AGENDA

NOTE: Members who wish to have items moved from the Consent to the Regular Agenda should contact the University Secretariat before the Board meeting. Members may also request to have items moved when the Agenda is presented for approval at the Board meeting.

A. OPEN SESSION

1. REMARKS FROM THE CHAIR

2. NOTICE OF MEETING – December 1, 2016

3. APPROVAL OF THE AGENDA - OPEN SESSION

CONSENT (9:05 a.m.)

4. MINUTES OF PREVIOUS MEETING – October 20, 2016 (OPEN SESSION) Approval

5. BUSINESS ARISING

6. COMMUNICATION

   a. Report from the McMaster Children’s Centre

   b. Biosafety Advisory Committee Report

7. REPORT FROM SENATE Approval

   a. Proposal to Establish the Jack Hirsh / Population Health Research Institute Chair in Thrombosis and Atherosclerosis Research

   b. Proposal to Establish the Population Health Research Institute Chair in Cardiology Research

   c. Proposal to Establish the Position Associate Dean (Faculty Affairs), Faculty of Health Sciences
8. COMMITTEE REPORTS

a. Planning and Resources Committee

i. Audited Financial Statements of Contributory Pension Plan Information for Hourly-Rated Employees of McMaster University Including McMaster Divinity College as at June 30, 2016


iii. Audited Financial Statements of Contributory Pension Plan Information for Salaried Employees of McMaster University Including McMaster Divinity College as at June 30, 2016

iv. Centre for Continuing Education and Faculty of Engineering Approval - Proposed Fees

v. Supplementary Fee Integrated Biomedical Engineering Approval & Health Sciences

b. Remunerations Committee

i. Ratification of Tentative Agreement – Teaching Assistants Approval

MOTION: That items 4 to 8 be approved or received for information by consent.

REGULAR (9:05 a.m.)

9. BUSINESS ARISING

10. COMMUNICATIONS

11. PRESENTATION TO THE BOARD OF GOVERNORS (9:10 a.m.)

   Name: Dr. P. O’Byrne, Dean and Vice-President (Health Sciences)
   Title: Presentation to the Board of Governors

12. PRESIDENT’S REPORT TO THE BOARD (9:40 a.m.) Information

13. REPORT FROM SENATE (9:50 a.m.)

   a. Enrolment Report (to be circulated) Information

   b. Establishment of the Computing Infrastructure Research Centre Approval

   c. Proposal to Establish New Policy Approval

   i. Sexual Violence Policy and Hearing Procedures to Board-
Senate Panel on Discrimination, Harassment and Sexual Violence

ii. Proposed Revisions to the Board By-laws

14. COMMITTEE REPORTS (10:15 a.m.)
   a. Planning and Resources Committee
      i. Athletics and Recreation Complex – Project Approval

15. REPORTS RECEIVED FOR INFORMATION (10:45 a.m.)
   a. Report from Health, Safety and Risk Management

16. OTHER BUSINESS
B. CLOSED SESSION (10:55 a.m.)

17. APPROVAL OF AGENDA - CLOSED SESSION

CONSENT

18. MINUTES OF PREVIOUS MEETING – October 20, 2016 (CLOSED SESSION)

19. BUSINESS ARISING

20. REPORT FROM SENATE

   a. Appointments Recommendations – November 2016

      b. Proposed Membership of a Committee to Review the Discrimination, Harassment and Sexual Harassment: Prevention and Response Policy

21. COMMITTEE REPORTS

   a. University Planning Committee

      i. Proposed Named Spaces

MOTION: That items 18 to 21 be approved or received for information or approved by consent.

REGULAR

22. BUSINESS ARISING

23. REPORT FROM SENATE (11:00 a.m.)

   a. Appointments Recommendations – December 2016 (to be circulated)

24 COMMITTEE REPORTS (11:05 a.m.)

   a. Planning and Resources Committee

      i. Graduate Residence

      ii. Off-Campus Development – Project Approval

      iii. Combined Heat and Power Project – Construction Contract Award

      iv. A.N Bourns Science Building – Construction Manager Appointment
b. Human Resources Committee (11:30 a.m.)

   i. President-Vice-Presidents – Summary Performance Objectives

Information

25. OTHER BUSINESS (11:55 a.m.)

26. ADJOURNMENT

***********
MEMBERS’ DISCUSSION
***********

Next Meeting: Thursday, March 2, 2017
Council Room (Room 111), Gilmour Hall

Lunch will be served following the meeting in CIBC Hall, located in room 308-309 of the McMaster University Student Centre.

*For those members able to stay for lunch, the Communications and Public Affairs Department will provide an update on the University’s branding exercise, and conduct a focus group on some creative ideas for the new brand.
McMaster University

MINUTES OF THE BOARD OF GOVERNORS
October 20, 2016 at 8:45 a.m.
Council Room, Gilmour Hall

PRESENT: Mr. P. Douglas (Vice-Chair), Ms L. Allen, Mr. Q. Broad, Ms S. Cruickshanks, Dr. P. Deane, Mr. S. Donnelly, Ms H. Faidi, Mr. D. Feather, Mr. D. Horwood, Dr. R. Kleiman, Ms R. Jamieson, Mr. B. Merkel, Mr. E. Onuoha, Dr. B. Pelton, Mr. R. Piro, Mr. M. Runciman, Ms F. Samji, Dr. H. Schellhorn, Mr. N. Skelding, Ms C. Stefankiewicz, Ms S. Stephenson, Dr. E. Szathmáry, Dr. L. Thabane, Ms H. Ayre (University Secretary), Mr. M. Downard (Associate University Secretary)

OBSERVERS: Mr. R. Couldrey, Ms E. Davies, Ms D. Henne, Dr. M. Horn, Dr. B. Levy, Dr. P. O’Byrne, Ms M. Williams

INVITED: Dr. P. Mascher, Associate Vice-President (International Affairs)
Ms L. Morine, Associate Director, Health, Safety and Risk Management

REGrets RECEIVED: Dr. A. Holloway, Mr. C. Keizer, Mr. M. Latimer, Ms J. Pike, Dr. S. Porter, Mr. T. Valeri, Dr. D. Wilkinson, Mr. D. Williamson

A. OPEN SESSION

1. REMARKS FROM THE CHAIR

Mr. Douglas welcomed members to the meeting and introduced new members and observers to the Board.

2. NOTICE OF MEETING – October 6, 2016

The Notice of Meeting was circulated on October 6, 2016.

3. APPROVAL OF THE AGENDA – OPEN SESSION

Mr. Douglas noted that a request has been received to move agenda items 7.a. and 8.b.viii. from the Consent to the Regular agenda of the Open Session.
IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the Open Session agenda for the meeting of October 20, 2016, and that items 4, 5, 6, 8.i.-vii, ix, and x be approved or received for information by Consent.

The Motion was Carried.

CONSENT

4. MINUTES OF THE PREVIOUS MEETING – June 9, 2016 (OPEN SESSION)

Motion:
that the Board of Governors approve the Open Session minutes of the meeting held on June 9, 2016 as circulated.

Approved by Consent

5. BUSINESS ARISING

6. COMMUNICATIONS

7. REPORT FROM SENATE
   a. Establishment of the Position of Associate Vice-President (Equity and Inclusion)
      Moved to Open Session Regular agenda.

8. COMMITTEE REPORTS
   a. Planning and Resources Committee
      i. Amendment #3 - Contributory Pension Plan for Hourly-Rated Employees of McMaster University Including McMaster Divinity College

      Motion:
      that the Board of Governors approve Amendment #3 to the Contributory Pension Plan for Hourly Rated Employees of McMaster University Including McMaster Divinity College, as contained in Attachment I of the circulated report.

      Approved by Consent.
b. Executive and Governance Committee

i. Recommended Revisions to the Terms of Reference for the Associate Vice-President (Students and Learning) and Dean of Students

ii. Proposal to Establish the Farncombe Family Chair in Microbial Ecology and Bioinformatics

iii. Proposal to Change the Name of the McMaster Institute of Gerontology

iv. Proposal to Establish the Centre for Ancient Numismatics

v. Approval Recommendation for a New Residence Room Category and Fee

vi. Proposal to Revise the Terms of Reference of the Institute for Research on Aging

vii. Proposal to Establish the Centre for Mobility in Aging

viii. CCE Tuition Fee

Moved to Open Session Regular agenda.

ix. Proposal to Establish the McMaster Indigenous Research Institute

x. Proposal to Establish the Institute on Ethics and Policy for Innovation

Agenda items 8.b. i. – x. were provided for information.

c. Remunerations Committee

i. Ratification of Tentative Agreement – Postdoctoral Fellows

Motion:
that the Board of Governors approve the tentative agreement between McMaster University and the CUPE, Local 3906, Unit 3 (Postdoctoral Fellows) for a 34-month period from October 20, 2016 until August 31, 2019, with terms outlined in the report to the Remunerations Committee.

Approved by Consent
9. BUSINESS ARISING

There was no business arising from the minutes of the meeting held on June 9, 2016.

10. COMMUNICATIONS

There were no communications for the meeting held on October 20, 2016.

11. PRESENTATION TO THE BOARD OF GOVERNORS

Dr. P. Mascher, Associate Vice-President (International Affairs) and Professor, Faculty of Engineering, gave a presentation on the McMaster Model for Global Engagement.

12. PRESIDENT’S REPORT TO THE BOARD

Dr. Deane discussed student mobility, explaining that a very low proportion of students travel abroad for academic purposes. This is a multi-faceted challenge and offers many opportunities. Internationalization is an important component of learning and provides a deeper understanding of global issues. McMaster is a global institution and internationalization, including a focus on curriculum, is an area that the administration would like to enhance.

With regard to the Canada First Research Excellence Fund, members were informed that McMaster was unfortunately not successful in its application. Members of the project team worked hard on a great submission. A number of the University’s researchers are involved in other CFREF projects that did receive funding. McMaster’s results in the Strategic Infrastructure Fund competition were positive and the University received nearly $43 million in funding. The A.N. Bourns Science Building project is a great opportunity and will improve a central building on campus.

Dr. Deane provided an update on the review of the funding formula, noting that a recommendation could be presented to cabinet by the end of this year. It was also mentioned that the Strategic Mandate Agreements are expiring next year and government is considering how it will be proceeding. Once more information is known about the Strategic Mandate Agreement, the Board will be informed.

The order of the agenda varied.
7. REPORT FROM SENATE

a. Establishment of the Position of Associate Vice-President (Equity and Inclusion)

Dr. Deane provided an overview of the proposed Associate Vice-President (Equity and Inclusion) position. It was explained that this area is a priority for McMaster and that a senior level position will help bring a pan-University perspective to equity issues. The establishment of the position was a recommendation from the President’s Advisory Committee on Building an Inclusive Community.

A member commented that the terms of reference will be critical to the success of the role and suggested that these should be approved prior to appointing a candidate. Ms Ayre noted that the Provost can be informed of this view.

A discussion ensued about the financial commitment related to the position. A comment was made that senior administrative positions have multiplied in recent years and this has costs to the University. When compared against faculty hiring, the growth in senior administrators is a concern. McMaster’s enrolment has grown significantly over the last 10 years, however, faculty hiring has not kept pace. Dr. Deane indicated that he would ask the Provost to speak about the issue of faculty renewal at a future meeting. Faculty hiring is related to budget constraints. It was noted that it is not uncommon for universities to have an associate vice-president role focused on equity and inclusion.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the establishment of the position Associate Vice-President (Equity and Inclusion), with terms of reference to be determined at a later date, effective October 20, 2016.

The Motion was Carried.

13. REPORT FROM SENATE


On October 12, 2016, the Senate reviewed and approved the proposed revisions to SPS C1 and SPS C2 from the Committee on Appointments. The proposal includes a minor revision to the time-lines set out in Attachment I of the circulated material. Members had no further questions or comments.
IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the revisions to SPS C1, Research Leave Policy -- Tenured and CAWAR Faculty, and revisions to SPS C2, Research Leave Policy -- Permanent Faculty, as detailed in the report from Senate.

The Motion was Carried.

b. Termination of the Faculty of Theology

Dr. Deane provided members with an overview of the proposal to terminate the Faculty of Theology, which has effectively been dormant since 1957. It has been determined that now is the appropriate time to close this Faculty, as there are no plans to re-active it. There are currently only three individuals who hold nominal appointments in the Faculty and they also have primary faculty appointments in the McMaster Divinity College, which is a separate institution.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the termination of the McMaster University Faculty of Theology, effective December 31, 2016.

The Motion was Carried.

14. COMMITTEE REPORTS

a. Audit Committee

i. Annual Financial Report

Ms Stefankiewicz provided an overview of the circulated material, explaining that the Annual Financial Report 2015-2016 consists of a detailed financial analysis and the Audited Financial Statements for the year ended April 30, 2015, together with supplemental information relating to the Operating Fund and Operating Budget. The Planning and Resources Committee reviewed the Annual Financial Report on September 26. The material was reviewed and approved by the Audit Committee at its meeting on October 6, 2016.

A member asked about spending related to Mosaic, inquiring how the project has progressed. The Vice-President (Administration) noted that follow-up reports on Mosaic have been completed and can be shared with the Board at a future meeting.
IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the Annual Financial Report 2015-2016, which includes the Audited Financial Statements for the year ended April 30, 2016.

The Motion was Carried.

ii. Appointment of External Auditor

The Vice-Chair of the Audit Committee provided members with an overview, noting that the Committee met on October 6, 2016, and reviewed and approved the re-appointment of KPMG LLP Chartered Accountants as the Auditors for McMaster University for the 2016-2017 fiscal year.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the re-appointment of KPMG LLP Chartered Accountants as the Auditors for McMaster University for 2016-2017 fiscal year.

The Motion was Carried.

b. Planning and Resources Committee

i. Deferred Maintenance and Facility Renewal

At its meeting on September 26, 2016, the Planning and Resources Committee discussed and approved the revised deferred maintenance and facility renewal program. The item is being presented to the Board because of changes that have taken place since June when the program was originally approved. At the June Board meeting it was explained that the provincial funding for deferred maintenance would be re-allocated to the A.N. Bourns project if McMaster was successful in the Strategic Infrastructure Fund (SIF) competition.

Details of the proposed program, including updated deferred maintenance information, is contained in the circulated material.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the revised 2016 Deferred Maintenance and Facility Renewal Program for implementation at a total cost of $12,831,100.
The Motion was *Carried.*

The order of the agenda varied.

8. COMMITTEE REPORTS

b. Executive and Governance Committee

viii. CCE Tuition Fee

The item was moved from the consent to the regular portion of the agenda.

A member asked for information about why the item was delayed to a point close to the opening of the program. Ms Henne provided an overview of the delay. Mr. Douglas noted that the Executive and Governance Committee reviewed and approved the item.

15. REPORTS RECEIVED FOR INFORMATION

a. Report from Health, Safety and Risk Management

Ms Morine provided an overview of the report from Health, Safety and Risk Management.

Mr. Douglas informed members that the Audit Committee recently discussed health and safety and it has requested that this be a standing item at Committee meetings. The subject is a very important issue for the University and it will be getting more attention in the future.

16. OTHER BUSINESS

There was no further business for the Open Session of the meeting.
ANNUAL REPORT for the MCMASTER UNIVERSITY BOARD OF GOVERNORS
MCMASTER CHILDREN’S CENTRE, INC.
2016

Financial Health

The McMaster Children’s Centre (MCC) completed its KPMG Audit for 2015-2016, which can be provided upon request. Currently, we have a modest surplus due to an increase in fees and a reduction in expenses. We had a 2% fee increase in 2016 and plan to do the same in coming years. This is in-line with normal increases amongst local daycares and what is represented in our budget planning for the move to the LLC in 2019. Further, to modernize our finances we have moved our accounting to QuickBooks and hired a 0.5 FTE bookkeeper.

It should be noted that the MCC has taken a reduction in facilities and resultant financial losses in the move from Wentworth House. In particular, we lost classroom space, covered play areas, hard-surface play areas, outdoor play structures, total outdoor play area square footage, accessibility, and goodwill with parents over changes to the plans.

Fees

Our usual fee increase was effective July 1st this year. Currently full time fees are:
Toddler $ 1 302.00
Preschool $ 1 083.00
With these increases, our fees remain competitive at the higher end of the scale among high-quality centres in the city.

