York University Board of Governors
Notice of Meeting

December 8, 2015, 1:30 to 4:30 pm
5th Floor, Kaneff Tower, Keele Campus

PAGE

I. CLOSED SESSION

II. OPEN SESSION – 1:45 pm approximately

CONSENT AGENDA

YORK UNIVERSITY KUDOS REPORT

OCTOBER - DECEMBER 2015

OCTOBER - DECEMBER

Osgoode Hall Law School and the University of Aruba have entered into a partnership. Aruba is Osgoode's first and only Caribbean exchange partner.

Fifty-nine students in the Dadaab refugee camps in Kenya each received a York University Certificate of Completion in Educational Studies on Thursday, October 15 during the fall convocation ceremonies. The students are the first graduates of a unique program designed to take postsecondary education to where refugees live.

Professor Norio Ota, coordinator of the Japanese Studies Program, Department of Languages, Literatures and Linguistics, has been awarded a commendation from Japan's Minister for Foreign Affairs.

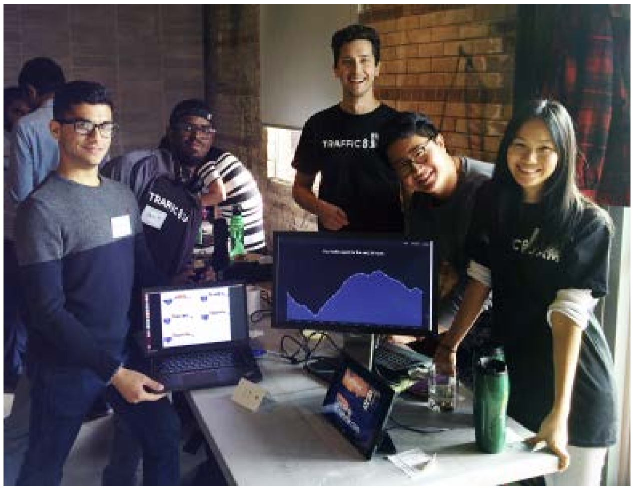
Samara Thompson, a faculty member who teaches dance in the School of Kinesiology & Health Science, has just been appointed chair of the board at Dance Ontario.

A recent graduate of the York University/Sheridan College joint program in Design, Joyce Dang (BDes '15), won the Adobe Design Achievement Awards (ADAA) prize for packaging. This is the fifth time in six years that a student from YSDN has captured top honours in this category.

Design Professor Paul Sych was named one of the 'Ten Masters of Typography' in the world by *Graphis*, a premiere international design journal.

Founders College is celebrating its 50th anniversary this year. The College, which was inaugurated on Oct. 15, 1965 as the first of its kind on Keele Campus, hosted a variety of events to mark the anniversary, including a roundtable and gala dinner.

PhD Psychology student Tim Leonard placed second for his Toronto traffic solution in TrafficJam, a 48-hour hackathon that saw 150 participants in more than 20 teams desiging to help solve Toronto's traffic problems.



The Honourable David Collenette, Glendon graduate and recent York honorary degree recipient, has been appointed by the government of Ontario as a special advisor to assist the province in bringing high-speed rail to the Windsor, London, Kitchener-Waterloo, and Toronto corridor.

Professor Emeritus of History Richard Hoffmann was awarded the Margaret Wade Labarge Prize by the Canadian Society of Medievalists for his book *An Environmental History of Medieval Europe*.

The Royal Society of Canada (RSC) has named three York professors to the College of New Scholars, Artists & Scientists:

- Mark Jurdjevic, professor of history at Glendon
- Kristin Andrews, professor of philosophy
- Fuyuki Kurasawa, professor of sociology

Film grad and AMPD benefactor Ivan Fecan was honoured with a Board of Directors' Tribute at the 2016 Canadian Screen Awards.

Amro Zayed, a biology professor and researcher in the Faculty of Science, and Leonard Foster, a professor of biochemistry and molecular biology at the University of British Columbia, have been awarded $7.3 million in joint government-industry funding for a project they are leading to protect Canada's honeybees by developing a winter-hardy, disease-resistant breed. The project is being funded through Genome Canada's 2014 Large-Scale Applied Research Project Competition.

Seventeen individuals with connections to York have been elected to serve in Canada's next government. Alumnus Navdeep Bains (BAS '99) has been appointed Minister of Innovation, Science and Economic Development in the new federal cabinet. Honorary degree recipient Marc Garneau (DSc. [Hons.] '02) has been named Minister of Transport, and Osgoode adjunct professor Marco Mendicino has been elected as an MP for Eglinton-Lawrence. Other York alumni who have been elected as members of parliament include:

- Joe Peschisolido (LLB '89)
- Kamalpreet (Kamal) Khera (BScN '13)
- Rajvinder Grewal (MBA '10, JD '13)
- Lisa Raitt (LLB '96)
- Iqra Khalid (BA '07)
- Sven Spengemann (LLB '98)
- Majid Jowhari (MBA '92)
- Gary Anandasangaree (LLB '05)
- Ali Ehassi (LLB '99)
- Ahmed Hussen (BA '02)
- Omar Alghabra (MBA '00)
- Anita Vandenbeld (MA '95)
- Mike Basssio (BA '89)
- Peter Van Loan (LLB '97)

Physics Professor Sampa Bhadra and her group are on the Tokai to Kamioka (T2K) team that received the 2016 Breakthrough Prize in Fundamental Physics on November 8. The prize is for "the fundamental discovery of neutrino oscillations, revealing a new frontier beyond, and possibly far beyond, the standard model of particle physics."

Six Vanier Canada Graduate Scholarships were awarded to York's PhD students. The results represent the University's highest-ever number of recipients, doubling the previous mark from last year's competition. The scholarships provide doctoral students $50,000 annually for up to three years to support their work.

Alumnus Victor Phillip Dahdaleh, a Canadian business magnate based in the United Kingdom, has made a transformational donation of $20 million for the expansion of the University's global health initiatives. The announcement was made October 27 during a reception at the High Commission of Canada in the United Kingdom.

Chemistry Professor Demian Ifa was awarded the Petro-Canada Young Innovator Award, which recognizes full-time faculty at the beginning of their academic careers.

The York Entrepreneurship Development Institute (YEDI) was ranked the number one university-linked accelerator in Ontario and in the top three in North America at the UBI Global and Ontario Centres of Excellence benchmarking conference and awards ceremony.

York Lions Men's Soccer team won its third straight Ontario University Athletics banner with a 2-1 victory over the McMaster Marauders in the championship final on Sunday, November 8. The Lions went on to defend their 2014 CIS Championship title by winning the Sam Davidson Memorial Trophy for the second consecutive year after a 2-0 victory over the University of New Brunswick Varsity Reds in the final match of the 2015 CIS men's soccer national championship at York Stadium on November 15. The win gives the Lions their fifth CIS title in program history (also 2014, 2010, 2008 and 1977) and marks the first time they have won back-to-back championships. It is also their first banner won at home.

A total of five graduate students were named recipients of the Joseph-Armand Bombardier CGS Doctoral Scholarship and Joseph-Armand Bombardier CGS Master's Scholarships, with the distinction of Canada Graduate Scholarship (CGS) to honour Nelson Mandela. Candidates selected are among the highest-ranked CGS award winners:

- Sabrina Paillé, sociology
- Vanessa Tomasino Rodriguez, political science
- Yolanda Weima, geography
- Kayla Hamel, psychology
- Nadine Martin, social anthropology

LA&PS Professor Susan McGrath and Faculty of Education Professor Stephen Gaetz are recipients of SSHRC's prestigious Impact Awards, announced Nov. 16 at a special reception in Ottawa. McGrath and Gaetz earned two of the five awards granted nationally.

Distinguished Research Professor Deborah Britzman has received the 2015 Hans W. Loewald Memorial Award from the International Forum for Psychoanalytic Education, in honour of her "international stature for original and outstanding contributions to the development of psycho-analytic theory, practice and application."

At the 2015 Bryden Alumni Awards event on November 19, four outstanding York alumni were honoured:

- Bruce Lourie – Outstanding Achievement
- Doug Bergeron – Outstanding Contribution
- Gail McVey – Tentanda Via
- Michael Prosserman – One to Watch

Schulich student Shirley Zhu is one of six youths from the Greater Toronto Area to be recognized with a Public Heroes Award for her outstanding community service as a co-op student with York Paramedics.

Osgoode Hall Law School has established the Fund for Innovation in Law and Media (FILM) to assist its students, visual and digital technology experts, and members of the legal profession and judiciary in developing and delivering new visual advocacy approaches in the justice system. The endowed fund was established with a $100,000 gift from Kathryn Podrebarac of Podrebarac Barristers Professional Corporation.

Three York researchers have been awarded prestigious Banting Fellowships:

- Richard Last, Dept. of Humanities & Dept. of History
- Mary Elizabeth (M.E.) Luka, Sensorium Centre for Digital Arts and Technology, School of Arts, Media, Performance and Design
- Heath MacMillan, Dept. of Biology

Third-year Osgoode JD student Kortney Shapiro received the Aish Jewish Legal Network Young Leadership Award at the Aish Toronto Gala Dinner on December 7, an award given to a law student or young lawyer who exemplifies the concept of 'Mentor.'

Associate Vice-President Research Sushanta Mitra has received a Medal for Engineering Excellence from the Professional Engineers of Ontario for his distinguished research achievements, and was named a Fellow of the American Association for the Advancement of Science.

UNIVERSITY APPOINTMENTS

Joseph Mapa, President and CEO of Sinai Health System, has been appointed Executive Director of the Health Industry Management Program at Schulich. Over the years, Joseph has served the Program in a number of capacities, including teaching, mentoring and as an executive advisor. He was appointed Executive-in-Residence and Adjunct Professor at Schulich in 2013.

Dr. Viswanathan Raghunathan (Raghu) has been appointed Director of Schulich's campus in Hyderabad, where the first year of the Schulich MBA in India program is offered. Recently ranked one of the top 50 Global Indian Management Thinkers, he has had a long and highly accomplished career as an academic, corporate executive, author and columnist. Dr. Raghunathan was a Professor of Finance at IIM, Ahmedabad for nearly two decades and is currently an Adjunct Professor at Bocconi University in Milan, Italy, and at the Schulich School of Business.

VPRI Report to the Board of Governors

December 8, 2015

York University Innovation Landscape

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York University Innovation Landscape

Innovation York			
Agreements	Commercialization	Industry Liaison	Entrepreneurship (LaunchYU)

3

Innovation York

Agreements	Commercialization	Industry Liaison	Entrepreneurship (LaunchYU)

Office of the Counsel

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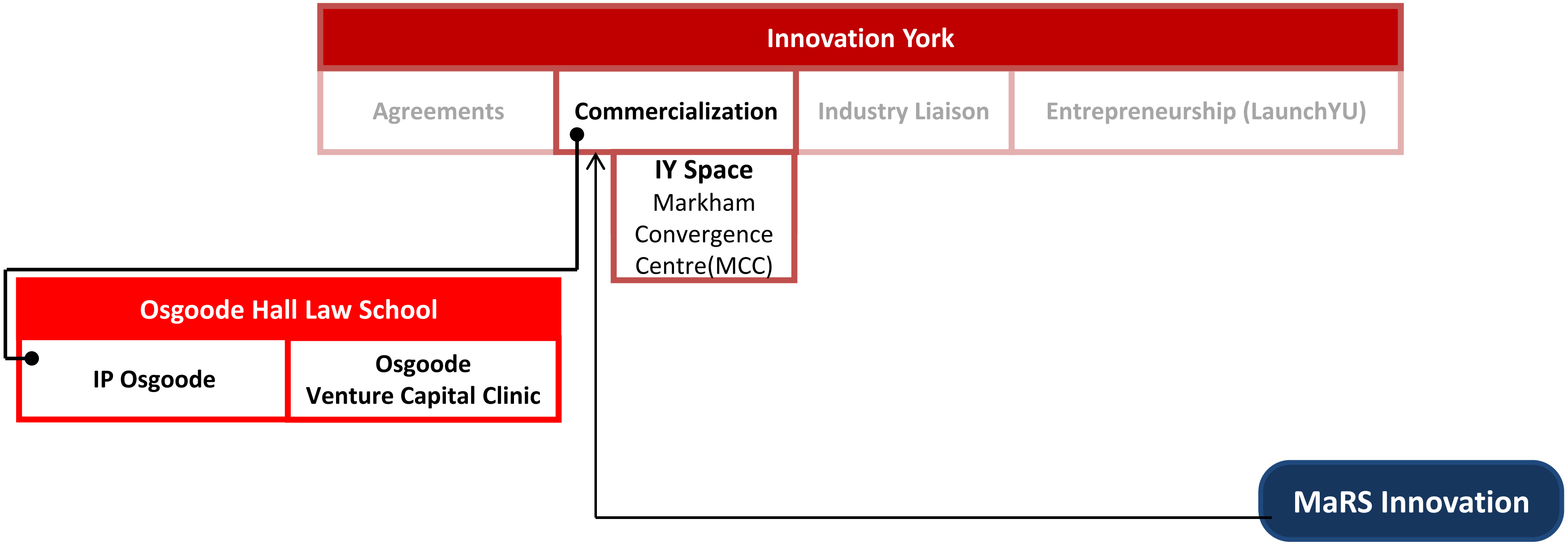

Innovation York
Agreements
Commercialization
Industry Liaison
Entrepreneurship (LaunchYU)
IY Space
Markham Convergence Centre(MCC)
Osgoode Hall Law School
IP Osgoode
Osgoode Venture Capital Clinic
MaRS Innovation

