Key Objectives (cont'd)

- Develop a greater sense of safety by increasing awareness around safety and what services and programs are available
- Provide tools to empower individuals to participate fully in the development of a safe community
- Is progressive, ongoing and sustainable

Safety Campaign

Leadership Roles

- **Community Safety Council**
 - Highlighted ongoing community concern for safety on campus
 - Need to “brand” efforts to raise awareness
 - Create of dialogue to promote education
- **Safety Initiatives Working Group**
 - Formed by CSC to develop outcomes and goals of safety campaign
 - Currently working on a Creative Brief to present to a marketing agency for material development

Safety Campaign: Proposed Timeline

- **Fall 2012**

- Working with CSC and Safety Initiatives Working group develop core initiatives (i.e. Active Bystander program)
- Speaking with CSC student representatives to foster dialogue among student groups

- **Winter 2013**

- Campaign Roll-Out (including: REDI (Respect, Equity, Diversity, Inclusivity), promotion of campus resources, training and events)

- **Orientation 2013**

- Introducing active bystander program to encourage more direct involvement of the entire community in safety

- **Future – 2014 +**

- Outreach to the external community
- Keeping the conversation going in daily activities on and around campus

Challenges and Issues

- Village
 - Private townhouse community south of York with 1,000 units
 - Some 2,500-7,000 York students estimated to live there
 - York-Village Town and Gown Committee continues to work with city to address by-law and policing issues
- Campus tradition of 24/7 access versus access control
- Campus is self-contained and isolated
- Awareness and Education – how best to effectively teach / train diverse community on safety issues

Challenges and Issues - 2

- Societal issues
 - Norms and mores shifting in popular culture
 - Influences incoming first year students
 - Limited time / opportunity to orient new students, especially resident students after initial arrival
- Emerging issues on the horizon
 - Subway extension
 - Developing perimeter lands with more private residences

FINANCE AND AUDIT COMMITTEE

Report to the Board of Governors

at its meeting of 3 December 2012

The Finance and Audit Committee met on 12 November 2012 and in addition to the items on the agenda for approval, submits the following report to the Board of Governors for information.

1. Budget Update

The Committee received a report from the Vice-President Finance & Audit on budget planning issues, including enrolments, ongoing risks, unit budget cutting measures and the status of the work on a new budget model.

Enrolment Update

1 November is the date upon which universities' Fall enrolment numbers are finalized for submission to the Province for FFTE funding. Enrolments as of this date at York are very close to the targets set in the 2012-2016 operating budget. In sum:

- Domestic undergraduate enrolment for fall and winter is slightly below the FFTE budget target
- International undergraduate enrolment is just over the FFTE targets
- Masters enrolments have increased over the 2011 totals, but fall just below the target for 2012
- There is a shortfall in PhD targets

The number of students is up and the quality of the entering year students is being maintained overall, and there was a slight increase in the number of students with an 80% average or higher. Measures are being taken to fill the undergraduate enrolment gap for the 2013 winter term student intake.

Investment Returns

Consistent with its oversight of financial sustainability risk, the Committee is kept apprised of the status of the investment performance of the pension and endowment funds. The **endowment fund** return for 2012 calendar year to 30 September is 7.92% (0.4% less than the benchmark). The **pension fund** return for 2012 calendar year to 30 September is 7.8% (0.30% above the benchmark). Overall the capital market returns are positive.

Environmental Scan / Risk Update

The University remains in a considerably challenging financial position. Key budget pressures include:

- uncertainty about the Province's tuition fee framework for 2013 onwards
- uncertainty about the Province's proposed compensation restraint legislation
- Provincial government policy lever efficiency measures (potential base cut of \$2.8M and \$5.5M over next two fiscal years)
- achieving and maintaining enrolment targets

- graduate funding rebasing – potential risk to planned enrolment recovery
- Faculty / Units achieving their budget cuts
- continuing pension liability risks (capital markets' impact on the pension deficit; uncertainty of government policy for public-sector funds)
- impact of new international head tax on international enrolments and targets

The level of uncertainty has considerably increased since June when the budget was approved - particularly with respect to Provincial matters. Given the considerable uncertainty and its concomitant risks, the Vice-President confirmed that there is a strong focus on ensuring units make their budget cuts. For the non-academic units, three financial strategies are being implemented to achieve the cuts:

- Revenue generation
- Support-staff efficiencies
- Operational efficiencies / cost reductions

The success of units in achieving the targets is being closely tracked.

Hand in hand with the budget cutting / revenue generating measures being taken are:

- the PRASE initiative to produce savings and efficiencies across administrative operations
- the new Shared Accountability and Resource Planning (SHARP) budget model under development to implement a rigorous shared accountability financial framework for resource management

2. Report of the Internal Auditor

The Committee received a comprehensive Internal Audit Status report covering the period 1 September 2012 to 31 October 2012. The department undertook 14 audit engagements, of which five have been completed. Four of the audits completed were found to be *adequate*, and one was found to be *not adequate*. Recommendations to address the issues identified in the latter audit have been developed and are being implemented.

3. Second-Quarter Operating Results

The Committee received the second-quarter operating report from the Vice-President Finance & Administration. There are no significant operating budget issues to report.

The Committee received for *information* the following reports:

1. Annual Update on Conflicts of Interest in Procurement
2. Annual Report on Risk Management Services
3. Annual Report on Emergency Preparedness
4. Annual Report on Access Control
5. Summary of insurance coverage applicable to the Board of Governors

Ozench Ibrahim, Chair

Memo

To: Board of Governors
From: Ozench Ibrahim, Chair, Board Finance and Audit Committee
Date: December 3, 2012
Subject: **Recommendation on Adoption of New CICA Accounting Standards for Not for Profit Organizations**

Recommendation

The Board Finance and Audit Committee recommends to the Board of Governors, the adoption of the following new accounting rules for the fiscal year ending April 2013 with retroactive application as required.

- 1. Adoption of Part III of the CICA Handbook for Private Sector Not-for-Profit organizations**
- 2. To revalue land to fair market value**
- 3. To revalue Employee Future Benefits as follows:**
 - a) Pension Plan – Immediate recognition approach using funding assumptions**
 - b) Other Post-Employment Benefits – Immediate recognition approach using accounting assumptions**
- 4. Financial Assets and Financial Liabilities - Elect to maintain the current higher standard of note disclosure and the current choices in valuation of financial assets and financial liabilities on the University's financial statements**

Background

Canadian Universities have consistently chosen to select the adoption of Part III of the CICA Handbook for Private Sector Not-for-Profit organizations. This option is more applicable to a university and provides the needed flexibility to properly account for transactions specific to universities in such areas as addressing endowment contributions, capital grants, as well as properly accounting for unspent restricted special purpose grants.

With the adoption of Part III of the CICA Handbook, a number of choices are available to the University with respect to revaluing Capital Assets, the valuation of Employee Future Benefits, and the level of note disclosure and basis for valuation of Financial Assets and Financial Liabilities.

The attached presentation outlines the administration's recommendations and the rationale to support each of these recommendations. In addition, a number of other disclosures and implications are provided for information. Adopting the proposed accounting rules will improve disclosure and transparency by the University, and most universities in Ontario and Canada are choosing to adopt them. The University's external auditor supports the administration's recommendations on the choices available.

The net impact of these recommendations on the financial statements for the year ended April 30, 2012 is a net increase in internally restricted assets of \$365 million. These recommendations have no impact on the University's cash flows.

Impact of New Accounting Rules on the April 30, 2013 Financial Statements

VARI HALL

Trudy Pound-Curtis, AVP Finance & CFO
Aldo DiMarcantonio, Comptroller

Agenda

- 1) Guiding Principles
- 2) Accounting Standards Choice
 - International Financial Reporting Standards (IFRS)
 - Part III CICA Handbook
- 3) Major Change Implications
- 4) Recommendations/Implications – Part III CICA Handbook
- 5) Rationale for Recommendation – Part III CICA Handbook
- 6) Impact on April 30, 2013 Financial Statements

Guiding Principles

- Consistency of accounting for Pension obligations between York's financial statements and the Pension Plan Valuation
- Stability and predictability of net income on the statement of operations in York's financial statements
- Comparability with other Ontario and Canadian Universities
- The simplification of accounting for employee future benefits
- Minimization of possible cost and administrative burdens

Accounting Standards Choice

Recommendation

Elect IFRS Standards vs. Part III of CICA Handbook

1. IFRS has been rejected by CAUBO and Universities across Canada
2. IFRS prevents universities from applying Part III of the CICA Handbook for guidance on not for profit issues
 - Endowments
 - Capital grants
 - Unspent restricted grants
3. IFRS requires extensive disclosures not meaningful to not for profits. More geared to For Profit Corporations
4. York administration's recommendation to adopt Part III of the CICA is supported by York's external auditors

Major Change Implications – Part III CICA Handbook changes

1. Capital Assets
2. Employee Future Benefits
 - Pension Plan
 - Other Post Employment Benefits
3. Financial Assets and Financial Liabilities
4. Disclosure and Audit Issues

PART III CICA Handbook

Recommendations

1) Capital Assets

- Revalue land to fair value
- Continue to carry buildings and equipment at original amortized cost

2) Employee Future Benefits

- Pension Plan (Immediate recognition approach; funding assumptions)
- Other Post Employment Benefits (Immediate recognition approach; accounting assumptions)

PART III CICA Handbook

Recommendations cont'd

- 3) Financial Assets and Financial Liabilities
 - Elect to maintain the current higher standard of note disclosure and the current choices in valuation of financial assets on the University's financial statements

Part III CICA Handbook (cont'd)

Implications

4) Disclosure and Audit Issues

Financial Statement Presentation

- 3 balance sheets (one year only)
- Transition year – May 1, 2011
- Comparative – April 30, 2012 and April 30, 2013

5) Financial Statement Disclosures

(For April 30, 2013 only)

- Reconciliation of opening net assets (May 1, 2011)
- Reconciliation of net income on SOP for the comparative year (April 2012) with net income previously reported for year ended April 2012
- Transitional note disclosures of any new significant accounting policies and changes in accounting policies that were adopted on transition
- Transitional note disclosures of any optional elections/exemptions applied on transition

Part III CICA Handbook (cont'd)

Implications

Financial Statement Disclosures cont'd

Ongoing

- Amounts payable at year end in respect of government remittances including HST, payroll taxes, health taxes, etc.

Disclosures eliminated

- Details of future accounting changes
- Capital management
- Note disclosure on employee future benefits will also be simplified

Policy changes

- Certain expenditures currently recorded as assets (advertising and promotion) no longer eligible to be set up as prepaid

Part III CICA Handbook (cont'd)

Implications

Financial Statement Disclosures cont'd

Audit Implications

- The opening and comparative financial statements as restated will not have been audited by the external auditors under the new accounting guidelines. In order to avoid an explicit disclaimer on the comparatives, the University will have to engage external auditors to perform the assurance work. Work not expected to be onerous

Rationale for Recommendations Capital Assets

Capital Assets

- Traditional accounting principles require capital assets to be recorded at historical cost
- New accounting rules allow for a one-time-only restatement of all or part of capital assets at May 1, 2011 to fair value
- York's land is recorded at \$4 million (historical cost)
- Recent valuation in accordance with Canadian Uniform Standards of Professional Appraisal
- York's land holdings have a fair value of \$590 million
- Potential to increase net assets by \$586M

Rationale for Recommendations Capital Assets

Capital Assets cont'd

Advantages

- Value remains in net assets in perpetuity
- Value for land reflects fair value
- Offsets increase in liabilities related to employee future benefits
- Potential positive impact on credit ratings

Disadvantages

- May be misinterpreted by readers of financial statements (i.e. Unions, students, government, etc.)

Note:

- Ontario Universities – revaluing capital asset land only – Ryerson, U of T, Guelph, Ottawa, Queens, Western, McMaster

Rationale for Recommendations Capital Assets

Capital Assets cont'd

Other Considerations

Revaluation of Buildings and Equipment to Fair Value

- Considered valuing other capital assets to fair value
- These are all depreciable assets
- Revaluing these assets to fair value will result in higher depreciation/expenses in future years, impacting results
- Approximately \$716M of York's \$1.1B in buildings have been acquired since 2001 so **majority** of buildings approximate fair value
- Equipment and furnishings values are relatively insignificant (\$50M)
- **No Ontario universities are considering revaluing buildings or equipment to fair value**

Financial Impact of Revaluation of Capital Assets - Land Only

York University Balance Sheet

	May 1, 2011	Land Restatement	Restated, May 1, 2011
Total Current Assets	128,439		128,439
Pension Cost Deferral	17,005		17,005
Investments	582,629		582,629
Investment in Lease	44,440		44,440
Capital Assets	729,432	586,000	1,315,432
	<u>1,501,945</u>		<u>2,087,945</u>
			-
Current Liabilities	218,284		218,284
Long term liabilities	127,175		127,175
Long Term Debt	304,488		304,488
Deferred Capital	292,907		292,907
Liabilities	<u>942,854</u>		<u>942,854</u>
			-
Unrestricted Deficit	(60,172)		(60,172)
Internally Restricted	287,931	586,000	873,931
Endowments	331,332		331,332
	<u>559,091</u>		<u>1,145,091</u>
	<u>1,501,945</u>		<u>2,087,945</u>