The main source of funding continues to be the fee-paying parents, with approximately 80% of these parents being faculty, staff, or students of McMaster University. Other sources of funding include subsidy for families through a contract with the City of Hamilton, cost-sharing grants from the Ministry of Education, grants to increase staff salaries (Direct Operating Grants, Wage Enhancement Grant and Pay Equity monies). Government financial support has remained stable. Effective September 1st, all full-time and part-time permanent employees received a 2% salary increase, which, maintains them in a competitive position to those evaluated.

Enrollment

The centre numbers always dip when the preschoolers go to Junior Kindergarten and is usually full again by January. Our current waitlist (~75 children) is now maintained in conjunction with the City of Hamilton as OneHSN. We also still get weekly phone calls for infant care which we are hoping to address by introducing an infant program in our new location (see Relocation section). However, we are watching the regulatory bodies closely as there is potential for changes in room designations/ages in the coming years that may impact our current and new building room design.

Current Enrollment

<table>
<thead>
<tr>
<th></th>
<th>15 Children</th>
<th>3 Teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toddler One</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toddler Two</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preschool One</td>
<td>16 Children</td>
<td>2 Teachers</td>
</tr>
<tr>
<td>Preschool Two</td>
<td>24 Children</td>
<td>3 Teachers</td>
</tr>
</tbody>
</table>
**Staff**

The Centre is fortunate to employ outstanding, dedicated, and certified staff. In addition to Early Childhood Educator certification, the staff regularly attend professional development (PD) workshops and conferences. The previous Executive Director, Debbie Crickmore, was released from this position in February and in August this year we appointed Angela Topolinsky as the new ED.

Staff this year attended an average of 25 hours PD each in house, online and off-site. First Aid/CPR, Health and Safety, WHMIS, and AODA are updated annually. Angela also attended February Flurries: “How Does Learning Happen”; and participated in sessions on the new Childcare Professional Learning Continuance, Succession Training, and Pedagogical Leadership training.

**Curriculum**

The Centre continues to develop its curriculum in accordance with the Ministry of Education initiative for “How Does Learning Happen” (HDLH). This curriculum is based on the children’s interests, as observed and documented by their teachers, as well as the interests of the families, staff and the community. The Four Foundations observed are Belonging, Well-Being, Engagement, and Expression.

The Centre has been the lead agency in the Artists at the Centre Project, where professional artists are placed in Hamilton daycare centres and Ontario Early Years Centres to work with children in a variety of media. This is the last year for the project that has been financially sustained through fund-raising activities, a grant from the City of Hamilton, as well as financial contributions from the participating centres.

**Teaching and Research Participation**

McMaster Children’s Centre continues to play a key role in teaching and research activities at the University and in the community. One of the indicators of the quality of our programming is the high number of requests we receive from other institutions for their respective students to work with our staff. McMaster Children’s Center has placement for Early Childhood Education students from Mohawk on a regular basis and from various programs at McMaster University. The children benefit from these interactions as much as the students. All students and volunteers are interviewed and subject to a criminal reference check before commencing work with the children.

MCC is currently participating in two pilot projects;

- Co-Constructing Quality in Early Years Programs and services: A Community Framework, a joint project between The City of Hamilton and ASCY.
- The Supply Absence Management System (SAM) administered by ASCY.

**Facilities**

While the Centre was housed in Wentworth House, we benefited from its campus location. Short, curriculum-based field trips and swimming lessons at the McMaster University pool were some of the unique learning opportunities that were offered to children. Due to the location of our temporary building, the children have benefited less from participating in activities on campus.
Relocation

We eagerly anticipate acquiring a permanent and accessible location on campus. Over the past year, the Board of Directors has been working closely with the university on our new location. It was originally announced in November 2012 by Roger Couldrey (VP Administration) at the Centre’s Annual General Meeting that the Centre would be housed on the first floor of the new Mixed Use building, the LLC. We learned this year that the MCC will now be housed on the second floor of this building. This has raised potentially significant questions around fire exits/codes with children/infants posed by the regulator that have been discussed by the design team. We are also concerned about the outdoor space on the second floor both as a reduction in our outdoor space but further a reduction in “natural” space for the children. We continue to dialogue with both the University and the daycare regulators on this topic.

Rent

It is clear from feedback that our parents - McMaster University staff, faculty and students - are looking for accessible high-quality buildings and grounds for their children. We continue to be concerned that the university is ending a 42-year history of providing space on campus at nominal charge. This longstanding commitment is a tangible example of the integration between the University and the local community. Significant increases in fees to support rental increases will be a direct charge on McMaster families. Our service supports McMaster research with access, McMaster students with work, and McMaster families with award-winning childcare.

Conclusion

McMaster Children’s Centre continues to provide a valuable service to the McMaster University community by contributing to the quality of life of many of the university’s faculty, staff, and students on campus. The programming challenges and enriches the minds of children enrolled in the Centre. We are proud to have served the campus community and the City of Hamilton for over 40 years and look forward to maintaining and strengthening our relationship with McMaster University in the future. We respectfully request your ongoing support of the McMaster Children’s Centre.

Board of Directors
McMaster Children's Centre, Inc.
MEMO

TO: Board of Governors
FROM: Robert L. Baker
RE: Presidential Biosafety Advisory Committee Report
DATE: November 7, 2016

Please see attached the Presidential Biosafety Advisory Committee Report from November 2014 to February 2016, which has been reviewed by my office.

We would appreciate if this report is added to the next Board of Governors Meeting for information.

Thank you.

attach.
Administration of Biosafety...Administration of Biosafety

University-Wide Biohazard Utilization

- Biohazard Labs By Lab Type
- Biohazard Labs by Faculty
- Other Biohazard Lab Information
- Biohazard Laboratory Audits

Human Pathogens and Toxins Regulations and License

On Site Inspections

- PHAC
- Human Pathogens and Toxins Act, Human Pathogens Importation Regulations

Canadian Food Inspection Agency

- Plant Protection Act and Regulations
- Health of Animals Act and Regulations

U15 / BSO / CFIA Meeting

Access to Information Request

Autoclave Audit Program

Reporting Lines and Budget

ADMINISTRATION OF BIOSAFETY

Day to day administration of University and location-wide biohazard use at McMaster is carried out by the McMaster Biosafety Office, which includes 1 Biosafety Manager, 1 Biosafety Auditor and support of 1.5 FTE. Research protocols, biosafety issues and policies are reviewed monthly by the Presidential Biosafety Advisory Committee (PBAC) according to their Terms of Reference.

The individual biohazard laboratories are audited on a regular basis by the Biosafety Auditor to ensure compliance with all biosafety-relevant standards related to the handling of:
• Bacteria
• Viruses
• Fungi
• Protozoans
• Parasites
• Microbial-derived toxins (plant/animal derived toxins and venoms are excluded)
• Invertebrates
• Prions
• Infectious nucleic acids
• Terrestrial animals (excluding commercial lab animals)
• Aquatic animals
• Macaque samples (tissues, fluids or cells)
• Human, animal or plant samples (tissues, fluids or cells)
• Plants, seeds and soil

Issues of non-compliance are brought to the monthly PBAC meetings for resolution or escalation. The relevant standards include but are not limited to:

• Canadian Biosafety Standards (human and terrestrial animal pathogen, toxin and prion containment)
• Containment Standards for Facilities Handling Aquatic Animal Pathogens
• Containment Standards for Facilities Handling Plant Pests
• Containment-relevant portions of the Canadian Council on Animal Care

Oversight and support of the biosafety program (RMM600) and the PBAC is through the office of the Vice President, Research and International Affairs. The Biosafety Manager and the PBAC Chair meet with the Associate Vice President, Research on a monthly basis to discuss issues, suggest improvements to existing program and policies and updates on the stakeholder groups.

The guiding legislations with relevance to biosafety (use, transfer, import and export) include but are not limited to:

• Human Pathogens and Toxins Act
• Health of Animals Act
• Plant Protection Act
• Seeds Act
• Environmental Protection Act
• Quarantine Act
• Invasive Species Act of Ontario

**UNIVERSITY-WIDE BIOHAZARD UTILIZATION**

Administration of the biosafety program is chiefly facilitated through the monitoring of biohazard utilization protocols (BUP) and laboratory audits. To date there are 219 laboratories identified that require biosafety assessment or oversight.
OTHER BIOHAZARD LAB INFORMATION

The table below reflects the current scope of biohazard work being carried out at containment levels 1, 2 and 3. Laboratories are located in both on campus and multiple hospital-hosted locations across Hamilton.

<table>
<thead>
<tr>
<th>Workers</th>
<th>982</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distinct Lab Spaces</td>
<td>424</td>
</tr>
<tr>
<td>Funded Biohazard Projects</td>
<td>749</td>
</tr>
</tbody>
</table>
In addition to the 982 workers, there are approximately 2,000-2,500 new undergraduate students every year who participate in undergraduate laboratory courses which include the use of biohazardous materials.

**BIOHAZARD LABORATORY AUDITS**

Biohazard laboratories are audited on a defined schedule according to the Canadian Biosafety Standard, 2nd Ed. Results are entered into the BUP database and examined for trends. We have recently entered all audit data since 2006 and have made some observations. The areas in greatest non-compliance include:

- availability and update of standard operating procedures
- documentation of worker training
- weekly flushing of eyewash stations.

The areas that have dramatically improved since 2006 include:

- storage unit labelling
- availability of emergency response plans
- proper use and storage of lab coats

Given this information we can proceed with strategic planning initiatives to correct areas of non-compliance and to provide continued support those of high compliance.

**HUMAN PATHOGENS AND TOXINS REGULATIONS AND LICENSE**

On December 1, 2015 the new Human Pathogens and Toxins Regulations came into force concomitant with the repeal of the Human Pathogens Importation Regulations. An invited review of the impact this new regulation will have on the stakeholder group was submitted directly to the Director General of the Public Health Agency of Canada (PHAC). All requirements for compliance had already been built into the biosafety program therefore impact was negligible. Two institutional licence applications were submitted: (1) Risk Group 2 pathogens, prions and non-security sensitive microbial toxins and (2) Risk Group 3 pathogens. The named license holder is the acting Associate VP, Research Dr. Bonny Ibhawoh and the named biological safety officer is Dr. Jennifer Robertson. Expiry for the licenses are up to 5 and 3 years, respectively. License applications are currently in the review process, however the University is considered to be in compliance with the Act since the application was submitted before February 29, 2016.

**ON SITE INSPECTIONS**

**PHAC**

**HUMAN PATHOGENS AND TOXINS ACT, HUMAN PATHOGENS IMPORTATION REGULATIONS**

In January of 2015, we received a 2-day inspection by the Public Health Agency of Canada consisting of program management reviews, document reviews and laboratory walk-throughs. A number of containment level 2 rooms in the Health Sciences Centre and the Central Animal Facility were selected for inspection according to the Canadian Biosafety Standards and Guidelines (CBSG). There were no serious and imminent-danger non-compliances. There were no major non-compliances.
For the Central Animal Facility there were five minor non-compliances (two related to chipped surfaces, two related to handwashing sinks and one related to documentation of adherence to SOPs).

“Conclusion: We would like to recognize the work done in regards to the biosafety manual management, which is well defined, clear and tailored to the activities being conducted.

In the matters of compliance with legislative and regulatory requirements and more specifically components included in the scope of this inspection, our findings show that your facility meets most of the requirements for Containment Level 2 small animal work area. Five minor non-compliances have been identified.”

For the Health Sciences Centre there were seven minor non-compliances (two related to documentation of importation infractions, two related to chipped surfaces, one related to documentation of refresher training, one related to SOPs for doffing personal protective equipment and one related to repair of a waste room door lock).

“Conclusion: We would like to highlight the commitment of the personnel to biosafety as this is reflected in the documentation and training provided to the new students and employees. Most noticeably, we want to recognize the work done by Dr. Robertson for the development and implementation of the Biohazard Utilization Protocol, a very strong tool to manage biosafety risks and facilitate compliance with the CBSG.

In the matters of compliance with legislative and regulatory requirements and more specifically components included in the scope of this inspection, our findings show that your facility meets most of the requirements for Containment Level 2 laboratory work area. Seven minor non-compliances have been identified.”

CANADIAN FOOD INSPECTION AGENCY

The Canadian Food Inspection Agency (CFIA) oversees plant and animal health as it relates to agriculture, business and research. By far the academic research sector is the CFIA’s smallest stakeholder group.

PLANT PROTECTION ACT AND REGULATIONS

In August 2015, two CFIA inspectors were on site to inspect one laboratory according to the Containment Standards for Facilities Handling Plant Pests in support of an import permit application for the importation of regulated plant pests. The laboratory passed inspection and was given a 2-year compliance letter for Plant Pest Containment Level – 1.

In January 2016, CFIA inspectors were invited to inspect a new autoclave room for the purposes of decontamination of waste and samples containing regulated plant pests prior to disposal. Standard operating procedures were required for compliance. The SOPs are currently being drafted and will be sent to CFIA for review prior to utilization of the autoclave for such purposes.

HEALTH OF ANIMALS ACT AND REGULATIONS

In February 2016, CFIA inspectors were on site to inspect a laboratory in support of an import permit application for the importation of bird blood, feathers and egg swabs. The permit was approved.
U15 / BSO / CFIA MEETING

An ad hoc meeting was called (November 20, 2015, Ottawa) to include the U15 VP-Research, Biological Safety Officers and representatives from the terrestrial animal, aquatic animal and plant health divisions of the CFIA to discuss multiple issues with processes surrounding compliance and importation. The meeting was attended by Drs. Bonny Ibhawoh, Joanna Wilson and Jennifer Robertson. A full day of discussion ensued, however minutes from that meeting are still not yet available for distribution.

ACCESS TO INFORMATION REQUEST

The PHAC was served with an Access to Information request for information related to non-compliance with the Human Pathogens Importation Regulation. As such, university biological safety officers across Canada were mailed copies of documents selected by PHAC which were found to apply under this request. McMaster documents were forwarded to Helen Ayre, University Secretary and Privacy Officer for review and management of the request. The request was completed without issue.

AUTOCLAVE AUDIT PROGRAM

The use of autoclaves for decontamination of contaminated materials must be associated with a documented validation and maintenance program prescribed by the Canadian Biosafety Standards published jointly by the PHAC and the CFIA. We have created an auditing program to inventory university-owned autoclaves and verify that they comply with CBS requirements. Information is shared with Facilities Services and EOHSS for inspection and insurance purposes, respectively. To date we have identified 32 applicable autoclaves and an additional 5 which require further evaluation.

REPORTING LINES AND BUDGET

Dr. Jennifer Robertson (Biosafety Manager) reports to Debbie Martin (Assistant Vice President/Chief Administrative Officer, Faculty of Health Sciences) who reports to Dr. John Kelton (Dean and Vice-President, Faculty of Health Sciences).

Carol Carte (Biosafety Auditor) and Karen Haines (Administrative Assistant) report to Dr. Jennifer Robertson (Biosafety Manager).

The PBAC reports to Dr. Bonny Ibhawoh (acting Associate Vice President, Research) who reports to Dr. Alison Sekuler (acting Vice President, Research).

The diagram to the right illustrates how the PBAC and the Biosafety Program fits into the organizational reporting hierarchy with respect to other, similar bodies. Committees reporting to VP Research and International Affairs are governed primarily by federal legislation, whereas committees reporting to VP Administration are governed primarily by provincial legislation. This reporting relationship is also outlined in the McMaster Organizational Chart.
The budget for the biosafety program is through Vice President, Research, and includes salary support for the Biosafety Auditor, certification expenses for the BSL3 facility and operational support for the Biosafety Office and the PBAC.

Salary support for the Biosafety Manager and the Administrative Assistant is through the Faculty of Health Sciences.
a. Proposal to Establish the Jack Hirsh/Population Health Research Institute Chair in Thrombosis and Atherosclerosis Research

At its meeting on November 9, 2016, the Senate reviewed and approved a recommendation from the Committee on Appointments to establish the Jack Hirsh/Population Health Research Institute in Thrombosis and Atherosclerosis Research. Details of the proposal are contained in Appendix I of the circulated report. The material is presented to the Board of Governors for review and approval.

