

# BOARD OF GOVERNORS

The material contained in this document is the Agenda for the next meeting of the Board of Governors.

**Tuesday, June 27, 2017**

**Alan A. Borger Sr. Executive Conference Room  
E1-270 Engineering Information and Technology Complex  
4:00 p.m.**

## OPEN SESSION

Please call regrets to: 474-6165 no later than 9:00 a.m. the day of the meeting.

---

**OFFICE OF THE UNIVERSITY SECRETARY**



UNIVERSITY  
OF MANITOBA

# **BOARD OF GOVERNORS OPEN SESSION**

Alan A. Borger Sr. Executive Conference Room (E1-270 EITC)

Tuesday, June 27, 2017

Page 1 of 2

	<b>AGENDA</b>	<b><u>Presenter</u></b>	<b><u>Page</u></b>	<b><u>Est. Time</u></b>
1.	<b>ANNOUNCEMENTS</b>	Chair		4:00 p.m.
	<b><u>FOR ACTION</u></b>			
2.	<b>APPROVAL OF THE AGENDA</b>	Chair	2	4:05 p.m.
3.	<b>MINUTES (Open Session)</b>			
3.1	<a href="#">Approval of the Minutes of the May 23, 2017 OPEN Session as circulated or amended</a>	Chair	4	4:05 p.m.
3.2	<a href="#">Business Arising – Tuition Fees</a>	Chair	12	4:05 p.m.
4.	<b>UNANIMOUS CONSENT AGENDA</b>	Chair		4:10 p.m.
	<i>If any member of the Board wants to ask a question, discuss or oppose an item that is marked for the consent agenda, the member can have an item removed from the consent agenda by contacting the Secretary of the Board prior to the meeting or by asking that it be removed before the Chair calls for a mover and seconder for the motion to approve or receive for information, by unanimous consent, the items listed.</i>			
	<b><u>4.1 From Senate for Approval</u></b>			
4.1.1	<a href="#">Report of the Senate Committee on Awards Part A [dated April 4, 2017]</a>	President	15	(consent)
4.1.2	<a href="#">Report of the Senate Committee on Awards Part B [dated April 4, 2017]</a>	President	37	(consent)
5.	<b>FROM AUDIT &amp; RISK MANAGEMENT</b>			
5.1	Annual Financial Report 2016			
5.1.1	<a href="#">Presentation of the Financial Statements</a>	K. Osiowy	47	4:15 p.m.
5.2	<a href="#">Amendment to the Terms of Reference of the Audit and Risk Management Committee</a>	K. Osiowy	104	5:00 p.m.
6.	<b>FROM FINANCE, ADMINISTRATION, &amp; HUMAN RESOURCES</b>			
6.1	<a href="#">U-Pass Fee Increase</a>	K. Lee	110	5:05 p.m.
6.2	<a href="#">UMSU Health and Dental Plan</a>	K. Lee	113	5:15 p.m.
6.3	<a href="#">Amendments to UM PP (1986) Governance Document</a>	K. Lee	122	5:25 p.m.
6.4	<a href="#">Amendments to UM GFT PP (1993) Governance Document</a>	K. Lee	170	5:30 p.m.

# **BOARD OF GOVERNORS OPEN SESSION**

Alan A. Borger Sr. Executive Conference Room (E1-270 EITC)

Tuesday, June 27, 2017

Page 2 of 2

## **AGENDA**

**Presenter**

**Page**

**Est. Time**

### **FOR DISCUSSION/ADVICE**

#### **7. FROM SENATE**

- |     |  |           |     |           |
|-----|--|-----------|-----|-----------|
| 7.1 | <a href="#">Suspension of Admissions to the Integrated Bachelor of Music/Bachelor of Education Degree</a>  | President | 219 | 5:35 p.m. |
| 7.2 | <a href="#">Extend Suspension of Admissions to Undergraduate (B.Sc. in Textile Sciences, P.B.Dip. in Agrology) and Graduate (Ph.D.) in Cancer Control, M.Sc. in Family Social Sciences, M.A. in Icelandic, M.Sc. in Textile Sciences) Programs</a> | President | 222 | 5:40 p.m. |

### **FOR INFORMATION**

- |    |   |           |     |           |
|----|---|-----------|-----|-----------|
| 8. | <a href="#">Report from the President</a> | President | 231 | 5:45 p.m. |
|----|---|-----------|-----|-----------|

### **MOTION TO MOVE TO CLOSED AND CONFIDENTIAL SESSION**



UNIVERSITY  
OF MANITOBA

**Minutes of the  
OPEN Session of the Board of Governors  
May 23, 2017**

---

Present: R. Zegalski, Chair  
J. Leclerc, Secretary

J. Anderson D. Barnard J. Beddoes S. Connelly S. Demmings R. Khatkar  
A. Kilgour K. Lee J. Linden J. MacKenzie H. Maxted R. Mohammed  
M. Mollot T. Nagra C. Neumann K. Osiowy H. Selter

Regrets: L. Hyde J. Lieberman K. Mirecki M. Silicz J. Taylor

Assessors Present: T. Kucera B. Stone

Officials Present: D. Collins S. Foster T. Hay D. Jayas J. Kearsey  
J. Keselman J. Ristock K. Sobie

Guests: J. Danakas

1. **ANNOUNCEMENTS**

The Chair welcomed Carl Neumann, President of the GSA and Allison Kilgour, Vice-President (Advocacy) of UMSU, to their first Board meeting. He added that this is the last meeting for Tommy Kucera, UMFA Assessor, and Barry Stone, Support Staff Assessor, and thanked them both for their service on the Board. He noted also that this is Dr. Keselman's last Board meeting and thanked her for her service to the University and the Board of Governors.

Dr. Barnard said that he appreciates Dr. Keselman's willingness to step into her current role as Interim Vice-President (Administration). He added that she has willingly served the University for many years with vast experience and commitment to the University.

Dr. Barnard informed the Board that the Senate Committee on Honorary Degrees approved his recommendation that the boardroom that will soon be established on the first floor of the Administration Building be named the Dr. Joanne C. Keselman Conference Room in recognition of her remarkable and long-standing contribution to the University. He added that Dr. Keselman spent 23 years of her career in the Administration Building, as Associate Vice-President (Research), Vice-President (Research), Provost and Vice-President (Academic), and for the last number of months Interim Vice-President (Administration).

## **FOR ACTION**

### **2. APPROVAL OF THE AGENDA**

It was moved by Ms. Connelly and seconded by Dr. Mollot:  
**THAT the agenda for the May 23, 2017 meeting be approved as circulated.**

**CARRIED**

### **3. MINUTES (Open) Session**

#### **3.1 Approval of the Minutes of the April 18, 2017 Open Session as circulated or amended**

It was moved by Mr. Osiowy and seconded by Ms. Nagra:  
**THAT the minutes of the April 18, 2017 Open session be approved as circulated.**

**CARRIED**

#### **3.2 Business Arising**

##### **3.2.1 Bryce W. Douglas Chair in Finance**

The Chair said that this matter was approved by the Board at the April 18 meeting. He explained that the Dean of the Asper School of Business has since advised that the name of the Chair was incorrect in the proposal to convert the Bryce Douglas Professorship in Corporate Finance to a Chair. He noted that, as indicated in the Dean's memo on page 11 of the meeting materials, the correct name is the "Bryce W. Douglas Chair in Finance." This note serves to correct the record.

### **4. FROM FINANCE, ADMINISTRATION, AND HUMAN RESOURCES**

#### **4.1 General Operating Budget for 2017-2018**

##### **4.1 Operating Budget**

Dr. Barnard said that the University is in a position to invest in some key areas largely due to the Voluntary Retirement Incentive Program and the wage pause imposed by the provincial government. He stated that these key areas are academic programs, the student experience, research competitiveness, infrastructure, and Indigenous achievement.

Dr. Keselman reviewed the recommended resolution on page 16 of the meeting materials. She reminded the Board that the presentation at the March 21, 2017 meeting of the Board was intended to set the stage for today's presentation of the budget and enhance understanding transparency of the budget development process and the University's financial situation. She said that Tom Hay, Comptroller, Kathleen Sobie, Executive Director of Financial Planning, and Janice Ristock, Provost and Vice-President (Academic) would present the budget. Dr.

Keselman noted that Dr. Ristock is responsible for developing the recommended strategic allocations.

Dr. Keselman briefly summarized the University of Manitoba Budget Framework Document, noting the following:

- Drafting of the annual University of Manitoba operating budget begins in the fall with the development of planning parameters by the Budget Monitoring and Planning Committee (BMPC) using the best information available at the time as well as assumptions based on historical trends.
- The BMPC monitors and tracks developments and use of the strategic allocations made in previous years, develops and refines revenue and expenditures projections, and aligns these findings with needs identified through the Strategic Resource Planning (SRP) and allocation process.
- the Provost recommends allocations to the President
- After consulting with the President's Budget Advisory Committee (BAC) the President brings a final budget proposal to the Board of Governors for consideration.

Dr. Keselman reviewed the main assumptions used in developing the planning parameters, which include:

- the level of the operating grant anticipated from the provincial government;
- allowable increases for tuition;
- projected enrolment levels;
- significant university-wide costs such as salary and benefit requirements as negotiated or projected for open contracts;
- utilities; and
- additional mandatory pension contributions.

Dr. Keselman stated that budgetary units had been advised in the fall of 2016 to plan for a potential 3% budget reduction for 2017/2018. She said that budgetary units were advised in January to plan for a 1% reduction based on revised projections of revenue and expenses. She explained that the parameters have evolved since that time, based on changing circumstance and new information, resulting in a revised recommendation of 0% baseline reductions to budgetary units in 2017/2018. Dr. Keselman noted that the changes are detailed on page 17 of the meeting materials and they include:

- Provincial Bill 28 mandates a 0% general salary increase;
- Confirmation that the University's operating grant increase will be 0%;
- Additional mandatory pension contributions are \$4 million lower than expected; and
- Ongoing funding requirements of \$0.8 million for group insurance benefit changes which were conditionally approved by the Board on March 21, 2017.

Ms. Sobie provided an overview of operating funds available, as detailed on pages 18 and 26. She explained that baseline funding represents anticipated ongoing funding provided for continuing commitments such as salaries; and fiscal-only funding represents one-time funding

which provides a one-time cash allocation to the receiving unit. She noted that total available baseline funding is \$15,668,700 and after first claims of \$7,680,000 are deducted there is \$7,988,700 available for strategic allocation. She added that the total available fiscal-only funding is \$29,211,500, and noted that after first claims of \$3,800,000 are deducted there is \$25,411,500 remaining in fiscal-only funding available for strategic allocations.

Ms. Sobie stated that the total available funding is derived from increased revenues from tuition fees and investment income, and from budget reallocations, where existing funds not currently earmarked for a specific purpose are repurposed or realigned. She said that there are a number of significant sources contributing to the \$15,668,700 in total available baseline funds, including:

- Academic Position Management Process (APMP) of \$2.1 million;
- Additional mandatory pension contribution overestimated by \$3.6 million;
- Salary reserves of \$3.4 million no longer needed for salary increases due to Bill 28;
- Central operating reserve of \$3.1 million that had been held in contingency funds, and
- Utilities budget reduced by \$2.5 million.

Ms. Sobie said that the total available funds are \$15,668,700.00 with \$7.68 million being for strategic allocation. She said that there are a number of significant sources contributing to the \$29,211,500 in total available fiscal-only funds, including:

- Estimated royalties from the International College of Manitoba of \$3.5 million for 2017/2018 and \$3.1 million for 2016 that had been deferred to 2017-2018.
- International differential fee increase for 2017/2018 of \$1.9 million and revenue from 2014 to 2017 that had been held in operating reserve amounting to \$14.6 million.
- Institutional costs of research of \$1.3 million
- Budget-only allocations of \$4.8 million, representing unspent operating funds from 2016/2017

Dr. Keselman noted that a detailed list of budget allocations is provided in Attachment 3 on page 27. She said that the allocations reflect the University's principles and priorities of balancing investments in the academic mission and in the support functions and infrastructure and of advancing the University's mission of learning, discovery and engagement as reflected in the pillars of the University's strategic plan.

Dr. Ristock stated that she had heard throughout the feedback process of the ways that units have dealt with years of financial constraints, noting that vacancy management was one of the strategies used at the unit level. She added that there has some take-up of the voluntary retirement incentive program though participation varies across units leaving some units disproportionately affected. She added that some units have found it difficult to sustain academic programs with the resulting reduction in staffing complement.

Mr. Hay reviewed Attachment 4, which details the University's proposed General Operating Fund Budget for 2017/2018. He noted that the first page of the attachment shows General Funds, which include the General Operating Fund and the Specific Provisions Fund. He added

that this page also reflects the planning parameters, the allocations mentioned above, and, for comparative purposes, projections for 2016/2017 and actual results for 2015/2016. Mr. Hay explained that the General Operating Fund budget is consistent with historical results, however total expenses in 2017/2018 are budgeted to be higher mainly due to large strategic allocations to academic and administrative units.

Mr. Hay reviewed the Restricted and Endowment Funds, which include the Research and Special Fund, the Capital Fund, the Staff Benefits Fund, the Trust Fund and the Endowment fund. He added that the financial plan for Restricted and Endowment funds is subject to inherent variations, however it is anticipated that donation revenue will increase due to momentum in the Front and Centre campaign, the net investment income will return to historical norms. He said that the Capital Fund will increase this year as a result of revenue from the Government of Canada and Other Province of Manitoba Revenues in support for the Churchill Marine Observatory, the Stanley Pauley Engineering Building, and the Smartpark Innovation Hub.

It was moved by Dr. Barnard and seconded by Dr. Beddoes:

**THAT the Board of Governors approve:**

- **A tuition fee increase of 1.3% effective regular session 2017;**
- **A balanced General Operating Fund budget for the year ending March 31, 2018 based on revenues of \$648,143,829. Expenditures of \$597,871,972, and net fund transfers of \$50,271,857; and**
- **Financial plans for Restricted and Endowment Funds with revenue of \$318,153,752 for the year ending March 31, 2018.**

Referring to Attachment 3, Mr. Osiowy asked how the total strategic allocations of approximately \$33 million compare to what was allocated in the previous year. Dr. Keselman said that the fiscal-only allocations are very similar to last year, however, the baseline allocations are much higher. She said that last year the allocation was \$3.8 million and it is just under \$8 million this year.

Ms. Lee remarked that the total estimate of deferred maintenance is approximately \$300 million yet the proposed allocation for this year is only \$8,000,000 and asked how projects are chosen. Dr. Keselman said that the University is able to address only the most critical infrastructure projects each year. She added that the University also receives a capital allocation from the Province, however it cannot cover the large amount of deferred maintenance required. She said that the University is slowly working on addressing this issue.

Dr. Kucera commented that he had not expected a positive budget so he was pleased to note the emphasis on faculty and support staff renewal. Dr. Keselman noted that this year's allocations are double what was allocated in this area last year. Dr. Kucera noted that renewal and issues around workload have been of great concern to UMFA and said that these investments will be a very positive move in an otherwise dismal financial environment.

**THE MOTION WAS CARRIED.**



Mr. Mohammed asked what principles are provided to units when they are requested to budget for reductions in funding. Dr. Keselman responded, noting that letters are sent to Deans with some parameters for budget planning with emphasis on the University's strategic priorities. She added that there are also meetings with the deans to review their budget submissions and discuss the impact of any budget reductions and how they plan to strategic objectives.

Dr. Barnard observed that it is significant that the budget shows a great deal of forward motion in the desired direction and at the end of the year the adjustments are relatively minor on a broad scale.

#### 4.2 Student Referenda

Mr. Kearsey explained that student referenda were initiated in 1987 by an engineering student who wanted to provide more student support to the University. He added that since the program began, approximately \$50 million has been contributed to the University through this program. He said that this programs helps to advance a culture of philanthropy. He added that in the past year the GSA and UMSU students had together contributed more than \$16 million to the Front and Centre Campaign.

It was moved by Ms. Nagra and seconded by Dr. Mollot:

**THAT the Board of Governors approve the following contributions be assessed against students beginning in the fall of 2017:**

<u>Unit</u>	<u>Contribution</u>	<u>Term</u>	<u>Requested by</u>
<b>Agricultural and Food Sciences (degree students)</b>	<b>\$4.40/credit hour</b>	<b>4 years</b>	<b>Dean Wittenberg</b>
<b>Agricultural and Food Sciences (diploma students)</b>	<b>\$2.87/credit hour</b>	<b>4 years</b>	<b>Dean Wittenberg</b>
<b>Education</b>	<b>\$3.70/credit hour</b>	<b>3 years</b>	<b>Dean Mandzuk</b>
<b>Engineering (all students)</b>	<b>\$3.50/credit hour</b>	<b>3 years</b>	<b>Dean Beddoes</b>
<b>Engineering (full time students)</b>	<b>\$37.50/term</b>	<b>3 years</b>	<b>Dean Beddoes</b>
<b>Medicine</b>	<b>\$50.00/term</b>	<b>4 years</b>	<b>Dean Post/</b>
<b>Music</b>	<b>\$2.00/credit hour</b>	<b>1 year</b>	<b>Dean Dawe</b>
<b>Pharmacy</b>	<b>\$80.00/term</b>	<b>2 years</b>	<b>Interim Dean Gu</b>
<b>Occupational Therapy</b>	<b>\$125.00/term</b>	<b>3 years</b>	<b>Dean Urbanowski</b>
<b>Physical Therapy</b>	<b>\$125.00/term</b>	<b>3 years</b>	<b>Dean Urbanowski</b>
<b>Respiratory Therapy</b>	<b>\$175.00/term</b>	<b>3 years</b>	<b>Dean Urbanowski</b>
<b>Science</b>	<b>\$7.00/credit hour</b>	<b>2 years</b>	<b>Dean Baum</b>
<b>Social Work</b>	<b>\$1.66/credit hour</b>	<b>3 years</b>	<b>Dean Mulvale</b>

**CARRIED**

#### 4.3 Residence Room and Meal Plan Rates

Mr. Hay explained that this is an annual submission requesting Board of Governors approval of the rates for residence students for the coming year. He noted that the submission had been prepared by Barry Stone, Director of Student Residences. Mr. Hay explained that the University has four residences; two of which were built in 1963, one, the Arthur V. Mauro Residence was built in 2003, and the Pembina Hall Residence was built in 2011. He added that the residences run at full capacity and typically have a waiting list of 300 students.

Mr. Hay explained that it is a challenge is to maintain financial viability due to the debt incurred to build the new residences and the amount of maintenance required on the older buildings. He noted that approval is being sought for a 5% increase for residence rates and an increase in meal plan rates of 3% for Mary Speechly Hall and Pembina Hall, and a 2% increase to the University College Food Bucks plan.

It was moved by Dr. Beddoes and seconded by Chancellor Sector:

**THAT the Board of Governors approve:**

**a) Residence Room rates (per term) for 2017/18 of:**

Pembina Hall Residence: \$3,573

Arthur Mauro Residence: \$3,821

Mary Speechly Hall Residence: \$2,729 (single); \$1,743 (double)

University College Residence: \$2,779 (single); \$1,776 (double)

Extended Stay Fee (holiday break) - \$105

**b) Meal plan rates (per term) for 2017-18 of:**

10 Meals per Week plus \$250 FoodBucks: \$2,475

15 Meals per Week plus \$250 FoodBucks: \$2,665

7-Day Unlimited plus \$100 FoodBucks: \$2,745

UC FoodBucks Plan: \$1,500 FoodBucks

UC Flex Plan (\$750 FoodBucks plus 100 meals at Fresh Food Company): \$1,910

**CARRIED**

Mr. Demmings asked if a review had been done of accommodations available around the University as it seems that demand is high and the vacancy rate is low. Mr. Hay explained that the goal is to be able to address the need for more facilities and the five-year plan of gradual increases will make it possible to look at a strategy about how to address this.

#### 5. FROM SENATE

##### 5.1 Proposal to Establish a Pharm.D. Program

Dr. Barnard commented that he had nothing to add as the proposal was self-explanatory and straightforward.

Dr. Mollot asked if the first class would be in 2019 and if current pharmacists will need to upgrade to the Pharm.D. Dr. Collins said that there would be no need to upgrade though there may be some pharmacists who wish to do so. He added that the College of Pharmacy may look at developing an upgrade program in a few years.

It was moved by Dr. Barnard and seconded by Ms. Nagra:

**THAT the Board of Governors approve a proposal for a Doctor of Pharmacy (Pharm.D) degree, College of Pharmacy, Rady Faculty of Health Sciences [as recommended by Senate, May 17, 2017].**

**CARRIED**

**FOR INFORMATION**

6. Report from the President

Dr. Barnard said that the first of the Convocation ceremonies had been held for the Agriculture Diploma graduates and then the Convocation ceremony in Medicine, which was the for the first graduating class of the newly named Rady Faculty of Health Sciences and the Max Rady College of Medicine. He added that Her Excellency Sharon Johnston, the honorary degree recipient at the ceremony, delivered a lively address that was well-received by the graduating students.

**MOTION TO MOVE TO CLOSED AND CONFIDENTIAL**

It was moved by Mr. Osjowy and seconded by Dr. Anderson:

**THAT the meeting move into Closed and Confidential Session.**

**CARRIED**

---

Chair

---

University Secretary



**AGENDA ITEM:** *Adjustments to fees -Addendum to the General Operating Fund Budget for 2017-2018*

**RECOMMENDED RESOLUTION:**

That the Board of Governors approve:

- an increase of 1.3% to all institution-wide or general course-related fees effective the Fall 2017 term, with the exception of a proposed increase to the Student Services fee.
- an increase of the Student Services fee from \$35.06 to \$41.36. The additional revenue received as a result of the proposed increase would be applied towards ongoing support for the new UM degree audit system, an advising tool used by both UM students and advisors. This fee is assessed once a year to all students.

**Action Requested:**       Approval     Discussion/Advice     Information

**CONTEXT AND BACKGROUND:**

In presenting the 2017-2018 operating budget to the Board of Governors in May, 2017, the general increase to tuition fees was included, but reference to an increase to other institution wide or general course-related fees was not included. These fees include the suite of student service fees (Registration, Library and Student Services Fees), the Technology Services Fee, the Sport and Recreation Fee, and general Laboratory Fees. All such fees are proposed to increase by 1.3 percent, the same amount that tuition fees were increased.

It is also recommended that the Student Services Fee be increased from \$35.06 per year to \$41.36, with the funds to support the UM degree audit system. The University has consulted the Province on this proposed increase and the province has indicated its support.

In future years, recommendations on course-related fees that require Board approval will be included in the budget submission.

**RESOURCE REQUIREMENTS:**

The proposed increases to these fees are consistent with the general tuition fee increase and will help ensure that the University achieves a balanced operating budget in 2017-2018.

**CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

The revenue generated by these fees supports the implementation of the planning framework by providing an enhanced student experience and supporting the learning environment at the University.

[Empty rectangular box]

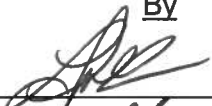

**CONSULTATION:**

This proposal was developed by the Tuition Fees Coordination Committee, and consultation occurred with members of the Provost's Office, Student Affairs, the Financial Planning Office and the Post Secondary Education and Workforce Development Division of the Province.



### Board of Governors Submission

**Routing to the Board of Governors:**

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		June 20, 2017
<input type="checkbox"/>	<input checked="" type="checkbox"/>		June 20, 2017
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		

**Submission prepared by:** \_\_\_\_\_

**Submission approved by:** *This must be the President, a Vice-President, or the University Secretary.*

**Attachments**

*Please list any related material attached. Ideally attachments for any given submission will not exceed ten (10) pages.*



**AGENDA ITEM:** Report of the Senate Committee on Awards – Part A  
[dated April 4, 2017]

**RECOMMENDED RESOLUTION:**

THAT the Board of Governors approve thirteen new offers, eighteen amended offers, and the withdrawal of three offers, as set out in Appendix A of the Report of the Senate Committee on Awards – Part A [dated April 4, 2017].

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

At its meeting on April 4, 2017, the Senate Committee on Awards approved thirteen new offers, eighteen amended offers, and the withdrawal of three offers, as set out in Appendix A of the Report of the Senate Committee on Awards – Part A [dated April 4, 2017].

**RESOURCE REQUIREMENTS:**

The awards will be funded from the sources identified in the Report.

**IMPLICATIONS:**

N/A

**ALTERNATIVES:**

N/A

**CONSULTATION:**

These award decisions meet the published guidelines for awards, as approved by Senate. They were reported to Senate for information on May 17, 2017.





## **REPORT OF THE SENATE COMMITTEE ON AWARDS – PART A**

### **Preamble**

Terms of reference for the Senate Committee on Awards include the following responsibility:

On behalf of Senate, to approve and inform Senate of all new offers and amended offers of awards that meet the published guidelines presented to Senate on November 3, 1999, and as thereafter amended by Senate. Where, in the opinion of the Committee, acceptance is recommended for new offers and amended offers which do not meet the published guidelines or which otherwise appear to be discriminatory under the policy on the *Non-Acceptance of Discriminatory Awards*, such offers shall be submitted to Senate for approval. (Senate, October 7, 2009)

### **Observations**

At its meeting of April 4, 2017 the Senate Committee on Awards approved 13 new offers, 18 amended offers, and the withdrawal of 3 awards, as set out in Appendix A of the *Report of the Senate Committee on Awards – Part A* (dated April 4, 2017).

### **Recommendations**

On behalf of Senate, the Senate Committee on Awards recommends that the Board of Governors approve 13 new offers, 18 amended offers, and the withdrawal of 3 awards as set out in Appendix A (dated April 4, 2017). These award decisions comply with the published guidelines of November 3, 1999, and are reported to Senate for information.

Respectfully submitted,

Dr. Phil Hultin  
Chair, Senate Committee on Awards

## SENATE COMMITTEE ON AWARDS

### Appendix A April 4, 2017

#### 1. NEW OFFERS

##### **Alex Tadman Bursary**

In memory of Alex Tadman (C.A./46, F.C.A./86), and in honour of his contributions to the profession of Chartered Accountants, May Tadman Tallman has established an endowment fund with an initial gift of \$100,000 at the University of Manitoba in 2017. The purpose of the fund is to provide bursaries to students in the I.H. Asper School of Business who are pursuing studies towards a B.Comm. (Hons.) in Accounting. Each year, beginning in the 2018 – 2019 academic year, the available annual income from the fund will be used to offer one or more bursaries to undergraduate students who:

- (1) are enrolled full-time (minimum 60% course load) in their second year of study or higher with a declared a major in Accounting in the B.Comm. (Hons.) program in the I.H. Asper School of Business;
- (2) have achieved a minimum degree grade point average of 2.0;
- (3) have demonstrated financial need on the standard University of Manitoba bursary application form.

The selection committee will have the discretion to determine the number and value of awards offered each year based on the available funds.

The Dean of the I.H. Asper School of Business (or designate) will name the selection committee for this award.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

##### **Bison Women's Hockey Scholarship**

Inspired by Uncle Davey Einarsson and his generosity in establishing the Women's Volleyball Award in 2006, his niece Carla Sharman (B.A.[Adv.]/83) and Bill Sharman (M.B.A./83), have established an endowment fund at the University of Manitoba with an initial gift of \$12,500 in 2017. The purpose of the scholarship is to recognize the academic excellence of Bison Women Hockey players. Beginning in the 2018 – 2019 academic year, the available annual income from the fund will be used to offer scholarships to undergraduate students who:

- (1) are eligible to compete in U Sports and are members of the Bison Women's Hockey team;
- (2) are enrolled full-time, as defined by U Sports, in any faculty, college, or school at the University of Manitoba;
- (3) have achieved either:
  - (a) as an entering student, a minimum average of 80% on those high school courses used for admission to the University; or
  - (b) a minimum degree grade point average of 2.0;
- (4) will be enrolled in a minimum of 9 credit hours in each of the terms of competition.

The selection committee will have the discretion to determine the number and value of awards offered each year based on the available funds.

The Director of Athletics and Recreation (or designate) will name the selection committee for this award, which will include the Head Coach of the Bison Women's Hockey team (or designate).

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

The terms of this award will be reviewed annually against the U Sports criteria governing "Athletic Financial Awards Policy" (also referred to as "Athletics Scholarships Policy"), currently numbered C50.10 in the U Sports Operations Manual.

### **Canadian Institute of Food Science and Technology Graduate Travel Award**

In 2016, the Board of the Canadian Institute of Food Science and Technology (CIFST) Scholarship Trust decided to bring its operations to a conclusion, and in doing so established graduate awards at nine Canadian universities to support graduate students studying in food science programs. With a gift of just over \$25,000, an endowment fund was established at the University of Manitoba to recognize graduate students travelling to present their work at major events. Each year, beginning in 2018-2019, the available annual income from the fund will be used to offer one or more travel awards to graduate students who:

- (1) are enrolled full-time in the Faculty of Graduate Studies in a graduate program delivered by the Department of Food Science in the Faculty of Agricultural and Food Sciences, or in a discipline closely related to Food Science\*;
- (2) have achieved a minimum grade point average of 3.5 based on the previous 60 credit hours (or equivalent) of study;
- (3) have been accepted to present either an oral or poster presentation at one of the following events:
  - (a) International Union of Food Science and Technology World Congress of Food Science and Technology,
  - (b) Canadian Institute of Food Science & Technology National Conference, or
  - (c) Institute of Food Technologists annual meeting.

\* Students in departments outside of Food Science (including but not limited to Human Nutritional Sciences) are eligible to apply, provided that the research program is one that is an area of classic food science, or their supervisor is a member of CIFST.

Applications are available from the Department of Food Sciences and must be submitted by the advertised deadline.

Award selection will be based on the following (in order of importance):

- (i) academic performance;
- (ii) comments from letters of recommendation;
- (iii) the quality of the abstract submitted and proposed research results to be presented;
- (iv) the potential value of the meeting to the student's development.

Recipients will submit receipts for travel, registration, hotel and food expenses (based on current University of Manitoba *per diem* rates). Expenses will be reimbursed up to the value of the award offered. Funding must be used within the 12-month period following the date of the award offer. Recipients

graduating within the 12-month period following the date of the award offer must use the funding no later than six months from the date of convocation.

The selection committee will have the discretion to determine the number and value of awards offered each year based on the available funding and number of eligible students. If there are no suitable candidates in any given year, the award may be offered to students who otherwise meet criteria (1) and (2) and who will be attending, but not presenting at, either of the events listed as (a) or (c) in criterion (3) above.

The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Head of the Department of Food Science (or designate) to convene the selection committee for this award.

The Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **Chinese Members Chapter of Engineers Geoscientists Manitoba Scholarship**

The Chinese Members Chapter of Engineers Geoscientists Manitoba has established an annually funded entrance scholarship for students entering the Faculty of Engineering. The purpose of the scholarship is to recognize the academic excellence of International students entering the faculty directly from high school. Each year, beginning in 2017-2018 and ending in the 2021-2022 academic year, one scholarship valued at \$500 will be offered to an undergraduate student who:

- (1) is an International student;
- (2) is admitted to the Faculty of Engineering, via the Direct Entry Program Option;
- (3) will be enrolled full-time (minimum 80% course load) in the first year of study in the Faculty of Engineering;
- (4) has achieved the highest admission average (minimum 85%), based on Pre-Calculus Mathematics 40S, Physics 40S, and Chemistry 40S (or their equivalents).

The selection committee will be the Scholarships, Bursaries, and Awards Committee of the Faculty of Engineering.

The donor will notify the Financial Aid and Awards office by March 31 in any year this award is not to be offered.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **Desautels Faculty of Music Annual Scholarship Fund**

Through the generosity of alumni and friends, the Desautels Faculty of Music has established the Desautels Faculty of Music Annual Scholarship Fund at the University of Manitoba in 2017. The purpose of the fund is to reward the academic achievements of students pursuing studies in the Desautels Faculty of Music. Beginning in the 2017 – 2018 academic year, the fund will be used to offer annual scholarships to undergraduate students who:

- (1) are enrolled full-time (minimum 80% course load) in any year of study in the Desautels Faculty of Music at the University of Manitoba;

- (2) have achieved a minimum degree grade point average of 3.5.

The selection committee will have the discretion to determine the number and value of awards offered each year based on the available funds.

The Faculty of Music will be responsible for contacting the Financial Aid and Awards office by no later than March 31 to confirm the available funds each year.

The Dean of the Desautels Faculty of Music (or designate) will name the selection committee for this award.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **Dr. Doug and Mrs. Sharon Garnett Bursary**

Dr. Doug Garnett (D.M.D./66) and Sharon Garnett (Cert. Nurs.(T.&S.)/66) have established an endowment fund with the initial gift of \$20,000 at the University of Manitoba in 2016. The purpose of the fund is to support undergraduate students pursuing studies in the College of Dentistry. The donors have provided an additional \$1,000 to offer the first bursary during the 2017-2018 academic year. Each year, the available annual income from the fund will be used to offer one bursary to an undergraduate student who:

- (1) is enrolled full-time (minimum 60% course load) in the third year of study in the College of Dentistry at the University of Manitoba;
- (2) has achieved a minimum degree grade point average of 3.0;
- (3) has demonstrated financial need on the standard University of Manitoba bursary application form.

The selection committee will be the College of Dentistry Awards Committee.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **Max Rady College of Medicine Program Medal University Program Medal in Family Social Sciences**

#### **General Selection Criteria**

The University Program Medal shall be awarded to the graduating student who:

- (1) has achieved the highest degree grade point average (3.75 or above); and,
- (2) has carried a full, normal course load (no transfers, repeats, resits, or supplementals in any academic or fieldwork portion of the curriculum, including internships) throughout the three year program.

### **Tie Breaking Mechanism**

Only one winner is to be named each year in each eligible program. Ties are to be broken using criteria determined by individual faculties and schools. The following mechanism has been approved by Senate for the Governor General's silver medal for undergraduate excellence, and may serve as an example for the University Gold Medal:

- (1) the cumulative grade point average (G.P.A.) is to be calculated to the fourth decimal place;
- (2) preference is to be given to students who have a higher proportion of "A+"s and "A"s in a total program;
- (3) preference is to be given to students who have taken more than the required number of courses;
- (4) preference is to be given to students with a greater proportion of senior or advanced level courses in their program.

### **Number TEN Scholarship in Architecture**

Number TEN Architectural Group has established an endowment fund at the University of Manitoba with gifts totaling \$25,000 by 2020. The purpose of the fund is to recognize and encourage Architecture students whose studies have a Northern Canada and/or Indigenous focus. Beginning in the 2019-2020 academic year, the available annual income from the fund will be used to offer one scholarship to a graduate student who:

- (1) is enrolled full-time in the Faculty of Graduate Studies, in the Master of Architecture program offered through the Faculty of Architecture;
- (2) has achieved a minimum grade point average of 3.5 based on the previous 60 credit hours (or equivalent) of study;
- (3) is developing a research project, studio project, or thesis project focused on issues relevant to Northern Canada and/or Indigenous culture(s).

If there are no graduate students who have met the above criteria, the scholarship will be offered to an undergraduate student who:

- (1) is enrolled full-time (minimum 80% course load) in the third or fourth year of study in the Architecture Option in the Bachelor of Environmental Design program offered through the Faculty of Architecture;
- (2) has achieved a minimum degree grade point average of 3.5;
- (3) has a research project or a studio project focused on issues relevant to Northern Canada and/or Indigenous culture.

To demonstrate how they have met criterion (3), all applicants are required to submit a concise statement (maximum 250 words) describing how their project intersects with issues facing Northern Canada and/or Indigenous culture(s).

Students will be eligible to receive this scholarship more than once, provided that they continue to meet the criteria outlined above.

The Vice-Provost (Graduate Education) and the Dean of the Faculty of Graduate Studies (or designate) will ask the Dean of the Faculty of Architecture (or designate) to name the selection committee for this award, which will include a representative from Number TEN Architectural Group.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes

necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **OPUS Bursary**

The Organization of Physics Undergraduate Students will make an annual contribution valued at \$600 to the University of Manitoba for a five-year term to offer the OPUS Bursary. The purpose of the award is to provide support and encouragement to undergraduate students pursuing studies in the Department of Physics and Astronomy. Beginning in 2017-2018 and ending in the 2021-2022 academic year, one bursary of \$600 will be offered to an undergraduate student who:

- (1) is enrolled full-time (minimum 60% course load) in any Honours, Joint Honours, or Major program offered by the Department of Physics and Astronomy at the University of Manitoba;
- (2) has achieved a minimum degree grade point average of 2.5;
- (3) has demonstrated financial need on the standard University of Manitoba bursary application form.

In the event that there are no eligible students, the award can be offered to a student in the Faculty of Science who has completed at least one 2000 level Physics course and is enrolled in or has completed a 3000 level Physics course in the year in which the bursary is tenable, and meets criteria (2) and (3).

The same student may hold the bursary in consecutive years provided they continue to meet the above criteria.

The donor will contact the Financial Aid and Awards office by no later than March 31 in any year this award is not to be offered.

The Head of the Department of Physics and Astronomy (or designate) will name the selection committee for this award.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **Rady Faculty of Health Sciences Program Medal University Program Medal in Health Studies**

#### **General Selection Criteria**

The University Program Medal shall be awarded to the graduating student who:

- (1) has achieved the highest degree grade point average (3.75 or above) in the Bachelor of Health Studies program; and,
- (2) has carried a full, normal course load (no transfers, repeats, resits, or supplementals in any academic or fieldwork portion of the curriculum, including internships) throughout the three year program.

#### **Tie Breaking Mechanism**

Only one winner is to be named each year in each eligible program. Ties are to be broken using criteria determined by individual faculties and schools. The following mechanism has been approved by Senate for the Governor General's silver medal for undergraduate excellence, and may serve as an example for the University Gold Medal:

- (1) the cumulative grade point average (G.P.A.) is to be calculated to the fourth decimal place;
- (2) preference is to be given to students who have a higher proportion of “A+”s and “A”s in a total program;
- (3) preference is to be given to students who have taken more than the required number of courses;
- (4) preference is to be given to students with a greater proportion of senior or advanced level courses in their program.

### **University Program Medal in Health Sciences**

#### **General Selection Criteria**

The University Program Medal shall be awarded to the graduating student who:

- (1) has achieved the highest degree grade point average (3.75 or above) in the Bachelor of Health Sciences program; and,
- (2) has carried a full, normal course load (no transfers, repeats, resits, or supplementals in any academic or fieldwork portion of the curriculum, including internships) throughout the three year program.

#### **Tie Breaking Mechanism**

Only one winner is to be named each year in each eligible program. Ties are to be broken using criteria determined by individual faculties and schools. The following mechanism has been approved by Senate for the Governor General’s silver medal for undergraduate excellence, and may serve as an example for the University Gold Medal:

- (1) the cumulative grade point average (G.P.A.) is to be calculated to the fourth decimal place;
- (2) preference is to be given to students who have a higher proportion of “A+”s and “A”s in a total program;
- (3) preference is to be given to students who have taken more than the required number of courses;
- (4) preference is to be given to students with a greater proportion of senior or advanced level courses in their program.

### **Schmerzfrei Dental Bursary**

An endowment fund has been established at the University of Manitoba by Dr. C.J. Cottick. Dr Cottick’s family has had a long time association with the College of Dentistry. His father was a long time instructor at the college and his elder brother graduated in 1983. Dr. Cottick has worked at the College of Dentistry since graduating in 1990, as well as serving as President of the Dental Alumni Association (UMDAA). Dr. Cottick has an abiding interest in the progress, education and wellbeing of dental students. Each year, beginning in 2017-2018, the available annual income from the fund will be used to offer one bursary to an undergraduate student who:

- (1) is enrolled full-time (minimum 60% course load) in the third year of study in the College of Dentistry;
- (2) has achieved a minimum degree grade point average of 2.25;
- (3) has demonstrated financial need on the standard University of Manitoba Bursary Application form.

The selection committee will be the College of Dentistry Awards Committee.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes



necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

### **William Wilson Muir Graduate Fellowship**

With an initial gift of \$25,000 in 1997, Jean Elizabeth established an endowment fund at the University of Manitoba to honour her late husband, William Wilson Muir of Roland, Manitoba. The purpose of this fund is to support graduate students working in a research-based graduate program focusing on agronomy in the Faculty of Agricultural and Food Sciences. Each year, beginning in 2017-2018, the available annual income from the fund will be used to offer one fellowship to a graduate student who:

- (1) is enrolled full-time in the Faculty of Graduate Studies, in an M.Sc. or Ph.D. degree program delivered by a department in the Faculty of Agricultural and Food Sciences;
- (2) has obtained a minimum grade point average of 3.5 (or equivalent) based on the last 60 credit hours of study;
- (3) submits an application which consists of a one to two page (maximum 500 words) description of their research interest;
- (4) submits a letter of support from their graduate supervisor or proposed graduate supervisor.

Preference will be given to Canadian citizens, Permanent Residents, and to graduates of Canadian universities. The Fellowship is not automatically renewable but previous recipients may reapply. If the selection committee deems there to be two students of equal merit for this Fellowship, and if the funds are available from the unspent revenue allocation, a second award of equal value can be offered.

Recipients may hold the William Wilson Muir Graduate Fellowship concurrently with any other awards, consistent with policies in the Faculty of Graduate Studies.

The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Dean of the Faculty of Agricultural and Food Sciences to convene the selection committee for this award.

The Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modifications shall conform as closely as possible to the expressed intent of the donor in establishing the award.

## **2. AMENDMENTS**

### **Bernhard B. Fast Memorial Bursary**

The following amendments were made to the terms of reference for the Bernhard B. Fast Memorial Bursary:

- The opening paragraph was revised to:  
*Mrs. Thelma Fast has established an endowment fund of \$50,000 at the University of Manitoba in memory of her husband, Bernhard B. Fast. Memorial gifts given in memory of Dr. Fast will be directed to this fund. The Manitoba Scholarship and Bursary Initiative has made a contribution to this fund. The available annual income from the fund shall support one or more bursaries, valued at a minimum of \$1,000 in the Max Rady College of Medicine at the University of Manitoba to students who:*
- The biographical information was removed from the second paragraph and added to the end of the terms of reference under the heading of Biographical Information
- The numbered criteria were revised to:

- (1) *are enrolled in clerkship in the Max Rady College of Medicine at the University of Manitoba;*
- (2) *have chosen electives in Internal Medicine or Geriatrics;*
- (3) *have demonstrated financial need on the standard University of Manitoba bursary application form.*
- The standard Board of Governors Statement was added.

### **Betty Havens Centre on Aging Graduate Fellowship**

The following amendments were made to the terms of reference for the Betty Havens Centre on Aging Graduate Fellowship:

- The numbered selection criteria were revised to:
  - (1) *is enrolled full-time in the Faculty of Graduate Studies, in either the first or second year of a Master's program, or is within the first four years of a doctoral program, and whose research focuses on aging;*
  - (2) *has achieved a minimum grade point average of 3.5 based on the previous 60 credit hours (or equivalent) of study;*
  - (3) *has demonstrated outstanding interest in, or commitment to, research in aging;*
  - (4) *is not a recipient of a major award valued at \$10,000 or greater in the year in which the fellowship is tenable.*
- The applications materials have been outlined:
 

*Applicants will be required to submit: (i) a description of the proposed research and a statement of its practical applicability and relevance to aging, (ii) information on their educational background and research experience, (iii) an official transcript, and (iv) two letters of reference, one from the graduate advisor and one from another faculty member familiar with the student's research work. Both letters must be forwarded by the referees, directly to the Centre on Aging.*
- The selection committee statement was revised to:
 

*The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Advisory Board of the Centre on Aging to name the selection committee for this award.*
- The standard Board of Governors statement was added.

### **College of Registered Nurses Medals of Excellence**

The following amendments were made to the terms of reference for the College of Registered Nurses Medals of Excellence:

- The name of the award has been changed to: ***Association of Registered Nurses Medals of Excellence.***
- The opening paragraph was changed to:
 

*The Association of Registered Nurses of Manitoba (ARNM) offers four convocation medals to nursing students at the University of Manitoba, recognizing academic achievement and clinical excellence. The medals are to be presented annually at the spring convocation, and the recipients will be recognized at the ARNM awards banquet.*
- The tie-breaking mechanism was removed from each section throughout this award and moved to the opening paragraph.

- The name of the College of Nursing was updated thought out the terms of reference.
- Criterion (2) under the Master of Nursing Program section was revised to:  
*(2) has demonstrated strong leadership throughout their program and;*
- The following paragraph was added under the Master of Nursing Program section:  
*Candidates will be required to submit a letter of application (no more than 250 words) and a letter of support from an academic advisor outlining how they meet criterion (2).*
- The following section was added:  
***PhD in Nursing Program***  
*One medal will be offered to a graduate student who:*  
*(1) has successfully completed the PhD in Nursing Program as either a full-time or part-time student and;*  
*(2) has demonstrated strong leadership throughout their program and;*  
*(3) from among those who meet criteria (1) and (2), has achieved a minimum degree grade point average of 4.0.*  
*Candidates will be required to submit a letter of application (no more than 250 words) and a letter of support from an academic advisor outlining how they meet criterion (2).*  
*The selection committee will be the Graduate Studies Committee of the College of Nursing.*

#### **Dr. Ivy Falardeau Memorial Travel Bursaries**

The following amendments were made to the terms of reference for the Dr. Ivy Falardeau Memorial Travel Bursaries:

- The name of the award has been changed to: ***Dr. Ivy Falardeau Memorial Travel Awards***
- The opening paragraph was changed to:  
*In memory of Dr. Ivy Falardeau (M.D. '25), Miss Helen S. Smith has established a fund at the University of Manitoba. Each year \$1,000 will be available to offer awards of no less than \$100 to one or more students who:*
- Criterion (2) was revised to:  
*(2) proceed in the next ensuing academic year to the next year in the M.D. program at The University of Manitoba.*
- Criterion (4) was revised to:  
*(4) have completed and signed the Max Rady College of Medicine's Conference Travel Award Application.*
- The standard Board of Governors Statement was added.

#### **Dr. Mark Nickerson Graduate Entrance Scholarship in Pharmacology and Therapeutics**

The following amendments were made to the terms of reference for the Dr. Mark Nickerson Graduate Entrance Scholarship in Pharmacology and Therapeutics:

- The following sentence was added to the paragraph after the numbered criteria:

*For the purpose of this entrance award, the calendar year will be used (January 1 and continue through December 31).*

- The selection paragraph was revised to:

*The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Graduate Studies Committee of the Department of Pharmacology and Therapeutics to name the selection committee for this award.*

- The standard Board of Governors Statement was added.

### **Elaine Goldie Entrance Bursary**

The following amendments were made to the terms of reference for the Elaine Goldie Entrance Bursary:

- Criteria (2) and (3) were revised to:

*(2) have met the minimum admission requirements to University 1 or any faculty, college, or school with a Direct Entry program option;*

*(3) will be enrolled full-time (minimum 60% course load) in the first year of study in University 1 or any Direct Entry program option at the University of Manitoba;*

- The following statement was added:

*In the event that there are no students who meet all of the above criteria, the bursary may be awarded to a full-time undergraduate student (minimum 60% course load) in any year of study who meets criteria (1) and (4), with a satisfactory degree grade point average (minimum 2.5).*

### **English-Speaking Union of Canada**

The following amendments were made to the terms of reference for the English-Speaking Union of Canada:

- The fund is to be exhausted over the next five years, and the award withdrawn:

*Beginning in 2017-2018 and ending in the 2020-2021 academic year, \$2,000 from the capital and available annual income will be used to offer a variable number of prizes. In 2021-2022 the last prizes will be offered. The value will be adjusted to ensure that all funds have been exhausted and the award will be withdrawn.*

- The following statements were added:

*All essays submitted for consideration to the Department of English, Film, and Theatre undergraduate essay awards are automatically considered for this prize.*

*The selection committee will have the discretion to determine the number and value of prizes offered. The values of the individual prizes will be based on the values of the other essay awards.*

*The Head of the Department of English, Film, and Theatre (or designate) will name the selection committee for this award.*

*The standard Board of Governors statement.*

### **Ernest and Elizabeth McGirr Award for Academic Excellence**

The following amendments were made to the terms of reference for the Ernest and Elizabeth McGirr Award for Academic Excellence:

- The fund will be used to offer two scholarships of equal value, instead of one.

- The numbered criteria were revised to:
  - (1) *are admitted to, and will register full-time (minimum 80% course load) in University 1 or any Direct Entry program option in any faculty, college, or school at the University of Manitoba;*
  - (2) *have graduated from Dauphin Regional Comprehensive Secondary School (DRCSS) in Dauphin, Manitoba;*
  - (3) *have achieved the highest averages (minimum of 90%) on those courses considered for the University of Manitoba General Entrance Scholarship Program.*
- The following statement was added:
 

*The status of the fund will be reviewed from time-to-time and, if the earnings on the fund permit, the number of awards will be increased.*

### **Helen Humphrey Ross Prize of Excellence**

The following amendments were made to the terms of reference for the Helen Humphrey Ross Prize of Excellence:

- Criteria (1) and (4) were revised to:
  - (1) *was enrolled full-time in the Faculty of Graduate Studies in the first year of the Master of Physical Therapy program at the College of Rehabilitation Sciences at the University of Manitoba;*
  - (4) *was a student member of the Canadian Physiotherapy Association (CPA) in the first year of the program and continues to be a student member during the second year of the program.*

### **Helgason Travel Award for Graduate Students in Plant Science**

The following amendments were made to the terms of reference for the Helgason Travel Award for Graduate Students in Plant Science:

- The biographical information has been removed from the opening paragraph and moved to the end of the terms under a section called Biographical Information.
- The award will now be offered to one or more graduate students.
- Criteria (1) and (2) were revised to
  - (1) *are enrolled full time in the Faculty of Graduate Studies and have completed at least one year of an M.Sc. or Ph.D. program delivered by the Department of Plant Science;*
  - (2) *have achieved a minimum degree grade point average of 3.0 (or equivalent) based on the last 60 credit hours of study (or equivalent);*
- The application process was changed to:
 

*Applications will be available annually from the Department of Plant Science and must be submitted to the Associate Head, Department of Plant Science, by the advertised deadline. Funding must be used within the 12 month period following the date that the award recipients are announced. Recipients graduating within the 12 month period following the date that the award recipient is announced must use the funding received within six months of the date of convocation.*

*Selection of the recipient is based on:*

  - (i) *academic performance;*
  - (ii) *letters of recommendation;*

*(iii) quality of the abstract submitted and proposed research results to be presented;*

*(iv) the potential value of the meeting to the student's development.*

- The reimbursement paragraph was revised to:

*The award recipient will submit receipts for travel, registration, hotel and food expenses (based on current University of Manitoba per diem rates). Expenses will be reimbursed up to the current maximum value of the award.*

- The following sentence was added:

*Recipients may not hold more than one travel award offered through the Department of Plant Science within the same calendar year.*

- The selection committee paragraph was changed to:

*The Vice Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Chair of the Awards Committee of the Department of Plant Science to convene the selection committee for this award. Any unspent revenue may be used at the discretion of the selection committee to award additional Fellowships.*

### **Jack MacDonnell Scholarship for Research in Aging**

The following amendments were made to the terms of reference for the Jack MacDonnell Scholarship for Research in Aging:

- The numbered selection criteria were revised to:

*(1) is enrolled full-time in the Faculty of Graduate Studies, in either the first or second year of a Master's program, or is within the first four years of a doctoral program, and whose research focuses on aging;*

*(2) has achieved a minimum grade point average of 3.5 based on the previous 60 credit hours (or equivalent) of study;*

*(3) has demonstrated outstanding interest in, or commitment to, research in aging;*

*(4) is not a recipient of a major award valued at \$10,000 or greater in the year in which the fellowship is tenable.*

- The applications materials have been outlined:

*Applicants will be required to submit: (i) a description of the proposed research and a statement of its practical applicability and relevance to aging, (ii) information on their educational background and research experience, (iii) an official transcript, and (iv) two letters of reference, one from the graduate advisor and one from another faculty member familiar with the student's research work. Both letters must be forwarded by the referees, directly to the Centre on Aging.*

- The selection committee statement was revised to:

*The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Advisory Board of the Centre on Aging to name the selection committee for this award.*

- The standard Board of Governors statement was added.

### **Lamari Travel Award for Graduate Studies in Plant Science**

The following amendments were made to the terms of reference for the Lamari Travel Award for Graduate Studies in Plant Science:

- The biographical information has been removed from the opening paragraph and moved to the

end of the terms under a section called Biographical Information.

- Criteria (1) and (2) were revised to:
  - (1) *are enrolled full-time in the Faculty of Graduate studies and have completed at least one year of an M.Sc. or Ph.D. program delivered by the Department of Plant Science;*
  - (2) *have achieved a minimum grade point average of 3.0 (or equivalent) based on the last 60 credit hours of study (or equivalent);*
- The selection of the recipients numbered criteria was revised to:
  - (i) *academic performance;*
  - (ii) *letters of recommendation;*
  - (iii) *the quality of the abstract submitted and of the proposed research results to be presented;*
  - (iv) *the potential value of the meeting to the student's development.*
- The selection committee paragraph was changed to:

*The Vice-Provost (Graduate Education) and Dean, Faculty of Graduate Studies will ask the Chair of the Awards Committee of the Department of Plant Science to convene the selection committee for this award. Any unspent revenue may be used at the discretion of the selection committee to award additional Fellowships.*
- The standard Board of Governors Statement was added.