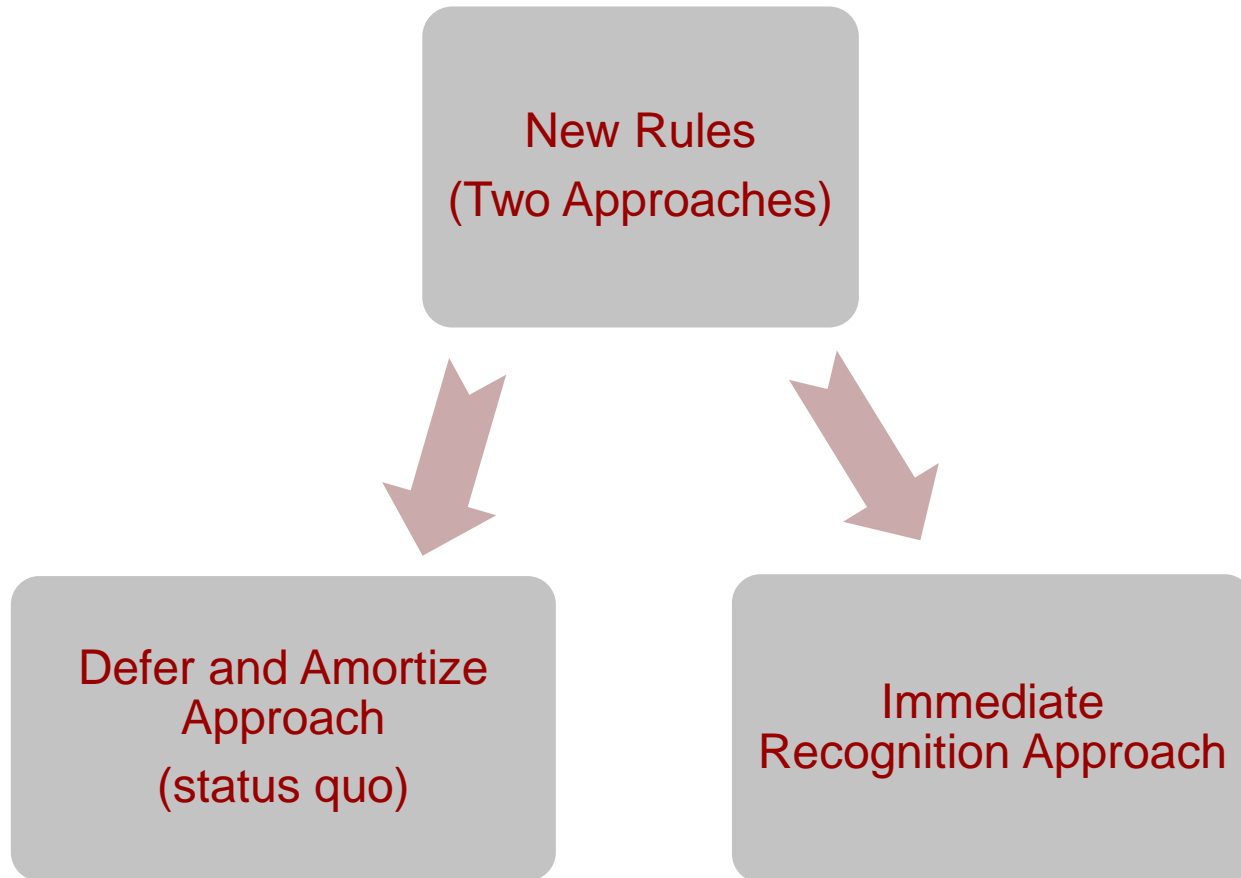
Rationale for Recommendations

Employee Future Benefits

Current Practice

- Cost of plan related to employees' current service is charged to income annually, computed on an actuarial basis, over the service life of employees
- Actuarial gains and losses occur when management's best estimates regarding assumptions (rates of return on plan assets, mortality rates, etc.) differ from actual results
- Actuarial losses are amortized over the average remaining service life of employees (approximately \$292M at May 1, 2011)
- The current approach is referred to as the defer and amortize approach

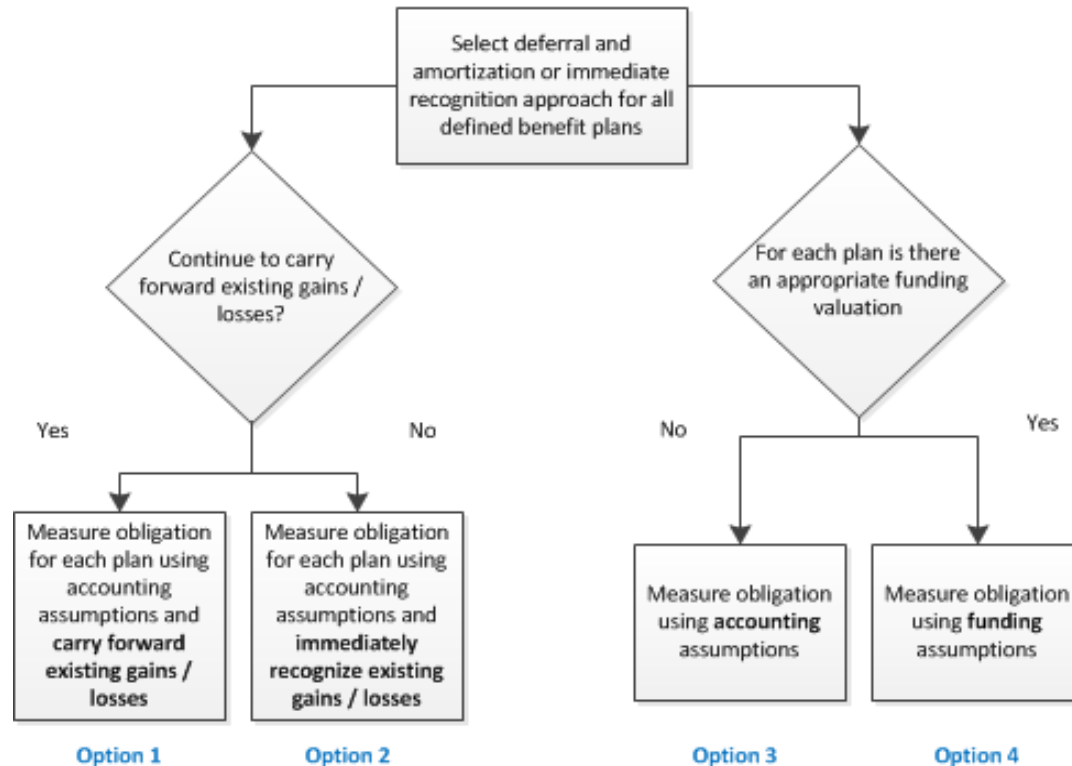
Pension Plan Options



Accounting Policy Choices for Defined Benefit Plans

Deferral and Amortization Approach

Immediate Recognition Approach



Defer/Amortize vs. Immediate Recognition

Major Considerations

Future direction of standards

- The Accounting Standards Board (AcSB) has issued an exposure draft to replace Section 3461 (*Employee Future Benefits*) with a new Section 3462.
- The new section, if accepted, will be effective for fiscal years beginning on January 1, 2014. Highly likely to be accepted.
- The new section will eliminate the deferral and amortization approach for Not for Profit Organizations.

Defer/Amortize vs. Immediate Recognition (cont'd)

Future direction of standards (cont'd)

- The International accounting standard *Accounting for Employee Benefits (IAS19)* is moving to immediate recognition of all changes in plan assets and liabilities starting in 2013. Therefore an increasing number of financial statement users will be more comfortable with the immediate recognition approach in the future
- Delaying the implementation would result in losing the opportunity to mitigate the shock of full recognition on the balance sheet in a year where there is a more than offsetting positive adjustment in land values to the financial statements

Employee Future Benefits-Pension Plan

Immediate Recognition Approach Funding Assumptions

Advantages

- Consistent with reporting of the pension plan funded position
- Eliminates need to implement a second change if accounting standards move to immediate recognition approach (which appears to be inevitable)
- More accurate reflection of impact on pension liability on financial statements
- Heightens the awareness of the magnitude of the issue on York's financial position

Disadvantages

- Actuarial loss is significant and may not be properly understood.
- Significantly more volatility than defer and amortize approach

Immediate Recognition Approach Accounting Assumptions

- Not an option for York University for the Pension Plan because York performs funding valuations

Employee Future Benefits-Pension Plan Impact on Financial Statements

York University Balance Sheet

	May 1, 2011	Immediate Recognition	Restated May 1, 2011
Total Current Assets	128,439		128,439
Pension Cost Deferral	17,005	(17,005)	-
Investments	582,629		582,629
Investment in Lease	44,440		44,440
Capital Assets	729,432		729,432
	<u>1,501,945</u>		<u>1,484,940</u>
			-
Liabilities	942,854	204,000	1,146,854
			-
Unrestricted Deficit	(60,172)		(60,172)
Internally Restricted	287,931	(221,005)	66,926
Endowments	331,332		331,332
	<u>559,091</u>		<u>338,086</u>
	<u>1,501,945</u>		<u>1,484,940</u>

Employee Future Benefits – Other Post Employment Benefits

- Must use consistent approach with Pension Benefits (i.e. Defer and Amortize vs. Immediate Recognition)
- Amount is immaterial as compared to Pension – so selection driven by decision on Pension Liabilities
- Change from defer and amortize approach to immediate recognition approach (accounting assumptions)
- Choice of Accounting Assumption vs. Funding Assumption driven by the fact that a funding valuation is not prepared for the other Post Employment Benefits
- Impact to liabilities (\$7M higher) and internally restricted assets (\$7M lower) is relatively insignificant

Rationale for Recommendations

Financial Assets and Liabilities

- Under Part III of the CICA Handbook, the University is provided with the option to reduce its current level of note disclosure on financial assets and liabilities. In addition, Part III reports fixed income securities and other financial assets at cost but provides the University with the choice to elect to value at fair value.
- The University's current practice is to value all financial assets at fair value with the exception of certain fixed income securities that are designated as held to maturity. These fixed income securities are invested as part of the University's short term working capital strategy and the valuation at cost is consistent with the University's intent not to actively trade.
- The Administration recommends that the University continue to elect to maintain its current higher level of note disclosure and to continue its current practice in valuation of financial assets and financial liabilities on its financial statements.

Financial Impact of Changes of Decisions regarding Capital Assets and Employee Future Benefits

York University Balance Sheet

	May 1, 2011	Land FMV	Pension	Restated May 1, 2011
Total Current Assets	128,439			128,439
Pension Cost Deferral	17,005		(17,005)	-
Investments	582,629			582,629
Investment in Lease	44,440			44,440
Capital Assets	729,432	586,000		1,315,432
	<u>1,501,945</u>			<u>2,070,940</u>
				-
Liabilities	<u>942,854</u>		204,000	<u>1,146,854</u>
				-
Unrestricted Deficit	(60,172)			(60,172)
Internally Restricted	287,931	586,000	(221,005)	652,926
Endowments	<u>331,332</u>			<u>331,332</u>
	<u>559,091</u>			<u>924,086</u>
	<u>1,501,945</u>			<u>2,070,940</u>

Memo

To: Board of Governors

From: Ozench Ibrahim, Chair, Board Finance and Audit Committee

Date: December 3, 2012

Subject: **Long-Term Ancillary Plan**



Recommendation

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

Background

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

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

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

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

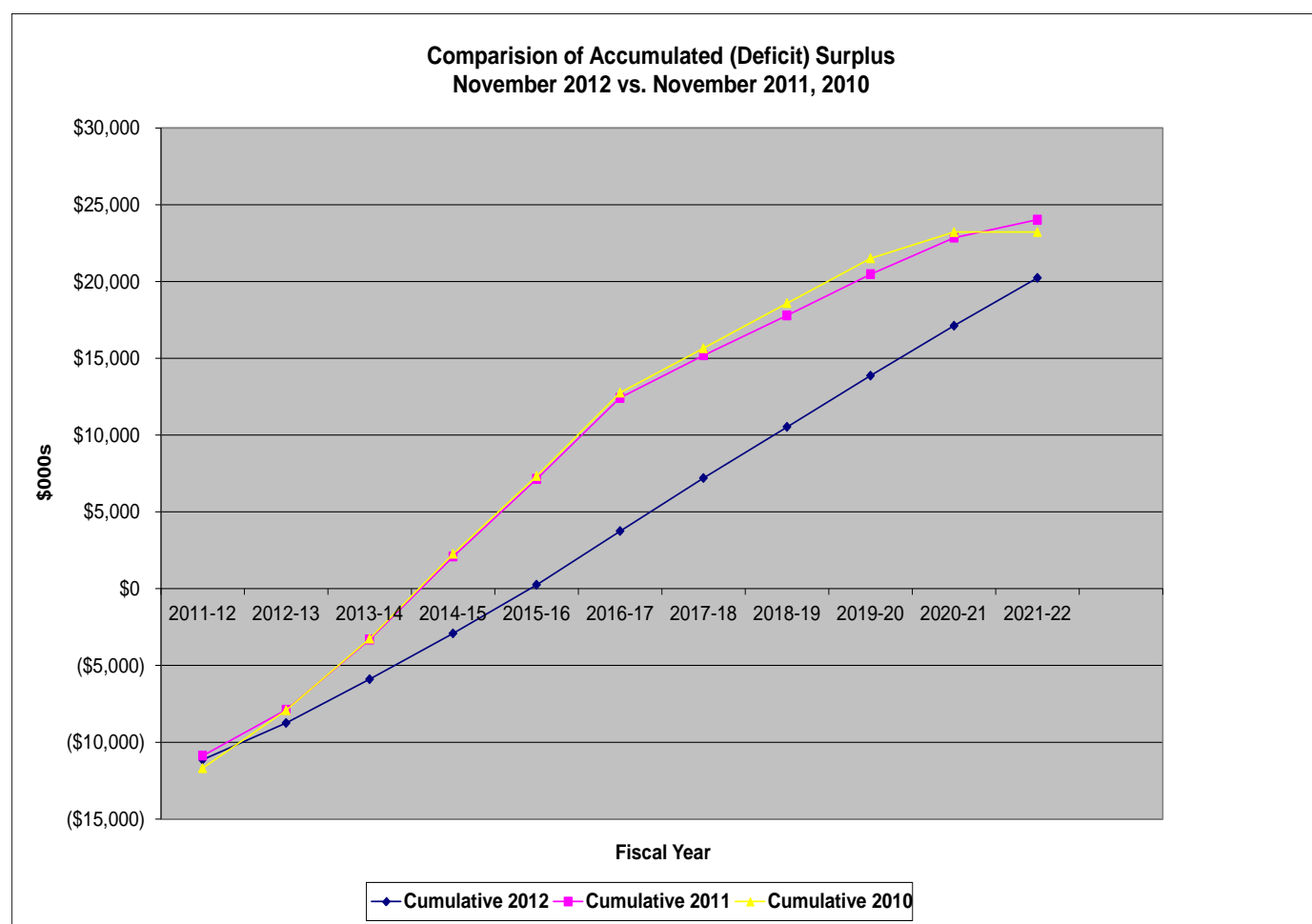
In the Fall of 2010, the ancillary plan was updated to reflect the anticipated impact of the subway in 2015 on parking operations, significant changes to the long term housing plan to reflect the weakening demand of York's style of residence and the projection of potential closures of residences over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

In the Fall of 2011, the ancillary plan was updated to reflect the shift from traditional print books to digital books in the Bookstore operation. The significant changes include declines in projected revenue and a reduced cost structure to deliver the lower level of expected revenues.

In the Fall of 2012, the ancillary plan is being updated to reflect the declining sales trend in bookstore sales, the incorporation of the new housing strategy including the 10-year building renewal plan costing \$70 million for residences, the impact of reduced parking inventory due to new capital construction, a revision to the plan to extend the recovery of the original startup costs for the Executive Learning Centre from 13 years to 20 years, the favourable impact of the introduction of new food outlets in the Food and Contract Management business, and the impact of the continued decline in printing service volume.

The collective impact of these events is significant and requires ongoing significant management focus.