It is now recommended,

that the Board of Governors approve the establishment of the Jack Hirsh / Population Health Research Institute Chair in Thrombosis and Atherosclerosis Research, with terms of reference as outlined in the report from Senate.

b. Proposal to Establish the Population Health Research Institute Chair in Cardiology Research

On November 9, Senate approved a recommendation from the Committee on Appointments to establish the Population Health Research Institute Chair in Cardiology Research. Details of the material are contained in Appendix II of the Report from Senate.

It is now recommended,

that the Board of Governors approve the establishment of the Population Health Research Institute Chair in Cardiology Research, with terms of reference as outlined in the report from Senate.
c. Proposal to Establish the Position of Associate Dean (Faculty Affairs), Faculty of Health Sciences

At its meeting on November 9, 2016, the Senate reviewed and approved a recommendation to establish the position of Associate Dean (Faculty Affairs), Faculty of Health Sciences. Details of the proposal as contained in Appendix III of the report from Senate.

It is now recommended,

that the Board of Governors approve the establishment of the position Associate Dean (Faculty Affairs), Faculty of Health Sciences, with terms of reference as outlined in the report from Senate.

Board of Governors: FOR APPROVAL
December 15, 2016
September 22, 2016

Senate Committee of Appointments
c/o University Secretariat
Gilmour Hall, Room 210

Re: Establishment of the Jack Hirsh/PHRI Chair in Thrombosis and Atherosclerosis Research

On behalf of the Faculty of Health Sciences, I would like to recommend the establishment of the Jack Hirsh/PHRI Chair in Thrombosis and Atherosclerosis Research.

The Population Health Research Institute (via funding held at McMaster and HHS) has provided funds to permanently support a Chair at McMaster University in honour of Dr. Jack Hirsh. The Department of Medicine has also committed annual installments of matching funds. The Chair will help support research into thrombosis and atherosclerosis.

The terms of reference for the Chair are attached.

Yours sincerely,

[Signature]

Paul O’Byrne MB, FRCP(C), FRSC
Dean & Vice-President

Encl.

PO/rl
EXHIBIT A - TERMS OF REFERENCE

Jack Hirsh/PHRI Chair in Thrombosis and Atherosclerosis

GENERAL

A transfer of funds has been directed to the Faculty of Health Sciences to provide support for the Jack Hirsh/PHRI Chair in Thrombosis and Atherosclerosis. This Clinical Research Chair is created to support the research activity of an individual who has already achieved or has the potential to achieve within 5 years, international leadership in the relevant area of research. This chair in thrombosis is intended to strengthen the continued development of the program of research in Thrombosis and Atherosclerosis at PHRI. This chair is to be named the "Jack Hirsh- PHRI Chair in Thrombosis and Atherosclerosis Research" and the incumbent will have demonstrated excellence in the area of Thrombosis and Atherosclerosis and Cardiovascular research.

DETAILS AND DUTIES

The holder of the Chair shall be an individual with sufficient research, education and/or clinical experience to lead and develop a clinical research program in the area of Thrombosis. Specifically, the Chair-holder will:

- Be an active faculty member in the Department of Medicine in the Faculty of Health Sciences at McMaster University and a researcher at PHRI at the designation of Scientist or higher. The Chair holder will spend at least 50% of his or her time in research;
- Participate in the institutional vision towards establishing and maintaining a world-class program in Thrombosis and Atherosclerosis which exemplifies the central values of the University, the Department of Medicine and PHRI;
- Contribute significantly to the body of scholarship in the area of Thrombosis and Atherosclerosis through research at McMaster University and PHRI;
- Will mentor junior scientists, faculty and fellows and build capacity for research in the relevant area at PHRI and the Department of Medicine.
- Undertake the normal duties of a faculty member in the Faculty of Health Sciences and the Department of Medicine, including participation in the education programs of the Department.

NOMINATION AND DESIGNATION OF THE CLINICAL RESEARCH CHAIRHOLDER:

The selection and designation of the chair holder will be determined as follows:

- The Dean and Vice-President of the Faculty of Health Sciences will appoint an appropriate ad-hoc selection committee, with recommendations sought from the Executive Committee of the PHRI.
- The Selection Committee shall include, at a minimum, the Associate Dean, Research, the Chair of the Department of Medicine and the Executive Director of the PHRI.
- The selection committee will invite and receive nominations for the newly created chair and make recommendations for the appointment to the Dean and Vice-President of the Faculty of Health Sciences.
• The Dean and Vice-President will forward the ad hoc selection committee's recommendation to the Senate Committee on Appointments.

CHAIR HOLDER ELIGIBILITY:

• Hold an appointment in the Department of Medicine in the Faculty of Health Sciences at McMaster University;
• Hold a Scientist or higher designation at PHRI while the Clinical Research Chair designation is in effect.
• Hold at least two grants (at least one of which is a peer review grant)
• Have a sustained record of high levels of publication in high impact journals
• Have supervised and/or mentored PhD or Master's level research students or junior faculty.

TERM:

An appointment to the Jack Hirsh/PHRI Chair in Thrombosis and Atherosclerosis shall be for up to five (5) years, with the understanding that renewal for additional terms is possible based on satisfactory reviews.

REPORTING, EVALUATION AND RENEWAL OF RESEARCH CHAIRS:

Annual reporting and formal 5 year reviews are required of all PHRI Research Chairs. The PHRI Executive Committee and the Chair of the Department of Medicine will establish a committee to review the renewal and submit a recommendation for renewal to the Dean and Vice-President of the Faculty of Health Sciences.

ACKNOWLEDGEMENT

The incumbent will acknowledge that she/he holds the "Jack Hirsh-PHRI Chair in Thrombosis and Atherosclerosis Research" in all publications, lectures and any other activities supported through the fund and will use this designation on letterheads.

July 2016
September 22, 2016

Senate Committee of Appointments
c/o University Secretariat
Gilmour Hall, Room 210

Re: Establishment of the PHRI Chair in Cardiology Research

On behalf of the Faculty of Health Sciences, I would like to recommend the establishment of the PHRI Chair in Cardiology Research.

The Population Health Research Institute (via funding held at McMaster and HHS) has provided funds to permanently support this Chair at McMaster. The Department of Medicine has also committed annual installments of matching funds. The Chair will help support research into cardiology.

The terms of reference for the Chair are attached.

Yours sincerely,

[Signature]

Paul O’Byrne MB, FRCP(C), FRSC
Dean & Vice-President

Encl.

PO/r1
EXHIBIT A - TERMS OF REFERENCE

PHRI Chair in Cardiology Research

GENERAL

A transfer of funds has been directed to the Faculty of Health Sciences to provide support for the PHRI Chair in Cardiology Research. This Clinical Research Chair is created to support the research activity of an individual who has already achieved or has the potential to achieve within 5 years, international leadership in the relevant area of research. This chair in cardiology is intended to strengthen the continued development of the program of research in cardiovascular disease at PHRI. This chair is to be named the "PHRI Chair in Cardiology Research." The incumbent will have demonstrated excellence in the field of cardiology research.

DETAILS AND DUTIES

The holder of the Chair shall be an individual with sufficient research, education and/or clinical experience to lead and develop a clinical research program in the area of cardiology. Specifically, the chair holder will:

- Be an active faculty member in the Department of Medicine in the Faculty of Health Sciences at McMaster University and a researcher at PHRI at the designation of Scientist or higher. The Chair holder will spend at least 50% of his or her time in research;
- Participate as an integral part of the institutional vision towards establishing and maintaining a world-class program in cardiology which exemplifies the central values of the University, the Department of Medicine and the PHRI;
- Contribute significantly to the body of scholarship in the area of cardiology, through research at McMaster University and the PHRI;
- Mentor junior scientists, faculty and fellows and build capacity for research in the relevant area of the Department of Medicine and the PHRI;
- Undertake the normal duties of a faculty member in the Faculty of Health Sciences and the Department of Medicine, including participation in the education programs of the Department.

NOMINATION AND DESIGNATION OF THE CLINICAL RESEARCH CHAIRHOLDER:

The selection and designation of the chair holder will be determined as follows:

- The Dean and Vice-President of the Faculty of Health Sciences will appoint an appropriate ad-hoc selection committee, with recommendations sought from the Executive Committee of the PHRI.
- The Selection Committee shall include, at a minimum, the Chair of the Department of Medicine, the Director of the Division of Cardiology and the Executive Director of the PHRI.
- The selection committee will invite and receive nominations for the newly created chair and make recommendations for the appointment to the Dean and Vice-President of the Faculty of Health Sciences.
- The Dean and Vice-President will forward the ad hoc committee's recommendation to the Senate Committee on Appointments.
CHAIR-HOLDER ELIGIBILITY:

- Hold an appointment in the Department of Medicine in the Faculty of Health Sciences at McMaster University;
- Hold a Scientist or higher designation at PHRI while the Clinical Research Chair designation is in effect.
- Hold at least two grants (at least one of which is a peer review grant)
- Have a sustained record of high levels of publication in high impact journals
- Have supervised and/or mentored PhD or Master's level research students or junior faculty.

TERM

An appointment to the PHRI Chair in Cardiology Research shall be for up to five (5) years, with the understanding that renewal for additional terms is possible based on satisfactory reviews.

REPORTING, EVALUATION AND RENEWAL OF RESEARCH CHAIRS:

Annual reporting and formal 5 year reviews are required of all PHRI Research Chairs. The PHRI Executive Committee and the Chair of the Dept. of Medicine will establish a committee to review the renewal and submit a recommendation for renewal to the Dean and Vice-President of the Faculty of Health Sciences.

ACKNOWLEDGEMENT

The incumbent will acknowledge that she/he holds the “PHRI Chair in Cardiology Research” in all publications, lectures and any other activities supported through the fund.

July 2016
October 3, 2016

Senate Committee on Appointments
C/o University Secretariat
Gilmour Hall, Room 210

For approval: Terms of Reference for Associate Dean, Faculty Affairs

On behalf of the Health Sciences Faculty Executive Council I am writing to request approval of the attached terms of reference.

The position of Associate Dean, Faculty Affairs is being created to address a gap in leadership within the Faculty. During the recent accreditation of the Medical School, it came to light that we are the only school who does not have this someone specifically responsible for this portfolio. As the Faculty of Health Sciences prides itself on interprofessional models of care, and as issues around professionalism, professional development and equity are becoming important in all health professional fields, we feel that this position needed to be at the Faculty level, rather than only in the School of Medicine.

The attached terms of reference have been vetted by all three schools and have been approved at Faculty Executive Council.

Thank you for facilitating this request. If you require additional information, please do not hesitate to contact me.

Yours Sincerely,

Paul M. O’Byrne, MB, FRCPC, FRSC
Dean and Vice President

Encl.

POB/rc
The Associate Dean, Faculty Affairs is a senior academic administrator who assists the Dean and Vice President, Faculty of Health Sciences with guiding matters of faculty affairs, professional development and engagement. The Associate Dean will oversee the Faculty’s strategy for furthering the success, well-being and academic advancement of our faculty.

In collaboration with senior academic leaders in the Faculty of Health Sciences, the Associate Dean, Faculty Affairs will promote and champion an environment of professionalism, inter-professionalism, inclusivity, fairness, equity and diversity efforts.

**Reporting Relationship:**

The Associate Dean, Faculty Affairs is accountable to the Dean and VP, Faculty of Health Sciences.

**Responsibilities:**

1. Oversee the continuing development and evaluation of Faculty-wide initiatives and resources that optimize recruitment, development, promotion and retention of top academic talent in a culture that values innovation, excellence, collaboration and the highest levels of scholarship and professionalism.

2. Together with health science education program leaders, advance professionalism across all programs and health professions within the Faculty of Health Sciences. Provide expertise and advice to the Faculty leadership on matters related to faculty professionalism and professional behaviours.

3. Oversee the Office of Professionalism and ensure effective and appropriate policies, procedures and resources are in place.

4. Champion inter-professionalism with faculty across the clinical and research areas and collaborate with education programs to promote inter-professionalism within and across the programs.

5. Engage the growing part time (including adjunct) faculty complement to ensure programming builds an inclusive academic community. Ensure any needs unique to this community are integrated into Faculty programming.

6. Promote and co-ordinate continuing professional development resources that assist faculty members in advancing their professional success in research, education, clinical scholarship, leadership and administrative roles.
7. Collaborate with University and Hospital partners, as well as AFMC colleagues and others as appropriate to develop Faculty Affairs activities and programming.

Conditions of Employment

The position of Associate Dean, Faculty Affairs shall be held by a qualified faculty member, appointed for a five year term (renewable). The individual will be selected by a Senate Ad Hoc Selection Committee for nomination through the Senate Committee on Appointments to the Senate and the Board of Governors, as required by the McMaster University Act, 1976, and the Senate By-laws.
Fund Financial Statements of

THE CONTRIBUTORY PENSION PLAN
FOR HOURLY-RATED EMPLOYEES
OF McMASTER UNIVERSITY INCLUDING
McMASTER DIVINITY COLLEGE

Year ended June 30, 2016
Registration Number 0215418
INDEPENDENT AUDITORS’ REPORT

To the Administrator of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College

We have audited the accompanying fund financial statements of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College, which comprise the statement of net assets available for benefits as at June 30, 2016, the statement of changes in net assets available for benefits for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The fund financial statements have been prepared by management based on the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these fund financial statements in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario), and for such internal control as management determines is necessary to enable the preparation of fund financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these fund financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the fund financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the fund financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the fund financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the fund financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the fund financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the fund financial statements present fairly, in all material respects, the net assets available for benefits of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College as at June 30, 2016, and its changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Basis of accounting and restriction on use

Without modifying our opinion, we draw attention to Note 1 (a) to the financial statements, which describes the basis of accounting. The fund financial statements are prepared to assist the Administrator of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College to meet the requirements of the Financial Services Commission of Ontario. As a result, the fund financial statements may not be suitable for another purpose. Our report is intended solely for the Administrator of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College and the Financial Services Commission of Ontario for complying with Section 76 of the Regulations to the Pension Benefits Act (Ontario) and should not be used by any other parties for any other purpose.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

November 8, 2016
# THE CONTRIBUTORY PENSION PLAN FOR HOURLY-RATED EMPLOYEES OF McMASTER UNIVERSITY INCLUDING McMASTER DIVINITY COLLEGE

## Statement of Net Assets Available for Benefits

June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$256,758</td>
<td>$318,182</td>
</tr>
<tr>
<td>Employer contributions receivable</td>
<td>90,924</td>
<td>89,286</td>
</tr>
<tr>
<td>Employee contributions receivable</td>
<td>37,811</td>
<td>39,158</td>
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<tr>
<td>Other receivables</td>
<td>10,225</td>
<td>13,108</td>
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<tr>
<td>Pooled fund investments (note 2)</td>
<td>52,591,285</td>
<td>52,080,556</td>
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<tr>
<td>Total assets</td>
<td>52,987,003</td>
<td>52,540,290</td>
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<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
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<tr>
<td>Accounts payable</td>
<td>77,235</td>
<td>58,126</td>
</tr>
<tr>
<td>Net assets available for benefits</td>
<td>$52,909,768</td>
<td>$52,482,164</td>
</tr>
</tbody>
</table>

See accompanying notes to fund financial statements.