#### **Manitoba Blue Cross Medical Rehabilitation Scholarship**

The following amendments were made to the terms of reference for the Manitoba Blue Cross Medical Rehabilitation Scholarship:

- The name of the award has been changed to: ***Manitoba Blue Cross Rehabilitation Sciences Scholarship.***
- The numbered criteria for the Occupational Therapy Scholarship were revised to:
  - (1) *is enrolled full-time in the Faculty of Graduate Studies in the Master of Occupational Therapy program;*
  - (2) *was a resident of Manitoba at the time they were offered admission into the Master of Occupational Therapy program, and continues to reside in Manitoba throughout their program;*
  - (3) *has achieved the highest standing in the first year of the Master of Occupational Therapy program, with a minimum grade point average of 3.5;*
  - (4) *in the next ensuing academic year is enrolled full-time in second year Master of Occupational Therapy program.*
- The numbered criteria for the Physical Therapy Scholarship were revised to:
  - (1) *is enrolled full-time in the Faculty of Graduate Studies in the Master of Physical Therapy program;*
  - (2) *was a resident of Manitoba at the time they were offered admission into the Master of Physical Therapy program, and continues to reside in Manitoba throughout their program;*
  - (3) *has achieved the highest standing in the first year Master of Physical Therapy program, with a minimum grade point average of 3.50;*
  - (4) *in the next ensuing academic year is enrolled full-time in the second year Master of Physical Therapy program.*

- The numbered criteria for the Respiratory Therapy Scholarship were revised to:
  - (1) *is enrolled full-time in the Bachelor of Respiratory Therapy program;*
  - (2) *was a resident of Manitoba at the time they were offered admission into the Bachelor of Respiratory Therapy program, and continues to reside in Manitoba throughout their program;*
  - (3) *has achieved the highest standing in the second year of the Respiratory Therapy program, with a minimum grade point average of 3.50;*
  - (4) *in the next ensuing academic year is enrolled full-time in the third year of the Bachelor of Respiratory Therapy program.*
- The following sentence was revised to:
 

*The Manitoba Blue Cross Rehabilitation Sciences Scholarship may not be held with any other scholarships or prizes with a combined value greater than \$1,000.*
- The selection committee paragraph was revised to:
 

*The Vice-Provost (Graduate Education) and the Dean of the Faculty of Graduate Studies will ask the Awards Committee of the College of Rehabilitation Sciences to act as the selection committee for the graduate awards in Occupational Therapy and Physical Therapy. The Awards Committee for the College of Rehabilitation Sciences will also act as the selection committee for the undergraduate award in Respiratory Therapy.*
- The standard Board of Governors Statement was added.

### **Manitoba Pork Council Prize**

The following amendments were made to the terms of reference for the Manitoba Pork Council Prize:

- The amounts of the annually funded prizes (one for each of the diploma and degree programs) have been increased to \$1,000 each.
- The numbered criteria for the Diploma prize were revised to:
  - (1) *has successfully completed the program requirements of the Agriculture Diploma program offered by the School of Agriculture at the University of Manitoba;*
  - (2) *was enrolled full-time (minimum 80% course load) in the School of Agriculture;*
  - (3) *has achieved a minimum degree grade point average of 3.0.*
- The following sentence was removed:
 

*This award will be made annually at the diploma graduation banquet. In the case of a tie, the prize will be offered to the student with the highest cumulative grade point average.*
- The numbered criteria for the Degree prize was revised to:
  - (1) *has successfully completed the degree requirements for the Bachelor of Science in Agriculture program in the Faculty of Agricultural and Food Sciences at the University of Manitoba;*
  - (2) *was enrolled full-time (minimum 80% course load) in the Faculty of Agricultural and Food Sciences;*
  - (3) *has achieved a minimum degree grade point average of 3.0.*
- The following sentence was removed:
 

*In case of a tie the CGPA will be used as a tie breaker.*



- The following sentence was added to both prizes:  
*Preference will be given to students who demonstrate an interest in animal production or animal nutrition.*
- The selection committee statement for both prizes was revised to:  
*The selection committee will be the Faculty of Agricultural and Food Sciences Awards Committee.*
- The following sentence was added:  
*The donor will contact Financial Aid and Awards by March 31 in any year that this award will not be offered.*
- The standard Board of Governors Statement was added.

### **Michelle Cloutier Memorial Award for Student Involvement**

- The following amendments were made to the terms of reference for the Michelle Cloutier Memorial Award for Student Involvement:
- The opening paragraph was changed to:  
*Two awards, each valued at \$250, are allotted by the Max Rady College of Medicine Student Endowment Fund. The purpose of this award is to encourage and acknowledge student engagement within the Family Social Sciences program at the University of Manitoba.*  
*Each year, two scholarships will be given to two undergraduate students who:*
- The numbered criteria were revised to:
  - (1) *are enrolled full time (80% course load) in the Max Rady College of Medicine in the second year of the Family Social Sciences Program;*
  - (2) *have a minimum degree grade point average of 3.0;*
  - (3) *demonstrates engagement in the Family Social Science program. This may include leading student based committees, student representation on departmental committees, and/or planning and organizing department related events, or other related events.*
- The application paragraph was revised to:  
*To support criterion (3), candidates will be required to submit a short letter (maximum 500 words) outlining their engagement in the Family Social Science program, as well as two letters of support from persons familiar with the student's engagement in student related activities in Family Social Sciences.*
- The selection committee paragraph was revised to:  
*The Dean of the Max Rady College of Medicine (or designate) will name the selection committee.*
- The standard Board of Governors Statement was added.

### **Norma E. Watts Walker Award**

- The following amendments were made to the terms of reference for the Norma E. Watts Walker Award:
- The opening paragraph was changed to:  
*To mark the retirement of Professor Norma E. Watts Walker from the Department of Family Studies in the former Faculty of Human Ecology, her colleagues and friends established a fund in*

*her honour. The Manitoba Scholarships and Bursaries Initiative has made a contribution to this fund. The available annual interest, with a minimum value of \$200, has been used to support an annual award beginning after the spring series of examinations in 1975. This award is now available to an undergraduate student who:*

- The numbered criteria were revised to:
  - (1) *is enrolled full-time (minimum 80% course load) in the Max Rady College of Medicine in their third year of the Family Social Sciences program;*
  - (2) *is majoring in the Child and Adolescent Option;*
  - (3) *demonstrates outstanding professional potential and personal qualities.*
- The following sentence was added:

*To satisfy criterion (3), applicants will be required to submit a short letter (maximum 500 words) in support of their application.*
- The selection paragraph was revised to:

*If, in the judgement of the selection committee, there are two or more well qualified students in any given year, the award may be divided between such qualified candidates. If, there is no qualified student in any given year, no award needs to be made in that year, and the funds will be returned to the capital of the fund.*
- The following sentences were removed:

*The capital of the fund will be kept intact. To the capital of the fund, further contributions can be made at any time. The Manitoba Scholarships and Bursaries Initiative has made a contribution to this fund.*

*If a student who graduates at the regular May Convocation receives this award, such student's name will be duly noted in the awards section of the Convocation Proceedings.*
- The selection committee paragraph was revised to:

*The selection committee will be named by the Dean of the Max Rady College of Medicine (or designate).*
- The standard Board of Governors Statement was added.

### **Sam And Esther Sair Scholarship**

The following amendments were made to the terms of reference for the Sam and Esther Sair Scholarship:

- The opening paragraph was revised to:

*A scholarship has been established by Skills Unlimited at The Winnipeg Foundation to assist qualified individuals who wish to pursue special studies in the rehabilitation of persons with long term mental disorders as part of their training in Psychiatry, Psychology, or Occupational Therapy or who have completed formal training and who show aptitude and willingness. The Winnipeg Foundation will confirm the value of these awards annually. In each year when the award is offered, one scholarship will be offered to a graduate student who:*
- The numbered criteria were revised to:
  - (1) *is enrolled full-time in the Faculty of Graduate Studies at the University of Manitoba, in a Master's or Ph.D. program in the Psychiatry, Psychology, or Occupational Therapy departments.*
  - (2) *have achieved a minimum grade point average of 3.5 (or equivalent) in the last 60 credit hours (or equivalent);*

(3) have demonstrated an interest and aptitude for special studies in the rehabilitation of persons with long term mental disorders.

- The following paragraph was removed:

*The scholarship is administered by the Faculty of Medicine. Selection of a successful candidate will be made by the Dean of Medicine in consultation the Provincial Director of Psychiatric Services. Details of application procedures are available on request from the office of the Dean of Medicine.*

- The following application process was added:

*The application will consist of:*

- (i) *a letter (maximum 500 words) explaining the student's work on the rehabilitation of persons with long term mental disorders;*
  - (ii) *a curriculum vitae;*
  - (iii) *a current transcript.*
- The selection committee paragraph was revised to:

*The Vice-Provost (Graduate Education) and Dean of the Faculty of Graduate Studies (or designate) will ask the Vice-Provost (Health Studies) and Dean of the Rady Faculty of Health Sciences (or designate) to name and convene the selection committee. The committee will include at least one representative from the Department of Psychiatry, the Department of Psychology, and the Department of Occupational Therapy.*
- The standard Board of Governors statement was added.

### **Willy Wiebe Graduate Fellowship in Agricultural and Food Sciences**

The following amendments were made to the terms of reference for the Willy Wiebe Graduate Fellowship in Agricultural and Food Sciences:

- Criteria (1) and (2) were revised to:
  - (1) *is enrolled as a full-time student in the Faculty of Graduate Studies at the University of Manitoba in a Master's or Ph.D. program in Agricultural and Food Sciences;*
  - (2) *as a Master's student, achieved a minimum grade point average of 3.5 in the last 60 credit hours completed in their undergraduate program or, as a Ph.D. student, achieved a minimum grade point average of 3.75 in their Master's program;*
- The renewal paragraph was changed to:

*The fellowship can be renewed once by the same recipient in a Master's program, and twice for the same recipient in a Ph.D. program. The fellowship recipient will receive a renewal provided they are making satisfactory progress in their program. In years when a renewal of the award is made, no new award will be offered. If, in the judgment of the selection committee, no applicants meet the award criteria in a given year, the award will not be made in that year.*
- The standard Board of Governors statement was added.

### **3. WITHDRAWALS**

#### **Bristol Aerospace Limited - Robert H. May Bursary**

This award is being withdrawn at the request of the donor, the trust has been depleted.

**Distance and Online Education Scholarships**

This award is being withdrawn at the request of the donor.

**Mike Ridley Award**

This award is being withdrawn at the request of the donor.



**AGENDA ITEM:** Report of the Senate Committee on Awards – Part B  
[dated April 4, 2017]

**RECOMMENDED RESOLUTION:**

THAT the Board of Governors approve three new offers, as set out in Appendix A of the Report of the Senate Committee on Awards – Part B [dated April 4, 2017].

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

- At its meeting on April 4, 2017, the Senate Committee on Awards approved three new offers that appear to be discriminatory according to the policy on the *Non-Acceptance of Discriminatory Awards*, as set out in Appendix A of the Report of the Senate Committee on Awards – Part B [dated April 4, 2017].
- The I.H. Asper School of Business Scholarship in Aboriginal Business Education would be offered to undergraduate students in the B.Comm.(Hons.) degree who are members of the Aboriginal Business Education Partners (ABEP) program. Dean Benarroch, I.H. Asper School of Business, has provided a letter of support for the award.
- The Ptarmigan Youth in Care Tuition Grants would be offered to Indigenous students, in any undergraduate degree or diploma program at the University.
- The UnionWare Excel, Reach, Lead Bursary will be offered to offered to female students enrolled in a Bachelor of Science in Computer Science degree program. Dean Baum, Faculty of Science, has provided a letter of support for the bursary.

**RESOURCE REQUIREMENTS:**

The awards would be funded from the sources identified in the Report.

**IMPLICATIONS:**

The I.H. Asper School of Business Scholarship in Aboriginal Business Education and the Ptarmigan Youth in Care Tuition Grants would support the recruitment and retention of Indigenous undergraduate students in various programs at the University. The UnionWare Excel, Reach, Lead Bursary would encourage female students to pursue studies in the computer science.

**CONSULTATION:**

These award offers were approved by Senate at its meeting on May 17, 2017.



## **REPORT OF THE SENATE COMMITTEE ON AWARDS – PART B**

Terms of reference for the Senate Committee on Awards include the following responsibility:

On behalf of Senate, to approve and inform Senate of all new offers and amended offers of awards that meet the published guidelines presented to Senate on November 3, 1999, and as thereafter amended by Senate. Where, in the opinion of the Committee, acceptance is recommended for new offers and amended offers which do not meet the published guidelines or which otherwise appear to be discriminatory under the policy on the *Non-Acceptance of Discriminatory Awards*, such offers shall be submitted to Senate for approval. (Senate, October 7, 2009)

### **Observation**

At its meeting of April 4, 2017, the Senate Committee on Awards reviewed three new offers that appear to be discriminatory according to the policy on the *Non-Acceptance of Discriminatory Awards*, as set out in Appendix A of the *Report of the Senate Committee on Awards - Part B* (dated April 4, 2017).

### **Recommendation**

The Senate Committee on Awards recommends that Senate and the Board of Governors approve three new offers, as set out in Appendix A of the *Report of the Senate Committee on Awards - Part B* (dated April 4, 2017).

Respectfully submitted,

Dr. Phil Hultin  
Chair, Senate Committee on Awards

## SENATE COMMITTEE ON AWARDS

### Appendix A

April 4, 2017

#### 1. NEW OFFER

##### **I.H. Asper School of Business Scholarship in Aboriginal Business Education**

The I.H. Asper School of Business has secured \$25,000 in 2017 in order to offer a renewable scholarship. The purpose of the scholarship is to recognize the achievements of a student enrolled in the Aboriginal Business Education Partners (ABEP) program in the I.H. Asper School of Business at the University of Manitoba. Beginning in the 2017-2018 academic year and ending when the funds are depleted, one scholarship, valued at \$5,000, will be offered to an undergraduate student who:

- (1) is a member of the ABEP program in the I.H. Asper School of Business at the University of Manitoba;
- (2) has a record of high academic achievement, which is defined as:
  - (a) for first year students, meet the minimum admission requirements for the I.H. Asper School of Business Direct Entry Program Option at the University of Manitoba;
  - (b) for continuing students, a minimum degree grade point average of 3.0;
- (3) is enrolled full-time (minimum 60% course load) in the I.H. Asper School of Business in the year in which the scholarship is tenable;
- (4) has demonstrated academic promise and leadership potential for ABEP, the Indigenous community and/or the I.H. Asper School of Business;
- (5) has been identified by the selection committee to be the runner up of the Pauline and Roger Presland Scholarship in Aboriginal Business Education.

Students will be required to submit an application to ABEP, which includes (i) a transcript (ii) an autobiographical essay, and (iii) one letter of reference (from a non-relative) who is familiar with the student and their ability to excel in the I.H. Asper School of Business.

The scholarship is renewable provided that the recipient:

- (1) continues to be a member of the ABEP program;
- (2) is enrolled full-time (minimum 60% course load) in the I.H. Asper School of Business;
- (3) has achieved a minimum degree grade point average of 3.0.

Only one recipient may hold the scholarship at any one time.

In the event that a recipient does not qualify for renewal, a new recipient will be selected based on criteria (1) through (4).

The selection committee shall be named by the Director of the ABEP program (or designate) and may include the Director of Financial Aid and Awards (or designate).

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

(Attachment I)



### **Ptarmigan Youth in Care Tuition Grants**

J. Richard Bird (B.A./69) and Cathryn Bird, through the Ptarmigan Foundation, have generously established an endowment fund at the University of Manitoba, initially valued at \$125,000 in 2017. The purpose of the fund is to provide the opportunity for youth who are, or who have been, in the care of Child and Family Services to attend post-secondary education. The Ptarmigan Foundation has provided an additional \$5,000 to offer the first award during the 2017-2018 academic year, and a further \$400 to top up the award in the 2018-2019 academic year. Each year, one grant valued at a minimum of \$5,000 will be offered to an undergraduate student who:

- (1) is Indigenous (First Nations, Métis, Inuit);
- (2) is, or will be, enrolled full-time (minimum 60% course load) in any undergraduate degree or diploma program at the University of Manitoba in the year in which the award is tenable;
- (3) has either:
  - (a) as an entering student, met the minimum admission requirements for University 1 or any faculty, college, or school with a Direct Entry program option;
  - (b) as a continuing student, achieved a minimum degree grade point average of 2.0;
- (4) is currently or formerly a youth in care of the Child Welfare System in Canada;
- (5) has demonstrated financial need on the Youth in Care Tuition Grant application.

The grant can be renewed for up to three years provided the recipient:

- (1) remains enrolled full-time (minimum 60% course load) in any undergraduate degree or diploma program at the University of Manitoba;
- (2) continues to maintain a minimum degree grade point average of 2.0;
- (3) continues to demonstrate financial need on the Youth in Care Tuition Grant application.

Only one student may hold the grant in any academic year.

The Director of Financial Aid and Awards (or designate) will name the selection committee for this grant.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

(Attachment II)

### **UnionWare Excel, Reach, Lead Bursary**

Mr. James Perchaluk (M.Sc./89) has established an endowment fund at the University of Manitoba with an initial gift of \$25,000 in 2017. The Manitoba Scholarship and Bursary Initiative has made a contribution to the fund. The purpose of the fund is to support female undergraduate students in Computer Science. Beginning in the 2018-2019 academic year, the available annual interest from the fund will be used to offer one bursary to a female undergraduate student who:

- (1) is a graduate of Balmoral Hall School;
- (2) is enrolled full-time (minimum 60% course load) in at least the second year of study of the Bachelor of Science program in Computer Science (Honours, Joint Honours, Major) offered through the Faculty of Science at the University of Manitoba;
- (3) has achieved a minimum degree grade point average of 2.0;
- (4) has demonstrated financial need on the standard University of Manitoba bursary application form.

In any given year, if there are no eligible students who meet all of the initial criteria, the selection committee may select a student who meets criteria (2) through (4) to receive the award.

The bursary is renewable for those students who meet all of the initial criteria, for a maximum of four years, provided that the recipient continues to meet criteria (2) through (4) in the following years.

Only one student may hold the UnionWare Excel, Reach, Lead Bursary in any given year.

The Head of the Department of Computer Science (or designate) will name the selection committee for this award.

This agreement may be amended by the mutual consent of the donor (or designate) and the University of Manitoba. All such amendments shall be in writing. In the absence of the donor (or designate), and providing all reasonable efforts have been made to consult, the Board of Governors of the University of Manitoba has the right to modify the terms of this award if, because of changed conditions, it becomes necessary to do so. Such modification shall conform as closely as possible to the expressed intention of the donor in establishing the award.

(Attachment III)



UNIVERSITY  
OF MANITOBA

Asper School of Business

Dean's Office  
319 Drake Centre  
181 Freedman Crescent  
Winnipeg, Manitoba  
Canada R3T 5V4  
Telephone (204) 474-9353  
Fax (204) 474-7544

March 27, 2017

Dr. Philip Hultin  
Chair, Senate Committee on Awards  
c/o Adrienne Domingo, Awards Establishment Coordinator  
422 University Centre  
University of Manitoba

**RE: I.H. Asper School of Business Scholarship in Aboriginal Business Education**

Dear Dr. Hultin,

Financial Aid and Awards supports the establishment of the **I.H. Asper School of Business Scholarship in Aboriginal Business Education**.

In the Fall Term of 2016, the I.H. Asper School of Business' Indigenous undergraduate student population was 4.9% of total enrolment, compared to Manitoba's Indigenous population of 16.7%<sup>1</sup>. Indigenous student enrolment data for the past five years at the University of Manitoba is provided for context in the table below.

Year (Fall Term)	Number of Indigenous Students in the I.H. Asper School of Business (undergraduate)	Total Students in the I.H. Asper School of Business (undergraduate)	% Indigenous Students
2016	85	1,738	4.9
2015	71	1,753	4.1
2014	63	1,753	3.6
2013	55	1,752	3.1
2012	59	1,742	3.4

/continued

<sup>1</sup> Statistics Canada. *Aboriginal Peoples in Canada: First Nations People, Metis and Inuit, National Household Survey, 2011*, Catalogue no. 99-011-X2011001, <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-011-x/2011001/tbl/tbl02-eng.cfm>.



Letter to Dr. Philip Hultin  
Chair, Senate Committee on Awards  
March 27, 2017  
RE: I.H. Asper School of Business Scholarship in Aboriginal Business Education  
Page Two

As an institution, our commitment is to increase the number of Indigenous students on our campuses. Increasing the number of bursaries, scholarships and awards for Indigenous students contributes to this commitment. This scholarship will provide the opportunity to recruit, support and retain Indigenous students at the University of Manitoba and, in doing so; will also contribute to the success of individual Indigenous students.

Sincerely,

A handwritten signature in black ink, appearing to read 'M Benarroch', written in a cursive style.

Dr. Michael Benarroch  
Dean and CPA Manitoba Chair in Business Leadership



UNIVERSITY  
OF MANITOBA  
February 27, 2017

## Enrolment Services

Financial Aid & Awards  
422 University Centre  
Winnipeg, Manitoba  
Canada R3T 2N2  
Telephone (204) 474-9531  
Fax (204) 474-7543  
awards@umanitoba.ca

Dr. Philip Hultin  
Chair, Senate Committee on Awards  
c/o Adrienne Domingo, Awards Establishment Coordinator  
422 University Centre  
University of Manitoba

### RE: Ptarmigan Youth in Care Tuition Grants

Dear Dr. Hultin,

Financial Aid and Awards supports the establishment of the **Ptarmigan Youth in Care Tuition Grants**.

In the Fall Term of 2016, the University of Manitoba's Indigenous undergraduate student population was 8.5% of total enrolment, compared to Manitoba's Indigenous population of 16.7%<sup>1</sup>. Indigenous student enrolment data for the past five years at the University of Manitoba is provided for context in the table below.

Year (Fall Term)	Number of Indigenous Students (undergraduate)	Total Students	% Indigenous Students
2016	2,170	25,611	8.5
2015	1,974	25,460	7.8
2014	1,997	25,298	7.9
2013	1,973	25,363	7.8
2012	1,933	24,996	7.7

As an institution, our commitment is to increase the number of Indigenous students on our campuses. Increasing the number of bursaries, scholarships and awards for Indigenous students contributes to this commitment. This scholarship will provide the opportunity to recruit, support and retain Indigenous students at the University of Manitoba and, in doing so; will also contribute to the success of individual Indigenous students.

Sincerely,

Ms. Jane Lastra  
Director, Financial Aid and Awards  
University of Manitoba

<sup>1</sup> Statistics Canada. *Aboriginal Peoples in Canada: First Nations People, Metis and Inuit, National Household Survey, 2011*, Catalogue no. 99-011-X2011001, <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-011-x/2011001/tbl/tbl02-eng.cfm>.



UNIVERSITY  
OF MANITOBA

Faculty of Science

Office of the Dean  
239 Machray Hall  
Winnipeg, Manitoba  
Canada R3T 2N2  
Phone (204) 474-9348  
Fax (204) 474-7618

March 16, 2017

Dr. Philip Hultin  
Chair, Senate Committee on Awards  
c/o Adrienne Domingo,  
Awards Establishment Coordinator  
422 University Centre  
University of Manitoba



Dear Dr. Hultin,

The Faculty of Science is pleased to support the establishment of the **UnionWare Excel, Reach, Lead Bursary**.

When comparing the numbers in the table below to the number of undergraduate female students in the general University of Manitoba population (53.7%)<sup>1</sup>, it becomes clear that female students are under-represented in the department of Computer Science.

Year (fall)	Total number of students in Computer Science (Majors, Honours, and Joint Honours programs)	Number female students in Computer Science (Majors, Honours, and Joint Honours programs)	% female students in Computer Science
2015	493	55	11.2
2014	398	50	12.6
2013	351	35	10
2012	300	36	12
2011	297	30	10.1

The addition of this new bursary will have the potential to recruit, retain, and encourage female students in the area of Computer Science.

Sincerely,

Dr. Stefi Baum  
Dean  
Faculty of Science

<sup>1</sup> Office of Institutional Analysis, *Undergraduate Students by Program or Area of Study, Full/Part Status, and Gender Fall 2015, as of November 1, 2015* (University of Manitoba), [http://umanitoba.ca/admin/oia/media/enrol\\_UG\\_area\\_of\\_study\\_MF\\_f15.pdf](http://umanitoba.ca/admin/oia/media/enrol_UG_area_of_study_MF_f15.pdf)



**AGENDA ITEM:** Annual Financial Report 2017

**RECOMMENDED RESOLUTION:**

That the Board of Governors approve the Financial Statements of The University of Manitoba for the year ended March 31, 2017

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

*The University of Manitoba Act* requires that the Board of Governors provide the Minister of Education and Training an annual report of the operations of the University including the audited financial statements within six months of each fiscal year end. The Act also requires that the Office of the Auditor General of Manitoba (OAG) audit the accounts of the University.

The Annual Financial Report 2017 includes a brief report to the Minister of Education and Training following a prescribed format, a detailed management discussion and analysis report, the independent auditor's report, and the audited financial statements.

This year, the management discussion and analysis report has been redesigned to focus mainly on the financial position and results. The report gives an overview explanation of the financial structure of the University before discussing the financial position at March 31, 2017 and the financial results for the year ended March 31, 2017. The analysis has been expanded to highlight some long term trends. It also focuses on issues of recent interest to our stakeholders and on issues of particular significance that occurred during the year. For example, readers will find detailed information on cash balances, capital spending, and the year-over-year change in carryover.

The University ended the year with assets at an all-time high in excess of \$2.5 billion and revenues of \$936 million, also an all-time high. In advance of this report we had informed the Audit and Risk Management Committee that there could be a potential adjustment for unearned tuition revenue as a result of the three week UMFA strike. After further analysis, we concluded that despite classes and exams being extended, students were not entitled to a refund as at March 31 and therefore no liability existed. As a result, no adjustment was required to tuition revenue as a result of this extension of the academic year.

The OAG has indicated that it is prepared to issue an unqualified opinion on the financial statements upon completion of their subsequent events audit procedures and after receiving legal letter replies, a letter confirming management representations, and the approval of the Board of Governors of these financial statements.





# TABLE OF CONTENTS

MISSION, VISION and VALUES.....	X
REPORT OF THE BOARD OF GOVERNORS.....	X
MANAGEMENT DISCUSSION AND ANALYSIS.....	X
STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING .....	X
INDEPENDENT AUDITOR'S REPORT .....	X
FINANCIAL STATEMENTS .....	X
Statement of Financial Position.....	X
Statement of Operations and Changes in Fund Balances .....	X
Statement of Remeasurement Gains and Losses.....	X
Statement of Cash Flows.....	X
Notes to the Financial Statements .....	X

(Additional information is available at [www.umanitoba.ca/admin/financial\\_services/](http://www.umanitoba.ca/admin/financial_services/))

# MISSION VISION VALUES

## MISSION:

To create, preserve, communicate and apply knowledge, contributing to the cultural, social and economic well-being of the people of Manitoba, Canada and the world.

## VISION:

To take our place among leading universities through a commitment to transformative research and scholarship, and to innovative teaching and learning – uniquely strengthened by Indigenous knowledge and perspectives.

## VALUES:

To achieve our vision, we require a commitment to a common set of ideals. The University of Manitoba values: Academic Freedom, Accountability, Collegiality, Equity and Inclusion, Excellence, Innovation, Integrity, Respect, and Sustainability.

# REPORT OF THE BOARD OF GOVERNORS

## To the Minister of Education and Training, Manitoba

In compliance with Section 22(1) of *The University of Manitoba Act*, the Annual Report on the financial affairs of the University for the year ended March 31, 2017 is herewith submitted to the Minister of Education and Training. In this report, we set forth in detail –

- (a) the receipts and expenditures for the next preceding fiscal year,
- (b) the investments as they stood at the end of the year, and
- (c) other particulars which may be of interest to the Minister of Education and Training.

The following are included with this Report: Management Discussion and Analysis, Statement of Management Responsibility for Financial Reporting, and Independent Auditor's Report.

### RECEIPTS AND EXPENDITURES: SUMMARY OF GENERAL OPERATING FUND RESULTS

(in thousands of dollars)

	Year Ended March 31	
	2017	2016
Revenues and Other Additions	\$ 650,667	\$ 631,781
Expenditures and Other Deductions	548,371	536,163
Net Revenues	102,296	95,618
Net Appropriated To Specific Provisions	(36,137)	(8,483)
Inter-Fund Transfers	(66,141)	(87,051)
Net Increase to Fund Balance from Operating Activities	18	84
Remeasurement Gains (Losses)	142	(1,096)
<b>Net Increase (Decrease) to Fund Balances</b>	<b>\$ 160</b>	<b>\$ (1,012)</b>

Additions exceeded deductions by \$102.3 million for the current fiscal year. Net appropriations of \$36.1 million were made to specific provisions and an amount of \$66.1 million was transferred to other funds. The resulting net surplus of \$0.2 million has been added to the general operating balance in the General Operating Fund, increasing it to a balance of \$2.4 million as at March 31, 2017.

### INVESTMENTS: INVESTMENT HOLDINGS AT MARCH 31, 2017 WERE AS FOLLOWS (AT FAIR VALUE):

(in thousands of dollars)

Canadian Bonds and Other Fixed Income	\$ 133,282
Canadian Equities	214,821
U.S. Equities	209,002
International Equities	117,034
Preferred Shares	36,936
Pooled Real Estate	113,248
Bankers Acceptances, Guaranteed	
Investment Certificates and Cash	8,614
Other	1,974
	<b>\$ 834,911</b>

# REPORT OF THE BOARD OF GOVERNORS

## MEMBERS OF THE BOARD OF GOVERNORS:

### Chair

Jeff Lieberman, B.A., B.Comm.(Hons.)

### Vice-Chair

Rafi Mohammed, B.R.S.

### Chancellor

Harvey Secter, B.Comm., LL.B., LL.M., LL.D.

### President and Vice-Chancellor

David T. Barnard, B.Sc., M.Sc., Ph.D (Toronto),  
Dip.C.S. (UBC), LL.M. (York)

### Appointed by the Lieutenant-Governor-in-Council:

Steve Demmings, M.C.P.

Laurel Hyde, B.S.A.

Kathryn Lee, B.Comm.(Hons.), CPA

Judith Linden, B.N.

Jane MacKenzie, Cert. Ed., M.Ed., B.A.

Heather Maxted, B.Comm.(Hons.)

Rafi Mohammed, B.R.S.

Marc Mollot, B.Sc., D.M.D.

Kimber Osioy, B.Sc.(C.E.), M.Sc.

Michael Silicz, B.A.,(Hons.), M.A., LL.B.,  
M.P.Admin.

### Elected by Senate

John Anderson, B.Sc., M.Sc., Ph.D.

Jonathan Beddoes, Ph.D., P. Eng.

Jeffery Taylor, B.A., M.A., Ph.D.

### Elected by Graduates

Shona Connelly, B.A., M.A.

Jeff Lieberman, B.A., B.Comm. (Hons.)

Jerome Knysh, B.Sc.(I.E.), M.B.A.

### Appointed by the University of Manitoba Students Union

Allison Kilgour

Tanjit Nagra

Carl Neumann, B.A., B.Ed.

### University Secretary

Jeff M. Leclerc, B.Ed., M.Ed., C.Dir.

Respectfully submitted,  
The Board of Governors,  
The University of Manitoba



Jeff Lieberman, Chair.

## THE UNIVERSITY OF MANITOBA: OUR 140TH YEAR

The University of Manitoba is taking its place among leading Canadian universities through a commitment to innovative teaching and learning, and transformative research and scholarship – uniquely strengthened by Indigenous knowledge and perspectives. In 2016-17, the University celebrated its 140th year as the oldest university in western Canada and only research-intensive university in Manitoba. Established in 1877, and as this significant milestone passes, the University reflects back on its long history – how we’ve impacted our students, our community, our country and our world.

With our 140th anniversary in 2017 comes the achievement of other milestones as well. Fall Term 2016 marked our largest fall student enrolment to date at 29,987<sup>1</sup> students who represented 116 countries. The 2016-17 academic year also saw the highest enrolment of Indigenous<sup>2</sup> students in our history, who now comprise 8.0% of our total student population.

The University is pleased to have retained its status as one of Manitoba’s Top 25 Employers for 2017. Since the hiring of the “Original Six” in 1904 – the University’s first dedicated faculty members – the University now employs 4,785 full-time equivalent staff comprised of 2,298 faculty, 2,321 administrative staff and 166 staff in Ancillary Services. People drive the success of the University, as faculty and staff are dedicated to providing students with the exceptional education that they expect and deserve.

In 1883, the University’s first benefactor, Alexander Kennedy Isbister, left a bequest of \$83,000 and a legacy to the University of Manitoba to provide scholarships and prizes to students based on merit – regardless of sex, race, creed, language or nationality – which became the impetus for the creation of the University’s Endowment Fund. Now one of the largest Canadian university endowment funds of its kind, the University Investment Trust has grown to a market value \$677.2 million – its largest value to date.

Despite these milestone achievements, the University was not without challenge in 2016-17: a change in Provincial government, a labour disruption by its faculty members, and limited funding for the renewal of our aging infrastructure all had an impact on the University. As a consequence, the University took measures to control its costs and conserve resources in order to support future operations and initiatives. In fiscal 2016-17, the University’s Net Revenue from Operating Activities was \$134.1 million, which reflected contributions by our benefactors to our Endowment Fund, funding earmarked for future capital projects and research endeavors, and funding that has been set aside to support our ongoing operations and future initiatives. The following table summarizes the operating results of the University for the year ended March 31, 2017.

### SUMMARY OF OPERATING RESULTS

(in thousands of dollars)

	General Funds	Restricted Funds	Endowment Fund	2017 Total Funds	2016 Total Funds
Revenue	\$ 650,667	\$ 264,854	\$ 20,833	\$ 936,354	\$ 927,709
Expenses	548,371	253,912		802,283	794,992
Net Revenue from Operating Activities	102,296	10,942	20,833	134,071	132,717
Inter-Fund Transfers	(70,765)	64,870	5,895		
Net Increase to Fund Balance from					
Operating Activities	31,531	75,812	26,728	134,071	132,717
Remeasurement Gains (Losses)	142	18,585	42,836	61,563	(46,831)
<b>Net Increase to Fund Balance</b>	<b>\$ 31,673</b>	<b>\$ 94,397</b>	<b>\$ 69,564</b>	<b>\$ 195,634</b>	<b>\$ 85,886</b>

The University continues to engage its community in its decisions regarding resource allocation and work towards enhancing financial transparency as a means to enhance financial stewardship and prepare for future uncertainties. Even with these challenges, the University continued to strive toward achieving its mission and strategic priorities.

<sup>1</sup> As at November 1, 2016. Includes B.Sc.(Dentistry), B.Sc.(Medicine), and Joint Master’s Program students based on workload calculations.

<sup>2</sup> Indigenous identity is a voluntary self-declaration made on admission forms. **53/238**

# MANAGEMENT DISCUSSION AND ANALYSIS

## TAKING OUR PLACE

Our strategic approach to investment decisions is guided by *Taking Our Place: The University of Manitoba Strategic Plan 2015-2020*. Approved by the University's Senate and Board of Governors in November 2014, *Taking Our Place* was developed on the strength of extensive consultation across a wide spectrum of the University community, reflecting the planning priorities shared among faculty, staff, students and alumni.

The 2016 Provincial Budget provided the University with an operating grant increase of 2.5%, and tuition and course related fee increases by up to the inflation rate of 1.2%. The University's operating budget for 2016-17 approved by the Board of Governors allowed the University to invest \$3.8 million of ongoing funding and \$27.9 million of one-time funding in the *Taking Our Place* priorities.

*Taking Our Place* allows the University to sharpen its focus on teaching and research and more deliberately articulate the University's future role in the broader community. *Taking Our Place* continues to drive the University's approach to strategic resource management, reflects our commitment to support our talented faculty, staff and students, and promotes engagement within the communities we serve. The University is committed to working within this context, to invest available funds in a strategic manner and manage toward a sustainable future.

## FINANCIAL OVERVIEW

A university is a complex organization which undertakes several activities. These activities include teaching, research, community service and ancillaries such as student residences, parking services and bookstore operations. In addition, a university maintains its own infrastructure including buildings, roadways, parking lots, computer systems, research equipment, office furnishings and library offerings.

Because of the diverse nature of our activities and the restrictions imposed by our funders, the University segregates its revenue and expenses into separate categories, otherwise known as Funds. The University uses three categories of Funds to account for its financial resources: the General Funds, the Restricted Funds and the Endowment Fund.

**General Funds** consist of the:

### **General Operating Fund**

The General Operating Fund accounts for revenues received for operating purposes that support the University's academic, administrative and operational costs. Revenue recognized in this Fund includes tuition, our operating grant from the Province of Manitoba, and revenue from our Ancillary Services (bookstore sales, residence and parking fees). Expenses paid from this Fund are those that are needed to keep the University in operation. This University's largest expenses are paid from the General Operating Fund, and include the salaries and benefits of our faculty and staff, materials and supplies, utilities, plant maintenance, libraries, student services and other support services.

### **Specific Provisions Fund**

The Specific Provisions Fund consists of resources that have been set aside by the University for specific purposes. The largest single element of this Fund is carryover, which is the accumulated amount of any excess operating funding that is left over at the end of a fiscal year, and is used to fund operations in the next fiscal year. Other funding set aside in the Specific Provisions Fund has been earmarked for specific initiatives, graduate scholarships, equipment replacement and for fiscal stabilization.

### **Expenses Funded from Future Revenues Fund**

The Expenses Funded from Future Revenues Fund always has a negative fund balance. Under accounting standards, we are required to record certain liabilities such as future vacation pay, sick leave benefits, and our pension deficit. The employer costs or payments in any given year are recorded as an expense of the General Operating Fund, however, any change in the long-term liability is recorded against the Expenses Funded from Future Revenues Fund to guard against fluctuations within the General Operating Fund.

**Restricted Funds** consist of the:

## Research and Special Fund

The Research and Special Fund is used to account for the University's revenue and expenses related to sponsored research and other special activities. Revenue recognized in this Fund must be used in accordance with contracts and agreements between the University and its external sponsors of research and other special activities, and cannot be used to support general operations.

## Capital Asset Fund

The Capital Asset Fund houses the University's capital assets and capital-related debt. Capital assets include land, buildings, equipment and library books that have been acquired or donated with the expectation that they will be used for a number of years to help deliver the University's mandate. The Capital Asset Fund also consists of funding that can only be used to purchase or build capital assets, support future costs of capital upgrades or replacement, and funding that can only be used to repay debt that was used to buy or build capital assets. Because of this, the only expenses recognized in the Capital Asset Fund are amortization of capital assets, interest paid on debt, and losses on the disposal of capital assets.

## Staff Benefits Fund

The Staff Benefits Fund houses funding to support the benefit plans of the University's employees, and can only be used for that purpose. It consists of employee contributions to the Long Term Disability Plan, and the University's contributions to the Long-Term Disability and other benefit plans offered by the University. Funding is set aside in this Fund as the University is obligated to fund these benefit plans for its employees.

## Trust Fund

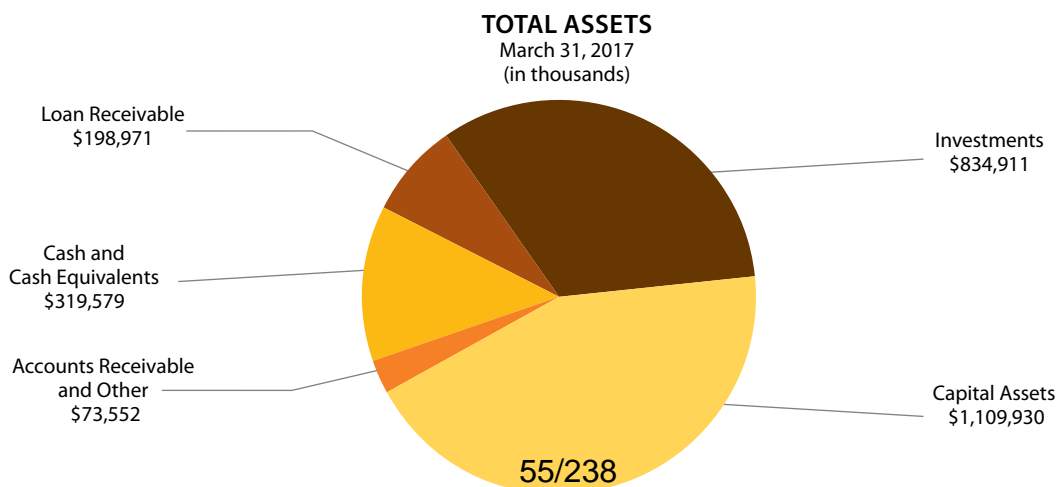
The Trust Fund accounts for funding that has been gifted or bequeathed to the University and can be used in its entirety, according to donor restrictions. Resources within the Trust Fund and any income earned from these resources can be used to support faculties and schools, students, professorships, chairs, research, libraries and athletic programs, to name a few.

The **Endowment Fund** houses resources that have been gifted or bequeathed to the University under the condition that they be held in perpetuity to support the future of the University. These donations are recorded as revenue in the Endowment Fund. However, the income earned from investing these gifts is accounted for in the Trust Fund so it can be used for specific purposes, as outlined previously.

## Assets and Liabilities

### Assets

The University's total assets at March 31, 2017 were \$2.5 billion. Capital assets and investments held in the Trust and Endowment Funds accounted for 76.7% of total assets. Details of the University's assets at March 31, 2017 are depicted below.



# MANAGEMENT DISCUSSION AND ANALYSIS

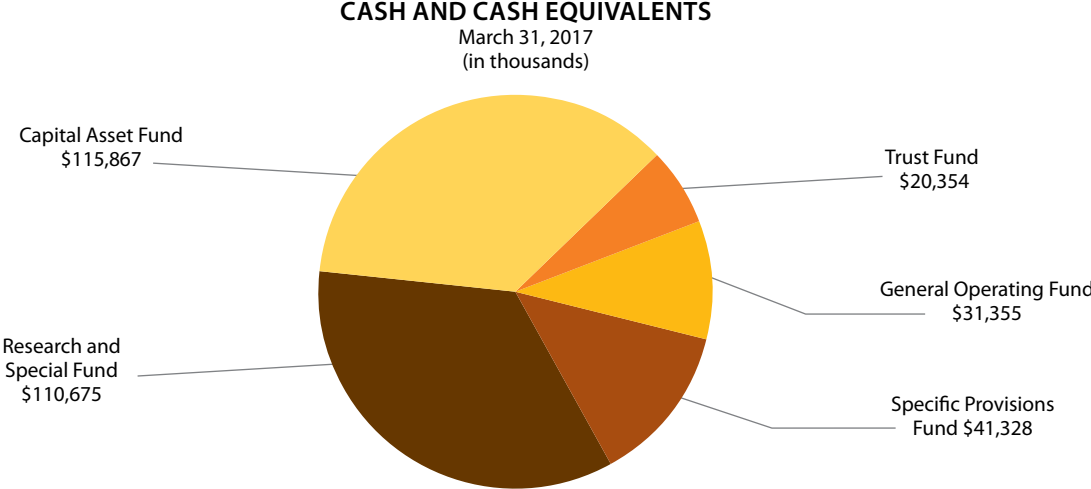
Investments and Capital Assets are discussed later in this report, and are further detailed in Notes 6 and 8 respectively.

The Loan Receivable represented amounts due from Triple B Stadium Inc. All of this receivable was offset by Long Term Debt due to the Province of Manitoba. An increase of \$7.6 million represented accrued interest.

Cash and Cash Equivalents held by the University at any time is a result of timing differences between when revenues are received and expenses are incurred. This is particularly true of research and capital projects, where revenue often is received in one year and the research or capital projects continue over multiple fiscal years. As the University constantly has multiple initiatives underway, it must manage its working capital appropriately to ensure that resources are available when they are needed. To enhance operational efficiency and reduce costs, cash is managed on a pooled basis, and depending on cash flow requirements may at times be invested into cash equivalents, or short-term investments, in order to earn interest income.

At March 31, 2017, the University had a Cash and Cash Equivalents balance of \$319.6 million, comprised of \$72.8 million of cash in bank and cash equivalents of \$246.8 million. Cash Equivalents consisted of Guaranteed Investment Certificates (GICs), all with staggered maturities equal to or less than one year.

Cash and Cash Equivalents within each of the Funds is illustrated below.



The majority of Cash and Cash Equivalents were held in the Capital Asset Fund and the Research and Special Fund. Within the Capital Asset Fund were resources that had been earmarked by our donors, funders, academic and administrative units and University administration for future major capital projects and equipment purchases. Funding is often set aside over multiple years in anticipation of future capital projects, or received at project onset then spent over the life of a project which may span multiple fiscal years. At March 31, 2017, the Capital Asset Fund had a Cash and Cash Equivalents balance of \$115.9 million. This included, among other funding, \$27.1 million set aside for Provincial debt repayment; \$19.4 million for a Centre for Music, Art and Design, which includes \$13.4 million of donations; \$18.5 million of funding from donors and other sources for learning space renewal; \$13.9 million from the Federal government and other sources for the construction of the Churchill Marine Observatory; \$10.6 million from the Federal and Provincial governments, donors and other sources for the construction of the SmartPark Innovation Hub and Stanley Pauley Engineering Innovation Centre; \$10.2 million from Ancillary Services intended for the future construction of a new residence on the Fort Garry campus; and \$6.1 million of funding from the Provincial government and other sources for infrastructure renewal. Details on the University’s capital projects are found later in this report.

The Research and Special Fund’s Cash and Cash Equivalents balance at March 31, 2017 represented funding received from the University’s external sponsors of research. These resources were provided to the University specifically to conduct research, and any Cash and Cash Equivalents balance remaining at the end of a fiscal year represented the portion of this funding that has not yet been spent. Often funding received is for research projects that span multiple fiscal years, resulting in a Cash and Cash Equivalents balance at March 31 each year. Details on research-related revenues and expenses are found later in this report.



# MANAGEMENT DISCUSSION AND ANALYSIS

The Specific Provisions Fund balance, which represented funding set aside to support operations and initiatives in future years, was maintained in both Cash and Cash Equivalents and Long Term Investments. Maintaining a balance of Cash and Cash Equivalents in this Fund ensures that the academic and administrative units have ready access to the resources they need to fund their operations and initiatives within the next fiscal year. The Cash and Cash Equivalents balance is replenished as required by the proceeds of long term investments realized as they mature. The Specific Provisions Fund is discussed later in this report.

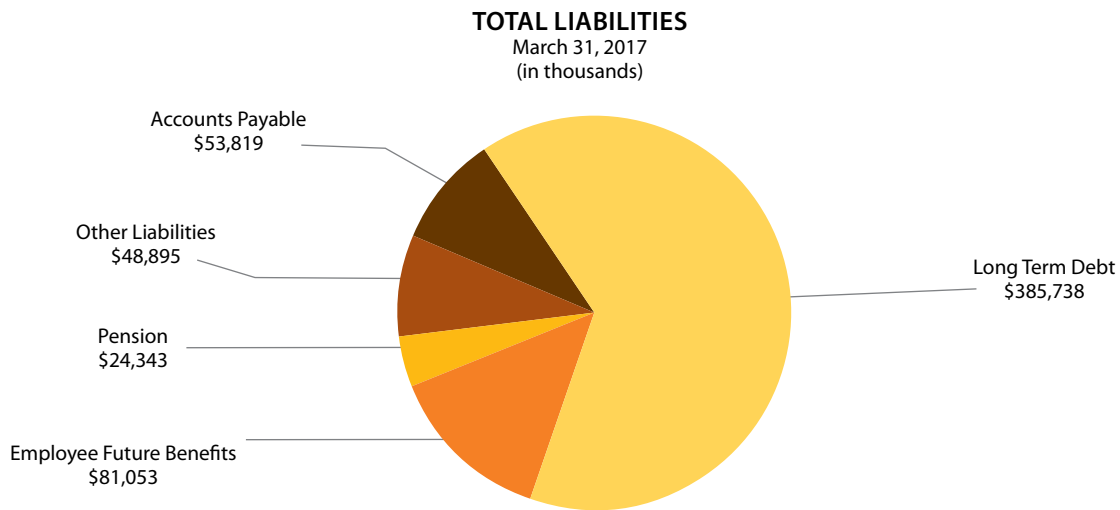
The Cash and Cash Equivalents balance held in the General Operating Fund represented working capital needed to meet the University's short-term obligations and fund our day-to-day operations.

The Trust Fund's Cash and Cash Equivalents balance of \$20.4 million represented donations held as cash equivalents in the Specific Trusts (\$14.0 million), and \$6.4 million of cash held with the investment managers of the University Investment Trust.

At March 31, 2017, the Staff Benefits Fund and the Endowment Fund had no Cash and Cash Equivalents balance as the resources held in these Funds were fully invested.

## Liabilities

The University's total liabilities at March 31, 2017 were \$593.8 million. Details of the University's liabilities at March 31, 2017 are depicted below.



More than half of the Long Term Debt consisted of a loan payable to the Province of Manitoba, which was offset by a Loan Receivable from Triple B Stadium Inc. for the construction of Investors Group Field. Long Term Debt also included loans made to the University for such initiatives as the construction of student residences and other buildings.

Further details on the University's liabilities at March 31, 2017 are found in Notes 9, 10, 11 and 14.

## Fund Balances

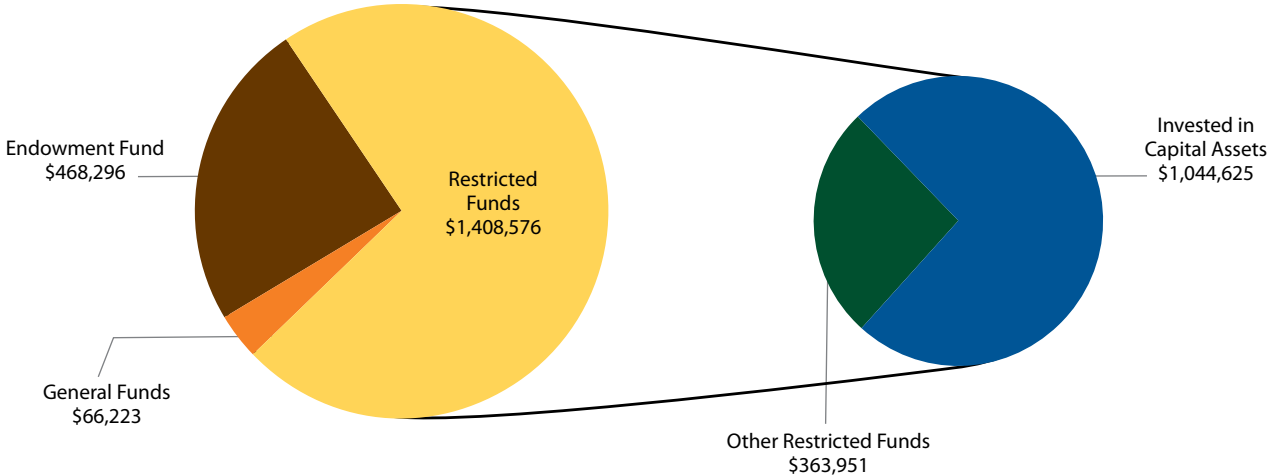
Fund balance is simply defined as total assets less total liabilities. It does not necessarily represent expendable resources as a large part of the balance is comprised of buildings and equipment which cannot be readily converted to cash.

At March 31, 2017, the University had a fund balance of \$1.9 billion across all funds. This was an increase of \$195.6 million from the previous year. The following diagram illustrates the distribution of the fund balance across the three categories of Funds – General Funds, Restricted Funds, and the Endowment Fund.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FUND BALANCES

March 31, 2017  
(in thousands)



At March 31, 2017, the General Funds fund balance of \$66.2 million was composed of a balance of \$2.3 million in the General Operating Fund and \$133.8 million in the Specific Provisions Fund, offset by a negative fund balance in the Expenses Funded from Future Revenues Fund of \$69.9 million. As a not-for-profit organization, the University’s General Operating Fund is balanced each year by setting aside funding in either the Specific Provisions Fund or the Capital Asset Fund to support future operations, initiatives and projects.

At March 31, 2017, the University’s Restricted Funds balance totaled \$1.4 billion, of which \$1.0 billion had been invested in capital assets or earmarked for major capital projects, and the balance attributed to the Trust Fund (\$213.0 million), the Research and Special Fund (\$142.2 million), and the Staff Benefits Fund (\$8.8 million). This funding was either provided to the University for a specific purpose, or was set aside in order to meet certain legal and contractual obligations. It included restricted donations held in the Trust Fund, funding held in the Research and Special Fund that must be used to conduct research, and contributions made to fund employee benefit plans. Because of these factors, this fund balance could not be used to support our general operations.

The Endowment Fund accounted for \$468.3 million of the University’s overall fund balance at March 31, 2017. As the resources in this Fund consisted of donations that had been directed by our benefactors to be held in perpetuity for the benefit of our future generations, we also could not use this fund balance to support our general operations.

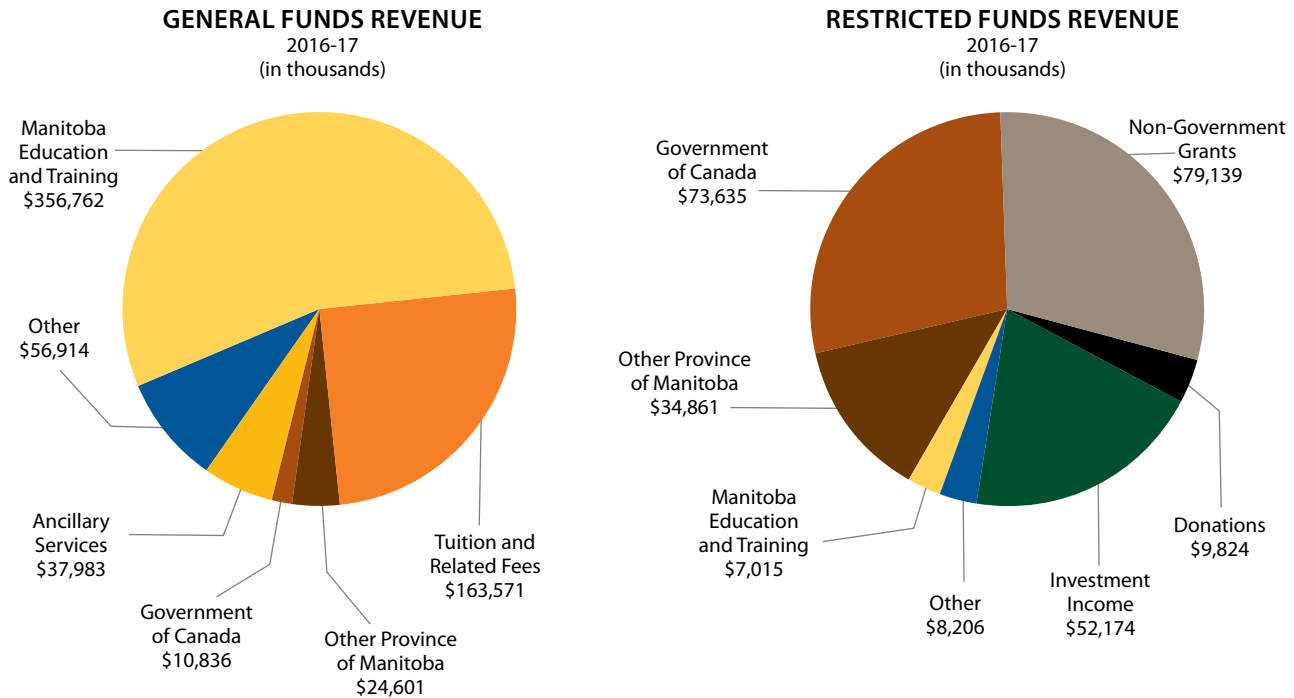
Further to the classification of the University’s fund balances into the General, Restricted and Endowment Fund categories for accounting purposes, fund balances are also categorized as unrestricted, internally restricted and externally restricted. Details on this are found in Notes 23 and 24.