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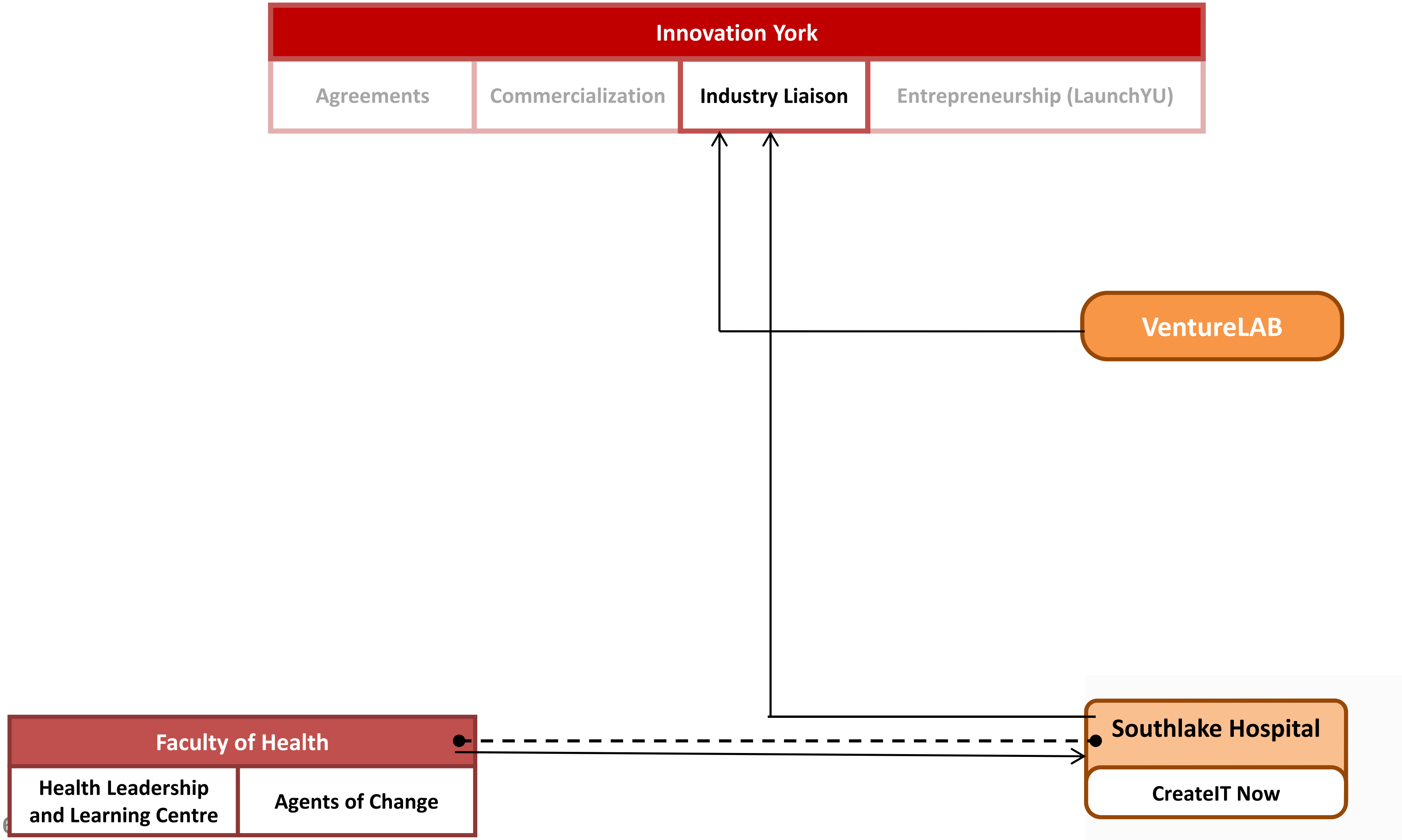
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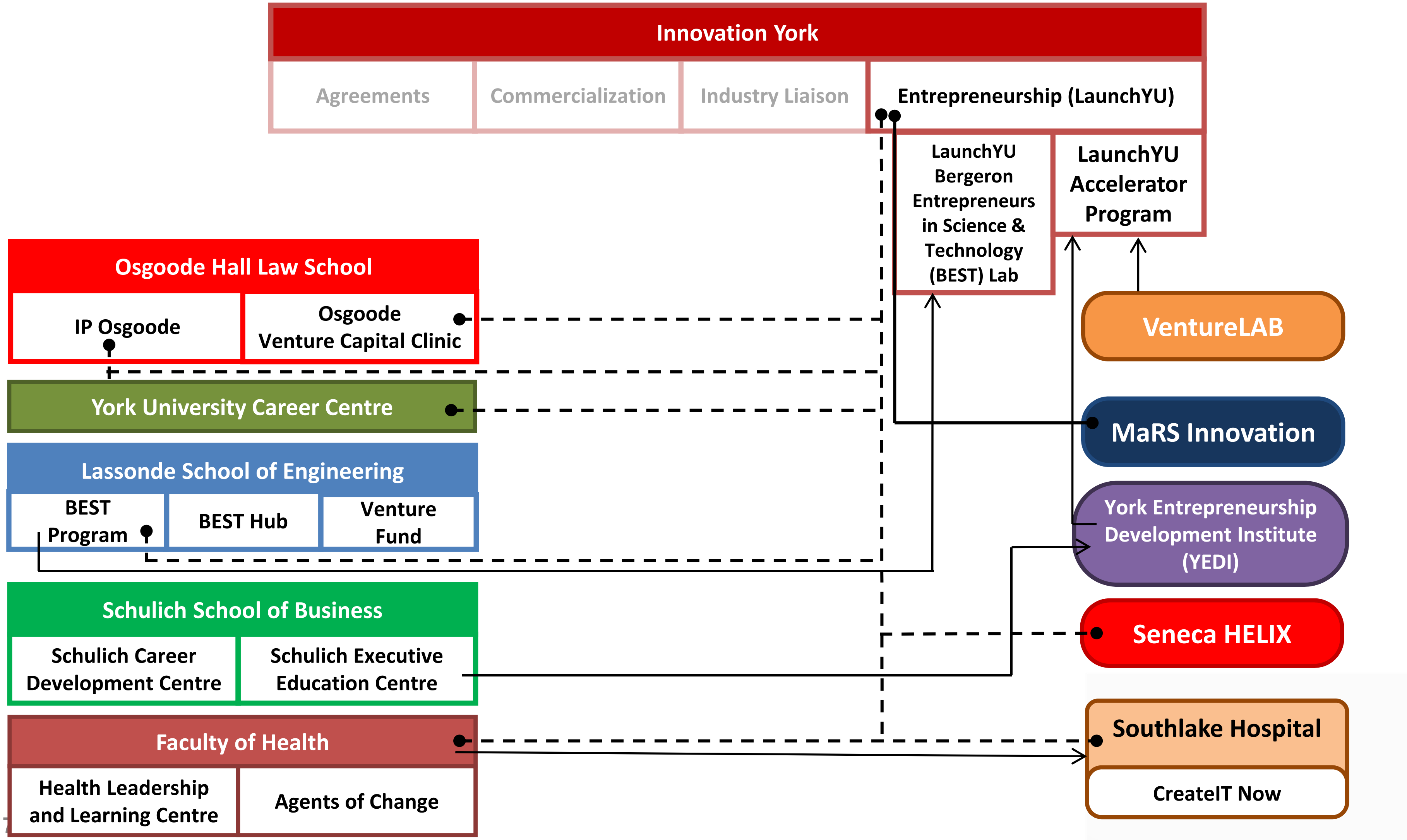
VentureLAB
Faculty of Health
Health Leadership and Learning Centre
Agents of Change
Southlake Hospital
CreateIT Now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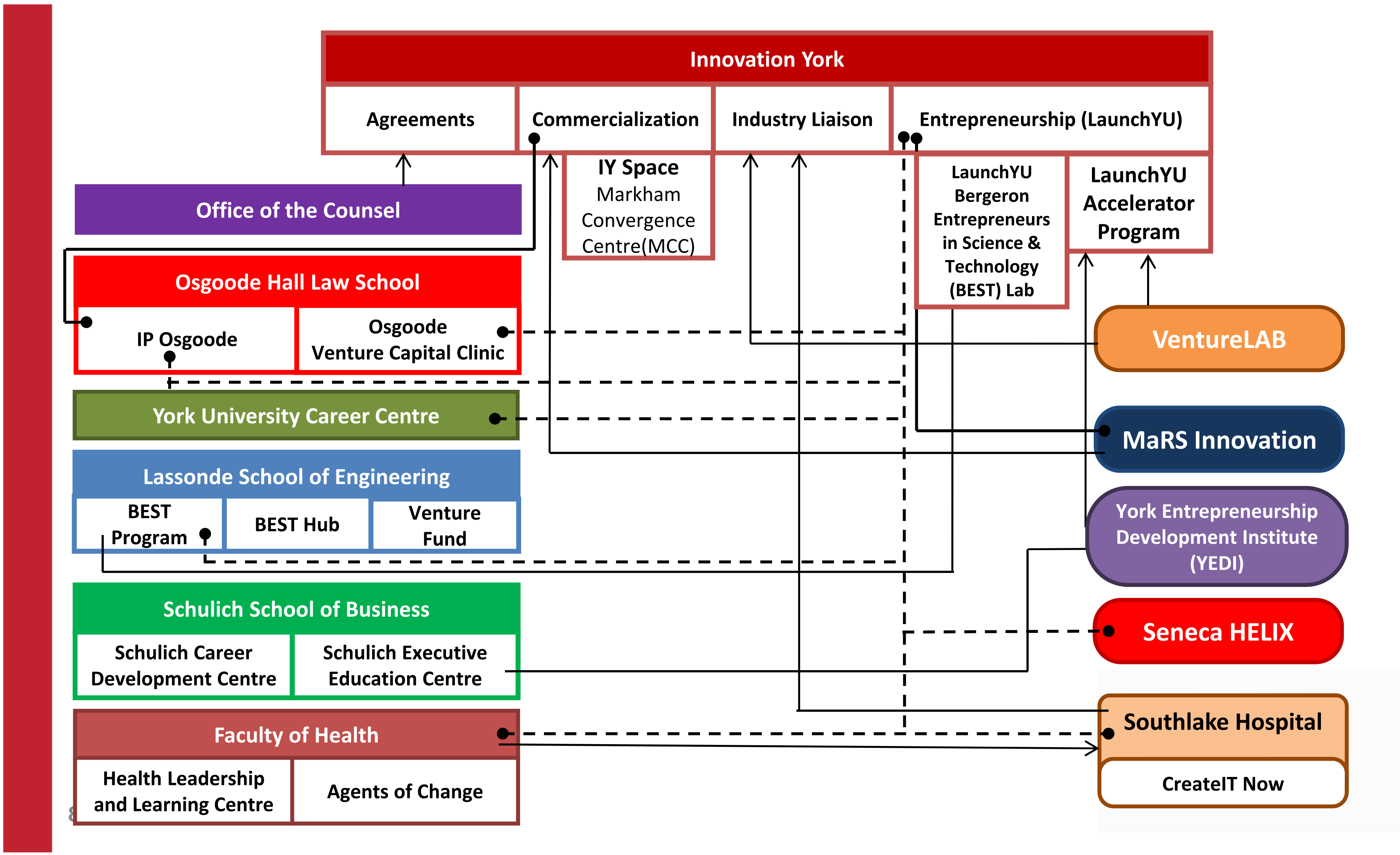
Agreements
Commercialization
Industry Liaison
Entrepreneurship (LaunchYU)
LaunchYU Bergeron Entrepreneurs in Science & Technology (BEST) Lab
LaunchYU Accelerator Program
Osgoode Hall Law School
IP Osgoode
Osgoode Venture Capital Clinic
York University Career Centre
Lassonde School of Engineering
BEST Program
BEST Hub
Venture Fund
Schulich School of Business
Schulich Career Development Centre
Schulich Executive Education Centre
Faculty of Health
Health Leadership and Learning Centre
Agents of Change
VentureLAB
MaRS Innovation
York Entrepreneurship Development Institute (YEDI)
Seneca HELIX
Southlake Hospital
CreateIT Now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LaunchYU
Bergeron
Entrepreneurs
in Science &
Technology
(BEST) Lab
LaunchYU
Accelerator
Program
Office of the Counsel
Osgoode Hall Law School
IP Osgoode
Osgoode
Venture Capital Clinic
York University Career Centre
Lassonde School of Engineering
BEST
Program
BEST Hub
Venture
Fund
Schulich School of Business
Schulich Career
Development Centre
Schulich Executive
Education Centre
Faculty of Health
Health Leadership
and Learning Centre
Agents of Change
VentureLAB
MaRS Innovation
York Entrepreneurship
Development Institute
(YEDI)
Seneca HELIX
Southlake Hospital
CreateIT Now

Innovation Landscape @ York

Coming Attractions

- Communitech, United Way York Region (UWYR) ventureLAB (VL), Seneca College and York U collaboration to support social ventures and social entrepreneurs developing solutions that address challenges to pressing social and economic needs

Community BUILD

- An entrepreneurship laboratory space in Innovation York with a parallel space in York Region for university and Regional high school students

York Region Entrepreneurship Space

- Collaboration with the Innovation and Research Unit of the Durham Region.