On behalf of McMaster University:

Roger Couldrey  
Vice-President (Administration)  
McMaster University

Deidre Henne  
Assistant Vice-President (Administration) & CFO  
McMaster University
THE CONTRIBUTORY PENSION PLAN FOR HOURLY-RATED EMPLOYEES OF McMaster University
INCLUDING McMaster Divinity College
Statement of Changes in Net Assets Available for Benefits

Year ended June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCREASE IN NET ASSETS:</strong></td>
<td></td>
<td></td>
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<tr>
<td>Net realized gain on sales of investments</td>
<td>$ 4,125,099</td>
<td>$ 3,085,618</td>
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<tr>
<td>Investment income</td>
<td>1,515,615</td>
<td>1,479,889</td>
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<tr>
<td></td>
<td>5,640,714</td>
<td>4,565,507</td>
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<tr>
<td>Contributions:</td>
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<tr>
<td>Employer current service</td>
<td>591,201</td>
<td>558,029</td>
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<tr>
<td>Employer special</td>
<td>587,448</td>
<td>587,448</td>
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<tr>
<td>Employee required</td>
<td>532,614</td>
<td>541,776</td>
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<tr>
<td></td>
<td>1,711,263</td>
<td>1,687,253</td>
</tr>
<tr>
<td></td>
<td>7,351,977</td>
<td>6,252,760</td>
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<tr>
<td><strong>DECREASE IN NET ASSETS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net unrealized gain on investments</td>
<td>4,079,939</td>
<td>183,055</td>
</tr>
<tr>
<td>Payments to members:</td>
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</tr>
<tr>
<td>Pension benefits</td>
<td>2,388,812</td>
<td>2,296,432</td>
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<tr>
<td>Termination payments</td>
<td>172,645</td>
<td>77,250</td>
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<tr>
<td></td>
<td>2,561,457</td>
<td>2,373,682</td>
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<tr>
<td>Expenses:</td>
<td></td>
<td></td>
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<tr>
<td>Investment manager</td>
<td>209,340</td>
<td>148,550</td>
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<tr>
<td>Professional</td>
<td>45,639</td>
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<tr>
<td>Trustee and custodial</td>
<td>13,392</td>
<td>12,922</td>
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<tr>
<td>Audit</td>
<td>10,899</td>
<td>11,387</td>
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<tr>
<td>Pension filing</td>
<td>3,707</td>
<td>3,216</td>
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<td></td>
<td>282,977</td>
<td>215,536</td>
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<tr>
<td></td>
<td>6,924,373</td>
<td>2,772,273</td>
</tr>
<tr>
<td>Increase in net assets available for benefits</td>
<td>427,604</td>
<td>3,480,487</td>
</tr>
<tr>
<td>Net assets available for benefits, beginning of year</td>
<td>52,482,164</td>
<td>49,001,677</td>
</tr>
<tr>
<td>Net assets available for benefits, end of year</td>
<td>$ 52,909,768</td>
<td>$ 52,482,164</td>
</tr>
</tbody>
</table>

See accompanying notes to fund financial statements.
The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College (the “Plan”) is a defined benefit registered pension plan in the Province of Ontario under registration number 0215418.

The Plan is operated in accordance with the Trust and Custodial Services Agreement dated June 30, 1999, between McMaster University (“Administrator”) and CIBC Mellon Trust Company (“CIBC Mellon”), as Trustee.

1. Significant accounting policies:
   (a) Basis of presentation:

   As permitted under Section 76 of the Regulation to the Pension Benefits Act (Ontario), the Plan has prepared fund financial statements in accordance with Canadian accounting standards for pension plans excluding pension obligations and any resulting surplus or deficit.

   In selecting or changing accounting policies that do not relate to its investment portfolio or pension obligations, Canadian accounting standards for pension plans require the Plan to comply (on a consistent basis) with either International Financial Reporting Standards (“IFRS”) in Part I of The Chartered Professional Accountants’ (“CPA”) Canada Handbook or Canadian accounting standards for private enterprises in Part II of the CPA Canada Handbook - Accounting. The Plan has chosen to comply on a consistent basis with IFRS.

   These fund financial statements have been prepared to assist the Administrator of The Contributory Pension Plan for Hourly-Rated Employees of McMaster University including McMaster Divinity College in meeting the requirements of the Financial Services Commission of Ontario under Section 76 of Regulation 909 of the Pension Benefits Act (Ontario). As a result, these fund financial statements may not be suitable for another purpose.

   The fund financial statements of the Plan do not purport to show the adequacy of the Plan's assets to meet its pension obligation. Such an assessment requires additional information, such as the Plan's actuarial reports and information about McMaster University and McMaster Divinity College’s financial health.
1. Significant accounting policies (continued):

   (b) Basis of measurement:

   The fund financial statements have been prepared on the historical cost basis, except for investments and derivative financial instruments which are measured at fair value through the statement of changes in net assets available for benefits.

   (c) Functional and presentation currency:

   These fund financial statements are presented in Canadian dollars, which is the Plan's functional currency. The fair values of foreign currency denominated investments are translated into Canadian dollars at year-end rates of exchange. Gains and losses arising from transactions are included in investment income within the statement of changes in net assets available for benefits.

   (d) Financial assets and financial liabilities:

      (i) Non-derivative financial assets:

      Financial assets are recognized initially on the trade date, which is the date that the Plan becomes a party to the contractual provisions of the instrument. Upon initial recognition, attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred.

      The Plan measures all of its investments at fair value through the statement of changes in net assets available for benefits.

      All other non-derivative financial assets including contributions receivable are measured at amortized cost.

      The Plan derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Plan neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.
1. Significant accounting policies (continued):

(d) Financial assets and financial liabilities (continued):

(i) Non-derivative financial assets (continued):

On derecognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognized in the statement of changes in net assets available for benefits as a net realized gain on sale of investments.

(ii) Non-derivative financial liabilities:

All financial liabilities are recognized initially on the trade date at which the Plan becomes a party to the contractual provisions of the instrument.

The Plan derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of net assets available for benefits when, and only when, the Plan has a legal right to offset the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Plan considers its accounts payable to be a non-derivative financial liability.

(e) Fair value measurement:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

In determining fair value, the Plan follows the guidance in IFRS 13, Fair Value Measurement (“IFRS 13”), in Part I of the CPA Canada Handbook. As allowed under IFRS 13, if an asset or a liability measured at fair value has a bid and an ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The Plan uses closing market price as a practical expedient for fair value measurement.
1. **Significant accounting policies (continued):**

   (e) **Fair value measurement (continued):**

   When available, the Plan measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

   If a market for a financial instrument is not active, then the Plan establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models.

   The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

   All changes in fair value, other than interest and dividend income, are recognized in the statement of changes in net assets available for benefits as part of the change in net unrealized (loss) gain in investments.

   Pooled funds are valued at the unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair value using closing market prices.
1. Significant accounting policies (continued):

   (e) Fair value measurement (continued):

       Fair values of investments are determined as follows:

   (i) Bonds and equities are valued at year-end quoted closing prices where available. Where quoted prices are not available, estimated fair values are calculated using comparable securities.

   (ii) Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

   (iii) Pooled funds are valued at the unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair values determined using closing market prices.

   Investment transactions are accounted for on the trade date.

   (f) Investment income:

       Investment income, which is recorded on the accrual basis, includes interest income, dividends and pooled fund distributions.

   (g) Change in net unrealized gain in investments:

       The change in net unrealized gain in investments is the change in the difference between the fair value and cost of investments from the beginning to the end of the year.

   (h) Net realized gain on sales of investments:

       The net realized gain on sales of investments is the difference between proceeds received and the average cost of investments sold.

   (i) Income taxes:

       The Plan is a Registered Pension Trust, as defined by the Income Tax Act (Canada) and, accordingly, is not subject to income taxes.

   (j) Foreign currency:

       Transactions in foreign currencies are translated into Canadian dollars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Canadian dollars at the exchange rate at that date.
1. Significant accounting policies (continued):

   (k) Use of estimates:

   The preparation of the fund financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the statement of net assets and the reported amounts of changes in net assets available for benefits during the year. Actual results may differ from those estimates.

   Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

2. Pooled fund investments:

   The following summary of pooled fund investments includes information provided in respect of individual investments with a book value or fair value in excess of 1% of the book or fair value of the Plan as at June 30, 2016, as required by the Pension Benefits Act (Ontario), with comparative information for 2015.

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Nature of investments held</th>
<th>2016 Fair value</th>
<th>2015 Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jarislowsky Fraser Bond Fund</td>
<td>Canadian bonds</td>
<td>$19,522,805</td>
<td>$18,526,174</td>
</tr>
<tr>
<td>Jarislowsky Fraser Canadian Equity Fund</td>
<td>Canadian equities</td>
<td>9,973,478</td>
<td>15,665,505</td>
</tr>
<tr>
<td>Jarislowsky Fraser U.S. Equity Fund</td>
<td>U.S. equities</td>
<td>12,622,012</td>
<td>10,289,511</td>
</tr>
<tr>
<td>Jarislowsky Fraser International Equity Fund</td>
<td>Foreign equities</td>
<td>10,472,990</td>
<td>7,599,366</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$52,591,285</td>
<td>$52,080,556</td>
</tr>
</tbody>
</table>

   All pooled funds held by the Plan are managed by Jarislowsky Fraser Limited. The book value of pooled fund investments at June 30, 2016 was $49,029,001 (2015 - $44,438,333).

3. Related party transaction:

   The Administrator has provided administrative services without charge.
4. Financial instruments:

The investment objectives of the Plan are to efficiently fund the benefits of the participating plan members. As part of the risk management process, the Administrator has established a diversification policy, set rate of return objectives and developed specific investment guidelines.

(a) Fair value:

The fair value of investments is disclosed in note 2. The fair value of the Plan’s other financial assets and liabilities, being cash, employee and employer contributions receivable, other receivables, and accounts payable, approximate carrying value due to the short-term nature of the instruments.

Fair value measurements recognized in the statement of net assets available for benefits are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values.

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for assets and liabilities that are not based on observable market data.

The following is a summary of the Plan’s assets carried at fair value:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian bonds</td>
<td>$</td>
<td>-</td>
<td>$ 19,522,805</td>
<td>-</td>
<td>$ 19,522,805</td>
</tr>
<tr>
<td>Canadian equities</td>
<td>-</td>
<td>9,973,478</td>
<td>-</td>
<td>9,973,478</td>
<td></td>
</tr>
<tr>
<td>U.S. equities</td>
<td>-</td>
<td>12,622,012</td>
<td>-</td>
<td>12,622,012</td>
<td></td>
</tr>
<tr>
<td>International equities</td>
<td>-</td>
<td>10,472,990</td>
<td>-</td>
<td>10,472,990</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>$ 52,591,285</td>
<td>$</td>
<td>$ 52,591,285</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian bonds</td>
<td>$</td>
<td>-</td>
<td>$ 18,526,174</td>
<td>-</td>
<td>$ 18,526,174</td>
</tr>
<tr>
<td>Canadian equities</td>
<td>-</td>
<td>15,665,505</td>
<td>-</td>
<td>15,665,505</td>
<td></td>
</tr>
<tr>
<td>U.S. equities</td>
<td>-</td>
<td>10,289,511</td>
<td>-</td>
<td>10,289,511</td>
<td></td>
</tr>
<tr>
<td>International equities</td>
<td>-</td>
<td>7,599,366</td>
<td>-</td>
<td>7,599,366</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>$ 52,080,556</td>
<td>$</td>
<td>$ 52,080,556</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9
4. Financial instruments (continued):

(b) Associated risks:

(i) Market price risk:

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all other factors affecting all instruments traded in the market. As all of the Plan’s financial instruments are carried at fair value with fair value changes recognized in the statement of changes in net assets available for benefits, all changes in market conditions will directly affect the net increase (decrease) in net assets available for benefits. Market price risk is managed by the Administrator through construction of a diversified portfolio of instruments traded on various markets and across various industries.

As of June 30, 2016, had the value of all equity benchmarks increased or decreased by 10% with all other variables remaining unchanged, and assuming there is a perfect positive correlation between the Plan’s equities and benchmarks, the value of the Plan’s total equities would have increased or decreased respectively, by approximately $3,307,000 (2015 - $3,355,000).

(ii) Interest rate risk:

Interest rate risk is the risk that the market value of the Plan's investments will fluctuate due to changes in market interest rates. The value of the Plan's assets is affected by short-term changes in interest rates and equity markets. Interest rate changes directly impact the value of fixed income securities held in the Bond Fund.

As at June 30, 2016, had the prevailing interest rates increased or decreased by 1% with all other variables remaining unchanged, the value of the bond securities component of the Plan would have increased or decreased by approximately $1,484,000 (2015 - $1,389,000).
4. Financial instruments (continued):

(b) Associated risks (continued):

(iii) Liquidity risk:

Liquidity risk is the risk that the Plan may be unable to meet pension payment obligations in a timely manner and at a reasonable cost. Management of liquidity seeks to ensure that even under adverse conditions, the Plan has access to immediate cash that is necessary to cover benefits payable, withdrawals and other liabilities. The Statement of Investment Policies & Procedures requires the plan’s investments to be highly liquid, so they can be converted into cash on short notice. The plan’s exposure to liquidity risk is considered negligible.

The accrued expenses of the plan are all due within 90 days or less.

The following table summarizes the contractual maturities of all fixed income securities as at June 30, 2016, by the earlier of contractual repricing or maturity dates:

<table>
<thead>
<tr>
<th>Maturity range</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair value</td>
<td>Percentage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>of fixed income</td>
</tr>
<tr>
<td>0 to 5 years</td>
<td>$ 9,312,378</td>
<td>47.7%</td>
</tr>
<tr>
<td>5 to 10 years</td>
<td>5,036,884</td>
<td>25.8%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>5,173,543</td>
<td>26.5%</td>
</tr>
<tr>
<td></td>
<td>$ 19,522,805</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(iv) Foreign currency risk:

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Plan invests in financial instruments denominated in various foreign currencies, other than its measurement currency. Consequently, the Plan is exposed to risks that the exchange of various currencies may change in a manner that has an adverse effect on the value of the portion of the Plan’s assets denominated in currencies other than the Canadian dollar. The Plan’s overall currency positions and exposures are monitored on a regular basis by the investment manager.
4. Financial instruments (continued):
   (b) Associated risks (continued):
      (iv) Foreign currency risk (continued):

The Plan’s currency exposure of its investments as at June 30, 2016, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Canadian dollar equivalent</td>
<td>Percentage of total</td>
</tr>
<tr>
<td>US Dollar</td>
<td>$13,266,569</td>
<td>25.2%</td>
</tr>
<tr>
<td>Euro</td>
<td>4,098,156</td>
<td>7.8%</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>2,101,185</td>
<td>4.0%</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>1,641,422</td>
<td>3.1%</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>1,020,062</td>
<td>2.0%</td>
</tr>
<tr>
<td>Other</td>
<td>967,608</td>
<td>1.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$23,095,002</td>
<td>43.9%</td>
</tr>
</tbody>
</table>

As at June 30, 2016, if the Canadian dollar strengthened or weakened by 5% (2015 - 5%) in each respective foreign currency, with all other factors remaining constant, the following table summarizes the estimated impacts:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Estimated impact</th>
<th>2015</th>
<th>Estimated impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td>$13,266,569</td>
<td>$663,329</td>
<td>$10,289,511</td>
<td>$514,476</td>
</tr>
<tr>
<td>Euro</td>
<td>4,098,156</td>
<td>204,908</td>
<td>3,255,710</td>
<td>162,786</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>2,101,185</td>
<td>105,059</td>
<td>1,636,554</td>
<td>81,828</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>1,641,422</td>
<td>82,071</td>
<td>1,215,045</td>
<td>50,372</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>1,020,062</td>
<td>51,003</td>
<td>555,837</td>
<td>27,792</td>
</tr>
<tr>
<td>Other</td>
<td>967,608</td>
<td>48,380</td>
<td>936,220</td>
<td>46,811</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$23,095,002</td>
<td>$1,154,750</td>
<td>$17,888,877</td>
<td>$894,445</td>
</tr>
</tbody>
</table>
4. Financial instruments (continued):
   (b) Associated risks (continued):
   
   (v) Credit risk:

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Plan. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange clearing house. The Plan policy does not permit investments in below investment grade securities. The credit risk is minimized by dealing with borrowers considered to be of high quality and by monitoring their credit risk. The Plan records all investments at fair value and therefore the values reflected in the statement of net assets available for benefits represent the maximum credit exposure to the Plan. The following is a summary of the June 30, 2016 weighted average of funds invested, and the respective allocation targets:

<table>
<thead>
<tr>
<th>Policy Asset Mix %</th>
<th>Asset Mix %</th>
<th>Minimum</th>
<th>Benchmark</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian equities</td>
<td>18.9%</td>
<td>10.0</td>
<td>20.0</td>
<td>30.0</td>
</tr>
<tr>
<td>U.S. equities</td>
<td>23.9%</td>
<td>8.0</td>
<td>18.0</td>
<td>28.0</td>
</tr>
<tr>
<td>International equities</td>
<td>19.8%</td>
<td>7.0</td>
<td>17.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Total equities</td>
<td>62.6%</td>
<td>40.0</td>
<td>55.0</td>
<td>70.0</td>
</tr>
<tr>
<td>Fixed income</td>
<td>36.9%</td>
<td>25.0</td>
<td>45.0</td>
<td>65.0</td>
</tr>
<tr>
<td>Cash</td>
<td>0.5%</td>
<td>0.0</td>
<td>0.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following are the Plan’s investments in interest-bearing financial instruments and the Plan’s exposure to credit risk as at June 30, 2016:

<table>
<thead>
<tr>
<th>Credit rating</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair value</td>
<td>Percentage of portfolio</td>
</tr>
<tr>
<td>AAA</td>
<td>$3,045,557</td>
<td>15.6%</td>
</tr>
<tr>
<td>AA</td>
<td>7,008,687</td>
<td>35.9%</td>
</tr>
<tr>
<td>A</td>
<td>8,238,624</td>
<td>42.2%</td>
</tr>
<tr>
<td>BBB</td>
<td>1,229,937</td>
<td>6.3%</td>
</tr>
<tr>
<td></td>
<td>$19,522,805</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
4. Financial instruments (continued):
   (c) Interest bearing investments:

   The following information is provided in respect of interest-bearing investments:

<table>
<thead>
<tr>
<th>Investment Total</th>
<th>Average Effective Yield</th>
<th>Investment Total</th>
<th>Average Effective Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and equivalents</td>
<td>$256,758</td>
<td>0.1%</td>
<td>$318,182</td>
</tr>
<tr>
<td>Jarislowsky Fraser Bond Fund</td>
<td>$19,522,805</td>
<td>2.1%</td>
<td>$18,526,174</td>
</tr>
</tbody>
</table>

   The average effective yield is the rate at which the future cash flows of the instrument must be discounted to arrive at the fair value of the instrument.