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



**ANCILLARY OPERATIONS
LONG-TERM PLAN**

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

November 12, 2012

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

TABLE OF CONTENTS

1. <i>Purpose of this Report</i>	1
2. <i>Key Planning Assumptions</i>	1
3. <i>Bookstore</i>	3
4. <i>Student Housing Services</i>	4
5. <i>Parking Services</i>	5
6. <i>YU-card Program</i>	5
7. <i>Telecommunications</i>	6
8. <i>Executive Learning Centre</i>	7
9. <i>Other Ancillary Operations</i>	8
9.1. <i>Food and Contract Management</i>	8
9.2 <i>Printing Services</i>	8
Appendix: 2012 Long-Term Plans	10

ANCILLARY OPERATIONS LONG-TERM PLAN

Report to the York University Board of Governors Finance and Audit Committee November 12, 2012

1. Purpose of this Report

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

The sound management of ancillary operations continues to be an important element of the plan to manage the Unrestricted Net Asset deficit. Each of the ancillary operations has an approved business plan that takes into consideration the impact of the budget, economic, enrolment and staffing changes that are forecast. This report contains a discussion of each of the business units and highlights changes in the long-term plan. The business plans for each are presented in the Appendix along with comparisons to the net income targets that were set in the November 2011 long-term plan.

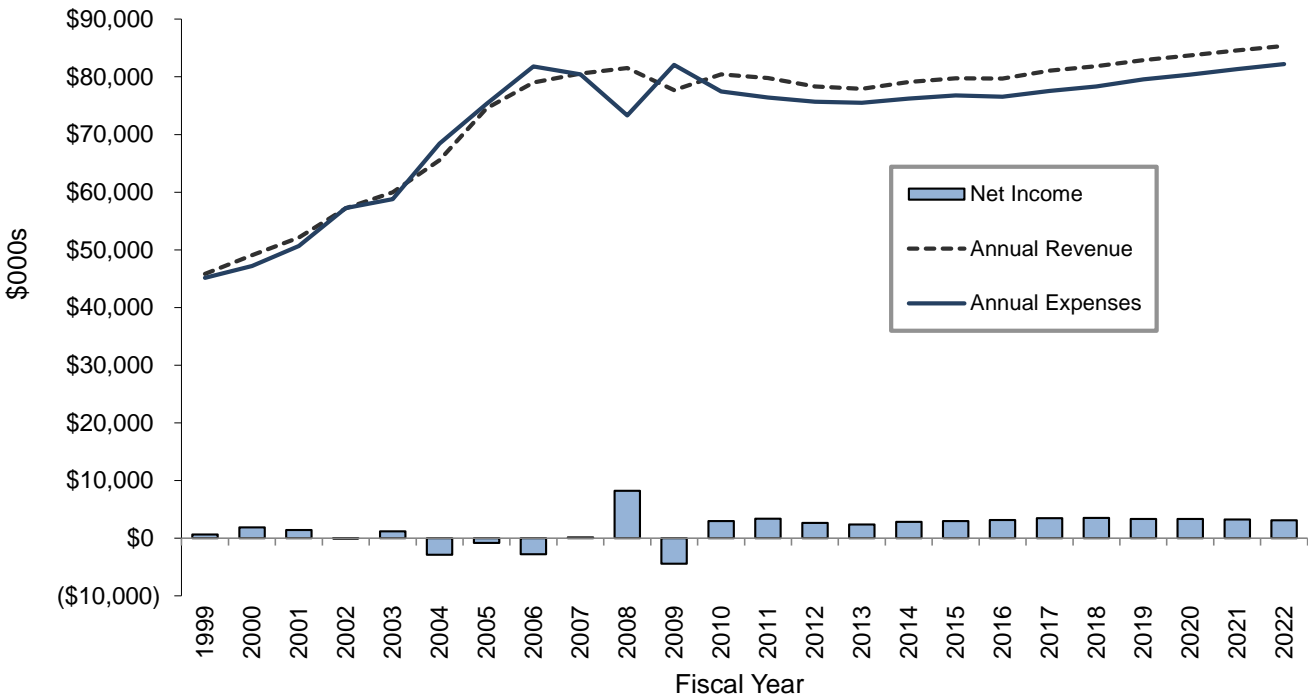
The consolidated revenue, expense and net income projection for all ancillary operations is provided in Figure 1. This chart illustrates that the ancillary operations operated profitably to 2002-2003. With the commencement of the operations of the Executive Learning Centre and The Pond Road Residence, as well as the operations of the two new parking structures and the success achieved in Parking and Transportation to reduce the number of single occupant vehicles on campus, the ancillary plan reported net operating losses in the years 2004 through 2006 as the significant cost impact of the new facilities was absorbed. The plan also shows a return to profitable status in 2007 and 2008, as revenues gradually came into line with the costs of the new facilities. The 2009 results reflected the unfavourable impact of the extended labour disruption and the global financial crisis which had significant impacts on the ancillary operations particularly in the Executive Learning programs. The ancillary operations returned to generating operating surpluses in the prior fiscal year. The 2010 plan revisions reflect the impact of the subway in 2015, the weakening of demand for York's dormitory style of residence and the impact of potential planned closures of residences over the term of the plan. The 2011 plan revisions reflect the changing nature of the business environment for the Bookstore as the shift from traditional print books to digital books is experienced. The business models and profit margins for eBooks are not established as the industry struggles to define itself. It is projected that ancillary operations will continue to be profitable and achieve full recovery of their costs. In the 2012 plan revisions, the impact of the decline in print book bookstore sales, the incorporation of the new housing strategy, the reduction of parking inventory due to new capital project construction, a revision to the Executive Learning Centre recovery plan and the improved performance for food contract revenue have been reflected. Figure 2 considers the consolidated net income only and compares this year's plan to the two prior years' plans.

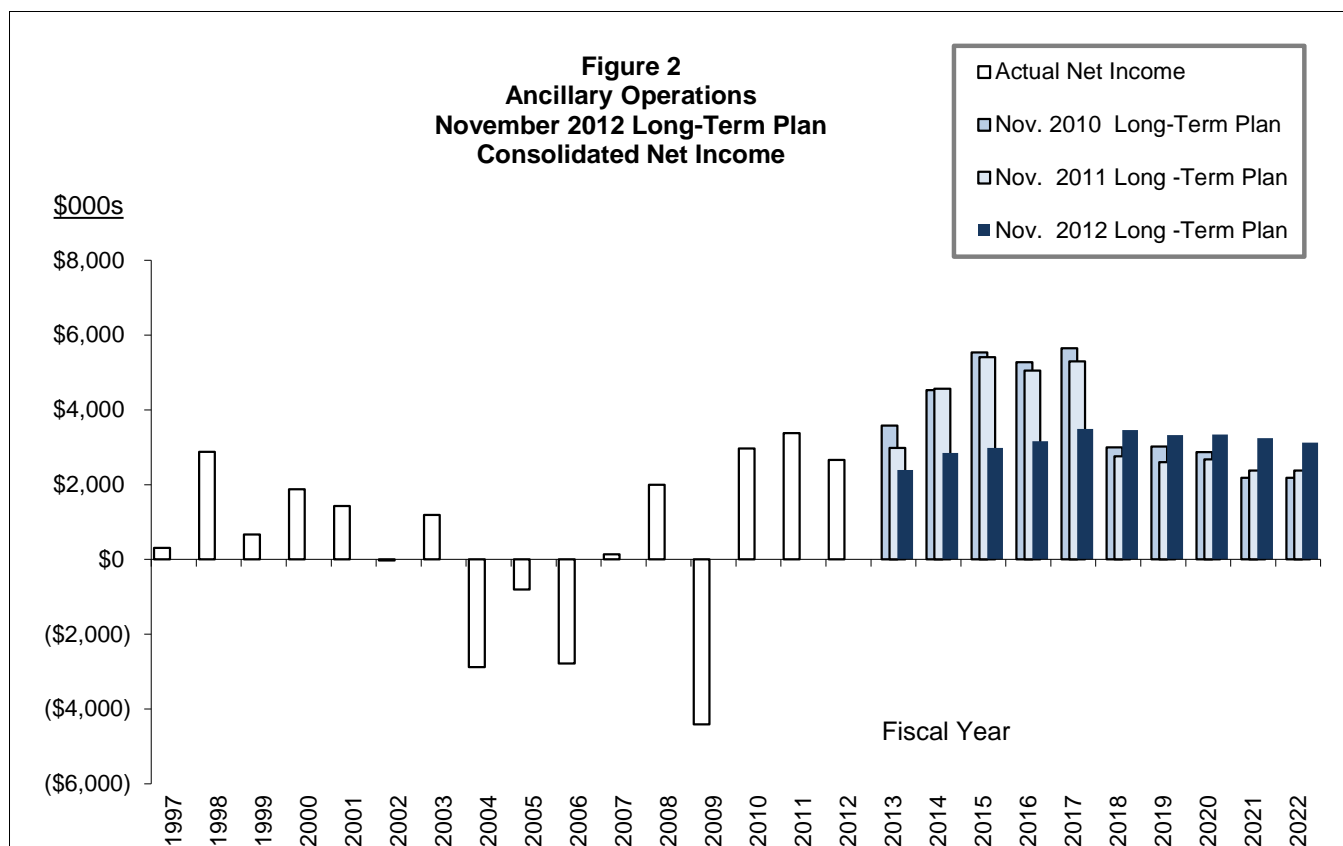
2. Key Planning Assumptions

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

	2012-13	2013 and onwards
Consumer Price Index (CPI)	2.0%	2.0%
Compensation:	2.0%	2.0% onwards
Heating & Cooling:	2.15%	2.15% for 2011-12, and an average of 2.5% thereafter
Electricity:	8.23%	9.13% for 2013-15, 6.27% for 2015-16, 4.26% for 2016-17, 3.05% for 2017-18 and 3.57% thereafter
Water:	9.0%	9.0% to 2015-16 and 3% onwards

Figure 1
Ancillary Operations
November 2012 Long-Term Plan
Consolidated Revenue/Expenses/Net Income





The planning assumptions reflect an annual general inflation rate of 2% over the planning period, with the exception of electricity and water costs in the short-term. Compensation assumptions reflect a rate established for planning purposes for future settlements. Electricity costs reflect an increase of 8.23% for 2012-2013 and various rates thereafter. Water costs are expected to increase at an annual inflation rate of 9% in 2012-2015 and 3% thereafter. In addition to more global assumptions on inflation for compensation and energy, assumptions that are particular to each ancillary operation are factored in for each of the plans.

3. Bookstore

The Bookstore has two locations: York Lanes on the Keele Campus and York Hall on the Glendon campus, along with an active e-commerce site, and a new outlet in Schulich. Management has been focused on enhancing operational performance, reducing base costs, and making process improvements while improving the student experience related to the Bookstore. In June 2010, organizational changes were implemented to reduce the base costs.

Fiscal 2010-2011 showed a 2% revenue decline, attributed to shift from traditional print books to digital books. In fiscal 2011-2012 the decline was 5.3%. The Bookstore has been increasing its offerings, including the sale of digital books and is one of the first Canadian campuses to offer a book rental program. These initiatives save students money, but also lower gross revenues and margin for the Bookstore. The Bookstore reported a profit of \$160K in 2011-2012. Previous plans assumed a continued growth in revenues, at slightly less than the rate of inflation. The current year's budget includes a 2% reduction in revenue with sales tracking ahead of budget for the year to date. Previous plans have significant adjustments to labour and other operating expenses on a continuous basis to show modest returns over the ten-year period.

The current plan assumes that the recent declining sales trend will not reverse, and specifically that there will be no growth in textbook revenues. The Bookstore will act as a consolidator, offering students a single point for accessing needed materials in an increasingly complex array of buying new

books, used textbooks, renting books, buying or leasing digital books. The business models and profit margins for e-books are not established as the industry struggles to define itself. It is assumed that margins will be reduced, but there will be less handling, merchandising, and operational requirements, leading to a leaner labour force.

In 2007 the Bookstore strategic plan focused on internal issues of improved operations, fiscal controls and service levels. These issues have been addressed in order to better control costs. The Bookstore has drafted a discussion paper to update its strategic plan within the context of the digital age. In 2012, the Bookstore won the Libris Campus Bookseller of the Year award announced by the Canadian Booksellers Association. The current long term plan reflects minimal investments to fulfill the mandate of being a leading-edge bookstore and service to the student community. The long-term projections show labour reductions beyond the rate of inflation, which is based on the assumption that there will be less labour associated with product handling in the increasingly digital bookstore.

Overall the Bookstore's Net Income contribution over the ten years of the plan totals \$1,984,000. The unit's 10-year projected financial performance is consistent with the prior year plan target, which incorporated the changing nature of the overall business environment.

4. Student Housing Services

Student Housing Services provides approximately 3,650 rentable beds and apartment units for York's undergraduate and graduate students at the Keele and Glendon campuses.

A new Housing Strategy for York was developed after two years of external and internal consultations and was approved by the Board of Governors in June 2012. A new housing strategy was not only developed in the context of achieving York's broader institutional objectives to better align student housing needs with academic priorities and to enhance the student experience, but will also address issues of declining occupancy rates, aging infrastructure, outdated room types and unpopular meal plans.

Highlights of the new housing strategy include:

- A self-funded 10 year building renewal plan costing \$70 million for all residences and apartments that will require an annual rate increase of 3.7% over the next 10 years. Renewals will include furnishings and finishes, building infrastructure system, technology upgrades, and accessibility enhancements.
- A focus on 1st year students and coordinated approach to programming and living-learning communities to promote a culture for academic success.
- Meal plan improvements that include an off-campus YU-card restaurant/delivery program, a price reduction of the minimum required meal plan to \$2,500 from \$3,000, and an allowance for students to carry-forward their unspent funds.
- A new suite-style residence to be constructed and operated by a third party at Pond/Sentinel to provide expanded housing options for upper-year students and an additional revenue stream to fund improvements in existing housing venues.
- An institutional framework to oversee the long-term planning and implementation for the new housing strategy which includes a Student Housing Steering Committee and a Housing Working Group.
- An overarching marketing strategy to improve the recruitment and retention of students in residence.

The Current Situation:

After a declining trend in applications over the past 4 years, application numbers improved for the 2012-2013 academic year intake. Applications from current students have remained level however new student applications increased by 9% over 2011-2012 recovering to 2010-2011 levels. In addition, Housing is receiving more applications from students who are transitioning to York from YUELI

programs. As a result, 2012 fall term occupancy levels have reached 97.5% for undergraduate residences at the Keele and Glendon campuses, and 99% for York U Apartments.

Higher projected applications and occupancies from York students resulted in a decision to re-open 144 beds in Founders Residence for students attending YUELI short-term programs who could not be accommodated in the remaining undergraduate residences.

Significant adjustments were made to the prior long term plan to reflect an anticipated occupancy trend and rate increases that will be used to fund the 10 year housing renewal program as part of the new Housing Strategy.

The 2012-2013 Long Term Plan envisions the following:

- Higher occupancy projections for the undergraduate traditional dormitory style based on improving application trends.
- A status quo revenue projection for the Accommodation and Conference Services business segment due to uncertainty of available and marketable space.
- A \$70 million capital renewal and improvement budget to be allocated over the next 10 years.
- An average rate increase of 3.7% per year for undergraduate residences to address the 10 year renewal plan and inflationary costs.
- An average rate increase of 2% for 2012-2013 for apartment rents. These increases are set annually according to rent control guidelines.