Collaboration with Durham Region

YORK U UNIVERSITÉ UNIVERSITY

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: Budget Approval – Fire Alarm System Replacements in Keele and Glendon Undergraduate Residences

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Recommendation

The Board Finance and Audit Committee recommends to the Board of Governors the approval of $3.5M for replacing the seven Fire Alarm Systems in residences at the Keele and Glendon Campuses. The breakdown of the replacement cost is as follows:

1. Atkinson Residence: $0.6M
2. Stong Residence: $0.6M
3. Passy Garden Apartments (9 buildings): $0.7
4. Calumet Residence: $0.3M
5. Founders Residence: $0.5M
6. Hilliard Residence: $0.4M
7. Wood Residence: $0.4M

Background

The fire alarm systems in the above seven residences are no longer supported by the original equipment manufacturer. Replacement parts are not readily available, and repairs are now being implemented with in-house salvaged stock.

Competitive Bid

The project was tendered through a competitive bid process which closed within the allocated budget.

Code Amendments on Smoke Alarms effective January 1, 2015

The new fire alarm systems will incorporate the latest Code Amendments on smoke alarms having the mandatory visual component in every suite and bedrooms for alerting the hearing impaired of a smoke alarm.

Proof of Concept

A proof of concept installation combining the campus emergency public announcement system with the new fire alarm system at the Bethune Residence was successfully completed in June 2015 and has been operating since. This approach allowed for the expansion of the campus public address to the seven student residences at significantly reduced cost.

Schedule of Remaining Installations

The contractor has the Phase 1 designs completed and is ready to apply for the building permits. The contractor will submit the schedule of installations to Housing for mutual co-ordination and notification to the Students.

Projection of Work Completion

The contractor quoted the work with recognized electrical installers to install the new fire alarm system in the seven residences separately and concurrently during the Phase 2 installation. Phase 3 commissioning and verification is expected in late February 2016.

Funding Source

The budget for Housing - Replacement of Fire Alarm Systems is allocated from the $70 million Housing 10-year Renewal Plan.

More detail is provided in the memo entitled “Housing 10 Year Renewal Plan”.

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: **Natural Gas Procurement Framework**

Recommendation

The Board Finance and Audit Committee recommends to the Board of Governors that the Vice-President Finance and Administration be delegated authority to pre-purchase York's natural gas volume requirements on the basis of the natural gas procurement framework set out below.

Background: Longer Term Natural Gas Commodity Procurement Framework

York University's annual natural gas procurement costs typically range from $6,000,000 to $10,000,000. Natural gas is procured either on the spot market, or by volume in "strips" that are defined and characterized by:

- A defined period
- A defined volume expressed in GigaJoules (GJ)/Day delivered; and
- A defined $ cost per GJ
- The occasional requirement to transact at short notice as a function of market conditions

The purchase of a strip (a hedge against market volatility) creates a financial obligation on York, which only results in issues if York consumes less gas than contracted for, and which is then resolved by reselling unconsumed gas at market prices. This can result in an additional cost or a credit dependent on market conditions at the time of sale. Inasmuch as York will always have to heat, light and cool the campus, it is unlikely that a long term fixed price strip purchase of 50% of volume will ever result in unconsumed gas being offered back to the market. Reconciliation of gas purchases happens annually.

A 100% hedged framework was utilized from 2006 until 2012, structured on a 25% rolling procurement framework triggered on a 16 month, 12 month, 8 month, 4 month lead in approach. As a result, for the immediate budget year, costs were known in advance. Since 2012 natural gas prices progressively declined in an era of unpredicted changes in drilling techniques unlocking massive quantities of natural gas primarily within the United States, and the University was primarily relying on spot market purchases to meet gas needs.

York's consultant, Blackstone, advises York on the natural gas portfolio. Since 2014 Blackstone has advised York to purchase small strips of gas to mitigate against the potential for cost spikes during the winter months while maintaining index (spot market) purchases for remaining natural gas requirements. Blackstone also recommended at the time avoiding longer term contracts, allowing York to fully take advantage of the recent downward trend in natural gas prices, which have reached well publicized multi-year lows.

Result

- York's natural gas costs have declined by 22.7% compared to previously contracted fixed prices
- York has the opportunity to access all-time lows in natural gas prices that are 35% lower than historical budget
- By digressing from the previous framework to 'layer in' strips medium term, York also generated an avoided cost averaging 23% (higher than actual) inasmuch as purchases under the previous framework would have locked in York's gas prices at a much higher cost.
- The percentage of fixed hedges has been gradually reduced to the current level of 20% for this winter only.
- However, it is noted that York is highly exposed to spot market pricing, which creates budget risk.

More recently, Blackstone has revised its recommended strategy for natural gas procurement going forward with an emphasis on a larger proportion of requirements being hedged, for a longer period of time. This is reflected in the proposed natural gas procurement framework outlined below.

NATURAL GAS PROCUREMENT FRAMEWORK	
Maximum length of any strip:	5 Years
Maximum Percent of Portfolio in Long Term Strips (Long Term defined as exceeding 12 months)	50% (currently 1,584 GJ/Day)
Maximum Percent of Portfolio hedged at any given time.	100% This incremental hedge allows for procurement of short term strips for the purpose of securing a supply of seasonal winter gas in advance of the winter heating season, and will be restricted to periods not exceeding 12 months.

Summary

The proposed strategy provides a more balanced approach for York's natural gas supply, allows York to mitigate weather related price spikes, reduces the risk of year end balancing cost penalties, and secures prices at significantly lower costs than York's 5 year historical average. It also allows York to secure long term gas at current low prices.

While natural gas production remains robust, there are many new drivers of demand in the market that should be accounted for long term including:

- Increased use of natural gas to produce electricity (most coal fired generation in N.A. is being replaced by natural gas)
- Exports to Mexico (currently close to 3% of natural gas production in the U.S. is being exported to Mexico, expected to grow to 6% of production), noting that this demand did not exist 2 years ago
- Exports to Europe and Asia in the form of Liquefied Natural Gas – expected to reach 10% of current production by 2020
- Political volatility in some of the petroleum producing countries.

The above highlights that structurally, natural gas markets are changing (gas is no longer used to just heat). It would not be prudent to assume that production will continue to grow to support the projected increase in demand.

Combining these structural changes with the fact that natural gas prices rise 13% on average under normal winter scenarios, it is recommended that the university take advantage of the current price environment and implement a more long-term approach to York’s natural gas procurement framework.

Assuming approval of this strategy, an annual reporting framework will be established to provide the Board Finance and Audit Committee with a summary of all natural gas strips procured under this strategy, as well as an ongoing comparison of the cost of gas procured under this strategy as compared to spot market pricing.

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: Lease Approval: Osgoode Professional Development, Osgoode Hall Law School – Downtown Toronto Office Space

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Recommendation

The Finance and Audit Committee recommends that the Board of Governors approve the following framework for renewal of Osgoode Professional Development's leased space requirements:

Term: Up to10 years (commencing February 1, 2018)

Cost: Average annual rent up to $1.2M

Square Footage: Up to 25,000 sq. ft.

Leasehold Improvement Costs: Up to $3.5M

Location: Current location (1 Dundas St. West - Yonge & Dundas) or within the vicinity of the current location

and that the VP Finance and Administration be authorized to approve and execute the final lease agreement.

Rationale

Since 2000, Osgoode Professional Development has occupied 17,695 sq. ft. on the 26th floor at 1 Dundas Street West. The current lease expires on January 31, 2018 with no option for renewal. OPD's business has grown significantly over the last several years. Revenue has grown from $5.8M in 2008 to an estimated $12M this year while staff has increased from 20 to 42 in the same time frame.

OPD seeks to retain its current premises for a further term of 10 years until January 31, 2028. However, additional space is required to meet OPD's programmatic needs. An Offer to Lease has been submitted to the Landlord for the current premises plus an additional 6,000 sq. ft. within the building. OPD has asked for 10 year term with two 5 year options to renew. No response has yet been received from the Landlord. If the additional space required is obtained, the current premises will be renovated to expand classroom capacity. Staff would relocate to the new additional premises. If the Landlord is unable to provide the additional space, OPD's options include:

1) Retain the current premises, but find expansion space for staff elsewhere; or

2) Relocate the entire operation to a location in the area bounded by Yonge and University and Queen and College. OPD is actively exploring other options.

Osgoode Professional Development is also moving some programs and staff to the Keele campus, with a view to reducing the requirement for downtown space.

Funding

Osgoode Professional Development currently pays rent of $580K per year, and with increased rent costs in the area as well as the additional new space required, the rent is projected to increase to over $1M annually.

OPD will absorb the increased rent costs in its operating budget with the expectation that the additional space will allow it to expand programs and increase revenues over the term of the lease.

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: Fall Student Referendum Results

Recommendation

The Board Finance and Audit Committee recommends the Board of Governors approve the following referendum results:

1. **Graduate Student Levy**: Increase the full-time graduate student levy from $39.98 to $43.31 per term (increase of $3.33 per term), and increase the part-time graduate student levy from $19.99 to $21.66 per term (increase of $1.67 per term). Annual increase or decrease in the levy will continue to be tied to the Toronto Consumer Price Index (TCPI).

2. **Osgoode Mediation Clinic Levy**: Implement a Juris Doctorate student levy of $7.50 per term for the Osgoode Mediation Clinic, to be annually indexed to the TCPI.

3. **Regenesis Environmental and Community Initiatives at York:** Implement a levy of $0.15 per credit for Glendon and Keele undergraduate students, a $1.50 per term levy for full-time graduate students, and a $0.75 levy for part-time graduate students, to be annually indexed to the TCPI.

Background

The Board of Referendum commissioners held a special fall referenda in lieu of the spring referenda that was cancelled due to the labour disruption. The community was notified of the referendum via an advertisement in the Excalibur newspaper and notices to vote were placed on LCD screens. The evote platform was used throughout the voting period which ran from 8:30am, October 5 to 11:59pm, October 8, 2015, and polling stations were open from 10am to 6pm, October 5th-8th.

The following four questions achieved quorum and passed with a 50%+1 vote in favour:

1) Are you in favour of increasing this levy by $3.33 per term for full-time members and $1.67 per term for part time-members for a new total $43.31 for full-time members per term and $21.66 for part-time members per term? This amount would continue to be indexed to annually increase or decrease in accordance with the Toronto Consumer Price Index? *Eligible voters (**Graduate Students**): 4791 (480 quorum); Yes:521; No:137; Abstain: 57*

2) Are you in favour of establishing a new levy for the Osgoode Mediation Clinic of $7.50 per term and to index the levy to annually increase or decrease in accordance with the Toronto Consumer Price Index? *Eligible voters (**Juris Doctorate**): 917 (92 quorum); Yes: 185; No:43; Abstain: 7*

3) Are you in favour of establishing a new levy of $0.15 per credit for undergraduate students and to index the levy to annually increase or decrease in accordance with the Toronto Consumer Price Index to fund Regenesis Environmental and Community Initiatives at York? *Eligible voters (**Glendon Campus**): 2698 (270 quorum); Yes:288; No:56; Abstain:16*

   Êtes-vous en faveur d`un prélèvement de 0.15$ par crédit ce prélèvement augmenterait ou diminuerait chaque année en fonction de l'indice de prix à la consommation de Toronto pour financer des Initiatives Regenesis Environnementales et Communautaires à York?

4) Are you in favour of establishing a new levy of $0.15 per credit for undergraduate students and $1.50 per term for full time Graduate Students or $0.75 for part time graduate students and to index the levy to annually increase or decrease in accordance with the Toronto Consumer Price Index to fund Regenesis Environmental and Community Initiatives at York? *Eligible voters(**Keele Campus**): 51098 (5110 quorum); Yes:4984; No:654; Abstain:294*

The following two questions did not meet quorum:

- Are you in favour of establishing a new levy of $0.07 per credit for the Osgoode Mediation Clinic and to index the levy to annually increase or decrease in accordance with the Toronto Consumer Price Index? (**Keele undergraduate students**)

- Currently, Radio Glendon receives a levy of $.17 per credit. Are you in favour of increasing this levy by $.23 per credit for a total of $.40 per credit? (**Glendon undergraduate students**)

Meeting: Open Session 6 October, 2015 at 1:30 pm
5th Floor Kaneff Tower, Keele Campus

Present:

Rick Waugh, Chair
Susan Black
Bill Boyle
Laura Formusa
Bill Hatanaka
Ozench Ibrahim
Vijay Kanwar
Julie Lassonde
Robert Lewis
David Leyton-Brown
Bernie Lightman
David McFadden
Earle Nestmann
Dan O'Hara
Rose Reisman
Jane Rowe
Mamdouh Shoukri
Dragan Spasojevic
Paul Tsaparis
Tony Viner
Ajay Virmani
Amanda Wassermuhl
Henry Wu
Hana Zalzal

Maureen Armstrong, Secretary
Cheryl Underhill, Assistant Secretary
Robert Everett, Assistant Secretary

Regrets:

Shadiya Aidid
Jacques Demers
John Hunkin
Zahir Janmohamed
Honey Sherman

Others:

Noël Badiou
Gary Brewer
Barbara Crow
Rob Haché
Janusz Kozinski
Rhonda Lenton
Ran Lewin
Mithilen Mathipalan
Alex Matos
Ijade Maxwell Rodrigues
Janet Morrison
Jeff O'Hagan
Trudy Pound-Curtis
Bud Purves
Lorne Sossin
Susan Webb
Elaine MacRae, Board Coordinator

II. OPEN SESSION

1. Chair's Items

Governors and community members in attendance were welcomed to the meeting.