5. Capital risk management:

   The capital of the Plan is represented by the net assets available for benefits. The main objective of the defined benefit Plan is to ensure the security of the promised pension benefits under the Plan. The Plan fulfils its primary objective by adhering to specific investment policies outlined in its Statement of Investment Policies and Procedures (the "SIP&P"), which is reviewed annually by the Pension Committee. The Plan manages net assets available for benefits by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (contributions) in accordance with the approved SIP&P. The SIP&P was last amended effective October 22, 2015 to reflect changes required by the Financial Services Commission of Ontario.

   Although there are no regulatory requirements relating to the level of net assets available for benefits, the funding to be maintained by the defined benefit Plan is determined through triennial actuarial valuations. No contributions remain past due as of June 30, 2016. The pension plan investments fell within the asset mix target ranges for the Plan as at June 30, 2016.

   The Plan is required to file fund financial statements with the Financial Services Commission of Ontario annually.
Fund Financial Statements of

THE CONTRIBUTORY PENSION PLAN
FOR SALARIED EMPLOYEES
OF MCMASTER UNIVERSITY INCLUDING
MCMASTER DIVINITY COLLEGE 2000

Year ended June 30, 2016
Registration Number 1079920
INDEPENDENT AUDITORS’ REPORT

To the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000

We have audited the accompanying financial statements of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000, which comprise the statement of net assets available for benefits as at June 30, 2016, the statement of changes in net assets available for benefits for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The fund financial statements have been prepared by management based on the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these fund financial statements in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario), and for such internal control as management determines is necessary to enable the preparation of fund financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these fund financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the fund financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the fund financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the fund financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the fund financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the fund financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the fund financial statements present fairly, in all material respects, the net assets available for benefits of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000 as at June 30, 2016, and its changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Basis of accounting and restriction on use

Without modifying our opinion, we draw attention to Note 1 (a) to the fund financial statements, which describes the basis of accounting. The fund financial statements are prepared to assist the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000 to meet the requirements of the Financial Services Commission of Ontario. As a result, the fund financial statements may not be suitable for another purpose. Our report is intended solely for the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000 and the Financial Services Commission of Ontario for complying with Section 76 of the Regulations to the Pension Benefits Act (Ontario). The fund financial statements are not intended to be and should not be used by any other parties.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

November 10, 2016
THE CONTRIBUTORY PENSION PLAN FOR
SALARIED EMPLOYEES OF McMaster University
INCLUDING McMaster Divinity College 2000

Statement of Net Assets Available For Benefits
(in thousands of dollars)

June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer contributions receivable</td>
<td>$5,146</td>
<td>$5,757</td>
</tr>
<tr>
<td>Employee contributions receivable</td>
<td>3,066</td>
<td>1,722</td>
</tr>
<tr>
<td>Investment in Master Trust (note 2)</td>
<td>1,701,705</td>
<td>1,667,624</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,709,917</td>
<td>1,675,103</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees payable and accrued liabilities</td>
<td>992</td>
<td>1,026</td>
</tr>
<tr>
<td><strong>Net assets available for benefits</strong></td>
<td>$1,708,925</td>
<td>$1,674,077</td>
</tr>
</tbody>
</table>

See accompanying notes to fund financial statements.

On behalf of the Administrator:

Roger Couldrey  Deidre Henne
Vice-President (Administration)  Assistant Vice-President (Administration) & CFO
McMaster University  McMaster University
THE CONTRIBUTORY PENSION PLAN FOR
SALARIED EMPLOYEES OF MACMASTER UNIVERSITY
INCLUDING MACMASTER DIVINITY COLLEGE 2000

Statement of Changes in Net Assets Available for Benefits
(in thousands of dollars)

June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCREASE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income allocated by the Master Trust Fund (note 4):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>$ 37,936</td>
<td>$ 40,841</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>53,886</td>
<td>39,125</td>
</tr>
<tr>
<td>Net realized gain on sale of units in the Master Trust Fund</td>
<td>12,741</td>
<td>13,882</td>
</tr>
<tr>
<td></td>
<td>104,563</td>
<td>93,848</td>
</tr>
<tr>
<td>Change in net unrealized gain in investments</td>
<td>-</td>
<td>39,783</td>
</tr>
<tr>
<td></td>
<td>104,563</td>
<td>133,631</td>
</tr>
<tr>
<td>Contributions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer current service</td>
<td>27,832</td>
<td>27,799</td>
</tr>
<tr>
<td>Employer past service</td>
<td>30,365</td>
<td>20,800</td>
</tr>
<tr>
<td>Employee required</td>
<td>23,747</td>
<td>22,374</td>
</tr>
<tr>
<td>Employee transfers from other plans</td>
<td>1,218</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>83,162</td>
<td>71,063</td>
</tr>
<tr>
<td></td>
<td>187,725</td>
<td>204,694</td>
</tr>
<tr>
<td><strong>DECREASE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net unrealized gain in investments</td>
<td>70,619</td>
<td>-</td>
</tr>
<tr>
<td>Payments to members:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension benefits</td>
<td>64,389</td>
<td>58,699</td>
</tr>
<tr>
<td>Termination payments</td>
<td>12,569</td>
<td>8,788</td>
</tr>
<tr>
<td></td>
<td>76,958</td>
<td>67,487</td>
</tr>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment managers</td>
<td>4,103</td>
<td>3,909</td>
</tr>
<tr>
<td>Professional</td>
<td>589</td>
<td>792</td>
</tr>
<tr>
<td>Administrative</td>
<td>287</td>
<td>283</td>
</tr>
<tr>
<td>Trustee and custodial</td>
<td>254</td>
<td>228</td>
</tr>
<tr>
<td>Pension filing</td>
<td>47</td>
<td>39</td>
</tr>
<tr>
<td>Audit</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>5,300</td>
<td>5,276</td>
</tr>
<tr>
<td></td>
<td>152,877</td>
<td>72,763</td>
</tr>
<tr>
<td>Net increase in net assets available for benefits</td>
<td>34,848</td>
<td>131,931</td>
</tr>
<tr>
<td>Net assets available for benefits, beginning of year</td>
<td>1,674,077</td>
<td>1,542,146</td>
</tr>
<tr>
<td>Net assets available for benefits, end of year</td>
<td>$ 1,708,925</td>
<td>$ 1,674,077</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College (the “Plan”) is a defined benefit registered pension plan in the Province of Ontario under registration number 1079920, the Administrator of which is McMaster University.

McMaster University operates the Master Trust Fund to facilitate the collective management of the investment assets for pension plans of McMaster University and Divinity College. These fund financial statements reflect the consolidation of net assets held by the Plan directly and its share of the net assets of the Master Trust Fund.

The Plan is operated in accordance with the Trust and Custodial Services Agreement dated July 1, 2000, between McMaster University (the “Administrator”) and CIBC Mellon Trust Company (the “Trustee”).

1. Significant accounting policies:

   (a) Basis of presentation:

   As permitted under Section 76 of the Regulation to the Pension Benefits Act (Ontario), the Plan has prepared fund financial statements in accordance with Canadian accounting standards for pension plans excluding pension obligations and any resulting surplus or deficit.

   In selecting or changing accounting policies that do not relate to its investment portfolio or pension obligations, Canadian accounting standards for pension plans require the Plan to comply (on a consistent basis) with either International Financial Reporting Standards (“IFRS”) in Part I of The Canadian Institute of Chartered Professional Accountants’ (“CPA”) Handbook or Canadian accounting standards for private enterprises in Part II of the CPA Canada Handbook. The Plan has chosen to comply on a consistent basis with IFRS.

   These fund financial statements have been prepared to assist the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000 in meeting the requirements of the Financial Services Commission of Ontario. As a result, these fund financial statements may not be suitable for another purpose.

   These fund financial statements of the Plan do not purport to show the adequacy of the Plan’s assets to meet its pension obligation. Such an assessment requires additional information, such as the Plan’s actuarial reports and information about McMaster University including McMaster Divinity College 2000 financial health.
1. Significant accounting policies (continued):

(b) Basis of measurement:

The fund financial statements have been prepared on the historical cost basis, except for investments and derivative financial instruments which are measured at fair value through the statement of changes in net assets available for benefits.

(c) Functional and presentation currency:

These fund financial statements are presented in Canadian dollars, which is the Plan's functional currency. The fair values of foreign currency denominated investments are translated into Canadian dollars at year-end rates of exchange. Gains and losses arising from transactions are included in investment income within the statement of changes in net assets available for benefits.

(d) Financial assets and financial liabilities:

(i) Non-derivative financial assets:

Financial assets are recognized initially on the trade date, which is the date that the Plan becomes a party to the contractual provisions of the instrument. Upon initial recognition, attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred.

The Plan measures all of its investments at fair value through the statement of changes in net assets available for benefits.

All other non-derivative financial assets including contributions receivable are measured at amortized cost.

The Plan derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Plan neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognized in the statement of changes in net assets available for benefits as a net realized gain (loss) on sale of investments.
1. Significant accounting policies (continued):

   (d) Financial assets and financial liabilities (continued):

   (ii) Non-derivative financial liabilities:

   All financial liabilities are recognized initially on the trade date at which the Plan becomes a party to the contractual provisions of the instrument.

   The Plan derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

   Financial assets and liabilities are offset and the net amount presented in the statement of net assets when, and only when, the Plan has a legal right to offset the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

   The Plan considers its fees payable and accrued liabilities to be a non-derivative financial liability.

   (iii) Derivative financial instruments:

   Derivative financial instruments are recognized initially at fair value and attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and all changes are recognized immediately in the statement of changes in net assets available for benefits.

   (e) Fair value measurement:

   Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction on the measurement date.

   As allowed under IFRS 13, if an asset or a liability measured at fair value has a bid and an ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The Plan uses closing market price as a practical expedient for fair value measurement.
1. Significant accounting policies (continued):
   (e) Fair value measurement (continued):

   When available, the Plan measures the fair value of an instrument using quoted prices in an
   active market for that instrument. A market is regarded as active if quoted prices are readily
   and regularly available and represent actual and regularly occurring market transactions on
   an arm’s length basis.

   If a market for a financial instrument is not active, then the Plan establishes fair value using a
   valuation technique. Valuation techniques include using recent arm’s length transactions
   between knowledgeable, willing parties (if available), reference to the current fair value of
   other instruments that are substantially the same, discounted cash flow analyses and option
   pricing models.

   The best evidence of the fair value of a financial instrument at initial recognition is the
   transaction price, i.e. the fair value of the consideration given or received, unless the fair
   value of that instrument is evidenced by comparison with other observable current market
   transactions in the same instrument or based on a valuation technique whose variables
   include only data from observable markets. When transaction price provides the best
   evidence of fair value at initial recognition, the financial instrument is initially measured at the
   transaction price and any difference between this price and the value initially obtained from a
   valuation model is subsequently recognized in profit or loss on an appropriate basis over the
   life of the instrument but not later than when the valuation is supported wholly by observable
   market data or the transaction is closed out.

   All changes in fair value, other than interest and dividend income are recognized in the
   statement of changes in net assets available for benefits as part of the change in net
   unrealized gains.

   Pooled funds are valued at the unit values supplied by the pooled fund administrator, which
   represent the Plan’s proportionate share of underlying net assets at fair value using closing
   market prices.
1. Significant accounting policies (continued):

   (e) Fair value measurement (continued):

   Investments are stated at fair value. Fair values of investments including those held within the Master Trust are determined as follows:

   (i) Bonds and equities are valued at year-end quoted closing prices where available. Where quoted prices are not available, estimated fair values are calculated using comparable securities.

   (ii) Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

   (iii) Pooled funds are valued at the unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair values determined using closing market prices.

   (iv) Investments in derivative financial instruments, including futures, forwards and option contracts, are valued at year-end quoted market prices where available. Where quoted prices are not available, values are determined using pricing models, which take into account current market and contractual prices of the underlying instruments, as well as time value and yield curve or volatility factors underlying the positions.

   Unrealized gains and losses on derivative financial instruments, net of premiums paid or received on options contracts, are included in derivative contracts investments.

   Investment transactions are accounted for on the trade date.

   (f) Investment income:

   Investment income, which is recorded on the accrual basis, includes interest income, dividends and pooled fund distributions.

   (g) Change in net unrealized gain in investments:

   The change in net unrealized gain in investments is the change in the difference between the fair value and cost of investments from the beginning to the end of the year.

   (h) Foreign currency:

   Transactions in foreign currencies are translated into Canadian dollars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Canadian dollars at the exchange rate at that date.
1. Significant accounting policies (continued):

(i) Net realized gain or loss on sales of investments:

The net realized gain on sale of investments represents the difference between proceeds received and the average cost of investments sold.

The net realized gain or loss on sale of units in the Master Trust Fund represents the difference between the proceeds received and the average cost of the units sold.

(j) Income taxes:

The Plan is a Registered Pension Trust as defined by the Income Tax Act (Canada) and, accordingly, is not subject to income taxes.