Overall Housing's Net Income contribution over the ten years of the plan totals \$5,957,300 and is consistent with its 10-year projected financial performance target to the prior year's plan.

5. Parking Services

Parking Services has approximately 9,000 parking stalls at the Glendon and Keele campuses across 36 parking lots and various on-street and off-street parking areas. Weekday demand peaks remain on Tuesdays and Thursdays, with Fridays exhibiting the lowest demand other than weekends.

Parking continues to manage the intense construction activity created by the TTC Subway, Pan AM stadium and anticipates significant changes due to the development south of the Pond Road and the new Engineering building later this year. Parking control and enforcement staff continue to assist with road closures including traffic duties and pedestrian direction when required by the University, thereby taking them away from revenue generating activity.

Despite recent City of Toronto parking regulations that have been implemented in the Village community, just south of the Keele campus, Parking Services continues to be concerned about lost revenue due to the use of roadways for parking. The City of Toronto continues to moderately enforce the area, but York has not yet seen a significant shift in behavior.

Parking Services has recently awarded the contract for new Parking Access and Revenue Control equipment (PARCs) that will allow the University to conform to regulatory Payment Card Industry (PCI) and Data Security Standards as well as provide enhanced service to the community. Implementation will continue over the next few months and should be complete by early 2013.

In the near term, monthly permits, daily parking and fine collection volumes are holding steady despite the impact of construction activities impacting parking lots. However, commencing with fiscal 2014-2015, revenue and operating expense estimates have been reduced to reflect the impact of reduced parking spaces due to the Pond-Sentinel development. The current long term plan indicates monthly permit increases of 2% per year from fiscal 2012-2013 onwards. Daily parking rates are planned to increase by 3% in 2014-2015 then by 2% every second year thereafter.

While it is difficult to forecast accurately the impact of the subway on commuter habits, this plan and the prior plan envisioned a reduction in revenue of \$1M for monthly permits and daily revenues commencing in 2015-2016.

Overall Parking Service's Net Income contribution over the ten years of the plan totals to \$392,500, which includes its contribution of \$2,600,000 per annum towards Land Rent and Transportation, goSAFE and CCTV Units. The unit's 10-year projected cumulative surplus is \$2,393,000 lower than prior plan targets primarily due to the anticipated loss of parking spaces to campus capital improvement projects.

6. YU-card Program

The YU-card program provides consistent photo identification for York University students, faculty and staff in the form of a campus "one-card" program conceived to improve the student experience by enabling convenient access to campus services and to provide cost efficiencies and opportunities for service enhancement and innovation for University departments.

Drivers for the long-term are meal plan sales, card usage related to other services and the annual license/maintenance fees for the YU-card system software and hardware. License/maintenance fees are based on the number of active cards in use during a given year and the amount of hardware installed. The YU-card program currently absorbs all software license fees for the integration of services such as the Libraries and recreation facilities. The YU-card program has grown substantially since its introduction in 2006. Efforts are now underway to make the YU-Card the access card of choice.

The favourable financial performance from the prior plan is predicated on the expansion of new YU-card services in 2012-2013; including new tax exempt Meal Plans and the introduction of an off-campus merchant program. Achievement of the plan is based on stability in overall meal plan sales, which is sensitive to residence occupancy.

Overall, Yu-card's Net Income contribution over the ten years of the plan totals \$419,000 and exceeds its prior 10-year projected financial performance target by \$83,200.

7. Telecommunications

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

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

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

There are no significant changes brought forward in the updated plan. The prior year's financial targets were met.

8. Executive Learning Centre/Nadal Management Centre

This plan includes the combined financial results for the Executive Learning Centre on the Keele Campus and the Miles S. Nadal Management Centre located in downtown Toronto.

The November 2012 plan reflects the impact of the renewed continuing weakness in both the Canadian and global economies. The recovery of executive education to pre-recession levels is currently expected to take significantly longer than anticipated a year ago.

Accordingly, the November 2012 plan forecasts that full recovery of the early year operating deficits will now occur at the end of 2023-2024 - 20 years from the original start date of November 2003. Each fiscal year still has a positive in-year contribution, but at a significantly lower level than anticipated in November 2011.

The original 10-year plan was approved in November 2003 and forecasted a cost recovery of all cumulative deficits over 10 years, i.e. it would be fully recovered by the end of 2013-2014 having reached its maximum cumulative deficit of \$6.9M in 2007-2008. The 10-year plan submitted in November 2009 forecasted a full recovery in 13 years from the original start date of November 2003, at the end of 2016-2017 with a maximum cumulative deficit of \$12.0M in 2010-2011.

Plan assumptions:

- Both ELC/Nadal and SEEC (Schulich Executive Education Centre) continue to be impacted by the renewed continuing weakness in both the Canadian and global economies.
- SSB contributions will be transferable to the ELC ancillary fund at a rate to ensure that no in-year deficits occur and that accumulated deficits will be fully recovered over the 20 years.
- Both on-going maintenance and renewal of the ELC facility are now included as in-year operating expenses. The November 2011 plan assumed that in year 10 of the facility (2013-2014), \$2M would be required to pay for kitchen fixture replacement, guest room renovation and penthouse floor upgrades.

9. Other Ancillary Operations

9.1 Food and Contract Management

Contract Management negotiates and manages revenue generating contracts and hosting agreements with third parties on behalf of the University. The long-term plan includes revenue sources from antenna contracts, media advertising and Crestwood Valley Day Camp at Glendon. Revenue and operating expense recoveries from other contracts that are currently managed, such as Tennis Canada, Seneca College and Computer Methods Building, flow to central University budgets.

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

Food Services' favourable results are due to the introduction of new outlets in response to student demand, as well as the decision to defer renovations while Food Services undertakes the development of a comprehensive food service strategy during 2012-2013. The new strategy will inform the selection of new dining concepts and the renovation of facilities over the next five to ten years. Capital costs for facility improvements are expected to be offset by related increases in revenues and reductions of repair and maintenance expenditures. The success of Food Services' business plan is dependent on the acquisition of new retail-appropriate space in the campus core and other key buildings, in particular Central Square.

Overall the unit's Net Income contribution over the ten years of the plan totals \$1,650,000 and has exceeded its prior 10-year projected financial performance target by \$786,000.

9.2 Printing Services

Printing Services provides print stationary, secure printing of exams and diplomas, course materials including course kits, and a range of marketing and communication projects. Printing Services incorporates the Copyright Clearance Centre, which provides customized publishing services while ensuring that copyright royalties are respected.

The department works strenuously to improve its campus market share, however, future demand for printing depends upon independent decisions by departments and faculties to outsource or keep printing in-house.

The revenue from course kits is 50% of total revenues. Print Services has been a leader in the production of course kits, and is well respected for its work and the volume of titles produced- as is appropriate for the interdisciplinary approach at York University. Copies sold, as well as titles produced have been declining slightly, mainly due to the high and increasing cost of copyright. Printing Services has produced customized course books in digital format, and the Bookstore has developed a secure platform for selling the e-kits produced by Printing Services.

As reported last year, although it would be sensible to project gradual declines in course kit production, experience in 2011-2012 reminds us that changes occur with economic shocks. Due to the cancellation of agreements with Access Copyright at the end of August 2011, a large portion of kits have been cleared for copyright by an outside printer who holds a commercial Access Copyright license. The in-house volumes, therefore, showed a dramatic decline in 2011-2012. Although strategies are being developed to repatriate the work, the current long term plan significantly reduced the in-house print volumes. The staff in the Copyright Clearance Centre will continue to handle all of the 'front end' publishing service and will be credited with this effort with a portion of the bookstore sales.

In fiscal 2010-2011, Printing Services reported a profit of \$102K, and fiscal 2011-2012 a loss of \$318K. The future has uncertainties due to the increased use of digital alternatives, but a properly adjusted unit will continue to produce essential services and deliver a modest return on sales. It is recognized that this core University service would be more cost-effective if it was the print service supplier of choice of all York Units.

The long term plan reflects reductions in revenue, staffing and other operating expenses to reflect current realities. Overall Printing Services Net Income contribution over the ten years of the plan totals \$1,978,000. The unit's 10-year projected financial performance is on target with the prior plan results.

APPENDIX

2012 Long-Term Plans

**ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
BOOKSTORE
in \$000s**

	Actual	Budget									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue											
Revenue from Sales	\$18,232	\$17,878	\$17,292	\$17,216	\$17,140	\$17,066	\$16,992	\$16,918	\$16,846	\$16,773	\$16,702
Rent Subsidy from York University	\$556	\$596	\$617	\$629	\$641	\$654	\$666	\$679	\$692	\$705	\$719
Total Revenue	\$18,788	\$18,474	\$17,909	\$17,845	\$17,781	\$17,720	\$17,658	\$17,597	\$17,538	\$17,478	\$17,421
Expenses											
Remuneration	\$2,671	\$2,592	\$2,421	\$2,324	\$2,228	\$2,133	\$2,081	\$2,030	\$2,021	\$2,013	\$2,004
Cost of Goods Sold	\$13,860	\$13,464	\$13,106	\$13,042	\$12,983	\$12,924	\$12,865	\$12,807	\$12,750	\$12,693	\$12,636
Occupancy Costs	\$1,048	\$1,074	\$1,084	\$1,094	\$1,104	\$1,114	\$1,125	\$1,136	\$1,147	\$1,158	\$1,170
Other Operating Expenses	\$1,029	\$1,277	\$1,263	\$1,269	\$1,276	\$1,283	\$1,290	\$1,297	\$1,305	\$1,312	\$1,320
Capital Expenditures	\$20	\$20	\$21	\$21	\$22	\$22	\$22	\$23	\$23	\$24	\$24
Total Expenses	\$18,628	\$18,427	\$17,895	\$17,750	\$17,613	\$17,476	\$17,383	\$17,293	\$17,246	\$17,200	\$17,154
Net Income/(Loss) for Fiscal Year	\$160	\$47	\$14	\$95	\$168	\$244	\$275	\$304	\$292	\$278	\$267
Net Income/(Loss) per Nov. 2011 Plan		\$47	\$78	\$126	\$274	\$228	\$386	\$341	\$295	\$141	\$92
Change from Nov. 2011 Plan		\$0	(\$64)	(\$31)	(\$106)	\$16	(\$111)	(\$37)	(\$3)	\$137	\$175
Cumulative Change from Nov. 2011 Plan											(\$24)

**ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
STUDENT HOUSING SERVICES
in \$000s**

	Actual	Budget									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	\$25,365	\$24,551	\$25,771	\$26,100	\$26,725	\$27,434	\$28,167	\$28,923	\$29,466	\$30,030	\$30,615
Total Revenue	\$25,365	\$24,551	\$25,771	\$26,100	\$26,725	\$27,434	\$28,167	\$28,923	\$29,466	\$30,030	\$30,615
Expenses											
Remuneration	\$6,027	\$6,510	\$6,640	\$6,773	\$6,908	\$7,047	\$7,188	\$7,331	\$7,478	\$7,627	\$7,780
Other Operating Expenses	\$6,234	\$6,090	\$6,212	\$6,336	\$6,463	\$6,592	\$6,724	\$6,859	\$6,996	\$7,136	\$7,278
Energy (HVAC, Electricity, Water)	\$4,015	\$4,250	\$4,483	\$4,743	\$4,986	\$5,135	\$5,271	\$5,418	\$5,570	\$5,726	\$5,886
Capital Expenditures	\$4,642	\$7,015	\$7,379	\$4,247	\$4,355	\$4,711	\$5,123	\$5,617	\$5,797	\$5,694	\$5,990
Total Operating Expenses	\$20,918	\$23,865	\$24,714	\$22,099	\$22,712	\$23,485	\$24,306	\$25,225	\$25,841	\$26,183	\$26,934
Operating Income	\$4,447	\$686	\$1,057	\$4,001	\$4,013	\$3,949	\$3,861	\$3,698	\$3,625	\$3,847	\$3,681
Contribution to Capital Reserve	\$325	(\$3,276)	(\$2,921)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Labour Disruption 08/09 Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Costs	\$3,478	\$3,478	\$3,478	\$3,478	\$3,478	\$3,401	\$3,299	\$3,120	\$3,037	\$3,037	\$2,853
Net Income/(Loss) for Fiscal Year	\$644	\$484	\$500	\$523	\$535	\$548	\$562	\$578	\$588	\$810	\$828
Net Income/(Loss) per Nov. 2011 Plan	\$472	\$483	\$492	\$491	\$497	\$504	\$613	\$621	\$787	\$798	\$809
Change from Nov. 2011 Plan	\$172	\$1	\$8	\$32	\$38	\$44	(\$51)	(\$43)	(\$199)	\$12	\$19
Cumulative Change from Nov. 2011 Plan											(\$139)

ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
PARKING SERVICES
in \$000s

	Actual 2011 2012	Budget 2012 2013	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022
Revenue											
Revenue	\$15,511	\$15,346	\$15,336	\$15,541	\$14,551	\$14,666	\$14,655	\$14,919	\$15,064	\$15,336	\$15,487
Total Revenue	\$15,511	\$15,346	\$15,336	\$15,541	\$14,551	\$14,666	\$14,655	\$14,919	\$15,064	\$15,336	\$15,487
Expenses											
Remuneration	\$3,203	\$3,355	\$3,423	\$3,424	\$3,421	\$3,489	\$3,559	\$3,630	\$3,703	\$3,777	\$3,852
Cost of Sales TTC Metropasses	\$570	\$630	\$643	\$655	\$669	\$682	\$696	\$709	\$724	\$738	\$753
Other Operating Expenses	\$3,515	\$2,997	\$3,064	\$3,137	\$3,201	\$3,266	\$3,330	\$3,397	\$3,465	\$3,535	\$3,606
Capital Maintenance	\$450	\$765	\$747	\$981	\$667	\$316	\$665	\$396	\$578	\$412	\$545
Total Expenses	\$7,738	\$7,747	\$7,877	\$8,197	\$7,958	\$7,753	\$8,250	\$8,132	\$8,470	\$8,462	\$8,756
Operating Income Before Amort/Land Rent	\$7,773	\$7,599	\$7,459	\$7,344	\$6,593	\$6,913	\$6,405	\$6,787	\$6,594	\$6,874	\$6,731
Amortization - Debt	\$5,119	\$4,908	\$4,426	\$4,202	\$4,202	\$4,202	\$4,202	\$4,202	\$4,202	\$4,202	\$4,202
Contribution to Capital Reserve	\$0	\$0	\$420	\$525	(\$235)	\$80	(\$425)	(\$45)	(\$235)	\$45	(\$100)
Net Contribution Transp/goSAFE/CCTV/Card Acces	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410
Land Rent	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189
Total Amortization, Reserve, Land Rent	\$7,718	\$7,507	\$7,445	\$7,326	\$6,566	\$6,881	\$6,376	\$6,756	\$6,566	\$6,846	\$6,701
Net Income/(Loss) for Fiscal Year	\$55	\$92	\$14	\$18	\$27	\$32	\$29	\$31	\$28	\$28	\$30
Net Income/(Loss) per Nov. 2011 Plan		\$91	\$564	\$973	\$100	\$214	\$208	\$331	\$333	\$459	\$17
Change from Nov. 2011 Plan		\$1	(\$550)	(\$955)	(\$73)	(\$182)	(\$179)	(\$300)	(\$305)	(\$431)	\$13
Cumulative Change from Nov. 2011 Plan											(\$2,961)

ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
YU-Card Program
in \$000s

	Actual	Budget									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue											
Revenue	\$650	\$500	\$607	\$630	\$655	\$680	\$753	\$802	\$864	\$910	\$969
Expense Recovery - Central Support	\$165	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Total Revenue	\$815	\$700	\$807	\$830	\$855	\$880	\$953	\$1,002	\$1,064	\$1,110	\$1,169
Expenses											
Remuneration	\$311	\$306	\$312	\$319	\$325	\$332	\$338	\$345	\$352	\$359	\$366
Other Operating Expenses	\$218	\$169	\$211	\$219	\$227	\$231	\$236	\$240	\$245	\$250	\$255
Major Renovations/Equip/Soft Licence	\$265	\$267	\$272	\$277	\$283	\$289	\$294	\$299	\$305	\$311	\$317
Total Expenses	\$794	\$742	\$795	\$815	\$835	\$852	\$868	\$884	\$902	\$920	\$938
Operating Income	\$21	(\$42)	\$12	\$15	\$20	\$28	\$85	\$118	\$162	\$190	\$231
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185	\$216
Net Income/(Loss) for Fiscal Year	\$21	(\$42)	\$12	\$15	\$20	\$28	\$85	\$118	\$162	\$5	\$15
Net Income/(Loss) per Nov. 2011 Plan		(\$6)	\$6	\$11	\$16	\$25	\$82	\$115	\$161	\$5	\$14
Change from Nov. 2011 Plan		(\$36)	\$6	\$4	\$4	\$3	\$3	\$3	\$1	\$0	\$1
Cumulative Change from Nov. 2011 Plan											(11)

ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
UIT, TELECOMMUNICATIONS
in \$000s

	Actual 2010 2011	Actual 2011 2012	Budget 2012 2013	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022
Revenue	\$5,207	\$5,207	\$5,496	\$5,645	\$5,620	\$5,595	\$5,570	\$5,545	\$5,520	\$5,495	\$5,470	\$5,445
Expenses												
Remuneration	\$1,883	\$1,750	\$2,183	\$2,227	\$2,271	\$2,317	\$2,363	\$2,410	\$2,458	\$2,508	\$2,558	\$2,609
Other Operating Expenses	\$1,347	\$1,648	\$1,960	\$1,999	\$2,039	\$2,080	\$2,122	\$2,164	\$2,207	\$2,251	\$2,296	\$2,342
Repair / Maintenance (Inventory/amortization)	\$200	\$200	\$26	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Costs	\$131	\$185	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$3,561	\$3,783	\$4,169	\$4,226	\$4,310	\$4,397	\$4,485	\$4,574	\$4,666	\$4,759	\$4,854	\$4,951
Net Income/(Loss) for Fiscal Year	\$1,646	\$1,424	\$1,327	\$1,419	\$1,310	\$1,198	\$1,085	\$971	\$854	\$736	\$616	\$494
Net Income/(Loss) per Nov. 2011 Plan			\$1,313	\$1,291	\$1,230	\$1,151	\$1,072	\$992	\$912	\$828	\$723	\$494
Change from Nov. 2011 Plan			\$14	\$128	\$80	\$47	\$13	(\$21)	(\$58)	(\$92)	(\$107)	(\$0)
Cumulative Change from Nov. 2011 Plan												\$4

**ANCILLARY OPERATIONS
NOVEMBER 2012 LONG TERM FORECAST
EXECUTIVE LEARNING CENTRE & NADAL MANAGEMENT CENTRE
in \$000s**

	Actual 2011 2012	Budget 2012 2013	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022
Revenue											
Executive Learning Centre	\$7,281	\$7,582	\$8,160	\$8,300	\$8,600	\$9,100	\$9,100	\$9,100	\$9,200	\$9,200	\$9,200
Nadal Management Centre	\$1,102	\$1,166	\$1,175	\$1,178	\$1,185	\$1,192	\$1,198	\$1,198	\$1,198	\$1,198	\$1,198
Total Revenue	\$8,383	\$8,748	\$9,335	\$9,478	\$9,785	\$10,292	\$10,298	\$10,298	\$10,398	\$10,398	\$10,398
Expenses											
Executive Learning Centre	\$5,105	\$5,322	\$5,523	\$5,700	\$5,800	\$5,950	\$5,950	\$5,950	\$5,950	\$5,950	\$5,950
Nadal Management Centre	\$1,127	\$1,151	\$1,172	\$1,178	\$1,185	\$1,192	\$1,198	\$1,198	\$1,198	\$1,198	\$1,198
Amortization of ELC Start-Up Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation of ELC Fixed Assets	\$159	\$160	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Debt Repayment	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850
Total Expenses	\$8,241	\$8,483	\$8,745	\$8,928	\$9,035	\$9,192	\$9,198	\$9,198	\$9,198	\$9,198	\$9,198
Net Income/(Loss) for Fiscal Year	\$142	\$265	\$590	\$550	\$750	\$1,100	\$1,100	\$1,100	\$1,200	\$1,200	\$1,200
Net Income/(Loss) per Nov. 2011 Plan	\$1,063	\$1,424	\$1,790	\$2,170	\$2,600	\$2,850	\$100	\$0	\$0	\$0	\$0
Change from Nov. 2011 Plan	(\$921)	(\$1,159)	(\$1,200)	(\$1,620)	(\$1,850)	(\$1,750)	\$1,000	\$1,100	\$1,200	\$1,200	\$1,200
Cumulative Change from Nov. 2011 Plan											(\$2,800)

ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
FOOD AND CONTRACT MANAGEMENT
in \$000s

	Actual	Budget									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	\$1,795	\$1,847	\$1,923	\$1,919	\$1,954	\$1,981	\$2,007	\$2,035	\$2,062	\$2,092	\$2,121
Total Revenue	\$1,795	\$1,847	\$1,923	\$1,919	\$1,954	\$1,981	\$2,007	\$2,035	\$2,062	\$2,092	\$2,121
Expenses											
Remuneration	\$168	\$239	\$244	\$249	\$254	\$259	\$264	\$269	\$274	\$280	\$286
Other Operating Expenses	\$786	\$634	\$681	\$665	\$688	\$709	\$728	\$750	\$772	\$795	\$820
Major Renovations/Mtce/Equipment	\$311	\$795	\$750	\$759	\$775	\$792	\$815	\$912	\$921	\$950	\$963
Total Expenses	\$1,265	\$1,668	\$1,675	\$1,673	\$1,717	\$1,760	\$1,807	\$1,931	\$1,967	\$2,025	\$2,069
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	\$530	\$179	\$248	\$246	\$237	\$221	\$200	\$104	\$95	\$67	\$52
Net Income/(Loss) per Nov. 2011 Plan		(\$310)	\$248	\$236	\$229	\$213	\$188	\$94	\$89	\$63	\$52
Change from Nov. 2011 Plan		\$489	\$0	\$10	\$8	\$8	\$12	\$10	\$6	\$4	\$0
Cumulative Change from Nov. 2011 Plan											\$547

**ANCILLARY OPERATIONS
NOVEMBER 2012 LONG-TERM FORECAST
PRINTING SERVICES
in \$000s**

	Actual	Budget									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	\$2,464	\$2,746	\$2,375	\$2,419	\$2,464	\$2,510	\$2,546	\$2,584	\$2,622	\$2,660	\$2,699
Expenses											
Remuneration	\$1,408	\$1,200	\$997	\$1,017	\$1,038	\$1,058	\$1,080	\$1,101	\$1,123	\$1,146	\$1,169
Cost of Sales	\$1,052	\$1,160	\$1,026	\$880	\$896	\$913	\$926	\$939	\$953	\$967	\$981
Major Renovations/Equipment	\$15	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46	\$46
Other Operating Expenses	\$307	\$297	\$253	\$254	\$256	\$257	\$258	\$260	\$261	\$262	\$264
Total Expenses	\$2,782	\$2,703	\$2,322	\$2,197	\$2,236	\$2,274	\$2,310	\$2,346	\$2,383	\$2,421	\$2,460
Contribution to Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income/(Loss) for Fiscal Year	(\$318)	\$43	\$53	\$222	\$228	\$236	\$236	\$238	\$239	\$239	\$239
Net Income/(Loss) per Nov. 2011 Plan		(\$57)	\$95	\$176	\$182	\$189	\$189	\$188	\$188	\$187	\$187
Change from Nov. 2011 Plan		\$100	(\$42)	\$46	\$46	\$47	\$47	\$50	\$51	\$52	\$52
Cumulative Change from Nov. 2011 Plan											\$449

GOVERNANCE AND HUMAN RESOURCES COMMITTEE

Report to the Board of Governors

at its meeting of 3 December 2012

The Governance and Human Resources Committee met on 14 November 2012 and in addition to the items appearing on the agenda makes this report for information.

Human Resources:

Labour Relations Update

Vice President Brewer provided the committee with an overview of the 2011-2012 round of bargaining which is almost complete and all agreements have been reached within the financial mandate. Agreements which remain outstanding are the first agreement with the newly certified Osgoode Hall Faculty Association, and the York University Staff Association Unit 2. A satisfactory resolution has been reached with respect to the long standing grievance with the staff association on bargaining unit exclusions, and a process has been established for addressing potentially contentious jobs going forward.

Pension Update

The discussions with the employee groups at an all-university table on pensions will shortly resume and continue based on the mandate created with the sub group of the Finance and Audit committee, with the goal of finding a basis on which to make the university's pension plan sustainable in light of the increasing deficits caused by the performance of world markets.

Institutional Change Initiatives

The committee was provided with an overview of many change initiatives underway at the institution and planned going forward. A copy of the slide presentation is Appendix A hereto. It was also confirmed that the first employee satisfaction survey will be circulated next week, and the results are expected in late January.

Advancing a Mentally Healthy Campus

Suzanne Killick, Director of Learning and Organizational Development, provided an overview of an initiative to address mental health issues being faced by students, staff and faculty. Of particular concern are the reported high levels of stress of students, as well as the increasing levels of stress of employees throughout the university system. A Mental Health Action Group has been created and the role of the group will be to create a Mental Health Strategy for York University, intended to address the university's support of persons experiencing stress and other mental health issues. The strategy is expected to be presented to management in the spring.

Governance Matters:

The committee continues to vet potential nominees, and has prepared a list of prospects. There are currently 5 vacancies, and the Board Chair, the President, and the committee chair have begun to approach several qualified individuals to ascertain their interest, in the hope of bringing forward nominations to the next meeting. The committee remains committed to find the candidates who best ensure that the Board continues to reflect the needed competencies and expertise and the diversity of the community.

Update on Institutional Change Initiatives

Board Governance and Human Resources Committee,
November 14, 2012

OUTLINE

1. Sm@rt Buy
2. Time Reporting Tool (TRT)
3. Academic Resource Model system (ARMs) & Payroll Interface/CUPE 3903 contract processing
4. File Access Service (FAS) Migration and Upgrade to MS Office 2010
5. New/Revised Finance Policies and Procedures
6. Revised Signing Authority Register
7. Changing Role of a “Manager”

What is Sm@rtBuy?

- A York-branded portal for staff/faculty to purchase goods and services
- Users are able to search catalogues, select goods, and check-out...all through one portal using an automated, efficient, and paperless process!
- Sm@rtBuy replicates a similar online shopping experience to Amazon or eBay, so there is familiarity for staff, faculty and researchers
- Initial catalogs are low value goods that are purchased routinely (larger volumes) by departments across the University.
 - office supplies
 - scientific supplies
 - computers and accessories
 - coffee and catering
- This e-procurement tool is highly automated, straightforward to use, and has been successfully implemented at 200+ universities in North America (including Harvard, MIT, Stanford, Yale, Duke, and McGill)

Objectives for Sm@rtBuy

- Qualitative:*
- A positive user experience that enables staff/faculty to easily shop and pay for frequently-used goods
 - Automation of existing paper-based process flows
 - Reduction in time spent purchasing low-value goods
 - Time savings are expected from sophistication/automation of tool

- Quantitative:*
- Anticipated savings from sourcing goods:
 - Sheer ease of portal will result in consolidation of spend, thereby increasing the University's purchasing power
 - Suppliers will reap cost efficiencies from streamlined P2P processes, in turn passing back savings to York
 - Procurement will have detailed metrics to facilitate improved negotiation with vendors
 - Reduction in number of steps in purchase process, from existing 20 to 7 using Sm@rtBuy
 - Reduction in paper, photocopying, internal mail costs

Sm@rt Buy - Success to Date

- System live August 7, 2012
- Activity to date (at November 1, 2012)
 - \$800,000 in spend over 19 catalogue and 26 non-catalogue vendors
 - Further analysis ongoing re: what's not being procured through Sm@rt Buy from the 19 catalogue vendors
- Training
 - 305 employees trained, 95% administrative staff
 - focus on faculty training, now underway
 - 4 sources of training material:
 - Hands-on training at a computer lab
 - Two-page reference sheets
 - Handbooks
 - Training snippets
 - Community training conducted July-September 2-3 times a week

Time Reporting Tool (TRT)

- Central element of Time and Attendance automation
- Tool incorporates/processes absence and overtime requests, approvals and record-keeping for all full-time, non-academic employees and interfaces with payroll system
- Accessed via web-based, password protected Employee Self Serve and Manager Self Serve tools
- Complexity in tool design and implementation due to variability between and among terms of entitlements within the various collective agreements
- Final element of HR's "Time Managing Support System" (TMSS)
 - Attendance Management Program
launched for non-academic employees October 2011
 - Disability Management Program
launched September 2011
 - Time Reporting Tool
launched for full-time, non-academic employees August, 2012
- TRT Phase 2, to be developed in 2013, will automate time reporting for part-time, non-academic employees

TRT Update

- August 7 - TRT released to employees and managers
- Launch required a new rigour in updating organizational “reports to” structure for every employee
- 46 Time Reporting Tool trainers/Change Advocates from across the University (largely volunteer CPM staff) trained and available to support staff in all units.
- e-Learning tools released to all employees and managers in advance of go-live
 - All employee e-learning was recorded and reflected in managers’ eReports to ensure compliance.
 - e-learning remains available whenever needed, from within the TRT system, after Go-Live
- User “help” service established: hrhelp@yorku.ca

TRT Usage Statistics

Time Transactions*

August 13, 2012 after 1st Week

STATUS	COUNT
Approved	993
Denied	9
Needs Approval	295
Pushed Back	11
Submitted	29
<hr/>	
	1,337

as of October 16, 2012

STATUS	COUNT
Approved	10,240
Denied	92
Needs Approval	1,242
Pushed Back	116
Submitted	52
<hr/>	
	11,742