As the incoming Chair, Mr Waugh outlined his three priorities for the Board during his term, including:

- Enhancing Board effectiveness
- Building alternate external funding for the University
- Implementing succession planning

a. Report on Items Decided in the Closed Session

The Chair reported on the item decided in the Closed session of the meeting, that being the appointment of Julia Foster as an Honorary Governor.

2. Executive Committee

a. Action Taken on Behalf of the Board

Documentation included in the agenda was *noted*. The Executive Committee dealt with the following items of business since the last meeting of the Board:

- The appointment of Jacque Demers and Julie Lassonde to the Board of Governors for three-year terms effective 1 September 2015
- The appointment of Professor Lyndon Martin as Dean of the Faculty of Education for a five-year term commencing 1 July 2016.

3. Presidential Search

The Chair noted the existing Principles to Govern Presidential Search Committees and the Guidelines for Designating Senate's Nominees to Presidential Search Committees that were distributed in the agenda. Preparations are underway for the upcoming search at York; further information will be brought to the Board once finalized.

4. President's Items

a. Kudos Report

The President's "Kudos" report for the period of July to October 2015 was *noted*. In addition to the written report, the Board was briefed on the following:

- the use of the new engineering building as of September as planned
- the ongoing initiative by the Province to revise universities' funding formula
- the collaboration of GTA universities in a knowledge mobilization initiative to inform Provincial policy on social development issues
- York's commitment alongside the GTA universities' plans to support Syrian refugees through dedicated scholarships

b. Markham Campus

The delivery mode and costs of the project to build the new campus are currently being determined by the Ministry of Training, Colleges and Universities and Infrastructure Ontario. The Ministry is collaborating with the University on these matters and decisions from MTCU are anticipated before the end of this calendar year. Additionally, the Provost is working with the Deans to identify a list of programs for the Markham campus.

c. Presentation: Orientation

A presentation on the 2015 undergraduate orientation was provided by the Vice-Provost Students. The highly successful program saw 6000 students participate, 1200 student leaders volunteering their time and experience, and the implementation of a new student convocation ceremony to foster new students' engagement in university life.

5. Academic Resources Committee

Mr Wu reported that the following key items were discussed at the committee meeting:

- status of the IIRP exercise
- Markham campus program planning
- SHARP, vis-à-vis aligning budgeting with academic priorities
- plans for the intensification and enhancement of research at York

a. September 2015 Report on Appointments, Tenure and Promotion

As context for the report on appointments, tenure and promotion, the Provost spoke to faculty complement planning. A copy of the presentation slides is filed with these minutes. In order to maintain the quality and quantity of faculty members, the focus is on complement recovery planning to return to the 2008-2009 levels, when enrolments were comparable to current enrolments. In sum, 60 appointments have been authorized for 2016-2017.

Documentation circulated in the agenda was *noted*. It was duly *agreed* that **the Board of Governors approve the President's September 2015 report on appointments, tenure and promotion.**

6. Governance & Human Resources Committee

Reporting on the meeting of the committee the Chair, Ms Black, highlighted the following:

- its discussion of the committee mandate which led to several recommendations to pursue; proposed revisions will be discussed at its next meeting
- its ongoing board vacancy planning; nominations are anticipated early in the new year
- a forthcoming revision of the Board's self-assessment survey;
- development of a new process to identify governors' skill sets
- receipt of labour relations and government initiative updates from the Vice-President Finance & Administration

7. Finance and Audit Committee

In addition to the items of business brought to the Board for approval at this meeting, the Finance & Audit committee discussed several matters, including:

- a budget update and the ongoing work to achieve a balanced budget by 2018-19
- the IIRP and SHARP initiatives as tools to help achieve the academic and budget goals
- a report from Internal Audit on completed audits and corrective actions; there are no issues to report
- a report on the status of ancillary operations, which are tracking well with the exception of Printing and the Bookstore where efforts are focused on addressing ongoing challenges
- a long-term financing arrangement with the York University Development Corporation in order to help facilitate the completion of its capital improvement plan.
- expansion of the Toronto Track and Field Centre on the Keele campus, funded by Sport Canada

a. Appointment of External Auditors

Ms Ibrahim noted the documentation circulated with the agenda. It was duly agreed that **the Board of Governors approve the reappointment of Ernst & Young LLP as the auditors for the University for the fiscal year 2015-2016 under terms and fees to be negotiated similar to prior years.**

8. Investment Committee

On behalf of the Committee Mr. Williamson reported the following to the Board:

- The volatility of the markets in recent months has lead to a 3.5% drop in investment returns on the endowment fund since March 2015, which has resulted in fluctuations in the total amount of the endowment fund; the total fund amount as of August 31 is $403.7M
- in spite of the current volatility, the fund has achieved very solid results, earning 10.58% return on a 4-year funded basis, which is approximately on par with the benchmark;
- the investment returns in fiscal 2015 resulted in the University being able to meet its distribution rate for all scholarships and awards
- the Administration briefed the committee on its planned investment-related activities for the upcoming governance year, including revisions to the US Small/Mid Cap Equities and Global Small Cap Equities asset weightings, and reviewing the currency hedging strategy in light of the continuing appreciation of the US dollar
- receipt of a report from the Treasurer; there are no issues to report

9. Marketing, Communications and Community Affairs Committee

Mr. McFadden briefed the Board on the business discussed by the committee at its recent meeting, which included the following topics:

- the new brand campaign, to be presented to the Board at this meeting
- a review of the committee mandate; out of the discussion a revision to the name of the committee is forthcoming
- the revamped YU Magazine
- planning for the fundraising campaign to be launched in Spring 2016
- the University's success in hosting the Pan Am / Parapan Games from a reputational perspective

a. Presentation: Brand Campaign

At the request of the committee, the Chief Communications and Marketing Officer, Susan Webb, presented the new brand campaign; a copy of the slides is filed with these minutes.

Following broad consultation both internally and externally, the campaign was designed around a strong program focus delivered through visually appealing ads to drive prospective students to York's website to learn more about the University's programs. A comprehensive media plan was developed with the assistance of media planning experts to reach the target audiences. The increased traffic on the University's website since the campaign was launched in September is a good early indicator of its impact. An increase in applications in the next few enrolment cycles will be a key benchmark to measure the success of the campaign. The University is conducting surveys and gathering data on graduates' employment, which will be used to further inform program profiles and recruitment.

10. Other Business

The Board was reminded about several upcoming events, including:

- the Bryden Awards celebration on 19 November 2015. The evening is a fundraising event and governors were encouraged to attend.
- The Vico Lecture Series, which will see Sergio Marchionne, CEO, Fiat Chrysler Automobiles and Chairman of Ferrari (LLB '83) deliver a talk on 17 November at 4pm at Osgoode.
- A major donation announcement on 13 October 2015

In addition, the 2015 Report to Donors was distributed to governors.

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.

Rick Waugh, Chair ______________________________________

M. Armstrong, Secretary ______________________________________

Board of Governors

Memorandum

To: Board of Governors

From: Rick Waugh, Chair, Executive Committee

Date: December 8, 2015

Subject: Pension Fund Board of Trustees Appointments

Recommendation:

The Executive Committee recommends that the Board of Governors approve the appointments below effective December 1, 2015 for a three-year term.

Background:

The Pension Fund Board of Trustees (BoT) has responsibility for the pension fund as delegated by the Board of Governors under a Trust Agreement. Its Terms of Reference, approved by the Board of Governors, specify that various bodies recommend members. 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.

Nominees:

William Hatanaka as the Board of Governors nominee

Mr. Hatanaka was appointed to the Board of Governors effective October 3, 2011. He is a Corporate Director, serving as the non-Executive Chairman of NGX Inc, which provides electronic trading, central counterparty clearing and data services to the North American natural gas and electricity markets.

Mr. Hatanaka is the past President and CEO, OPSEU Pension Trust (OPTRUST), a defined benefit pension plan, jointly sponsored by the Government of Ontario and the Ontario Public Service Employees Union. Mr. Hatanaka has served on numerous public Boards including: TMX (Chair HRC, Derivatives), and TD Ameritrade (Risk Committee). He is the past Chair of the Investment Industry Association of Canada (IIAC) and a Co-Founder of Grief Reconciliation International. His community involvement includes work with Canadian Centre for Diversity, The United Way and the Japanese Canadian Cultural Centre. Prior to entering the financial services industry, Mr. Hatanaka played professional football in the Canadian Football League. He was a member of the 1976 Ottawa Rough Riders Grey Cup Championship Team.

Bill graduated from York University in 1977 with a degree in Economics and Sociology. In 1994, he completed the Harvard Business School Advanced Management Program.

Ron Gernat as a YUSA nominee

Ron's background includes all aspects of financial reporting, budgeting, and operations for the past 30 years. He has a Business Administration Certificate from Ryerson University and a Human Resources Certificate from York University. Ron has held a variety of positions at York and is currently a Financial and Operations Analyst in Financial Services, CSBO.

Ron was first nominated to the Board of Trustees in 2014, and was temporarily replaced while on leave. He is now being reappointed again.

Sean Taylor as a CUPE 1356-01 nominee

Sean has been at York since 2002 when he first started as a student in the criminology program. During that time he worked as a porter at Vanier and student security / GoSafe as a staff member and team leader. After graduation, he began working for the Security Services department where he is currently a Squad leader. Sean has been the chief steward for CUPE 1356-01/02, and CUPE 1356 executive member for the last 3 years.

This is Sean's first term on the Board of Trustees.

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: Ancillary Operations Long Term 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.

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 2012, the ancillary plan was updated to reflect the declining sales trend in bookstore sales, the incorporation of the new housing strategy which includes the 10 year building renewal plan of $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.

In the Fall of 2013, the ancillary plan was updated to reflect the significant decline in course kit production due to copyright changes - resulting in reduced printing operations, increased occupancy being experienced in Housing, increased food outlets and menu concepts in Food & Contract Management, and the impact of the changing nature of the business environment as it shifts to digital text books for the Bookstore.

In the fall of 2014, the ancillary plan was updated to reflect a structural reorganization of printing operations to reflect the elimination of course kit production that requires copyright clearance. No significant net changes have been made to the plans with the exception of the update to the actual results from the 2013-2014 fiscal year.

In the fall of 2015, the ancillary plan was updated to reflect the impact of the introduction of the new SHARP Budget Model. The implications of the new budget model will require units to absorb additional overhead costs as well as make an additional permanent contribution to the University's operating budget. Some of the ancillaries have been able to absorb these implications in their long term and thus have no impact on their results projected in the 2014 Plan. Telecommunications was not able to absorb the impact and have reduced their projected net income over their 2014 plan.

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

ANCILLARY OPERATIONS

LONG-TERM PLAN

Report to the
Board of Governors

December 8, 2015

Table of Contents

Purpose of this Report

The purpose of this report is to update the Board of Governors on the University's long-term plan for the Ancillary Operations.

The long-term plan is consistent with the University's overall plan with respect to enrolments and the campus expansion as a result of the SuperBuild, Knowledge Infrastructure (KIP), 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 2014 long-term plan.

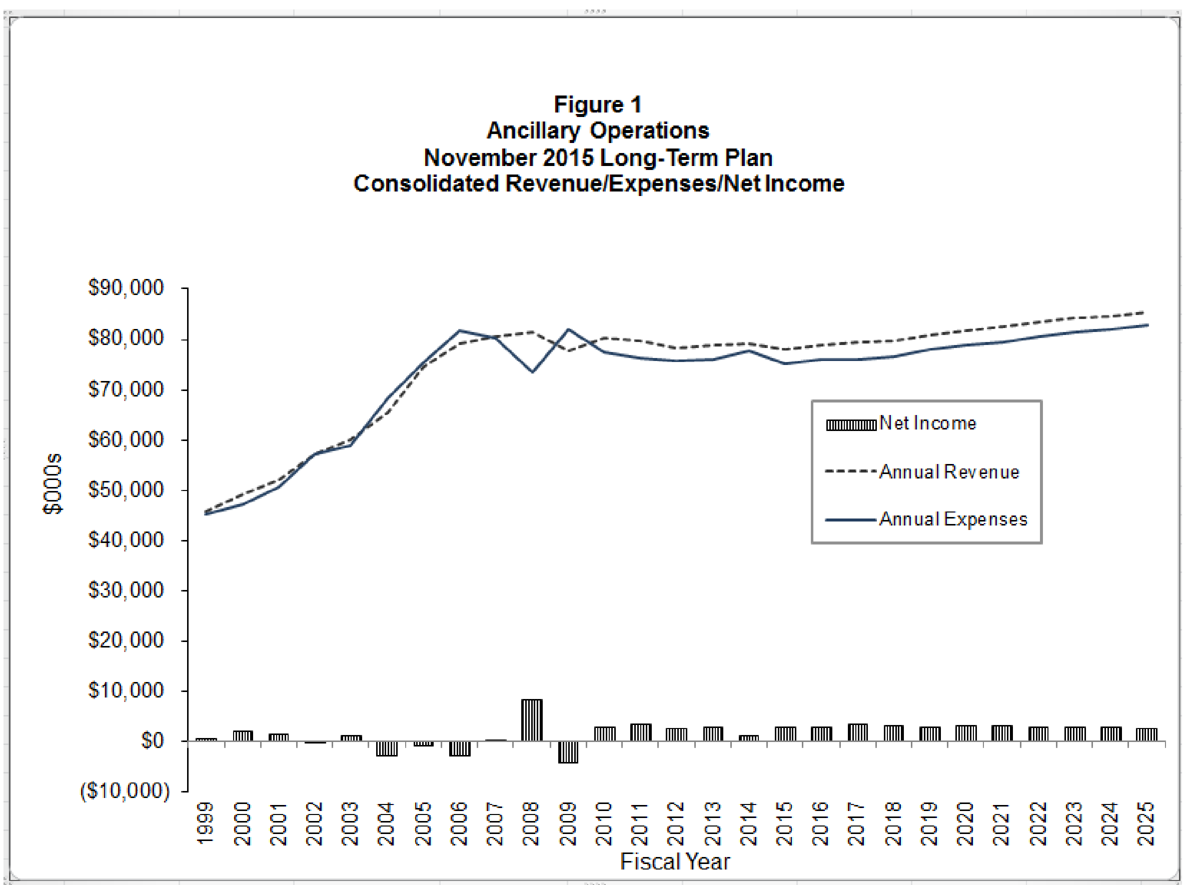
The consolidated revenue, expense and net income projection for all ancillary operations is provided in Figure 1. This chart illustrates that the ancillary operations operated profitably to 2002-2003. With the commencement of the operations of the Executive Learning Centre and The Pond Road Residence, 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 following fiscal year.