(k) Use of estimates:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the statement of net assets and the reported amounts of changes in net assets available for benefits during the year. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.
2. Investment in Master Trust:

Details of the Master Trust Fund investments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th></th>
<th>2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Fair value</td>
<td>Cost</td>
<td>Fair value</td>
</tr>
<tr>
<td>Canadian short-term notes and</td>
<td>$15,462</td>
<td>$15,462</td>
<td>$11,054</td>
<td>$11,054</td>
</tr>
<tr>
<td>treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign short-term notes and</td>
<td>1,401</td>
<td>1,365</td>
<td>2,397</td>
<td>2,425</td>
</tr>
<tr>
<td>treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian common and preferred</td>
<td>120,394</td>
<td>168,580</td>
<td>113,121</td>
<td>165,372</td>
</tr>
<tr>
<td>equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign common and preferred</td>
<td>53,854</td>
<td>83,002</td>
<td>106,176</td>
<td>173,764</td>
</tr>
<tr>
<td>equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>130,267</td>
<td>133,514</td>
<td>123,500</td>
<td>125,390</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>369,633</td>
<td>411,326</td>
<td>352,427</td>
<td>380,864</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>148,446</td>
<td>158,771</td>
<td>137,480</td>
<td>152,982</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>573,095</td>
<td>729,716</td>
<td>452,377</td>
<td>662,487</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net foreign exchange contracts</td>
<td></td>
<td>4,385</td>
<td></td>
<td>(5,884)</td>
</tr>
<tr>
<td>receivable (payable)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,412,552</td>
<td>1,706,121</td>
<td>$1,298,532</td>
<td>1,688,454</td>
</tr>
<tr>
<td>Cash</td>
<td>272</td>
<td>272</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
<td>-</td>
<td>1,582</td>
<td>1,582</td>
</tr>
<tr>
<td>Accrued investment income</td>
<td>1,692</td>
<td>1,692</td>
<td>1,311</td>
<td>1,314</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(3,254)</td>
<td>(3,254)</td>
<td>(908)</td>
<td>(908)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,411,262</td>
<td>1,704,831</td>
<td>$1,300,611</td>
<td>$1,670,536</td>
</tr>
</tbody>
</table>

The allocation of the investment in the Master Trust Fund to the respective pension plans is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th></th>
<th>2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Units</td>
<td>Fair value</td>
<td>Units</td>
<td>Fair value</td>
</tr>
<tr>
<td>The Contributory Pension Plan for</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaried Employees of McMaster</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University including McMaster</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divinity College 2000</td>
<td>6,770,226</td>
<td>$1,701,705</td>
<td>6,749,609</td>
<td>$1,667,624</td>
</tr>
<tr>
<td>The Contributory Pension Plan for</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaried Employees of McMaster</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University including McMaster</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divinity College</td>
<td>12,436</td>
<td>3,126</td>
<td>11,789</td>
<td>2,912</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,704,831</td>
<td></td>
<td>$1,670,536</td>
<td></td>
</tr>
</tbody>
</table>

The book value of the investments in the Plan at June 30, 2016 was $1,441,830 (2015 - $1,337,130).
3. Statutory disclosures:

The following information is provided in respect of individual investments in the Master Trust Fund with a fair value in excess of 1% of the Master Trust Fund as at June 30, 2016 as required by the Pension Benefits Act (Ontario).

a) Pooled fund investments:

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Fund operator</th>
<th>Nature of investments held</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>BlackRock Russell 1000 Alpha Tilts Fund B</td>
<td>BlackRock</td>
<td>U.S. equities</td>
<td>$ 267,909</td>
</tr>
<tr>
<td>BlackRock Long Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>252,796</td>
</tr>
<tr>
<td>GE Asset Management Canada Fund</td>
<td>GE Asset Management</td>
<td>Canadian equities</td>
<td>142,365</td>
</tr>
<tr>
<td>Walter Scott &amp; Partners International Fund</td>
<td>Walter Scott</td>
<td>Non-North American equities</td>
<td>141,395</td>
</tr>
<tr>
<td>GMO International Opportunities Equity Allocation Fund</td>
<td>GMO</td>
<td>Non-North American equities</td>
<td>141,039</td>
</tr>
<tr>
<td>T Rowe Price U.S. Large Cap Core Corp Growth Equity</td>
<td>T Rowe Price</td>
<td>U.S. equities</td>
<td>91,182</td>
</tr>
<tr>
<td>BlackRock Universe Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>90,755</td>
</tr>
<tr>
<td>Templeton International Equity Trust</td>
<td>Franklin Templeton</td>
<td>Non-North American equities</td>
<td>86,908</td>
</tr>
<tr>
<td>BlackRock Real Return Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>67,775</td>
</tr>
</tbody>
</table>

b) Canadian bonds and debentures:

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Cost</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Canada</td>
<td>$29,057</td>
<td>$29,603</td>
</tr>
<tr>
<td>Provincials (Canadian)</td>
<td>44,185</td>
<td>45,653</td>
</tr>
</tbody>
</table>
4. Investment Income:

Details of the investment income earned by the Master Trust Fund are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1</td>
<td>$-</td>
</tr>
<tr>
<td>Short-term notes and treasury bills</td>
<td>210</td>
<td>187</td>
</tr>
<tr>
<td>Canadian common and preferred equities</td>
<td>14,113</td>
<td>12,389</td>
</tr>
<tr>
<td>Foreign common and preferred equities</td>
<td>51,702</td>
<td>15,052</td>
</tr>
<tr>
<td>Bonds and debentures</td>
<td>5,023</td>
<td>3,998</td>
</tr>
<tr>
<td>Pooled fund investments</td>
<td>65,800</td>
<td>65,953</td>
</tr>
<tr>
<td>Foreign exchange losses including derivatives</td>
<td>(26,488)</td>
<td>(21,771)</td>
</tr>
</tbody>
</table>

$110,361 $ 75,808

The allocation of the investment income to the respective pension plans is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000</td>
<td>$104,563</td>
<td>$93,848</td>
</tr>
<tr>
<td>The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College</td>
<td>166</td>
<td>146</td>
</tr>
</tbody>
</table>

104,729 93,994

Timing difference between the realization of investment income in the Master Trust Fund and its allocation to the participating Pension Trust Funds 5,632 (18,186)

$110,361 $ 75,808

5. Related party transactions:

McMaster University provides certain administrative services to the Plan which is recorded at the amount agreed to by the parties. The cost for these services for the year ended June 30, 2016 was approximately $287 (2015 - $283), and is included in administrative expenses in the statement of changes in net assets available for benefits.
6. Financial instruments:

The investment objectives of the Plan are to efficiently fund the benefits of the participating plan members. As part of the risk management process, the Administrator has established a diversification policy, set rate of return objectives and developed specific investment guidelines.

(a) Fair value:

The fair value of investments is disclosed in note 2. The fair value of the Plan's other financial assets and liabilities, being contributions receivable and fees payable and accrued liabilities, approximate their carrying values due to the short-term nature of these financial instruments.

Fair value measurements recognized in the statement of net assets available for benefits are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values.

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for assets and liabilities that are not based on observable market data.

The Plan’s investment in Master Trust is classified as Level 2. The following table presents the classification of the Plan’s investments held within the Master Trust as at June 30, 2016, using the fair value hierarchy:

<table>
<thead>
<tr>
<th>2016</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian short-term notes and treasury bills</td>
<td>$ -</td>
<td>$ 15,462</td>
<td>$ -</td>
<td>$ 15,462</td>
</tr>
<tr>
<td>Foreign short-term notes and treasury bills</td>
<td>-</td>
<td>1,365</td>
<td>-</td>
<td>1,365</td>
</tr>
<tr>
<td>Canadian common and preferred stocks</td>
<td>168,580</td>
<td>-</td>
<td>-</td>
<td>168,580</td>
</tr>
<tr>
<td>Foreign common and preferred stocks</td>
<td>83,002</td>
<td>-</td>
<td>-</td>
<td>83,002</td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>-</td>
<td>133,514</td>
<td>-</td>
<td>133,514</td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>-</td>
<td>411,326</td>
<td>-</td>
<td>411,326</td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>-</td>
<td>158,771</td>
<td>-</td>
<td>158,771</td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>-</td>
<td>729,716</td>
<td>-</td>
<td>729,716</td>
</tr>
<tr>
<td>Net foreign exchange contracts receivable</td>
<td>-</td>
<td>4,385</td>
<td>-</td>
<td>4,385</td>
</tr>
<tr>
<td></td>
<td>$ 251,582</td>
<td>$ 1,454,539</td>
<td>$ -</td>
<td>$ 1,706,121</td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(a) Fair value (continued):

<table>
<thead>
<tr>
<th>2015</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian short-term notes and treasury bills</td>
<td>-</td>
<td>$ 11,054</td>
<td>-</td>
<td>$ 11,054</td>
</tr>
<tr>
<td>Foreign short-term notes and treasury bills</td>
<td>-</td>
<td>2,425</td>
<td>-</td>
<td>2,425</td>
</tr>
<tr>
<td>Canadian common and preferred stocks</td>
<td>165,372</td>
<td>-</td>
<td>-</td>
<td>165,372</td>
</tr>
<tr>
<td>Foreign common and preferred stocks</td>
<td>173,764</td>
<td>-</td>
<td>-</td>
<td>173,764</td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>-</td>
<td>125,390</td>
<td>-</td>
<td>125,390</td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>-</td>
<td>380,864</td>
<td>-</td>
<td>380,864</td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>-</td>
<td>152,982</td>
<td>-</td>
<td>152,982</td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>-</td>
<td>662,487</td>
<td>-</td>
<td>662,487</td>
</tr>
<tr>
<td>Net foreign exchange contracts receivable</td>
<td>-</td>
<td>(5,884)</td>
<td>-</td>
<td>(5,884)</td>
</tr>
<tr>
<td></td>
<td>$ 339,136</td>
<td>$1,329,318</td>
<td>-</td>
<td>$ 1,668,454</td>
</tr>
</tbody>
</table>

(b) Associated risks:

(i) Market price risk:

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all other factors affecting all instruments traded in the market. As all of the Plan’s financial instruments are carried at fair value with fair value changes recognized in the statement of changes in net assets available for benefits, all changes in market conditions will directly affect the net increase (decrease) in net assets available for benefits. Market price risk is managed by the Administrator through construction of a diversified portfolio of instruments traded on various markets and across various industries.

As at June 30, 2016, had the unit prices of equity benchmarks increased or decreased by 10% with all other variables remaining unchanged, and assuming there is a perfect positive correlation between the Plan’s equity and pooled fund securities with all other variables held constant, the value of the Plan’s total equities would have increased or decreased by approximately $114.9 million or 6.7% of total net assets available for benefits (2015 - $115.5 million or 6.9%). The unit price of the Plan’s equity and pooled fund securities are affected by changes in market values, foreign exchange rates and interest rates impacting the underlying equity and debt instruments held within the Plan.
6. Financial instruments (continued):

(b) Associated risks (continued):

(ii) Interest rate risk:

Interest rate risk is the risk that the market value of the Plan’s investments will fluctuate due to changes in market interest rates. The Plan is exposed to the risk that the fair value or future cash flows of an investment will fluctuate because of changes in the market interest rates. The Plan mitigates this risk by diversifying the maturity schedule of its fixed income securities.

As at June 30, 2016, had the prevailing interest rates increased or decreased by 1%, with all other variables held constant, the value of the debt securities component of the Plan would have increased or decreased, respectively, by approximately $66.0 million or 3.9% of total net assets available for benefits (2015 - $56.9 million or 3.4%).

(iii) Liquidity risk:

Liquidity risk is the risk that the Plan may be unable to meet pension payment obligations in a timely manner and at a reasonable cost. Management of liquidity seeks to ensure that even under adverse conditions, the Plan has access to immediate cash that is necessary to cover benefits payable, withdrawals and other liabilities. The Statement of Investment Policies & Procedures requires the plan’s investments to be highly liquid, so they can be converted into cash on short notice. The plan’s exposure to liquidity risk is considered negligible.

The accrued expenses of the plan are all due within 90 days or less.

The following table summarizes the contractual maturities of all fixed income securities as at June 30th by the earlier of contractual repricing or maturity dates:

<table>
<thead>
<tr>
<th>Maturity range</th>
<th>2016 Fair value</th>
<th>Percentage of fixed income</th>
<th>2015 Fair value</th>
<th>Percentage of fixed income</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 5 years</td>
<td>$103,541</td>
<td>19.0%</td>
<td>$118,453</td>
<td>23.3%</td>
</tr>
<tr>
<td>5 to 10 years</td>
<td>$69,327</td>
<td>12.7%</td>
<td>$50,273</td>
<td>9.8%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>$372,884</td>
<td>68.3%</td>
<td>$340,177</td>
<td>66.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$545,752</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$508,903</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(b) Associated risks (continued):

(iv) Foreign currency risk:

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Plan invests in financial instruments denominated in various foreign currencies, other than its measurement currency. Consequently, the Plan is exposed to risks that the exchange of the various currencies may change in a manner that has an adverse effect on the value of the portion of the Plan’s assets denominated in currencies other than the Canadian dollar. As at June 30, 2016 and June 30, 2015, the Plan held currency contracts which mitigated its exposure to currency risk. The Plan’s overall currency positions and exposures are monitored on a regular basis by the Administrator.

The Plan’s currency exposure of its investments as at June 30 is as follows:

<table>
<thead>
<tr>
<th>Currency</th>
<th>2016</th>
<th>Percentage of total</th>
<th>2015</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>US dollar</td>
<td>$455,300</td>
<td>26.7%</td>
<td>$519,547</td>
<td>31.1%</td>
</tr>
<tr>
<td>Euro</td>
<td>98,629</td>
<td>5.8%</td>
<td>102,400</td>
<td>6.1%</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>74,597</td>
<td>4.4%</td>
<td>59,452</td>
<td>3.6%</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>57,306</td>
<td>3.4%</td>
<td>58,230</td>
<td>3.5%</td>
</tr>
<tr>
<td>Hong Kong Dollar</td>
<td>31,255</td>
<td>1.8%</td>
<td>12,540</td>
<td>0.8%</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>29,645</td>
<td>1.7%</td>
<td>21,512</td>
<td>1.3%</td>
</tr>
<tr>
<td>Other</td>
<td>53,601</td>
<td>3.1%</td>
<td>55,388</td>
<td>3.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$800,333</td>
<td>46.9%</td>
<td>$829,069</td>
<td>49.7%</td>
</tr>
</tbody>
</table>

As at June 30, 2016, if the Canadian dollar strengthened or weakened by 5% in each respective foreign currency, with all other factors remaining constant, the following table summarizes the estimated impacts:

<table>
<thead>
<tr>
<th>Currency</th>
<th>Net exposure</th>
<th>Estimated impact</th>
<th>Net exposure</th>
<th>Estimated impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>US dollar</td>
<td>$455,300</td>
<td>22,765</td>
<td>$519,547</td>
<td>25,977</td>
</tr>
<tr>
<td>Euro</td>
<td>98,629</td>
<td>4,931</td>
<td>102,400</td>
<td>5,120</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>74,597</td>
<td>3,730</td>
<td>59,452</td>
<td>2,973</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>57,306</td>
<td>2,865</td>
<td>58,230</td>
<td>2,911</td>
</tr>
<tr>
<td>Hong Kong Dollar</td>
<td>31,255</td>
<td>1,563</td>
<td>12,540</td>
<td>627</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>29,645</td>
<td>1,482</td>
<td>21,512</td>
<td>1,076</td>
</tr>
<tr>
<td>Other</td>
<td>53,601</td>
<td>2,680</td>
<td>55,388</td>
<td>2,769</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$800,333</td>
<td>40,016</td>
<td>$829,069</td>
<td>41,453</td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(b) Associated risks (continued):

(v) Credit risk:

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Plan. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange clearing house. The Plan policy does not permit investments in below investment grade securities. The credit risk is minimized by dealing with borrowers considered to be of high quality and by monitoring their credit risk. The Plan records all investments at fair value and therefore the values reflected in the statement of net assets available for benefits represent the maximum credit exposure to the Plan.

The following is a summary of the June 30, 2016 weighted average of funds invested, and the respective allocation targets:

<table>
<thead>
<tr>
<th>Policy Asset Mix %</th>
<th>Asset Mix %</th>
<th>Minimum</th>
<th>Benchmark</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian equities</td>
<td>19.3</td>
<td>16.0</td>
<td>21.0</td>
<td>26.0</td>
</tr>
<tr>
<td>U.S. equities</td>
<td>26.0</td>
<td>17.0</td>
<td>22.0</td>
<td>27.0</td>
</tr>
<tr>
<td>International equities</td>
<td>22.1</td>
<td>17.0</td>
<td>22.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Total equities</td>
<td>67.4</td>
<td>50.0</td>
<td>65.0</td>
<td>70.0</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>32.0</td>
<td>25.0</td>
<td>35.0</td>
<td>45.0</td>
</tr>
<tr>
<td>Real estate</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Cash</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following are the Plan’s investments in interest-bearing financial instruments and the Plan’s exposure to credit risk as at June 30, 2016:

<table>
<thead>
<tr>
<th>Credit rating</th>
<th>2016 Fair value</th>
<th>Percentage of portfolio</th>
<th>2015 Fair value</th>
<th>Percentage of portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$205,351</td>
<td>37.6</td>
<td>$206,843</td>
<td>40.6</td>
</tr>
<tr>
<td>AA</td>
<td>$173,645</td>
<td>31.8</td>
<td>$132,116</td>
<td>26.0</td>
</tr>
<tr>
<td>A</td>
<td>$133,624</td>
<td>24.5</td>
<td>$140,062</td>
<td>27.5</td>
</tr>
<tr>
<td>BBB</td>
<td>$33,132</td>
<td>6.1</td>
<td>$29,882</td>
<td>5.9</td>
</tr>
<tr>
<td>Total</td>
<td>$545,752</td>
<td>100.0</td>
<td>$508,903</td>
<td>100.0</td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(c) Interest-bearing investments:

The following information is provided in respect of interest-bearing investments in the Master Trust Fund.