### Revenue

The University earns revenue from a variety of sources. Revenue earned in our General Fund is our operating revenue, which is used to keep the University in operation. Revenue earned in our Restricted Funds can only be used for specific purposes, such as to conduct research, to build or purchase capital assets, or to support student scholarships and awards. Donations are the only revenue recorded in the Endowment Fund.

In 2016-17, the University recorded \$936.4 million of total revenue across all Funds, an increase of \$8.6 million from the previous year. Total revenues received in 2016-17 were recorded in each Fund as follows:

# MANAGEMENT DISCUSSION AND ANALYSIS



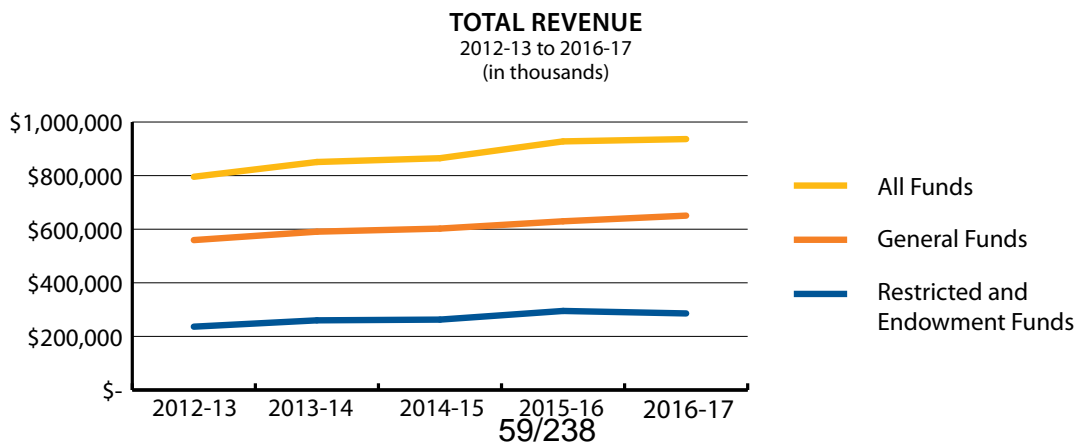
Details on the categorization of revenue in each of the individual Funds are found in Notes 20 and 21.

The University's most significant funder is the Province of Manitoba. In 2016-17, revenues from Provincial departments and agencies totaled \$423.2 million or 45.2% of total revenues. Province of Manitoba revenue decreased by \$4.7 million from the prior year due to a decrease of \$16.4 million of capital and research-related funding offset by an increase in our operating grant from Manitoba Education and Training of \$9.6 million and increased operating revenue from Manitoba Health of \$2.3 million.

The University's second largest source of income is Tuition and Related Fees, which in 2016-17 totaled \$163.6 million and was 17.5% of the University's total revenue. This was an increase of \$3.6 million from the prior year. The increase in Tuition and Related Fee revenue was attributed to a tuition and course-related fee increase of 1.2% as allowed by the Province of Manitoba, and to international differential fee increases associated with an increase in enrolment of international students.

In 2016-17, support from the Government of Canada resulted in the University receiving \$84.5 million in Federal funding, which was 9.0% of the University's total revenue. This was an increase of \$2.7 million from the prior year, which was attributed to an increase in research-related funding.

The following graph shows revenue growth over the last five years, which has been relatively consistent across the Fund categories.



# MANAGEMENT DISCUSSION AND ANALYSIS

The drivers of General Funds revenue differ from those of our Restricted and Endowment Fund revenue. For instance, as we experience increases in student enrolment and increases to our tuition fee rates as permitted by the Province of Manitoba, an increase in Tuition and Related Fees revenue will result. The combination of these two drivers has had the most significant influence on the growth of our General Operating Fund revenue over the past five years.

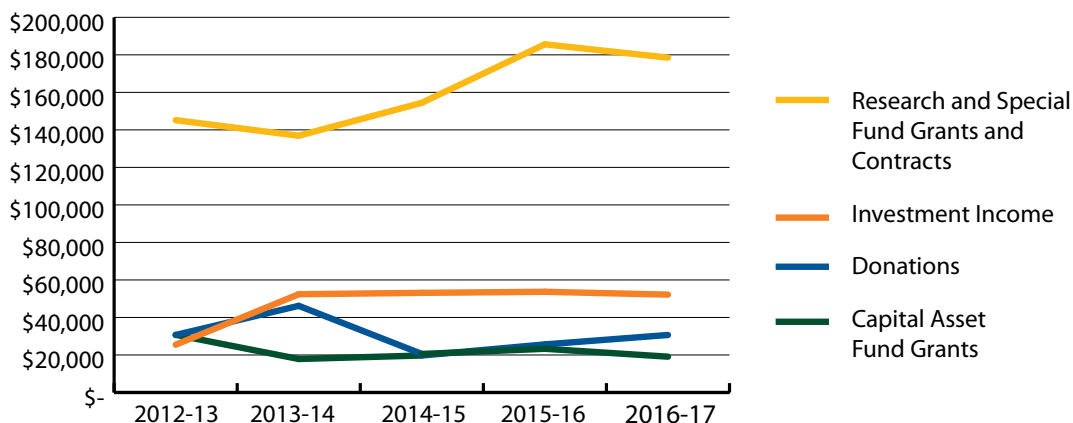
Further driving our revenue growth in the General Funds have been increases to our operating grant from the Province of Manitoba. Because we rely so heavily on our operating grant from Manitoba Education and Training, any change in our operating grant significantly impacts our ability to fund operations.

In the Restricted and Endowment Funds, the focus shifts to our researchers and benefactors as the drivers of revenue. The dedication of the University’s researchers to expanding our world-class research programs and commitment to innovation have resulted in increased research-related grants and contracts being the most identifiable source of revenue growth in the Restricted Funds. Research-related grants and contracts come from various sources, which are discussed in detail later in this report.

Further contributing to revenue growth in the Restricted and Endowment Funds is the continued generosity of our benefactors. With the launch of the Front and Centre Capital Campaign, the University has experienced growth in its donation revenue which in turn enables the University to provide increased financial assistance to its students; enhances the support of our staff and operations; helps us improve our campus facilities for our students, faculty and staff; and provides increased financial security to our future generations of students.

The differing dynamics of the revenue types in the Restricted and Endowment Funds are illustrated in the following graph.

**RESTRICTED AND ENDOWMENT FUNDS  
SELECT REVENUES**  
2012-13 to 2016-17  
(in thousands)



Most notable in the above graph is the significant increase in research-related funding from grants and contracts since fiscal 2013-14. As the University strives to achieve its strategic priority of Driving Discovery and Insight, our researchers have expanded our global reach and attracted international attention from agencies dedicated to quality research and innovation. For instance, over the past five years The Bill and Melinda Gates Foundation has contributed \$102.0 million to the University’s research and public health programs in India, Kenya and elsewhere. This funding has been instrumental to the growth of Research and Special Fund revenue. Research-related revenues are discussed in further detail later in this report.

Variations in Investment Income can be muted due to the accounting standard requiring separate measurement of unrealized gains and losses on investments, as explained later in this report. While Investment Income and Donation revenue have remained relatively consistent over the past five years, capital-related grants received by the University can vary from one year to the next. Although the University is provided with an annual grant from the Province of Manitoba in support of our deferred maintenance, the major capital projects we undertake are driven by the approval of our requests to both the Provincial and Federal governments for capital-related funding. Depending on the number of capital projects

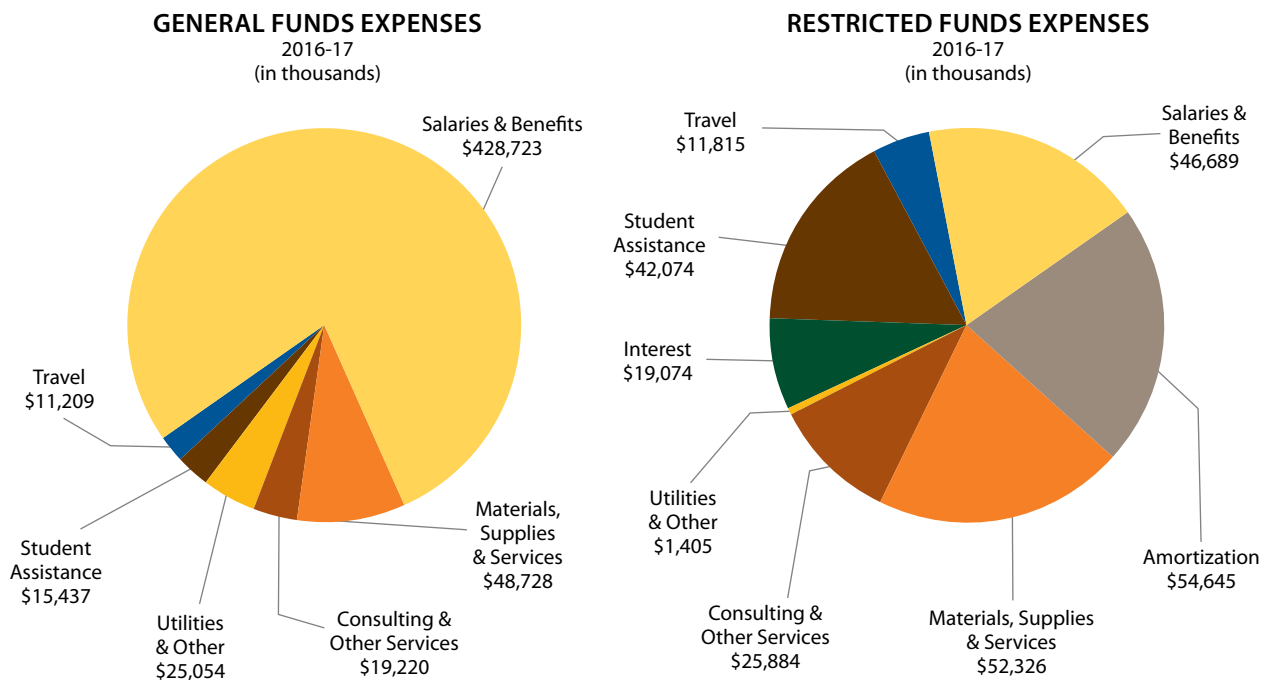
# MANAGEMENT DISCUSSION AND ANALYSIS

supported by the Provincial and Federal governments, if any, and the size of these projects, there can be a significant year-over-year variance in Restricted and Endowment Fund revenue, as well as our cash balances.

## Expenses

Like revenue, expenses are recorded in the various Fund categories according to their purpose. Expenses incurred to keep the University in operation are recorded in the General Funds, and expenses incurred for example, to conduct research, manage investments in the Trust and Endowment Funds, and service our debt, are recorded in the Restricted Funds. The Endowment Fund does not incur any expenses.

In 2016-17, the University recorded \$802.3 million of expenses across all Funds. This was an increase of \$7.3 million from the previous year. The General Funds incurred expenses of \$548.4 million, and the Restricted Funds incurred expenses of \$253.9 million. The types of expenses incurred in each Fund in 2016-17 are illustrated below.



Details on the categorization of expenses in each of the individual Funds are found in Notes 20 and 21.

### Compensation

By far, the University's most significant expense is faculty and staff compensation. In 2016-17, the University incurred Salaries and Benefits of \$475.4 million, which was 59.3% of total expenses. The University's compensation-related expenses are largely governed by collective bargaining agreements which can be subject to Provincial government mandates. In 2016-17, the University experienced a decrease in Salaries expense of \$7.5 million that was offset by an increase in Staff Benefits and Pay Levy expense of \$18.9 million. The decrease in Salaries expense was due primarily to the impact of the UMFA labour disruption and no inflationary increase in salaries for this and other compensation groups, and from incurring one-time costs in the prior year associated with a Voluntary Early Retirement Plan. The increase in Staff Benefits expense of \$18.9 million was mainly due to a net change in the actuarially-determined pension and employee benefit valuations.

### Other Expenses

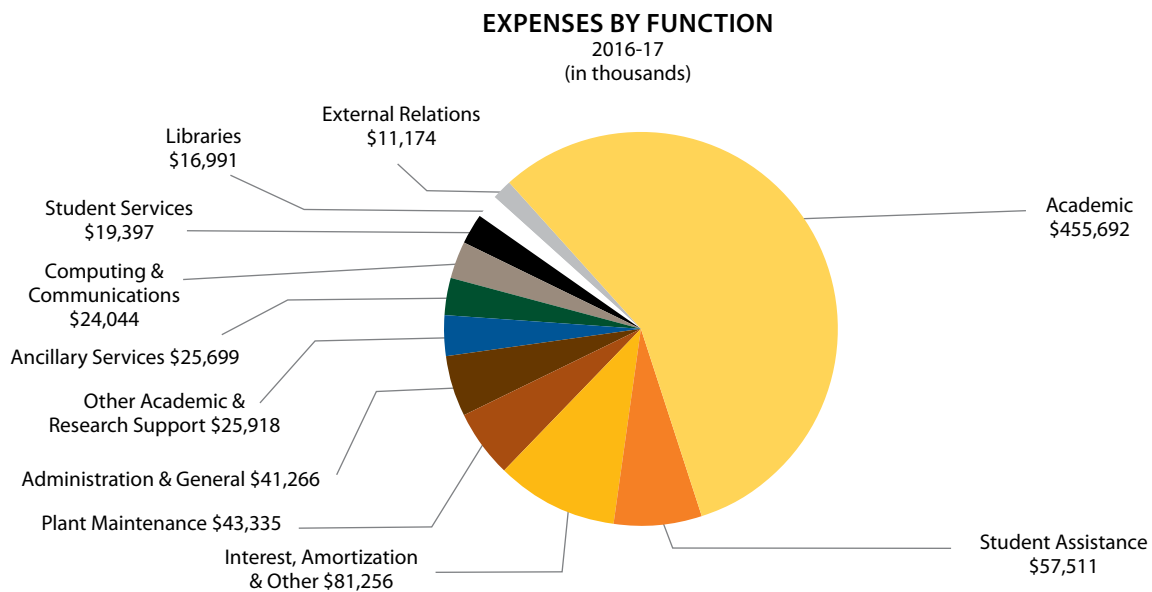
Other significant expenses incurred in 2016-17 included Materials, Supplies and Services of \$101.1 million or 12.6% of total expenses. These expenses included the materials and supplies needed, for example, to deliver our education programs, conduct experiments and testing in labs for research and teaching purposes, and to stock our bookstores. In 2016-17, Materials, Supplies and Services expense decreased by \$8.0 million from the prior year, primarily due to planned efforts to

# MANAGEMENT DISCUSSION AND ANALYSIS

reduce operating-related spending, and because in the prior year the University flowed a payment of \$3.7 million through from the Province of Manitoba to Triple B for Investors Group Field improvements, which did not occur in 2016-17. This expense was offset by \$3.7 million of revenue from the Province of Manitoba.

Student Assistance is also a major expenditure of the University, and is primarily incurred in the Restricted Funds. As investment income is earned in the Trust and Endowment Funds, some of it is redistributed to our students in the form of scholarships, prizes and bursaries in accordance with donor requests. The funding of Student Assistance is also derived from our research-related revenue, as students participating in our research projects are often eligible to receive financial assistance as part of their learning experience. Further, a significant portion of Tuition and Related Fees revenue is redistributed back to our students as financial assistance. In 2016-17, the University provided \$57.5 million of Student Assistance, which comprised 7.2% of total expenses.

The following diagram depicts where the University spent its funding in 2016-17. Further details on expenses by function can be found in Note 19.



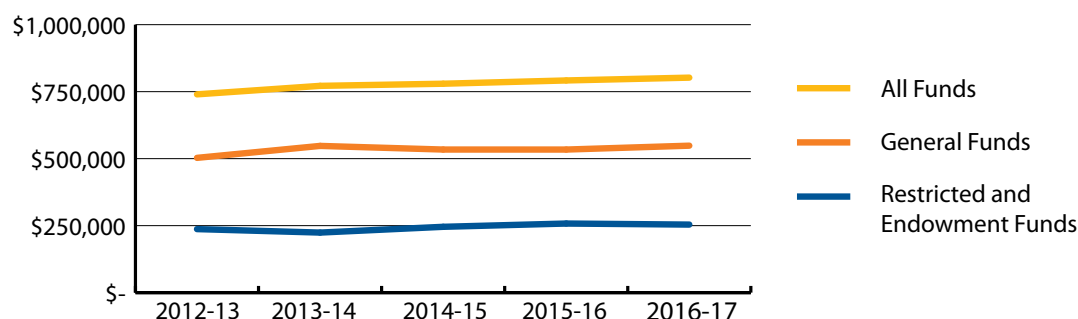
Similar to compensation-related expenses, the majority of expenses incurred by the University are to directly carry out our primary mission of teaching our students and conducting research. All other expenditures incurred are in support of these functions. For example, Administration and General expenses in 2016-17 included \$3.2 million of costs associated with a project the University undertook to redesign its budget model to increase the transparency of and accountability for the University’s finances and resource allocation. The project is being led by the Provost and Vice-President (Academic) with input from academic and administrative unit leaders, and faculty and staff.

The following illustration shows the growth of the University’s total expenses across the major Fund categories over the last five years. Expenses have remained relatively consistent from year to year.

# MANAGEMENT DISCUSSION AND ANALYSIS

## TOTAL EXPENSES

2012-13 to 2016-17  
(in thousands)



## Inter-Fund Transfers

Inter-fund transfers are transfers of resources from one Fund to another. They are made when resources held in one Fund are used to pay for activities that are required to be recorded in another Fund for accounting purposes. Inter-fund transfers are made for transactions that have already occurred, as well as for transactions planned to be made in the future.

In 2016-17, a net \$102.3 million of inter-fund transfers were made from the General Operating Fund. The following table is a summary of the net inter-fund transfers made between the University's Funds during 2016-17.

### 2016-17 INTER-FUND TRANSFERS

(in thousands)

Purpose	Expenses Funded from							
	General Operating Fund	Specific Provisions Fund	Future Revenues Fund	Capital Asset Fund	Research and Special Fund	Staff Benefits Fund	Trust Fund	Endowment Fund
Capital Asset Funding	\$ (65,255)	\$ 1,072	\$	\$ 69,742	\$ (4,707)	\$	\$ (852)	\$
Carryover and Other Specific Provisions	(44,503)	44,503						
Debt Repayment	(15,196)			15,196				
Student Support	(8,929)				(44)		8,963	10
Pension Liability	3,771		(3,771)					
Other Net Transfers	5,050		(817)	(206)	(741)	(2,880)	(6,291)	5,885
Support of Operating Expenses	22,784	(9,474)		(1,448)	(2,317)		(9,545)	
<b>Net Transfers</b>	<b>\$(102,278)</b>	<b>\$ 36,101</b>	<b>\$ (4,588)</b>	<b>\$ 83,284</b>	<b>\$ (7,809)</b>	<b>\$ (2,880)</b>	<b>\$ (7,725)</b>	<b>\$ 5,895</b>

The more significant transfers to and from the General Operating Fund included:

- Transfers of \$65.3 million from the General Operating Fund to the Capital Asset Fund were comprised of:
  - \$30.3 million for strategic priorities, which included \$10.0 million for learning space renewal, \$6.6 million for preventative maintenance, \$6.0 million for a proposed concert hall, \$1.7 million for energy conservation, \$1.0 million for road renewal, \$1.0 million for Bannatyne Dining Services upgrades, \$0.9 million for the renovation of the Centre for Advancement of Teaching and Learning, and \$3.1 million for various other projects;
  - \$21.2 million for the purchase of capital assets including equipment, furnishings and library acquisitions; and
  - \$13.8 million for capital projects initiated by the academic and administrative units, which included, but were not exclusive to, \$4.7 million from Ancillary Services for residence renovation and construction, \$2.0 million from the

# MANAGEMENT DISCUSSION AND ANALYSIS

Vice-President (Research and International) Office for the construction of the Churchill Marine Observatory, \$0.9 million from the I.H. Asper School of Business for classroom, lab and library renovations, \$0.9 million from the Faculty of Arts for Black Hole Theatre renovations and the relocation of their general office, \$0.6 million from the Faculty of Science for classroom and Dean's Office renovations, \$0.5 million from the Faculty of Kinesiology and Recreation Management for Max Bell Fieldhouse upgrades and a new scoreboard system, and \$0.4 million from the School of Art for gallery foyer renovations;

- The transfer of carryover of \$50.0 million from the Specific Provisions Fund to the General Operating Fund at the beginning of the fiscal year, and the transfer of carryover of \$75.8 million from the General Operating Fund to the Specific Provisions Fund at the end of the fiscal year;
- Transfers of \$19.8 million from the General Operating Fund to the Specific Provisions Fund for special projects and initiatives, of which \$5.4 million was transferred in by the academic and administrative units for such initiatives as IST-related projects (\$3.5 million) and SmartPark renovations and upgrades (\$1.1 million); and \$14.4 million from central sources which included funding for future payments made under the Retirement Allowance Program for UMFA members (\$4.8 million), future pension payments (\$3.4 million), support for 2017-18 strategic priorities funded by revenue from the International College of Manitoba (\$3.4 million), and Human Resources information system renewal (\$1.5 million);
- Transfers of \$15.2 million from the General Operating Fund to the Capital Asset Fund for the repayment of debt, which consisted primarily of \$6.5 million for Ancillary Services and Active Living Centre debt, \$5.3 million for the repayment of Provincial debt, and \$2.8 million collected from students for the repayment of debt associated with technology improvements;
- Transfers of \$8.9 million from the General Operating Fund to the Trust Fund for the payment of scholarships and bursaries to students; and
- Transfers of \$22.8 million to the General Operating Fund from all other Funds by the academic and administrative units in support of operating expenses, which included \$9.5 million from the Specific Provisions Fund for various initiatives and \$9.5 million from the Trust Fund for operating expenses as supported by the terms and conditions of the various trust funds.

Inter-fund transfers are detailed further in Note 22.

## ***Specific Provisions***

During 2016-17, net inter-fund transfers of \$36.1 million were made to the Specific Provisions Fund, bringing the balance of the Specific Provisions Fund to \$133.8 million at March 31, 2017 as depicted below.

### **SPECIFIC PROVISIONS FUND**

(in thousands)

	2017	2016
Carryover	\$ 75,861	\$ 50,068
Special Projects – Centrally Funded	23,460	15,781
Special Projects – Faculty or Unit Funded	13,897	15,444
Pension	12,862	9,457
Other	7,689	6,918
<b>Fund Balance</b>	<b>\$ 133,769</b>	<b>\$ 97,668</b>

Carryover increased by \$25.8 million from the prior year. This was due in part to salary and other savings realized because of the UMFA labour disruption, funding set aside for future initiatives, as well as deliberate actions taken by the academic and administrative units to reduce their expenditures in order to ensure fiscal stability in future years.

Funding for centrally-funded special projects increased by \$7.7 million from the prior year, which was primarily the result of \$7.2 million being set aside for 2017-18 strategic priorities.



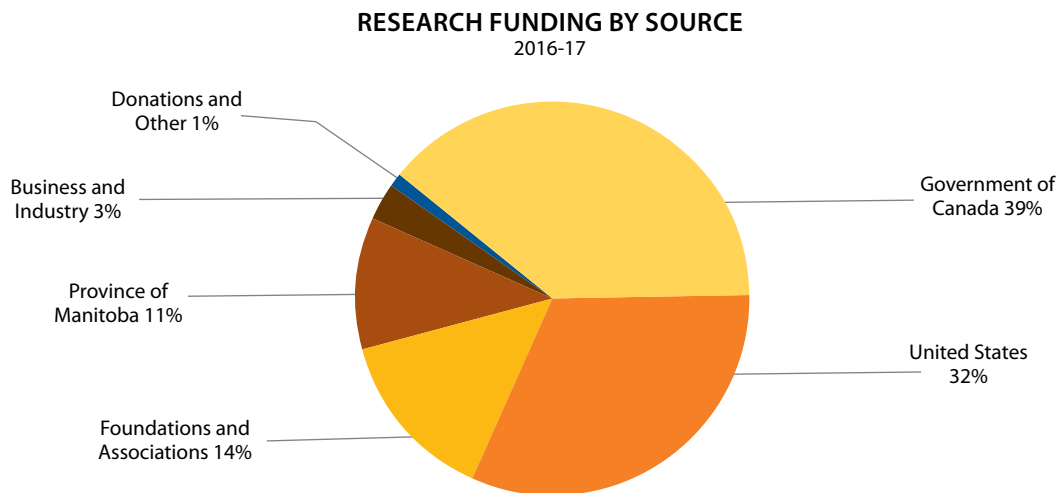
## Remeasurement Gains and Losses

Remeasurement gains and losses primarily represent unrealized gains and losses on the investments held in the University Investment Trust, which is part of the Trust and Endowment Funds. During the year, the University recorded \$61.6 million in net remeasurement gains, of which \$55.1 million represented net unrealized gains experienced as security valuations increased in most of the asset portfolios of the University Investment Trust.

## RESEARCH

In 2016-17, research at the University continued to flourish, with investment in a number of key areas. The University received \$152.3 million in sponsored or assisted research support, which was a decrease of \$7.6 million from the previous year.

Funding of the University's research activities comes from a variety of sources. The following diagram illustrates the sources of the research-related funding received during 2016-17.



The University's largest funder of research is the Government of Canada, which in 2016-17 provided 39.0% of our research-related revenue through the issuance of grants and contracts. The majority of these grants and contracts were provided by the Tri-Agency, which is comprised of the Natural Sciences and Engineering Research Council of Canada (\$19.4 million), the Canadian Institutes of Health Research (\$23.6 million), and the Social Sciences and Humanities Research Council of Canada (\$6.0 million). Other funding was provided from a variety of other Federal government departments. Funding from the Federal government decreased \$2.3 million or 3.7% from the previous year because we received a \$2.8 million dollar contribution in the prior year for the operations of the National Centre for Truth and Reconciliation which was not repeated in 2016-17.

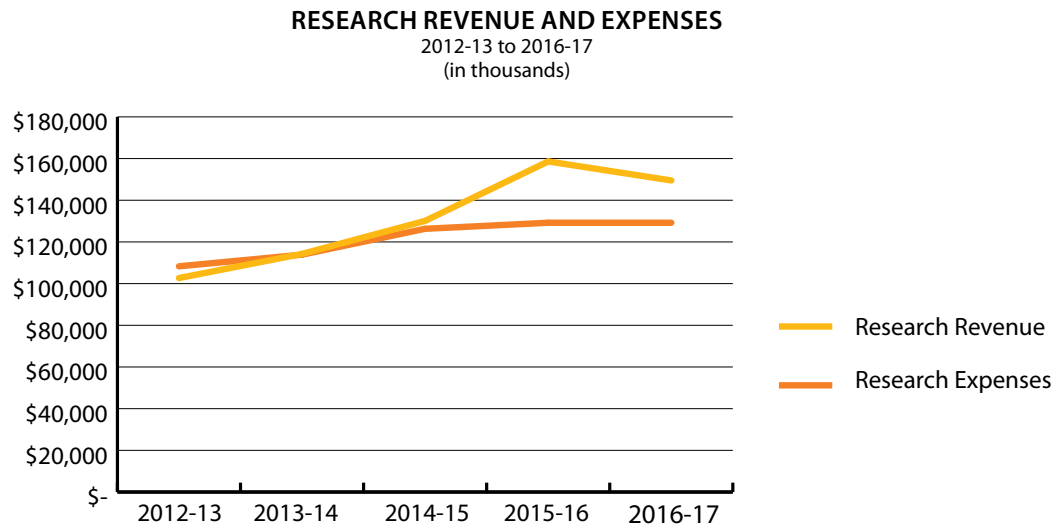
The University also received a significant portion of funding for research from sources in the United States, which provided \$47.5 million or 32.0% of research-related revenues in 2016-17. Our largest funder of research from the United States is the Bill and Melinda Gates Foundation, which provided \$38.5 million in 2016-17. The funds were directed to our Centre for Global Public Health for ongoing projects primarily related to reproductive, maternal, neonatal and child health in India, Kenya and elsewhere.

The Province of Manitoba provided the University with \$17.1 million in funding in 2016-17, or 11.2% of our research-related revenues. This amount decreased \$4.2 million or 19.6% from the previous year. The decrease is attributable to several elements including a \$1.0 million reduction in funding from Manitoba Agriculture and Research Manitoba due to the completion of certain research projects during the fiscal year, and the receipt by the Centre for Earth Observation Science of a major award from Manitoba Hydro in the prior year.

# MANAGEMENT DISCUSSION AND ANALYSIS

In addition to the external funding we received for research, the University also transferred \$5.9 million from the General Operating Fund and \$1.7 million from the Trust Fund to the Research Fund in order to support the establishment of research programs and to supplement ongoing research.

In 2016-17, research-related expenses were \$129.2 million, which was consistent with the prior year. The following diagram illustrates the relationship between research revenue and research expenses over the past five years.



At times, research revenue is received at the commencement of a research project and may not all be spent during a particular fiscal year, as research projects often span multiple fiscal years. This often results in a differential between research revenues and research expenses, which can vary from year to year.

Expenses incurred to conduct research include, but are not exclusive to: direct compensation costs; materials including lab equipment and supplies, and those required for animal care; travel to specialized conferences in the various fields of study; and for professional consulting fees. In 2016-17 research funding also provided \$22.6 million in support of students who participate in our research activities, which amounted to 40.6% of all assistance provided to students by the University in 2016-17. This support enabled students to work with experienced researchers while they continued their studies and developed their own research activities. The Research Fund provided the University with \$4.8 million in indirect cost funding which was used to support research and defray some of the indirect costs associated with research activities. The Research Fund also provided \$4.5 million in funding for the acquisition or construction of capital assets, which included \$3.7 million for scientific and research equipment.

Research expenses were highest in the Rady Faculty of Health Sciences, at a level of \$90.7 million in 2016-17. It was followed by the Faculty of Agricultural and Food Sciences at \$18.1 million; the Faculty of Science at \$8.9 million; the Clayton H. Riddell Faculty of Environment, Earth and Resources at \$8.4 million; and the Faculty of Engineering at \$8.1 million. In 2016-17, these five faculties accounted for 88.8% of the University's research-related expenses.

## CAPITAL

The University carefully plans its capital activities and identifies and prioritizes deferred maintenance, infrastructure renewal requirements and major capital projects. The University's Visionary (re)Generation master plan will guide the design and development of the University's campuses over the next 30 years, and is a resource for the entire campus community.

## *Investment in Capital, Infrastructure and Technology*

During 2016-17, the University invested \$80.9 million in capital assets, an increase of \$4.1 million from the previous year. This included \$52.5 million for the construction of buildings, infrastructure renewal, parking lot upgrades and land improvements; \$12.9 million for library acquisitions and works of art; \$12.6 million for the acquisition of furniture, equipment and vehicles; and \$2.9 million for computer equipment and other technological improvements.

In 2016-17, the University continued to invest in the redevelopment of Tache Hall. Phase II of the project continues and will result in an addition to the building that will house custom-designed spaces for rehearsal studios, an ensemble room, a jazz studio, and a combined choral/opera rehearsal room with risers for the Desautels Faculty of Music. In 2016-17, \$18.9 million was invested in this project. The project is anticipated to continue into future years, with the anticipated completion of Phase II in 2017-18, and afterwards the construction of a proposed concert hall. This project is funded by the Province of Manitoba, generous donors and through other sources.

Over the last four years, the University has allocated \$12.0 million toward renewing its classrooms and labs. Upgrades have been ongoing since then, and in 2016-17 \$3.7 million was spent on these projects. The University has allocated a further \$10.0 million to fund learning space renewal, and through generous donations will continue to allocate resources to these projects over the coming years.

In partnership with the Federal and the Provincial governments and generous donors, the University initiated two new construction projects in 2016-17. Supported by the Post-Secondary Institutions Strategic Investment Fund, the University will construct a SmartPark Innovation Hub and the Stanley Pauley Engineering Innovation Centre. The SmartPark Innovation Hub will support commercialization and professional services, encouraging partnerships to form that will drive the creation of new technologies, ultimately growing the number of local start-up companies. The Stanley Pauley Engineering Innovation Centre will create new spaces for research and teaching labs, industry collaboration, prototype development, and commercialization. The construction of SmartPark Innovation Hub commenced in 2016-17, and construction of the Stanley Pauley Engineering Innovation Centre will start in 2017-18. The costs incurred in 2016-17 for these projects totaled \$2.6 million. The expected completion date for both projects is April 2018.

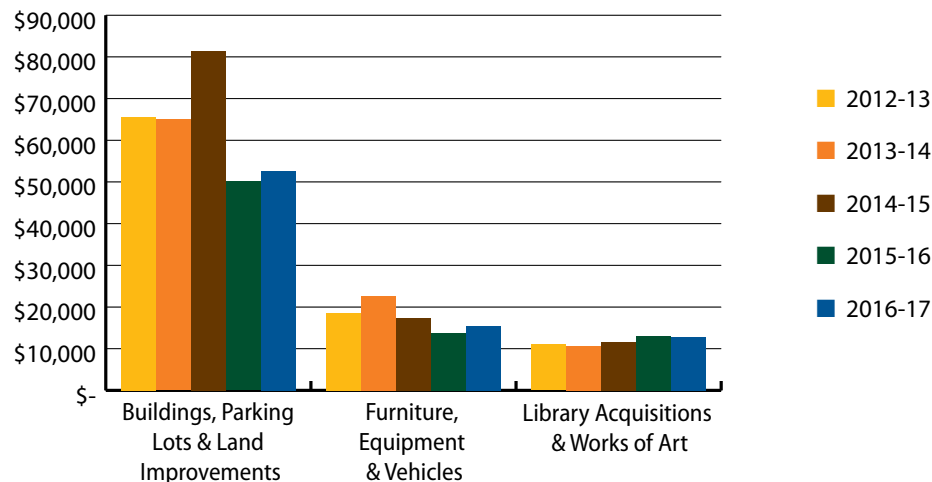
The project to build the Churchill Marine Observatory (CMO) commenced in 2015-16, and the University has incurred costs of \$0.7 million to date with the completion of the conceptual design of the facility. The CMO will be a globally unique, highly innovative, multi-disciplinary research facility located in the Canadian Arctic on the shores of Hudson Bay. This unique facility will bring together researchers from the Universities of Manitoba, Calgary, Victoria, Laval, Dalhousie and Washington, and from Government of Canada departments. Because of the challenges associated with building such a facility in a remote location, in 2016-17 the project was delayed and the conceptual design was modified. Construction of the facility is expected to start in 2017-18, and will be funded by the Canada Foundation for Innovation (CFI), the Provinces of Manitoba and Alberta, and other sources.

The University invested \$10.1 million in infrastructure renewal projects in 2016-17. Major upgrades on waterline and outfall were completed and, with other minor projects related to sewer and water, resulted in a total cost of \$2.5 million. Other investments in infrastructure included \$2.4 million for asbestos remediation, \$1.3 million for fire and safety upgrades, \$1.1 million for building envelope repairs, \$1.0 million for HVAC upgrades, and \$1.8 million for other infrastructure projects. Infrastructure projects were funded by the Province of Manitoba and other sources.

The University's investment in capital, infrastructure and technology over the last five years is depicted below.

# MANAGEMENT DISCUSSION AND ANALYSIS

**INVESTMENT IN CAPITAL ASSETS**  
2012-13 to 2016-17  
(in thousands)



The University’s investment in capital assets is highly dependent on the funding it receives from the Federal and Provincial governments and our donors. As such, the University’s investment in capital assets will fluctuate from year to year.

### ***Sale of Portion of Southwood Land***

In 2016-17, the University sold approximately 10 acres of its Southwood land to the City of Winnipeg for the expansion of the Rapid Transit System. This expansion will result in a direct public transportation corridor from Pembina Highway to Investors Group Field. The City of Winnipeg expects to substantially complete the project in 2022.

The University incurred a loss of \$1.0 million on the sale of this land. However, the University will benefit significantly from this undertaking and the City of Winnipeg has agreed to enhance and redevelop existing transit-related infrastructure within the Fort Garry campus.

## TRUST AND ENDOWMENT FUNDS

The University’s Trust and Endowment Funds are an integral source of funding for our students, faculties, professorships and chairs, research activities, capital projects, library acquisitions, athletic programs, and many other undertakings. The net investment income earned in these funds, as well as donations received that can be used in their entirety, support our activities as directed by our donors. Gifts and bequests received in our Endowment Fund must be held in perpetuity; however, each year a portion of the net investment income earned from investing these gifts is used to support current year endeavors, and the rest is reinvested to provide financial security for beneficiaries in the future.

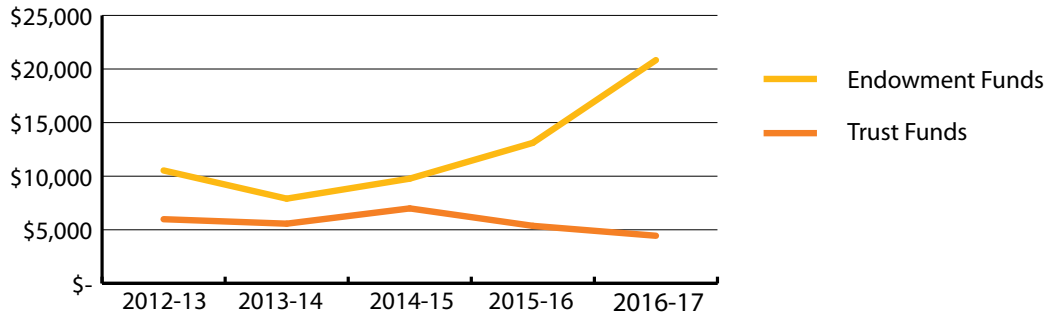
### ***Gifts to the University***

In 2016-17, the Trust and Endowment Funds received a combined \$25.3 million in new gifts. Donations to the Endowment Fund have increased over the past few years in conjunction with the Front and Centre Capital Campaign. In 2016-17, the largest single gift received was \$5.0 million from the Rady Family in support of the Rady Faculty of Health Sciences. The Rady family has donated or pledged a total of \$30.0 million to the University.

Donation revenue realized in the Trust and Endowment Funds over the past five years is illustrated below.

## TRUST AND ENDOWMENT FUNDS DONATION REVENUE

2012-13 to 2016-17  
(in thousands)



Since most donors tend to endow their contributions, and larger gifts in particular, the Endowment Fund realizes the majority of charitable giving.

### University Investment Trust

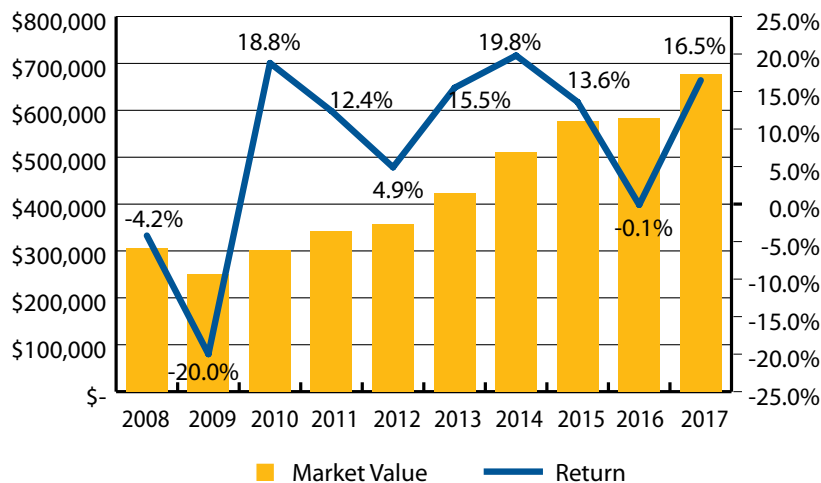
Although accounting standards require that the Trust Fund and the Endowment Fund be recorded separately, the resources in these Funds are combined and invested together. All of the Endowment Fund and most of the Trust Fund are together known as the University Investment Trust (UIT).

The UIT, with a market value of \$677.2 million at March 31, 2017, was comprised of approximately 2,200 individual donor-named accounts and represented most of the resources in the Trust and Endowment Funds. During the last 10 years, the UIT has grown by \$364.8 million, having received gifts of \$156.1 million during that period and realizing a 10-year annualized rate of return of 7.0%.

The following graph demonstrates the growth of the market value of the UIT and annual returns over the past 10 years.

## MARKET VALUE AND ANNUAL RETURN OF UIT

2007-08 to 2016-17  
(in thousands)



# MANAGEMENT DISCUSSION AND ANALYSIS

The UIT has reached its highest value to date, thanks to both the generosity of our donors and to the return experienced from the investments held.

The University has set a long-term payout rate, also referred to as a spending allocation, so that the current generation can realize a benefit from the UIT. However, this spending allocation rate is set keeping in mind that future generations also need to be supported. This payout requirement is currently set at 4.25% of a rolling 48 month average of market value of the UIT. An asset mix is set for the UIT's investment portfolio with the purpose of achieving a rate of return great enough to fund the spending allocation, the associated investment management fees, and inflation in order to protect the purchasing power of the UIT for future beneficiaries.

In 2016-17, the asset mix of the UIT investment portfolio, set at 75% equities, 15% real estate, and 10% government bonds, generated an annual return of 16.5%. The return was a combination of interest, dividends, capital gains on the sale of investments, and the appreciation in value of the portfolio due to changes in the market price of investments held. The return of 16.5% exceeded the UIT's benchmark rate of 15.3%, adding value of 1.2%.

The annual returns reflect the volatility in the investment markets over the past 10 years. This period started with the financial crisis of 2008-2009, which saw the UIT lose 20.0% of its market value, which was typical of most endowment funds that year. In the subsequent years, the UIT has mostly experienced very strong earnings: in six of the past eight years, the UIT has had double-digit investment returns, and in all but one of those years the UIT exceeded its policy benchmark. Over that period the UIT has consistently ranked in the top quartile of performance among the larger university endowment funds in Canada.

In 2016-17, the UIT generated enough investment income to support the allocation of \$23.3 million to support our students, faculty, and other activities.

## CONCLUSION

As we embark on the decade that will lead the University to its 150th year, we look back at where we've been and how far we've come. Without our students, faculty, staff, benefactors and funders, we would not have achieved the success we have today in influencing our community and beyond. Continued investment in the University will result in increased capacity to support the cultural, social and economic well-being of Manitoba, Canada and, indeed, our world. Through a continued commitment to excellence in teaching, research, scholarly work and other innovative activities, the University promotes a sustainable community that will be of benefit for years to come.


# STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The University is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of Chartered Professional Accountants Canada, including the standards for government not for profit organizations. The University believes the financial statements present fairly the University's financial position as at March 31, 2017 and the results of its operations for the years ending March 31, 2017.

The University's Board of Governors is responsible for overseeing the business affairs of the University and also has the responsibility to approve the financial statements. The Board has delegated certain responsibilities to its Audit and Risk Management Committee including the responsibility for reviewing the annual financial statements and meeting with management and the Auditor General of Manitoba on matters relating to the financial reporting. The Auditor General has full access to the Audit and Risk Management Committee with or without the presence of management. The Board has approved the financial statements.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the University has developed and maintains a system of internal controls designed to provide reasonable assurance that University assets are safeguarded from loss and that accounting records are a reliable basis for the preparation of financial statements. The integrity of internal controls is reviewed on an ongoing basis by the Audit and Risk Management Committee and Audit Services.

The financial statements for the year ended March 31, 2017 have been reported on by the Auditor General of Manitoba, the auditor appointed under *The University of Manitoba Act*. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the financial statements.



David T. Barnard, Ph.D.  
President and Vice-Chancellor

Winnipeg, Manitoba  
June 27, 2017





# INDEPENDENT AUDITOR'S REPORT



# FINANCIAL STATEMENTS

**UNIVERSITY OF MANITOBA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2017**  
(in thousands of dollars)

	2017	2016
<b>Assets</b>		
<i>Current Assets</i>		
Cash and Cash Equivalents (Note 3)	\$ 319,579	\$ 273,624
Accounts Receivable (Note 4)	68,599	76,379
Inventories	3,164	3,706
Prepaid Expenses	1,789	796
	<b>393,131</b>	<b>354,505</b>
<i>Long Term Assets</i>		
Loan Receivable (Note 5)	198,971	191,364
Investments (Note 6)	834,911	697,254
Capital Assets, Net of Accumulated Amortization (Note 8)	1,109,930	1,084,705
	2,143,812	1,973,323
	<b>\$ 2,536,943</b>	<b>\$ 2,327,828</b>
<b>Liabilities</b>		
<i>Current Liabilities</i>		
Accounts Payable	\$ 53,819	\$ 60,711
Unearned Revenue	18,030	11,259
Vacation and Sick Leave Liability	15,597	14,638
Current Portion of Long Term Debt (Note 9)	6,337	6,015
	<b>93,783</b>	<b>92,623</b>
<i>Long Term Liabilities</i>		
Long Term Debt (Note 9)	385,738	384,467
Other Long Term Liabilities (Note 10)	8,931	6,179
Employee Future Benefits (Note 11)	81,053	76,526
Pension Liability (Note 14)	24,343	20,572
	<b>500,065</b>	<b>487,744</b>
<b>Fund Balances</b>		
Unrestricted (Note 20)	(67,546)	(63,118)
Internally Restricted (Note 23)	207,899	166,001
Externally Restricted (Note 24)	289,821	247,267
Invested in Capital Assets (Note 24)	1,044,625	998,579
Endowed (Note 24)	468,296	398,732
	<b>1,943,095</b>	<b>1,747,461</b>
	<b>\$ 2,536,943</b>	<b>\$ 2,327,828</b>

Contractual Obligations and Contingencies (Note 18)

Original signed by \_\_\_\_\_

– Chair

Original signed by \_\_\_\_\_

– Vice-Chair

(The accompanying Notes form an integral part of the Financial Statements)

# FINANCIAL STATEMENTS

**UNIVERSITY OF MANITOBA**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED MARCH 31, 2017**  
(in thousands of dollars)

	General Funds (Note 2D)	Restricted Funds (Note 2E)	Endowment Fund (Note 2F)	2017 Total Funds	2016 Total Funds
<b>Revenue</b>					
Tuition and Related Fees	\$ 163,571	\$	\$	\$ 163,571	\$ 159,987
Donations	3,849	9,824	20,833	34,506	27,366
Non-Government Grants	4,845	79,139		83,984	83,657
Net Investment Income (Note 15)	4,765	52,174		56,939	58,037
Miscellaneous Income	8,809	7,700		16,509	17,392
Government Grants:					
Manitoba Education and Training	356,762	7,015		363,777	354,120
Other Province of Manitoba	24,601	34,861		59,462	73,788
Government of Canada	10,836	73,635		84,471	81,821
City of Winnipeg	51			51	51
Sales of Goods and Services	34,595	506		35,101	33,244
Ancillary Services	37,983			37,983	38,246
	<b>650,667</b>	<b>264,854</b>	<b>20,833</b>	<b>936,354</b>	<b>927,709</b>
<b>Expense</b>					
Salaries	350,262	39,366		389,628	397,098
Staff Benefits and Pay Levy	78,461	7,323		85,784	66,854
Materials, Supplies and Services	48,728	52,326		101,054	109,093
Amortization of Capital Assets		54,645		54,645	54,931
Student Assistance	15,437	42,074		57,511	55,619
Professional Consulting and Externally					
Contracted Services	19,220	25,884		45,104	42,325
Travel and Conferences	11,209	11,815		23,024	22,449
Utilities, Municipal Taxes and Insurance	19,174	33		19,207	19,466
Interest		19,074		19,074	19,062
Maintenance and Repairs	5,880	372		6,252	8,095
Loss on Disposal of Capital Assets		1,000		1,000	
	<b>548,371</b>	<b>253,912</b>		<b>802,283</b>	<b>794,992</b>
<b>Net Revenue from Operating Activities</b>	<b>102,296</b>	<b>10,942</b>	<b>20,833</b>	<b>134,071</b>	<b>132,717</b>
Inter-Fund Transfers (Note 22)	(70,765)	64,870	5,895		
Net Increase to Fund Balances from					
Operating Activities	31,531	75,812	26,728	134,071	132,717
Fund Balances from Operating Activities					
Beginning of Year	34,689	1,328,600	298,011	1,661,300	1,528,583
Fund Balances from Operating Activities					
End of Year	66,220	1,404,412	324,739	1,795,371	1,661,300
Accumulated Remeasurement Gains End of Year	3	4,164	143,557	147,724	86,161
<b>Fund Balances End of Year</b>	<b>\$ 66,223</b>	<b>\$ 1,408,576</b>	<b>\$ 468,296</b>	<b>\$ 1,943,095</b>	<b>\$ 1,747,461</b>

(The accompanying Notes form an integral part of the Financial Statements)

# FINANCIAL STATEMENTS

**UNIVERSITY OF MANITOBA**  
**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**FOR THE YEAR ENDED MARCH 31, 2017**  
(in thousands of dollars)

	General Funds	Restricted Funds	Endowment Fund	2017 Total Funds	2016 Total Funds
<b>Accumulated Remeasurement Gains (Losses)</b>					
<b>Beginning of Year</b>	\$ (139)	\$ (14,421)	\$ 100,721	\$ 86,161	\$ 132,992
Unrealized Gains (Losses) Attributed to:					
Derivatives		1,239		1,239	108
Foreign Exchange	4	68		72	(341)
Portfolio Investments		20,017	32,104	52,121	(23,972)
Designated Fair Value Investments		25,639	10,732	36,371	9,283
Amounts Reclassified to the Statement of					
Operations and Changes in Fund Balances:					
Foreign Exchange	138	204		342	(2,128)
Portfolio Investments		(25,173)		(25,173)	(21,055)
Designated Fair Value Investments		(3,409)		(3,409)	(8,726)
Net Remeasurement Gains (Losses) for the Year	142	18,585	42,836	61,563	(46,831)
<b>Accumulated Remeasurement Gains</b>					
<b>End of Year</b>	\$ 3	\$ 4,164	\$ 143,557	\$ 147,724	\$ 86,161

*(The accompanying Notes form an integral part of the Financial Statements)*

# FINANCIAL STATEMENTS

**UNIVERSITY OF MANITOBA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2017**  
(in thousands of dollars)

	General Funds	Restricted Funds	Endowment Fund	2017 Total Funds	2016 Total Funds
<b>Operating Activities</b>					
Net Revenue from Operating Activities	\$ 102,296	\$ 10,942	\$ 20,833	\$ 134,071	\$ 132,717
Amortization of Capital Assets		54,645		54,645	54,931
	102,296	65,587	20,833	188,716	187,648
Net Change in Non-Cash Working Capital Items	(9,756)	17,923		8,167	(16,195)
Net Change in Other Long Term Liabilities	3,990	(1,238)		2,752	(454)
Net Change in Pension Obligation	3,771			3,771	(10,515)
Net Change in Employee Future Benefits	(56)	4,583		4,527	7
Loss on Disposal of Capital Assets		1,000		1,000	
<i>Net Cash generated through Operating Activities</i>	100,245	87,855	20,833	208,933	160,491
<b>Investing Activities</b>					
Principal Repayment on Loan Receivable		1,338		1,338	3,977
Net Decrease (Increase) in Long Term Investments	(37,858)	(11,508)	(26,728)	(76,094)	(1,770)
<i>Net Cash generated through (used in)</i> <i>Investing Activities</i>	(37,858)	(10,170)	(26,728)	(74,756)	2,207
<b>Capital Activities</b>					
Purchase of Capital Assets		(80,870)		(80,870)	(76,779)
<i>Net Cash used in Capital Activities</i>		(80,870)		(80,870)	(76,779)
<b>Financing Activities</b>					
Principal Repayment on Capital Lease Obligations					(6)
Principal Repayment on Long Term Debt		(7,352)		(7,352)	(9,690)
<i>Net Cash generated through (used in) Financing</i> <i>Activities</i>		(7,352)		(7,352)	(9,696)
<b>Net Increase (Decrease) in Cash</b>	62,387	(10,537)	(5,895)	45,955	76,223
Inter-Fund Transfers	(70,765)	64,870	5,895		
<i>Cash and Cash Equivalents Beginning of Year</i>	81,061	192,563		273,624	197,401
<b><i>Cash and Cash Equivalents End of Year</i></b>	<b>\$ 72,683</b>	<b>\$ 246,896</b>	<b>\$</b>	<b>\$ 319,579</b>	<b>\$ 273,624</b>
Supplementary cash flow information:					
Interest Received (Note 17)	\$ 4,765	\$ 2,893	\$	\$ 7,658	\$ 7,712
Interest Paid (Note 17)	\$	\$ 10,130	\$	\$ 10,130	\$ 10,443

(The accompanying Notes form an integral part of the Financial Statements)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(in thousands of dollars)

### I. AUTHORITY AND PURPOSE

The University of Manitoba was established in 1877. It is governed by a Board of Governors acting under the authority of *The University of Manitoba Act*, R.S.M. 1987, c. U60. The University of Manitoba is a registered charity and is exempt from income taxes under Section 149 of *The Income Tax Act*.