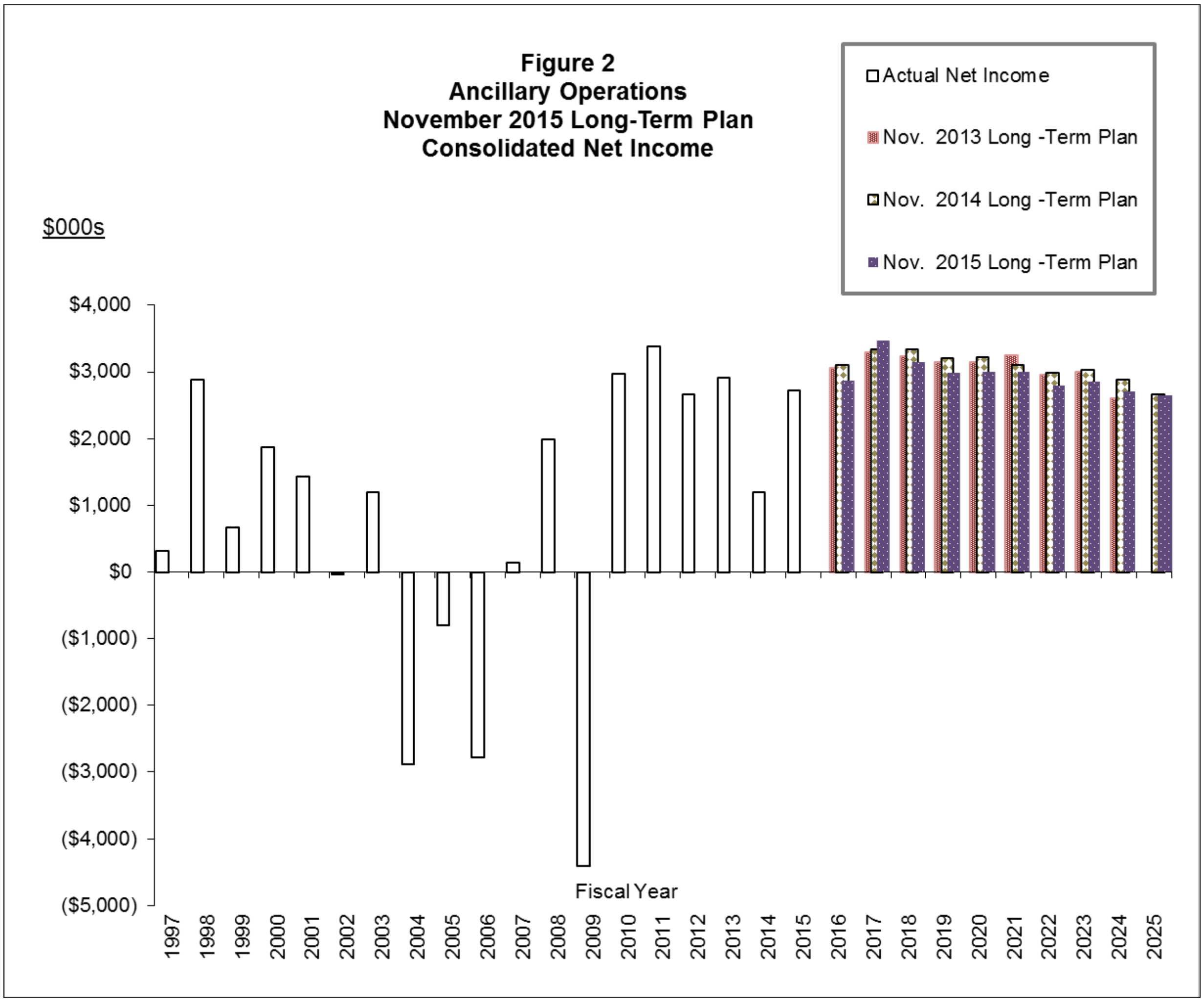
The 2011 plan revisions reflect the changing nature of the business environment for the Bookstore as the shift from traditional print books to digital books is experienced. The business models and profit margins for eBooks are not established as the industry struggles to define itself. It is projected 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. In the 2013 plan revisions, the impact of a further reduction in the printing operation and bookstore, increased occupancy in Housing, and changes to the Food and Contract Management business have been reflected. In the 2014 plan revisions, the impact of further restructuring in printing operations resulting from the permanent reduction in course kit production have been reflected. In the 2015 plan revisions, the impact of the Transition Tax will see ancillaries increase their contribution to the University Operating Budget to assist in the conversion to the new SHARP Budget Model has been reflected.

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:

	2015-2016	2016 and onwards
Consumer Price index (CPI	2%	2%
Compensation	2%	2%
Heating & Cooling	2%	2%
Electricity	5%	5%
Water	6%	6%





The planning assumptions reflect an annual general inflation rate of 2% over the planning period, with the exception of electricity and water costs which are at the rates of 5% and 6% respectively. Compensation assumptions reflect a rate established for planning purposes for future settlements. 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.

Bookstore

The Bookstore has four locations. The main York Lanes Bookstore is on the Keele Campus and the Glendon campus Bookstore is in York Hall. The Bookstore assumed the operations of the Trading Floor store in the Schulich School of Business in 2013 and Osgoode's Bookstore in September 2014. The Bookstore has an active e-commerce site that enables students to order their text and course material requirements online. An on-line order and in store pick up service was added in 2015 in keeping with retail trends. Management has been focused on enhancing operational performance, reducing base costs, and making process improvements while improving the student experience related to the Bookstore.

The Bookstore's revenue is heavily skewed to course materials, and is subject to change with enrollment fluctuations as well as the movement away from traditional textbook sales. In fiscal 2011-12 the decline was 4.7%, and while 2012-13 was flat (.5% increase); 2013-14 closed with a 9.4% decline, and again in 2014-15 a 9% drop reflecting, in part, lower student enrollment. Although 2015-16 appears to show stability, the roller coaster will continue, as it has across North American campuses, while the publishing industry shifts and bookstores become more creative to meet the unique needs of their institutions.

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 2011-12, $129K in 2012-13, $34K (before retroactive pay equity charges of $777,000) in 2013-14, and a loss of 40K in 2014-15. The current plan assumes small declines for the rest of the decade (-0.5% per year), as it is assumed that enrollments will also be under pressure. As in previous plans, there will be significant adjustments to labour and other operating expenses on a continuous basis to show modest returns over a 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 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.

The 2015 Plan has incorporated the additional contribution of 97K required to the University Budget as it transitions to the new SHARP Budget model. Overall, the Bookstore's Net Income contribution to the bottom line over the ten years of the plan totals $3.0M and is comparable to the prior plan of $2.8M.

Student Housing Services

Student Housing Services provides approximately 2,680 undergraduate beds and 1,250 apartment units for York's undergraduate, graduate, law, exchange, and York University English Language Institute (YUELI) students at the Keele and Glendon campuses.

Implementation of a new Housing Strategy approved by the Board of Governors in June 2012 continues:

- A 10 year building renewal plan costing $70 million funded by an average annual rate increase of 3.7%
- $33 million spent and committed for projects scheduled for 2012-16 including: internet upgrade to wireless; new furnishings and carpets; elevator upgrades; lighting upgrades; new roofing; washroom upgrades; window replacements; fire alarm upgrades; accessibility and safety enhancements; and replacement of building components that have gone beyond life cycle
- Initiatives to address concerns about the meal plans and food services
- A focus on 1st year students with enhanced programming and living-learning communities to promote a culture for student success
- An institutional framework to oversee the long-term planning and implementation for the new housing strategy including a Student Housing Steering Committee and a Housing Working Group
- An overarching marketing strategy to improve the recruitment and retention of students in York residences

The Current Situation

After a declining trend in application from 2007-2011, the demand for both undergraduate apartment-style housing by York students rebounded in 2012-13 and has been sustained for the last two fiscal years. September 2015 occupancy levels reached 98% for Keele Undergraduate Residences, 92% for Glendon Residences and 97% for York Apartments. Founders Residence will reach close to 100% occupancy during the peak YUELI Destination York enrolment sessions.

Sustained occupancy projections based on application trends including the continued use of Founders Residence by YUELI for the ten years of the plan.

- A reduced revenue projection for the Accommodation and Conference Services business segment due to major housing renovation projects and uncertainty of available and marketable space, approximately $1.2M per annum for Keele and Glendon campuses

- Average revenue earned from YUELI students, projected at $600,000 per fiscal year for the ten years of the plan
- Guest apartment revenues estimated at $420,000 per fiscal year
- A $70 million budget allocation to fund renewal and improvement projects over ten years to 2021-22
- An average annual rate increase of 3.7% for undergraduate residences to fund the 10 year renewal plan and inflationary costs
- A 2.0 per cent rent increase for the York Apartments for 2016 and an average annual rate increase of 2% thereafter. These increases are set annually according to rent control guidelines
- Salary budget adjustments to support organizational changes and succession planning, housing audit recommendations, and other operational needs
- An additional contribution of $700K per annum commencing fiscal 17/18, totaling $5.6M for the ten years of the plan to the University Operating Budget as it transitions to a new Budget Model.

Overall, Housing's Net Income contribution to the bottom line over the ten years of the plan totals $7.1M and is consistent with its 10-year projected financial performance target to the prior year's plan.

Parking Services

Parking Services has approximately 9,000 parking stalls at the Glendon and Keele campuses across 35 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, the Engineering Building and the development south of the Pond Road which commenced in September 2014 including the loss of parking spaces resulting from phase one of the Quad residence development. Parking control and enforcement staff continue to assist with road closures including traffic duties and pedestrian direction when required by the University.

In the near term, it is expected that monthly permit sales will decline in number due to the impact of construction activities impacting parking lots, lower enrollments and increased use of public transit. These declines are offset by modest rate increases which are necessary to support operating and capital requirements and transportation demand management (TDM) objectives. The current long term plan indicates monthly permit increases of 5% for fiscal 2016-2017 and increases of 2% per year onwards with intermittent increases to daily rates. The plan has also been updated to reflect operating efficiencies that are anticipated to be gained through technology renewal, student centered service improvements and attrition which will be articulated in a new parking strategic plan to be completed during 2015-16.

While it is difficult to forecast accurately the impact of the subway on commuter habits, including the development of a transit parking lot north of Steeles Avenue, this plan envisions a reduction in revenue of $500,000 for monthly permits effective 2017-18 to coincide with the anticipated completion of the subway.

An additional contribution of $349K per annum commences fiscal 17/18 and totals $2.8M for the ten years of the plan to the University Operating Budget as it transitions to a new Budget Model.

Overall Parking Service's Net Income contribution over the ten years of the plan totals $345,000 which is net of its contribution of $2,600,000 per annum towards Land Rent, Transportation, goSAFE and closed-circuit television (CCTV) Units. The unit's 10-year projected cumulative surplus is largely unchanged from the prior year plan targets.

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, however significant multi-year discounts have been negotiated with the system vendor.

The YU-card program currently absorbs all software license fees for the integration of services such as the Libraries and recreation facilities to provide a seamless cardholder experience and operating savings for participating departments. The YU-card was successfully integrated with the University's access control system in 2014-15 and that program will continue to expand in 2015-2016. Installation of a new mobile validation service is currently underway which will enable secure identity validation for exams and other campus events starting in winter 2016.

The YU-card debit card service has grown substantially since its introduction in 2006. From May 2015 through October 2015, net deposits to the YU-card exceeded $10.9 million. In comparison, net deposits to the YU-card were $4.8 million for the entire

2006-2007 fiscal year when the service launched. The significant increase in deposits to the card this year was largely the result of a new initiative to use the YU-card to provide awards to students, and the plan as presented is based on that practice continuing. Use of the YU-card also continues to grow organically, supported by an ongoing integrated marketing communication program. A number of University departments and student organizations now accept YU-card exclusively for payment in order to eliminate cash handling.

An additional contribution of $14,200 per annum commences fiscal 17/18 and totals $113,600 for the ten years of the plan to the University Operating Budget as it transitions to a new Budget Model.

Overall, YU-card's Net Income contribution over the ten years of the plan totals $539,000 and is consistent with its 2014 plan.

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 residences.

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.