Absence Transactions*

August 13, 2012 after 1st Week

WORKFLOW STATUS	COUNT
Approved	1,844
Denied	11
Error, Contact Administrator	2
Rework	37
Submitted	498
Data Saved	89
<hr/>	
	2,481

as of October 16, 2012

WORKFLOW STATUS	COUNT
Approved	12,830
Denied	105
Error, Contact Administrator	10
Rework	116
Submitted	485
Data Saved	157
<hr/>	
	1,337

Academic Resource Management System (ARMs)

- A web-based system for managing the end-to-end academic resource planning process:
- Managing full-time instructor loads:
 - Teaching
 - Releases
 - Sabbaticals/leaves
- Contract faculty allocation and teaching assignments:
 - Part-time budget/complement
 - Postings, notice of recommended appointments (NRAs) and offer letters
 - Record of accepted offers
 - Integration with CUPE Hiring System
- Graduate student teaching and utilization

ARMs - Quality Outcomes

- Simplify the process of administering course assignments
- Automate and expedite the CUPE hiring process by creating job postings, NRAs, offer letters, and the recording of accepted offers
- Support/improve the compliance of hiring-related deadlines and practices described in the collective agreements
- Improve graduate student teaching utilization
- Use a centralized system to foster greater data transparency in the overall academic planning process
- Provide accurate and timely information on who teaches what
- Provide much better insight on resource allocation and its budget and contractual implications
- Improve processes
- Improve planning, financial control, accuracy and transparency

ARMs - Transformative Value

- System provides a single authoritative source for academic planning data across all participating Faculties, and has eliminated scores of department-level spreadsheets and Access databases
- Has been an enabler for other initiatives which have had the effect of improving productivity and quality in administration:
 - Support of an integrated resource planning process
 - Earlier information to students on who is teaching what
 - On-line course evaluation
 - Supporting the University's emergency preparedness and sustainability plans
 - Support the efficient assembly of enterprise data on teaching for the institutional data warehouse
- Integrates with HR Information System for employee payroll, completing the graduate student and contract faculty end-to-end hiring process
- Establishes a centralized analytic foundation for continued process improvement
- Contributes to a culture of transparency and accountability

Success of ARMs integration with HR-Payroll

September Part-time/Contract Faculty Hiring Exercise 2009-2012				
Year	Assignments Processed Status	ARMs Assignments	GRAD Student Funding assignments not thru ARMs	Total September Assignments
2012	Total September assignments	5680	1776	7456
2012	On-time for Pay Day	5455	1656	7111
2012	Late Submissions	225	120	345
2011	Total September assignments	4838	1681	6519
2011	On-time for Pay Day	2615	1136	3751
2011	Late Submissions	2223	545	2768
2010	Total September assignments	4901	2159	7060
2010	On-time for Pay Day	3928	1685	5613
2010	Late Submissions	973	474	1447
2009	Total September assignments	4343	3065	7408
2009	On-time for Pay Day	3682	2034	5716
2009	Late Submissions	661	1031	1692
Notes:				
1. ARMs integration with Payroll applicable to 2012 only, data kept separate pre 2012 for prior year comparison purposes only				
2. ARMs Assignments column include: contracts created and processed through the integrated ARMs/ Payroll system for CUPE3903 Unit 1, Unit 2, CUPE3903 Exempt, YUFA Overload and YUFA Retirees				
3. GRAD Student Funding column include: contracts created and processed outside of the ARMs system for Graduate Assistantships , Research and CUPE 3903 Unit 3				

File Access Service (FAS) Migration and Upgrade to MS Office 2010

Migration of Common Services

File Access Service (FAS)

File Access Service provides access to office workstations, network files and printers for a better, more integrated work environment

- easier collaboration with network file shares
- move to one username/password (Passport York) for application access
- self serve file restores
- resilient “fail over” (for continuity and disaster recovery)
- easier implementation of access for future applications
- network folders available in classrooms and meeting rooms

FAS - In the Background ...

Novell:

- License expired Aug 2011
- 100+ Novell servers retired by Aug 2011
- Separate domains across campus
- Mainly Faculties



Windows Server 2003:

- YorkAdmin and CNS
- Mainly business units
- Some Faculties (Education & Fine Arts), Library



Windows Server 2008 R2:

- Active Directory yorku.ca
- File Access Service (FAS)
- Entire University

FAS – Additional Benefits

Simplification of our infrastructure

- eliminated duplicate/redundant directory services
- eliminated physical servers and reduced power consumption
- eliminated duplicate licensing costs and leverage MS campus agreement
- enables simpler, common approach for “desktop” computer management and maintenance

File Access Service (FAS) Migration and Upgrade to MS Office 2010

MS Office Upgrades *from MS Office 2003 (and ?) to MS Office 2010*

- More current version and features
- Consistent applications
- Enhanced skill level
- Minimize issues with compatibility

FAS Migration & MS Office Upgrade – Status

- **FAS Migration –**

- First migrations completed in August 2010
- Expect to be complete by spring 2013
- Approximately 80-90% complete
- Will have moved 87,000 accounts with over 20,000 Gb of data
- Replaced approximately 150 servers with 9

- **MS Office Upgrade –**

- Started September 2011
- Expected to be 90% completed by end of 2012.
- 130 departments/units
- 1,000 people trained in person
- 700 online training accounts created
- 1,600 upgrades done by UIT alone (so add most Faculties, through their IT groups)
- About 75% done

New/Revised Finance Policies & Procedures

What's Changed?

- Revised Reimbursable Expense Claims Procedure
- Revised Procurement Procedures
- New Hospitality Policy & Procedure
- New Perquisite Policy
- New Payment Card Security Guidelines
- **Impetus for Changes**
 - Canada Revenue Agency Regulations (taxable benefits)
 - Internal Audit Recommendations
 - Result of Community Focus Group Recommendations
 - Services for Researchers Project Group Recommendations
 - Payment Card Industry - Data Security Standards legislation
 - Broader Public Sector Accountability Act
 - Expense Directive
 - Procurement Directive
 - Perquisites Directive

Revised Signing Authority Guideline & Register

- Established by the Board in 2005, to create a framework for the hierarchy of signing authorities, approval authority and spending limits in the execution of documents on behalf of York University.
- Overview of changes:
 - reflect changes in practices and parallel revisions to policies, procedures and guidelines
 - increases dollar thresholds, thereby lowering the levels of authorization and document execution in order to empower decision-making more broadly so that work can proceed more smoothly and in a more timely way
 - addresses gaps that had been identified since the previous version had been issued
 - framework ensures one over one accountability
 - now references the form/document and/or process to which the approval and execution refers

Changing Role of Managers

- “Manager” positions at York now require to be ***people managers***
- Based on arbitrator’s ruling in YUSA exclusion grievances (related to the exclusion of 200+ CPM classified positions from the YUSA bargaining unit)
- Large number of “manager” positions at York have evolved as “functional” or “operational” managers within matrix organizations where Executive Officers and Administrative Officers had responsibility for people management
- Consequently:
 - Faculties and other operating units are now re-structuring their organizations and managerial positions
 - Large numbers of high quality CPM employees, hired with expertise as functional/operational managers. require to be thoroughly trained as ***people managers***
 - YUSA “supervisor” positions may no longer be involved in hiring, supervision and recommending discipline and are being transitioned to operational “leads”

Changing Role of Managers

- A “Managers Forum” is now being offered on a quarterly basis by the Department of Human Resources as ongoing professional development for **people managers** and to keep all managers abreast of employee relations issues
- Specialized training programs for CPM employees transitioning as “people managers” are being offered
- Emerging issue of role of YUFA faculty union members (especially librarians in the University Libraries) who historically have supervised/managed non-academic support staff

Emerging Employee Learning Culture

- More than 100 training courses and programs are offered each year through the York Employee Learning Calendar (YELC), coordinated by Human Resources, Learning & Organizational Development :
 - administrative skills and competencies
 - manager development
 - computing applications
 - occupational health and safety
 - emergency preparedness
 - human rights
- Culture of continuous employee learning provides a foundation for institutional change initiatives
- Reliance on senior managers to shepherd change initiatives in their Faculties, departments, or units

Other Change Initiatives to Come

Among PRASE initiatives underway or being planned:

- New Budget Model
- Space assignment charge-back
- Travel & Expense Claim automation
- Direct Deposit – Vendor Payments, Employee Expense Reimbursement
- Service Delivery Model, Services for Researchers (44 recommendations)
- Student Advising
- OSAP Process Enhancement
- Petitions Process Enhancement
- New Student Transitions
- Points of Service (Shared Services for Students) pilot
- Services for International Students
- Student Client Services Call Centre Review
- On-campus Employment
- Recruitment Process for non-academic employees
- Employee Engagement Survey
- Mental Health Strategy
- Employee Portal
- Printer Rationalization
- Embedding and Promoting Better Workplace Practices

Memo

To: Board of Governors
From: Gary Brewer, Vice-President Finance and Administration
Date: December 3, 2012
Subject: **Updated Terms of Reference for the Pension Plan and Fund**

Recommendation

That the Board of Governors approve the Revised Terms of Reference for the Pension Plan and Fund, as attached.

Background

In February 2003, the Board of Governors approved the Terms of Reference and Pension Reporting Policy for the York University Pension Plan and Fund. This document is now being updated to reflect two changes being recommended to the Board of Governors by the Board of Trustees. The two revisions are outlined below and a black lined version has been attached to clearly outline the recommended changes.

1. Position Title Change

The document has been amended to change all references to the title of “Manager, Pension Fund”, to “Director, Pension Fund” to reflect the change in title for the incumbent in this position.

2. Pension Fund Board of Trustees – Membership Term Limits

The Pension Fund Board of Trustees created a working group to discuss and identify opportunities to improve the effectiveness of the meetings of the Board of Trustees. The working group made a recommendation to the Trustees, which was approved, to adopt a good governance practice by establishing a maximum number of terms a member would be eligible for consecutive reappointment.

The recommended change to the Terms of Reference for the Pension Fund Board of Trustees can be located on page 10 under the Membership section (b):

“A member may be reappointed to a maximum of three successive terms of membership, so that continuous membership shall not exceed a total of (9) nine years. Trustees whose continuous membership currently exceeds nine years may complete their term.”



York University Pension Plan & Fund

Terms of Reference and Pension Reporting Policy

February 2003
September 2012

York University Pension Plan & Fund Terms of Reference & Pension Reporting Policy

TABLE OF CONTENTS

	<u>Page</u>
Introduction.....	1
Pension Plan	
Board of Governors.....	2
Vice-President, Finance & Administration	3
Pension & Benefits Office	4
AUCP	6
Pension Fund	
Pension Fund Board of Trustees.....	8
Sub-Committee on Investment Performance	12
MANAGER <u>Director</u> , Pension Fund.....	15
Pension Reporting Policy.....	17

York University Pension Plan & Fund

Terms of Reference & Pension Reporting Policy

Introduction

The York University Pension Plan was established by York University to provide pension benefits to its faculty and staff. The Plan's purpose is to provide a high standard of pension benefits, at a reasonable cost, as an essential element of the University's compensation policy. The Plan's assets, the Pension Fund, provides security that benefit entitlements will be paid.

York University is both the Plan Sponsor and the legal Plan Administrator and therefore, acts as both employer and fiduciary with respect to the pension plan and is responsible for its overall management. To discharge its duties, the University acts through its Board of Governors, however, the scope of activities that must be attended to in order to operate a pension plan and fund cannot possibly be carried out by the individual Governors, so certain responsibilities have been delegated to specific fiduciary bodies, staff, and agents.

The Board of Governors has delegated specific Plan administration tasks to the Vice-President, Finance & Administration who, in turn, has delegated tasks to employees of the University and to various agents that have been retained to assist in carrying out duties in respect of the Plan. The All University Committee on Pensions acts as an advisory committee to the Vice-President, Finance & Administration on pension benefit issues.

The Board of Governors has appointed a Pension Fund Board of Trustees to discharge the Fund investment duties. These Trustees are appointed following nominations from employee groups, the Administration, and the Board of Governors. The Trustees have delegate tasks to a Sub Committee on Investment Performance, to employees of the University, and to various agents to assist them in carrying out their duties in respect of the Fund.

This document outlines the Pension responsibilities for the Board of Governors, the Vice-President, Finance & Administration (VPF&A), the Pension and Benefits Office in the Department of Human Resources, and the ~~Manager~~Director, Pension Fund in the Department of Finance. It also contains complete Terms of Reference for the Pension Fund Board of Trustees (BoT), the Sub Committee on Investment Performance (SCIP), and the All University Committee on Pensions (AUCP).

This document also includes a Pension Reporting Policy to support the monitoring and oversight requirements of each pension decision-making body as outlined the Accountabilities and Responsibilities sections of the Terms of Reference.

The document supersedes all previous pension related Terms of Reference and/or pension related responsibility documents, with the exception of the Trust Agreement (attached as Appendix A) and the York University Pension Plan Text, which still apply.

York University Pension Plan & Fund

Terms of Reference

Board of Governors

I. Authority

The York University Pension Plan is sponsored by York University, which is the legal administrator of the Plan and is responsible for its overall management. The University acts through its Board of Governors (and relevant Board Committees) in discharging its benefit administration duties and appoints a Pension Fund Board of Trustees to act as trustees of the Pension Fund and discharge the Fund investment duties.

II. Accountabilities and Responsibilities

1. Approvals

The Board of Governors shall be responsible for approval of the following:

- i) Pension Plan
 - a) The Plan Mission¹;
 - b) Changes to the Plan text and Plan amendments;
 - c) Funding Policy of the Plan and assumptions used to value the Plan liabilities;
 - d) Required University “Money Purchase” contributions as per the Plan text;
 - e) Additional contributions to the “Minimum Guarantee” fund as deemed necessary by the Actuary;
 - f) Canadian Institute of Chartered Accountants (CICA) valuation for pension expense purposes;
- ii) Pension Fund
 - g) Appointment of members to the Pension Fund Board of Pension Fund Trustees;
 - h) Changes to the Trust Agreement between the University and the Trustees;
- iii) Pension Governance
 - i) Approval of, and changes to, the Terms of Reference and Pension Reporting Policy for the Pension Plan & Fund.

¹ The Plan Mission explains why the pension plan exists, what the objectives are, and provides guidance in setting funding and investment policies.

York University Pension Plan & Fund Terms of Reference

2. Monitoring

The Board of Governors shall be responsible for monitoring the following:

- i) Pension Plan
 - a) Impact of the Canadian Institute of Chartered Accountants (CICA) valuation results on the University's financial statements;
 - b) Achievement of Plan Mission;
 - c) Actuarial funding valuation results, assumptions used, and the funded status of the Plan (i.e. surplus/deficit level);
- ii) Pension Fund
 - d) Achievement of Fund objectives;
 - e) Compliance of the Pension Fund Board of Trustees with the Trust Agreement and Terms of Reference;
- iii) Pension Governance
 - f) Continued appropriateness of pension governance structure and processes.