The University of Manitoba, as the largest and most comprehensive institution of higher learning in Manitoba, plays a distinctive role within the Province. In addition to offering an undergraduate liberal education in arts, science and education, the University of Manitoba provides programs in a broad range of professional studies, applied sciences and the fine and performing arts and is responsible for the vast majority of graduate education and research in Manitoba. The University of Manitoba reaches out to a variety of constituencies in order to enhance the health, cultural, social and economic life of Manitobans and to provide lifelong learning opportunities for them. Through community service, the University makes its expertise available to all Manitobans.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### A. GENERAL

These financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of Chartered Professional Accountants Canada, including the standards for government not-for-profit organizations. The University has adopted the restricted fund method of accounting for contributions.

The University controls UM Properties GP Inc. (Note 16), UM Properties Holding Inc. (Note 16) and Partners for Health and Development in Africa (PHDA) (Note 17), but does not consolidate the accounts for the purposes of these financial statements.

The University has an 8.33% (2016, 8.33%) interest in TRIUMF (Note 16), a joint venture which operates a national laboratory for particle and nuclear physics. The University uses the modified equity method of accounting to record its interest in TRIUMF.

#### B. FUND ACCOUNTING

The University classifies resources used for various purposes into separate Funds which correspond to its major activities and objectives. The Statement of Financial Position combines the assets and liabilities of all Funds.

The University maintains its Funds under three fund categories: General, Restricted and Endowment Funds. The General Funds include the Funds for General Operating, Specific Provisions and Expenses Funded from Future Revenues Funds. The Restricted Funds include the Capital Asset, Research and Special, Staff Benefits and Trust Funds. The Endowment Fund includes endowed funds of the University.

#### C. ACCOUNTING ESTIMATES

Accounting estimates are included in financial statements to approximate the effect of past revenue or expense transactions or events, or to approximate the present status of an asset or liability. Examples include accruals for salaries and benefits, the estimated useful life of an asset and certain actuarial assumptions used in determining employee future benefits. It is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates.

# FINANCIAL STATEMENTS

## D. GENERAL FUNDS

### General Operating Fund:

The General Operating Fund includes the academic, administrative, operational and ancillary costs that are funded by tuition and related fees, government grants, investment income, miscellaneous income, sales of goods and services to external parties and ancillary income. As such, this Fund reports unrestricted resources and restricted resources earmarked for general operating purposes.

All funds received or accrued by the University for general operating purposes and for equipment and renovation expenses not meeting the University's capitalization criteria are included in the General Operating Fund. The net cost of operating units is determined by including internal cost allocations for certain centrally administered services, such as the telephone system in the units' expenses, and by deducting these expenses as internal cost recoveries from the total expenses incurred by the unit administering these services.

The University BookStore, Parking, Student Residences, Pharmacy/Post Office, and Smartpark are classified as Ancillary Services and are budgeted on a break even basis. Any surpluses or deficits are transferred to/from the Specific Provisions Fund. Overhead costs have been allocated to all ancillary operations. Amortization of ancillary capital assets and interest expense is recorded in the Capital Asset Fund.

### Specific Provisions Fund:

The Specific Provisions Fund records appropriations made from (to) the General Operating, Capital Asset and Research and Special Funds.

These appropriations are made to provide future funding for the replacement, improvement or emergency maintenance of capital assets, unit carryover, a fiscal stabilization provision to offset potential spending in excess of future budgets and other matters. Such appropriations are shown as inter-fund transfers on the Statement of Operations and Changes in Fund Balances and in Note 22.

### Expenses Funded From Future Revenues Fund:

The Expenses Funded from Future Revenues Fund records the amount of non-vesting sick leave benefits and unpaid vacation pay for staff which will be funded from future revenues. It also records the actuarially determined expense for employee future benefits and change in pension liability.

## E. RESTRICTED FUNDS

### Capital Asset Fund:

The Capital Asset Fund consists of restricted contributions resulting from capital asset co-funding arrangements with external parties, contributed capital assets and government grants restricted for the purpose of acquiring capital assets and retiring capital advances. Funding agreements, using promissory notes as a vehicle, entered into with the Provincial Government for the construction or acquisition of capital assets, which will be repaid from future funding provided by the Provincial Government through Manitoba Education and Training (MET), are recorded as capital grants. These capital grants, under the restricted fund method of accounting, are reflected as revenue in the Statement of Operations and Changes in Fund Balances. The interest expense and the related future funding from MET over the terms of the promissory notes, to offset the interest expense and principal payments, are both excluded from the Statement of Operations and Changes in Fund Balances. Expenses include interest on debt relating to the acquisition or construction of capital assets, amortization and gains or losses on disposal of capital assets, which includes write-downs resulting from obsolescence.

### Research and Special Fund:

The Research and Special Fund consists of contributions specifically restricted for research or other special activities. Contributions are provided from both Federal and Provincial granting agencies and other public and private sources. These funds are spent in accordance with the conditions stipulated in the related governing contracts and agreements.



## **Staff Benefits Fund:**

The Staff Benefits Fund is divided into Fund Accounts for the Pension Reserve, and for each of the Self-Insured Plans, which are the Long Term Disability Income Plan and the Dental Plan.

## **Trust Fund:**

The Trust Fund records gifts and bequests received which may be used in their entirety along with net investment income earned on these funds, according to donor restrictions. The majority of these funds are used for scholarships, bursaries, awards, loans, and other scholarly activities.

## **F. ENDOWMENT FUND**

The Endowment Fund records gifts and bequests received with the stipulation that these funds be invested in perpetuity and investment income earned be utilized for designated purposes. The Fund balance also reflects the change in fair value of Endowment Fund investments, which is recorded in the Statement of Remeasurement Gains and Losses.

## **G. REVENUE RECOGNITION**

Restricted contributions are recognized as revenue of the appropriate Fund when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions, including sales of goods and services and ancillary revenues, are recognized as revenue of the General Operating Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment purposes are recognized as revenue in the Endowment Fund in the year received. Investment income earned on endowments is recorded in the appropriate Trust Fund depending on the restrictions imposed by the original donor.

Investment income, including realized gains or losses, is recorded in the Statement of Operations and Changes in Fund Balances in the appropriate Fund depending on the restrictions imposed. Unrestricted investment income is recorded as unrestricted income in the General Operating Fund.

The change in fair value (unrealized gains or losses) of investments is recorded in the Statement of Remeasurement Gains and Losses until the investments are sold.

## **H. CONTRIBUTED MATERIALS AND SERVICES**

Gifts-in-kind are recorded in the financial statements to the extent that they are eligible for an official donation receipt, since this results in the capture of the information in the University's financial records.

Because of the difficulty involved in tracking and recording contributed services, the market value of these services is not recognized in the financial statements. Contributed services include activities such as membership on the University's Board of Governors and its various committees, lecturing services and volunteer services at fundraising or sporting events, all of which are performed by staff, students and the community at no charge to the University. These services, although not recognized in the financial statements, are critical to the successful functioning of the University.

## **I. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of highly liquid investments that are used to meet short term operating needs. They are readily convertible to cash and mature within one year from acquisition. Any cash or other investments maturing within one year that are held by portfolio managers are classified as long term investments and are recorded at fair value or designated to fair value. Portfolio managers maintain a cash balance within investment portfolios as part of their overall long term mandate, as well as to facilitate trades and the rebalancing of funds.

# FINANCIAL STATEMENTS

## J. PLEDGES RECEIVABLE

The University does not record pledges receivable in its financial statements. Revenue from gifts, bequests and donations is recognized on a cash basis because of the uncertainty surrounding collection and in some instances because of the difficulty in determining the valuation of pledges receivable. The University recognizes gifts and donations to be received through the University of Manitoba Foundation U.S.A. Inc. only when the Board of Directors of the Foundation have formalized the transfer with a resolution, collectability is reasonably assured, and the valuation of these gifts and donations can be reasonably determined.

## K. INVENTORIES

Inventories have been valued at the lower of cost and net realizable value.

## L. CAPITAL ASSETS

Purchased capital assets are recorded at cost. Capital assets which are constructed by the University are recorded as Construction in Progress until the capital asset is put into use. Contributed capital assets are recorded at market value at the date of contribution. Intangibles such as patents and copyrights are recorded at a nominal amount of one dollar in the year the patent or copyright is obtained.

Amortization is calculated on a straight-line basis over an assets' estimated useful life as follows:

Buildings and Major Renovations	15-50 years
Computer Hardware and Electronics	5-10 years
Furniture and Equipment	10 years
Library Books	10 years
Parking Lots	20 years
Vehicles	5 years

Equipment acquired under a capital lease is amortized over the useful life of the asset. Works of art, treasures, rare books and manuscripts are not amortized.

## M. COLLECTIONS

The University holds a number of collections which include works of art, rare books and manuscripts, museum specimens and other archival material. The associated library, faculty or school assumes responsibility for safeguarding and preserving the collection. The University seldom, if ever, disposes of its collections or of individual pieces in its collections. The University policy is to use proceeds generated from deaccessioned works of art to augment the University art collection.

The University's policy with regard to its collections is to initially record them at fair value and to fund maintenance expenses from the General Operating Fund. The cost of maintenance is not tracked and is therefore not determinable.

## N. PENSION COSTS

The University sponsors three pension plans for its employees and retirees: The University of Manitoba Pension Plan (1970), The University of Manitoba Pension Plan (1993) and The University of Manitoba GFT Pension Plan (1986). The 1970 Plan and 1986 Plan are defined contribution plans and as a result the pension costs are based on contributions required by those plans.

The Pension Costs for the 1993 Plan are determined actuarially using the projected unit credit actuarial cost method, prorated on service and management's best estimate expectations of the discount rate for liabilities, the expected return on assets, salary escalation, retirement ages of employees and member mortality. Actuarial gains and losses are amortized over the expected average remaining service life of the active employees, commencing in the year following the year the respective annual actuarial gains or losses arise.

The funded position of the 1993 plan is disclosed in Note 14.

## O. FINANCIAL INSTRUMENTS

The financial instruments of the University consist of cash and cash equivalents, accounts receivable, loan receivable, investments, accounts payable, vacation and sick leave liability, loans, other long term liabilities, and long term debt.

All financial instruments are recognized at cost or amortized cost, or fair value.

Cash and cash equivalents are recognized at cost. Accounts receivable, loan receivable, fixed income investments and preferred shares held in the General Funds, accounts payable, loans, vacation and sick leave liability, other long term liabilities (excluding derivative financial instruments), and long term debt are recognized at amortized cost.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured at cost or amortized cost.

Financial instruments recognized at fair value include Canadian equities, US equities and derivatives. Bonds and other fixed income securities and pooled funds have been designated to fair value other than corporate bonds and preferred shares which are recognized at cost, and the investment in TRIUMF which is recognized at modified equity. Pooled funds are valued by the fund managers.

Unrealized gains and losses from the change in fair value of these financial instruments are reflected in the Statement of Remeasurement Gains and Losses until disposition.

Transaction costs are expensed for financial instruments measured at fair value.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations and Changes in Fund Balances. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

Financial instruments are classified using a fair value hierarchy that reflects the significance of inputs to valuation techniques used to measure fair value. The fair value hierarchy used has the following levels:

**Level 1** – Inputs that reflect unadjusted publicly quoted prices in active markets for identical assets or liabilities that the University has the ability to access at the measurement date.

**Level 2** – Inputs other than publicly quoted prices that are either directly or indirectly observable for the asset or liability.

**Level 3** – Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

## P. OTHER EMPLOYEE FUTURE BENEFITS

The University accrues its obligations for other employee future benefit plans relating to health, dental, sick leave, long term disability, and group life insurance. The cost of non-vesting sick leave benefits has been determined using management's best estimates. The cost of the long term disability plan for employees and the cost of non-pension and post-retirement benefits for retired employees are actuarially determined using the projected benefit method pro-rated on service, management's best estimates for the discount rate for liabilities, the expected rate of return on assets, retirement ages and expected future cost trends. For current active employees, the cost of other employee future benefit plans relating to health, dental, and group life insurance is the premiums charged under the plans to the University.

The University also accrues its obligations relating to post-retirement adjustments to pensions for specifically entitled employees who retired prior to 1993. The cost of such post-retirement pension adjustments is actuarially determined using the accrued benefit method and management's best estimate for the discount rate for liabilities and the expected rate of return on assets. Any increase in such adjustments is recognized in the year that it occurs.

Actuarial gains and losses on post-retirement adjustments are amortized on a straight-line basis over the life expectancy of the group, commencing in the year following the year the respective annual actuarial gains or losses arise.

Actuarial gains and losses of other benefit plans are amortized on a straight-line basis over the expected average remaining service life of the active employees, commencing in the year following the year the respective annual actuarial gains or losses arise.

# FINANCIAL STATEMENTS

## Q. FOREIGN CURRENCY TRANSLATION

Monetary assets, liabilities and investments at fair value, denominated in foreign currencies, are translated at the year-end exchange rate. The unrealized foreign currency translation gains or losses of these financial instruments are reflected in the Statement of Remeasurement Gains and Losses. Revenues and expenses are translated at exchange rates on the transaction dates. Realized gains or losses arising from these translations are included in the Statement of Operations and Changes in Fund Balances.

## R. DERIVATIVE FINANCIAL INSTRUMENTS

From time to time, the University uses derivative financial instruments, including interest rate swap agreements, in its management of exposures to fluctuations in interest rates. An interest rate swap is a derivative financial contract between two parties who agree to exchange fixed rate interest payments for floating rate payments on a predetermined notional amount and term. Derivatives are recorded at fair value and in determining the fair value, the credit risk of both counterparties is considered.

## 3. CASH AND CASH EQUIVALENTS

	2017	2016
Cash	\$ 72,789	\$ 48,777
Guaranteed Investment Certificates	246,790	224,847
	<b>\$ 319,579</b>	<b>\$ 273,624</b>

## 4. ACCOUNTS RECEIVABLE

	2017	2016
Business, Industry and Foundations	\$ 31,522	\$ 30,739
Provincial Government	13,784	25,315
Federal Government	8,845	9,539
Students	4,705	3,211
Investment Income and Interest	4,525	4,541
External Sales and Cost Recoveries	3,606	983
Advances	1,560	1,997
Miscellaneous	52	54
	<b>\$ 68,599</b>	<b>\$ 76,379</b>

## 5. LOAN RECEIVABLE

The University has a loan agreement with Triple B Stadium Inc. (Triple B) related to the construction of Investors Group Field at the Fort Garry campus. The loan agreement is divided into a first phase and a second phase for a combined amount not to exceed \$160 million. The first phase is not to exceed \$75 million and the second phase is not to exceed \$85 million. The interest rate on the first phase of the loan is 4.65%, and the first phase of the loan receivable is due and payable in full on June 1, 2038. The interest rate on the second phase is 4.65% until June 1, 2053, and is due and payable in full on November 24, 2058.

Any amounts received by Triple B in the form of insurance proceeds entitled to be retained by Triple B by reason of the destruction of all or part of the stadium, where such insurance proceeds are not being applied to restore, reconstruct and repair the stadium in accordance with the ground lease, shall be paid to the University and be applied to the repayment of the loan, firstly to the accrued interest and secondly to principal outstanding, for both phases of the loan, on a pro-rata basis.

Payment terms of the first phase and second phase of the loan receivable are as follows:

## FIRST PHASE:

Triple B is required to make payments to the University equivalent to the aggregate of:

- Any amounts received by Triple B in respect of the stadium development from the City of Winnipeg pursuant to *The Community Revitalization Tax Increment Financing Act*; and
- Any amounts received by Triple B from any party which were designated by the party for application to the loan.

Payments are applied firstly to accrued interest and secondly to the principal outstanding. Unpaid interest is added to the principal of the first phase of the loan and compounded annually.

## SECOND PHASE:

Interest will be calculated annually, and unpaid interest until December 15, 2017 shall be added to the first phase of the loan. Any unpaid interest after December 15, 2017 shall be added to the second phase of the loan and compounded annually. Payments in respect of principal shall be made in amounts determined by Triple B, on or before December 15, 2017.

Annual payments of principal and interest over the remainder of the second phase loan term are to be paid on or before December 15 of each calendar year commencing on December 15, 2018 based on the amortization of the loan following the December 15, 2017 payment.

## INVESTORS GROUP FIELD LOAN:

	2017	2016
First Phase interest and principal outstanding	\$ 116,971	\$ 108,364
Second Phase principal outstanding	82,000	83,000
	<b>\$ 198,971</b>	<b>\$ 191,364</b>

The First and Second Phase loans have an equal long term debt loan payable to the Province of Manitoba (Note 9).

## 6. INVESTMENTS

	2017				2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Investments Held at Fair Value:</b>								
Cash and Money Market Funds	\$ 5,937	\$	\$	\$ 5,937	\$ 7,987	\$	\$	\$ 7,987
Canadian Equities	196,118			196,118	186,564			186,564
US Equities	202,568			202,568	160,494			160,494
	404,623			404,623	355,045			355,045
<b>Investments Designated to Fair Value:</b>								
Cash and Money Market Funds		2,677		2,677		4,175		4,175
Bonds and Other Fixed								
Income Securities		57,502		57,502		57,046		57,046
Pooled Bond Fund		12,727		12,727		11,464		11,464
Pooled Canadian Equities		18,703		18,703		15,808		15,808
Pooled US Equities		6,434		6,434		5,684		5,684
Pooled International Equities		117,034		117,034		92,590		92,590
Pooled Real Estate Fund		113,248		113,248		92,562		92,562
Pooled Mortgage Fund		7,548		7,548		6,764		6,764
		335,873		335,873		286,093		286,093

Continued on page 38...

# FINANCIAL STATEMENTS

...Continued from page 37

## Investments Held at Amortized

<b>Cost:</b>			
Corporate Bond		55,505	18,505
Preferred Shares		36,936	35,936
		92,441	54,441

## Investments Held at Modified

<b>Equity:</b>			
TRIUMF		1,974	1,675
	\$ 404,623	\$ 335,873	\$ 834,911
			\$ 355,045
			\$ 286,093
			\$ 697,254

The University's investment in real estate consists of units of a pooled real estate investment in the Great-West Life Assurance Company Canadian Real Estate Investment Fund No. 1.

The fair value of investments held at amortized cost is \$91,585 (2016, \$47,731). As at March 31, 2017 and March 31, 2016 there were no transfers of investments between levels 1, 2 or 3.

## 7. RISK EXPOSURE AND MANAGEMENT

The University uses a disciplined, fundamental approach in its investment selection and management, which consists of an intensive and ongoing research process of investment opportunities across a broad range of investment vehicles of various types of issuers (government, corporate or financial). As a result, the University is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The University, through the work of its investment committees and Treasury Office, has an investment policy statement in place governing asset mix, permitted investments, diversification, and minimum credit quality. The most important risks relate to market risk: other price risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. These risks and the related risk management practices employed by the University are detailed below.

### OTHER PRICE RISK

Other price risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The University's investments are subject to normal market fluctuations and the risks inherent in investment in the capital markets. Investments held to meet short term obligations focus on credit quality and liquidity to minimize the effect of other price risk on fair value. The majority of investments which are held for the long-term to support the Endowment Fund are primarily equities, bonds, segregated funds and pooled funds, and are subject to other price risk given their nature and the long term holding periods. Other price risk is managed through diversification provided by the Endowment Fund's asset allocation strategy, which emphasizes the importance of managing other price risk by maintaining appropriate levels of risk required to achieve consistent long term returns that meet the investment objectives of the Endowment Fund.

### INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The University is subjected to this risk when it invests in interest-bearing financial instruments, or when it borrows funds using derivative financial instruments. Both investments and financial derivatives are exposed to the risk that their fair value will fluctuate due to changes in the prevailing levels of market interest rates.

The tables below summarize the University's exposure to interest rate risk related to financial instruments categorized by maturity dates.

### INTEREST RATE EXPOSURE AS AT MARCH 31, 2017

	Less than 90 days	90 days to 1 year	1 year to 5 years	5 years to 10 years	Greater than 10 years	Total
Cash Equivalents and Investments	32.7%	34.2%	7.4%	24.0%	1.7%	100%
Financial Derivatives		86/238	30.7%	69.3%		100%

## INTEREST RATE EXPOSURE AS AT MARCH 31, 2016

	Less than 90 days	90 days to 1 year	1 year to 5 years	5 years to 10 years	Greater than 10 years	Total
Cash Equivalents and Investments	30.3%	41.2%	10.4%	15.7%	2.4%	100%
Financial Derivatives			30.4%	69.6%		100%

	March 31, 2017		March 31, 2016	
	Interest bearing instruments	Non-interest bearing instruments	Interest bearing instruments	Non-interest bearing instruments
Cash Equivalents and Investments	\$ 382,650	\$ 699,051	\$ 321,876	\$ 600,225
Financial Derivatives	\$ 4,941	\$	\$ 6,179	\$

As at March 31, 2017, a 0.5% fluctuation in interest rates, with all other variables held constant, would have an estimated impact as follows:

	2017	2016
Fair Value of Fixed Income Instruments:	\$ 3,439	\$ 2,736
Interest Rate Swaps:	\$ 1,000	\$ 1,175
Net Investment Income:	\$ 2,105	\$ 1,779

## FOREIGN CURRENCY RISK

The University has cash and cash equivalents, receivables and payables denominated in foreign currencies and holds investments in foreign currency equity markets in both the Trust and Endowment Funds, and the Staff Benefits Fund. The income from these investments is used to meet financial liabilities denominated in Canadian dollars. The University does not actively manage foreign exchange risk.

The University's exposure in cash and investments to foreign currencies is shown below:

	2017		2016	
	\$	%	\$	%
Canadian Dollar	\$ 807,998	70.0	\$ 710,933	73.2
US Dollar	235,008	20.4	171,799	17.7
Euro	34,351	3.0	28,075	2.9
Japanese Yen	27,834	2.4	21,106	2.2
British Pound Sterling	21,792	1.9	18,190	1.9
Swiss Franc	12,498	1.1	9,990	1.0
Other	15,009	1.2	10,785	1.1
<b>Total</b>	<b>\$ 1,154,490</b>	<b>100.0</b>	<b>\$ 970,878</b>	<b>100.0</b>

As at March 31, 2017, an appreciation of 10% in the Canadian dollar versus foreign currencies exchange rates would increase investments and net remeasurement gains by approximately \$34,649 (2016, \$25,230), while a depreciation of 10% would decrease investments and net remeasurement gains by approximately \$34,649 (2016, \$25,230).

## CREDIT RISK

Credit risk represents the potential loss that the University would incur if its counterparties failed to perform in accordance with the terms of their obligations. The University invests in financial assets that have an investment grade as rated primarily by DBRS. Should DBRS not rate an issuer, the University may use Standards & Poor's, followed by the Moody's equivalent. Ratings for securities which subject the University to credit risk are noted below:

# FINANCIAL STATEMENTS

## % of Total Interest Bearing Investments

Investment Rating	March 31, 2017		March 31, 2016	
R-1High	\$ 161,090	42.1%	\$ 156,838	48.7%
R-1Mid	32,793	8.6%	29,559	9.2%
R-1Low	498	0.1%	1,698	0.5%
AAA	25,589	6.7%	27,022	8.4%
AA	74,607	19.5%	41,156	12.8%
A	26,706	7.0%	21,964	6.8%
BBB	6,170	1.6%	3,322	1.0%
BB			133	
Not Rated	55,197	14.4%	40,184	12.6%
<b>Total</b>	<b>\$ 382,650</b>	<b>100.0%</b>	<b>\$ 321,876</b>	<b>100.0%</b>

The University manages credit risk related to fixed income investments by focusing on high credit quality. Cash and cash equivalents are held in Canadian Chartered banks and Manitoba credit unions. Trust, Endowment and Capital Asset Fund investments are held in diverse portfolios of investments with counterparties considered to be of high quality.

The University also has credit risk related to accounts receivable and loan receivable. A significant portion of the University's accounts receivable is related to Restricted Funds and is from the federal and provincial governments, not-for-profit organizations, corporations, the US government, and other universities. The University also has accounts receivable from students and staff. The credit risk on these receivables is minimal. The remaining accounts receivable are due from a diverse group of customers and are subject to normal credit risks. The credit risk related to the loan receivable is offset by a loan payable to the Province of Manitoba with matching terms of repayment.

## LIQUIDITY RISK

The University aims to retain sufficient cash and cash equivalents to maintain liquidity and meet short term obligations. Most of the University's investments are considered readily realizable and liquid, thus liquidity risk is considered minimal. Investments that are not as liquid, such as the investment in the pooled real estate fund, are considered to be held for long term periods in conjunction with the investment objectives, risk tolerance and time horizon of the Endowment Fund.

## 8. CAPITAL ASSETS, NET OF ACCUMULATED AMORTIZATION

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Assets Under Capital Lease	\$ 2,557	\$ 2,557	\$ 2,855	\$ 2,855
Buildings and Major Renovations	1,162,234	310,252	1,137,691	285,825
Computer Hardware, Software and Electronics	100,178	93,007	101,100	92,689
Construction in Progress	78,497		50,585	
Furniture and Equipment	283,054	214,017	273,397	201,465
Land	29,739		30,705	
Library Books	221,512	165,698	211,932	157,951
Parking Lots	9,983	4,948	9,935	4,451
Rare Books and Manuscripts	7,312		6,677	
Vehicles	8,870	7,513	8,617	7,420
Works of Art	3,986		3,867	
	1,907,922	797,992	1,837,361	752,656
Less Accumulated Amortization		797,992		752,656
<b>Net Book Value</b>	<b>\$ 1,109,930</b>		<b>\$ 1,084,705</b>	



## 9. LONG TERM DEBT

	2017	2016
Stadium Long Term Debt:		
Province of Manitoba Loan, First Phase, 4.65% due June 1, 2038	\$ 116,971	\$ 108,364
Province of Manitoba Loan, Second Phase, 4.65% until June 1, 2053, due November 24, 2058	82,000	83,000
	198,971	191,364
Other Long Term Debt:		
Province of Manitoba:		
Promissory Note, 5.23% blended monthly payments \$413 due March 1, 2035	57,752	59,636
Promissory Note, 5.55% blended monthly payments \$428 due April 1, 2036	60,401	62,134
Promissory Note, 3.75% blended monthly payments \$129 due September 30, 2039	23,417	24,068
Promissory Note, 5.35% blended monthly payments \$173 due February 1, 2040	27,403	27,997
Term loans (with floating interest rates based on Bankers' Acceptance rates plus stamping fees):		
Multi Tenant Facility, due February 28, 2019	7,442	7,679
Multi Tenant Facility, due November 30, 2022	5,780	6,056
Arthur V. Mauro Student Residence, due October 1, 2023	10,909	11,548
	193,104	199,118
	392,075	390,482
Less Current Portion:		
Province of Manitoba	(5,120)	(4,863)
Term Loans	(1,217)	(1,152)
	(6,337)	(6,015)
	<b>\$ 385,738</b>	<b>\$ 384,467</b>

The effective interest rate on each of the term loans is the fixed interest rate based on an interest rate swap agreement plus a stamping fee (Note 10).

Interest expense on long term debt was \$19,074 (2016, \$19,062).

The University entered into a loan agreement with the Province of Manitoba related to the construction of Investors Group Field. Any amounts received by the University in the form of insurance proceeds received and entitled to be retained by the University by reason of the destruction of all or part of the stadium, where such insurance proceeds are not being applied to restore, reconstruct and repair the stadium in accordance with the ground lease are also to be applied to the repayment of the loan, firstly to the accrued interest and secondly to the principal outstanding, for both phases of the loan, on a pro-rata basis.

Additional terms of repayment of the loan are as follows:

### LOAN, FIRST PHASE:

The amount of the annual payment of principal and interest on the loan is equivalent to the aggregate of:

- Any amounts paid by Triple B Stadium Inc. (Triple B) to the University in respect of the Triple B loan receivable;
- Any amounts received by the University in respect of the stadium development from The City of Winnipeg pursuant to *The Community Revitalization Tax Increment Financing Act*; and
- Any amounts received by the University from any party which were designated by the party for application to the loan.

Payments are applied firstly to accrued interest and secondly to the principal outstanding. Unpaid interest is added to the principal of the First Phase of the loan and compounded annually. Any accrued interest and principal outstanding on the First Phase of the loan as at June 1, 2038 is due and payable in full, subject to receipt of the accrued interest and principal outstanding from Triple B, unless the parties agree otherwise in writing.

# FINANCIAL STATEMENTS

## LOAN, SECOND PHASE:

Interest will be calculated annually and unpaid interest until December 31, 2017 shall be added to the first phase of the loan. Any unpaid interest after December 31, 2017 shall be added to the second phase of the loan and compounded annually. Payments in respect of principal shall be made in amounts as received from Triple B, on or before December 31, 2017.

Annual payments of principal and interest over the remainder of the second phase loan term are to be paid on or before December 31 of each calendar year commencing on December 31, 2018, based on the amortization of the loan following the December 31, 2017 payment. Payments are applied firstly to accrued interest after December 31, 2017 and secondly to principal outstanding.

Any accrued interest and principal outstanding on the second phase of the loan as at November 24, 2018 is due and payable in full, subject to receipt of accrued interest and principal outstanding from Triple B, unless the parties agree otherwise in writing.

Principal and interest outstanding at March 31 are:

	2017	2016
Loan, First Phase	\$ 75,000	\$ 75,000
Loan, First Phase Accrued Interest	22,265	17,516
Loan, Second Phase Accrued Interest	19,706	15,848
	116,971	108,364
Loan, Second Phase	82,000	83,000
	<b>\$ 198,971</b>	<b>\$ 191,364</b>

Principal repayments on long term debt payable over the next five years are as follows:

	Province of Manitoba	Term Loans	Total
2018	\$ 5,120	\$ 1,217	\$ 6,337
2019	5,391	1,282	6,673
2020	5,676	1,355	7,031
2021	5,976	1,429	7,405
2022	6,293	1,507	7,800
Thereafter	339,488	17,341	356,829
	<b>\$ 367,944</b>	<b>\$ 24,131</b>	<b>\$ 392,075</b>

## 10. OTHER LONG TERM LIABILITIES

	2017	2016
<b>Fair Value of Financial Derivatives:</b>		
Student Residence	\$ 2,516	\$ 3,136
Multi Tenant Facility 150 Innovation Drive	908	1,167
Multi Tenant Facility 900 One Research Road	1,517	1,876
	<b>4,941</b>	<b>6,179</b>
Retirement Allowance	3,990	
	<b>\$ 8,931</b>	<b>\$ 6,179</b>
Fair Value of Financial Derivatives Beginning of Year	\$ 6,179	\$ 6,287
Unrealized (Gain) Loss Reported in the Statement of Remeasurement Gains and Losses	(1,238)	(108)
<b>Fair Value of Financial Derivatives End of Year</b>	<b>\$ 4,941</b>	<b>\$ 6,179</b>

Financial Derivatives are classified as Level 3.

## DERIVATIVE FINANCIAL LIABILITIES

The University has entered into separate interest rate swap agreements for three term loans. Each loan has a stamping fee and a floating interest rate based on Bankers' Acceptance rates. The floating interest rate has been swapped to a fixed rate as follows:

- The interest rate swap agreement for the loan for the construction of the Arthur V. Mauro Student Residence has a fixed interest rate of 5.62% that is committed until September 1, 2028. The notional principal underlying this swap agreement was \$10,909 as at March 31, 2017 (2016, \$11,548).
- The interest rate swap agreement for the loan for the development of the multi-tenant facility at 150 Innovation Drive has a fixed interest rate of 4.07% that is committed until February 13, 2032. The notional principal underlying this swap agreement as at March 31, 2017 was \$5,780 (2016, \$6,056).
- The interest rate swap agreement for the loan for the addition to the multi-tenant facility at 900 – One Research Road has a fixed interest rate of 4.4% that is committed until August 5, 2035. The notional principal underlying this swap agreement was \$7,442 as at March 31, 2017 (2016, \$7,679).

Under the terms of the agreements, the respective monthly interest and principal repayments are required similar to a conventional amortizing loan over a 25 year period.

## RETIREMENT ALLOWANCE

During the year, the University entered into a letter of understanding with the University of Manitoba Faculty Association (UMFA) to provide a retirement allowance to eligible UMFA members in exchange for their voluntarily and irrevocable agreement to retire. The allowance is dependent upon the UMFA member's age and the number of advance years of notice given to the University prior to retirement. To be eligible, the member must be at least fifty-five years of age and have at least fifteen years of service at the University on a date that they have chosen as their retirement date. UMFA members have up to three years to enroll in the program and must retire within three years of their enrolment. The University's policy is to record the estimated liability once members enroll. As at March 31, 2017, the estimated liability is \$4,849 with \$859 being a current liability included in accounts payable and \$3,990 representing a long term liability.

## II. EMPLOYEE FUTURE BENEFITS

The University provides certain health, dental and group life benefits for its retired employees who have met the eligibility criteria and long term disability benefits for current employees. Post-retirement pension benefits are also provided for specifically entitled retirees.

Health, dental and group life benefits are provided to employees who retired prior to July 1, 2004 on a non-contributory basis. The group life benefits are indexed post-retirement. For eligible employees retiring on or after July 1, 2004, no group life benefit is available, and retired employees share in the cost of the health and dental benefits.

The long term disability income benefit is provided on a contributory basis.

Post retirement pension benefits are provided to specifically entitled employees who retired prior to 1993. The adjustments for a year are determined as the lesser of the amounts that can be provided by a weighted average percentage salary increase at the University, or the excess interest approach provided under the University of Manitoba Pension Plan (1993). One hundred percent of the adjustments are paid by the University.

The University measures the fair value of assets and the accrued benefit obligations for the non-pension and post retirement pension adjustments as of March 31. A firm of consulting actuaries prepared an actuarial valuation for the post-retirement adjustments plan as at March 31, 2017. They also prepared extrapolations to March 31, 2017 of the 2015 actuarial valuations for the non-pension benefit plans. The actuarial gains and losses are amortized over nine years commencing in the year following the year the respective annual actuarial gains or losses arise.

# FINANCIAL STATEMENTS

The Accrued Benefit Obligations for the non-pension benefit plans and the post retirement adjustments are reported in the University's Statement of Financial Position under Long Term Liabilities.

Information about the University's non-pension benefit plans and post-retirement adjustments as at March 31 is as follows:

	Non-Pension Benefit Plans		Post-Retirement Adjustments		Total 2017	Total 2016
	2017	2016	2017	2016		
Accrued Benefit Obligations	\$ 72,988	\$ 68,975	\$ 2,068	\$ 2,325	\$ 75,056	\$ 71,300
Unamortized Actuarial Gains	5,863	5,130	134	96	5,997	5,226
<b>Employee Future Benefits Liability</b>	<b>\$ 78,851</b>	<b>\$ 74,105</b>	<b>\$ 2,202</b>	<b>\$ 2,421</b>	<b>\$ 81,053</b>	<b>\$ 76,526</b>
Benefit Cost	\$ 4,486	\$ 4,662	\$ 67	\$ 65	\$ 4,553	\$ 4,727
Plan Assets	54,441	48,739	763	863	55,204	49,602
Employer Contribution	5,441	5,623	186	210	5,627	5,833
Employees' Contributions	3,428	3,616			3,428	3,616
Benefits Paid	8,093	7,549	372	420	8,465	7,969
Plan assets consist of:	Non-Pension Benefit Plans		Post-Retirement Adjustments			
	2017	2016	2017	2016		
Money Market Funds and Cash	4.4%	6.7%	4.4%	6.7%		
Equities	52.4%	50.2%	52.4%	50.2%		
Fixed Income	21.1%	21.2%	21.1%	21.2%		
Pooled Real Estate	9.6%	9.6%	9.6%	9.6%		
Mortgage Fund	12.5%	12.3%	12.5%	12.3%		
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

	Non-Pension Benefit Plans		Post-Retirement Adjustments	
	2017	2016	2017	2016
Accrued Benefit Obligation at March 31:				
Discount Rate	5.5%	5.6%	5.5%	5.6%
Benefit Cost for Year Ended March 31:				
Discount Rate	5.6%	6.0%	5.6%	6.0%
Expected Rate of Return on Assets	5.6%	6.0%	5.6%	6.0%
Health Care Cost Trend Rates at March 31:				
Initial Rate	7.5%	7.5%		
Ultimate Rate	5.0%	5.0%		
Year Ultimate Rate Reached	2027	2027		
Dental Care Cost Trend Rates at March 31:	5.0% to 2018, 4.5% thereafter	5.0% to 2018, 4.5% thereafter		

## 12. INTER-FUND ADVANCES AND LOANS

As at March 31, 2017, the General Funds owed the Restricted Funds \$3,703 (2016, \$18,887).

## 13. CONTRIBUTED CAPITAL ASSETS

Contributions recognized in the Capital Asset Fund include contributed building, capital equipment, library books and artwork of \$979 (2016, \$925).

## 14. PENSION PLANS

The University is the sponsor of three pension plans, The University of Manitoba Pension Plan (1970), The University of Manitoba GFT Pension Plan (1986), and The University of Manitoba Pension Plan (1993).

The University has separate Pension Committees to act as Plan Administrator for each of the 1993 and 1986 Plans. The University is the Plan Administrator for the 1970 Plan.

Each of the 1993 Pension Committee and 1986 Pension Committee has the following responsibilities for their respective plans:

- Monitor the operation of the plan;
- Take responsibility for the plan's administration;
- Ensure that the plan is in compliance with all applicable legislation; and
- Act in an advisory capacity to the University Board of Governors, making recommendations as required.

All three pension plans issue their own financial statements, none of which form part of the University's financial statements. The University's pension liability for the 1993 Plan is the net of pension obligations less plan assets and adjusted for any unamortized actuarial gains or losses. For the 1986 Plan, the University has no pension liability as pension obligations equal plan assets. The University has no pension liability for the 1970 Plan.

### 1993 PLAN

The University of Manitoba Pension Plan (1993) is a money purchase plan with a defined benefit minimum. The following is a summary of the Plan:

Staff members of the University, other than those eligible for membership in The University of Manitoba GFT Pension Plan (1986), are eligible for membership in The University of Manitoba Pension Plan (1993). The Plan members contributed at the rate of 9.0% of salary less an adjustment for the Canada Pension Plan during the year. The University matches these contributions. If an actuarial valuation reveals a deficiency in the fund, *The Pension Benefits Act* of the Province of Manitoba requires that the University make additional contributions to fund the deficiency.

The Plan provides for full and immediate vesting on termination of employment, subject to the provisions of *The Pension Benefits Act* of the Province of Manitoba.

At retirement, the Plan provides that the Member's Contribution Account and University Contribution Account are applied to establish retirement income known as a plan annuity. This annuity is determined using a pension factor established by the Actuary and is paid from the Plan. The Plan provides that if the defined benefit pension based on a formula involving the member's years of service and highest average earnings exceeds the plan annuity, the difference (known as a supplementary pension) is paid from the Plan.

The Plan provides for retirement benefits paid from the Plan to be increased using an excess interest approach, provided such increase can be afforded by the Plan as confirmed by the Actuary.

At the December 31, 2013 valuation of the Plan, there were 5,192 active member accounts with an average salary weighted age of 51.8 for academic staff and 47 for support staff, and 1,241 annuitants and other recipients.

The actuarial method used to value the liabilities is the projected unit credit method, prorated on services. An actuarial valuation for accounting purposes was prepared by a firm of consulting actuaries as at December 31, 2013 and extrapolated to December 31, 2016.

# FINANCIAL STATEMENTS

The University uses a December 31 measurement date for reporting plan assets and obligations. Pension liability is calculated as follows:

	2016	2015
<b>Accrued Benefit Obligations</b>		
Actuarial present value of accrued pension benefits, beginning of year	\$ 1,173,668	\$ 1,110,225
Interest accrued on defined benefits	24,924	23,006
Interest accrued on member accounts	61,725	28,988
Benefits accrued	57,093	54,393
Benefits paid	(102,617)	(99,343)
Actuarial gains (losses)	(8,839)	3,650
Change in actuarial assumptions	(6,067)	52,749
Actuarial present value of accrued pension benefits, end of year	1,199,887	1,173,668
<b>Plan Assets</b>		
Fair value, beginning of year	1,099,448	1,091,432
Actual return on plan assets	99,919	47,200
Employer contributions calendar year	34,092	34,280
Employee contributions	25,462	25,595
Transfer from other plans	198	284
Benefits paid	(102,617)	(99,343)
Fair value, end of year	1,156,502	1,099,448
Plan deficit	43,385	74,220
Contributions during fiscal year in excess of calendar year	(8,994)	(8,380)
Adjusted plan deficit	34,391	65,840
Unamortized net actuarial gains (losses)	(10,048)	(45,268)
<b>Pension Liability</b>	<b>\$ 24,343</b>	<b>\$ 20,572</b>
<b>Net Benefit Plan Expense</b>		
Current service cost, net of employee contributions	\$ 31,433	\$ 28,514
Interest costs at discount rate	62,383	62,794
Expected return on plan assets	(60,369)	(64,310)
Amortization of net actuarial gains (losses)	5,030	(2,180)
Net benefit plan expense	\$ 38,477	\$ 24,818
<b>Reconciliation of Unamortized Gains (Losses)</b>		
Expected average remaining service life	9.00	9.00
Net unamortized gain (loss), beginning of year	\$ (45,268)	\$ 19,621
New net gain (loss) for current year	30,190	(62,709)
Amortization for current year	5,030	(2,180)
Net unamortized (loss), end of year	\$ (10,048)	\$ (45,268)
<b>Plan Assets Measured at Fair Value Consist of:</b>		
Cash and Other	\$ 20,867	\$ 29,262
Bonds and Debentures	143,834	248,350
Canadian Equities	255,768	300,379
Mortgages	163,076	134,234
Real Estate	99,061	68,205
Foreign Equities	473,896	319,018
	<b>\$ 1,156,502</b>	<b>\$ 1,099,448</b>

...Continued from page 46

## Significant Long-term Actuarial Assumptions

Discount rate	5.50%	5.60%
Expected rate of return on assets	5.50%	5.60%
Rate of general salary increase	1.5% to 2022, 2.5% thereafter	2.0% to 2018, 3% thereafter
Interest assumption for converting member accumulations to annuities	3.75%	3.75%
Mortality	Canadian Pensioners' Mortality 2014 Public Sector Table, with age-related adjustments. Projected generationally from 2014 using Scale CPM-B.	Canadian Pensioners' Mortality 2014 Public Sector Table, with age-related adjustments. Projected generationally from 2014 using Scale CPM-B.

Pension Plan Assets are valued at market values. The expected rate of return on plan assets net of expenses is 5.5% (2015, 5.6%). The actual return on pension fund assets was 9.3% (2015, 4.4%).

In 2009, the Manitoba Pension Commission advised that the University was required to begin to make additional payments with respect to current service costs in excess of matching contributions of active members and the University. The additional annual current service cost payments required are based on a percentage (changes annually) of employee contributions. This total payment for fiscal 2017 was \$3.5 million (2016, \$3.6 million).

The unamortized net actuarial gains (losses) shown above, which were determined on the basis of the 2013 actuarial valuation and the 2016 extrapolation for accounting purposes, are being amortized over a period of nine years (expected average remaining service life) starting in the year following the year the respective annual actuarial gains or losses arise. However, cash funding for the pension plan is based on the going concern funding valuation as described below.

The going concern deficit that results from these and other sources of loss, as they apply to the valuation for funding purposes filed with the pension regulators, is being funded under *The Pension Benefits Act* over the maximum of fifteen years. The payments are \$5.1 million annually until the going concern deficit is eliminated, based on the December 2013 funding valuation. This total payment for fiscal 2017 was \$5.1 million (2016, \$5.1 million).

In 2009, as permitted under the University Pension Plans Exemption Regulation, the University filed an election for an exemption to the solvency deficiency funding requirements under *The Pension Benefits Act* for the 1993 Plan. However, the Plan will continue to be subject to the going concern funding provisions of *The Pension Benefits Act* and the funding deficit payments are being paid by the University over the maximum of fifteen years as indicated above.

## 1986 PLAN

For the 1986 Plan, which is a money purchase plan for active members, the University recorded contributions of \$1,976 (2016, \$2,114) and this is included in the Statement of Operations and Changes in Fund Balances as an expense.

## 1970 PLAN

There were no university employees earning pension entitlements in 2017 in the 1970 Plan. As a result, the University made no contributions to the Plan during the year.

# FINANCIAL STATEMENTS

## 15. NET INVESTMENT INCOME

	General Funds	Restricted Funds	Total 2017	Total 2016
Non Portfolio Interest Income	\$ 2,984	\$ 10,199	\$ 13,183	\$ 12,240
Portfolio Investments:				
Interest	1,781	1,639	3,420	4,091
Dividends		11,754	11,754	11,925
Net Gains on Sale of Investments		28,582	28,582	29,781
	1,781	41,975	43,756	45,797
<b>Total</b>	<b>\$ 4,765</b>	<b>\$ 52,174</b>	<b>\$ 56,939</b>	<b>\$ 58,037</b>

## 16. INTEREST IN RELATED ENTITIES

### UM PROPERTIES LIMITED PARTNERSHIP

In 2008, the University purchased approximately 120 acres of land from the Southwood Golf and Country Club (Southwood lands). The University is pursuing the development of the Southwood lands through UM Properties Limited Partnership (the Partnership) which was created in 2016-17.

The Partnership is responsible for the planning and development of the infrastructure and roadways of the Southwood lands and will negotiate with builders/developers for the construction of residential and commercial buildings located on the Southwood lands. It is the intent of the University to transfer an interest in the lands to the Partnership by selling its fee simple interest, or by entering into a long term lease.

The Partnership has a sole general partner and sole limited partner. UM Properties GP Inc. is the general partner and a wholly owned subsidiary of the University. UM Properties Trust (the Trust) is a legal trust and is the limited partner.

UM Properties Holdings Inc. (the corporate trustee) is a wholly owned subsidiary of the University, and is the sole trustee of the Trust. Income will flow from the Partnership to the Trust. The corporate trustee is responsible to allocate the taxable income of the Trust in any given year. The University and the J.W. Dafoe Foundation are the beneficiaries of the Trust.

The Trust is taxable on any taxable income that is not allocated to the beneficiaries.

There was no financial activity in 2016-17.

### THE UNIVERSITY OF MANITOBA FOUNDATION U.S.A. INC.

The University has an economic interest in the University of Manitoba Foundation U.S.A. Inc. (the Foundation) which is an Illinois Not-For-Profit Corporation incorporated in December 1989. The Foundation's purpose is exclusively charitable, literary, scientific and educational and its activities include the promotion, encouragement, aid and advancement of higher education, research and training in the Province of Manitoba, in Canada and elsewhere. The Foundation is exempt from U.S.A. Federal Income Tax under Subsection 501(c)(3) of the Internal Revenue Code.

The Board of Directors of the Foundation is an independent board whose members direct and guide the Foundation's actions. Members of the Board include, among others, certain senior staff of the University however, is one of many entities eligible to receive aid from the Foundation. The University must make application to the Foundation's Board of Directors to request funds, which may or may not be granted. The University's economic interest therefore is beneficial, as gifts and donations which are solicited by the Foundation may be transferred to the University from time to time. The gifts received in fiscal 2017 were \$1,406.



## TRIUMF

The University has an 8.33% (2016, 8.33%) interest in TRIUMF, a joint venture which operates a national laboratory for particle and nuclear physics. The University uses the modified equity method of accounting to record its interest in TRIUMF.

Available financial information in respect of TRIUMF is disclosed below:

	U of M's Proportionate		U of M's Proportionate	
	March 31, 2016	Share	March 31, 2015	Share
<b>Statement of Financial Position:</b>				
Assets	\$ 32,020	\$ 2,667	\$ 26,369	\$ 2,197
Liabilities	8,322	693	6,257	522
<b>Net Assets</b>	<b>\$ 23,698</b>	<b>\$ 1,974</b>	<b>\$ 20,112</b>	<b>\$ 1,675</b>
<b>Statement of Operations:</b>				
Revenue	\$ 71,873	\$ 5,987	\$ 69,133	\$ 5,758
Expenses	68,286	5,688	66,654	5,552
<b>Surplus for the Year</b>	<b>\$ 3,587</b>	<b>\$ 299</b>	<b>\$ 2,479</b>	<b>\$ 206</b>
<b>Statement of Cash Flows:</b>				
Cash Provided by (Used in):				
Operating Activities	\$ 5,364	\$ 447	\$ 3,780	\$ 315
Investing Activities	(7,171)	(597)	2,783	232
<b>Increase (Decrease) in Cash</b>	<b>\$ (1,807)</b>	<b>\$ (150)</b>	<b>\$ 6,563</b>	<b>\$ 547</b>

TRIUMF's financial statements have been prepared in accordance with section 11B of the TRIUMF joint venture agreement. TRIUMF has adopted Canadian Public Sector Accounting Standards (PSAS), including accounting standards that apply to government not-for-profit organizations, except that all property, plant and equipment purchased or constructed for use at TRIUMF and related decommissioning costs (if any) are expensed in the period in which the costs are incurred. The financial statements for the year ended March 31, 2017 are not available.

TRIUMF follows the restricted fund method of accounting for contributions.

## 17. OTHER RELATED PARTY TRANSACTIONS

The University has significant influence in Triple B Stadium Inc. (Triple B). Triple B is a for-profit corporation established to develop, own and operate a stadium as a venue for professional and university football and community athletics. The members of Triple B are the City of Winnipeg, the University of Manitoba and the Winnipeg Football Club. Activities of Triple B are managed by the directors comprised of the University, City of Winnipeg, Province of Manitoba and the Winnipeg Football Club. The University has an economic interest in Triple B related to the use of the stadium for university football games and events at nil charge.

As at March 31, 2017 and for year then ended, the related party transactions pertaining to Investors Group Field, with Triple B and the Province of Manitoba are as follows:

	2017	2016
Loans Receivable, including accrued interest	\$ 198,971	\$ 191,364
Loan Payable, including accrued interest	\$ 198,971	\$ 191,364
Revenue and Expenses:		
Investment Income	\$ 8,945	\$ 8,661
Interest Expense	\$ 8,945	\$ 8,619

# FINANCIAL STATEMENTS

The investment income from Triple B and related interest expense of \$8,945 (2016, \$8,619) has been included in the Statement of Operations and Changes in Fund Balances. However, these amounts have not been included in Statement of Cash Flow supplementary information as the interest was neither received nor paid during the year. Any related payments received for the loan receivable and payments made on the related debt were applied against the outstanding principal.

The University controls Partners for Health and Development in Africa (PHDA), a non-profit, non-governmental organization registered in Kenya. PHDA has a March 31 year end. Its main purpose is to promote health and economic development in Kenya and Africa, including promotion of health and economic services in HIV/AIDS and population and reproductive health. PHDA uses a modified cash basis of accounting.

The University funds the operations of PHDA by the transfer of research grants. PHDA is not permitted under local government restrictions to transfer any assets back to the University. Available financial information in respect of PHDA is disclosed below. The financial statements for the year ended March 31, 2017 are not available. PHDA operates in Kenyan Schillings and the amounts below have been converted to Canadian dollars.

	March 31, 2016	March 31, 2015
<b>Statement of Financial Position:</b>		
Assets	\$ 800	\$ 452
Liabilities	354	338
<b>Net Assets</b>	<b>\$ 446</b>	<b>\$ 114</b>
<b>Statement of Operations:</b>		
Revenue	\$ 6,026	\$ 4,447
Expenses	5,687	4,334
<b>Surplus for the Year</b>	<b>\$ 339</b>	<b>\$ 113</b>
Cash Provided by (Used in):		
Operating Activities	\$ 353	\$ 251
Investing Activities	(60)	(67)
<b>Increase in Cash</b>	<b>\$ 293</b>	<b>\$ 184</b>

Total transfers in 2016 to PHDA were \$5,633 (2015, \$1,476).

## 18. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

The University is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public liability insurance risks of its members. All members pay annual deposit premiums, which are actuarially determined and are subject to further assessment in the event members' premiums and reserves are insufficient to cover losses and expenses. No additional assessment was necessary for the current year.

Contractual obligations relating to Construction in Progress amounted to \$39,950 (2016, \$30,197). The contractual obligations relating to service contracts was \$27,912 (2016, \$24,899).

The University of Manitoba Faculty Association (UMFA) has filed an application for remedy for unfair labour practice against the University. UMFA has brought forward these allegations with The Manitoba Labour Board and has alleged that the University failed to bargain collectively in good faith under *The Labour Relations Act*. UMFA is seeking both financial and non financial remedies. The financial remedies include the following:

- Payment of lost wages and benefits for the entire period of the strike;
- Compensate UMFA for all costs associated with the strike;
- Restoration of the monetary proposal that existed on September 13, 2016;
- \$2 payment to UMFA; and
- \$2 payment to each UMFA member.

The University is actively defending these allegations and is participating in hearings with The Manitoba Labour Board. Initial hearings were held in May 2017 and are expected to be completed by October 2017, at which time The Manitoba Labour Board will convene to render a judgement which is expected some time in 2018.

The possible loss to the University depends on what financial restitution the University is ordered to pay and ranges from nil to \$9,400 based on the requests of the application.

The members of the TRIUMF joint venture and the Canadian Nuclear Safety Commission (CNSC) approved a decommissioning plan which requires all members to be severally responsible for their share of the decommissioning costs, which were estimated at \$44,200 as of November 2011, as well as provide financial covenants to the CNSC for the amount of these costs. While there are no current intentions to decommission the facilities, and the facilities are estimated to have an indefinite useful life, the University's share of the unfunded decommissioning costs, as at March 31, 2016 is estimated at \$2,800 (2015, \$2,800). The March 31, 2017 figures are not available. TRIUMF has put in place a plan for funding the cost of decommissioning which does not require any payments from the joint venture partners.