The changes brought forward in the updated plan reflect the inclusion of the impacts of the required additional contributions to the University Operating Budget as it transitions to a New Budget Model. The impact could not be absorbed in the operations of this unit and will permanently reduce their projected net income going forward. The prior year's financial targets were met.

Executive Learning Centre/Nadal Management Centre

The attached 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 2015 Plan does not deviate from the November 2014 Plan. The November 2015 Plan continues to forecast a full recovery of the early years operating deficits at the end of 2023-2024 – 20 years from the original start date of November 2003. Each fiscal year has a positive in-year contribution, very similar to the contribution anticipated in the November 2014 Plan.

Plan assumptions:

- 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 included as in-year operating expenses.

Other Ancillary Operations

Food and Contract Management

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 and menu concepts in response to student demand, and effective management of existing locations. A new comprehensive food service strategy has been developed and is pending institutional review. Capital costs for facility improvements are expected to be offset by related increases in revenues, reductions of repair and maintenance expenditures and third-party contributions. The success of Food Services' business plan is dependent on the implementation of new outlets in Central Square in 2015-2016, and the impact of increased competition from retail operations in York Lanes and the Student Centre (both existing and new).

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 roof top cell antenna contracts, media advertising and Crestwood Valley Day Camp at Glendon. Revenues from other contracts that are currently managed, such as Tennis Canada, Seneca College and Computer Methods Building, flow to central University budgets. Revenues from roof top cell antennae total $3.4M for the ten years of the plan.

An additional contribution of $52K per annum commences fiscal 17/18 and totals $419,000 for the ten years of the plan to the University Operating Budget as it transitions to a New Budget Model. The unit was able to absorb this charge primarily due to its strength in continually sourcing new revenue opportunities.

Overall the unit's Net Income contribution over the ten years of the plan totals $1.3M which is consistent with prior plan targets.

Printing Services

Printing Services provides stationery, secure printing of exams and diplomas, secure scanning and tabulation of University multiple choice examinations, printing of 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 has traditionally been 50% of total revenues. Printing 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 existence of alternative 'free' sources and use of instructor's websites (Moodle) to post articles. The unit provided a high level of consultative services to professors in advising them on materials available to include in their curriculum, referring to previous books and the archive of 100s of thousands of articles, negotiating permissions for content, all in addition to the functional role of assembly and production of books for print. 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.

Although a gradual decline in course kit production would be expected, experience in 2011-2012 reminds us that change can occur in sudden, economic shocks. Since the cancellation of agreements with Access Copyright at the end of August, 2011, a large portion of kits have been cleared for copyright by Printing Services for an outside printer who holds a commercial Access Copyright license. The in-house volumes, therefore, showed a dramatic decline in 2011-2012. This has continued, without resolution or a means to re-patriate the work. This long term plan now proposes a significant restructuring of the unit and the services provided to professors and instructors. The work is still vital for the teaching and learning programme at York, but is no longer fully cost recoverable. It is assumed in this plan that there will be operational support of $325K for course kit and copyright services.

In fiscal 2010-2011, Printing Services reported a profit of $102K, but has reported substantial losses due to the copyright issue since September 1, 2011. To regain financial control of this unit, the print production and management of the unit has been reduced in 2015 by $339K, so that it can be profitable at a reduced level of production.

The 2014-15 financial results show some evidence of cost cutting, the results of which are more fully realized in 2016 when obligations to employees are complete. Overall the unit's Net Income contribution over the ten years of the plan totals $527,000.

Appendix

2015 Long-Term Plans

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
BOOKSTORE
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue											
Revenue from Sales	$15,925	$17,039	$16,081	$15,991	$15,903	$15,818	$15,734	$15,653	$15,574	$15,496	$15,421
Rent Subsidy from York University	$742	$712	$711	$724	$738	$751	$765	$779	$792	$807	$821
Total Revenue	$16,667	$17,751	$16,792	$16,715	$16,641	$16,569	$16,499	$16,432	$16,366	$16,303	$16,242
Expenses											
Remuneration	$2,549	$2,507	$2,251	$2,063	$2,036	$2,033	$2,022	$2,019	$2,009	$1,999	$1,989
Cost of Goods Sold	$11,575	$12,854	$12,156	$12,085	$12,015	$11,948	$11,882	$11,817	$11,754	$11,692	$11,632
Occupancy Costs	$1,146	$1,149	$1,123	$1,134	$1,145	$1,156	$1,167	$1,179	$1,191	$1,203	$1,216
Other Operating Expenses	$1,438	$1,019	$982	$982	$982	$983	$984	$985	$986	$988	$989
Capital Expenditures	$0	$20	$20	$20	$20	$20	$20	$20	$20	$20	$20
Total Expenses	$16,708	$17,549	$16,532	$16,284	$16,198	$16,140	$16,075	$16,020	$15,960	$15,902	$15,846
Transition Tax	$0	$0	$0	$97	$97	$97	$97	$97	$97	$97	$97
Net Income/(Loss) for Fiscal Year	($41)	$202	$260	$334	$346	$332	$327	$315	$309	$304	$299
Net Income/(Loss) per Nov. 2014 Plan		$201	$236	$294	$336	$324	$312	$300	$288	$276	$271
Change from Nov. 2014 Plan		$1	$24	$40	$10	$8	$15	$15	$21	$28	$28
Cumulative Change from Nov. 2014 Plan											$190

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
HOUSING AND CONFERENCE SERVICES
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue	$29,461	$28,336	$28,669	$29,296	$30,188	$30,755	$31,344	$31,956	$32,286	$32,624	$32,968
Total Revenue	$29,461	$28,336	$28,669	$29,296	$30,188	$30,755	$31,344	$31,956	$32,286	$32,624	$32,968
Expenses											
Remuneration	$6,423	$7,437	$7,549	$7,662	$7,815	$7,971	$8,131	$8,294	$8,459	$8,629	$8,801
Other Opertating Expenses	$5,339	$6,344	$6,471	$6,600	$6,732	$6,867	$7,004	$7,144	$7,287	$7,433	$7,582
Energy (HVAC, Electricity, Water)	$4,547	$4,920	$5,107	$5,264	$5,427	$5,595	$5,722	$5,851	$6,042	$6,249	$6,434
Capital Renewal	$3,814	$16,263	$5,578	$5,193	$5,800	$5,980	$5,919	$9,302	$6,114	$5,987	$6,002
Total Operating Expenses	$20,123	$34,964	$24,705	$24,719	$25,774	$26,413	$26,776	$30,591	$27,902	$28,298	$28,819
Operating Income	$9,338	($6,628)	$3,964	$4,577	$4,414	$4,342	$4,568	$1,365	$4,384	$4,326	$4,149
Transition Tax	$0	$0	$0	$701	$701	$701	$701	$701	$701	$701	$701
Contribution to/(from) Capital Reserve	$5,308	($10,649)	$0	$0	$0	$0	$0	($3,035)	$0	$0	$0
Debt Service Costs	$3,478	$3,478	$3,401	$3,299	$3,120	$3,037	$3,037	$2,853	$2,853	$2,787	$2,575
Net Income/(Loss) for Fiscal Year	$552	$543	$563	$577	$593	$604	$830	$846	$830	$838	$873
Net Income/(Loss) per Nov. 2014 Plan		$542	$562	$577	$592	$603	$830	$846	$829	$838	$873
Change from Nov. 2014 Plan		$1	$1	$0	$1	$1	$0	$0	$1	$0	$0
Cumulative Change from Nov. 2014 Plan											$5

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
PARKING SERVICES
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue											
Revenue	$13,896	$14,436	$14,934	$14,609	$14,907	$15,056	$15,208	$15,519	$15,676	$15,837	$16,162
Total Revenue	$13,896	$14,436	$14,934	$14,609	$14,907	$15,056	$15,208	$15,519	$15,676	$15,837	$16,162
Expenses											
Remuneration	$3,353	$3,431	$3,363	$3,413	$3,481	$3,551	$3,622	$3,695	$3,768	$3,844	$3,921
Cost of Sales TTC Metropasses	$601	$641	$654	$667	$680	$694	$708	$722	$736	$751	$766
Other Operating Expenses	$2,771	$3,090	$3,153	$3,218	$3,287	$3,358	$3,423	$3,489	$3,556	$3,624	$3,694
Capital Renewal	$751	$250	$695	$616	$1,099	$255	$275	$433	$449	$453	$613
Total Expenses	$7,476	$7,412	$7,865	$7,914	$8,547	$7,858	$8,028	$8,339	$8,509	$8,672	$8,994
Operating Income Before Amort/Land Rent	$6,420	$7,024	$7,069	$6,695	$6,360	$7,198	$7,180	$7,180	$7,167	$7,165	$7,168
Amortization - Debt	$4,307	$4,202	$4,202	$4,202	$4,202	$4,202	$4,202	$4,202	$4,202	$4,202	$4,202
Contribution to/(from) Capital Reserve	($425)	$192	$153	($486)	($821)	$18	$0	$0	$0	$0	$0
Contribution Transp/goSAFE/CCTV/Card Access	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410	$1,410
Transition Tax	$0	$0	$0	$349	$349	$349	$349	$349	$349	$349	$349
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	$6,481	$6,993	$6,954	$6,664	$6,329	$7,168	$7,150	$7,150	$7,150	$7,150	$7,150
Net Income/(Loss) for Fiscal Year	($61)	$31	$115	$31	$31	$30	$30	$30	$17	$15	$18
Net Income/(Loss) per Nov. 2014 Plan		$30	$33	$30	$30	$29	$30	$30	$17	$15	$16
Change from Nov. 2014 Plan		$1	$82	$1	$1	$1	$0	$0	$0	$0	$2
Cumulative Change from Nov. 2014 Plan											$88

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
YU-Card Program
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue											
Revenue	$689	$779	$809	$883	$932	$994	$1,040	$1,100	$1,157	$1,218	$1,283
Expense Recovery - Support	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100
Total Revenue	$789	$879	$909	$983	$1,032	$1,094	$1,140	$1,200	$1,257	$1,318	$1,383
Expenses											
Remuneration	$273	$290	$295	$299	$305	$311	$318	$324	$330	$337	$344
Other Operating Expenses	$172	$177	$199	$203	$207	$211	$215	$219	$224	$228	$233
Major Renovations/Equip/Soft Licence	$307	$380	$388	$395	$401	$409	$418	$426	$435	$443	$452
Total Expenses	$752	$847	$882	$897	$913	$931	$951	$969	$989	$1,008	$1,029
Operating Income	$37	$32	$27	$86	$119	$163	$189	$231	$268	$310	$354
Contribution to/(from) Capital Reserve	$0	$0	$0	$0	$0	$0	$84	$201	$238	$279	$323
Transition Tax	$0	$0	$0	$14	$14	$14	$14	$14	$14	$14	$14
Net Income/(Loss) for Fiscal Year	$37	$32	$27	$72	$105	$149	$91	$16	$16	$17	$17
Net Income/(Loss) per Nov. 2014 Plan		$32	$40	$96	$130	$174	$6	$15	$16	$16	$17
Change from Nov. 2014 Plan		$0	($13)	($24)	($25)	($25)	$85	$1	$0	$1	$0
Cumulative Change from Nov. 2014 Plan											0

ANCILLARY OPERATIONS
OCTOBER 2015 LONG -TERM FORECAST
UIT, TELECOMMUNICATIONS
in $000s

	Actual 2013 2014	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue	$5,381	$4,732	$4,774	$4,729	$4,684	$4,639	$4,595	$4,552	$4,508	$4,465	$4,423	$4,381
Expenses												
Remuneration	$1,623	$1,616	$1,773	$1,808	$1,845	$1,882	$1,919	$1,958	$1,997	$2,037	$2,077	$2,119
Other Operating Expenses	2,379	2,090	$1,796	$1,832	$1,869	$1,906	$1,944	$1,983	$2,023	$2,063	$2,104	$2,146
Repair / Maintenance (Inventory/amortization)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Transition Tax Impact (SHARP)	$0	$0	$0	$0	$21	$21	$21	$21	$21	$21	$21	$21
Attribution of Shared Services Costs (SHARP)	$0	$0	$0	$0	$225	$225	$225	$225	$225	$225	$225	$225
Total Expenses	$4,002	$3,706	$3,569	$3,640	$3,959	$4,033	$4,109	$4,186	$4,265	$4,346	$4,428	$4,511
Net Income/(Loss) for Fiscal Year	$1,379	$1,026	$1,205	$1,088	$725	$606	$486	$365	$243	$120	($5)	($130)
Net Income/(Loss) per Nov. 2014 Plan			$1,203	$1,086	$969	$850	$730	$609	$487	$364	$239	($130)
Change from Nov. 2014 Plan			$2	$2	($244)	($244)	($244)	($244)	($244)	($244)	($244)	($0)
Cumulative Change from Nov. 2014 Plan												($1,706)

ANCILLARY OPERATIONS
NOVEMBER 2014 LONG TERM FORECAST
EXECUTIVE LEARNING CENTRE & NADAL MANAGEMENT CENTRE
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue												
Executive Learning Centre	$7,892	$7,892	$8,192	$8,192	$8,192	$8,292	$8,292	$8,292	$8,292	$8,492	$8,492	$8,492
Nadal Management Centre	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178	$1,178
Total Revenue	$9,070	$9,070	$9,370	$9,370	$9,370	$9,470	$9,470	$9,470	$9,470	$9,670	$9,670	$9,670
Expenses												
Executive Learning Centre	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292	$5,292
Nadal Management Centre	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127	$1,127
Amortization of ELC Start-Up Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Depreciation of ELC Fixed Assets			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Repayment	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850	$1,850
Total Expenses	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269	$8,269
Net Income/(Loss) for Fiscal Year	$695	$801	$1,101	$1,101	$1,101	$1,201	$1,201	$1,201	$1,201	$1,401	$1,401	$1,401
Net Income/(Loss) per Nov. 2014 Plan	$695	$801	$1,101	$1,101	$1,101	$1,201	$1,201	$1,201	$1,201	$1,401	$1,401	$1,401
Change from Nov. 2014 Plan	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Change from Nov. 2014 Plan												$0