Vice-President, Finance & Administration

I. Accountabilities and Responsibilities

The Vice-President, Finance & Administration is the administrative officer responsible for assisting the Board of Governors in carrying out its duties with respect to the administration and oversight of the York University Pension Plan.

The recommendations of the AUCP will be sought regarding pension benefit issues.

1. Approvals

The Vice-President, Finance & Administration shall be responsible for approval of

- a) Changes to the pension administration policies and systems;
- b) A Pension Communications Policy.

York University Pension Plan & Fund

Terms of Reference

2. Recommendations

The Vice-President, Finance & Administration shall be responsible for recommending for approval the following **to the Board of Governors**:

- a) The Plan Mission;
- b) Changes to the Plan text and Plan amendments;
- c) Funding Policy of the Plan and assumptions used to value the Plan liabilities.
- d) Canadian Institute of Chartered Accountants (CICA) valuation for pension expense purposes.

3. Monitoring

The Vice-President, Finance & Administration shall be responsible for monitoring the planning and effective administration of the Pension & Benefits Office.

Pension & Benefits Office

I. Accountabilities and Responsibilities

The Pension & Benefits Office in the Department of Human Resources will assist the Vice-President, Finance & Administration in carrying out his/her duties with respect to the administration and oversight of the York University Pension Plan. The Pension & Benefits Office will contribute to the transparency of pension plan administration at the University by ensuring the availability of all related documentation (including their own records) for review by plan members.

1. Recommendations

The Pension & Benefits Office shall provide research, analysis, and recommendations on the pension plan provisions, amendments, and administration **to the Vice-President, Finance & Administration**, as required.

2. Management / Implementation

The Pension & Benefits Office shall be responsible for day-to-day management and implementation of the following:

- a) Plan provisions and member eligibility requirements as set out in the Pension Plan Text and plan amendments as approved by the Board of Governors;

York University Pension Plan & Fund Terms of Reference

- b) Remitting monthly employer and employee contributions to the custodian;
- c) Managing activities of any outside agent who provides pension administration services including maintenance of member records, tax reporting, calculation of benefit entitlements, and enrolment of new members. Negotiating service standards with outside agents;
- d) Providing required member data to Third Party Administrator;
- e) Counselling members on retirement and termination options;
- f) Preparation of annual member pension statements;
- g) Communications with members as per the Pension Communications Policy including pension benefit and governance issues;
- h) Secretarial duties for the AUCP;
- i) Maintenance of a Plan Administration Practices and Procedures Manual that defines benefit calculations and eligibility requirements not explicitly defined in the Plan Text.

3. Monitoring

The Pension & Benefits Office shall be responsible for monitoring the following:

- a) Reporting to the VPF&A and the Board of Governors as required by the Pension Reporting Policy;
- b) Activities of and reports from Third Party Administrator and custodian to ensure compliance with agreements;
- c) Accuracy of membership data provided to Third Party Administrator;
- d) Accuracy of records maintained and calculations provided by the Third Party Administrator;
- e) Compliance with the Pension Plan Text and filing of plan amendments with regulatory authorities.

York University Pension Plan & Fund

Terms of Reference

AUCP

I. Establishment and Authority

The All University Committee on Pensions (AUCP) is an advisory committee to the VPF&A and serves as a forum where representatives of plan members may learn about, review, discuss and make recommendations on pension benefit issues.

II. Membership

- a) The AUCP shall be comprised of eleven members, one appointed by each of the following representative groups:

Pension and Benefits Office of the Human Resources Department;
University Senior Administration;
York University Faculty Association;
York University Staff Association;
York University Retirees Association,
York University Confidential, Professional and Managerial Association;
Osgoode Hall Faculty Association;
Canadian Union of Public Employees Local 3903;
Canadian Union of Public Employees Local 1356;
Canadian Union of Public Employees Local 1356-01; and
International Union of Operating Engineers Local 796.

- b) The normal term of office shall be three years, with retiring members eligible for reappointment.

III. Officers

- a) The AUCP shall elect a Chair from its membership to preside at meetings and carry out such duties as may be appropriate to further the work of the AUCP.
- b) The AUCP shall elect a Vice-Chair from among the members to act in the absence of the Chair.
- c) The Pension and Benefits Office will be responsible for designating an individual to act as Secretary. The Secretary shall (with the assistance of an Assistant Secretary) keep minutes of proceedings, prepare the agenda for meetings, arrange for the gathering of data for members, implement AUCP actions, and discharge such other duties as may be assigned by the AUCP or the Chair.

York University Pension Plan & Fund

Terms of Reference

IV. Meetings

1. Regular Meetings

- a) Meetings shall be held at least twice a year at the call of the Chair or on written request to the Chair of not fewer than three members.
- b) Notice of a meeting in the form of an agenda shall be given by the Secretary at least seven days before the date of the meeting and shall be deemed to be given when the agenda is deposited in the York University postal or other delivery system.
- c) Any item from a member for inclusion on the agenda shall be received by the Secretary at least eight days before the day of the meeting.
- d) The agenda may be altered at the meeting by a vote of a majority of the members present.

2. Quorum

A quorum shall consist of at least six members, with at least one from each of the University Senior Administration, the York University Faculty Association, the York University Staff Association, and the York University Retirees Association, and at least one from each of any two other representative groups. If any member is not able to attend a meeting, it shall be that member's responsibility to provide an alternate to attend that meeting.

3. Voting

- a) The Chair may vote on any question, but no member shall have more than one vote.
- b) All questions shall be decided by the majority of members present. In the case of an equality of vote, the question shall be deemed defeated.

4. Attendance of Plan Members and Pensioners

Members of the Plan or pensioners are entitled to attend meetings of the AUCP as observers, on the understanding that the Chair may restrict a particular meeting or a period of a meeting to members only, having received confirmation of such action by a majority of members present.

York University Pension Plan & Fund

Terms of Reference

V. Accountabilities and Responsibilities

1. Recommendations

- a) The AUCP will be responsible for reviewing practice with respect to the scope and nature of the Pension Plan, considering proposals and opportunities for improving the benefits under the Plan, and making recommendations considered to be in the best interest of Plan members.
- b) The recommendations of the AUCP will be submitted **to the Vice President, Finance & Administration** for assessment as to their impact on the University's financial operations and commitments, and their relation to the University's compensation policy and various collective agreements.
- c) The recommendations of the AUCP will be reported, within a reasonable period of time to the Finance and Staff Resources (FSR) Committee of the Board, with commentary and/or recommendations from the VPF&A, and to the Pension Fund Board of Trustees for information.
- d) The administration's position on the recommendations, and their disposition, shall be reported back to the AUCP.

Pension Fund Board of Trustees

I. Establishment and Authority

The authority of the Pension Fund Board of Trustees devolves from the Board of Governors of York University and is incorporated in the 1977 Trust Agreement.

II. Membership

- a) The Pension Fund Board of Trustees shall be comprised of the following members appointed by the University who may be, but need not be, members of the York University Pension Plan:

Three members of the Board of Governors of the University;
Three members of the administration recommended by the President, one of whom shall be the nominee of the York University Confidential, Professional and Managerial Association;
Two members of the York University Faculty Association;
Two members of the York University Staff Association;
One member of the Canadian Union of Public Employees Local 3903;
One member of the Canadian Union of Public Employees Local 1356;
One member of the Canadian Union of Public Employees Local 1356-01;

York University Pension Plan & Fund Terms of Reference

One member of the International Union of Operating Engineers Local 796;
One member of the Osgoode Hall Faculty Association; and
One member of the York University Retirees Association,
as recommended by such bodies.

- b) The term of office shall be three years, with retiring members eligible for reappointment. A member may be reappointed to a maximum of three successive terms of membership, so that continuous membership shall not exceed a total of nine years. Trustees whose continuous membership currently exceeds nine years may complete their term. Recommending bodies will arrange staggered nominations to ensure continuity of experience.
- c) In order for an individual to become a member of the Pension Fund Board of Trustees the following is required:
 - 1. Receipt, by the Secretary to the Pension Fund Board of Trustees, of the official recommendation for appointment by the Board of Governors, the President, or the relevant employee group, as applicable;
 - 2. Approval of the recommendation by the Board of Governors; and,
 - 3. The signature by the nominee on the Acknowledgement to the Trust Agreement.
- d) The Chair of the Sub Committee on Investment Performance, if not a member of the Pension Fund Board of Trustees, shall be an ex-officio member.

III. Officers

- a) The Chair of the Board of Governors, in consultation with the President of the University, shall appoint the Chair of the Pension Fund Board of Trustees from among the members of the Pension Fund Board of Trustees to preside at meetings.
- b) The Vice Chair shall be appointed in the same manner as the Chair to act in the absence of the Chair.
- c) The ~~Manager~~Director, Pension Fund in York University's Department of Finance shall act as Secretary to the Pension Fund Board of Trustees, attending all meetings and keeping minutes of the proceedings (with the assistance of an Assistant Secretary); he/she shall prepare and countersign official documents and discharge such other duties as may be assigned by the Pension Fund Board of Trustees or the Chair. In the case of absence of the Secretary, the Vice-President, Finance & Administration shall appoint a person to act in this role.

York University Pension Plan & Fund Terms of Reference

IV. Meetings

1. Regular Meetings

- a) Regular meetings shall be held at least twice a year at the call of the Chair.
- b) Notice of a meeting in the form of an agenda shall be given by the Secretary at least 7 days before the date of the meeting and shall be deemed to be given when the agenda is deposited in the York University postal or other delivery system.

2. Motions and Debate

No motion introducing matters of substance, other than matters of privilege or petition, shall be taken into consideration at any meeting, except upon two thirds vote of members present, unless notice in writing has previously been given to the Secretary in time for circulation of the notice of the meeting.

3. Special Meetings

A special meeting may, or on the written request of not fewer than three members of the Pension Fund Board of Trustees shall, be called by the Chair, on not less than twenty-four hours notice, for the transaction of such business only as may be specified in the notice of such a meeting.

4. Quorum

At all regular and special meetings, a quorum shall consist of seven members.

5. Voting

- a) The Chair may vote on any question, but no member shall have more than one vote.
- b) All questions shall be decided by the majority of members present. In the case of an equality of vote, the question shall be deemed defeated.
- c) The Chair shall disclose the result of every vote on any question. Any member may require the yeas, nays and abstentions be recorded.

6. Attendance of Plan Members and Pensioners

Both active members of the Plan and pensioners are entitled to attend meetings of the Pension Fund Board of Trustees as observers, on the understanding that the Chair may restrict a particular meeting or a period of a meeting to Trustees only, having received confirmation of such action by a majority of Trustees present.

York University Pension Plan & Fund

Terms of Reference

7. Minutes

The minutes of all Pension Fund Board of Trustee meetings, and any reports tabled at such meetings, shall be kept in the office of the Vice President, Finance & Administration and made available for review by any plan member or beneficiary.

V. Accountabilities and Responsibilities

1. Approvals

The Pension Fund Board of Trustees shall be responsible for approval of the following:

- a) The Statement of Investment Policies and Procedures (SIP&P) for the Pension Fund;
- b) Asset classes and target allocations for the Asset Mix Policy;
- c) Manager Structure;
- d) Other investment policies that are reasonable and necessary to provide for the prudent investment of the Pension assets (i.e. active/passive policy, rebalancing policy);
- e) Appointment / termination of investment managers;
- f) Appointment / termination of the custodian and Custodial Services and Securities Lending Agreements with the custodian;
- g) Appointment / termination of the auditor;
- h) Audited financial statements;
- i) Appointment / termination of the actuary;
- j) Appointment of independent professional advisors, as required;
- k) Annual operating budget for investment expenses.

2. Monitoring

The Pension Fund Board of Trustees shall be responsible for monitoring the following:

- a) Fund and asset class performance;
- b) Asset mix and manager allocations;

York University Pension Plan & Fund

Terms of Reference

- c) Compliance with the SIP&P and all other investment policies;
- d) Achievement of Fund objectives;
- e) Compliance of the SCIP with Terms or Reference;
- f) Annual operating expenses relative to operating budget.

Sub Committee on Investment Performance

I. Establishment and Authority

The Pension Fund Board of Trustees has resolved to appoint a Sub Committee on Investment Performance (SCIP) which assists them in carrying out their duties with respect to the administration of the York University Pension Fund.

II. Membership

- a) The SCIP shall be comprised of at least 5 members from some or all of:
 - The Board of Governors;
 - The Pension Fund Board of Trustees;
 - University administrative officers with responsibilities within the pension operations;
 - Internal or External expert advisors who are recognised in the pension investment community and respected for their expertise and experience with investment issues.
- b) Membership of SCIP shall be by appointment by the Pension Fund Board of Trustees in consultation with the President, the Chair of the Board of Governors, and the SCIP.
- c) The term of office shall be four years, with retiring members eligible for reappointment.

III. Officers

- a) The Chair of the Pension Fund Board of Trustees in consultation with the President and the Chair of the Board of Governors shall appoint the Chair of the SCIP from among the members of the SCIP to preside at meetings. The Chair of SCIP shall designate a member of SCIP to act as Chair in his/her absence.
- b) The ~~Manager~~Director, Pension Fund in York University's Department of Finance shall act as Secretary to the SCIP, attending all meetings and keeping minutes of the proceedings (with the assistance of the Assistant Secretary to SCIP); he/she shall prepare and countersign official documents and discharge such other duties as may be

York University Pension Plan & Fund

Terms of Reference

assigned by the SCIP or Chair. In the case of absence of the Secretary, the Vice-President (Finance & Administration) shall appoint a person to act in this role.

IV. Meetings

1. Regular Meetings

- a) Regular meetings shall be held at least four times a year at the call of the Chair.
- b) Notice of a meeting in the form of an agenda shall be given by the Secretary at least 7 days before the date of the meeting.
- c) Special meetings may be called, without formal notice, if an issue that requires immediate resolution arises.

2. Quorum

At all regular and special meetings, a quorum shall consist of three members.

3. Voting

All questions shall be decided by the majority of members present. In the case of an equality of vote, the question shall be deemed defeated.

4. Minutes

The minutes of all SCIP meetings, and any reports tabled at such meetings, shall be kept in the office of the Vice President, Finance & Administration and made available for review by any plan member or beneficiary.

V. Accountabilities and Responsibilities

1. Approvals

The Sub Committee on Investment Performance shall be responsible for approval of the following:

- a) Investment manager mandates including investment guidelines and constraints, performance expectations, reporting requirements, and fee schedules;
- b) Appointment / termination of performance evaluation service provider.

York University Pension Plan & Fund

Terms of Reference

2. Recommendations

The Sub Committee on Investment Performance shall be responsible for recommending the following **to the Pension Fund Board of Trustees**:

- a) Changes to the Statement of Investment Policies and Procedures (SIP&P);
- b) Changes to asset classes and target allocations for Asset Mix Policy;
- c) Changes to the Manager Structure;
- d) Appointment / termination of investment managers;
- e) Other investment policies that are reasonable and necessary to provide for the prudent investment of the Pension assets.