## 19. EXPENSE BY FUNCTION

	General Funds	Restricted Funds	2017 Total Funds	2016 Total Funds
<b>Expense</b>				
Academic	\$ 330,127	\$ 125,565	\$ 455,692	\$ 469,117
Amortization		54,645	54,645	54,931
Student Assistance	15,437	42,074	57,511	55,619
Plant Maintenance	43,315	20	43,335	46,039
Administration and General	33,047	8,219	41,266	41,593
Ancillary Services	25,699		25,699	27,725
Computing and Communications	24,044		24,044	26,803
Other Academic and Research Support	22,603	3,315	25,918	20,834
Student Services	19,397		19,397	20,328
Interest		19,074	19,074	19,062
Libraries	16,991		16,991	18,462
External Relations	11,174		11,174	12,169
Actuarially Determined Employee				
Future Benefits	4,527		4,527	7
Change in Pension Liability	3,771		3,771	(10,515)
Staff Benefits Contra	(1,761)		(1,761)	(7,182)
Loss on Disposal of Capital Assets		1,000	1,000	
<b>Total</b>	<b>\$ 548,371</b>	<b>\$ 253,912</b>	<b>\$ 802,283</b>	<b>\$ 794,992</b>

# FINANCIAL STATEMENTS

## 20. STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES – GENERAL FUNDS

	General Operating Fund	Specific Provisions Fund	Expenses Funded From Future Revenues Fund	2017 Total General Funds	2016 Total General Funds
<b>Revenue</b>					
Tuition and Related Fees	\$ 163,571	\$	\$	\$ 163,571	\$ 159,987
Donations	3,849			3,849	1,734
Non-Government Grants	4,845			4,845	5,344
Net Investment Income (Note 15)	4,765			4,765	4,348
Miscellaneous Income	8,809			8,809	9,390
Government Grants:					
Manitoba Education and Training	356,762			356,762	347,105
Other Province of Manitoba	24,601			24,601	22,493
Government of Canada	10,836			10,836	10,850
City of Winnipeg	51			51	51
Sales of Goods and Services	34,595			34,595	32,233
Ancillary Services	37,983			37,983	38,246
	<b>650,667</b>			<b>650,667</b>	<b>631,781</b>
<b>Expenses</b>					
Salaries	350,262			350,262	356,627
Staff Benefits and Pay Levy	78,461			78,461	59,766
Materials, Supplies and Services	48,728			48,728	51,352
Student Assistance	15,437			15,437	14,000
Professional Consulting and Externally Contracted Services	19,220			19,220	16,010
Travel and Conferences	11,209			11,209	11,314
Utilities, Municipal Taxes and Insurance	19,174			19,174	19,442
Maintenance and Repairs	5,880			5,880	7,652
	548,371			548,371	536,163
<b>Net Revenue from Operating Activities</b>	102,296			102,296	95,618
Inter-Fund Transfers (Note 22)	(102,278)	36,101	(4,588)	(70,765)	(86,501)
Net Increase (Decrease) to Fund					
Balances from Operating Activities	18	36,101	(4,588)	31,531	9,117
Fund Balances from Operating Activities					
Beginning of Year	2,366	97,668	(65,345)	34,689	25,572
Fund Balances from Operating Activities					
End of Year	2,384	133,769	(69,933)	66,220	34,689
Accumulated Remeasurements Gains (Losses) End of Year	3			3	(139)
<b>Fund Balances End of Year</b>	<b>\$ 2,387</b>	<b>\$ 133,769</b>	<b>\$ (69,933)</b>	<b>\$ 66,223</b>	<b>\$ 34,550</b>
Unrestricted Funds	\$ 2,387	\$	\$ (69,933)	\$ (67,546)	\$ (63,118)
Internally Restricted Funds (Note 23)		133,769		133,769	97,668
	<b>\$ 2,387</b>	<b>\$ 133,769</b>	<b>\$ (69,933)</b>	<b>\$ 66,223</b>	<b>\$ 34,550</b>

## 21. STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES – RESTRICTED FUNDS

	Capital Asset Fund	Research and Special Fund	Staff Benefits Fund	Trust Fund	2017 Total Restricted Funds	2016 Total Restricted Funds
<b>Revenue</b>						
Donations	\$ 4,788	\$ 595	\$	\$ 4,441	\$ 9,824	\$ 11,625
Non-Government Grants		79,139			79,139	78,313
Net Investment Income (Note 15)	9,646	341	579	41,608	52,174	53,689
Miscellaneous Income	2,693	1,547	3,460		7,700	8,002
Government Grants:						
Manitoba Education and Training	7,015				7,015	7,015
Other Province of Manitoba	2,714	32,147			34,861	51,295
Government of Canada	9,366	64,269			73,635	70,971
Sales of Goods and Services	20	486			506	1,011
	<b>36,242</b>	<b>178,524</b>	<b>4,039</b>	<b>46,049</b>	<b>264,854</b>	<b>281,921</b>
<b>Expenses</b>						
Salaries		39,366			39,366	40,471
Staff Benefits and Pay Levy		7,323			7,323	7,088
Materials, Supplies and Services		47,706	4,248	372	52,326	57,741
Amortization of Capital Assets	54,645				54,645	54,931
Student Assistance		22,994		19,080	42,074	41,619
Professional Consulting and Externally Contracted Services		22,370	133	3,381	25,884	26,315
Travel and Conferences		11,815			11,815	11,135
Utilities, Municipal Taxes and Insurance		33			33	24
Interest	19,074				19,074	19,062
Maintenance and Repairs		372			372	443
Loss on Disposal of Capital Assets	1,000				1,000	
	<b>74,719</b>	<b>151,979</b>	<b>4,381</b>	<b>22,833</b>	<b>253,912</b>	<b>258,829</b>
<b>Net Revenue (Loss) from</b>						
<b>Operating Activities</b>	(38,477)	26,545	(342)	23,216	10,942	23,092
Inter-Fund Transfers (Note 22)	83,284	(7,809)	(2,880)	(7,725)	64,870	84,197
Net Increase (Decrease) to Fund						
Balances from Operating Activities	44,807	18,736	(3,222)	15,491	75,812	107,289
Fund Balances from Operating Activities Beginning of Year	999,248	123,386	3,211	202,755	1,328,600	1,221,311
Fund Balances from Operating Activities End of Year	1,044,055	142,122	(11)	218,246	1,404,412	1,328,600
Accumulated Remeasurements Gains (Losses) End of Year	570	70	8,777	(5,253)	4,164	(14,421)
<b>Fund Balances End of Year</b>	<b>\$ 1,044,625</b>	<b>\$ 142,192</b>	<b>\$ 8,766</b>	<b>\$ 212,993</b>	<b>\$ 1,408,576</b>	<b>\$ 1,314,179</b>
Internally Restricted Funds (Note 23)	\$	\$ 7,296	\$ 2,729	\$ 64,105	\$ 74,130	\$ 68,333
Externally Restricted Funds (Note 24)		134,896	6,037	148,888	289,821	247,267
Invested in Capital Assets (Note 24)	1,044,625				1,044,625	998,579
	<b>\$ 1,044,625</b>	<b>\$ 142,192</b>	<b>\$ 8,766</b>	<b>\$ 212,993</b>	<b>\$ 1,408,576</b>	<b>\$ 1,314,179</b>

# FINANCIAL STATEMENTS

## 22. INTER-FUND TRANSFERS

Inter-Fund Transfers for the years ended March 31 are as follows:

	General Operating Fund	Specific Provisions Fund	Expenses Funded From Future Revenues Fund	Total General Funds	Total Restricted Funds	Endowment Fund
Funding of Capital Asset Additions:						
Current Year Acquisitions	\$ (21,161)	\$	\$	\$ (21,161)	\$ 21,161	\$
Other Funded Projects	(30,316)			(30,316)	30,316	
Faculty and Unit Funded Projects	(13,778)	1,072		(12,706)	12,706	
<b>Total Funding of Capital Asset Additions</b>	<b>(65,255)</b>	<b>1,072</b>		<b>(64,183)</b>	<b>64,183</b>	
Debt Funding:						
Ancillary Services	(4,964)			(4,964)	4,964	
Faculties	(1,542)			(1,542)	1,542	
Unit Capital Development Assessment	(5,274)			(5,274)	5,274	
Student Contributions for Technology	(2,784)			(2,784)	2,784	
Other	(632)			(632)	632	
<b>Total Debt Funding</b>	<b>(15,196)</b>			<b>(15,196)</b>	<b>15,196</b>	
Scholarships, Bursaries and Prizes:						
Faculty and Unit Funded	(1,878)			(1,878)	1,874	4
Centrally Funded	(7,051)			(7,051)	7,045	6
<b>Total Scholarships, Bursaries and Prizes</b>	<b>(8,929)</b>			<b>(8,929)</b>	<b>8,919</b>	<b>10</b>
Transfers to Provisions for Specific Projects:						
Faculty and Unit Funded	(787)	787				
Centrally Funded	(17,913)	17,913				
<b>Total Transfers to Provisions for Specific Projects</b>	<b>(18,700)</b>	<b>18,700</b>				
Benefit Premiums Net of Employer						
Contributions for Staff Benefits	(1,704)			(1,704)	1,704	
Student Contribution to University						
Development Fund	(965)			(965)	195	770
Overhead Recoveries	6,527			6,527	(6,527)	
Funding of General Operating Expenses	22,784	(9,474)		13,310	(13,310)	
Net Change in Unit Carryover	(25,803)	25,803				
Funding of Research Projects	(4,211)			(4,211)	4,211	
Employee Future Benefits	4,527		57	4,584	(4,584)	
Pension Liability	3,771		(3,771)			
Vacation and Sick Leave Liability	874		(874)			
Other Net Transfers	2			2	(5,117)	5,115
<b>March 31, 2017</b>	<b>\$(102,278)</b>	<b>\$ 36,101</b>	<b>\$ (4,588)</b>	<b>\$ (70,765)</b>	<b>\$ 64,870</b>	<b>\$ 5,895</b>
March 31, 2016	\$ (95,534)	\$ (1,306)	\$ 10,339	\$ (86,501)	\$ 84,197	\$ 2,304

## 23. INTERNALLY RESTRICTED FUND BALANCES

Internally restricted fund balances represent amounts set aside by the University for specific purposes. Within the Specific Provisions Fund is \$89,758 (2016, \$65,512) that is set aside at the request of faculties and units while \$44,011 (2016, \$32,156) has been set aside at the discretion of senior administration. Included in the \$89,758 is faculty and unit carryover of \$75,861 (2016, \$50,068). Although the entire provision balance of \$133,769 (2016, \$97,668) is deemed internally restricted, senior administration is not able to repurpose the \$89,758 (2016, \$65,512) as it is bound by certain restrictions including collective agreements.

	2017	2016
<b>General Funds</b>		
Specific Provisions	\$ 133,769	\$ 97,668
<b>Restricted Funds</b>		
Research and Special	7,296	7,832
Staff Benefits	2,729	2,569
Trust	64,105	57,932
	74,130	68,333
<b>Total Internally Restricted Fund Balances</b>	<b>\$ 207,899</b>	<b>\$ 166,001</b>

## 24. EXTERNALLY RESTRICTED FUND BALANCES

Externally restricted fund balances represent unexpended fund balances to be used in future years. External parties have imposed specific restrictions on how the funds can be used and the terms cannot be altered without explicit permission from these funders. Endowed fund balances represent donations received that must be held in perpetuity. The endowed contributions generate an investment return which is made available for spending in the Trust Fund. Invested in Capital Assets represents capital assets and the net assets held for capital purchases or debt repayment.

	2017	2016
<b>Endowed</b>	\$ 468,296	\$ 398,732
<b>Invested in Capital Assets</b>	1,044,625	998,579
<b>Restricted Funds</b>		
Research and Special	134,896	115,352
Staff Benefits	6,037	4,570
Trust	148,888	127,345
	289,821	247,267
<b>Total Externally Restricted Fund Balances</b>	<b>\$ 1,802,742</b>	<b>\$ 1,644,578</b>

## 25. COMPARATIVE FIGURES

Comparative figures for the year ended March 31, 2016 have been reclassified, where appropriate, to conform with the presentation adopted for the year ended March 31, 2017.



**AGENDA ITEM:** Amend Terms of Reference of Audit and Risk Management Committee

**RECOMMENDED RESOLUTION:**

That the Board of Governors approve the amended terms of reference of the Audit and Risk Management Committee.

**Action Requested:**       Approval     Discussion/Advice     Information

**CONTEXT AND BACKGROUND:**

During 2016, KPMG conducted an Internal Audit Quality Assessment Review in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards) and the University of Manitoba Administrative Unit Reviews Policy. This review recommended:

The ARMC should consider adding a requirement in its terms of reference (TOR) to formally approve the appointment, removal, performance appraisal and annual compensation adjustment of Director, Audit Services. (This is being done, but it is not required in the TOR).

Section 1100 of the IIA Standards (<http://www.theiia.org/guidance/standards-and-guidance/ippf/standards/full-standards/?search=risk> ) specifically recommend that “the internal audit activity must be independent, and internal auditors must be objective in performing their work”. One of the interpretations provided in this section is that the board of the organization be involved in “approving decisions regarding the appointment and removal of the chief audit executive”.

**RESOURCE REQUIREMENTS:**

N/A

**CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

This proposed amendment will align the ARMC Terms of Reference with current practice and thereby support our value of Accountability.

**IMPLICATIONS:**

N/A





# Governing Documents: Governance

## BOARD OF GOVERNORS AUDIT AND RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE

### 1. Authority

- a) The Audit and Risk Management Committee (the "Committee") is created by and responsible to the Board of Governors (the "Board") of the University of Manitoba (the "University").
- b) The Vice-President (Administration) shall provide management support to the Committee.
- c) The Director of Audit Services shall serve as a resource person to the Committee.
- d) The University Secretary shall serve as a resource person on governance matters to the Committee.
- e) The Committee shall function in accordance with the Code of Conduct of the Board.

### 2. Composition of Committee

- a) Voting Members appointed by the Board (seven members):
  - i) the Chair of the Board, by virtue of office
  - ii) the Vice-Chair of the Board, by virtue of office
  - iii) the Chair of the Finance, Administration and Human Resources Committee, by virtue of office
  - iv) two Board members who have experience in accounting, law or business administration
  - v) two members of the community who are Chartered Accountants and/or have senior executive experience
  - vi) the Chair and Vice-Chair are appointed annually by the Board of Governors on recommendation of the Governance and Nominating Committee
- b) Non-Voting Member: the President
- c) Non-Voting University Officials:
  - 1) the University Secretary - as Secretary
  - 2) the Vice-President (Administration)
  - 3) the Comptroller
  - 4) the Director of Audit Services
  - 5) the Director of Risk Management
- d) No member of the staff (academic or non-academic), nor any student of the University, shall be eligible for appointment to this committee.
- e) A majority of Committee members shall form a quorum and no business shall be transacted at a meeting unless a quorum is present. All questions shall be decided by a majority vote.
- f) The external auditor will be invited to meetings of the Committee at times when they are reporting to the Committee.

### 3. Mandate of the Committee

Subject to Section 4, the Committee shall monitor, evaluate and make recommendations to the Board with respect to all auditing, financial reporting, and internal control functions relating to the University.

In particular, the Committee shall:

(i) External Audit Oversight

- a) recommend to the Board the appointment of independent auditors on an annual basis;
- b) approve the proposed fees of the external auditor;
- c) review and consider the independence of the external auditor including review of other services provided to the University by the external auditor;
- d) review the external auditor's proposed audit plan, scope and approach and ensure no unjustified restrictions or limitations have been placed on such plan;
- e) discuss the results of the annual audit under Generally Accepted Accounting Principles ("GAAP") and auditing standards, recommendations made by the external auditors to the administration, and any other matters that may be communicated to the Committee by the external auditors;
- f) review the annual financial statements and determine whether they are complete and consistent with information known to Committee members and assess the reasonableness of presentation, appropriateness of accounting policies, and adequacy of disclosure;
- g) recommend approval of the draft audited financial statements to the Board.

(ii) Internal Audit Oversight

- a) review and recommend to the Board on the scope and mandate of the internal audit function and the annual internal audit plan;
- b) review periodic reports received ~~by~~ from the internal auditor, discuss recommendations set out in those reports, and ensure that administration responds to such recommendations in a timely manner;-

c) formally approve the appointment and removal of the Director, Audit Services;

d) annually review and approve the performance appraisal and compensation adjustments of the Director, Audit Services, after considering the recommendation of the administrative officer to whom the Director reports administratively.

(iii) Internal Controls and Risk Management Oversight

- a) consider the effectiveness of the University's internal control system, including financial reporting and information security controls;
- b) receive regular reports from administration on areas of significant risk to the University, including but not limited to, legal claims, environmental issues, health, safety, and other regulatory matters;
- c) discuss with administration, internal audit and the external auditors the University's major risk exposures (whether financial, operational, or otherwise), the adequacy and effectiveness of accounting and financial system, and the steps administration has taken to monitor and control such exposure;
- d) consider whether the University has adequate processes and controls to prevent and detect fraud;
- e) consider whether the University has adequate disaster recovery and business continuity plans and processes in place;
- f) review of the adequacy of insurance coverages maintained by the University to ensure that the University is not

exposed to an unacceptable level of risk;

g) ensure compliance with regulatory matters and with University governing documents;

h) periodically review issues relating to Board members' personal liability.

(iv) Other Responsibilities

a) provide an avenue of communication among the external auditors, administration, the internal audit function and the Board;

b) review with the University's general counsel or outside legal counsel legal matters that may have a material impact on the financial statements;

c) recommend to the Board the engagement of special audits or studies as the Committee deems necessary;

d) periodically meet with the internal auditor, external auditor and administration in separate "in camera" sessions to discuss any matters that the Committee or these groups believe should be discussed privately with the Committee. It is understood that generally speaking, the internal auditor will be a part of the in camera sessions, unless the Committee decides otherwise;

e) perform such other function as assigned by law, *The University of Manitoba Act* or the Board;

f) review its Terms of Reference at least every three years and recommend changes, if any, to the Board.

4. Limits on Authority

Notwithstanding the provisions set out in Section 3, the Committee shall bring to the Board for final approval:

a) the financial statements of the University and related auditor's reports;

b) reports, information and recommendations with respect to issues that, in the opinion of the Committee, may pose a material risk to the University; and

c) recommendations with respect to information from the internal auditor and external auditors on controls, or related matters the Chair of the Committee or the Committee may consider prudent or necessary.

5. Reporting Relationship with the Internal Auditor

The Director of Audit Services reports functionally to the Committee, reporting directly to the Committee at each meeting. The Director shall report administratively to the Vice-President (Administration).

6. Frequency of Meetings and Calendar of Business

The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary, for the purpose of ensuring the meeting agenda addresses all of the responsibilities as outlined in these Terms of Reference.

7. Term of Office

Term of office is one year from June 1 to May 31.

8. Reporting to the Board

The Committee shall regularly report to the Board with respect to its activities and decisions.

*Approved by the Board of Governors November 15, 2011*  
*Approved by the Board of Governors September 23, 2014*  
*Approved by the Board of Governors May 19, 2015*



**AGENDA ITEM:** 2017-18 UMSU Universal Bus Pass Fee

**RECOMMENDED RESOLUTION:**

*An increased Universal Bus Pass (U-Pass) fee be approved and assessed of all eligible students effective Fall 2017. Eligible students would be assessed \$132.50 per term in the regular session.*

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

When UMSU students approved the U-Pass in fall of 2014, the referendum question included language for the U-Pass to increase with inflation. When negotiating the agreement with The University, and Winnipeg Transit, UMSU empowered Winnipeg Transit to provide the rate of inflation, according to existing City of Winnipeg metrics. In April of 2017 the attached letter was received, indicating the new rate to be assessed.

**RESOURCE REQUIREMENTS:**

No new resource requirements, just a change on the amounts already assessed.

**IMPLICATIONS:**

No implications, this increase is an obligation of a contract both UMSU and the University entered into with Winnipeg Transit.

**ALTERNATIVES:**

No alternatives exist.

**CONSULTATION:** [delete if not applicable]

The referendum that approved the U-Pass fee also included language calling for it to be increased annually.



### Board of Governors Submission

**Routing to the Board of Governors:**

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Tanjit Nagra- UMSU President	June 1 <sup>st</sup> , 2017
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	FAHR	June 14, 2017
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		

**Submission prepared by:**

MARK STEWART, EXECUTIVE ASSISTANT, UMSU

**Submission approved by:**

*This must be the President, a Vice-President, or the University Secretary.*

**Attachments**

*April 27, 2017 Letter from Winnipeg Transit*



Transit Department • Régie des transports

Vice-President (Administration)  
202 Administration Building  
University of Manitoba  
Winnipeg, MB R3T 2N2  
FAX – 204-261-1318

April 27, 2017

General Manager  
University of Manitoba Student's Union  
101 University Centre  
Winnipeg, MB R3T 2N2  
FAX – 204-269-1299

**NOTICE**

**RE: TRANSIT U-PASS AGREEMENT – 2017/2018 U-PASS FEE**

Dear Sirs,

Per clause 8.04 of the Transit U-Pass Agreement, please consider this the formal notification of the inflationary U-Pass fee increase for the 2017/2018 Academic Year to be effective for September 1, 2017. This will be effective for the September 2017 – December 2017 term as well as the January 2018 – April 2018 term.

**The U-Pass fee for 2017/2018 will be \$265, or \$132.50 per term.**

Please update your systems as required to ensure students are charged the new amount.

Sincerely,

Greg Ewankiw  
Acting Director of Transit







**AGENDA ITEM:** *UMSU Health and Dental Tiered-Plan Implementation*

**RECOMMENDED RESOLUTION:**

*That beginning Fall Term 2017, a new fee structure be implemented and assessed to eligible students for the UMSU Health and Dental Plan. All students assessed the UMSU Membership will also be enrolled in the Health and Dental Plan at a rate of \$345.00 per year. Students will be able to opt-down to various levels of coverage, at a reduced rate, wherein UMSU and Studentcare will refund the difference. Students wishing to completely opt-out of coverage will still be required to provide proof of alternative coverage.*

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

At the request of students, UMSU began exploring the option of a "tiered-plan model" with our health and dental broker. Such a plan would allow for greater coverage for students that need it, but also would allow students to opt-down to a basic level of coverage if they so chose. This will give students the option to receive the level of health and dental coverage that is ideal to their individual needs and situation.

**RESOURCE REQUIREMENTS:**

The fee amount will change, but all logistics and administration of students choosing to opt-out, or opt-down to the basic coverage will be administer by UMSU and the health and dental plan broker.

**IMPLICATIONS:**

*This proposal will allow students more flexibility in their health and dental coverage, allowing for interested students to have access to expanded services.*

**ALTERNATIVES:**

*The alternative to this proposal is to maintain the basic level of coverage for all students, with no choice or option for expanded coverage.*

**CONSULTATION:** *[delete if not applicable]*

*UMSU Council approved the attached documents and accepted them as fact at the May 30<sup>th</sup> meeting. Students were consulted throughout the 2016-17 school year, and this final proposal is the culmination of efforts from a variety of stakeholders, including the UMSU Member Services Committee which oversees the health and dental plan.*



### Board of Governors Submission

**Routing to the Board of Governors:**

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Tanjit Nagra - UMSU President	June 1 <sup>st</sup> , 2017
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	FAHR	June 14, 2017
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		

**Submission prepared by:** MARK STEWART, EXECUTIVE ASSISTANT, UMSU

**Submission approved by:** *This must be the President, a Vice-President, or the University Secretary.*

**Attachments**

- Studentcare Report to UMSU Council
- Enhanced Plan FAQ.

# UMSU HEALTH & DENTAL PLAN

## Enhanced Plan: Benefits, Premiums & Suggested Fees for Discussion

May 16, 2017

## Proposed Benefit Structure: Enhanced vs Basic 2017-18

Benefit Category	Enhanced Plan	Basic Plan
Prescription Drugs	80%, \$10 dispensing fee cap	70%, \$5 dispensing fee cap
Vaccinations	80%	70% up to \$150
Drug Formulary	MB Pharmacare	MB Pharmacare
Orthotics	Up to \$300 per year	No
Health Practitioners	\$50 per visit, up to \$300 per year	\$30 per visit, up to \$200 per year
Psychology	100%, up to \$600 per year	100%, up to \$600 per year
Eye Exams	\$90 per 2 years	\$60 per 2 years
Eye glasses or contact lenses	\$200 per 24 months	\$100 per 24 months
Dental: Basic	80%	70%
Dental: Restorative / Oral Surgery	<b>80%</b>	50%
Dental: Endodontics	50%	50%
Scaling: Max. Units	4	2
Dental Annual Maximum	\$750	\$500
AD&D	Yes	Yes
Travel	Yes	Yes

## MBC Quoted Renewal Rates: Enhanced and Basic

Effective September 1, 2017- August 31, 2018

2017-2018 MBC Renewal Quote	ENHANCED PLAN	Basic Plan
HEALTH	\$ 166.26	\$ 130.74
DENTAL	\$ 164.10	\$ 102.06
<b>Annual Total Premium</b>	<b>\$ 330.37</b>	<b>\$ 232.81</b>

<i>Fee Range supported by Fall Survey</i>	<b>\$290 - \$350</b>	<b>\$190 - \$250</b>
Suggested Health Plan Fee	\$ 175.00	\$ 135.00
Suggested Dental Plan Fee	\$ 170.00	\$ 110.00
<b>Proposed Total Fee 2017-18</b>	<b>\$ 345.00</b>	<b>\$ 245.00</b>
Contribution to UMSU Reserve Fund	\$ 14.63	\$ 12.19

## RFQ Process to Select an Insurer

From time to time Studentcare supports student associations by taking their Health & Dental Plan to market through a managed Request For Quotation process. This involves putting the opportunity to underwrite the Plan to tender. The process is meant to stimulate competition and encourage each insurer to provide the student association with their best offer (lowest premium) in order to win the rights to the Health & Dental Plan contract.

Conducting an RFQ process requires a significant amount of time and effort and can lead to both positive and negative outcomes. It is important to consider a number of factors before deciding to engage in an RFQ process.

### **The process includes the following, and takes about 2 months to complete:**

- Analyze industry and create a shortlist of insurers capable of meeting needs of student plans
- Request For Quotation Process Outline creation
- Send out the RFQ to insurers
- Receive RFQ proposals
- Conduct thorough vetting and due diligence to ensure that backend systems meet unique standards and requirements associated with student plans
- Presentation of results to student union stakeholders: executives, staff, committee members,
- Decision making process
- Review and analyse required changes to data system with U of M, Studentcare member services training, and communication avenues: websites, publications, claim forms, mobile app
- Implementation and Transition period prior to new policy/academic year

### Expected Outcomes:

**The primary goal of every RFQ is to receive a lower premium rate for the Health & Dental Plan, though a number of other factors should be considered including the following:**

- What experience do we have with the insurer? What is our relationship with the insurer?
- What service offerings does the insurer provide in addition to underwriting the Plan?
- Does the insurer provide thorough information on a timely basis?
- Is the insurer capable of supporting technology such as mobile claims, etc.?
- Is the insurer flexible to meet the unique needs of the tiered benefit model?

### Potential Positive Results:

- Students may receive a lower premium rate for a specified time frame (premium guarantee)
- New insurer could provide a better claims adjudication process, better reporting, and higher quality customer service than the previous insurer
- Temporary lag in claims created by student confusion with new processes saves the Plan money over the short term, resulting in temporary cost control

### Potential Drawbacks:

- It is possible that all quotes could come back with a higher premium rate than the projected rate from the current insurer leading to higher premiums
- If a student union undertakes an RFQ too often, the insurers may choose not to provide a quote (RFQ fatigue)
- Claims often drop off for the following year if the underwriter changes (students experience confusion making claims with a different insurer)

- New insurer provides lower quality customer service, more restrictive claims adjudication process, more limited reporting, less flexibility, etc than the previous insurer
- Coverage for specific medication and elements of coverage can change when switching insurers. For example, the recent changes to integrate the Plan with Manitoba Pharmacare may be undermined by a change to an insurer less familiar with this process
- Premiums are primarily based on claims, so in the long-run, premiums will normally end up at approximately the same rate no matter which insurer underwrites the Plan

## Recommendation for 2017-18:

- Capitalize on the current relationship with MBC, and their competitive premium quote, to further entrench the benefit changes made this year
- Minimize the disruption to claims and services that would accompany a change in insurer, postponing an RFQ for +/- one year to see the results of the transition to Enhanced model
- Focus available resources on building student awareness of the Enhanced Plan: increased choice, more engagement, stronger communications and member services

# UMSU HEALTH & DENTAL PLAN: PROPOSED ENHANCED PLAN

## Background FAQ for Council

### 1. WHAT IS AN ENHANCED PLAN?

The Enhanced Plan would offer students an expanded choice between different levels of coverage at different costs, as an alternative to the traditional one-size-fits-all health and dental plan model currently available to Umsu members. The Enhanced level would provide higher coverage at a higher cost for Plan members, including both graduate and undergraduate students, who prioritize higher reimbursement of health or dental care expenses. The Basic level would provide lower coverage at a lower cost, to respond to the needs of students who prioritize cost-saving. The key concept is to expand students' choice.

### 2. WHY AN ENHANCED PLAN?

The Umsu Health & Dental Plan serves a diverse student community, across a broad spectrum that includes graduate students, undergraduate students, international students, students with families, mature students, and multiple faculties on multiple campuses. A one-size-fits-all Health & Dental Plan is not meeting the needs of everyone. Expanding the Umsu Plan to include a flexible benefit model would allow each student to choose a level of coverage that addresses their individual needs.

Over the past few years, students' awareness and usage of the Plan, as well as the cost of certain services, have increased significantly. Each year, Umsu Council faces a conflict between wanting to maintain the benefits that some students so clearly use and value, and wanting to keep the Plan fee low for members who are concerned about rising costs and may not use the Plan as much.

In order to respond fairly to these two very different but equally valid member perspectives, the Umsu executive worked with Studentcare to investigate and propose an innovative flexible benefit model that will give students more choice.

### 3. WHAT DO STUDENTS THINK? FALL 2016 MEMBER SURVEY

In November 2016, a student survey was conducted via email and using approved methodology to achieve statistically accurate results. Key questions in this survey measured students' responses to a potential flexible benefit model as follows:

- **Almost three quarters of respondents (74.3%) reported that they would support the implementation of an Enhanced Plan with different levels of coverage.**

	<i>UNDERGRADUATE STUDENTS</i>	<i>GRADUATE STUDENTS</i>
	76.2%	69.8%

- **In regards to the Enhanced Health Plan, respondents felt that coverage for prescription drugs and eyeglasses and contact lenses should be prioritized.**

<i>CATEGORY</i>	<i>UNDERGRADUATE STUDENTS</i>	<i>GRADUATE STUDENTS</i>
Prescription Drugs	78.2%	75.8%
Vision Care	70.2%	65.5%

- In regards to the Enhanced Plan, respondents overall felt that Basic dental coverage, such as recall exams and polishing, and a higher annual dental maximum should be prioritized. A higher level of Restorative dental coverage (including fillings, extractions, etc.) was a very close runner-up.

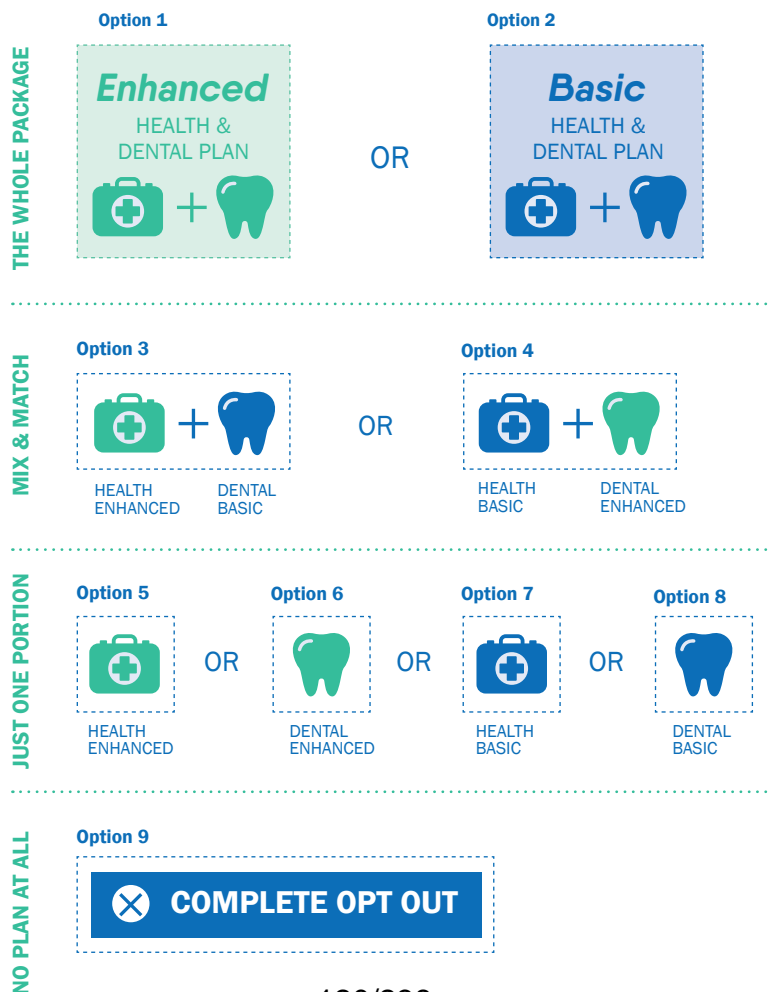
CATEGORY	UNDERGRADUATE STUDENTS	GRADUATE STUDENTS
Basic	88.1%	91.4%
Higher annual max	85.3%	87.0%
Restorative	84.1%	88.8%

- Over half of respondents (56.5%) said that, if flexible coverage levels were available to them today, they would choose the Enhanced Plan at an initial approximate annual cost of \$290 - \$350. Another 35.4% said they would choose the Basic Plan at an initial approximate annual cost of \$190 - \$250.

OPTION	UNDERGRADUATE STUDENTS	GRADUATE STUDENTS
Enhanced: \$290 - \$350	52.0%	65.5%
Basic: \$190 - \$250	37.7%	31.0%

Full survey results and analysis are provided in the *UMSU Health & Dental Plan Survey Report: Fall 2016*, available by request at the UMSU Office or via email to Adam Pawlak, VP Internal: [vpj@umsu.ca](mailto:vpj@umsu.ca).

#### 4. WHAT OPTIONS WOULD STUDENTS HAVE?





The Plan fees are assessed separately as Health and Dental. Students would continue to have the option to opt out of either component by providing proof of other coverage OR to “mix and match” Enhanced with Basic as outlined above.

Both Enhanced and Basic options would be available at a pro-rated fee (2/3 of the annual fee for 8 out of 12 months of coverage) for students beginning their academic year in January.

## 5. COULD STUDENTS ENROL THEIR SPOUSE OR FAMILY?

Yes, students would also be able to enrol their dependants in the Enhanced Plan or the Basic Plan as long as the dependant coverage matches the student’s coverage and the student does not opt out.

## 6. WHAT WOULD BE THE PROCESS FOR OPTING OUT OR “OPTING DOWN”?

### Opt Out: No Change

Students would still be able to opt out of portions of the Enhanced Plan as they are currently able to do with the existing UMSU Plan (i.e. opt out of either the Health or Dental portions, or both, upon confirming equivalent health and/or dental coverage).

If already covered by a supplemental health and dental plan, such as a parent’s or employer’s plan, students would be able to opt out of the Enhanced Plan during the Change-of-Coverage Period (usually the first few weeks of the semester) and receive a refund for the amount of the Plan. As per current policy, students need to **provide proof of equivalent coverage once**, and that information is kept on file by Studentcare for the duration of their studies at U of M. In subsequent years, a student can simply reconfirm their opt out online, and no further documentation is required.

### “Opt Down”: New

Students who wish to choose the Basic Plan instead of the Enhanced Plan would be able to do so during the Change-of-Coverage Period and receive a refund for the difference in cost between the two Plans.

**No proof or documentation would be required** when choosing the Basic Plan instead of the Enhanced Plan. This would be done entirely online, as per each individual student’s choice. The choice between Enhanced or Basic Plans, as well as the choice to opt out, would be in effect for the duration of the entire policy year.

### Pro-rated Refund

Initially, to minimize the administrative burden on the University, Studentcare would directly refund students who choose the Basic Plan the pro-rated difference between the cost of the Enhanced Plan and the Basic Plan. This can be done via electronic deposit set up during the secure online change-of-coverage process. In this scenario, fees assessed through U of M at the Enhanced level would remain unchanged and payable to U of M. However, it is possible to move to a more transparent system where the choice between Enhanced and Basic is reflected on each student’s Aurora account. Since this will require extra programming and an increased workload on the part of the University, this is an option to be explored as a potential “phase 2.” In any case, Studentcare has the infrastructure and experience to be able to handle either option efficiently.

## 7. WHY WOULD STUDENTS AUTOMATICALLY BE ENROLLED IN THE ENHANCED PLAN?

With a flexible benefit model for students, insurers perceive a greater degree of risk, due to the increased fluctuation in enrolment. Insurers then assign dollar values to the amount of risk accepted, and this impacts the premium paid by students, i.e. the cost of the Plan. Studentcare has been administering flexible benefit models since 2013 and has found that the structure that offers students the “best deal” is one where all eligible members are enrolled in the higher level of coverage.

Operationally, this also the only model that allows the full Health & Dental Plan fee to be included on the student’s tuition statement, payable to U of M, and included in student loan assessments and/or tax deductions. In this way, a student is not required to come up with the extra dollars to increase their coverage after their financial arrangements are in place (i.e. after student loans, personal savings, or parental contributions have been calculated). Rather than placing the onus on the student to pay extra, Studentcare absorbs the responsibility and cost of refunding students who choose to drop to a lower level of coverage. This is the only model currently supported by insurers, and currently in effect at other institutions since 2013.



**AGENDA ITEM:** Amendments to the University of Manitoba GFT Pension Plan (1986)  
Governance Document

**RECOMMENDED RESOLUTION:**

That the Board of Governors approve the University of Manitoba GFT Pension Plan (1986) (1986 Plan) Governance Document.

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

The 1986 Plan is the pension plan sponsored by the University of Manitoba in which Geographic Full-Time Staff in the College of Medicine participate. At December 31, 2016 there were 601 active plan members, and investments held of \$57.856 Million.

The 1986 Plan is a defined contribution plan where only the University of Manitoba makes contributions on behalf of the GFT. On termination of employment the GFT plan member receives as a benefit the sum of the University of Manitoba's contributions and investment income.

The current governance structure came into effect following from the amendments to the Pension Benefits Act and associated regulations May 31, 2011. This represented a significant change from previous governance structures. In 2015, the Governance Subcommittee of the 1993 Plan began a review of the governance document for the 1993 Plan as part of a regular review process to improve plan governance and sought advice from the 1993 Plan Pension Committee, external legal counsel and the Pension Office. The Governance Subcommittee of the 1993 Plan undertook the review of the governance document with the following goals:

- Adopt a structure that promotes the Pension Committee being responsive and timely in its plan oversight and management.
- Adopt a structure that appropriately vests fiduciary responsibilities in the Pension Committee.
- Adopt a structure that maintains the authority and control by the Board of Governors as the Plan Sponsor through its appointments of the majority of members and granting of powers to the Pension Committee.

The attached document has been drafted by the Pension Office based on the work completed by the Governance Subcommittee of the 1993 Plan and reviewed by the 1986 Plan Pension Committee.

The layout of the document has been split into "Part 1: Governance Provisions (approved by the University of Manitoba as the Plan Sponsor)" and "Part 2: Pension Committee Rules and Procedures (approved by the 1986 Plan Pension Committee as Administrator)". Part 1 represents the responsibilities of the Board of Governors as the Plan Sponsor and Part 2 outlines the rules and procedures of the 1986 Plan Pension Committee as the Administrator. The end result is that it

is clear as to which items are approved by the Board of Governors and which items are approved by the 1986 Plan Pension Committee and it is together in one consolidated document.

Items to note under “Part 1” other than partitioning the document into two parts include:

- Vesting the responsibility to the 1986 Plan Pension Committee as the Administrator to select and terminate the services for the custodial trustee, investment managers, and fund holders.
- Vesting the responsibility to the 1986 Plan Pension Committee as the Administrator to establish policies regarding investment philosophies, guidelines and objectives.
- Increasing the term of elected or appointed Committee Members from a maximum of two-three year terms to a maximum of three-three year terms to promote continuity and leverage education training and experience of 1986 Plan Pension Committee members. (approved February 17, 2017)
- Removing the three year term limit for the positions of Chair, Vice-Chair, and Secretary and implementing a requirement to elect these positions bi-annually.
- Revising Article 13 (formerly Article 11) – Submission and recommendations to the Board in order to streamline the process by replacing the existing cumbersome process.

As per the terms of reference the Governance Document is subject to review at least once every three years.

Upon the approval by the Board of Governors, Part 1 thereafter will be reviewed and amended by the University of Manitoba and Part 2 will be reviewed and amended by the 1986 Plan Pension Committee.

**RESOURCE REQUIREMENTS:**

None.

**CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

Fulfilling or surpassing the governance requirements as found in the Pension Benefits Act and its regulations supports the University in the offering of a competitive and sustainable pension plan (1986 Plan) to employees is essential to meet the recruitment and retention objectives for the University.

**IMPLICATIONS:**

Implements a clear separation of responsibilities between the Plan Sponsor and the Administrator

**ALTERNATIVES:**

On the recommendation of the the Governance Sub-Committee 1993 Plan, the 1986 Plan Pension Committee considered adding a requirement that the Vice-President (Administration) be the permanent Chair of the 1986 Plan Pension Committee, but ultimately concluded that this would be inconsistent with the independence of the 1986 Plan Pension Committee.



**The University of Manitoba Pension Plan 1986  
Executive Summary of Key Changes  
Proposed Governance Document Amendments**

Article	Previous Version Showing Changes	New	Comments
3.1 (a)	Evaluate and recommend for selection <u>Custodial</u> Trustees, Investment Managers, Actuaries and Fund Holders <del>(which selection is subject to the approval of the Board)</del>	Evaluate and select Custodial Trustees, Investment Managers, Actuaries and Fund Holders;	<p>The goals described in support of the Governance Document review included adopting a structure that promotes the Pension Committee being responsive and timely in its plan oversight and management, and adopting a structure that appropriately vests fiduciary responsibilities in the Pension Committee</p> <p>The points enumerated in this summary include vesting the fiduciary responsibility to the Pension Committee as the Administrator for each of the following:</p> <ul style="list-style-type: none"> <li>• to select and terminate the services for the custodial trustee, investment managers, actuary and fund holders</li> <li>• to establish policies regarding investment</li> </ul>
3.1(d)	Establish measures and/or other clear standards against which performance of Service Providers <u>and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the "Administrative Service Provider")</u> is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation	Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the "Administrative Service Provider") is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation	
Former provision 3.1(e)	<del>Report and make recommendations for change to the Board regarding the performance of Service Providers</del>		
3.1(h)	Establish policies and <del>make recommendations to the Board</del> regarding investment philosophies, guidelines and objectives;	Establish policies regarding investment philosophies, guidelines and objectives	

3.1(p)	Invest the assets of the Plan Fund and for that purpose, select <del>(subject to Board approval)</del> an Investment Manager	Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers	philosophies, guidelines and objectives <ul style="list-style-type: none"> <li>to provide oversight on the performance of service providers</li> <li>to invest the assets of Plan and select investment manager(s)</li> <li>to evaluate and make improvements in the administration of the Plan</li> </ul>
3.1(s)	Evaluate and make <i>improvements with respect to recommendations to the Board respecting improvements</i> for the administration of the Plan, including recommendations regarding administrative service changes	Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes	
Former provision 3.1(qq)	<del>Report to the Superintendent of Pensions (the “Superintendent”) any instance of non-compliance with applicable pension legislation</del>	Removed	In the course of administrating the Plan on a daily basis, the Pension Office regularly consults the plan actuary, legal counsel and otherwise does contact the Office of the Superintendent if any issue arises. Removing the clause does not relieve the Administrator of any responsibilities with respect to compliance.
4.4	<del>Members of the Committee shall not exercise their powers in their own interest or in the interest of a third person, nor shall members of the Committee be a in a position of conflict between the Committee Member’s personal interest and the duties of the Committee Member’s office</del>	Members of the Committee shall not be a in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan	A Code of Conduct Policy is in effect to which committee members adhere that describes possible conflicts of interest. The Policy is reviewed periodically by the Pension Committee..
11.1	<del>11.1 The Committee, by majority vote shall have the following Officers: shall annually, or as often as may be required, elect Committee Members to act as</del> Chairperson, Vice	11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee,	The positions of Chairperson, Vice-Chair and Secretary can be voted on every second year instead of annually and their

	<p>Chairperson, and Secretary <del>as follows:—</del><u>The Committee, by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice Chairperson and Secretary.</u></p> <p><del>CHAIRPERSON: The Chairperson (Chair) shall be elected for a term of two years. The Chairperson (“Chair”) shall be elected for an initial term of two years, and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p>	<p>by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:</p> <p>CHAIRPERSON: The Chairperson (Chair) shall be elected for a term of two years.</p>	<p>terms coincide with voting by Committee members</p> <p>Removed the three year term limit on the Chairperson, Vice-Chair and Secretary</p>
16(e)	<p>fees or expenses owed to agents pursuant to the terms of service agreements</p>	<p>fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement</p>	<p>Expenses incurred by the Administrative Service Provider will be provided for through the Administrative Services Agreement between the University and the Pension Committee currently under review.</p>



**The University of Manitoba GFT Pension Plan (1986) Governance Document**

Part 1: Governance Provisions (approved by the University of Manitoba as the Plan Sponsor)

Part 2: Pension Committee Rules and Procedures (approved by the Pension Committee as Administrator)

Effective (INSERT DATE HERE)

THIS IS A CERTIFIED COPY OF THE UNIVERSITY OF MANITOBA GFT PENSION PLAN  
(1986) GOVERNANCE DOCUMENT

---

**Chair, University of Manitoba GFT Pension Committee (1986)**

## Preamble

The University of Manitoba GFT Pension Plan (1986) is a Plan, established by the University of Manitoba, in compliance with *The Pension Benefits Act*, C.C.S.M., c. P32 and its associated regulations.

The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1986 Plan.

The first part of this Governance Document is Part 1: Governance Provisions (approved by the University of Manitoba as the Plan Sponsor, as provided for in section 3.12 of the Pension Benefits Regulation.

The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, approved by the Pension Committee as Administrator as provided for in section 3.17 of the Pension Benefits Regulation.

## TABLE OF CONTENTS

<b>PART 1 – Governance Provisions (approved by the University of Manitoba as Plan Sponsor .....</b>	<b>1</b>
ARTICLE 1 - Application and purpose .....	1
ARTICLE 2 - Role of Committee.....	2
ARTICLE 3 - Duties and responsibilities.....	2
ARTICLE 4 - Fiduciary duties and responsibilities, degree of care.....	7
ARTICLE 5 - Day to day administration excluded .....	9
ARTICLE 6 - Committee Membership .....	9
ARTICLE 7 - Elections and Appointments of Representatives .....	10
ARTICLE 8 - Term as Committee Member .....	11
ARTICLE 9 - Protection of Members .....	12
ARTICLE 10 - Amendments .....	12
<b>PART 2 –Pension Committee Rules and Procedures (approved by the Pension Committee as Administrator) 12</b>	
ARTICLE 11 - Officers .....	12
ARTICLE 12 - Committee Meetings.....	15
ARTICLE 13 - Submissions and recommendations to the Board .....	16
ARTICLE 14 - Transactions with related parties .....	17
ARTICLE 15 - Liability and insurance .....	18
ARTICLE 16 - Administrative expenses .....	19
ARTICLE 17 - Signing authority .....	19
ARTICLE 18 - Amendments .....	20
ARTICLE 19 - Compensation for Members .....	20

**PART 1 – Governance Provisions (approved by the University of Manitoba as the Plan Sponsor)**

**ARTICLE 1 - Application and purpose**

1.1 This Governance Document applies to the University of Manitoba GFT Pension Plan (1986). The Plan was established for employees of The University of Manitoba (the University”), effective January 1, 1986 (the “Plan”), through its adoption by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members upon retirement, death and/or termination. The Plan is registered under *The Pension Benefits Act* (Manitoba) (the “PBA” or the “Act”) and under the *Income Tax Act* (Canada) (the “ITA”).

1.2 This Governance Document is supplementary to the Plan and supporting documents, as defined in the Pension Benefits Regulation, Man. Reg. 39/2010 (the “Regulation”).

1.3 This Governance Document is intended to summarize and explain the roles and responsibilities of the Pension Committee (or “Committee”), in its capacity both as the Pension Committee and Administrator for the Plan, but does not in any way supersede, vary or otherwise alter the Plan Documents or any applicable legislation. In the event of any conflict between this Governance Document and the Plan Documents, the Plan Documents shall prevail (unless they provide otherwise). In the event of any conflict between this Governance Document, the Plan Documents, or any other supplementary documents and the provisions of the Act, the provisions of the Act shall prevail.

1.4 For the purposes of words or phrases not defined in this Governance Document, such terms shall have the meanings ascribed to them in the Plan Documents and the Act.

1.5 In this Governance Document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not to be construed as part of the Governance Document.

## **ARTICLE 2 - Role of Committee**

2.1 The Committee shall, with respect to the Plan, act as both Pension Committee and as “Administrator”, as those entities are described in the Act and regulations. The Committee has the rights, powers, and obligations necessary for the Committee to administer the Plan in accordance with the Act and regulations.

2.2 The overall purposes of the Committee include:

- (a) monitoring the operation of the Plan;
- (b) taking responsibility for the Plan’s administration;
- (c) ensuring that the Plan is in compliance with all applicable legislation; and
- (d) acting in an advisory capacity to the Board, making recommendations as required.

## **ARTICLE 3 - Duties and responsibilities**

3.1 The Committee’s duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:

### Service providers

- (a) Evaluate and recommend for selection Trustees, Investment Managers, Actuaries and Fund Holders
- (b) Evaluate and select auditors, consultants, administrative service providers, performance measurement providers and any external sources as may be required for the proper management and operation of the Plan;
- (c) Negotiate contracts with and delegate duties to the parties specified in (a) and (b) above (“Service Providers”), where appropriate and as required (“Service Agreements”);
- (d) Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the “Administrative Service Provider”) is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation;

- (e) Establish procedures for following-up with Service Providers, and the Administrative Service Provider and for taking action to correct inadequate performance, if applicable;
- (f) Ensure those parties specified in (a) and (b) above, contracted by the Committee, are compensated with payments from the Pension Fund only in an amount that represents the usual and reasonable fees and expenses for the services actually provided in respect of the Plan;

#### Investment, Pension Fund

- (g) Maintain the Statement of Investment Policies and Procedures (the “SIP”), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;
- (h) Establish policies regarding investment philosophies, guidelines and objectives;
- (i) Where appropriate, have an Actuary review any proposed submission to the Board;
- (j) Monitor maintenance and investment of Plan assets, ensuring that they are invested in accordance with applicable pension legislation;
- (k) Maintain a record of all investments held in the Pension Fund;
- (l) Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers;
- (m) Provide information to the Investment Manager as required or requested;

#### Review, reporting

- (n) Report to the Board annually and at such other times as the Board may require;
- (o) Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes;
- (p) Establish a method for self-assessment, to be carried out on a regular and continuing basis, seeking independent professional advice if appropriate;

- (q) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, and any other matters required under applicable pension legislation and regulations;
- (r) Review financial and administrative aspects of the Plan at least once every year;
- (s) Prepare statistics and other information (financial and administrative) in the form of an Annual Report to the Board on the performance of the Pension Fund, which Annual Report shall include the audited financial statements of the Pension Fund;
- (t) Prepare an in-depth review of the Pension Fund as required or as requested by the Board;

Committee governance

- (u) Prepare agenda and materials for meetings of the Committee;
- (v) Interpret the Plan and resolve disputes over its interpretation and application;
- (w) Ensure that there are processes in place for the Committee to have timely access to information regarding the Plan which is complete, current and accurate, and which is required to enable it to perform its responsibilities effectively;
- (x) Ensure that a Code of Conduct for Committee Members, Service Providers, the Administrative Service Provider and any other agents of the Committee is established and brought to the attention of those parties;
- (y) Develop and implement necessary and appropriate risk management practices, which may include the development of policies to deal with:
  - (i) documentation and record keeping;
  - (ii) costing;
  - (iii) funding and fund investment;
  - (iv) expense control and fees;
  - (v) collections;

- (vi) benefits administration;
  - (vii) outsourcing;
  - (viii) compliance;
  - (ix) complaints;
  - (x) conflicts of interest (see Article 4 below); and
  - (xi) communication;
- (z) Ensure that Committee Members have, or receive, appropriate training and/or education to fulfill their responsibilities with respect to the administration of the Plan;

#### Plan Members

- (aa) Ensure preparation and distribution of communication packages to Plan Members, including those required by law or by the provisions of the Plan;
- (bb) Maintain a current list of Plan Members;
- (cc) Respond to Member inquiries that cannot be addressed by the Plan's Administrative Service Provider and/or Service Providers;
- (dd) Respond to requests from Plan Members for the provision of Plan-related documentation;
- (ee) Monitor Plan Members' settlement options;
- (ff) Promote awareness and understanding of the Plan among Members and potential members;
- (gg) Permit Members (or agents of Members, so designated and authorized in writing) to inspect and make extracts from the Plan or any Plan Documents;
- (hh) Establish and review overall strategies for communications with Plan Members;
- (ii) Ensure that Member contributions are made as required by the Plan, and that benefits are paid accurately and on a timely basis;



### Legislative requirements

- (jj) Prepare appropriate government filings relating to the information return and other filings under the PBA and any Plan amendments,
- (kk) Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, *The Family Property Act*, C.C.S.M. c. F25 (the “FPA”), *The Garnishment Act*, C.C.S.M. c. G20 (the “Garnishment Act”) and associated Regulations, and Canada Revenue Agency, and, without limiting the generality of the foregoing:
  - (i) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;
  - (ii) Ensure that transfers and withdrawals are done in compliance with the Regulation;
  - (iii) Ensure that the pension and pension benefit credits are divided in accordance with the PBA and its regulation as well as other applicable law after a relationship breakdown;
  - (iv) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and its regulation;
  - (v) Ensure that the Pension Fund is held in accordance with section 3.19 of the Regulation;
  - (vi) Ensure that Plan Members (or other designated individuals) receive the necessary statements, to which they are entitled by law on an annual basis and upon termination of active membership status, retirement, or death;
  - (vii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law;

## **ARTICLE 4 - Fiduciary duties and responsibilities, degree of care**

4.1 Committee Members owe a duty of care to Members of the Plan. In their fiduciary capacity, Committee Members shall comply with all requirements of applicable pension laws, including the PBA, Regulation and the ITA.