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
FOOD AND CONTRACT MANAGEMENT
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue	$2,123	$2,089	$2,202	$2,252	$2,297	$2,333	$2,368	$2,406	$2,440	$2,484	$2,524
Total Revenue	$2,123	$2,089	$2,202	$2,252	$2,297	$2,333	$2,368	$2,406	$2,440	$2,484	$2,524
Expenses											
Remuneration	$289	$335	$341	$348	$355	$362	$370	$377	$384	$392	$400
Other Operating Expenses	$673	$788	$880	$906	$1,024	$1,055	$1,080	$1,105	$1,136	$1,168	$1,200
Major Renovations/Mtce/Equipment	$449	$701	$727	$711	$730	$746	$784	$806	$793	$825	$807
Total Expenses	$1,411	$1,824	$1,948	$1,965	$2,109	$2,163	$2,234	$2,288	$2,313	$2,385	$2,407
Transition Tax	$0	$0	$0	$52	$52	$52	$52	$52	$52	$52	$52
Net Income/(Loss) for Fiscal Year	$712	$265	$254	$235	$136	$118	$82	$66	$75	$47	$65
Net Income/(Loss) per Nov. 2014 Plan		$265	$251	$232	$132	$114	$80	$62	$71	$43	$62
Change from Nov. 2014 Plan		$0	$3	$3	$4	$4	$2	$4	$4	$4	$3
Cumulative Change from Nov. 2014 Plan											$31

ANCILLARY OPERATIONS
NOVEMBER 2015 LONG-TERM FORECAST
PRINTING SERVICES
in $000s

	Actual 2014 2015	Budget 2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025
Revenue	$1,228	$1,438	$1,791	$1,826	$1,862	$1,899	$1,937	$1,976	$2,016	$2,056	$2,097
Expenses											
Remuneration	$837	$865	$878	$891	$909	$927	$946	$965	$984	$1,004	$1,024
Cost of Sales	$636	$644	$660	$673	$687	$700	$714	$729	$743	$758	$773
Major Renovations/Equipment	$1	$58	$31	$31	$31	$31	$31	$31	$31	$31	$31
Other Operating Expenses	$57	$85	$155	$161	$162	$163	$163	$164	$165	$166	$167
Total Expenses	$1,531	$1,652	$1,724	$1,756	$1,789	$1,821	$1,854	$1,889	$1,923	$1,959	$1,995
Transition Tax	$0	$0	$0	$1	$1	$1	$1	$1	$1	$1	$1
Net Income/(Loss) for Fiscal Year	($303)	($214)	$67	$69	$72	$77	$82	$86	$92	$96	$101
Net Income/(Loss) per Nov. 2014 Plan		$33	$35	$38	$40	$42	$44	$47	$49	$52	$54
Change from Nov. 2014 Plan		($247)	$32	$31	$32	$35	$38	$39	$43	$44	$47
Cumulative Change from Nov. 2014 Plan											$94

Board of Governors

Memorandum

To: Board of Governors

From: Ozench Ibrahim, Chair, Finance and Audit Committee

Date: December 8, 2015

Subject: **Vendor of Record – Managed Print Services**

Recommendation:

That an award notice be issued to Ricoh Canada Incorporated as the Vendor of Record for Managed Print Services effective immediately and expiring on January 31, 2017 with the option to renew the term for up to three (3) additional one year terms.

Background:

The University requires monochrome and colour photocopier rentals and service. The University conducted an analysis of a number of collaborative options available to leverage existing agreements with the Ministry of Government and Consumer Services (MGCS) and the Ontario Education Collaborative Marketplace (OECM) to determine the best value option for York.

The University had previously leveraged the MGCS contract which had been awarded to Ricoh and Xerox. After considerable analysis it was concluded that the MGCS contract continued to provide best value to the University. The new MGCS contract awarded its Managed Print Services solely to Ricoh Canada Incorporated. As the University had been using the MGCS contract, 64% of York's copier fleet is currently with Ricoh and the transition as leases expire will be the least disruptive.

Under this new contract, the projected savings over a five year period on York's copier fleet is $269,860, which is a 42% reduction on the current copier fleet cost.

This new contract will eliminate the multi company offering that currently exists, and the transition for the Xerox users will occur as existing contracts expire. Ricoh has also agreed to payment through the York Purchasing Card (York PCard) which will generate additional cash rebates to the University.

Board of Governors

Memorandum

To: Board of Governors

From: Randy Williamson, Chair, Investment Committee

Date: December 8, 2015

Subject: **Statement of Investment Policies and Procedures (SIPP) Revision December 2015**

Recommendation

The Board Investment Committee recommends that the Board of Governors approve the attached revised Statement of Investment Policies and Procedures.

Background

Following the asset-liability study completed in 2013, the Committee approved in principle proposed changes to the Asset Mix. The resultant revised Asset Mix was recommended for approval to the Board of Governors at its meeting of April 14, 2014 and was duly adopted for effect commencing on or after July 1, 2014. Implementation commenced in July to achieve revised fixed income weights, target equity class weights and the initial exposure to Real Estate.

The Statement of Investment Policies and Procedures was subsequently amended in December 2014, and the revised asset mix was duly adopted by the Investment Committee and the Board of Governors. The new benchmark was accordingly set as the base line for comparison of fund return and risk, effective January 1, 2015.

During 2015, with ongoing underperformance of Canadian fixed income relative to the FTSE TMX Universe Bond Index, the matter of the mismatch of the underlying Canadian fixed income strategy relative to the Canadian bonds benchmark index was flagged for specific attention by Aon Hewitt during the normal course of semi-annual review. In the Monitoring Report, Aon Hewitt suggested consideration toward an adjustment to the fixed income benchmark.

The basis for the mismatch had occurred in September 2013, following a decision of the Investment Committee to shorten duration of the fixed income component in response to interest rate risk. As a result, one-half of the fixed income component was allocated from passive Universe bonds to an active Short Term Bond strategy as managed by TD Asset Management. No adjustments to the Manager Specialty Mandate were necessary.

Fixed Income and Investment Strategy

At the 25 September 2015 meeting of the Committee, administration presented the Endowment Work Plan 2015-16 including a specific review of Canadian fixed income. Administration subsequently met to review the allocation-benchmark mismatch and options with Aon Hewitt. The critical factors were:

- Asset Mix revision implemented in July 2014 to the fixed income component that raised the Global High Yield Bonds from 5% to 10% of overall Fund weight
- Reduction of Canadian Bonds from 25% to 20% of Asset Mix
- Relative lightness of overall allocation to Canadian bonds at 20% of Total Fund
- Role of longer-term fixed income to provide stability within the overall long-term equity-oriented investment strategy
- Requirement for liquidity to be generated annually to fund the distribution for endowment spending notwithstanding the absence of a cash allocation weight in the Total Fund Performance Benchmark
- Identification of the split between Universe and Short Term bond allocations by the Committee as strategic, warranting inclusion in the Policy
- Ongoing historically low interest rates environment, as adopted by global developed markets community to stimulate economic growth post the credit crisis that had reached its nadir in 2007-09
- Interest rate risk and imminence plus uncertainty of increases to central bank overnight rates, dominated by the actions of the US Federal Reserve
- Impact of potential amendment to the Canadian bonds asset class in the context of total fixed income and overall return and risk targets for the Fund and the capacity of an adjusted strategy to meet these long-term objectives

Given the intentional permanence of an allocation to short term bonds to provide a low-risk means of generating annual liquidity through varying market cycles, the appropriate approach was resolved as an adjustment to the Canadian bonds benchmark index to be implemented retroactively to January 1, 2015 as follows:

	Weight	Asset Class	Benchmark Index
Revise from:	20%	Canadian Bonds	FTSE TMX Universe Bond
To:	10%	Canadian Universe Bonds	FTSE TMX Universe Bond
	10%	Canadian Short Term Bonds	FTSE TMX Short Term Bond

SIPP Revision

The revised SIPP 2015 is attached. The changes are few and are as follows:

Target Asset Mix Policy (Section 4.3, page 6 of SIPP)

- Revised Asset Class name, Target weight and Min/Max weights
- Canadian Bonds changed to Canadian Universe Bonds and weight reduced from 20% to 10%
- Canadian Short Term Bonds added with target weight of 10%

Fund Benchmark (Section 6.4, pages 9-10 of SIPP)

- Revised Benchmark Index and Weight
- FTSE TMX Universe Bond index weight reduced from 20% to 10%
- FTSE TMX Short Term Bond index added with weight of 10%

In all other aspects, the Policy, which had been significantly revised one year ago, continues to meet the objectives of the Endowment Fund.

York University

Endowment Fund

STATEMENT OF

INVESTMENT POLICIES AND PROCEDURES

December 2015

SECTION I – Introduction and Overview of the Endowment Fund

1.1 The York University Endowment Fund (“Fund”) is a commingled pool of individual endowments that have been gifted by donors. The donations to the University form the Corpus of invested assets of the Fund.

1.2 Endowed accounts are established for designated purposes that include academic chairs, scholarships and bursaries. The donations, gifts, and bequests that have been received together with any matching funds from external or University programs, have been designated to specific purposes as agreed to between each donor and the University.

1.3 The purpose of the Fund is to, in perpetuity, preserve the endowed capital in real terms and provide annual distributions to endowment beneficiaries for spending. The Fund assets are invested to protect the corpus in real terms and produce returns sufficient to provide a steady amount of annual distribution toward spending for the beneficiary purposes.

1.4 The investment objective for the Fund is to earn a real return from long-term investments that protects endowment capital and provides stable inflation-adjusted annual distributions for endowed account beneficiaries.

1.5 Distributions from the Fund for beneficiary spending are subject to the University policies and procedures governing Endowment Fund distributions as well as any restrictions that may apply to individual endowed accounts.

1.6 The purpose of the Statement of Investment Policies and Procedures (“Policy”, “SIPP”) is to detail the terms that apply to the investment of the Fund.

SECTION II – Governance and Administration

Board of Governors

2.1 The University through its Board of Governors has responsibility for the Endowment Fund and for approval of the Statement of Investment Policies and Procedures, as may be amended from time to time.

2.2 The Board of Governors has appointed an Investment Committee (“Committee”) to oversee the assets and investment of the Fund.

2.3 The Board of Governors has appointed a Finance and Audit Committee and delegated the responsibility for approving the amount of annual distribution to endowment accounts.

2.4 The Board of Governors through its Investment Committee may rely on independent experts for certain aspects of the Fund’s operations where expert knowledge is required or where a perceived or actual conflict of interest exists.

2.5 The Board of Governors has delegated to the Investment Committee the responsibility for selecting and appointing the Investment Managers, Custodian, Recordkeeper and various agents as may be required for the care and administration of the Fund.

2.6 Neither the Governors, the Committee, nor the staff of the University representing Administration, shall select securities on behalf of the Fund.

Investment Committee

2.7 The Investment Committee shall develop this Policy and recommend its adoption to the Board of Governors.

2.8 The Investment Committee shall provide periodic reports including advice of any changes to Investment Managers or service providers and deliver an annual report on the assets and performance of the Fund to the Board of Governors.

2.9 The Investment Committee shall select and retain one or more competent external professional Investment Managers of Pooled Funds, Segregated Portfolios, or short-term deposits for the Fund.

The terms of each Investment Manager appointment shall be contained in an Investment Mandate approved by the Committee. The Committee shall alter its selection of Managers and amend the Mandates from time to time as it deems to be in the best interest of the Fund.

The Committee shall ensure at all times that there are no conflict of interest issues in connection with such appointments.

2.10 To the extent the Fund invests in Pooled Funds, each Investment Manager shall provide a copy of its investment policy for a specific Pooled Fund and notification of amendments to the investment policies of the Pooled Funds, as made from time to time, and these shall be deemed to be incorporated in the respective Manager Mandate.

2.11 The Investment Committee shall meet as required with each Investment Manager to review its firm, investment strategy, portfolio and performance as well as any other significant issues.

2.12 The Investment Committee shall appoint one or more Custodians for all or part of the Fund assets. Any appointed Custodian shall be a trust company registered in Canada. All investments and assets of the Fund shall be held by a Custodian. The Committee shall further retain the services of any independent experts and various agents as may be required for the care and administration of the Fund.

Administration

2.13 The Administration of the University is responsible for directing the allocation of Fund assets including contributions to and distributions from the Fund.

2.14 Administration shall deliver monthly reports on Fund assets and performance of the Fund and its Investment Managers to the Committee.

2.15 Administration shall conduct Investment Manager searches, due diligence studies and oversight meetings with Managers as required and provide recommendations to the Committee

2.16 Administration shall develop the Investment Mandates in accordance with the Fund's investment strategy and any relevant changes in the external environment or best practices and recommend approval to the Committee.

2.17 Administration shall communicate general guidelines for voting to each Investment Manager of an actively-managed Segregated Portfolio of equities.