3. Monitoring

The Sub Committee on Investment Performance shall be responsible for monitoring the following:

- a) Fund, asset class, and manager performance relative to return expectations and benchmarks;
- b) Investment risk measures of the managers and total fund;
- c) Compliance with the SIP&P, Asset Mix Policy, Manager Structure, and other investment policies;
- d) Compliance with legal and regulatory requirements for the Pension Fund;
- e) Compliance of investment managers with mandates;
- f) Ongoing appropriateness and effectiveness of the pension investment program including Asset Mix Policy, Manager Structure, manager mandates, and other investment policies.

York University Pension Plan & Fund

Terms of Reference

ManagerDirector, Pension Fund

I. Accountabilities and Responsibilities

The role of the ManagerDirector, Pension Fund is to assist the Pension Fund Board of Trustees and the SCIP in carrying out their duties with respect to the administration and oversight of the York University Pension Fund and to manage the day-to-day pension fund operations in accordance with approved investment policies and strategies.

The ManagerDirector, Pension Fund reports to the Chief Financial Officer of the University. The objectives for the incumbent in this position shall be developed in consultation with the CFO and the Chair of the Pension Fund Board of Trustees.

1. Recommendations

The ManagerDirector, Pension Fund shall provide research, analysis, and recommendations on aspects of the pension investment program **to the SCIP and/or the Pension Fund Board of Trustees**, as required.

2. Management / Implementation

The ManagerDirector, Pension Fund shall be responsible for day-to-day management and implementation of the following:

- a) Cash-flow requirements and payments of non-benefit related investment and administration expenses from the operating fund;
- b) Asset class and investment manager allocations and rebalancing, as required;
- c) Investment policies as set out in the SIP&P and other investment policies approved by the Pension Fund Board of Trustees or SCIP.
- d) Calculation of year-to-date fund return and the Annual Fund Rate and Adjustment of Pensions, as required by the Pension and Benefits Office;
- e) Negotiations with agents and service providers to draft contracts, agreements, and manager mandates;
- f) Secretarial duties for the Pension Fund Board of Trustees and SCIP;
- g) Annual audit of the pension fund;
- h) Communications with members as per the Pension Communications Policy regarding pension investment issues.

York University Pension Plan & Fund

Terms of Reference

3. Monitoring

The ~~Manager~~Director, Pension Fund shall be responsible for monitoring the following:

- a) Reporting to SCIP, BoT, and the Board of Governors as required by the Pension Reporting Policy;
- b) Fund cash flows and monthly reconciliation with the custodian statements;
- c) Activities of and reports from investment managers, custodian, and other service providers to ensure compliance with mandates and agreements;
- d) Regulatory compliance and filing requirements for the Fund;
- e) Investment and administration operating costs relative to operating budget.

York University Pension Plan & Fund

Pension Reporting Policy

Pension Reporting Policy

The purpose of this Pension Reporting Policy is to ensure that all the pension fiduciaries listed below will be presented with pertinent information to support their monitoring and oversight requirements as outlined above in the Accountabilities and Responsibilities sections of the Terms of Reference.

This policy defines the core reports each fiduciary level is expected to receive and prepare on a regular basis, as well as the frequency of these reports. Additional or occasional reports may be received or prepared, as required. The minimum specific reporting requirements are as follows:

I. The Board of Governors

1. **Annually**, the Board of Governors shall receive a written report **from the VPF&A** covering the following items:
 - a) Achievement of the Plan Mission;
 - b) Actuarial funding valuation results, assumptions used, and the funded status of the Plan (i.e. surplus/deficit level);
 - c) Summary of contributions made during the year;
 - d) Summary of approved changes to the Pension Plan Text and Funding Policy, as applicable;
 - e) Compliance with legal and regulatory requirements for the Pension Plan;
2. **Annually**, the Board of Governors shall receive a written report **from the Pension Fund Board of Trustees** covering the following items:
 - a) Achievement of the Fund objectives;
 - b) Summary of approved changes to the Statement of Investment Policies and Procedures, other investment policies, and membership of the Pension Fund Board of Trustees and the SCIP made during the year, as applicable;
 - c) Compliance of the Pension Fund Board of Trustees with the Trust Agreement and the Terms of Reference;
 - d) The audited Financial Statements for the Pension Fund.

York University Pension Plan & Fund Pension Reporting Policy

3. **Every three years** or sooner, if circumstances warrant it, the Board of Governors shall receive a report **from the VPF&A** containing:
 - a) An assessment of the continued appropriateness of the Plan Mission, which incorporates the effectiveness of the pension benefit, funding, and investment policies;
 - b) An assessment of the effectiveness of the pension governance system.

II. Vice-President, Finance & Administration

1. The VPF&A will provide the relevant portions of the required reporting for the Board of Governors, with the necessary assistance from the Pension and Benefits Office, the ~~Manager~~Director, Pension Fund, and external sources.
2. The VPF&A shall receive reports **from the Pension and Benefits Office** containing at least the following:
 - a) Compliance of the Third Party Administrator with service standards as per agreement, at least **annually**;
 - b) Recommendations regarding pension administration policies and systems, and plan amendments, **as required**;
 - c) Changes to the Pension Administration Practices and Procedures Manual, **as required**;
 - d) Development of the Pension Communication Strategy, **as required**.
3. **Annually**, the VPF&A shall receive a report **from the actuary** containing at least the following:
 - a) The proposed assumptions used to value the Plan liabilities;
 - b) The actuarial value of assets and liabilities and the funded status of the plan;
 - c) The current service cost (i.e. estimated employer contributions).

III. Pension & Benefits Office

1. The Pension and Benefits Office, with the necessary assistance from external sources, will conduct the supporting analysis and prepare the relevant reports as specified in this Pension Reporting Policy.
2. The Pension and Benefits Office will prepare, with the necessary assistance from external sources, the annual pension statements for plan members.

York University Pension Plan & Fund Pension Reporting Policy

3. The Pension and Benefits Office shall receive the following reports:
 - a) **From the custodian**, pension payments made (Payment Register) on a **monthly** basis;
 - b) **From the Third Party Administrator**, pension administration activities and achievement of service standards, **monthly**.

IV. Pension Fund Board of Trustees

1. The Pension Fund Board of Trustees will provide the relevant portions of the required reporting for the Board of Governors, with the necessary assistance from the ~~Manager~~Director, Pension Fund and external sources.
2. **Semi-annually**, the Pension Fund Board of Trustees shall receive a report **from the SCIP** containing the following:
 - a) Fund and asset class performance;
 - b) Asset mix and manager allocations;
 - c) Recommendations for approval from the SCIP and the ~~Manager~~Director, Pension Fund, as applicable.
3. **Annually**, the Pension Fund Board of Trustees shall receive a report from **the SCIP** containing the following:
 - a) Achievement of Fund objectives;
 - b) Compliance with the SIP&P and other investment policies;
 - c) Summary of approved changes to the SIP&P and other investment policies made during the year, if applicable;
 - c) Compliance with legal and regulatory requirements for the Pension Fund;
 - d) Compliance of the SCIP with Terms of Reference.
4. **Annually**, the Pension Fund Board of Trustees shall receive an actuarial valuation report for funding purposes **from the actuary**.
5. **Annually**, the Pension Fund Board of Trustees shall receive the Audited Financial Statements for the York University Pension Fund **from the auditor**.

York University Pension Plan & Fund Pension Reporting Policy

6. The Pension Fund Board of Trustees shall receive the following reports from the **ManagerDirector, Pension Fund**:
 - a) **Annually**, an operating budget proposal, and **periodically**, the actual operating expenses relative to the operating budget;
 - b) **Annually**, a summary of initiatives for the coming year for the **ManagerDirector, Pension Fund**.

V. Sub Committee on Investment Performance

1. The SCIP will provide the relevant portions of the required reporting for the Pension Fund Board of Trustees, with the necessary assistance from the **ManagerDirector, Pension Fund** and external sources.
2. **Quarterly**, the SCIP shall receive a report **from the Performance Evaluation Consultant** containing at least the following:
 - a) Fund, asset class, and manager performance relative to return expectations and benchmarks;
 - b) Asset mix and manager allocations;
 - c) Investment risk measures for the managers and total fund;
 - d) Compliance of investment managers with mandates;
 - e) Compliance with the SIP&P, Asset Mix Policy, Manager Structure, and other investment policies.
3. **Quarterly**, the SCIP shall receive a report **from the ManagerDirector, Pension Fund** containing the following:
 - a) Asset mix and manager rebalancing done for the relevant quarter, as applicable;
 - b) Recommendations for approval from the **ManagerDirector, Pension Fund** or external sources, as applicable.
4. **Annually**, the SCIP should receive a report **from the ManagerDirector, Pension Fund** containing the following:
 - a) Achievement of Fund objectives;
 - b) Assessment of appropriateness and effectiveness of the pension investment program.

York University Pension Plan & Fund Pension Reporting Policy

- c) Summary of approved changes to the SIP&P and other investment policies made during the year, if applicable;
- d) Compliance with legal and regulatory requirements for the Pension Fund;
- e) Summary of operating expenses relative to operating budget.
- f) Summary of initiatives for the coming year for the ManagerDirector, Pension Fund.

VI. ManagerDirector, Pension Fund

- 1. The ManagerDirector, Pension Fund, with the necessary assistance from external sources, will conduct the supporting analysis and prepare the relevant reports as specified in this Pension Reporting Policy.
- 2. The ManagerDirector, Pension Fund shall receive the following reports:
 - a) **From the custodian**, a complete statement of accounts on a **monthly** basis;
 - b) **From the performance evaluation consultant**, a detailed investment performance evaluation on a **quarterly** basis;
 - c) **From the investment managers**, portfolio listings, investment commentary, compliance, and economic outlook at least **quarterly**.
 - d) **From the VPF&A, the Pension & Benefits Office, and service providers**, information, as required, to allow an annual operating budget to be prepared and to periodically report actual operating costs relative to operating budget.

VII. AUCP

- 1. The AUCP shall receive the following reports **from the Pension & Benefits Office**:
 - a) Recommendations regarding plan amendments not initiated by the AUCP;
 - b) Costing information, as prepared by the actuary, required to consider proposals and opportunities for improving the benefits under the Plan.
 - c) Changes to the administration processes that may affect communications with members or benefit levels.
 - d) Service standards for the Third Party Administrator and compliance with these standards, **annually**.
 - e) The Audited Financial Statements for the York University Pension Fund as

York University Pension Plan & Fund Pension Reporting Policy

prepared by the auditor, **annually**.

LAND AND PROPERTY COMMITTEE

Report to the Board of Governors

at its meeting of 3 December 2012

The Land and Property Committee met on 13 November 2012 and provides this report for information.

1. Master Plan Update

Work to finalize the Master Plan is continuing. Consultation with the City of Toronto is a critical part of the development of the Plan; securing its endorsement of the document will help achieve the necessary approvals for future land use initiatives. The consultation process has moved at a slightly slower pace than anticipated. A meeting to discuss the Master Plan with the Toronto Design Review Panel, a group of volunteer planners and architects, is set for January. It is expected that the Plan will be finalized shortly thereafter, presented to the Land & Property Committee in February 2013 and brought to the Board for approval later that month.

Following the approval of the Plan, a governance framework for its implementation will be developed by the University as a way to ensure the Plan is considered in decision-making.

2. Subway Update

The TTC has formally announced the delay of the opening of the Spadina subway extension to Fall 2016. The new subway stations are expected to be completed by the end of 2015, with the additional year required for the commissioning of the line. On the Keele campus the southbound boring machines have successfully completed the tunneling work, and the construction of the York University station is expected to start in early 2013. The construction hoarding on campus should be removed and the roads re-opened by mid-2014.

3. Pan/Parapan Games Stadium Project Update

The Committee previewed the stadium design and the site plan, which were to be officially revealed at the November 19th ribbon-cutting ceremony for the stadium. The University and YUDC had input in the design process early on, and the final design was analyzed for conformity to the draft Master Plan.

4. Capital Construction

Vice President Brewer reviewed the status of the major capital projects. All are progressing on schedule. The new engineering building remains a priority project. User needs have been identified and the architectural design work is set to begin. The project will be analyzed for compliance with the Master Plan. Discussions are continuing with YFS on the plan for an additional student centre on the Keele campus.

Paul Tsaparis, Chair

Memo

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 3 2012

Subject: **Banking Resolution Update**

Recommendation:

The Board Finance and Audit Committee recommends that the Board of Governors approve the following resolution to take effect 3 December 2012:

BE IT RESOLVED THAT the following are authorized as signing officers on University bank accounts as approved by the Board, and that the University Secretary & General Counsel will provide to the banks certification as to the current incumbents and/or change in title.

GROUP A

Chair, Board of Governors
President
Vice-President Academic & Provost
Vice-President Finance & Administration
University Secretary and General Counsel

Julia Foster
Mamdouh Shoukri
Rhonda Lenton
Gary Brewer
Harriet I. Lewis

GROUP B

Assistant Vice-President Finance & CFO
Comptroller
Assistant Comptroller
University Treasurer

Trudy Pound-Curtis
Aldo DiMarcantonio
Cameron Rogers
Laurie Lawson

GROUP C

Senior Manager, General Accounting
& Compliance
University Assistant Treasurer

Sanish Samuel
Swavek Czapinski

For payments issued on the accounts held with the Bank of Montreal, the Royal Bank of Canada, and the HSBC Bank of Canada any two signing officers of Group A and Group B, or any one signing officer of Group C with any other signing officer of Group A or Group B, are authorized to sign and/or endorse cheques, drafts, letters of credit, and orders for the payment of money.

All other banking obligations or liabilities of the University will require either two signatures of Group A or one of Group A and one of Group B.

Background and Rationale

The Banking Resolution has been updated to reflect the change in the Vice-President Academic & Provost effective December 3, 2012.

Memo

To: Board of Governors
From: Julia Foster, Chair, Board Executive Committee
Date: December 3, 2012
Subject: Re-appointment of Pension Fund Trustee

Background

As you know, the Pension Fund Board of Trustees (BoT) has responsibility for the pension fund as delegated by the Board of Governors under a Trust Agreement. BoT's Terms of Reference, approved by the Board of Governors, specify that various bodies recommend members for BoT. Those recommended become members when they are approved by the Board of Governors and have signed an acknowledgement that they are bound by the Trust Agreement. Even though a specific body nominates a Trustee, once appointed, Trustees do not represent only that particular body, but have fiduciary responsibilities to all the members and beneficiaries of the pension plan.

The normal term of office is three years, with retiring members being eligible for re-appointment to a maximum of nine consecutive years.

Recommendation: Re-Appointment

Iouldouz Raguimov

The Board Executive Committee recommends to the Board of Governors approval of the re-appointment of Iouldouz Raguimov to the Pension Fund Board of Trustees, as a as a CUPE 3903 nominee, effective October 1, 2012, for a three year term.

Nominee Background

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