4.2 Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Notwithstanding the foregoing, the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possesses or by reason of its profession/business or calling ought to possess.

4.3 Each member of the Committee has a duty of care to:

- (a) act exclusively for the benefit of the Plan and the Pension Fund and its beneficiaries, and never in the Committee Member's own interest or in the interest of a third party, and to not knowingly permit his interest to conflict with his duties and powers in respect of the Plan and the Pension Fund;
- (b) actively carry out those duties and responsibilities assigned to the Committee and perform them with complete integrity, and
- (c) act impartially between beneficiaries and/or classes of beneficiaries under the Plan.

4.4 Members of the Committee shall not be in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.

4.5 Every member of the Committee shall immediately notify all other Committee Members in writing of any interest the member has in any enterprise that may cause the Committee Member's personal interest to conflict with the duties of that Member's office, and of any rights, other than those arising from the Plan, that the Committee Member may have in, or may invoke against, the Pension Fund, and in such case, the notification shall specify the nature and value of such rights.

4.6 When so required, every Committee Member shall interpret and apply the Plan reasonably, in a fashion consistent with the University's intentions in establishing the Plan, and in such a manner that legitimate competing interests are balanced fairly and equitably.

4.7 Committee Members shall exercise their discretion and powers in a manner that is honest, candid, prudent, careful, attentive, impartial, reasonable, and in good faith, and shall take only and all relevant facts into account before making a decision with respect to the administration of the Plan.

4.8 Committee Members have a duty of confidentiality to beneficiaries with respect to information regarding those beneficiaries' interests with respect to the Plan and other personal information. The Committee shall ensure that appropriate safeguards are in place to protect information regarding beneficiaries. If the Committee expects that personal or other confidential information about a beneficiary will be provided to a Service Provider or another agent in the course of the Plan's effective operation and administration, the Committee shall ensure that beneficiaries are aware that such information may be so disclosed. The Committee's obligation shall extend to an obligation to ensure that Service Providers and agents also take appropriate measures to safeguard beneficiary information. In addition to the Committee's fiduciary duty of confidence, the Committee should also ensure that beneficiary information is dealt with in accordance with the provisions of the *Freedom of Information and Protection of Privacy Act*, C.C.S.M. c. F175 and any other applicable privacy legislation.

4.9 The Committee has a duty to disclose material information sufficient for a beneficiary of the Plan to make a fully informed decision, and a responsibility to ensure that such information is truthful and accurate at the time disclosure is made.

4.10 If it comes to light that a previous decision of the Committee regarding the administration of the Plan may have been incorrect, Committee Members have a responsibility to revisit and, if necessary, reverse or change that earlier decision.

4.11 The Committee may, where it is reasonable and prudent in the circumstances to do so, employ or appoint one or more agents to carry out any act required to be done in the satisfaction of the Committee's duties as Administrator. The Committee shall personally select such agents, and must be satisfied of the agent's suitability to perform the task for which the agent is employed or appointed. The Committee shall supervise the agent in such a manner as is reasonable and prudent. An agent of the Committee is not entitled to payment from the Pension Fund other than the usual and reasonable fees and expenses for the services provided by the agent in respect of the Plan. An agent shall be held to the same standard of care and conduct required of the Committee, as set out herein.

4.12 The Committee has an obligation to mitigate any loss to the Pension Fund caused by the wrongdoing of those entities whose services are engaged by the Committee for the proper management and operation of the Plan. In some circumstances, this may require the Committee to commence legal action against a Service Provider on behalf of Plan Members.

4.13 Where the Committee is in doubt regarding its obligations under the Plan or applicable legislation, the Committee may seek judicial direction, the direction of a third-party adjudicator or the advice of other professionals.

4.14 Committee Members are not entitled to any benefit from the Plan other than Pension Benefits, ancillary benefits, a refund of contributions, and fees and expenses related to the administration of the Plan and permitted by law or provided for in the Plan.

#### **ARTICLE 5 - Day to day administration excluded**

5.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the Administrative Service Provider, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the University as Administrative Service Provider.

#### **ARTICLE 6 - Committee Membership**

6.1 The Committee shall be comprised of the following persons:

- (a) One voting member elected or appointed in accordance with Article 7 to represent all active Plan members ("Voting Representative");
- (b) The Board shall appoint:
  - (i) a number of individuals equal to the total number of individuals elected or appointed as Voting Representatives;
  - (ii) at least one additional individual, to be chosen at the Board's discretion; and
  - (iii) those three individuals holding the offices of:
    - A. Vice-President (Administration);
    - B. Associate Vice-President of Human Resources; and
    - C. Comptroller;

all of whom shall be voting members of the Committee;

- (c) The Committee may also include:
  - (i) one non-voting member, elected by and representing active Plan members (“Non-Voting Representative”).

## **ARTICLE 7 - Elections and Appointments of Representatives**

7.1 Unless otherwise required by law or provided for in this Governance Document, the filling of any vacant Representative position, whether Voting or Non-Voting, shall be done by election, pursuant to 7.2.

7.2 The election of any Representative, voting or non-voting, as identified at 6.1(a) and 6.1(c)(i), shall be as follows:

- (a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, University shall provide written notice to all active members of the nomination and election process for the Representatives of the Committee.
- (b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the Committee, and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Representative position. Following the end of the Nomination Period the University shall provide written notice to all active members, of those persons properly nominated as a Representative, and of the voting process.
- (c) The voting process shall, for a period of not more than thirty (30) days, as determined by the Committee and specified in the written notice, (the “Election Period”), allow each active member to cast one secret ballot for each vacant position of Representative at a location (or locations) specified in the written notice. Within thirty (30) days after the end of the Election Period, the University shall notify active members of the persons elected as Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Representative for that position shall be the nominee whose name is drawn by a person designated by the Committee who is not a nominee.

- (d) Any or all written notices that must be provided to active members may be provided by the posting of such notices in one or more areas of the workplace regularly accessed by active members who regularly work at the University's facilities.
- (e) The first persons elected to fill the positions of Representatives shall commence their term no later than September 28, 2011.

7.3 Notwithstanding any of the foregoing provisions, if a majority of active members are represented by a union as defined in *The Labour Relations Act* (Manitoba), the executive of that union may, as an alternative to an election described at 7.2, appoint one active member as Voting Representative.

7.4 In the event that no person is elected by the active members within a reasonable time, the Board shall appoint at least one active member to the Committee as a voting member until an election is held.

7.5 Notwithstanding any of the foregoing provisions, the election or appointment of individuals to Committee Membership shall be done in full compliance with the requirements of the Regulation, as more particularly set out in sections 3.13 and 3.14 therein.

## **ARTICLE 8 - Term as Committee Member**

8.1 The term of a person elected as a Committee Member shall be three years. A person elected as a Committee Member is eligible for re-election, subject to a maximum of three consecutive three year terms.

8.2 The term of a person appointed as a Committee Member pursuant to Article 6(1)(b)(iii) shall be for as long as they hold that office with the University.

8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(b)(i) and (ii) and (c) shall be three years. A person appointed as a Committee Member pursuant to Articles 6(b)(i) and (ii) and (c) is eligible for re-appointment, subject to a maximum of three consecutive three year terms.

8.4 A Committee Member continues to hold his office as such after the end of his term until a successor is elected or appointed, subject to the term limits under Article 8.1 and 8.3, or until his a successor is elected or appointed.

8.5 If a vacancy arises on the Pension Committee prior to the expiry of the applicable Committee Member's term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises unless the balance of the unexpected term is less than 120 days. In the event the vacancy is for a Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(b), the vacancy shall be filled by an appointment of the Board. Any election or appointment under this section shall be carried out or made within 120 days after the vacancy arises.

## **ARTICLE 9 - Protection of Members**

9.1 The Committee may make recommendations to the Board to amend the Plan or to adopt a Policy or Policies to provide for the limitation of liability of Committee Members for any loss, damage or misfortune whatsoever, which shall happen in the execution of his duties as a Committee Member, unless occasioned by his own willful neglect or fault.

9.2 Except in respect of an action by or on behalf of the University to procure a judgment in its favour, the University shall indemnify and save harmless each Committee Member against all losses, liabilities and costs reasonably incurred by the Committee Member in respect of any action or proceeding to which the Committee Member is made a party by reason of being or having been a member of the Committee, provided that the Committee Member has acted honestly and in good faith.

## **ARTICLE 10 - Amendments**

The provisions of Part 1 of this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace, or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate.

## **PART 2 – PENSION COMMITTEE RULES AND PROCEDURES (approved by the Pension Committee as Administrator)**

### **ARTICLE 11 - Officers**

11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee, by majority vote, shall every two years or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson, and Secretary:

- (a) **CHAIRPERSON:** The Chairperson (Chair) shall be elected for a term of two years. The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration

of the Committee. The Chair shall be responsible for the administrative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.

The Chair or the Vice-Chair along with the Secretary shall execute all documents on behalf of the Committee. The Chair shall be primarily responsible for:

- (i) all communications on behalf of the Committee with outside bodies, including the Custodial Trustee or any agents retained or appointed in connection with the Plan;
- (ii) all dealings with the Board with respect to the Committee's duties and obligations as described in this Governance Document, the Plan Documents and applicable pension legislation, including the provision to the Board of the Committee's reviews, recommendations, concerns and reports; and
- (iii) facilitating communication between the Committee and the Board.

The Chair or Vice-Chair, if so designated by the Chair, shall be an *ex officio* member of all Subcommittees of the Pension Committee, as described at Article 11.7 herein.

- (b) **VICE-CHAIRPERSON:** The Vice-Chairperson ("Vice-Chair") shall be elected for a term of two years.

The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next Chair is named. In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.

- (c) **SECRETARY:** The Secretary shall be elected for a term of two years.

It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.



Without limiting the generality of the foregoing:

- i. It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production.
- ii. The Secretary shall prepare correspondence relating to the Committee and shall issue notices of all meetings in accordance with Article 11 herein.
- iii. The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board or the University when so requested.
- iv. In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.

11.2 The Chair, Vice-Chair and Secretary shall also have whatever additional powers and duties the Committee may from time to time agree upon or as the Committee may specify, subject to the provisions of the Plan Documents and any applicable legislation.

11.3 If an individual's term as an elected Committee Member expires prior to that individual's elected term as Officer, a Committee meeting shall be held within 120 days of when that individual ceases to be a Committee Member for the purposes of electing a new individual to that Officer position.

11.4 If any Officer is unable to perform his functions or discharge his duties as Officer, a meeting shall be held within 120 days of when that individual ceases to be able to perform his functions or discharge his duties, for the purposes of electing a new individual to that Officer position.

11.5 The Committee, in its discretion and by way of written resolution signed by all other Committee Members, may remove an individual from Office, effective immediately, without prejudice to such individual's rights as a Committee Member, and provided that a meeting shall be held within 120 days of when that individual is removed from Office for the purposes of electing a new individual to that Office.

11.6 The Committee, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.

11.7 The Committee may designate and appoint any number of Subcommittees and delegate to such Subcommittees such powers and duties as may be reasonably thought fit, subject to the Act, Regulation and the terms of the Plan. Unless otherwise determined by the Committee, each Subcommittee shall have the power to:

- (a) fix its quorum at not less than the majority of its Members;
- (b) elect a Chairperson; and
- (c) regulate its procedure.

## **ARTICLE 12 - Committee Meetings**

12.1 The Committee shall meet at least two times annually, at such times and places within Manitoba as the Committee decides. The Committee may convene such further meetings as may be required.

12.2 At any meeting of the Committee, a quorum shall be a majority of the Members entitled to vote thereat.

12.3 Any decisions of the Committee, unless otherwise provided in this Governance Document, shall be by a majority vote of a quorum at any meeting of the Committee. Voting shall be conducted, in normal circumstances, by a show of hands. The Chair, or Vice-Chair in the Chair's absence, may require a blind vote should he deem it appropriate in the circumstances. In the case of an equality of votes, the Chair of the meeting, or in his absence the Vice-Chair, shall have the casting or deciding vote.

12.4 Notwithstanding 12.3, a decision of the Committee may also be made by a resolution in writing signed by all Committee Members.

12.5 A Committee meeting may be convened on at least fourteen days written notice by the Chair or any two Committee Members or by the Secretary on the direction or authorization of the Chair or any two Committee Members. Such notice shall specify the date, time, and place of meeting and shall set out an agenda identifying the business to be conducted at the meeting, notwithstanding that any matter within the jurisdiction of the Committee not so included in the agenda may, with consent by majority vote, be considered and determined at the meeting. Such notice shall be provided to all Committee Members by mail (regular or registered), fax, email, or any other written form of delivery that would, in normal circumstances, ensure that Members are provided with the notice within the prescribed time.

12.6 Where, in the opinion of the Chair or any two Committee Members, a matter of urgency has arisen which necessitates the holding of a meeting on less notice as

prescribed by 12.5, or where notice in the prescribed form is not practicable, notice may be given at least forty-eight hours prior to the intended meeting and may be communicated orally.

12.7 A meeting of the Committee may be held and duly constituted at any time without any notice if all the Committee Members are present or, if any be absent, those absent have waived notice or signified their consent in writing to the meeting being held in their absence.

12.8 If a Committee meeting is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a Committee meeting is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting shall be given as for an original meeting.

12.9 If all Committee Members (except for those members who have waived notice or signified their consent in writing to the meeting being held in their absence) consent, a Committee Member may participate in a Committee meeting by telephone or such other means as permit all persons participating in the meeting to hear each other, and a Committee Member participating in a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all Committee meetings while a Committee Member holds office.

### **ARTICLE 13 - Submissions and recommendations to the Board**

13.1 The Committee shall, in accordance with the more detailed provisions herein, be responsible for preparing statements and other submissions to the Board regarding the operation, administration and performance of the Plan and Plan Fund. The Committee shall also be responsible for making recommendations to the Board respecting amendments to the Plan.

13.2 Any proposed statements, submissions, opinions or recommendations (collectively, "Submissions") to the Board shall be developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to the members of the Committee.

13.3 The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a

timely fashion, and only after whatever consultation is necessary (either with other Committee Members, with external Service Providers or the Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.

13.4 Notwithstanding any of the foregoing, any and all Submissions to the Board shall be made in accordance with any procedures established and followed by the Board for receiving such statements, submissions, opinions and recommendations.

#### **ARTICLE 14 - Transactions with related parties**

- (a) A “related party” is defined to mean:
- (a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;
  - (b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;
  - (c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;
  - (d) the University, including any officer, director, or employee thereof;
  - (e) a member of the Plan;
  - (f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);
  - (g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);
  - (h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or
  - (i) an entity that holds a substantial investment in the University.

Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.

The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:

- (a) the transaction is required for operation or administration of the Plan and if:

- (i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and
  - (ii) it does not involve the making of loans to, or investments in, the related party;
- (b) the transaction is an investment:
- (i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;
  - (ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;
  - (iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;
  - (iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;
  - (v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or
  - (vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or
- (c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.

Transactions less than 0.5% of the market value of the Fund are considered nominal.

## **ARTICLE 15 - Liability and insurance**

15.1 The Committee, in its administration of the Plan, acts as a trustee for and in a fiduciary capacity to beneficiaries. The Committee shall secure, for Committee Members, trustee and fiduciary liability insurance in such amount as it shall from time to time deem to be adequate, and the costs of such insurance shall be paid from the Pension Fund.

## **ARTICLE 16 - Administrative expenses**

16.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that:

- (a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;
- (b) the magnitude of the fee or expense in question is reasonable.

16.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund:

- (a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;
- (b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;
- (c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;
- (d) audit fees; and
- (e) fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement.

## **ARTICLE 17- Signing authority**

17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed by the Chair, or in their absence, both the Vice-Chair and Secretary.

## **ARTICLE 18 - Amendments**

18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.

## **ARTICLE 19 - Compensation for Members**

19.1 The Committee may make recommendations to the Board to amend the Plan or supporting documents or to adopt a policy to provide for:

- (a) payment from the Pension Fund to Committee Members for attendance at meetings or for the performance of other duties as members, at any time beyond regular work hours, for which the member would otherwise be paid by the University;
- (b) payment of reimbursement from the Pension Fund to a member for expenses reasonably incurred by the member in carrying out his duties as a Committee Member.

19.2 A Committee Member who is also an active Plan Member is entitled to take time off from his regular work duties, without loss of pay or other benefits, in order to carry out his or her duties on the Committee.

### Comparison of Articles for the 1986 Governance Document

Article	Previous Version Showing Changes	New	Comments
Preamble	<p><u><i>The University of Manitoba GFT Pension Plan (1986) is a Plan, established by the University of Manitoba, in compliance with The Pension Benefits Act, C.C.S.M., c. P32 and its associated regulations.</i></u></p> <p><u><i>The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1986 Plan.</i></u></p> <p><u><i>The first part of this Governance Document is Part 1: The University of Manitoba, approved by the Board of Governors of the University as Plan Sponsor as provided for in section 3.12 of the Pension Benefits Regulation.</i></u></p> <p><u><i>The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, approved by the Committee as Administrator as provided for in section 3.17 of the Pension Benefits Regulation.</i></u></p> <p><del>The University of Manitoba Pension Plans, since their inception in 1970 until May 31, 2011, have been administered by the University as both Administrator and Fund Sponsor. The role of Administrator was delegated by the University to three parties: The Pension Committee, the Staff Benefits Committee and the Trustees.</del></p> <p><del>The Pension Committee was comprised of seven positions: two individuals were appointed by the Board of Governors, one individual was appointed by the Staff Benefits Committee, one individual was appointed by the Lieutenant Governor in Council as a representative of the Government of Manitoba, and the remaining three positions were filled by those individuals holding the offices of Chair of Staff Benefits Committee, Chair of Pension Plan Trustees, and Vice-President of Administration.</del></p>	<p>The University of Manitoba Pension Plan (1993) is a Plan, established by the University of Manitoba, in compliance with <i>The Pension Benefits Act, C.C.S.M., c. P32</i> and its associated regulations.</p> <p>The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1986 Plan.</p> <p>The first part of this Governance Document is Part 1: The University of Manitoba, approved by the Board of Governors of the University as Plan Sponsor as provided for in section 3.12 of the Pension Benefits Regulation.</p> <p>The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, approved by the Committee as Administrator as provided for in section 3.17 of the Pension Benefits Regulation.</p>	<p>The historical part of the preamble will be maintained and posted on the pension website as part of plan history.</p>



	<p><del>The Staff Benefits Committee was established by the Board of Governors as an advisory committee to the Board. The Staff Benefits Committee has been responsible for making recommendations on the establishment, maintenance and changes to all Staff Benefit Plans through its reporting to the Vice-President of Administration.</del></p> <p><del>The Pension Plan Trustees have been seven individuals: six individuals appointed by the Staff Benefits Committee and one individual appointed by the Board of Governors. The responsibility of the Trustees has been to safeguard the assets of the Pension Plans and to report on the condition of the Plans to the Board of Governors and Plan Members.</del></p> <p><del>With the coming into force of amendments to <i>The Pension Benefits Act</i>, C.C.S.M. c. P32 and associated regulations on May 31, 2011, a new governance structure was required to meet the statutory requirements of the provincial legislation and for the continued registration of the Plans with the Pension Commission of Manitoba. The University therefore created the Pension Committee to act as Plan Administrator.</del></p> <p><del>As part of its obligations under the new statutory provisions, the Pension Committee has formulated this Pension Committee Governance Document to govern and assist it with discharging its legal obligations and duties as Administrator with respect to the 1993 Plan.</del></p>		
Article 1 – Application and Purpose	<p>1.1. This Governance Document applies to the pension plan established for GFT employees of The University of Manitoba GFT Pension Plan (1986). (“the University”), The Plan was established for employees of The University of Manitoba (“the University”), effective January 1, 1986 (the “Plan”), through its as adopted adoption by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members upon retirement, death and/or termination. The Plan is registered under The Pension Benefits Act (Manitoba) (the “PBA” or the “Act”) and under the Income Tax Act (Canada) (the “ITA”).</p>	<p>1.1 This Governance Document applies to the University of Manitoba GFT Pension Plan (1986). The Plan was established for employees of The University of Manitoba (“the University”), effective January 1, 1986 (the “Plan”), through its adoption by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members upon retirement, death and/or termination. The Plan is registered under <i>The Pension Benefits Act (Manitoba)</i> (the “PBA” or the “Act”) and under the <i>Income Tax Act</i> (Canada) (the “ITA”).</p>	Reworded

	<p>1.5 In this Governance document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not to be construed as part of the Governance Document.</p>	<p>1.5 In this Governance Document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not to in any way affect the construction or interpretation of this Governance Document.</p>	
<p>Article 3 – Duties and Responsibilities</p>	<p>3.1 The Committee’s duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:</p> <p><u>Service providers</u></p> <p>(a) Evaluate and recommend for selection <i>Custodial</i> Trustees, Investment Managers, Actuaries and Fund Holders <del>(which selection is subject to the approval of the Board);</del></p> <p>(b) Evaluate and select <i>the administrative service provider</i>, auditors, consultants, administrative service providers, performance measurement providers and <del>other</del> <i>any</i> external sources as may be required for the proper management and operation of the Plan;</p> <p>(d) Establish measures and/or other clear standards against which performance of Service Providers <i>and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the “Administrative Service Provider”)</i> is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation;</p> <p><del>(e) Report and make recommendations for change to the Board regarding the performance of Service Providers;</del></p>	<p>3.1 The Committee’s duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:</p> <p><u>Service providers</u></p> <p>(a) Evaluate and select Custodial Trustees, Investment Managers, Actuaries and Fund Holders;</p> <p>(b) Evaluate and select the administrative service provider, auditors, consultants, performance measurement providers and any external sources as may be required for the proper management and operation of the Plan;</p> <p>(d) Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the “Administrative Service Provider”) is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation;</p>	<p>Noted in the Executive Summary</p> <p>Noted in the Executive Summary</p> <p>Noted in the Executive Summary</p>

	<p><del>(f)</del> (e) Establish procedures for following-up with Service Providers, and <i>the Administrative Service Provider and</i>, for taking action to correct inadequate performance, if applicable;</p> <p><u>Investment, Pension Fund</u></p> <p><del>(h)</del> (g) Maintain the Statement of Investment Policies and Procedures (the "SIP"), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;</p> <p><del>(i)</del> (h) Establish policies <del>and make recommendations to the Board</del> regarding investment philosophies, guidelines and objectives;</p> <p><del>(m)</del> (l) Invest the assets of the Plan Fund and for that purpose, select <del>(subject to Board approval)</del> an Investment Manager;</p> <p><u>Review, reporting</u></p> <p><del>(p)</del> (o) Evaluate and make <i>improvements with respect to recommendations to the Board respecting improvements for the</i> administration of the Plan, including recommendations regarding administrative service changes;</p> <p><del>(r)</del> (q) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, <i>and any other matters required under applicable pension legislation and regulations; Service Agreements and this Governance Document;</i></p>	<p>(e) Establish procedures for following-up with Service Providers and the Administrative Service Provider, and for taking action to correct inadequate performance, if applicable;</p> <p><u>Investment, Pension Fund</u></p> <p>(g) Maintain the Statement of Investment Policies and Procedures (the "SIP"), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;</p> <p>(h) Establish policies regarding investment philosophies, guidelines and objectives;</p> <p>(l) Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers;</p> <p><u>Review, reporting</u></p> <p>(o) Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes;</p> <p>(q) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, and any other matters required under applicable pension legislation and regulations;</p>	<p>Noted in the Executive Summary</p> <p>The Pension Benefits Act uses the abbreviation SIP</p> <p>Noted in the Executive Summary</p> <p>Noted in the Executive Summary</p> <p>Noted in the Executive Summary</p> <p>Enhanced wording to allow for unforeseen future changes</p>
--	---	---	--

<p><del>(v)</del> — Prepare information binders for meetings of the Committee</p> <p><u>Committee governance</u></p> <p><del>(w)</del><u>(u)</u> <i>Prepare agenda and materials for the Committee</i></p> <p><del>(z)</del><u>(x)</u> Ensure that a Code of Conduct for Committee Members, Service Providers, <i>the Administrative Service Provider</i> and any other agents of the Committee is established and brought to the attention of those parties;</p> <p><u>Legislative requirements</u></p> <p><del>(oo)</del><u>(jj)</u> Prepare appropriate government filings relating to the information return and other filings under the PBA and any Plan amendments,</p> <p><del>(pp)</del><u>(kk)</u> Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, <i>The Family Property Act</i>, C.C.S.M. c. F25 (the “FPA”), <i>The Garnishment Act</i>, C.C.S.M. c. G20 (the “Garnishment Act”) and associated Regulations, and Canada Revenue Agency Rules, and, without limiting the generality of the foregoing:</p> <p>(i) Ensure that the Plan meets the tests for solvency as described in the <i>PBA and its R</i>regulation;</p> <p>(ii) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;</p> <p>(iii) Ensure that transfers and withdrawals are done in compliance with the <i>PBA and its R</i>regulations;</p> <p>(iv) Ensure that the pension and pension benefit credits are divided in accordance with the <i>PBA and its R</i>regulation as well as other applicable law after a relationship breakdown;</p>	<p><u>Committee governance</u></p> <p>(u) Prepare agenda and materials for meetings of the Committee;</p> <p>(x) Ensure that a Code of Conduct for Committee Members, Service Providers, the Administrative Service Provider and any other agents of the Committee is established and brought to the attention of those parties;</p> <p><u>Legislative requirements</u></p> <p>(jj) Prepare appropriate government filings relating to the information return and other filings under the PBA and any Plan amendments,</p> <p>(kk) Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, <i>The Family Property Act</i>, C.C.S.M. c. F25 (the “FPA”), <i>The Garnishment Act</i>, C.C.S.M. c. G20 (the “Garnishment Act”) and associated regulations, and Canada Revenue Agency Rules, and, without limiting the generality of the foregoing:</p> <p>(i) Ensure that the Plan meets the tests for solvency as described in the PBA and its regulations;</p> <p>(ii) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;</p> <p>(iii) Ensure that transfers and withdrawals are done in compliance with the PBA and its regulations;</p> <p>(iv) Ensure that the pension and pension benefit credits are divided in accordance with the PBA and its regulations as well as other applicable law after a relationship breakdown;</p>	<p>Correction of formatting error</p> <p>Adding that the Administrative Service Provider is also subject to the Code of Conduct Policy</p> <p>Replace references to “Regulation(s)” as “regulation(s)”</p>
---	--	--

	<p>(v) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and <del>the <i>its</i> Regulation</del>;</p> <p>(vi) Ensure that the Pension Fund is held in accordance with section 3.19 of the <i>Pension Benefits</i> Regulation;</p> <p>(vii) Ensure that Plan Members (or other designated individuals) receive the necessary statements <del>upon the termination of the active membership status, retirement, or death, to which they are entitled by law on an annual basis</del> and upon termination of active membership status, retirement, or death;</p> <p>(viii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law;</p> <p><del>(qq) Report to the Superintendent of Pensions (the "Superintendent") any instance of non-compliance with applicable pension legislation</del></p>	<p>(v) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and its regulations;</p> <p>(vi) Ensure that the Pension Fund is held in accordance with section 3.19 of the Pension Benefits Regulation;</p> <p>(vii) Ensure that Plan Members (or other designated individuals) receive the necessary statements to which they are entitled by law on an annual basis and upon termination of active membership status, retirement, or death;</p> <p>(viii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law.</p>	<p>Noted in the Executive Summary</p>
<p>Article 4 – Fiduciary duties and responsibilities, degrees of care</p>	<p><del>124.2</del> Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Notwithstanding the foregoing, <u><i>the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possess or by reason of its profession business or calling ought to possess.</i></u></p> <p><del>where the Committee in fact possesses or, by reason of profession or business ought to possess a particular level of knowledge or skill relevant to the administration of the Plan or the administration and investment of the Pension Fund, the Committee shall employ that particular level of knowledge or skill in the performance of such duties.</del></p>	<p>4.2 Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Notwithstanding the foregoing, the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possesses or by reason of its profession business or calling ought to possess.</p>	<p>Reworded</p>

	<p><del>124.4 <i>Members of the Committee shall not be in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.</i></del></p> <p><del>Members of the Committee shall not exercise their powers in their own interest or in the interest of a third person, nor shall members of the Committee be a in a position of conflict between the Committee Member's personal interest and the duties of the Committee Member's office.</del></p>	<p>4.4 Members of the Committee shall not be a in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.</p>	<p>Noted in the Executive Summary</p>
<p>Article 5 – Day to day administration excluded</p>	<p>45.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the <u>Administrative</u> Service Provider, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the <u>University as Administrative</u> Service Provider.</p>	<p>5.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the Administrative Service Provider, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the University as Administrative Service Provider.</p>	<p>Referencing the Administrative Service Provider and that is the University</p>
<p>Article 6 – Committee Membership</p>	<p>6.1 The Committee shall be comprised of the following persons:</p> <p>(a) One voting members <u>electd or appointed in accordance with Article 7</u> to represent all active Plan members ("Active Voting Representative");</p> <p>(b) The Board shall appoint:</p> <p>(i) a number of individuals equal to the total number of individuals elected or appointed as Active and Non-Active Voting Representatives;</p> <p>(ii) at least one additional individual, to be chosen at the Board's discretion; and</p> <p>(iii) those three individuals holding the offices of:</p> <p style="padding-left: 40px;">A. Vice-President (Administration);</p>	<p>6.1 The Committee shall be comprised of the following persons:</p> <p>(a) One voting members elected or appointed in accordance with Article 7 to represent all active Plan members ("Active Voting Representative");</p> <p>(b) The Board shall appoint:</p> <p>(i) a number of individuals equal to the total number of individuals elected or appointed as Active and Non-Active Voting Representatives;</p> <p>(ii) at least one additional individual, to be chosen at the Board's discretion; and</p> <p>(iii) those three individuals holding the offices of:</p> <p style="padding-left: 40px;">A. Vice-President (Administration);</p> <p style="padding-left: 40px;">B. Associate Vice-President (Human Resources); and</p>	<p>Reworded</p> <p>Specifying the position "Associate Vice President (Human Resources)"</p>

	<p>B. <del>Executive Director</del> <i>Associate Vice-President of Human Resources</i>; and  C. Comptroller;  all of whom shall be voting members of the Committee;</p>	<p>C. Comptroller;  all of whom shall be voting members of the Committee;</p>	
<p>Article 7 – Elections and Appointments of Active and Non-Active Representatives.</p>	<p>7.2 The election of any Active Representative, voting or non-voting, as identified at 6.1(a) and 6.1(c)(i), shall be as follows:  (a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, <del>the Committee shall (or shall direct the University to)</del> <i>shall</i> provide written notice to all active members of the nomination and election process for the Active Representatives of the Committee.  (b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the Committee, and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Active Representative position. Following the end of the Nomination Period, <del>the Committee shall (or shall direct the University to)</del> <i>shall</i> provide written notice to all active members, of those persons properly nominated as an Active Representative, and of the voting process.  (c) The voting process shall, for a period of not more than thirty (30) days, as determined by the Committee and specified in the written notice, (the “Election Period”), allow each active member to cast one secret ballot for each vacant position of Active Representative at a location (or locations) specified in the written notice. Within thirty (30) days after the end of the Election Period, <del>the Committee shall (or shall direct the University to)</del> <i>shall</i> notify active members of the persons elected as Active Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the</p>	<p>7.2 The election of any Active Representative, voting or non-voting, as identified at 6.1(a) and 6.1(c)(i), shall be as follows:  (a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, the University shall provide written notice to all active members of the nomination and election process for the Active Representatives of the Committee.  (b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the University, and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Active Representative position. Following the end of the Nomination Period, the University shall provide written notice to all active members, of those persons properly nominated as an Active Representative, and of the voting process.  (c) The voting process shall, for a period of not more than thirty (30) days, as determined by the University and specified in the written notice, (the “Election Period”), allow each active member to cast one secret ballot for each vacant position of Active Representative at a location (or locations) specified in the written notice. Such a location (or locations) shall include voting by electronic means. Within thirty (30) days after the end of the Election Period, the University shall notify active members of the persons elected as Active Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of</p>	<p>Changes made to Article 7.2 are replacing the Committee exclusively with the University as being responsible to manage the election process, all required notices and voting.</p>

	<p>name of each such nominee shall be placed in a container and the elected Active Representative for that position shall be the nominee whose name is drawn by a person designated by the Committee who is not a nominee.</p>	<p>Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Active Representative for that position shall be the nominee whose name is drawn by a person designated by the University who is not a nominee.</p>	
<p>Article 8 – Term as Committee Member</p>	<p>8.1 The term of a person elected as a Committee Member shall be three years. <u>A person elected as a Committee Member is eligible for re-election, -</u>, subject to a maximum term <u>of three</u> <del>six</del> consecutive <u>three year terms.</u> <del>years upon successful re-election.</del></p> <p>8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(b)(i) and (ii) and (c) shall be three years. <u>A person appointed as a Committee Member pursuant to Articles 6 (b)(i) and (ii) and (c) is eligible for re-appointment,</u> , subject to a maximum <u>of three consecutive three year terms.</u> <del>term of six consecutive years upon successful re-election.</del></p> <p>8.4 A Committee Member continues to hold his office as such after the end of his term until a successor is elected or appointed <u>subject to the term limits under Article 8.1 and 8.3, or until his successor is elected or appointed.</u></p> <p>8.5 If a vacancy arises <u>on the Pension Committee</u> prior to the expiry of a Committee Member’s term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises <u>unless the balance of the unexpired term is less than 120 days.</u> In the event the vacancy is for an Active or Non-Active Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(b), the vacancy shall be filled by an appointment of the Board. Any election or appointment</p>	<p>8.1 The term of a person elected as a Committee Member shall be three years. A person elected as a Committee Member is eligible for re-election, subject to a maximum of three consecutive three year terms.</p> <p>8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(b)(i) and (ii) and (c) shall be three years. A person appointed as a Committee Member pursuant to Articles 6(b)(i) and (ii) and (c) is eligible for re-appointment, subject to a maximum of three consecutive three year terms.</p> <p>8.4 A Committee Member continues to hold his office as such after the end of his term until he is re-elected or re-appointed, subject to the term limits under Articles 8.1 and 8.3, or until his a successor is elected or appointed.</p> <p>8.5 If a vacancy arises on the Pension Committee prior to the expiry of the applicable Committee Member’s term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises unless the balance of the unexpired term is less than 120 days. In the event the vacancy is for an Active or Non-Active Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(b), the vacancy shall be filled by an</p>	<p>Approved by Board of Governors February 17, 2017</p> <p>Approved by Board of Governors February 17, 2017</p> <p>Reworded</p> <p>Reworded</p>



	under this section shall be carried out or made within 120 days after the vacancy arises.	appointment of the Board. Any election or appointment under this section shall be carried out or made within 120 days after the vacancy arises.	
Article 9 – Protection of Members			Formerly Article 15 – no text changes made
Article 10 – Amendments	<del>17</del> 10.1 The provisions of <i>Part 1</i> of this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate.	10.1 The provisions of Part 1 of this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate	Reference to Part 1 of the new layout of the document
Article 11 – Officers	<p><del>9</del>11.1 The Committee, <i>shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary.</i> <del>by majority vote, shall annually, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson, and Secretary as follows: The Committee, by majority vote, shall every two years, or as often as may be required elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:</del></p> <p>(a) CHAIRPERSON: <del>The Chairperson (Chair) shall be elected for a term of two years. The Chairperson (“Chair”) shall be elected for an initial term of two years, and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p> <p>The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration of the Committee. The Chair shall be responsible for the authoritative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.</p>	<p>11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee, by majority vote shall every two years or as often as may be required, elect Committee Members to act as Chairperson, Vice Chairperson, and Secretary.</p> <p>(a) CHAIRPERSON: The Chairperson (Chair) shall be elected for a term of two years.</p> <p>The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration of the Committee. The Chair shall be responsible for the authoritative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.</p>	<p>The positions of Chairperson, Vice-Chair and Secretary can be voted on every second year instead of annually and their terms coincide with voting by Committee members</p> <p>Removed the three year term limit on the Chairperson, Vice-Chair and Secretary</p> <p>Clarification of duties of the Chairperson, Vice-Chair and Secretary</p>

<p>The Chair <i>or Vice-Chair along with the Secretary</i> shall execute all documents on behalf of the Committee, <del>and shall be responsible for retaining or appointing one or more agents to carry out any act required to be done by the Committee in the administration of the Plan and investment of the Plan Funds.</del></p> <p>The Chair shall be primarily responsible for:</p> <ul style="list-style-type: none"> <li>(i) all communications on behalf of the Committee with outside bodies, including the <i>Custodial</i> Trustee or any agents retained or appointed in connection with the Plan;</li> <li>(ii) all dealings with the Board with respect to the Committee's duties and obligations as described in this Governance Document, the Plan Documents and applicable pension legislation, including the provision to the Board of the Committee's reviews, recommendations, concerns and reports; and</li> <li>(iii) facilitating communication between the Committee and the Board.</li> </ul> <p>The Chair <i>or Vice-Chair, if so designated by the Chair,</i> shall be an ex officio member of all Subcommittees of the Pension Committee, as described at Article 811.7 herein.</p> <p>(b) VICE-CHAIRPERSON: The Vice-Chairperson ("Vice-Chair") shall be elected for an initial term of two years, <del>and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p> <p>The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next <i>Chair is named.</i> <del>Committee meeting when elections to that office will be held.</del></p> <p><u><i>In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.</i></u></p>	<p>The Chair or Vice-Chair along with the Secretary shall execute all documents on behalf of the Committee.</p> <p>The Chair shall be primarily responsible for:</p> <ul style="list-style-type: none"> <li>(i) all communications on behalf of the Committee with outside bodies, including the Custodial Trustee or any agents retained or appointed in connection with the Plan;</li> <li>(ii) all dealings with the Board with respect to the Committee's duties and obligations as described in this Governance Document, the Plan Documents and applicable pension legislation, including the provision to the Board of the Committee's reviews, recommendations, concerns and reports; and</li> <li>(iii) facilitating communication between the Committee and the Board.</li> </ul> <p>The Chair or Vice-Chair, if so designated by the Chair, shall be an ex officio member of all Subcommittees of the Pension Committee, as described at Article 11.7 herein.</p> <p>(b) VICE-CHAIRPERSON: The Vice-Chairperson ("Vice-Chair") shall be elected for a term of two years, and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</p> <p>The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next Chair is named.</p> <p>In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.</p>	
---	--	--

	<p>(c) SECRETARY: The Secretary shall be elected for an initial term of two years, <del>and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p> <p>It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.</p> <p>Without limiting the generality of the foregoing:</p> <ul style="list-style-type: none"> <li>a. It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production <del>upon request of any Committee Member, the Board, or the University.</del></li> <li>ii. The Secretary shall prepare correspondence relating to the Committee and shall issues notices of all meetings in accordance with Article 9 herein.</li> <li>iii. The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board or the University when so requested.</li> <li>iv. <u>In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.</u></li> </ul>	<p>(c) SECRETARY: The Secretary shall be elected for a term of two years.</p> <p>It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.</p> <p>Without limiting the generality of the foregoing:</p> <ul style="list-style-type: none"> <li>i. It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production.</li> <li>ii. The Secretary shall prepare correspondence relating to the Committee and shall issues notices of all meetings in accordance with Article 9 herein.</li> <li>iii. The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board of the University when so requested.</li> <li>iv. In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.</li> </ul>	<p>Added responsibility of the Vice-Chair and Secretary</p>
--	---	---	---

	<p><del>911.6</del> The <del>Board</del> <i>Committee</i>, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.</p>	<p>11.6 The Committee, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.</p>	<p>Changed to be a Committee responsibility for how the Committee operates</p>
<p>Article 12 – Committee Meetings</p>	<p><del>1012.1</del> The Committee shall meet at least <del>four</del> <i>two</i> times annually, at such times and places within Manitoba as the Committee decides. The Committee may convene such further meetings as may be required.</p> <p><del>1012.10</del> Every Committee Member entitled to vote at a meeting may appoint a proxyholder, who need not be a member of the Committee, to vote in the Member’s absence. A proxy shall be in writing executed by the Committee Member</p>	<p>12.1 The Committee shall meet at least two times annually, at such times and places within Manitoba as the Committee decides. The Committee may convene such further meetings as may be required.</p>	<p>Historically proxy voting has not been used and the provision is discontinued.</p>
<p>Article 13 – Submissions and recommendations to the Board</p>	<p><del>1113.2</del> Any proposed statements, submissions, opinions or recommendations (collectively, “Submissions”) to the Board shall be <i>developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to the members of the Committee.</i> <del>agreed upon by the Committee in accordance with Article 9 herein.</del></p> <p><del>1113.3</del> <i>The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members or with external Service Providers or the Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.</i></p>	<p>13.2 Any proposed statements, submissions, opinions or recommendations (collectively, “Submissions”) to the Board shall be developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to members of the Committee.</p> <p>13.3 The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members, with external Service Providers or the</p>	<p>Revisions to streamline the process of reporting to the Board of Governors</p>

	<p><del>Once agreed upon by the Committee, the Secretary shall be responsible for preparing the Committee's Submissions, in paper format or some other format acceptable to the Board. Once the Committee's Submissions have been so prepared, the Secretary shall ensure that each Committee Member is provided with a copy of the proposed Submission, and given at least fourteen days to review it before it is submitted to the Board. If a Committee Member takes issue with any aspect of the proposed Submission as it relates to what was agreed upon by the Committee pursuant to Article 10.2 above, he shall deliver notice, in writing, to the Secretary within those fourteen days. Such notice shall include details of his concerns, and any proposed changes to the Submission to bring it in line with what was previously agreed upon by the Committee. If such notice is received, the Secretary shall deliver copies of the notice to all other Committee Members. The Chair shall be responsible for reviewing the notice and ensuring that the proposed Submission accurately reflects that which was previously agreed upon by the Committee. If necessary, the Secretary, under the direction of the Chair, shall make whatever changes to the Submission as are required to bring it into compliance with the Committee's agreement. If and when such changes are made, the Secretary shall then ensure that each Committee Member is provided with a copy of the amended Submission. The Chair shall then present the Submission to the Board.</del></p> <p><del>11.4 The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquires of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members or with external Service Providers) in the circumstances for the Chair to give a reasonably well informed answer.</del></p>	<p>Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.</p>	
Article 14 – Transactions	<p>14.1 <i>A “related party” is defined to mean:</i>  <i>(a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;</i></p>	<p>14.1 A “related party” is defined to mean:</p>	<p>Regulatory compliance - Related party transactions follows from the</p>

<p>with related parties</p>	<p><u>(b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;</u>  <u>(c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;</u>  <u>(d) the University, including any officer, director, or employee thereof;</u>  <u>(e) a member of the Plan;</u>  <u>(f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);</u>  <u>(g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);</u>  <u>(h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or</u>  <u>(i) an entity that holds a substantial investment in the University.</u>  <u>Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.</u></p> <p><u>The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:</u>  <u>(a) the transaction is required for operation or administration of the Plan and</u>  <u>if:</u>  <u>(i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and</u>  <u>(ii) it does not involve the making of loans to, or investments in, the related party;</u>  <u>(b) the transaction is an investment:</u>  <u>(i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;</u>  <u>(ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</u></p>	<p>(a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;  (b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;  (c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;  (d) the University, including any officer, director, or employee thereof;  (e) a member of the Plan;  (f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);  (g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);  (h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or  (i) an entity that holds a substantial investment in the University.  Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.</p> <p>The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:  (a) the transaction is required for operation or administration of the Plan and if:  (i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and  (ii) it does not involve the making of loans to, or investments in, the related party;  (b) the transaction is an investment:  (i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that</p>	<p>“Pension Benefit Standards Regulations, 1985, Schedule III”</p>
-----------------------------	---	---	--

	<p><i>(iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</i></p> <p><i>(iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;</i></p> <p><i>(v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or</i></p> <p><i>(vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or</i></p> <p><i>(c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.</i></p> <p>Transactions less than 0.5% of the market value of the Fund are considered nominal.</p> <p><del>5.1 — The Committee may enter into a transaction with a related party on behalf of the Plan if:</del></p> <p><del>(a) — the transaction is required for the operation or administration of the plan, and</del></p> <p><del>(b) — the terms and conditions of the transaction are not less favourable to the Plan than market terms and conditions</del></p> <p><del>5.2 — The Committee may enter into a transaction with a related party on behalf of the Plan if the value of the transaction is nominal or the transaction is immaterial to the Plan.</del></p> <p><del>5.3 — For the purposes of Article 5.2, in assessing whether the value of the transaction is nominal or whether a transaction is immaterial, two or more transactions with the same related party shall be considered as a single transaction</del></p>	<p>complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;</p> <p>(ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</p> <p>(iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</p> <p>(iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;</p> <p>(v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or</p> <p>(vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or</p> <p>(c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.</p> <p>Transactions less than 0.5% of the market value of the Fund are considered nominal.</p>	
Article 15 – Liability and insurance			Formerly Article 13 – no text changes made

<p>Article 16 – Administrative expenses</p>	<p><del>1416.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that: The Committee is entitled to be compensated from the Pension Fund for those fees and expenses incurred in the administration of the Plan, provided that:</del></p> <p>(a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;  (b) the magnitude of the fee or expense in question is reasonable.</p> <p><del>1416.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund: Committee is entitled to benefits from the Pension Fund to cover the following administrative fees or expenses:</del></p> <p>(a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;  (b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;  (c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;  <del>(d) administrative expenses (including photocopying, printing, mailing, telephone, registration fees);</del>  <del>(e)(d)</del> audit fees; and  <del>(f)(e)</del> fees or expenses owed to agents pursuant to the terms of service agreements <u>including the Pension Plan Administrative Services Agreement.</u></p>	<p>16.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that:</p> <p>(a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;  (b) the magnitude of the fee or expense in question is reasonable.</p> <p>16.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund:</p> <p>(a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;  (b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;  (c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;</p> <p>(d) audit fees; and  (e) fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement.</p>	<p>Clarifying assignment of expenses and that expenses will be explicit in the Administrative Services Agreement between the University and the Pension Committee.</p>
---	--	---	--



Article 17 – Signing authority	<del>16</del> 17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed <i>by the Chair, or in their absence, both the Vice-Chair and Secretary</i> . <del>in accordance with the University Policy on Signing of Agreements, as dictated by the University of Manitoba Act, C.C.S.M. c. U60.</del>	17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed by the Chair, or in their absence, both the Vice-Chair and Secretary.	Reworded
Article 18 – Amendment s	<u>18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.</u>	18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.	The Committee has the authority to amend Part 2 of the Governance Document. The Board of Governors retains approval authority over any recommended changes to Part 1 of the document
Article 19 – Compensati on for Members			Formerly Article 18 – no text changes made



**AGENDA ITEM:** Amendments to the University of Manitoba Pension Plan (1993) Governance Document

**RECOMMENDED RESOLUTION:**

That the Board of Governors approve the University of Manitoba Pension Plan (1993) (1993 Plan) Governance Document.

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

The 1993 Plan is the pension plan sponsored by the University of Manitoba in which most full time and part time employees participate. At December 31, 2016 there were 5,165 active plan members, 1,288 pensioners and assets under management of \$1.157 Billion.

The 1993 Plan is a hybrid plan where plan members eligible to retire after age 55 receive the greater value of the sum of their plan member contributions, the University of Manitoba's contributions and investment income compared to a formula pension based on years of service and employment earnings. All other plan members not eligible to retire on termination of employment receive as a benefit the sum of their plan member contributions, the University of Manitoba's contributions and investment income.

The current governance structure came into effect following from the amendments to the Pension Benefits Act and associated regulations May 31, 2011. This represented a significant change from previous governance structures and after administering the 1993 Plan under the current governance structure for four years, in 2015, the Governance Subcommittee began a review of the governance document as part of a regular review process to improve plan governance and sought advice from the Pension Committee, external legal counsel and the Pension Office. The Governance Subcommittee undertook the review of the governance document with the following goals:

- Adopt a structure that promotes the Pension Committee being responsive and timely in its plan oversight and management.
- Adopt a structure that appropriately vests fiduciary responsibilities in the Pension Committee.
- Adopt a structure that maintains the authority and control by the Board of Governors as the Plan Sponsor through its appointments of the majority of members and granting of powers to the Pension Committee.

The attached document is the final outcome from the review and accomplishes the goals established by the Governance Committee at the outset.

The layout of the document has been split into "Part 1: Governance Provisions (approved by the University of Manitoba as the Plan Sponsor)" and "Part 2: Pension Committee Rules and

Procedures (approved by the Pension Committee as Administrator)". Part 1 represents the responsibilities of the Board of Governors as the Plan Sponsor and Part 2 outlines the rules and procedures of the Pension Committee as the Administrator. The end result is that it is clear as to which items are approved by the Board of Governors and which items are approved by the Pension Committee and it is together in one consolidated document.

Items to note under "Part 1" other than partitioning the document into two parts include:

- Vesting the responsibility to the Pension Committee as the Administrator to select and terminate the services for the custodial trustee, investment managers, actuary and fund holders.
- Vesting the responsibility to the Pension Committee as the Administrator to establish policies regarding investment philosophies, guidelines and objectives.
- Increasing the number of elected active plan members from one to two to encourage broader participation from different employee groups on the Pension Committee. (approved February 17, 2017)
- Increasing the term of elected or appointed Committee Members from a maximum of two-three year terms to a maximum of three-three year terms to promote continuity and leverage education training and experience of Pension Committee members. (approved February 17, 2017)
- Removing the three year term limit for the positions of Chair, Vice-Chair, and Secretary and implementing a requirement to elect these positions bi-annually.
- Revising Article 13 (formerly Article 11) – Submission and recommendations to the Board in order to streamline the process by replacing the existing cumbersome process.

As per the terms of reference the Governance Document is subject to review at least once every three years.

Upon the approval by the Board of Governors, Part 1 thereafter will be reviewed and amended by the University of Manitoba and Part 2 will be reviewed and amended by the Pension Committee.

#### **RESOURCE REQUIREMENTS:**

None.

#### **CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

Fulfilling or surpassing the governance requirements as found in the Pension Benefits Act and its regulations supports the University in the offering of a competitive and sustainable pension plan (1993 Plan) to employees is essential to meet the recruitment and retention objectives for the University.

#### **IMPLICATIONS:**

Implements a clear separation of responsibilities between the Plan Sponsor and the Administrator

**ALTERNATIVES:**

The Governance Sub-Committee considered adding a requirement that the Vice-President (Administration) be the permanent Chair of the Committee, but ultimately concluded that this would be inconsistent with the independence of the Committee.