2.18 Administration shall review the compliance of each Manager to the Investment Mandate and report any issues to the Committee.

2.19 Administration shall ensure that the Fund is managed in accordance with the Policy and compliant with applicable legislation and regulatory requirements.

2.20 Administration shall ensure that all investments in the Fund are recorded in the financial records as subject to the annual audit by the University's independent auditors.

SECTION III – Investment Strategy

3.1 The investment strategy expressed in the Asset Mix Policy takes into consideration certain investment factors and principles, described in this section, with the goal of generating a target return and level of risk that support the Fund's ability to meet its obligations.

Diversification

3.2 Diversification of investment exposures increases long-term risk-adjusted return potential. The characteristics of different asset classes combined in target proportions increase the probability of achieving target return and risk suitable to the Fund obligations.

3.3 Diversification reduces exposure to specific investment risks, among these: equity risk, interest rate risk, credit risk, inflation risk, liquidity risk, single issuer risk, and manager risk.

3.4 Equity returns are expected to exceed fixed income returns over the long term. Return objectives are tempered for risk, however, as excessive volatility of equity returns can negatively impact the Fund's ability to match obligations.

3.5 Fixed income provides term and credit diversification, reduces Fund volatility and enhances Fund liquidity.

3.6 Real Assets provide diversification in respect of Equities and Fixed Income and a hedge against inflation.

3.7 Using skilled active management can provide superior returns or decrease the risk of the Fund, or both, relative to a market-oriented benchmark.

Liquidity

3.8 Liquidity is required to enable the Fund to meet its obligation of annual distributions to endowed accounts adjusted for inflation. The Fund is managed to permit sufficient liquidity to generate cash for distribution, contain costs, and periodically realign asset class weights to Policy weights within the current context of the Fund's net annual outflows.

3.9 Liquidity requirements in a long-term strategy are sustained by diversified holdings in publicly-traded securities. Illiquid strategies and securities tend to constrain access to liquidity and add to the opportunity and transaction costs associated with raising cash.

Responsible Investing

3.10 The consideration and integration of environmental, social, and governance (ESG) risk factors in the investment selection and evaluation processes are practices deemed consistent with the investment objective of the Fund of providing endowed account beneficiaries with sustainable payout over the short and long terms.

3.11 The management of security-level exposure to ESG factors, which may have a material impact on the financial return of an investment, is an element of security selection performed by the individual Investment Managers for each of the Pooled Funds and Segregated Portfolios. The Investment Committee integrates ESG in its manager selection process and seeks to hire Investment Managers with a fundamental style toward security selection that consider ESG factors in their research and selection. This client-manager alignment gives weight to the process of engagement that occurs between Investment Managers and corporate managements where dialogues on specific ESG risks and their impact on investment value are conducted.

SECTION IV – Asset Mix Policy

Asset-Liability Studies

4.1 The target asset mix is developed in asset-liability studies that take into consideration the Fund's long-term investment horizon, annual obligations to beneficiaries, ability to manage risk, liquidity constraints and administrative capacity.

Introduction of Real Assets

4.2 The Real Assets sub-asset class of Real Estate was introduced and approved by the Board of Governors in April 2014. A phase-in period for developing the target Real Estate exposures is normal for the characteristics of this class.

Target Asset Mix Policy

4.3 The long-term Target Asset Mix Policy effective as of December 31, 2014 is shown in the table below.

ASSET CLASS	MIN. Weight	TARGET	MAX. Weight
Canadian Equity	5%	**10%**	15%
US Small-Mid Cap Equity	15%	**20%**	25%
Global Equity	15%	**20%**	25%
Emerging Markets Equity	5%	**10%**	15%
TOTAL EQUITIES	55%	**60%**	70%
Canadian Real Estate	0%	**6%**	11%
Global Real Estate	0%	**4%**	9%
TOTAL REAL ASSETS	0%	**10%**	15%
Canadian Universe Bonds	5%	**10%**	15%
Canadian Short Term Bonds	5%	**10%**	15%
Global High Yield Bonds	5%	**10%**	15%
Cash and Equivalents	0%	**0%**	10%
TOTAL FIXED INCOME	25%	**30%**	35%
TOTAL FUND		**100%**	

Asset Class Ranges

4.4 Ranges are approved for normal degrees of variance from Target of asset class weights. The range that each asset class weight is permitted to vary within is +/- 5% of its Target Weight.

4.5 Real Assets, due to a necessary phase-in, will cause aggregate weights in the Equities classes to vary above Target Weight. The approved temporary variance above Target for aggregated equity classes is to a maximum of 15% during the phase-in period.

4.6 Cash and Equivalents are held at low levels in the Fund. Cash levels held in portfolios are at the discretion of each Investment Manager and in accordance with each Manager Mandate. For the purpose of monitoring and measuring, cash in portfolios is deemed to be included in that Manager's asset class.

4.7 Rebalancing of Fund asset weights will be conducted periodically in response to cashflows, or when actual asset mix weights deviate outside the normal ranges. Reallocation among portfolios will be conducted to bring the asset class weights back within Policy ranges.

Currency Hedging

4.5 The impact on returns and risk due to currency exchange rate volatility can provide diversification or negatively accentuate risk depending on each type of asset class holding the foreign-denominated exposures. To manage desirable and undesirable currency risk, the following Policy parameters for currency hedging to the Canadian dollar shall be applied to foreign-denominated exposures, on a passive basis:

Asset Class	Passive Hedge Ratio
Equities	0%
Real Assets	50%
Fixed Income	100%

SECTION V – Portfolio Diversification and Constraints

5.1 The Fund assets shall at all times be prudently invested in a diversified manner in accordance with the Policy. The Committee shall ensure that the diversification requirements in the Policy and each of the Manager Mandates, in combination with the amount of assets allocated to each Manager of a Segregated Portfolio or Pooled Fund, are consistent with the limits in this section.

5.2 In no case shall the Fund own more than 10% of any class of the securities of a corporation.

5.3 In no case shall the Fund have more than 10% of its total investments invested in the securities of any one corporation, government, or trust, other than in the governments of G7 nations.

5.4 In respect of the Equities held for the Fund:

(a) All holdings shall be listed on a public exchange or be convertible or exchangeable into such securities.
(b) Holdings shall be diversified by company, region, industry, currency and country; however, consideration may be given to the relative sizes of economic activity and stock markets capitalization.

5.5 In respect of the Fixed Income held for the Fund:

(a) All holdings in corporate Fixed Income shall be diversified by company, region, industry and country; however, consideration may be given to the relative size of the opportunity set in different countries.

5.6 In respect of the Real Assets held for the Fund:

(a) No direct holdings in real assets are permitted.
(b) All holdings in Real Assets shall be diversified by industry, company, region and country; however, due to the illiquid nature of these assets, time may be required to develop diversification.

5.7 In respect of Cash and Equivalents held for the Fund:

(a) All Cash and Equivalents holdings shall be in accordance with the Policy and any Pooled Fund policy that has been specifically considered and approved for inclusion in a Manager Mandate.
(b) Cash and Equivalents and deposits with banks or trust companies must be rated "A", or better, or be held with institutions that have a long-term rating of "A", or better.

5.8 In respect of Derivatives employed for the Fund:

(a) All use of Derivatives shall be in accordance with the Policy and any Pooled Fund policy that has been specifically considered and approved for inclusion in a Manager Mandate.

(b) Derivatives may be used only to:

1. Create an asset mix position within ranges and among the asset classes set out in the Policy;
2. Replicate the investment performance of a recognized capital market index or the impact of changes in interest rates;
3. Create an exposure to securities that are otherwise permitted under this Policy;
4. Manage the currency exposure of foreign-denominated holdings; or
5. Reduce risk as part of a hedging strategy.

5.9 The Fund may lend its securities through the Custodian, subject to applicable legislation and providing that minimum collateral of 105% of the market value of the loaned securities, marked to market daily, is maintained at all times in cash or high quality, liquid securities.

5.10 Any endowed gifts to the University of securities will be sold as soon as practicable upon receipt.

SECTION VI – Return Expectations

Performance Objective

6.1 The Fund performance objective is to produce a moving four-year annualized rate of return, net of investment fees, that meets or exceeds the four-year annualized rate of return of the Fund Benchmark for the same period.

Fund Benchmark

6.2 The Fund Benchmark is a composite of market indices. Each market index shall be chosen for being the most effective broad representation of its Policy asset class, as gauged by its investable universe, return characteristics and risk profile.

6.3 The composite Fund Benchmark excludes the impact of currency hedging. For the purpose of reporting and measuring relative performance of the Fund including the effects of currency hedging, the monthly return from passive hedges held for the Fund shall be additive both to total Fund performance and to total Benchmark performance.

6.4 The following Benchmark is effective as from January 1, 2015. The Benchmark return shall be calculated to assume monthly rebalancing and is expressed in Canadian dollar terms.

Asset Class	Benchmark Index	Weight
Canadian Equity	S&P/TSX Composite	10%
US Small/Mid Cap Equity	Russell 2500	20%
Global Equity	MSCI World, net dividends	20%
Emerging Markets Equity	MSCI Emerging Markets	10%
Canadian Universe Bonds	FTSE TMX Universe Bond	10%
Canadian Short Term Bonds	FTSE TMX Short Term Bond	10%
Global High Yield Bonds	Citigroup High Yield Market Capped	10%
Global Real Estate	FTSE TMX Universe Bond + 2%	10%
		100%

6.5 The market indices prescribed for the Fund Benchmark above are chosen for their representative characteristics. The Benchmark indices established in each approved Manager Mandate may vary.

The indices above may be amended by the Committee from time to time, as necessary; such amendments will be reflected in the next revision of the Policy.

6.6 During the phase-in period for the Real Estate asset class, the Benchmark weight will be held at 0% or 5%, whichever is closer to the Fund exposure, until the exposure has been fully developed to at or near 10%, at which time the 10% Benchmark weight shall apply. The offset weight during the phase-in period will be applied to equity classes.

6.7 The Fund's historical record of performance shall be reported and compared to a linked series of distinct composite benchmarks as specified in successive Board of Governors approved versions of the Policy and as verifiable to the documents and minutes of the meetings of the Investment Committee.

SECTION VII – Valuation of Investments

7.1 Investments in marketable securities held in Segregated Portfolios shall be valued by the Custodian no less frequently than daily at their local and base market value at that time.

7.2 Investments in Pooled Funds holding publicly-traded securities shall be valued according to the unit values published by the Managers. The Custodian shall be responsible for requesting and recording the unit values on a timely basis.

7.3 If a market valuation of any investment is not readily available, an estimate of fair value shall be supplied by the Investment Manager to the Custodian no less frequently than quarterly. Such fair value may be determined by reference to the most recent independent appraisal or by other means such as discounted cash flow or comparison with similar assets which are publicly traded. In all cases, the methodology shall be applied consistently over time.

SECTION VIII – Voting Rights

8.1 The responsibility of exercising and directing voting rights acquired through the Fund's holdings in securities shall normally be delegated to the Investment Manager, who shall be required at all times to act prudently and in the best interest of the Fund.

8.2 The Investment Managers shall maintain a record of how the Fund's voting rights were exercised and provide a copy of such record to Administration at least annually.

8.3 The Committee reserves the right to direct the voting decision of an Investment Manager if in its view such action is in the best interests of the Fund.

8.4 The above constraints and voting rights may not be directly enforceable to the extent that Fund assets are held in Pooled Funds. Nonetheless, the Investment Manager of a Pooled Fund shall be required to act prudently and in the interests of its investors and shall be required to provide a copy of the Pooled Fund's voting rights policy to Administration.

SECTION IX – Monitoring

Investment Managers Monitoring

9.1 For monitoring and assessing the case for retention of each Investment Manager, the Committee shall consider:

(a) Each Investment Manager's performance in terms of returns and volatility;
(b) Changes in each Investment Manager's organizational structure;
(c) Changes in key personnel in the relevant investment team of each Investment Manager;
(d) Consistency of each Investment Manager's investment strategy and style;
(e) Regulatory issues that may affect each Investment Manager;
(f) Compliance of each Investment Manager to the Policy and respective Manager Mandate;
(g) Quality of service provided by each Investment Manager;
(h) Success of each Investment Manager toward achieving the value added and risk objectives of each Investment Mandate; and

(i) Suitability of each Investment Manager toward meeting the objectives of the Fund and the respective Investment Mandate.

Fund Performance Monitoring

9.1 The Committee shall, at least annually, review an analysis of Fund and asset class performance, to include comparison of Fund return and risk metrics to:

(a) Performance of the Fund composite Benchmark; and
(b) Relevant measures of risk.

Policy Implementation Monitoring

9.3 The implementation of the Policy shall be reviewed over the normal course of the four-year measurement period in line with the performance objective. Such review shall consider inputs from the Fund's investment consultant, including advice, asset-liability studies and ongoing manager monitoring, as well as the evidences from similar funds of results and best practices. The following are subject to assessment by the Committee, in the context of Fund obligations, risk tolerance and liquidity requirements:

(a) Effectiveness of the implementation of the Investment Strategy and Asset Mix Policy;
(b) Appropriateness of the Fund Benchmark;
(c) Appropriateness of currency hedging given the Fund's foreign-denominated holdings and asset class exposures;
(d) Suitability of the Investment Manager structure; and
(e) Cost-effectiveness of the implementation.

SECTION X – Policy Review

The Policy shall be reviewed and affirmed or amended at least annually.

Approved by the Investment Committee: December 7, 2015
Approved by the Board of Governors: December __, 2015