**Board of Governors Submission**

**Routing to the Board of Governors:**

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Tom Hay</u>	<u>May 18, 2017</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>MAY 19, 2017</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>May 20, 2017</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FAHR</u>	<u>June 17, 2017</u>
<input type="checkbox"/>	<input type="checkbox"/>		

**Submission prepared by:** Bernard Gold, Director Pension Office

**Submission approved by:** \_\_\_\_\_  
*This must be the President, a Vice-President, or the University Secretary.*

**Attachments**

- Executive Summary**
- University of Manitoba Pension Plan (1993) Governance Document**
- Comparison of Articles**

**The University of Manitoba Pension Plan 1993  
Executive Summary of Key Changes  
Proposed Governance Document Amendments**

Article	Previous Version Showing Changes	New	Comments
3.1 (a)	Evaluate and recommend for selection <u>Custodial</u> Trustees, Investment Managers, Actuaries and Fund Holders <del>(which selection is subject to the approval of the Board)</del>	Evaluate and select Custodial Trustees, Investment Managers, Actuaries and Fund Holders;	<p>The goals described in support of the Governance Document review included adopting a structure that promotes the Pension Committee being responsive and timely in its plan oversight and management, and adopting a structure that appropriately vests fiduciary responsibilities in the Pension Committee</p> <p>The points enumerated in this summary include vesting the fiduciary responsibility to the Pension Committee as the Administrator for each of the following:</p> <ul style="list-style-type: none"> <li>• to select and terminate the services for the custodial trustee, investment managers, actuary and fund holders</li> <li>• to establish policies regarding investment</li> </ul>
3.1(d)	Establish measures and/or other clear standards against which performance of Service Providers <u>and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the "Administrative Service Provider")</u> is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation	Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the "Administrative Service Provider") is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation	
Former provision 3.1(e)	<del>Report and make recommendations for change to the Board regarding the performance of Service Providers</del>		
3.1(h)	Establish policies and <del>make recommendations to the Board</del> regarding investment philosophies, guidelines and objectives;	Establish policies regarding investment philosophies, guidelines and objectives	

3.1(p)	Invest the assets of the Plan Fund and for that purpose, select <del>(subject to Board approval)</del> an Investment Manager	Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers	philosophies, guidelines and objectives
3.1(s)	Evaluate and make <i>improvements with respect to recommendations to the Board respecting improvements</i> for the administration of the Plan, including recommendations regarding administrative service changes	Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes	<ul style="list-style-type: none"> <li>• to provide oversight on the performance of service providers</li> <li>• to invest the assets of Plan and select investment manager(s)</li> <li>• to evaluate and make improvements in the administration of the Plan</li> </ul>
Former provision 3.1(qq)	<del>Report to the Superintendent of Pensions (the “Superintendent”) any instance of non-compliance with applicable pension legislation</del>	Removed	In the course of administrating the Plan on a daily basis, the Pension Office regularly consults the plan actuary, legal counsel and otherwise does contact the Office of the Superintendent if any issue arises. Removing the clause does not relieve the Administrator of any responsibilities with respect to compliance.
4.4	<del>Members of the Committee shall not exercise their powers in their own interest or in the interest of a third person, nor shall members of the Committee be a in a position of conflict between the Committee Member’s personal interest and the duties of the Committee Member’s office</del>	Members of the Committee shall not be a in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan	A Code of Conduct Policy is in effect to which committee members adhere that describes possible conflicts of interest. The Policy is reviewed periodically by the Pension Committee..
11.1	<del>11.1 The Committee, <i>shall have the following Officers: by majority vote, shall annually, or as often as may be required, elect Committee Members to act as</i> Chairperson, Vice</del>	11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee,	The positions of Chairperson, Vice-Chair and Secretary can be voted on every second year instead of annually and their

	<p>Chairperson, and Secretary. <del>as follows:—The Committee, by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice Chairperson and Secretary:</del></p> <p>CHAIRPERSON: <del>The Chairperson (Chair) shall be elected for a term of two years. The Chairperson (“Chair”) shall be elected for an initial term of two years, and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p>	<p>by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:</p> <p>CHAIRPERSON: The Chairperson (Chair) shall be elected for a term of two years.</p>	<p>terms coincide with voting by Committee members</p> <p>Removed the three year term limit on the Chairperson, Vice-Chair and Secretary</p>
16(e)	<p>fees or expenses owed to agents pursuant to the terms of service agreements</p>	<p>fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement</p>	<p>Expenses incurred by the Administrative Service Provider will be provided for through the Administrative Services Agreement between the University and the Pension Committee currently under review.</p>



**The University of Manitoba Pension Plan (1993) Governance Document**

Part 1: Governance Provision (approved by the University of Manitoba as the Plan Sponsor)

Part 2: Pension Committee Rules and Procedures (approved by the Pension Committee as Administrator)

Effective [INSERT DATE HERE]

THIS IS A CERTIFIED COPY OF THE UNIVERSITY OF MANITOBA PENSION PLAN  
(1993) GOVERNANCE DOCUMENT

---

[Name and signature of  
Chair of Pension Committee]

**Table of Contents**

**PART 1 -Governance Provisions (approved by the University of Manitoba as the Plan Sponsor **Error!**  
**Bookmark not defined.****

ARTICLE 1 - Application and Purpose..... 2  
ARTICLE 2 - Role of Committee..... 2  
ARTICLE 3 - Duties and Responsibilities..... 3  
ARTICLE 4 - Fiduciary duties and responsibilities, degree of care..... 7  
ARTICLE 5 - Day to day administration excluded ..... 9  
ARTICLE 6 - Committee Membership ..... 9  
ARTICLE 7 - Elections and Appointments of Active and Non-Active Representatives ..... 10  
ARTICLE 8 - Term as Committee Member ..... 12  
ARTICLE 9 - Protection of Members ..... 12  
ARTICLE 10 - Amendments ..... 13

**PART 2 - Pension Committee Rules and Procedures (approved by the Pension Committee as Administrator**

ARTICLE 11 - Officers ..... 13  
ARTICLE 12 - Committee Meetings..... 15  
ARTICLE 13 - Submissions and recommendations to the Board ..... 16  
ARTICLE 14 - Transactions with related parties ..... 17  
ARTICLE 15 - Liability and insurance ..... 19  
ARTICLE 16 - Administrative expenses ..... 19  
ARTICLE 17 - Signing authority ..... 19  
ARTICLE 18 - Amendments ..... 19  
ARTICLE 19 - Compensation for Members ..... 20

## **Preamble**

The University of Manitoba Pension Plan (1993) is a Plan, established by the University of Manitoba, in compliance with *The Pension Benefits Act*, C.C.S.M., c. P32 and its associated regulations.

The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1993 Plan.

The first part of this Governance Document is Part 1: Governance Provisions (approved by the University of Manitoba as the Plan Sponsor) as provided for in section 3.12 of the Pension Benefits Regulation.

The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, (approved by the Pension Committee as Administrator) as provided for in section 3.17 of the Pension Benefits Regulation.

## **PART 1 - Governance Provisions (as approved by the Pension Committee as Administrator)**

### **ARTICLE 1 - Application and Purpose**

- 1.1 This Governance Document applies to the University of Manitoba Pension Plan (1993). The Plan was established for employees of The University of Manitoba (“the University”), effective January 1, 1993 (the “Plan”), through its adoption by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members upon retirement, death and/or termination. The Plan is registered under *The Pension Benefits Act* (Manitoba) (the “PBA” or the “Act”) and under the *Income Tax Act* (Canada) (the “ITA”).
- 1.2 This Governance Document is supplementary to the Plan and supporting documents, as defined in the Pension Benefits Regulation, Man. Reg. 39/2010 (the “Regulation”).
- 1.3 This Governance Document is intended to summarize and explain the roles and responsibilities of the Pension Committee (or “Committee”), in its capacity both as the Pension Committee and Administrator for the Plan, but does not in any way supersede, vary or otherwise alter the Plan Documents or any applicable legislation. In the event of any conflict between this Governance Document and the Plan Documents, the Plan Documents shall prevail (unless they provide otherwise). In the event of any conflict between this Governance Document, the Plan Documents, or any other supplementary documents and the provisions of the Act, the provisions of the Act shall prevail.
- 1.4 For the purposes of words or phrases not defined in this Governance Document, such terms shall have the meanings ascribed to them in the Plan Documents and the Act.
- 1.5 In this Governance Document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not to in any way affect the construction or interpretation of this Governance Document.

### **ARTICLE 2 - Role of Committee**

- 2.1 The Committee shall, with respect to the Plan, act as both Pension Committee and as “Administrator”, as those entities are described in the Act and regulations. The Committee has the rights, powers, and obligations necessary for the Committee to administer the Plan in accordance with the Act and regulations.
- 2.2 The overall purposes of the Committee include:
  - (a) monitoring the operation of the Plan;
  - (b) taking responsibility for the Plan’s administration;
  - (c) ensuring that the Plan is in compliance with all applicable legislation; and

- (d) acting in an advisory capacity to the Board, making recommendations as required.

### **ARTICLE 3 - Duties and Responsibilities**

3.1 The Committee's duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:

#### Service providers

- (a) Evaluate and select Custodial Trustees, Investment Managers, Actuaries and Fund Holders;
- (b) Evaluate and select the administrative service provider, auditors, consultants, performance measurement providers and any external sources as may be required for the proper management and operation of the Plan;
- (c) Negotiate contracts with and delegate duties to the parties specified in (a) and (b) above ("Service Providers"), where appropriate and as required ("Service Agreements");
- (d) Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the "Administrative Service Provider") is to be evaluated, and monitor performance against such measures on a regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation;
- (e) Establish procedures for following-up with Service Providers and the Administrative Service Provider, and for taking action to correct inadequate performance, if applicable;
- (f) Ensure those parties specified in (a) and (b) above, contracted by the Committee, are compensated with payments from the Pension Fund only in an amount that represents the usual and reasonable fees and expenses for the services actually provided in respect of the Plan;

#### Investment, Pension Fund

- (g) Maintain the Statement of Investment Policies and Procedures (the "SIP"), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;
- (h) Establish policies regarding investment philosophies, guidelines and objectives;
- (i) Establish economic assumptions, including, but not limited to, salary increases and interest discount rates, as required for actuarial valuations of the Plan, based upon the recommendation of the Plan Actuary;

- (j) Review actuarial valuations of the Plan and make relevant recommendations to the Board where appropriate;
- (k) Where appropriate, have an Actuary review any proposed submission to the Board;
- (l) Review, evaluate and recommend pension benefit changes as required;
- (m) Monitor maintenance and investment of Plan assets, ensuring that they are invested in accordance with applicable pension legislation;
- (n) Maintain a record of all investments held in the Pension Fund;
- (o) Complete an actuarial valuation of the Pension Fund not less than once every three years and in accordance with applicable law;
- (p) Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers;
- (q) Provide information to the Investment Manager(s) as required or requested;

Review, reporting

- (r) Report to the Board annually and at such other times as the Board may require;
- (s) Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes;
- (t) Establish a method for self-assessment, to be carried out on a regular and continuing basis, seeking independent professional advice if appropriate;
- (u) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, and any other matters required under applicable pension legislation and regulations;
- (v) Review financial, actuarial and administrative aspects of the Plan at least once every year;
- (w) Prepare statistics and other information (financial, actuarial, administrative) in the form of an Annual Report to the Board on the performance of the Pension Fund, which Annual Report shall include the audited financial statements of the Pension Fund;
- (x) Prepare an in-depth review of the Pension Fund as required or as requested by the Board;

### Committee governance

- (y) Prepare agenda and materials for meetings of the Committee;
- (z) Interpret the Plan and resolve disputes over its interpretation and application;
- (aa) Ensure that there are processes in place for the Committee to have timely access to information regarding the Plan which is complete, current and accurate, and which is required to enable it to perform its responsibilities effectively;
- (bb) Ensure that a Code of Conduct for Committee Members, Service Providers, the Administrative Service Provider and any other agents of the Committee is established and brought to the attention of those parties;
- (cc) Develop and implement necessary and appropriate risk management practices, which may include the development of policies to deal with:
  - (i) actuarial studies;
  - (ii) documentation and record keeping;
  - (iii) costing;
  - (iv) funding and fund investment;
  - (v) expense control and fees;
  - (vi) collections;
  - (vii) benefits administration;
  - (viii) outsourcing;
  - (ix) compliance;
  - (x) complaints;
  - (xi) conflicts of interest (see Article 4 below); and
  - (xii) communication;
- (dd) Ensure that Committee Members have, or receive, appropriate training and/or education to fulfill their responsibilities with respect to the administration of the Plan;

### Plan Members

- (ee) Ensure preparation and distribution of communication packages to Plan Members, including those required by law or by the provisions of the Plan;

- (ff) Maintain a current list of Plan Members;
- (gg) Respond to Member inquiries that cannot be addressed by the Plan's Administrative Service Provider and/or the Service Providers;
- (hh) Respond to requests from Plan Members for the provision of Plan-related documentation;
- (ii) Monitor Plan Members' settlement options;
- (jj) Promote awareness and understanding of the Plan among Members and potential members;
- (kk) Permit Members (or agents of Members, so designated and authorized in writing) to inspect and make extracts from the Plan or any Plan Documents;
- (ll) Establish and review overall strategies for communications with Plan Members;
- (mm) Ensure that Member contributions are made as required by the Plan, and that benefits are paid accurately and on a timely basis;

#### Legislative requirements

- (nn) Prepare appropriate government filings relating to the information return and other filings under the PBA and any Plan amendments,
- (oo) Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, *The Family Property Act*, C.C.S.M. c. F25 (the "FPA"), *The Garnishment Act*, C.C.S.M. c. G20 (the "Garnishment Act") and associated regulations, and Canada Revenue Agency Rules, and, without limiting the generality of the foregoing:
  - (i) Ensure that the Plan meets the tests for solvency as described in the PBA and its regulations;
  - (ii) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;
  - (iii) Ensure that transfers and withdrawals are done in compliance with the PBA and its regulations;
  - (iv) Ensure that the pension and pension benefit credits are divided in accordance with the PBA and its regulations as well as other applicable law after a relationship breakdown;
  - (v) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and its regulations;



- (vi) Ensure that the Pension Fund is held in accordance with section 3.19 of the Pension Benefits Regulation;
- (vii) Ensure that Plan Members (or other designated individuals) receive the necessary statements to which they are entitled by law on an annual basis and upon termination of active membership status, retirement, or death;
- (viii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law.

#### **ARTICLE 4 - Fiduciary duties and responsibilities, degree of care**

- 4.1 Committee Members owe a duty of care to Members of the Plan. In their fiduciary capacity, Committee Members shall comply with all requirements of applicable pension laws, including the PBA, Regulation and the ITA.
- 4.2 Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Notwithstanding the foregoing, the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possesses or by reason of its profession business or calling ought to possess.
- 4.3 Each member of the Committee has a duty of care to:
  - (a) act exclusively for the benefit of the Plan and the Pension Fund and its beneficiaries, and never in the Committee Member's own interest and not knowingly permit his interest to conflict with his duties and powers in respect of the Plan and the Pension Fund;
  - (b) actively carry out those duties and responsibilities assigned to the Committee and perform them with complete integrity, and
  - (c) act impartially between beneficiaries and/or classes of beneficiaries under the Plan.
- 4.4 Members of the Committee shall not be in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.
- 4.5 Every member of the Committee shall immediately notify all other Committee Members in writing of any interest the member has in any enterprise that may cause the Committee Member's personal interest to conflict with the duties of that Member's office, and of any rights, other than those arising from the Plan, that the Committee Member may have in, or may invoke against, the Pension Fund, and in such case, the notification shall specify the nature and value of such rights.

- 4.6 When so required, every Committee Member shall interpret and apply the Plan reasonably, in a fashion consistent with the University's intentions in establishing the Plan, and in such a manner that legitimate competing interests are balanced fairly and equitably.
- 4.7 Committee Members shall exercise their discretion and powers in a manner that is honest, candid, prudent, careful, attentive, impartial, reasonable, and in good faith, and shall take only and all relevant facts into account before making a decision with respect to the administration of the Plan.
- 4.8 Committee Members have a duty of confidentiality to beneficiaries with respect to information regarding those beneficiaries' interests with respect to the Plan and other personal information. The Committee shall ensure that appropriate safeguards are in place to protect information regarding beneficiaries. If the Committee expects that personal or other confidential information about a beneficiary will be provided to a Service Provider or another agent in the course of the Plan's effective operation and administration, the Committee shall ensure that beneficiaries are aware that such information may be so disclosed. The Committee's obligation shall extend to an obligation to ensure that Service Providers and agents also take appropriate measures to safeguard beneficiary information. In addition to the Committee's fiduciary duty of confidence, the Committee should also ensure that beneficiary information is dealt with in accordance with the provisions of *The Freedom of Information and Protection of Privacy Act*, C.C.S.M. c. F175 and any other applicable privacy legislation.
- 4.9 The Committee has a duty to disclose material information sufficient for a beneficiary of the Plan to make a fully informed decision, and a responsibility to ensure that such information is truthful and accurate at the time disclosure is made.
- 4.10 If it comes to light that a previous decision of the Committee regarding the administration of the Plan may have been incorrect, Committee Members have a responsibility to revisit and, if necessary, reverse or change that earlier decision.
- 4.11 The Committee may, where it is reasonable and prudent in the circumstances to do so, employ or appoint one or more agents to carry out any act required to be done in the satisfaction of the Committee's duties as Administrator. The Committee shall personally select such agents, and must be satisfied of the agent's suitability to perform the task for which the agent is employed or appointed. The Committee shall supervise the agent in such a manner as is reasonable and prudent. An agent of the Committee is not entitled to payment from the Pension Fund other than the usual and reasonable fees and expenses for the services provided by the agent in respect of the Plan. An agent shall be held to the same standard of care and conduct required of the Committee, as set out herein.
- 4.12 The Committee has an obligation to mitigate any loss to the Pension Fund caused by the wrongdoing of those entities whose services are engaged by the Committee for the proper management and operation of the Plan. In some circumstances, this may require the Committee to commence legal action against a Service Provider on behalf of Plan Members.

- 4.13 Where the Committee is in doubt regarding its obligations under the Plan or applicable legislation, the Committee may seek judicial direction, the direction of a third-party adjudicator or the advice of other professionals.
- 4.14 Committee Members are not entitled to any benefit from the Plan other than pension benefits, ancillary benefits, a refund of contributions, and fees and expenses related to the administration of the Plan and permitted by law or provided for in the Plan.

#### **ARTICLE 5 - Day to day administration excluded**

- 5.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the Administrative Service Provider, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the University as Administrative Service Provider.

#### **ARTICLE 6 - Committee Membership**

- 6.1 The Committee shall be comprised of the following persons:
- (a) Two voting members elected or appointed in accordance with Article 7 to represent all active Plan members ("Active Voting Representative");
  - (b) One voting member elected or appointed in accordance with Article 7 to represent all non-active Plan members and other beneficiaries ("Non-Active Voting Representative");
  - (c) The Board shall appoint:
    - (i) a number of individuals equal to the total number of individuals elected or appointed as Active and Non-Active Voting Representatives;
    - (ii) at least one additional individual, to be chosen at the Board's discretion; and
    - (iii) those three individuals holding the offices of:
      - (A) Vice-President (Administration);
      - (B) Associate Vice-President (Human Resources); and
      - (C) Comptroller;all of whom shall be voting members of the Committee;
  - (d) The Committee may also include:
    - (i) one non-voting member, elected by and representing active Plan members ("Active Non-Voting Representative"); and

- (ii) one non-voting member, elected by and representing non-active Plan members (“Non-Active Non-Voting Representative”).

## **ARTICLE 7 - Elections and Appointments of Active and Non-Active Representatives**

- 7.1 Unless otherwise required by law or provided for in this Governance Document, the filling of any vacant Active or Non-Active Representative position, whether Voting or Non-Voting, shall be done by election, pursuant to 7.2 and 7.3.
- 7.2 The election of any Active Representative, voting or non-voting, as identified at 6.1(a) and 6.1(d)(i), shall be as follows:
- (a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, the University shall provide written notice to all active members of the nomination and election process for the Active Representatives of the Committee.
  - (b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the University, and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Active Representative position. Following the end of the Nomination Period, the University shall provide written notice to all active members, of those persons properly nominated as an Active Representative, and of the voting process.
  - (c) The voting process shall, for a period of not more than thirty (30) days, as determined by the University and specified in the written notice, (the “Election Period”), allow each active member to cast one secret ballot for each vacant position of Active Representative at a location (or locations) specified in the written notice. Such a location (or locations) shall include voting by electronic means. Within thirty (30) days after the end of the Election Period, the University shall notify active members of the persons elected as Active Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Active Representative for that position shall be the nominee whose name is drawn by a person designated by the University who is not a nominee.
  - (d) Any or all written notices that must be provided to active members may be provided by the posting of such notices in one or more areas of the workplace regularly accessed by active members who regularly work at the University’s facilities.
  - (e) The first persons elected to fill the positions of Active Representatives shall commence their term no later than September 28, 2011.
- 7.3 The election of any Non-Active Representative, voting or non-voting, as identified at 6.1(b) and 6.1(d)(ii), shall be as follows:

- (a) The election shall be conducted by mail. On or before May 31, 2011, and every three (3) years thereafter, the University shall provide written notice to all non-active members and other beneficiaries of the Plan of the nomination and election process for the Non-Active Representative.
- (b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the University, and specified in the notice (the “Non-Active Representative Nomination Period”), allow every non-active member and other beneficiary to nominate a person for each vacant Non- Active Representative position. Following the end of the Non-Active Representative Nomination Period, the University shall provide written notice to all non-active Plan members and other beneficiaries of those persons properly nominated as a Non-Active Representative, and of the voting process.
- (c) The voting process shall, for a period of not more than thirty (30) days, as determined by the University and specified in the written notice (the “Non-Active Representative Election Period”), allow every non-active member and other beneficiary to cast one secret ballot for each vacant position by mail to an address specified in the written notice. Within thirty (30) days after the end of the Non-Active Representative Election Period, the University shall notify all non-active members of the persons elected as Non-Active Representatives, which shall be determined by a majority of votes properly cast. Any votes not received at the address specified in the written notice within two (2) weeks of the end of the Non-Active Representative Election Period shall not be counted in the vote. In the event of an existing, pending or threatened mail strike, the University shall require and permit votes to be cast by some other method.
- (d) In the event that two (2) or more nominees for one position of Non-Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Non-Active Representative shall be the nominee whose name is drawn by a person designated by the University who is not a nominee.
- (e) The first person elected to fill a position of Non-Active Representative shall commence his term no later than September 28, 2011.

7.4 Notwithstanding any of the foregoing provisions:

- (a) If a majority of active members are represented by a union as defined in *The Labour Relations Act* (Manitoba), the executive of that union may, as an alternative to an election described at 7.2, appoint one active member as Active Voting Representative.
- (b) If a majority of non-active members are represented by an association, the executive of that association may, as an alternative to an election described at 7.3, appoint one non-active member as Non-Active Voting Representative.

- 7.5 In the event that no person is elected by the active members within a reasonable time, the Board shall appoint at least one active member to the Committee as a voting member until an election is held.
- 7.6 In the event that no person is elected by the non-active members within a reasonable time, the Board shall appoint at least one non-active member to the Committee as a voting member until an election is held.
- 7.7 Notwithstanding any of the foregoing provisions, the election or appointment of individuals to Committee Membership shall be done in full compliance with the requirements of the Regulation, as more particularly set out in sections 3.13 and 3.14 therein.

#### **ARTICLE 8 - Term as Committee Member**

- 8.1 The term of a person elected as a Committee Member shall be three years. A person elected as a Committee Member is eligible for re-election, subject to a maximum of three consecutive three year terms.
- 8.2 The term of a person appointed as a Committee Member pursuant to Article 6(1)(c)(iii) shall be for as long as they hold that office with the University.
- 8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(c)(i) and (ii) and (d) shall be three years. A person appointed as a Committee Member pursuant to Articles 6(c)(i) and (ii) and (d) is eligible for re-appointment, subject to a maximum of three consecutive three year terms.
- 8.4 A Committee Member continues to hold his office as such after the end of his term until he is re-elected or re-appointed, subject to the term limits under Articles 8.1 and 8.3, or until his a successor is elected or appointed.
- 8.5 If a vacancy arises on the Pension Committee prior to the expiry of the applicable Committee Member's term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises unless the balance of the unexpired term is less than 120 days. In the event the vacancy is for an Active or Non-Active Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(c), the vacancy shall be filled by an appointment of the Board. Any election or appointment under this section shall be carried out or made within 120 days after the vacancy arises.

#### **ARTICLE 9 - Protection of Members**

- 9.1 The Committee may make recommendations to the Board to amend the Plan or to adopt a Policy or Policies to provide for the limitation of liability of Committee Members for any loss, damage or misfortune whatsoever, which shall happen in the execution of his duties as a Committee Member, unless occasioned by his own willful neglect or fault.



- 9.2 Except in respect of an action by or on behalf of the University to procure a judgment in its favour, the University shall indemnify and save harmless each Committee Member against all losses, liabilities and costs reasonably incurred by the Committee Member in respect of any action or proceeding to which the Committee Member is made a party by reason of being or having been a member of the Committee, provided that the Committee Member has acted honestly and in good faith.

#### **ARTICLE 10 - Amendments**

- 10.1 The provisions of Part 1 of this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate.

### **PART 2 – Pension Committee Rules and Procedures (approved by the Pension Committee as Administrator)**

#### **ARTICLE 11 - Officers**

- 11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee, by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:

- (a) **CHAIRPERSON:** The Chairperson (Chair) shall be elected for a term of two years.

The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration of the Committee. The Chair shall be responsible for the authoritative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.

The Chair or the Vice-Chair along with the Secretary shall execute all documents on behalf of the Committee.

The Chair shall be primarily responsible for:

- (i) all communications on behalf of the Committee with outside bodies, including Custodial Trustees or any agents retained or appointed in connection with the Plan;
- (ii) all dealings with the Board with respect to the Committee's duties and obligations as described in this Governance Document, the Plan Documents

and applicable pension legislation, including the provision to the Board of the Committee's reviews, recommendations, concerns and reports; and

- (iii) facilitating communication between the Committee and the Board.

The Chair or Vice-Chair, if so designated by the Chair, shall be an ex officio member of all Subcommittees of the Pension Committee, as described at Article 11.7 herein.

- (b) **VICE-CHAIRPERSON:** The Vice-Chairperson ("Vice-Chair") shall be elected for a term of two years.

The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next Chair is named.

In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.

- (c) **SECRETARY:** The Secretary shall be elected for a term of two years.

It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.

Without limiting the generality of the foregoing:

- (i) It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production;
- (ii) The Secretary shall prepare correspondence relating to the Committee and shall issue notices of all meetings in accordance with Article 11 herein;
- (iii) The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board or the University when so requested;
- (iv) In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.



- 11.2 The Chair, Vice-Chair and Secretary shall also have whatever additional powers and duties the Committee may from time to time agree upon or as the Committee may specify, subject to the provisions of the Plan Documents and any applicable legislation.
- 11.3 If an individual's term as an elected Committee Member expires prior to that individual's elected term as Officer, a Committee meeting shall be held within 120 days of when that individual ceases to be a Committee Member for the purposes of electing a new individual to that Officer position.
- 11.4 If any Officer is unable to perform his functions or discharge his duties as Officer, a meeting shall be held within 120 days of when that individual ceases to be able to perform his functions or discharge his duties, for the purposes of electing a new individual to that Officer position.
- 11.5 The Committee, in its discretion and by way of written resolution signed by all other Committee Members, may remove an individual from Office, effective immediately, without prejudice to such individual's rights as a Committee Member, and provided that a meeting shall be held within 120 days of when that individual is removed from Office for the purposes of electing a new individual to that Office.
- 11.6 The Committee, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.
- 11.7 The Committee may designate and appoint any number of Subcommittees and delegate to such Subcommittees such powers and duties as may be reasonably thought fit, subject to the Act, Regulation and the terms of the Plan. Unless otherwise determined by the Committee, each Subcommittee shall have the power to:
- (a) fix its quorum at not less than the majority of its Members;
  - (b) elect a Chairperson; and
  - (c) regulate its procedure.

## **ARTICLE 12 - Committee Meetings**

- 12.1 The Committee shall meet at least four times annually, at such times and places within Manitoba as the Committee decides. The Committee may convene such further meetings as may be required.
- 12.2 At any meeting of the Committee, a quorum shall be a majority of the Members entitled to vote thereat.
- 12.3 Any decisions of the Committee, unless otherwise provided in this Governance Document, shall be by a majority vote of a quorum at any meeting of the Committee. Voting shall be conducted, in normal circumstances, by a show of hands. The Chair, or Vice-Chair in the Chair's absence, may require a blind vote should he deem it appropriate in the

circumstances. In the case of an equality of votes, the Chair of the meeting, or in his absence the Vice-Chair, shall have the casting or deciding vote.

- 12.4 Notwithstanding 12.3, a decision of the Committee may also be made by a resolution in writing signed by all Committee Members.
- 12.5 A Committee meeting may be convened on at least fourteen days written notice by the Chair or any two Committee Members or by the Secretary on the direction or authorization of the Chair or any two Committee Members. Such notice shall specify the date, time, and place of meeting and shall set out an agenda identifying the business to be conducted at the meeting, notwithstanding that any matter within the jurisdiction of the Committee not so included in the agenda may, with consent by majority vote of a quorum at the meeting, be considered and determined at the meeting. Such notice shall be provided to all Committee Members by mail (regular or registered), fax, email, or any other written form of delivery that would, in normal circumstances, ensure that Members are provided with the notice within the prescribed time.
- 12.6 Where, in the opinion of the Chair or any two Committee Members, a matter of urgency has arisen which necessitates the holding of a meeting on less notice as prescribed by 12.5, or where notice in the prescribed form is not practicable, notice may be given at least forty-eight hours prior to the intended meeting and may be communicated orally.
- 12.7 A meeting of the Committee may be held and duly constituted at any time without any notice if all the Committee Members are present or, if any be absent, those absent have waived notice or signified their consent in writing to the meeting being held in their absence.
- 12.8 If a Committee meeting is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a Committee meeting is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting shall be given as for an original meeting.
- 12.9 If all Committee Members (except for those members who have waived notice or signified their consent in writing to the meeting being held in their absence) consent, a Committee Member may participate in a Committee meeting by telephone or such other means as permit all persons participating in the meeting to hear each other, and a Committee Member participating in a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all Committee meetings while a Committee Member holds office.

### **ARTICLE 13 - Submissions and recommendations to the Board**

- 13.1 The Committee shall, in accordance with the more detailed provisions herein, be responsible for preparing statements and other submissions to the Board regarding the operation, administration and performance of the Plan and Plan Fund. The Committee shall

also be responsible for making recommendations to the Board respecting amendments to the Plan.

- 13.2 Any proposed statements, submissions, opinions or recommendations (collectively, “Submissions”) to the Board shall be developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to members of the Committee.
- 13.3 The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members, with external Service Providers or the Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.
- 13.4 Notwithstanding any of the foregoing, any and all Submissions to the Board shall be made in accordance with any procedures established and followed by the Board for receiving such statements, submissions, opinions and recommendations.

#### **ARTICLE 14 - Transactions with related parties**

- 14.1 A “related party” is defined to mean:
- (a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;
  - (b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;
  - (c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;
  - (d) the University, including any officer, director, or employee thereof;
  - (e) a member of the Plan;
  - (f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);
  - (g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);
  - (h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or

- (i) an entity that holds a substantial investment in the University.

Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.

The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:

- (a) the transaction is required for operation or administration of the Plan and if:
  - (i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and
  - (ii) it does not involve the making of loans to, or investments in, the related party;
- (b) the transaction is an investment:
  - (i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;
  - (ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;
  - (iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;
  - (iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;
  - (v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or
  - (vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or
- (c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.

Transactions less than 0.5% of the market value of the Fund are considered nominal.

## **ARTICLE 15 - Liability and insurance**

- 15.1 The Committee, in its administration of the Plan, acts as a trustee for and in a fiduciary capacity to beneficiaries. The Committee shall secure, for Committee Members, trustee and fiduciary liability insurance in such amount as it shall from time to time deem to be adequate, and the costs of such insurance shall be paid from the Pension Fund.

## **ARTICLE 16 - Administrative expenses**

- 16.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that:
- (a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;
  - (b) the magnitude of the fee or expense in question is reasonable.
- 16.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund:
- (a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;
  - (b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;
  - (c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;
  - (d) audit fees; and
  - (e) fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement.

## **ARTICLE 17 - Signing authority**

- 17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed by the Chair, or in their absence, both the Vice-Chair and Secretary.

## **ARTICLE 18 - Amendments**

- 18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The

Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.

### **ARTICLE 19 - Compensation for Members**

- 19.1 The Committee may make recommendations to the Board to amend the Plan or supporting documents or to adopt a policy to provide for:
- (a) payment from the Pension Fund to Committee Members for attendance at meetings or for the performance of other duties as members, at any time beyond regular work hours, for which the member would otherwise be paid by the University;
  - (b) payment of reimbursement from the Pension Fund to a member for expenses reasonably incurred by the member in carrying out his duties as a Committee Member.
- 19.2 A Committee Member who is also an active Plan Member is entitled to take time off from his regular work duties, without loss of pay or other benefits, in order to carry out his or her duties on the Committee.

**Comparison of All Changes in Articles for the 1993 Plan Governance Document**

Article	Previous Version Showing Changes	New	Comments
Preamble	<p>The University of Manitoba Pension Plan (1993) is a Plan, established by the University of Manitoba, in compliance with The Pension Benefits Act, C.C.S.M., c. P32 and its associated regulations.</p> <p>The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1993 Plan.</p> <p>The first part of this Governance Document is Part 1: The University of Manitoba, approved by the Board of Governors of the University as Plan Sponsor as provided for in section 3.12 of the Pension Benefits Regulation.</p> <p>The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, approved by the Committee as Administrator as provided for in section 3.17 of the Pension Benefits Regulation.</p> <p><del>The University of Manitoba Pension Plans, since their inception in 1970 until May 31, 2011, have been administered by the University as both Administrator and Fund Sponsor. The role of Administrator was delegated by the University to three parties: The Pension Committee, the Staff Benefits Committee and the Trustees.</del></p> <p><del>The Pension Committee was comprised of seven positions: two individuals were appointed by the Board of Governors, one individual was appointed by the Staff Benefits Committee, one individual was appointed by the Lieutenant Governor in Council as a representative of the Government of Manitoba, and the remaining three positions were filled by those individuals holding the offices of Chair of Staff Benefits Committee, Chair of Pension Plan Trustees, and Vice-</del></p>	<p>The University of Manitoba Pension Plan (1993) is a Plan, established by the University of Manitoba, in compliance with <i>The Pension Benefits Act</i>, C.C.S.M., c. P32 and its associated regulations.</p> <p>The provisions of the plan are provided for in the Plan Document, as approved and amended from time to time by the Board of Governors of the University. This document, in two parts, is established to govern and assist the Committee in discharging its legal obligations and duties as Administrator with respect to the 1993 Plan.</p> <p>The first part of this Governance Document is Part 1: The University of Manitoba, approved by the Board of Governors of the University as Plan Sponsor as provided for in section 3.12 of the Pension Benefits Regulation.</p> <p>The second part of this Governance Document is Part 2: Pension Committee Rules and Procedures, approved by the Committee as Administrator as provided for in section 3.17 of the Pension Benefits Regulation.</p>	<p>The historical part of the preamble will be maintained and posted on the pension website as part of plan history.</p>

	<p><del>President of Administration.</del></p> <p><del>The Staff Benefits Committee was established by the Board of Governors as an advisory committee to the Board. The Staff Benefits Committee has been responsible for making recommendations on the establishment, maintenance and changes to all Staff Benefit Plans through its reporting to the Vice President of Administration.</del></p> <p><del>The Pension Plan Trustees have been seven individuals: six individuals appointed by the Staff Benefits Committee and one individual appointed by the Board of Governors. The responsibility of the Trustees has been to safeguard the assets of the Pension Plans and to report on the condition of the Plans to the Board of Governors and Plan Members.</del></p> <p><del>With the coming into force of amendments to <i>The Pension Benefits Act</i>, C.C.S.M. c. P32 and associated regulations on May 31, 2011, a new governance structure was required to meet the statutory requirements of the provincial legislation and for the continued registration of the Plans with the Pension Commission of Manitoba. The University therefore created the Pension Committee to act as Plan Administrator.</del></p> <p><del>As part of its obligations under the new statutory provisions, the Pension Committee has formulated this Pension Committee Governance Document to govern and assist it with discharging its legal obligations and duties as Administrator with respect to the 1993 Plan.</del></p>		
<p>Article 1 – Application and Purpose – no changes in articles 1.2 to 1.4</p>	<p>1.1 This Governance Document applies to <del>the pension plan established for employees of</del> The University of Manitoba <u><i>Pension Plan (1993)</i></u>. <del>(“the University”), <i>The Plan was established for employees of The University of Manitoba (“the University”),</i></del> effective January 1, 1993 (the “Plan”), through its as <del>adopted</del> <u><i>adoption</i></u> by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members</p>	<p>1.1 This Governance Document applies to the University of Manitoba Pension Plan (1993). The Plan was established for employees of The University of Manitoba (“the University”), effective January 1, 1993 (the “Plan”), through its adoption by the Board of Governors (the “Board”) of the University. The primary purpose of the Plan is to provide benefits from the Pension Fund to Members upon retirement, death and/or termination. The Plan is</p>	<p>Rewording for clarity</p>



	<p>upon retirement, death and/or termination. The Plan is registered under The Pension Benefits Act (Manitoba) (the “PBA” or the “Act”) and under the Income Tax Act (Canada) (the “ITA”).</p> <p>1.5 In this Governance document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not <i>in any way affect the construction or interpretation to be construed as part of the Governance Document.</i></p>	<p>registered under The Pension Benefits Act (Manitoba) (the “PBA” or the “Act”) and under the Income Tax Act (Canada) (the “ITA”).</p> <p>1.5 In this Governance Document, words importing the singular include the plural and vice versa, and words importing gender include all genders. Reference to an Article means an Article in this Governance Document unless otherwise stated. The headings of this Governance Document are for convenience or reference only and are not to in any way affect the construction or interpretation of this Governance Document.</p>	
<p>Article 3 – Duties and Responsibilities</p>	<p>3.1 The Committee’s duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:</p> <p><u>Service providers</u></p> <p>(a) Evaluate and recommend for selection <i>Custodial</i> Trustees, Investment Managers, Actuaries and Fund Holders <del>(which selection is subject to the approval of the Board);</del></p> <p>(b) Evaluate and select auditors, consultants, administrative service providers, performance measurement providers and <del>other</del> <u>any</u> external sources as may be required for the proper management and operation of the Plan;</p> <p>(d) Establish measures and/or other clear standards against which performance of Service Providers <u>and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the “Administrative Service Provider”)</u> is to be evaluated, and monitor performance against such measures on a regular and</p>	<p>3.1 The Committee’s duties and responsibilities in relation to the Plan, shall include, but are not restricted to, the following:</p> <p><u>Service providers</u></p> <p>(a) Evaluate and select Custodial Trustees, Investment Managers, Actuaries and Fund Holders;</p> <p>b) Evaluate and select the administrative service provider, auditors, consultants, performance measurement providers and any external sources as may be required for the proper management and operation of the Plan;</p> <p>(d) Establish measures and/or other clear standards against which performance of Service Providers and the Administrative Service Provider under the Pension Plan Administrative Services Agreement (the “Administrative Service Provider”) is to be evaluated, and monitor performance against such measures on a</p>	<p>Noted in the Executive Summary</p> <p>Reworded to reference specifically the administrative service provider</p> <p>Noted in the Executive Summary</p>

	<p>ongoing basis, seeking independent professional advice if necessary for proper evaluation;</p> <p><del>(e)</del> Report and make recommendations for change to the Board regarding the performance of Service Providers;</p> <p><del>(f)</del> <del>(e)</del> Establish procedures for following-up with Service Providers, and <i>the Administrative Service Provider</i>, for taking action to correct inadequate performance, if applicable;</p> <p><u>Investment, Pension Fund</u></p> <p><del>(h)</del><del>(g)</del> Maintain the Statement of Investment Policies and Procedures (the “SIP”), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;</p> <p><del>(i)</del><del>(h)</del> Establish policies and make recommendations to the Board regarding investment philosophies, guidelines and objectives;</p> <p><del>(p)</del><del>(o)</del> Complete an actuarial valuation of the Pension Fund not less than once every three and in accordance with applicable law. <del>years to ensure there are sufficient funds in the Plan to meet the current and potential liabilities, in accordance with the current accepted actuarial practice in Canada;</del></p> <p><del>(q)</del><del>(p)</del> Invest the assets of the Plan Fund and for that purpose, select <del>(subject to Board approval)</del> an Investment Manager;</p> <p><u>Review, reporting</u></p>	<p>regular and ongoing basis, seeking independent professional advice if necessary for proper evaluation;</p> <p>(e) Establish procedures for following-up with Service Providers and the Administrative Service Provider, and for taking action to correct inadequate performance, if applicable;</p> <p><u>Investment, Pension Fund</u></p> <p>(g) Maintain the Statement of Investment Policies and Procedures (the “SIP”), review and confirm or update the SIP at least once each year, and provide copies of it to those persons so entitled by law;</p> <p>(h) Establish policies regarding investment philosophies, guidelines and objectives;</p> <p>(o) Complete an actuarial valuation of the Pension Fund not less than once every three years and in accordance with applicable law;</p> <p>(p) Invest the assets of the Plan Fund and for that purpose, select one or more Investment Managers;</p> <p><u>Review, reporting</u></p>	<p>Noted in the Executive Summary</p> <p>The Pension Benefits Act uses the abbreviation SIP</p> <p>Noted in the Executive Summary</p> <p>Reworded, no change to the requirements for an actuarial valuation and its purpose</p> <p>Noted in the Executive Summary</p>
--	---	---	---

	<p><del>(t)</del>(s) Evaluate and make <i>improvements with respect to recommendations to the Board respecting improvements for the administration of the Plan, including recommendations regarding administrative service changes;</i></p> <p><del>(v)</del>(u) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, <i>and any other matters required under applicable pension legislation and regulations; Service Agreements and this Governance Document;</i></p> <p><del>(z)</del> Prepare information binders for meetings of the Committee</p> <p><u>Committee governance</u></p> <p><del>(z)</del>(y) <i>Prepare agenda and materials for the Committee</i></p> <p><del>(ee)</del>(bb) Ensure that a Code of Conduct for Committee Members, Service Providers, <i>the Administrative Service Provider</i> and any other agents of the Committee is established and brought to the attention of those parties;</p> <p><u>Legislative requirements</u></p> <p><del>(pp)</del>(oo) Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, The Family Property Act, C.C.S.M. c. F25 (the "FPA"), The Garnishment Act, C.C.S.M. c. G20 (the</p>	<p>(s) Evaluate and make improvements with respect to the administration of the Plan, including recommendations regarding administrative service changes;</p> <p>(u) Review, evaluate and make recommendations to the Board regarding amendments to the Plan, Plan Documents, and any other matters required under applicable pension legislation and regulations;</p> <p><u>Committee governance</u></p> <p>(y) Prepare agenda and materials for meetings of the Committee;</p> <p>(bb) Ensure that a Code of Conduct for Committee Members, Service Providers, the Administrative Service Provider and any other agents of the Committee is established and brought to the attention of those parties;</p> <p><u>Legislative requirements</u></p> <p>(oo) Administer the Plan in compliance with applicable pension legislation, including, but not limited to, the PBA and associated regulations, the ITA, The Family Property Act, C.C.S.M. c. F25 (the "FPA"), The Garnishment Act, C.C.S.M. c. G20 (the "Garnishment Act")</p>	<p>Noted in the Executive Summary</p> <p>Enhanced wording to allow for unforeseen future changes</p> <p>Correction of formatting error</p> <p>Adding that the Administrative Service Provider is also subject to the Code of Conduct Policy</p> <p>Replace references to "Regulation(s)" as "regulation(s)"</p>
--	---	---	---

	<p>“Garnishment Act”) and associated Regulations, and Canada Revenue Agency Rules, and, without limiting the generality of the foregoing:</p> <p>(i) Ensure that the Plan meets the tests for solvency as described in the <del>PBA and its R</del>regulation;</p> <p>(ii) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;</p> <p>(iii) Ensure that transfers and withdrawals are done in compliance with the <del>PBA and its R</del>regulations;</p> <p>(iv) Ensure that the pension and pension benefit credits are divided in accordance with the <del>PBA and its R</del>regulation as well as other applicable law after a relationship breakdown;</p> <p>(v) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and <del>the its R</del>regulation;</p> <p>(vi) Ensure that the Pension Fund is held in accordance with section 3.19 of the <u>Pension Benefits</u> Regulation;</p> <p>(vii) Ensure that Plan Members (or other designated individuals) receive the necessary statements upon the termination of the active membership status, retirement, or death, <del>to which they are entitled by law;</del></p> <p>(viii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law;</p> <p><del>(qq) — Report to the Superintendent of Pensions (the “Superintendent”) any instance of non-compliance with applicable pension legislation</del></p>	<p>and associated regulations, and Canada Revenue Agency Rules, and, without limiting the generality of the foregoing:</p> <p>(i) Ensure that the Plan meets the tests for solvency as described in the PBA and its regulations;</p> <p>(ii) Ensure that the Plan is administered in compliance with the locking in provisions of the applicable pension legislation;</p> <p>(iii) Ensure that transfers and withdrawals are done in compliance with the PBA and its regulations;</p> <p>(iv) Ensure that the pension and pension benefit credits are divided in accordance with the PBA and its regulations as well as other applicable law after a relationship breakdown;</p> <p>(v) Ensure that, if the Plan is terminated, it is wound up in accordance with the PBA and its regulations;</p> <p>(vi) Ensure that the Pension Fund is held in accordance with section 3.19 of the Pension Benefits Regulation;</p> <p>(vii) Ensure that Plan Members (or other designated individuals) receive the necessary statements to which they are entitled by law on an annual basis and upon termination of active membership status, retirement, or death;</p> <p>(viii) Ensure the protection of money in or payable under the Plan from execution, seizure, attachment, assignment or charge, except as permitted by law.</p>	<p>Noted in the Executive Summary</p>
<p>Article 4 – Fiduciary duties and responsibilities, degrees of care</p>	<p>-</p> <p><del>12.2</del> 4.2 Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person.</p>	<p>4.2 Committee Members shall act honestly and in good faith in carrying out their duties and responsibilities with respect to the Plan, and shall exercise the degree of care, diligence and skill in the administration of the Plan and in the administration and investment of the Pension Fund that a person of ordinary prudence would exercise in dealing with the property of another person.</p>	<p>Reworded</p>

	<p>Notwithstanding the foregoing, <u>the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possess or by reason of its profession business or calling ought to possess.</u></p> <p><del>where the Committee in fact possesses or, by reason of profession or business ought to possess a particular level of knowledge or skill relevant to the administration of the Plan or the administration and investment of the Pension Fund, the Committee shall employ that particular level of knowledge or skill in the performance of such duties.</del></p> <p><del>4.4.4 <u>Members of the Committee shall not be in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.</u></del></p> <p><del>Members of the Committee shall not exercise their powers in their own interest or in the interest of a third person, nor shall members of the Committee be in a position of conflict between the Committee Member's personal interest and the duties of the Committee Member's office.</del></p>	<p>Notwithstanding the foregoing, the Committee shall use in the administration of the Plan and the administration and investment of the Pension Fund all relevant knowledge and skill that the Committee possesses or by reason of its profession business or calling ought to possess.</p> <p>4.4 Members of the Committee shall not be a in a position of conflict simply due to the fact that the Committee Member has a personal interest in the Plan.</p>	<p>Noted in the Executive Summary</p>
Article 5 – Day to day administration excluded	<p>4.5.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the <u>Administrative Service Provider</u>, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the <u>University as Administrative Service Provider</u>.</p>	<p>5.1 While the Committee will oversee and assume ultimate responsibility for the Plan, the Committee's duties and responsibilities shall not extend to the day-to-day administration of the Plan, which duties and responsibilities shall be the responsibility of the Administrative Service Provider, as more specifically set out in the Pension Plan Administrative Services Agreement between the Committee and the University as Administrative Service Provider.</p>	<p>Referencing the Administrative Service Provider and that is the University</p>
Article 6 – Committee Membership	<p>6.1 The Committee shall be comprised of the following persons:</p>	<p>6.1 The Committee shall be comprised of the following persons:</p>	

	<p>(a) <del>One</del> Two voting members <i>elected or appointed in accordance with Article 7</i> to represent all active Plan members (“Active Voting Representative”);</p> <p>(b) One voting member <i>elected or appointed in accordance with Article 7</i> to represent all non-active Plan members and other beneficiaries (“Non-Active Voting Representative”);</p> <p>(c) The Board shall appoint:</p> <p>(ii) at least one additional individual, to be chosen at the Board’s discretion; and</p> <p>(iii) those three individuals holding the offices of:</p> <p>A. Vice-President (Administration);</p> <p>B. <del>Executive Director</del> <i>Associate Vice-President</i> of Human Resources; and</p> <p>C. Comptroller;</p> <p>all of whom shall be voting members of the Committee;</p>	<p>(a) Two voting members elected or appointed in accordance with Article 7 to represent all active Plan members (“Active Voting Representative”);</p> <p>(b) One voting member elected or appointed in accordance with Article 7 to represent all non-active Plan members and other beneficiaries (“Non-Active Voting Representative”);</p> <p>(c) The Board shall appoint:</p> <p>(ii) at least one additional individual, to be chosen at the Board’s discretion; and</p> <p>(iii) those three individuals holding the offices of:</p> <p>A. Vice-President (Administration);</p> <p>B. Associate Vice-President (Human Resources); and</p> <p>C. Comptroller;</p> <p>all of whom shall be voting members of the Committee;</p>	<p>Approved by Board of Governors February 17, 2017</p> <p>Reworded</p> <p>Specifying the position “Associate Vice President (Human Resources)”</p>
<p>Article 7 – Elections and Appointments of Active and Non-Active Representatives.</p>	<p>7.2 The election of any Active Representative, voting or non-voting, as identified at 6.1(a) and 6.1(d)(i), shall be as follows:</p> <p>(a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, <del>the Committee shall (or shall direct the University to)</del> <i>shall</i> provide written notice to all active members of the nomination and election process for the Active Representatives of the Committee.</p> <p>(b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the Committee and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Active Representative position. Following the end of the Nomination Period, <del>the Committee shall (or shall direct the University to)</del> <i>shall</i> provide</p>	<p>7.2 The election of any Active Representative, voting or non-voting, as identified at 6.1(a) and 6.1(d)(i), shall be as follows:</p> <p>(a) The election shall be conducted by the casting of ballots at a specified location or locations. On or before May 31, 2011, and every three (3) years thereafter, the University shall provide written notice to all active members of the nomination and election process for the Active Representatives of the Committee.</p> <p>(b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the University, and specified in the notice (the “Nomination Period”), allow every active member, whether unionized or non-unionized, to nominate a person for every vacant Active Representative position. Following the end of the Nomination Period, the University shall provide written notice to all active members,</p>	<p>Changes made to Article 7.2 and 7.3 are replacing the Committee exclusively with the University as being responsible to manage the election process, all required notices and voting.</p>

	<p>written notice to all active members, of those persons properly nominated as an Active Representative, and of the voting process.</p> <p>(c) The voting process shall, for a period of not more than thirty (30) days, as determined by the Committee and specified in the written notice, (the "Election Period"), allow each active member to cast one secret ballot for each vacant position of Active Representative at a location (or locations) specified in the written notice. Within thirty (30) days after the end of the Election Period, <del>the Committee shall (or shall direct the University to)</del> shall notify active members of the persons elected as Active Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Active Representative for that position shall be the nominee whose name is drawn by a person designated by the Committee who is not a nominee</p> <p>7.3 The election of any Non-Active Representative, as identified at 6.1(b) and 6.1(d)(ii), shall be as follows:</p> <p>(a) The election shall be by mail. On or before May 31, 2011, and every three (3) years thereafter, <del>the Committee shall (or shall direct the University to)</del> shall provide written notice to all non-active members and other beneficiaries of the Plan of the nomination and election process for the Non-Active Representative.</p> <p>(b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the Committee, and specified in the notice (the "Non-Active Representative</p>	<p>of those persons properly nominated as an Active Representative, and of the voting process.</p> <p>(c) The voting process shall, for a period of not more than thirty (30) days, as determined by the University and specified in the written notice, (the "Election Period"), allow each active member to cast one secret ballot for each vacant position of Active Representative at a location (or locations) specified in the written notice. Such a location (or locations) shall include voting by electronic means. Within thirty (30) days after the end of the Election Period, the University shall notify active members of the persons elected as Active Representatives, which shall be determined by a majority of votes properly cast. In the event that two (2) or more nominees for one position of Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Active Representative for that position shall be the nominee whose name is drawn by a person designated by the University who is not a nominee.</p> <p>7.3 The election of any Non-Active Representative, voting or non-voting, as identified at 6.1(b) and 6.1(d)(ii), shall be as follows:</p> <p>(a) The election shall be conducted by mail. On or before May 31, 2011, and every three (3) years thereafter, the University shall provide written notice to all non-active members and other beneficiaries of the Plan of the nomination and election process for the Non-Active Representative.</p> <p>(b) The nomination process shall, for a period of not more than thirty (30) days, as determined by the University, and specified in the notice (the "Non-Active Representative Nomination Period"), allow every non-active member and</p>	
--	--	--	--

	<p>Nomination Period”), allow every non-active member and other beneficiary to nominate a person for each vacant Non-Active Representative position. Following the end of the Non-Active Representative Nomination Period, <del>the Committee shall (or shall direct the University to)</del> shall provide written notice to all non-active Plan members and other beneficiaries of those persons properly nominated as a Non-Active Representative, and of the voting process.</p> <p>(c) The voting process shall, for a period of not more than thirty (30) days, as determined by the Committee and specified in the written notice (the “Non-Active Representative Election Period”), allow every non-active member and other beneficiary to cast one secret ballot for each vacant position by mail to an address specified in the written notice. Within thirty (30) days after the end of the Non-Active Representative Election Period, <del>the Committee shall (or shall direct the University to)</del> shall notify all non-active members of the persons elected as Non-Active Representatives, which shall be determined by a majority of votes properly cast. Any votes not received at the address specified in the written notice within two (2) weeks of the end of the Non-Active Representative Election Period shall not be counted in the vote. In the event of an existing, pending or threatened mail strike, the Committee shall require and permit votes to be cast by some other method.</p> <p>(d) In the event that two (2) or more nominees for one position of Non-Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Non-Active Representative shall be the nominee whose name is drawn by a person designated by the Committee who is not a nominee.</p>	<p>other beneficiary to nominate a person for each vacant Non-Active Representative position. Following the end of the Non-Active Representative Nomination Period, the University shall provide written notice to all non-active Plan members and other beneficiaries of those persons properly nominated as a Non-Active Representative, and of the voting process.</p> <p>(c) The voting process shall, for a period of not more than thirty (30) days, as determined by the University and specified in the written notice (the “Non-Active Representative Election Period”), allow every non-active member and other beneficiary to cast one secret ballot for each vacant position by mail to an address specified in the written notice. Within thirty (30) days after the end of the Non-Active Representative Election Period, the University shall notify all non-active members of the persons elected as Non-Active Representatives, which shall be determined by a majority of votes properly cast. Any votes not received at the address specified in the written notice within two (2) weeks of the end of the Non-Active Representative Election Period shall not be counted in the vote. In the event of an existing, pending or threatened mail strike, the University shall require and permit votes to be cast by some other method.</p> <p>(d) In the event that two (2) or more nominees for one position of Non-Active Representative receive an equal number of votes, that is greater than the number of votes received by any other nominee, then the name of each such nominee shall be placed in a container and the elected Non-Active Representative shall be the nominee whose name is drawn by a person designated by the University who is not a nominee.</p>	
--	--	--	--



<p>Article 8 – Term as Committee Member</p>	<p>8.1 The term of a person elected as a Committee Member shall be three years. <u>A person elected as a Committee Member is eligible for re-election, -</u>, subject to a maximum term <u>of three</u> <del>six</del> consecutive <u>three year terms.</u> <del>years upon successful re-election.</del></p> <p>8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(c)(i) and (ii) and (d) shall be three years. <u>A person appointed as a Committee Member pursuant to Articles 6 (c)(i) and (ii) and (c) is eligible for re-appointment,</u> , subject to a maximum <u>of three consecutive three year terms</u> <del>term of six consecutive years upon successful re-election.</del></p> <p>8.4 A Committee Member continues to hold his office as such after the end of his term until a successor is elected or appointed <u>subject to the term limits under Article 8.1 and 8.3, or until his successor is elected or appointed.</u></p> <p>8.5 If a vacancy arises <u>on the Pension Committee</u> prior to the expiry of a Committee Member’s term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises <u>unless the balance of the unexpired term is less than 120 days.</u> In the event the vacancy is for an Active or Non-Active Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(c), the vacancy shall be filled by an appointment of the Board. Any election or appointment under this section shall be carried out or made within 120 days after the vacancy arises.</p>	<p>8.1 The term of a person elected as a Committee Member shall be three years. A person elected as a Committee Member is eligible for re-election, subject to a maximum of three consecutive three year terms.</p> <p>8.3 The term of a person appointed as a Committee Member pursuant to Articles 6(c)(i) and (ii) and (d) shall be three years. A person appointed as a Committee Member pursuant to Articles 6(c)(i) and (ii) and (d) is eligible for re-appointment, subject to a maximum of three consecutive three year terms.</p> <p>8.4 A Committee Member continues to hold his office as such after the end of his term until he is re-elected or re-appointed, subject to the term limits under Articles 8.1 and 8.3, or until his a successor is elected or appointed.</p> <p>8.5 If a vacancy arises on the Pension Committee prior to the expiry of the applicable Committee Member’s term, the vacancy must be filled for the balance of an unexpired term within 120 days after it arises unless the balance of the unexpired term is less than 120 days. In the event the vacancy is for an Active or Non-Active Representative, such an individual shall be elected or appointed in accordance with the provisions of Article 7. In the event the vacancy is for a Board-appointed position as contemplated at Article 6.1(c), the vacancy shall be filled by an appointment of the Board. Any election or appointment under this section shall be carried out or made within 120 days after the vacancy arises.</p>	<p>Approved by Board of Governors February 17, 2017</p> <p>Approved by Board of Governors February 17, 2017</p> <p>Reworded</p> <p>Reworded</p>
<p>Article 9 – Protection of Members</p>			<p>Formerly Article 15 – no text changes made</p>

Article 10 - Amendments	<p><del>17</del><u>10</u>.1 The provisions of <i>Part 1 of</i> this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate.</p>	<p>10.1 The provisions of Part 1 of this Governance Document shall be reviewed at least once every three years and the Committee may make recommendations to the Board to replace or amend, or adopt new provisions. The Board shall have the authority to replace or amend these provisions from time to time as it deems appropriate</p>	<p>Reference to Part 1 of the new layout of the document</p>
Article 11 – Officers	<p><del>9</del><u>11</u>.1 The Committee, <u><i>shall have the following Officers:</i></u> <del>by majority vote, shall annually, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson, and Secretary. as follows:</del> <u>The Committee, by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:</u></p> <p>(a) CHAIRPERSON: <u>The Chairperson (Chair) shall be elected for a term of two years. The Chairperson (“Chair”) shall be elected for an initial term of two years, and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</u></p> <p>The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration of the Committee. The Chair shall be responsible for the authoritative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.</p> <p>The Chair <u>or Vice-Chair along with the Secretary</u> shall execute all documents on behalf of the Committee, <del>and shall be responsible for retaining or appointing one or more agents to carry out any act required to be done by the Committee in the administration of the Plan and investment of the Plan Funds.</del></p>	<p>11.1 The Committee shall have the following Officers: Chairperson, Vice-Chairperson, and Secretary. The Committee, by majority vote, shall every two years, or as often as may be required, elect Committee Members to act as Chairperson, Vice-Chairperson and Secretary:</p> <p>(a) CHAIRPERSON: The Chairperson (Chair) shall be elected for a term of two years.</p> <p>The Chair will preside at all Committee meetings. The Chair shall have general supervision over the affairs and administration of the Committee. The Chair shall be responsible for the authoritative statements of Committee policy in all matters coming to his attention. He shall be responsible for all public relations matters concerning the Committee and shall represent the Committee at all official functions and have the authority to designate the Vice-Chairperson to act in his behalf should the Chair be unable to present himself.</p> <p>The Chair or the Vice-Chair along with the Secretary shall execute all documents on behalf of the Committee.</p>	<p>The positions of Chair Person, Vice-Chair and Secretary can be voted on every second year instead of annually and their terms coincide with voting by Committee members</p> <p>Removed the three year term limit on the Chairperson, Vice-Chair and Secretary</p> <p>Clarification of duties of the Chairperson, Vice-Chair and Secretary</p>

	<p>The Chair shall be primarily responsible for:</p> <ul style="list-style-type: none"> <li>(i) all communications on behalf of the Committee with outside bodies, including the <i>Custodial</i> Trustee or any agents retained or appointed in connection with the Plan;</li> <li>(ii) all dealings with the Board with respect to the Committee’s duties and obligations as described in this Governance Document, the Plan Documents and applicable pension legislation, including the provision to the Board of the Committee’s reviews, recommendations, concerns and reports; and</li> <li>(iii) facilitating communication between the Committee and the Board.</li> </ul> <p>The Chair <i>or Vice-Chair, is so designated by the Chair</i>, shall be an ex officio member of all Subcommittees of the Pension Committee, as described at Article 811.7 herein.</p> <p>(b) VICE-CHAIRPERSON: The Vice-Chairperson (“Vice-Chair”) shall be elected for an initial term of two years, <del>and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p> <p>The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next <i>Chair is named</i>. <del>Committee meeting when elections to that office will be held.</del></p> <p><i>In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.</i></p> <p>(c) SECRETARY: The Secretary shall be elected for an initial term of two years, <del>and subject to a maximum term of three consecutive years upon successful re-election for an additional year.</del></p>	<p>The Chair shall be primarily responsible for:</p> <ul style="list-style-type: none"> <li>(i) all communications on behalf of the Committee with outside bodies, including Custodial Trustees or any agents retained or appointed in connection with the Plan;</li> <li>(ii) all dealings with the Board with respect to the Committee’s duties and obligations as described in this Governance Document, the Plan Documents and applicable pension legislation, including the provision to the Board of the Committee’s reviews, recommendations, concerns and reports; and</li> <li>(iii) facilitating communication between the Committee and the Board.</li> </ul> <p>The Chair or Vice-Chair, if so designated by the Chair, shall be an ex officio member of all Subcommittees of the Pension Committee, as described at Article 11.7 herein.</p> <p>(b) VICE-CHAIRPERSON: The Vice-Chairperson (“Vice-Chair”) shall be elected for a term of two years.</p> <p>The Vice-Chair will carry out any duties requested of him by the Chair. The Vice-Chair will assume the duties of the Chair on his resignation, death, or disability until the next Chair is named.</p> <p>In the absence of the Chair, the Vice-Chair along with the Secretary may execute documents on behalf of the Committee.</p> <p>(c) SECRETARY: The Secretary shall be elected for a term of two years.</p>	
--	---	--	--

	<p>It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.</p> <p>Without limiting the generality of the foregoing:</p> <ul style="list-style-type: none"> <li><del>i.</del> It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production <del>upon request of any Committee Member, the Board, or the University.</del></li> <li>ii. The Secretary shall prepare correspondence relating to the Committee and shall issues notices of all meetings in accordance with Article 9 herein.</li> <li>iii. The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board or the University when so requested.</li> <li>iv. <u><i>In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.</i></u></li> </ul>	<p>It shall be a duty of the Secretary to create and maintain, in a readily accessible format, the records of the Committee, including, but not limited to: minutes of Committee meetings; Committee correspondence; Plan membership lists; copies of Committee reports, statements and other publications; information booklets; copies of the Plan, Plan Documents and supporting documents; copies of applicable pension legislation; current contact information of Committee Members; and all key decisions made by the Committee.</p> <p>Without limiting the generality of the foregoing:</p> <ul style="list-style-type: none"> <li>i. It shall be a duty of the Secretary to cause minutes of each Committee meeting to be recorded and copies of those minutes to be circulated to each Committee Member, either in paper or electronic form, within fourteen days of the meeting taking place. The Secretary shall ensure that copies of all minutes are retained in a format capable of production;</li> <li>ii. The Secretary shall prepare correspondence relating to the Committee and shall issues notices of all meetings in accordance with Article 11 herein;</li> <li>iii. The Secretary will be responsible for keeping a current record of Plan Members, and shall provide such record to Committee Members, the Board or the University when so requested;</li> <li>iv. In the absence of the Chair, the Secretary along with the Vice-Chair may execute documents on behalf of the Committee.</li> </ul>	<p>Added responsibility of the Vice-Chair and Secretary</p>
--	--	--	---

	<p><del>9</del>11.6 The Board <del>Committee</del>, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.</p>	<p>11.6 The Committee, from time to time, and subject to the provisions of any applicable legislation, may vary, add or limit the powers and duties of any officer of the Committee.</p>	<p>Changed to be a Committee responsibility for how the Committee operates</p>
<p>Article 12 – Committee Meetings</p>	<p><del>10</del>12.10 Every Committee Member entitled to vote at a meeting may appoint a proxyholder, who need not be a member of the Committee, to vote in the Member’s absence. A proxy shall be in writing executed by the Committee Member</p>		<p>Historically proxy voting has not been used and the provision is discontinued.</p>
<p>Article 13 – Submissions and recommendations to the Board</p>	<p><del>11</del>13.2 Any proposed statements, submissions, opinions or recommendations (collectively, “Submissions”) to the Board shall be <u>developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to the members of the Committee.</u> <del>agreed upon by the Committee in accordance with Article 9 herein.</del></p> <p><del>11</del>13.3 <u>The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members or with external Service Providers or the Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.</u></p> <p><del>Once agreed upon by the Committee, the Secretary shall be responsible for preparing the Committee’s Submissions, in paper format or some other format acceptable to the Board. Once the Committee’s Submissions have been so prepared, the Secretary shall ensure that each Committee Member is provided with a copy of the</del></p>	<p>13.2 Any proposed statements, submissions, opinions or recommendations (collectively, “Submissions”) to the Board shall be developed by the Secretary based on the discussions and recommendations of the Committee. Prior to transmittal to the Board, the Secretary and the Chair shall agree on the contents of the Submission. The Chair or Secretary may elect to consult with the Committee with respect to any Submission. Copies of all Submissions to the Board shall be provided to members of the Committee.</p> <p>13.3 The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquiries of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members, with external Service Providers or the Administrative Service Provider) in the circumstances for the Chair to give a reasonably well informed answer.</p>	<p>Revisions to streamline the process of reporting to the Board of Governors</p>

	<p>proposed Submission, and given at least fourteen days to review it before it is submitted to the Board. If a Committee Member takes issue with any aspect of the proposed Submission as it relates to what was agreed upon by the Committee pursuant to Article 10.2 above, he shall deliver notice, in writing, to the Secretary within those fourteen days. Such notice shall include details of his concerns, and any proposed changes to the Submission to bring it in line with what was previously agreed upon by the Committee. If such notice is received, the Secretary shall deliver copies of the notice to all other Committee Members. The Chair shall be responsible for reviewing the notice and ensuring that the proposed Submission accurately reflects that which was previously agreed upon by the Committee. If necessary, the Secretary, under the direction of the Chair, shall make whatever changes to the Submission as are required to bring it into compliance with the Committee's agreement. If and when such changes are made, the Secretary shall then ensure that each Committee Member is provided with a copy of the amended Submission. The Chair shall then present the Submission to the Board.</p> <p><del>11.4</del> The Chair shall be responsible for fielding any inquiries from the Board arising out of any presented Submission. The Chair shall ensure that all Committee Members are kept apprised of the dialogue between the Chair and the Board arising out of a Submission, and shall ensure that all inquires of the Board are responded to in a timely fashion, and only after whatever consultation is necessary (either with other Committee Members or with external Service Providers) in the circumstances for the Chair to give a reasonably well informed answer.</p>		
Article 14 – Transactions with related parties	<p>14.1 <u>A “related party” is defined to mean:</u>  <u>(a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;</u>  <u>(b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;</u></p>	<p>14.1 A “related party” is defined to mean:  (a) A person who is a member of the Pension Committee, including any officer, director or employee of the Pension Committee;  (b) a person responsible for holding or investing Plan assets, including any officer, director, or employee of such person;</p>	Regulatory compliance - Related party transactions follows from the “Pension Benefit Standards

<p><u>(c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;</u></p> <p><u>(d) the University, including any officer, director, or employee thereof;</u></p> <p><u>(e) a member of the Plan;</u></p> <p><u>(f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);</u></p> <p><u>(g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);</u></p> <p><u>(h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or</u></p> <p><u>(i) an entity that holds a substantial investment in the University. Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.</u></p> <p><u>The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:</u></p> <p><u>(a) the transaction is required for operation or administration of the Plan and</u></p> <p><u>if:</u></p> <p><u>(i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and</u></p> <p><u>(ii) it does not involve the making of loans to, or investments in, the related party;</u></p> <p><u>(b) the transaction is an investment:</u></p> <p><u>(i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;</u></p> <p><u>(ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</u></p>	<p>(c) an association or a union representing employees of the University, including any officer, director, or employee of such association or union;</p> <p>(d) the University, including any officer, director, or employee thereof;</p> <p>(e) a member of the Plan;</p> <p>(f) the spouse or common-law partner or child of a person named at any of paragraphs (a) - (e);</p> <p>(g) a corporation that is directly or indirectly controlled by a person named at any of paragraphs (a) - (f);</p> <p>(h) an entity in which a person referred to in paragraph (a) or (d), or the spouse or common-law partner or child of such a person, has a substantial investment; or</p> <p>(i) an entity that holds a substantial investment in the University.</p> <p>Related party does not include a federal or provincial government or a federal or provincial government agency, or a bank, trust company or other financial institution that holds the assets of the Plan.</p> <p>The Committee, on behalf of the Plan, may not enter into a transaction with a related party unless:</p> <p>(a) the transaction is required for operation or administration of the Plan and if:</p> <p>(i) it is under terms and conditions that are not less favourable to the Plan than market terms and conditions; and</p> <p>(ii) it does not involve the making of loans to, or investments in, the related party;</p> <p>(b) the transaction is an investment:</p> <p>(i) in an investment fund or a segregated fund that is open to investors other than the Committee and its affiliates and that complies with the 10% rule and 30% rule under Sections 9 and 11 of Schedule III to the Pension Benefits Standards Regulations, 1985;</p> <p>(ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</p>	<p>Regulations, 1985, Schedule III"</p>
---	--	---

<p><u>(iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</u></p> <p><u>(iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;</u></p> <p><u>(v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or</u></p> <p><u>(vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or</u></p> <p><u>(c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.</u></p> <p>Transactions less than 0.5% of the market value of the Fund are considered nominal.</p> <p><del>5.1 The Committee may enter into a transaction with a related party on behalf of the Plan if:</del></p> <p><del>(a) the transaction is required for the operation or administration of the plan, and</del></p> <p><del>(b) the terms and conditions of the transaction are not less favourable to the Plan than market terms and conditions</del></p> <p><del>5.2 The Committee may enter into a transaction with a related party on behalf of the Plan if the value of the transaction is nominal or the transaction is immaterial to the Plan.</del></p> <p><del>5.3 For the purposes of Article 5.2, in assessing whether the value of the transaction is nominal or whether a transaction is immaterial, two or more transactions with the same related party shall be considered as a single transaction</del></p>	<p>(iii) in a fund composed of mortgage-backed securities that are fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;</p> <p>(iv) in a fund that replicates the composition of a widely recognized index of a broad class of securities traded at a marketplace;</p> <p>(v) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada, or</p> <p>(vi) that involves the purchase of a contract or agreement in which the return is linked to the performance of a widely recognized index of a broad class of securities traded at a marketplace; or</p> <p>(c) the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the Plan.</p> <p>Transactions less than 0.5% of the market value of the Fund are considered nominal.</p>	
--	---	--



Article 15 – Liability and insurance			Formerly Article 13 – no text changes made
Article 16 – Administrative expenses	<p><del>1416.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that: The Committee is entitled to be compensated from the Pension Fund for those fees and expenses incurred in the administration of the Plan, provided that:</del></p> <p>(a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;</p> <p>(b) the magnitude of the fee or expense in question is reasonable.</p> <p><u>1416.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund: Committee is entitled to benefits from the Pension Fund to cover the following administrative fees or expenses:</u></p> <p>(a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;</p> <p>(b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;</p> <p>(c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;</p> <p><del>(d) administrative expenses (including photocopying, printing, mailing, telephone, registration fees);</del></p> <p><del>(e)</del><u>(d)</u> audit fees; and</p> <p><del>(f)</del><u>(e)</u> fees or expenses owed to agents pursuant to the terms of service agreements <u>including the Pension Plan Administrative Services Agreement.</u></p>	<p>16.1 Fees and expenses incurred by the Committee in the administration of the Plan are to be paid from the Pension Fund, provided that:</p> <p>(a) the fee or expense in question is or was reasonably necessary for the proper administration of the Plan;</p> <p>(b) the magnitude of the fee or expense in question is reasonable.</p> <p>16.2 Without limiting the generality of the foregoing, and subject to the overriding requirement of reasonableness, the following administrative fees or expenses shall be paid from the Pension Fund:</p> <p>(a) actuarial fees incurred for the preparation and filing of those documents required by law, and actuarial fees incurred in relation to the provision of advice or services reasonably necessary for the proper administration of the Plan;</p> <p>(b) the costs of continuing education for Committee Members, provided that such education is necessary to achieve or maintain the skills, knowledge and expertise for the proper administration and operation of the Plan;</p> <p>(c) legal fees and costs incurred in obtaining legal advice for the proper administration of the Plan;</p> <p>(d) audit fees; and</p> <p>(e) fees or expenses owed to agents pursuant to the terms of service agreements including the Pension Plan Administrative Services Agreement.</p>	Clarifying assignment of expenses and that expenses will be explicit in the Administrative Services Agreement between the University and the Pension Committee.

Article 17 – Signing authority	<del>16</del> 17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed in accordance with the University Policy on Signing of Agreements, as dictated by the University of Manitoba Act, C.C.S.M. c. U60.	17.1 All agreements, contracts and other documents requiring approval from the Pension Committee must be executed by the Chair, or in their absence, both the Vice-Chair and Secretary.	Reworded
Article 18 – Amendments	<u>18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.</u>	18.1 The provisions of Part 2 of this Governance Document shall be reviewed at least once every three years and the Committee may replace or amend, or adopt new provisions. The Committee shall have the authority to replace or amend these provisions from time to time as it deems appropriate.	The Committee has the authority to amend Part 2 of the Governance Document. The Board of Governors retains approval authority over any recommended changes to Part 1 of the document
Article 19 – Compensation for Members			Formerly Article 18 – no text changes made



**AGENDA ITEM:** Approval of Suspension of Admissions to the Integrated Bachelor of Music / Bachelor of Education Degree

**RECOMMENDED RESOLUTION:**

For information

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

The Board policy on *Admission Targets* (section 2.6) specifies that the President may suspend admissions to a program for defined time periods at intervals of no more than 24 months following consultation and discussion with the applicable Unit's dean or director, with Senate and with the Board of Governors, subject to the provisions of the provincial Programs of Study Regulation.

At its meeting on May 17, 2017, Senate was informed that the President had approved a request to suspension of admissions to the Integrated Bachelor of Music/Bachelor of Education degree for a period of one year. Pending approval by the Province, suspension of admissions would take effect for the Fall 2018.

The President had previously consulted with Senate (February 1, 2017) and with the Board of Governors (March 21, 2017) regarding a request to suspend admissions to the program.

**RESOURCE REQUIREMENTS:**

N/A

**CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

N/A

**IMPLICATIONS:**

The temporary suspension of admissions to the Integrated Bachelor of Music / Bachelor of Education degree will not adversely affect students currently enrolled the program.

**ALTERNATIVES:**

N/A

**CONSULTATION:**

The President's decisions to suspend admissions to the various programs was communicated to Senate Executive (May 3, 2017) and to Senate (May 17, 2017), for information.



### Board of Governors Submission

**Routing to the Board of Governors:**

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	President	March 31, 2017
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Senate Executive	May 3, 2017
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Senate	May 17, 2017
<input type="checkbox"/>	<input type="checkbox"/>		

**Submission prepared by:** Senate

**Submission approved by:** University Secretary


**Attachments**

- Correspondence from the President and Vice-Chancellor [dated March 31, 2017]  
RE: Suspension of Admissions to the Integrated Bachelor of Music/Bachelor of Education Program



**Date:** March 31, 2017

**To:** Jeff Leclerc  
University Secretary

**From:** David T. Barnard, Ph.D.  
President and Vice-Chancellor 

**Re:** Suspension of Admissions to the Integrated Bachelor of Music/Bachelor of Education Program

---

The recommendations to suspend admissions to the Integrated Bachelor of Music/Bachelor of Education Program were brought forward for consultation with Senate on March 1, 2017 and the Board of Governors on March 21, 2017, with no significant concerns being raised. Under the Admission Targets Policy, it is the President who approves changes to, or the introduction of, enrolment limits following consultation and discussion with the dean or director, Senate, and the Board of Governors. As a result, admission to the Integrated Bachelor of Music/Bachelor of Education Program should be suspended for the Fall 2018 intake and I would ask that you proceed accordingly.

cc. Dr. Janice Ristock, Provost and Vice-President (Academic)  
Dr. Edmund Dawe, Dean, Faculty of Music  
Dr. David Mandzuk, Dean, Faculty of Education  
Mr. Jeff Leclerc, University Secretary  
Mr. Jeff Adams, Executive Director, Enrolment Services  
Mr. Neil Marnoch, Registrar  
Mr. Randy Roller, Executive Director, OIA  
Ms. Cassandra Davidson, Academic Programs Specialist



**AGENDA ITEM:** Requests to Extend Suspension of Admissions to Undergraduate (B.Sc. in Textile Sciences, P.B.Dip. in Agrology) and Graduate (Ph.D. in Cancer Control, M.Sc. in Family Social Sciences, M.A. in Icelandic, M.Sc. in Textile Sciences) Programs

**RECOMMENDED RESOLUTION:**

For discussion / advice.

**Action Requested:**  Approval  Discussion/Advice  Information

**CONTEXT AND BACKGROUND:**

The Board policy on *Admission Targets* (section 2.6) specifies that the President may suspend admissions to a program for defined time periods at intervals of no more than 24 months following consultation and discussion with the applicable Unit's dean or director, with Senate and with the Board of Governors, subject to the provisions of the provincial Programs of Study Regulation.

The President has received requests from Dr. Carlberg, Associate Dean (Academic), Faculty of Agricultural and Food Sciences, to extend suspension of admissions to three undergraduate programs, until May 2018, including the:

- Bachelor of Science in Textile Sciences, including the Product Development and the Textile Development streams. Admissions to the programs have been suspended since May 2013, including two one-year extensions of the suspended status, in May 2015 and in May 2016;
- Post-baccalaureate Diploma in Agrology (Internationally Educated Agrologists Program). Admissions to the program have been suspended since September 2015, including one extension of the suspended status, in May 2016;

The President has received requests from Dr. Mondor, Vice-Provost (Graduate Education) and Dean, Faculty of Graduate Studies, to extend suspension of admissions to four graduate programs, as outlined below:

- Ph.D. in Cancer Control – Request to extend to May 2018. Admissions to the program have been suspended since May 2014;
- Master of Science in Textile Sciences – Request to extend to May 2019. Admissions to the program have been suspended since September 2015;
- Master of Science in Family Social Sciences – Request to extend to May 2019. Admissions to the program have been suspended since May 2015;
- Master of Arts in Icelandic – Request to extend to May 2019. Admissions to the program have been suspended since September 2015.

**RESOURCE REQUIREMENTS:**

N/A

**CONNECTION TO THE UNIVERSITY PLANNING FRAMEWORK:**

N/A

**IMPLICATIONS:**

The decision to extend the suspension of admissions to the various program would not adversely affect students currently enrolled in the programs, who would be allowed to complete their programs.

**ALTERNATIVES:**

N/A

**CONSULTATION:**

The President consulted Senate on the requests to extend suspension of admissions to the various programs at its meeting on May 17, 2017.



## Board of Governors Submission

### Routing to the Board of Governors:

<u>Reviewed</u>	<u>Recommended</u>	<u>By</u>	<u>Date</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Senate Executive	May 3, 2017
<input type="checkbox"/>	<input type="checkbox"/>	Senate	May 17, 2017
<input type="checkbox"/>	<input type="checkbox"/>		
<input type="checkbox"/>	<input type="checkbox"/>		

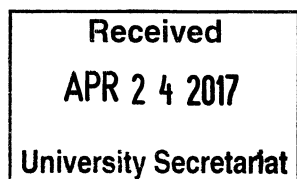
**Submission prepared by:** Senate

**Submission approved by:** University Secretary

### Attachments

- Correspondence from the President and Vice-Chancellor [dated April 21, 2017] RE: Extension – Suspensions of Admissions to Programs
- Correspondence from the Vice-Provost (Integrated Planning and Academic Programs) [dated April 17, 2017] RE: Recommendation on Suspension of Admissions, Undergraduate Programs
  - Correspondence from the Associate Dean, Faculty of Agricultural and Food Sciences [dated April 13, 2017] RE: Continued Suspension of Intake into Internationally Educated Agrologists Post-Baccalaureate Program (IEAP) and B.Sc. (Textile Sciences) Programs
- Correspondence from the Vice-Provost (Integrated Planning and Academic Programs) [dated April 17, 2017] RE: Recommendation on Suspension of Programs, Graduate Programs
  - Correspondence from Acting Vice-Provost (Graduate Education) and Dean of Graduate Studies [dated April 3, 2017] RE: Requests to Extend Status of Suspended Programs (Spring 2017)





**DATE:** April 21, 2017

**TO:** Jeff Leclerc  
University Secretary

**FROM:** David T. Barnard, Ph.D.  
President and Vice-Chancellor

**RE:** Extension – Suspension of Admissions of Programs

I have received the attached request recommending that the current suspension of admissions for the following undergraduate and one graduate programs be extended until May 2018, and three graduate programs until May 2019.

Undergraduate Programs (extend to May 2018):

- B.Sc. (T.S.) - Product Development
- B.Sc. (T.S.) - Textile Development
- Internationally Educated Agrologists Post-Baccalaureate Diploma Program (IEAP)

Graduate Programs:

- Ph.D., Cancer Control (extension to May 2018)
- M.Sc., Family Social Sciences
- M.A., Icelandic
- M.Sc., Textile Sciences

Under the Admission Targets Policy, it is the President who approves changes to, or the introduction of, enrolment limits following consultation and discussion with the dean or director and with Senate. Prior to making a decision on this request, I would like an opportunity to present this matter to Senate for consultation.

Please place this item on the next agenda for the Senate Executive Committee and Senate.


cc: Dr. Janice Ristock, Provost and Vice-President (Academic)  
Dr. David Collins, Vice-Provost (Integrated Planning and Academic Programs)  
Dr. Brian Postl, Dean, College of Medicine & Dean, Faculty of Health Sciences Vice-Provost (Health Sciences)  
Dr. Todd A. Mondor, Acting Vice-Provost (Graduate Education) & Dean, Faculty of Graduate Studies  
Dr. Beverly O'Connell, Dean, College of Nursing, Faculty of Health Sciences  
Dr. Robert Hoppa, Acting Dean, Faculty of Arts  
Dr. Karin Wittenberg, Dean, Faculty of Agricultural and Food Sciences  
Mr. Neil Marnoch, Registrar  
Cassandra Davidson, Academic Program Specialist



UNIVERSITY  
OF MANITOBA

Office of the Provost & Vice-President (Academic)

208 Administration Building  
Winnipeg, Manitoba  
Canada R3T 2N2  
Telephone 204-480-1408  
Fax 204-275-1160

**Date:** April 17, 2017  
**To:** Dr. David Barnard, President and Vice-Chancellor  
**From:** Dr. David Collins, Vice-Provost (Integrated Planning & Academic Programs)   
**Subject:** **Recommendation on Suspension of Admissions, Undergraduate Programs**

---

Admissions to the following undergraduate-level programs are currently suspended:

- **Textile Sciences, [B.Sc. (T.S.) – Product Development and B.Sc. (T.S.) – Textile Development ]** (Senate notified of original decision, January 8, 2014; last extension of status, July 14, 2016; effective until May 2017)
- **Internationally Education Agrologists Post-Baccalaureate Diploma Program (IEAP)** (Senate notified February 3, 2016; last extension of status, July 14, 2016, effective until May 2017)

Following consultations with the Dean of the Faculty of Agricultural and Food Sciences (see attached), I would recommend that the current suspension of admissions to these programs be extended to May 2018.

There are currently no students in these programs and the Faculty has indicated that they will be moving forward with requests to close these programs over the course of the next year. Suspension of admissions for one more academic year will allow the time needed for consideration of the requests for closure as they begin moving through the appropriate institutional and provincial approval processes.

As per the Admissions Target Policy, the President may suspend admissions to a program following consultation with the Dean/Director, with Senate and with the Board of Governors. As such, I would request that you give this request favorable consideration.

cc. Janice Ristock, Provost and Vice-President (Academic)  
Jeff Leclerc, University Secretary  
Karin Wittenberg, Dean, Faculty of Agricultural and Food Sciences  
Jared Carlberg, Associate Dean (Academic), Faculty of Agricultural and Food Sciences



UNIVERSITY  
OF MANITOBA


Faculty of Agricultural and Food  
Sciences

Office of the Dean  
256 - 66 Dafoe Road  
Winnipeg, Manitoba  
Canada R3T 2N2  
Phone (204) 474-6026  
Fax (204) 474-7525

#### MEMORANDUM

**DATE:** April 13<sup>th</sup>, 2017

**TO:** Dr. David Collins, Vice-Provost (Integrated Planning and Academic Programs)

**FROM:** Dr. Jared Carlberg, Associate Dean (Academic) 

**SUBJECT:** Continued Suspension of Intake into Internationally Educated Agrologists Post-Baccalaureate Program (IEAP) and B.Sc. (Textile Sciences) Programs

---

The Faculty of Agricultural and Food Sciences recommends continued suspension (first implemented by Senate in June of 2015) of admissions into the Internationally Educated Agrologists Post-Baccalaureate Diploma Program (IEAP) for the 2017-2018 academic year. Intake for the IEAP was previously suspended for the 2015-2016 and 2016-2017 years due to low enrolment and the high cost of delivering the program. The conditions that led to our Faculty's previous request to suspend IEAP admissions have not changed, and it is the Faculty's intent to apply for program closure this spring.

The Faculty of Agricultural and Food Sciences also recommends continuing the suspension (first implemented by Senate in January of 2014) of admissions into the Bachelor of Science (Textile Sciences) programs. The last student enrolled in the program graduated this past October. It is the Faculty's intent to apply for program closure this spring.

Please do not hesitate to contact me if you require any further information on this matter.



UNIVERSITY  
OF MANITOBA

Office of the Provost & Vice-President (Academic)

208 Administration Building  
Winnipeg, Manitoba  
Canada R3T 2N2  
Telephone 204-480-1408  
Fax 204-275-1160

**Date:** April 17, 2017  
**To:** Dr. David Barnard, President and Vice-Chancellor  
**From:** Dr. David Collins, Vice-Provost (Integrated Planning & Academic Programs)  
**Subject:** Recommendation on Suspension of Programs, Graduate Programs

Admissions to the following graduate-level programs are currently suspended:

- **Ph.D., Cancer Control** (Senate notified April 2, 2014; extension effective until May 2017)
- **M.Sc., Family Social Sciences** (Senate notified February 4, 2015; extension effective until May 2017)
- **M.A., Icelandic** (Senate notified February 3, 2016; extension effective until May 2017)
- **M.Sc., Textile Sciences** (Senate notified February 3, 2016; extension effective until May 2016)

Dr. Todd Mondor, Acting Vice-Provost (Graduate Education) and Dean, Faculty of Graduate Studies is recommending that the current suspension of admissions to these programs be extended (see attached). I concur with this assessment and further recommend that the suspended status of the PhD in Cancer Control be granted an extension until May 2018, and all others to May 2019, with a subsequent review of these decisions no later than February of the respective year.

Current students will continue to register in these programs for the 2017-2018 and 2018-2019 academic year, where applicable.

As per the Admissions Target Policy, the President may suspend admissions to a program following consultation with the Dean/Director, with Senate and with the Board of Governors. As such, I would request that you give this request favorable consideration.

cc. Janice Ristock, Provost and Vice-President (Academic)  
Jeff Leclerc, University Secretary  
Todd Mondor, Acting Vice-Provost (Graduate Education) and Dean, Faculty of Graduate Studies  
Bev O'Connell, Dean, College of Nursing  
Brian Postl, Dean and Vice-Provost (Health Sciences), Faculty of Health Sciences  
Jeff Taylor, Dean, Faculty of Arts  
Karin Wittenberg, Dean, Faculty of Agricultural and Food Sciences



UNIVERSITY  
OF MANITOBA

Graduate Studies

500 University Centre  
Winnipeg, Manitoba  
Canada R3T 2N2  
Telephone: (204) 474-9887  
Fax: (204) 474-7553

## MEMORANDUM

April 3, 2017

To: Cassandra Davidson, Academic Program Analyst  
Office of the Provost & Vice-President (Academic)

From: Todd A. Mondor, Acting Vice Provost (Graduate Education)  
And Dean of Graduate Studies

Re: Requests to Extend Status of Suspended Programs (Spring 2017)

---

Further to my memo of April 26, 2016 (which follows) requesting the suspension of the below programs, I have consulted with the respective home unit Deans concerning the option to extend the suspensions of these programs. The results are as follows:

- Ph.D. in Cancer Control
  - an additional 12 month extension to May 2018
- Master of Science in Textile Sciences:
  - an additional 24 month extension to May 2019
- Master of Arts in Icelandic Language & Literature:
  - an additional 24 month extension to May 2019
- Master of Science in Family Social Sciences
  - an additional 24 month extension to May 2019

There are a number of students still registered in and completing their programs of study and I therefore respectfully ask that these programs not be closed at this time.

/ak



UNIVERSITY  
OF MANITOBA

Office of the Dean  
Faculty of Graduate Studies

Todd A. Mondor  
500 University Centre  
Winnipeg, Manitoba  
Canada R3T 2N2  
Telephone: (204) 474-9887  
Fax: (204) 474-7553

## MEMORANDUM

**Date:** April 26, 2016

**To:** Cassandra Davidson, Undergraduate Program Analyst  
Office of the Provost & Vice-President (Academic)  
109 Admin Bldg.

**From:** Todd A. Mondor, Acting Vice Provost (Graduate Education)  
and Dean of Graduate Studies

**Re:** Requests to Extend Status of Suspended Programs

---

### **Master's Program in Textile Sciences**

In 2015, the Master's program in Textile Sciences was amalgamated with the graduate programs in Biosystems Engineering, with the agreement that all future admissions would be to Biosystems Engineering programs. As a result, admissions to the Master's program in Textile Sciences were suspended in 2015. Dr. Karin Wittenberg, Dean of the Faculty of Agricultural and Food Sciences, has advised that this suspension should continue and I concur. I am, therefore, writing to you to request that the suspension of admissions to the Master's program in Textile Sciences be continued.

### **Master's Program in Icelandic Language and Literature**

In 2015, admissions to the Master's program in Icelandic Language and Literature were suspended because only a single academic staff member was affiliated with the department. Dr. Jeff Taylor, Dean of the Faculty of Arts, has recommended that this suspension should continue and I concur. I am, therefore, writing to you to request that the suspension of admissions to the Master's program in Icelandic Language and Literature be continued.

### **Master's Program in Family Social Sciences**

In 2015, admissions to the Master's program in Family Social Sciences were suspended owing to the amalgamation of the graduate programs in the Departments of Family Social Sciences and Community Health Sciences, and the redundancy that was created as a result. Dr. Verena Menec, the Graduate Chair in Community Health Sciences, has recommended that this suspension should continue and I concur. I am, therefore, writing to you to request that the suspension of admissions to the Master's Program in Family Social Sciences be continued.

### **PhD Program in Cancer Control**

Admissions to the PhD program in Cancer Control were suspended in 2015 because the program had been replaced by the PhD program in Nursing. Dr. Jo Ann Sawatzky, Associate Dean in the Faculty of Nursing, has recommended that this suspension should continue and I concur. I am, therefore, writing to you to request that the suspension of admissions to the PhD Program in Cancer Control be continued.

## PRESIDENT'S REPORT: June 27, 2017

### GENERAL

The University of Manitoba congratulates Mr. Jerome Knysh [BSc(IE)/84, ExtEd/87, MBA/90] on his May 24 election as the Alumni Representative to the Board of Governors. Mr. Knysh replaces Mr. Rennie Zegalski [BComm/95] who has completed the maximum number of three-year terms.

From May 26-June 4, the University participated in the Pride Winnipeg Festival, which consists of a number of cultural events which celebrate the diverse community that supports or identifies with gay, lesbian, transsexual, transgender, intersex, two-spirit, and queer people. Included in the University's events were a panel discussion on the topic Out in Healthcare, a flag-raising ceremony, a LGBTTQI\* reception, and participation in the Pride Winnipeg parade under the University of Manitoba banner.

A project governance structure sponsored by the Provost and Vice-President (Academic) and the Vice-President (Administration) has been established to implement the new budget model for the 2018/19 fiscal year. The project team includes stakeholders from faculties and administrative units, and a recently recruited project manager who will support overall project coordination. The team is currently working on drafting foundational project documents such as the project charter, risk plan, change plan, team roles and responsibilities, and a work plan. Huron consultants continue to work with the UM project team and business officers to finish building the planning and budgeting software tool. Once development of the software is complete, users will receive training on how to develop and report on their operating budgets under the new budget model, using the new software tool. The project team anticipates the 2018/19 planning and budget cycle using the new model and software to begin in the fall.

On June 13, the University of Manitoba received the gift of a bust of His Excellency Václav Havel [LLD/99] (1936-2011), the last President of Czechoslovakia (1989–92) and the first President of the Czech Republic (1993–2003) from His Excellency Pavel Hrnčíř, Czech Ambassador to Canada. The bust was commissioned as an Art for Amnesty project and was given to the University as a reminder of the dedication to the human rights movement shared by the Province of Manitoba and the late president Havel, and will be permanently installed within the Taché Arts Project.

June 21 marked National Aboriginal Day in Canada, and the celebrations at the University of Manitoba included a Friendship Round Dance – a Cree tradition where participants join hands and dance in a large circle – followed by coffee, cake and community at Migizii Agamik – Bald Eagle Lodge. Also on June 21, President Barnard signed the City of Winnipeg's Indigenous Accord on behalf of the University of Manitoba. The Accord is part of the City of Winnipeg's commitment to reconciliation and convenes individuals and organizations in a mutual process of goal setting to establish what role each can play. The University of Manitoba's goals refer to increasing its complement of Indigenous faculty members, making funds available to support Indigenous research and scholarship, and increasing bursaries and scholarships for Indigenous graduate students.

## ACADEMIC MATTERS

- Brian Postl, vice-provost and dean, health sciences and dean of medicine, received the MacNaught-Taillon Leadership Award at the conference of the Canadian Association of Health Services Research and Policy Research. The award, given every three years, recognizes outstanding individual contributions to Canadian health care through leadership and mentorship in the advancement of health policy, health information and health informatics.
- Bruce Martin, medicine, received the May Cohen Equity, Diversity, and Gender Award from the Association of Faculties of Medicine of Canada. Dr. Martin is a strong advocate for addressing the historical under-representation in medical colleges of individuals from diverse socio-economic and cultural backgrounds, and learners with disabilities. He has collaborated extensively in promoting a safe, supportive and professional learning environment.
- Martin Scanlon, food science, was recently elected to serve as a member of the Board of Directors for American Association of Cereal Chemists (AACC) International.
- The Decolonizing Lens is a monthly film series co-organized by Jocelyn Thorpe, women's & gender studies and Kaila Johnston, national centre for truth and reconciliation, that brings together Indigenous filmmakers, their films, and their audiences. The series is being sponsored by the Margaret Laurence Endowment Fund, Women's & Gender Studies, and the National Centre for Truth and Reconciliation.

In May, Alanis Obomsawin was in Winnipeg to screen and discuss her documentary *"We Can't Make the Same Mistake Twice"* which focuses on the landmark discrimination case filed by the Assembly of First Nations and the Child and Family Caring Society of Canada against Indian Affairs and Northern Development Canada in 2007.

- From April 29 to May 2, the Rady Faculty of Health Sciences hosted the 2017 Canadian Conference on Medical Education (CCME), attracting more than 1,300 delegates. The conference theme was *"Rethinking Teaching and Learning"*. University of Manitoba faculty, students and researchers gave presentations on topics such as developing an interprofessional collaborative care longitudinal curriculum; implementing anti-racist pedagogy; successful application to Medicine for Indigenous students; and predictors of physician attitudes toward transgender people, to name a few.
- The College of Nursing hosted Dr. Lisa Bourque Bearskin as the 2017 Margaret Elder Hart Distinguished Visitor. She addressed the impact of the Truth and Reconciliation Commission on nursing and the role of Indigenous knowledge in health care.
- On May 18, the University celebrated its largest graduating class of new doctors (113). As they move on to residency training 65 per cent are staying in Manitoba of which 18 will be taking up family residency in Northern, remote and rural locations. The class includes nine students of self-declared Indigenous ancestry and seven French-speaking bilingual students.



- Great-West Life, Investor’s Group and Power Corporation of Canada announced a commitment of \$12 million through the University of Manitoba’s Front and Centre campaign to create the Institute for Leadership Development, a new teaching and research institute focused on developing leaders in Manitoba and housed at the Asper School of Business.

## RESEARCH MATTERS

- On May 4, the Government of Canada announced \$5.8 million for five new and two renewed Canada Research Chairs (CRC) to the University of Manitoba professors. Many of the chairs focus on the health of Canadians.

The chairholders are:

- Ties Boerma (Community Health Sciences) Chair in Population and Global Health - The research objectives are to improve the measurement of the coverage of health interventions, including health promotion, prevention and treatment and to enhance the monitoring and evaluation of health programs at subnational levels.
- Andrew Halayko (Physiology/Pathophysiology/Internal Medicine/Pediatrics & Child Health) Chair in Chronic Lung Disease Pathology and Treatment - This Chair’s research will support the identification of unique markers of lung disease and the development of new therapies for chronic lung diseases, such as asthma.
- Jason Kindrachuk (Medical Microbiology and Infectious Diseases) Canada Research Chair in Molecular Pathogenesis of Emerging and Re-Emerging Viruses – Kindrachuk’s research aims to characterize the complex relationships between the cellular responses to emerging and re-emerging viruses and the clinical manifestations of disease.
- Robert Lorway (Community Health Sciences) Chair in Global Intervention Politics and Social Transformation - Lorway will uncover the social effects of increasingly evidence-driven global interventions. This program will help global policy-makers, scientific experts, and practitioners to develop more democratic ways of designing, executing, and monitoring global interventions.
- Michael Pickles (Community Health Sciences) Chair in Mathematical Modelling and Global Public Health - Pickles aims to develop innovative mathematical models that describe the real-world complexity of the treatment and prevention of HIV and other sexually transmitted infections (STIs). This research will help policy-makers to improve HIV/STI prevention and control measures in Canada and globally.
- Marcelo Urquia (Community Health Sciences) Chair in Applied Population Health - Urquia will clarify the role of sociocultural influences on health and inform policy and programs. This research will advance our understanding of how everyday life conditions and exceptional life events (e.g., pregnancy, a serious disease, immigration, incarceration, among others) affect the health and well-being of different family members and population subgroups.
- Tamra Werbowetski-Ogilvie (Biochemistry & Medical Genetics) Canada Research Chair in Neuro-oncology and Human Stem Cells, renewed chair - Werbowetski-Ogilvie’s research will lead to the development of new biomarkers and treatment strategies for pediatric brain tumors, with the goal of halting the growth and spread of these devastating diseases.
- Zhenyu Wu (Business Administration) Chair in Entrepreneurship and Innovation, renewed chair - Wu’s research addresses how family involvement and characteristics of top management teams jointly affect firms’ entrepreneurial activities in international settings.

- International Centre

Date	Title	Audience
2017-04-14	Student Internship Agreement	Università degli Studi di Firenze, Italy
Signing at partner (signed at UofM April 2017)	Amended Student Exchange Agreement	Univeristy of Blaise Pascal, France
2017-01-04	Student Internship Agreement	Uniterra - World University Service of Canada (WUSC)
2017-03-06	Student Exchange Agreement, Asper School of Business	NEOMA Business School, France
2017-03-08	Student Exchange Agreement, Asper School of Business	University of Heilbronn, Germany
2017-03-23	Erasmus+ Intern-Institutional Agreement	Univeristy of Caen Normandie, France
2017-03-29	Faculty Mobility agreement	Univeristy of Vilnius, Lithuania

- Fourteen researchers were awarded funding from various external sponsors totaling \$491,010. Those receiving more than \$25,000 per project are:

PI	Sponsor	Title	Awarded
Amiro, Brian (Soil Science)	Agriculture and Agri-Food Canada	Biogeochemical dynamics of cropland	\$51,750
Bassuoni, Mohamed (Civil Engineering)	City of Winnipeg	Suitability of limestone or dolomite aggregates for use in concrete pavements	\$38,000
Becker, Allan (Pediatrics and Child Health)	Research Manitoba	Canadian Healthy Infant Longitudinal Development Study	\$40,000
Belmonte, Mark (Biological Sciences)	Agriculture and Agri-Food Canada	Identification of fusarium head blight resistance genes in wheat	\$43,542
Daayf, Fouad (Plant Science)	Agriculture and Agri-Food Canada	Role of F. poae and other Fusarium species	\$39,000
Flaten, Donald (Soil Science)	Manitoba Pork Council	Long term pig and dairy manure management BMPs for annual and perennial crops - phase 2: Intermittent manure applications, P drawdown and N mineralization	\$50,000
Linden, Rick (Sociology)	City of Winnipeg	Winnipeg Police Service Community Research Liaison	\$35,000

Rajapakse, Athula (Electrical and Computer Engineering)	Mitacs Inc.	Protection and control of hybrid LCC-VSC multi-terminal HVDC transmission systems against DC faults	\$30,000
Soderstrom, Melanie (Psychology)	SSHRC	Analyzing child language experiences around the world (ACLEW)	\$99,900
Wan, Fang (Marketing)	Mitacs Inc.	Trends, opportunities and adaptive strategies in the natural fiber market	\$30,000

## ADMINISTRATIVE MATTERS

- On May 3, 2017 the University signed a standard Canadian Construction Documents Committee Contract No. 2 for Stipulated Price Construction (CCDC2) with Penn Co Construction for Phase 1 of the Churchill Marine Observatory (CMO). On May 30, 2017, Omnitrax Rail line issued a statement that it is indefinitely suspending rail service to Churchill due to extreme flooding and damage to its rail line and bridges. Churchill experienced historic levels of snow this winter. On May 31, 2017, Penn Co provided formal notice of delay under the contract due to Omnitrax’s rail line closure as all supplies for the project were scheduled to be transported by rail. At this time, the University cannot determine how the suspension of rail service will affect the project budget and timelines for completion.
- On May 25, two of the lawyers from the University’s Legal Office attended on behalf of the National Centre for Truth and Reconciliation (NCTR) to the Supreme Court of Canada as a Respondent in the appeal in the matter of Attorney General of Canada v. Larry Phillip Fontaine in his personal capacity and in his capacity as the executor of the estate of Agnes Mary Fontaine, deceased, et al. This appeal relates to the records arising from the Independent Assessment process (“IAP”), which was established to resolve claims and provide compensation for sexual abuse, serious physical abuse and other wrongful acts causing serious psychological consequences, with respect to survivors of the Indian Residential School System. The Ontario Court of Appeal previously ordered that, subject to individual survivor consent with respect to a narrow set of redacted documents, the entire records of the IAP process must be destroyed. The NCTR opposes the decision of the Court of Appeal and took the position, in the Supreme Court (in support of Canada) that the IAP records should not be destroyed but should be confidentially preserved in accordance with and subject to federal access, privacy and national archiving laws. A decision of the Court is not expected for several months.
- On May 8, 2017, Krista Wiebe and Francia Esquerra of Research Accounting made a presentation at the Canadian Association of Research Administrators (CARA) annual national conference on University of Manitoba (UM) success in supporting researchers to file their Tri-Agency reports on-line. UM is unique in its success with this process and attracted a lot of attention from other universities about this on-line reporting tool.
- The process of preparing the annual financial report relies on significant effort within Financial Services and considerable support from other areas across the institution. The external auditors did not find any items that we were required to record and did not make any management control recommendations for improvements. The Annual Financial Report goes to the June Board meeting and should be on-line by mid-July 2017.

- The University and Unifor have agreed to a special work schedule during the Canada Summer Games that sets aside the normal bumping process, enabling Dining Services to staff more efficiently during the busy two and a half week period.
- The *Human Resources 2016 Annual Report: Our Strength Lies in Our People* has been released and promoted in UM Today.
- U of M's new LinkedIn Career Page has been launched, allowing faculty and staff to promote career opportunities. The university purchased a number of "job slots" that will actively push academic and staff career opportunities to LinkedIn members with similar education levels and experience — a more targeted recruitment method.
- On May 12, 2017, the global malware breach WannaCry Ransomware was released, encrypting 200,000+ devices in over 150 countries. A majority of the University of Manitoba's environment was patched and protected with a few patched post-exploit. There were no known/reported encryptions from this exploit at the University.
- The 'Admin Hub' project report was submitted to the Interim Vice-President (Administration) on May 8, 2017 and presented to the President's Executive Team on May 17, 2017. Its recommendations were to formalize the concept and expand the scope to include centralization of additional finance and administrative activities in an effort to find efficiencies, and standardize current processes across the portfolio.
- As at March 31, 2017, the market value of the University Investment Trust (endowment fund) reached \$677.2 million, compared to \$583.7 million last year. Growth was due to an annual investment return of 16.5%, and new donations received in the amount of \$21.2 million. The spending allocation for beneficiaries generated by the endowment for the current fiscal year is \$23.3 million, with over 46% of that distribution supporting faculty operations, programs and teaching, and 40% targeted to student awards.
- The Max Bell Light-emitting Diode (LED) Lighting Upgrades Project included replacement of the Fieldhouse lighting with LED fixtures, occupancy sensors, and a control system. Annual savings for the Fieldhouse are estimated to be \$69,000/year. The lights automatically shut off after 20 minutes of inactivity. Occupancy sensors automatically turn the lights on in areas when they sense motion. Lighting levels were also significantly improved for the three tennis courts. The remaining lights at the Ice Rink will be replaced this summer during the rink's annual shutdown.
- Engineering 3 heating, ventilation and air conditioning (HVAC) upgrades resulted in a 55% (\$144,000/year) reduction in operating costs. Variable speed drives, carbon dioxide sensors, and direct digital controls work together to maintain occupant comfort while automatically varying system capacity to track building loads.
- Five bicycles have been purchased as a pilot bike fleet for use by University of Manitoba Fort Garry staff. Bikes will be managed by Physical Plant (1), Office of Sustainability (1), Marketing and Communications Office (2) and Campus Planning Office (1). Staff can book use of the bikes through coordinators at each of these locations. Information on the program will be communicated to the University community in late June.

- Portable bike and pedestrian counters have been installed at Gate U (Southwood Lands entrance onto campus) and at the intersection of Freedman Crescent and King's Drive. During the first week of data collection, more than 3000 pedestrians and cyclists used these access points to enter campus. Data collected will be used to identify and plan future infrastructure enhancement, maintenance and signage.
- The Fort Garry Campus electrical power outage on December 26, 2016 resulted in the campus being supplied power through temporary and non-standard techniques. Operations and Maintenance (O&M) electrical has been working over the past months to restore the damaged equipment in the main substation and, during the last week in May, the impacted buildings were transferred off the temporary measures to the standard breakers and relays on Line 1. A minor power outage impacted 17 buildings for one hour on May 29 as a result from an incorrect setting on the new equipment but has been rectified and verified. O&M continues to work with Manitoba Hydro and Architectural and Engineering Services to review the future strategy for providing electrical power to the campus and replacement of the end of life substation. The consulting services of Stantec have been engaged to conduct a feasibility study and options analysis.
- The online request for booking outdoor space went live on May 17. Rather than walking a paper form across multiple offices on campus, approvals are now handled electronically. The online booking tool has created a more efficient and environmentally friendly system that will improve the student experience. More information on booking outdoor space can be found at: [http://umanitoba.ca/campus/special\\_functions/outdoor\\_space.html](http://umanitoba.ca/campus/special_functions/outdoor_space.html)
- As of May 31<sup>st</sup>, 2017 all Security Services guards have been trained and equipped with Naloxone kits. This training and supplemental equipment is the same as the Winnipeg Police members receive and is in response to the on-going opioid use and abuse scenario that is impacting many people in cities across Canada.

## EXTERNAL MATTERS

- For the period of April 1, 2017 to May 31, 2017, the University has raised \$2,927,152.60 towards the 2017/2018 fiscal year.
- As of May 31, 2017 we have raised \$283,780,164.02 in philanthropic gifts towards our cumulative campaign goal for 2017/2018 of \$305 million. We are continuing discussions with the provincial government regarding a \$150 million commitment towards our \$500 million goal for the Front and Centre campaign.
- Significant gifts in the last reporting period include:
  - The University of Manitoba Alumni Association made a gift of \$200,000 in support of undergraduate and entrance scholarships.
  - Members of the Department of Internal Medicine at the Max Rady College of Medicine made a gift of \$270,000 towards the establishment of a Chair in Rheumatology.
  - Members of the Department of Anesthesia at the Max Rady College of Medicine made a gift of \$180,725 to support the Professorship in Anesthesia.

- On May 12, the University hosted a Living Library event for Indigenous youth in grades 9-12 who are members of the Post-Secondary Club program. The event brought together Indigenous alumni and youth to engage in small group conversations, mentorship, and discussion around the importance of post-secondary education.
- On May 17, the Seniors' Alumni Learning for Life Program concluded the final session of the spring program. Advanced registration for fall 2017 and spring 2018 is now open.
- On May 19, The Honorable Bill Morneau, Minister of Finance, toured the Richardson Centre for Functional Foods and Nutraceuticals and announced the Government of Canada's commitment to agricultural research in Budget 2017.
- On May 30, Bell MTS announced a \$500,000 investment to establish the Bell MTS Innovations in Agriculture. The program will provide opportunities for students to work on research projects using Internet of Things technologies for application in agriculture and food services.
- On June 7, the University was announced as the recipient of three 2017 Canadian Council for Advancement in Education Prix d'Excellence Awards in the categories of Best Development Event (Gold), Best Writing – English (Gold), and Best Issue/Crisis Management (Silver).