<table>
<thead>
<tr>
<th>Investment</th>
<th>2016</th>
<th>Average Effective Yield</th>
<th>2015</th>
<th>Average Effective Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment total</td>
<td></td>
<td>Investment total</td>
<td></td>
</tr>
<tr>
<td>Short-term notes</td>
<td>$ 16,827</td>
<td>0.2%</td>
<td>$ 13,479</td>
<td>0.5%</td>
</tr>
<tr>
<td>and treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian bonds and</td>
<td>$ 133,514</td>
<td>1.8%</td>
<td>$ 125,930</td>
<td>1.9%</td>
</tr>
<tr>
<td>debentures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The average effective yield is the rate at which the future cash flows of the instrument must be discounted to arrive at the fair value of the instrument.

7. Capital risk management:

The capital of the plan is represented by the net assets available for benefits. The main objective of the defined benefit Plan is to ensure the security of the promised pension benefits under the Plan. The Plan fulfills its primary objective by adhering to specific investments policies outlined in its Statement of Investment Policies and Procedures (the “SIP & P”), which is reviewed annually by the Pension Committee. The Plan manages net assets available for benefits by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (contributions) in accordance with the approved SIP & P. The SIP & P was last amended effective December 10, 2015 to reflect changes required by the Financial Services Commission of Ontario.

Although there are no regulatory requirements relating to the level of net assets available for benefits, the funding to be maintained by the defined benefit Plan is determined through triennial actuarial valuations. No contributions remain past due as of June 30, 2016. The pension plan investments fell within the asset mix target ranges for the Plan as at June 30, 2016.

The Plan is required to file fund financial statements with the Financial Services Commission of Ontario annually.
Fund Financial Statements of

THE CONTRIBUTORY PENSION PLAN
FOR SALARIED EMPLOYEES
OF McMASTER UNIVERSITY INCLUDING
McMASTER DIVINITY COLLEGE

Year ended June 30, 2016
Registration Number 0215400
INDEPENDENT AUDITORS’ REPORT

To the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College

We have audited the accompanying financial statements of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College, which comprise the statement of net assets available for benefits as at June 30, 2016, the statement of changes in net assets available for benefits for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The fund financial statements have been prepared by management based on the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these fund financial statements in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario), and for such internal control as management determines is necessary to enable the preparation of fund financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these fund financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the fund financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the fund financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the fund financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the fund financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the fund financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the fund financial statements present fairly, in all material respects, the net assets available for benefits of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College as at June 30, 2016, and its changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of the Regulations to the Pension Benefits Act (Ontario).

Comparative information

The fund financial statements of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College as at June 30, 2015 are unaudited. Accordingly, we do not express an opinion on them.

Basis of accounting and restriction on use

Without modifying our opinion, we draw attention to Note 1 (a) to the fund financial statements, which describes the basis of accounting. The fund financial statements are prepared to assist the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College to meet the requirements of the Financial Services Commission of Ontario. As a result, the fund financial statements may not be suitable for another purpose. Our report is intended solely for the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College and the Financial Services Commission of Ontario for complying with Section 76 of the Regulations to the Pension Benefits Act (Ontario). The fund financial statements are not intended to be and should not be used by any other parties.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

November 10, 2016
THE CONTRIBUTORY PENSION PLAN FOR
SALARIED EMPLOYEES OF McMaster UNIVERSITY
INCLUDING McMaster DIVINITY COLLEGE

Statement of Net Assets Available For Benefits
(in thousands of dollars)

June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer contributions receivable</td>
<td>$14</td>
<td>$9</td>
</tr>
<tr>
<td>Employee contributions receivable</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Investment in Master Trust (note 2)</td>
<td>3,126</td>
<td>2,912</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>3,144</td>
<td>2,924</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees payable and accrued liabilities</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td><strong>Net assets available for benefits</strong></td>
<td><strong>$3,132</strong></td>
<td><strong>$2,922</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to fund financial statements.

On behalf of the Administrator:

Roger Couldrey
Vice-President (Administration)
McMaster University

Deidre Henne
Assistant Vice-President (Administration) & CFO
McMaster University
THE CONTRIBUTORY PENSION PLAN FOR
SALARIED EMPLOYEES OF McMASTER UNIVERSITY
INCLUDING McMASTER DIVINITY COLLEGE

Statement of Changes in Net Assets Available for Benefits
(in thousands of dollars)

June 30, 2016, with comparative information for 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(unaudited)</td>
<td></td>
</tr>
<tr>
<td><strong>INCREASE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income allocated by the Master Trust Fund (note 4):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>$ 68</td>
<td>$ 70</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>96</td>
<td>67</td>
</tr>
<tr>
<td>Net realized gain on sale of units in the Master Trust Fund</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>166</td>
<td>146</td>
</tr>
<tr>
<td>Change in net unrealized gain in investments</td>
<td>-</td>
<td>83</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>166</td>
<td>229</td>
</tr>
<tr>
<td>Contributions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer current service</td>
<td>94</td>
<td>69</td>
</tr>
<tr>
<td>Employer past service</td>
<td>47</td>
<td>43</td>
</tr>
<tr>
<td>Employee required</td>
<td>36</td>
<td>34</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>177</td>
<td>146</td>
</tr>
<tr>
<td><strong>Total Contributions</strong></td>
<td>343</td>
<td>375</td>
</tr>
<tr>
<td><strong>DECREASE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net unrealized gain in investments</td>
<td>102</td>
<td>-</td>
</tr>
<tr>
<td>Payments to members:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension benefits</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment managers</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Audit</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Professional</td>
<td>5</td>
<td>40</td>
</tr>
<tr>
<td>Trustee and custodial</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22</td>
<td>49</td>
</tr>
<tr>
<td><strong>Net increase in net assets available for benefits</strong></td>
<td>210</td>
<td>325</td>
</tr>
<tr>
<td><strong>Net assets available for benefits, beginning of year</strong></td>
<td>2,922</td>
<td>2,597</td>
</tr>
<tr>
<td><strong>Net assets available for benefits, end of year</strong></td>
<td>$ 3,132</td>
<td>$ 2,922</td>
</tr>
</tbody>
</table>

See accompanying notes to fund financial statements.
The Contributory Pension Plan for Salaried Employees of McMaster University Including McMaster Divinity College (the “Plan”) is a defined benefit registered pension plan in the Province of Ontario under registration number 0215400, the Administrator of which is McMaster University.

McMaster University operates the Master Trust Fund to facilitate the collective management of the investment assets for pension plans of McMaster University and Divinity College. These fund financial statements reflect the consolidation of net assets held by the Plan directly and its share of the net assets of the Master Trust Fund.

The Plan is operated in accordance with the Trust and Custodial Services Agreement dated July 1, 2000, between McMaster University (the “Administrator”) and CIBC Mellon Trust Company (the “Trustee”).

1. Significant accounting policies:

(a) Basis of presentation:

As permitted under Section 76 of the Regulation to the Pension Benefits Act (Ontario), the Plan has prepared fund financial statements in accordance with Canadian accounting standards for pension plans excluding pension obligations and any resulting surplus or deficit.

In selecting or changing accounting policies that do not relate to its investment portfolio or pension obligations, Canadian accounting standards for pension plans require the Plan to comply (on a consistent basis) with either International Financial Reporting Standards (“IFRS”) in Part I of The Canadian Institute of Chartered Professional Accountants’ (“CPA”) Handbook - Canadian accounting standards for private enterprises in Part II of the CPA Canada Handbook. The Plan has chosen to comply on a consistent basis with IFRS.

These fund financial statements have been prepared to assist the Administrator of The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College in meeting the requirements of the Financial Services Commission of Ontario. As a result, these fund financial statements may not be suitable for another purpose.

These fund financial statements of the Plan do not purport to show the adequacy of the Plan’s assets to meet its pension obligation. Such an assessment requires additional information, such as the Plan’s actuarial reports and information about McMaster University including McMaster Divinity College financial health.
1. Significant accounting policies (continued):

(b) Basis of measurement:

The fund financial statements have been prepared on the historical cost basis, except for investments and derivative financial instruments which are measured at fair value through the statement of changes in net assets available for benefits.

(c) Functional and presentation currency:

These fund financial statements are presented in Canadian dollars, which is the Plan's functional currency. The fair values of foreign currency denominated investments are translated into Canadian dollars at year-end rates of exchange. Gains and losses arising from transactions are included in investment income within the statement of changes in net assets available for benefits.

(d) Financial assets and financial liabilities:

(i) Non-derivative financial assets:

Financial assets are recognized initially on the trade date, which is the date that the Plan becomes a party to the contractual provisions of the instrument. Upon initial recognition, attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred.

The Plan measures all of its investments at fair value through the statement of changes in net assets available for benefits.

All other non-derivative financial assets including contributions receivable are measured at amortized cost.

The Plan derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Plan neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognized in the statement of changes in net assets available for benefits as a net realized gain (loss) on sale of investments.
1. Significant accounting policies (continued):

(d) Financial assets and financial liabilities (continued):

(ii) Non-derivative financial liabilities:

All financial liabilities are recognized initially on the trade date at which the Plan becomes a party to the contractual provisions of the instrument.

The Plan derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of net assets when, and only when, the Plan has a legal right to offset the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Plan considers its fees payable and accrued liabilities to be a non-derivative financial liability.

(iii) Derivative financial instruments:

Derivative financial instruments are recognized initially at fair value and attributable transaction costs are recognized in the statement of changes in net assets available for benefits as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and all changes are recognized immediately in the statement of changes in net assets available for benefits.

(e) Fair value measurement:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

As allowed under IFRS 13, if an asset or a liability measured at fair value has a bid and an ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The Plan uses closing market price as a practical expedient for fair value measurement.
1. Significant accounting policies (continued):

   (e) Fair value measurement (continued):

   When available, the Plan measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

   If a market for a financial instrument is not active, then the Plan establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models.

   The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

   All changes in fair value, other than interest and dividend income are recognized in the statement of changes in net assets available for benefits as part of the change in net unrealized gains.

   Pooled funds are valued at the unit values supplied by the pooled fund administrator, which represent the Plan’s proportionate share of underlying net assets at fair value using closing market prices.
1. Significant accounting policies (continued):

(e) Fair value measurement (continued):

Investments are stated at fair value. Fair values of investments including those held within the Master Trust are determined as follows:

(i) Bonds and equities are valued at year-end quoted closing prices where available. Where quoted prices are not available, estimated fair values are calculated using comparable securities.

(ii) Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

(iii) Pooled funds are valued at the unit values supplied by the pooled fund administrator, which represent the Plan's proportionate share of underlying net assets at fair values determined using closing market prices.

(iv) Investments in derivative financial instruments, including futures, forwards and option contracts, are valued at year-end quoted market prices where available. Where quoted prices are not available, values are determined using pricing models, which take into account current market and contractual prices of the underlying instruments, as well as time value and yield curve or volatility factors underlying the positions.

Unrealized gains and losses on derivative financial instruments, net of premiums paid or received on options contracts, are included in derivative contracts investments.

Investment transactions are accounted for on the trade date.

(f) Investment income:

Investment income, which is recorded on the accrual basis, includes interest income, dividends and pooled fund distributions.

(g) Change in net unrealized gain in investments:

The change in net unrealized gain in investments is the change in the difference between the fair value and cost of investments from the beginning to the end of the year.

(h) Foreign currency:

Transactions in foreign currencies are translated into Canadian dollars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Canadian dollars at the exchange rate at that date.
1. Significant accounting policies (continued):

   (i) Net realized gain or loss on sales of investments:

       The net realized gain on sale of investments represents the difference between proceeds
       received and the average cost of investments sold.

       The net realized gain or loss on sale of units in the Master Trust Fund represents the difference
       between the proceeds received and the average cost of the units sold.

   (j) Income taxes:

       The Plan is a Registered Pension Trust as defined by the Income Tax Act (Canada) and,
       accordingly, is not subject to income taxes.

   (k) Use of estimates:

       The preparation of the financial statements requires management to make judgements,
       estimates and assumptions that affect the application of accounting policies and the reported
       amounts of assets and liabilities at the date of the statement of net assets and the reported
       amounts of changes in net assets available for benefits during the year. Actual results may
       differ from those estimates.

       Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to
       accounting estimates are recognized in the period in which the estimates are revised and in any
       future years affected.
2. Investment in Master Trust:

Details of the Master Trust Fund investments are as follows:

<table>
<thead>
<tr>
<th>Details</th>
<th>Cost</th>
<th>Fair value</th>
<th>Cost</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian short-term notes and</td>
<td>15,462</td>
<td>15,462</td>
<td>11,054</td>
<td>11,054</td>
</tr>
<tr>
<td>treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign short-term notes and</td>
<td>1,401</td>
<td>1,365</td>
<td>2,397</td>
<td>2,425</td>
</tr>
<tr>
<td>treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian common and preferred</td>
<td>120,394</td>
<td>168,580</td>
<td>113,121</td>
<td>165,372</td>
</tr>
<tr>
<td>equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign common and preferred</td>
<td>53,854</td>
<td>83,002</td>
<td>106,176</td>
<td>173,764</td>
</tr>
<tr>
<td>equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>130,267</td>
<td>133,514</td>
<td>123,500</td>
<td>125,390</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>369,633</td>
<td>411,326</td>
<td>352,427</td>
<td>380,864</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>148,446</td>
<td>158,771</td>
<td>137,480</td>
<td>152,982</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>573,095</td>
<td>729,716</td>
<td>452,377</td>
<td>662,487</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net foreign exchange contracts</td>
<td>-</td>
<td>4,385</td>
<td>-</td>
<td>(5,884)</td>
</tr>
<tr>
<td>receivable (payable)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,412,552</td>
<td>1,706,121</td>
<td>1,298,532</td>
<td>1,688,454</td>
</tr>
<tr>
<td>Cash</td>
<td>272</td>
<td>272</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>1,582</td>
<td>1,582</td>
</tr>
<tr>
<td>Accrued investment income</td>
<td>1,692</td>
<td>1,692</td>
<td>1,311</td>
<td>1,314</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(3,254)</td>
<td>(3,254)</td>
<td>(908)</td>
<td>(908)</td>
</tr>
<tr>
<td></td>
<td>$ 1,411,262</td>
<td>1,704,831</td>
<td>$ 1,300,611</td>
<td>$ 1,670,536</td>
</tr>
</tbody>
</table>

The allocation of the investment in the Master Trust Fund to the respective pension plans is as follows:

| The Contributory Pension Plan for    | Units  | Fair value | Units  | Fair value |
| Salaried Employees of McMaster      | 6,770,226| 1,701,705  | 6,749,609| 1,667,624 |
| University including McMaster       |       |            |       |            |
| Divinity College 2000               |       |            |       |            |
| The Contributory Pension Plan for    | 12,436 | 3,126      | 11,789 | 2,912     |
| Salaried Employees of McMaster      |       |            |       |            |
| University including McMaster       |       |            |       |            |
| Divinity College                    |       |            |       |            |
|                                     | $ 1,704,831| $ 1,670,536|

The book value of the investments in the Plan at June 30, 2016 was $2,699 (2015 - $2,383).
3. **Statutory disclosures:**

The following information is provided in respect of individual investments in the Master Trust Fund with a fair value in excess of 1% of the Master Trust Fund as at June 30, 2016 as required by the Pension Benefits Act (Ontario).

a) Pooled fund investments:

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Fund operator</th>
<th>Nature of investments held</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>BlackRock Russell 1000 Alpha Tilts Fund B</td>
<td>BlackRock</td>
<td>U.S. equities</td>
<td>$ 267,909</td>
</tr>
<tr>
<td>BlackRock Long Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>252,796</td>
</tr>
<tr>
<td>GE Asset Management Canada Fund Canadian Equity</td>
<td>GE Asset Management</td>
<td>Canadian equities</td>
<td>142,365</td>
</tr>
<tr>
<td>Walter Scott &amp; Partners International Fund</td>
<td>Walter Scott</td>
<td>Non-North American equities</td>
<td>141,395</td>
</tr>
<tr>
<td>GMO International Opportunities Equity Allocation Fund</td>
<td>GMO</td>
<td>Non-North American equities</td>
<td>141,039</td>
</tr>
<tr>
<td>T Rowe Price U.S. Large Cap Core Growth Equity</td>
<td>T Rowe Price</td>
<td>U.S. equities</td>
<td>91,182</td>
</tr>
<tr>
<td>BlackRock Universe Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>90,755</td>
</tr>
<tr>
<td>Templeton International Equity Trust</td>
<td>Franklin Templeton</td>
<td>Non-North American equities</td>
<td>86,908</td>
</tr>
<tr>
<td>BlackRock Real Return Bond Index Class A</td>
<td>BlackRock</td>
<td>Canadian bonds and debentures</td>
<td>67,775</td>
</tr>
</tbody>
</table>

b) Canadian bonds and debentures:

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Cost</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Canada</td>
<td>$ 29,057</td>
<td>$ 29,603</td>
</tr>
<tr>
<td>provincials (canadian)</td>
<td>44,185</td>
<td>45,653</td>
</tr>
</tbody>
</table>
THE CONTRIBUTORY PENSION PLAN FOR 
SALARIED EMPLOYEES OF McMaster UNIVERSITY 
INCLUDING McMaster Divinity College

Notes to Fund Financial Statements 
(in thousands of dollars)

Year ended June 30, 2016

4. **Investment Income:**

Details of the investment income earned by the Master Trust Fund are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ 1</td>
<td></td>
</tr>
<tr>
<td>Short-term notes and treasury bills</td>
<td>210</td>
<td>187</td>
</tr>
<tr>
<td>Canadian common and preferred equities</td>
<td>14,113</td>
<td>12,389</td>
</tr>
<tr>
<td>Foreign common and preferred equities</td>
<td>51,702</td>
<td>15,052</td>
</tr>
<tr>
<td>Bonds and debentures</td>
<td>5,023</td>
<td>3,998</td>
</tr>
<tr>
<td>Pooled fund investments</td>
<td>65,800</td>
<td>65,953</td>
</tr>
<tr>
<td>Foreign exchange losses including derivatives</td>
<td>(26,488)</td>
<td>(21,771)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 110,361</strong></td>
<td><strong>$ 75,808</strong></td>
</tr>
</tbody>
</table>

The allocation of the investment income to the respective pension plans is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000</td>
<td>$ 104,563</td>
<td>$ 93,848</td>
</tr>
<tr>
<td>The Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College</td>
<td>166</td>
<td>146</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>104,729</strong></td>
<td><strong>93,994</strong></td>
</tr>
</tbody>
</table>

Timing difference between the realization of investment income in the Master Trust Fund and its allocation to the participating Pension Trust Funds | $ 5,632 | (18,186) |

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 110,361</strong></td>
<td><strong>$ 75,808</strong></td>
</tr>
</tbody>
</table>

5. **Related party transactions:**

McMaster University provides certain administrative services to the Plan which is recorded at the amount agreed to by the parties. The cost for these services for the year ended June 30, 2016 was approximately $1 (2015 - $1), and is included in professional fees in the statement of changes in net assets available for benefits.
6. Financial instruments:

The investment objectives of the Plan are to efficiently fund the benefits of the participating plan members. As part of the risk management process, the Administrator has established a diversification policy, set rate of return objectives and developed specific investment guidelines.

(a) Fair value:

The fair value of investments is disclosed in note 2. The fair value of the Plan’s other financial assets and liabilities, being contributions receivable and fees payable and accrued liabilities, approximate their carrying values due to the short-term nature of these financial instruments.

Fair value measurements recognized in the statement of net assets available for benefits are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values.

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for assets and liabilities that are not based on observable market data.

The Plan’s investment in Master Trust is classified as Level 2. The following table presents the classification of the Plan’s investments held within the Master Trust as at June 30, 2016, using the fair value hierarchy:

<table>
<thead>
<tr>
<th></th>
<th>2016 Level 1</th>
<th>2016 Level 2</th>
<th>2016 Level 3</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian short-term notes and treasury bills</td>
<td>$ -</td>
<td>$ 15,462</td>
<td>$ -</td>
<td>$ 15,462</td>
</tr>
<tr>
<td>Foreign short-term notes and treasury bills</td>
<td>-</td>
<td>1,365</td>
<td>-</td>
<td>1,365</td>
</tr>
<tr>
<td>Canadian common and preferred stocks</td>
<td>168,580</td>
<td>-</td>
<td>-</td>
<td>168,580</td>
</tr>
<tr>
<td>Foreign common and preferred stocks</td>
<td>83,002</td>
<td>-</td>
<td>-</td>
<td>83,002</td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>-</td>
<td>133,514</td>
<td>-</td>
<td>133,514</td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>-</td>
<td>411,326</td>
<td>-</td>
<td>411,326</td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>-</td>
<td>158,771</td>
<td>-</td>
<td>158,771</td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>-</td>
<td>729,716</td>
<td>-</td>
<td>729,716</td>
</tr>
<tr>
<td>Net foreign exchange contracts receivable</td>
<td>-</td>
<td>4,385</td>
<td>-</td>
<td>4,385</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 251,582</strong></td>
<td><strong>$1,454,539</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ 1,706,121</strong></td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(a) Fair value (continued):

<table>
<thead>
<tr>
<th>2015</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian short-term notes and treasury bills</td>
<td>$ -</td>
<td>$ 11,054</td>
<td>$ -</td>
<td>$ 11,054</td>
</tr>
<tr>
<td>Foreign short-term notes and treasury bills</td>
<td>-</td>
<td>2,425</td>
<td>-</td>
<td>2,425</td>
</tr>
<tr>
<td>Canadian common and preferred stocks</td>
<td>165,372</td>
<td>-</td>
<td>-</td>
<td>165,372</td>
</tr>
<tr>
<td>Foreign common and preferred stocks</td>
<td>173,764</td>
<td>-</td>
<td>-</td>
<td>173,764</td>
</tr>
<tr>
<td>Canadian bonds and debentures</td>
<td>-</td>
<td>125,390</td>
<td>-</td>
<td>125,390</td>
</tr>
<tr>
<td>Canadian fixed income pool funds</td>
<td>-</td>
<td>380,864</td>
<td>-</td>
<td>380,864</td>
</tr>
<tr>
<td>Canadian equity pool fund investments</td>
<td>-</td>
<td>152,982</td>
<td>-</td>
<td>152,982</td>
</tr>
<tr>
<td>Foreign equity pool fund investments</td>
<td>-</td>
<td>662,487</td>
<td>-</td>
<td>662,487</td>
</tr>
<tr>
<td>Net foreign exchange contracts receivable</td>
<td>-</td>
<td>(5,884)</td>
<td>-</td>
<td>(5,884)</td>
</tr>
<tr>
<td></td>
<td>$ 339,136</td>
<td>$1,329,318</td>
<td>$ -</td>
<td>$ 1,668,454</td>
</tr>
</tbody>
</table>

(b) Associated risks:

(i) Market price risk:

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all other factors affecting all instruments traded in the market. As all of the Plan’s financial instruments are carried at fair value with fair value changes recognized in the statement of changes in net assets available for benefits, all changes in market conditions will directly affect the net increase (decrease) in net assets available for benefits. Market price risk is managed by the Administrator through construction of a diversified portfolio of instruments traded on various markets and across various industries.

As at June 30, 2016, had the unit prices of equity benchmarks increased or decreased by 10% with all other variables remaining unchanged, and assuming there is a perfect positive correlation between the Plan’s equity and pooled fund securities with all other variables held constant, the value of the Plan’s total equities would have increased or decreased by approximately $207 or 6.6% of total net assets available for benefits (2015 - $201 or 6.9%). The unit price of the Plan’s equity and pooled fund securities are affected by changes in market values, foreign exchange rates and interest rates impacting the underlying equity and debt instruments held within the Plan.
6. Financial instruments (continued):

(b) Associated risks (continued):

(ii) Interest rate risk:

Interest rate risk is the risk that the market value of the Plan’s investments will fluctuate due to changes in market interest rates. The Plan is exposed to the risk that the fair value or future cash flows of an investment will fluctuate because of changes in the market interest rates. The Plan mitigates this risk by diversifying the maturity schedule of its fixed income securities.

As at June 30, 2016, had the prevailing interest rates increased or decreased by 1%, with all other variables held constant, the value of the debt securities component of the Plan would have increased or decreased, respectively, by approximately $119 or 3.8% of total net assets available for benefits (2015 - $99 or 3.4%).

(iii) Liquidity risk:

Liquidity risk is the risk that the Plan may be unable to meet pension payment obligations in a timely manner and at a reasonable cost. Management of liquidity seeks to ensure that even under adverse conditions, the Plan has access to immediate cash that is necessary to cover benefits payable, withdrawals and other liabilities. The Statement of Investment Policies & Procedures requires the plan’s investments to be highly liquid, so they can be converted into cash on short notice. The plan’s exposure to liquidity risk is considered negligible.

The accrued expenses of the plan are all due within 90 days or less.

The following table summarizes the contractual maturities of all fixed income securities as at June 30th by the earlier of contractual repricing or maturity dates:

<table>
<thead>
<tr>
<th>Maturity range</th>
<th>2016 Fair value</th>
<th>Percentage of fixed income</th>
<th>2015 Fair value</th>
<th>Percentage of fixed income</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 5 years</td>
<td>$ 190</td>
<td>19.0%</td>
<td>$ 206</td>
<td>23.3%</td>
</tr>
<tr>
<td>5 to 10 years</td>
<td>127</td>
<td>12.7%</td>
<td>87</td>
<td>9.8%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>684</td>
<td>68.3%</td>
<td>592</td>
<td>66.9%</td>
</tr>
<tr>
<td></td>
<td>$ 1,001</td>
<td>100.0%</td>
<td>$ 885</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):
   
   (b) Associated risks (continued):
      
   (iv) Foreign currency risk:

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Plan invests in financial instruments denominated in various foreign currencies, other than its measurement currency. Consequently, the Plan is exposed to risks that the exchange of the various currencies may change in a manner that has an adverse effect on the value of the portion of the Plan’s assets denominated in currencies other than the Canadian dollar. As at June 30, 2016 and June 30, 2015, the Plan held currency contracts which mitigated its exposure to currency risk. The Plan’s overall currency positions and exposures are monitored on a regular basis by the Administrator.

The Plan’s currency exposure of its investments as at June 30 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Percentage of total</th>
<th>2015</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>US dollar</td>
<td>$ 835</td>
<td>26.7%</td>
<td>904</td>
<td>31.1%</td>
</tr>
<tr>
<td>Euro</td>
<td>181</td>
<td>5.8%</td>
<td>178</td>
<td>6.1%</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>138</td>
<td>4.4%</td>
<td>103</td>
<td>3.6%</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>105</td>
<td>3.4%</td>
<td>101</td>
<td>3.5%</td>
</tr>
<tr>
<td>Hong Kong Dollar</td>
<td>57</td>
<td>1.8%</td>
<td>22</td>
<td>0.8%</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>54</td>
<td>1.7%</td>
<td>37</td>
<td>1.3%</td>
</tr>
<tr>
<td>Other</td>
<td>98</td>
<td>3.1%</td>
<td>96</td>
<td>3.3%</td>
</tr>
<tr>
<td></td>
<td>$ 1,468</td>
<td>46.9%</td>
<td>1,441</td>
<td>49.7%</td>
</tr>
</tbody>
</table>

As at June 30, 2016, if the Canadian dollar strengthened or weakened by 5% in each respective foreign currency, with all other factors remaining constant, the following table summarizes the estimated impacts:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Estimated impact</th>
<th>2015</th>
<th>Estimated impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>US dollar</td>
<td>$ 835</td>
<td>42</td>
<td>904</td>
<td>45</td>
</tr>
<tr>
<td>Euro</td>
<td>181</td>
<td>9</td>
<td>178</td>
<td>9</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>138</td>
<td>7</td>
<td>103</td>
<td>5</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>105</td>
<td>5</td>
<td>101</td>
<td>5</td>
</tr>
<tr>
<td>Hong Kong Dollar</td>
<td>57</td>
<td>3</td>
<td>22</td>
<td>1</td>
</tr>
<tr>
<td>Swiss Franc</td>
<td>54</td>
<td>3</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>98</td>
<td>5</td>
<td>96</td>
<td>5</td>
</tr>
</tbody>
</table>

$ 1,468 | 74       | 1,441  | 72
6. Financial instruments (continued):

(b) Associated risks (continued):

(v) Credit risk:

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Plan. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange clearing house. The Plan policy does not permit investments in below investment grade securities. The credit risk is minimized by dealing with borrowers considered to be of high quality and by monitoring their credit risk. The Plan records all investments at fair value and therefore the values reflected in the statement of net assets available for benefits represent the maximum credit exposure to the Plan. The following is a summary of the June 30, 2016 weighted average of funds invested, and the respective allocation targets:

<table>
<thead>
<tr>
<th>Asset Mix</th>
<th>Minimum</th>
<th>Benchmark</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian equities</td>
<td>19.3</td>
<td>16.0</td>
<td>21.0</td>
</tr>
<tr>
<td>U.S. equities</td>
<td>26.0</td>
<td>17.0</td>
<td>22.0</td>
</tr>
<tr>
<td>International equities</td>
<td>22.1</td>
<td>17.0</td>
<td>22.0</td>
</tr>
<tr>
<td>Total equities</td>
<td>67.4</td>
<td>50.0</td>
<td>65.0</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>32.0</td>
<td>25.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Real estate</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Cash</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The following are the Plan’s investments in interest-bearing financial instruments and the Plan’s exposure to credit risk as at June 30, 2016:

<table>
<thead>
<tr>
<th>Credit rating</th>
<th>Fair value</th>
<th>Percentage of portfolio</th>
<th>Fair value</th>
<th>Percentage of portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$377</td>
<td>37.6%</td>
<td>$360</td>
<td>40.6%</td>
</tr>
<tr>
<td>AA</td>
<td>318</td>
<td>31.8%</td>
<td>230</td>
<td>26.0%</td>
</tr>
<tr>
<td>A</td>
<td>245</td>
<td>24.5%</td>
<td>244</td>
<td>27.5%</td>
</tr>
<tr>
<td>BBB</td>
<td>61</td>
<td>6.1%</td>
<td>51</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,001</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$885</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
6. Financial instruments (continued):

(c) Interest-bearing investments:

The following information is provided in respect of interest-bearing investments in the Master Trust Fund.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Average yield</th>
<th>2015</th>
<th>Average yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term notes</td>
<td>$16,827</td>
<td>0.2%</td>
<td>$13,479</td>
<td>0.5%</td>
</tr>
<tr>
<td>and treasury bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian bonds</td>
<td>$133,514</td>
<td>1.8%</td>
<td>$125,930</td>
<td>1.9%</td>
</tr>
<tr>
<td>and debentures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The average effective yield is the rate at which the future cash flows of the instrument must be discounted to arrive at the fair value of the instrument.

7. Capital risk management:

The capital of the plan is represented by the net assets available for benefits. The main objective of the defined benefit Plan is to ensure the security of the promised pension benefits under the Plan. The Plan fulfills its primary objective by adhering to specific investments policies outlined in its Statement of Investment Policies and Procedures (the “SIP & P”), which is reviewed annually by the Pension Committee. The Plan manages net assets available for benefits by engaging knowledgeable investment managers who are charged with the responsibility of investing existing funds and new funds (contributions) in accordance with the approved SIP & P. The SIP & P was last amended effective December 10, 2015 to reflect changes required by the Financial Services Commission of Ontario.

Although there are no regulatory requirements relating to the level of net assets available for benefits, the funding to be maintained by the defined benefit Plan is determined through triennial actuarial valuations. No contributions remain past due as of June 30, 2016. The pension plan investments fell within the asset mix target ranges for the Plan as at June 30, 2016.

The Plan is required to file fund financial statements with the Financial Services Commission of Ontario annually.
November 30, 2016

To: Board of Governors

From: Planning and Resources Committee

Re: Centre for Continuing Education and Faculty of Engineering - Proposed Fees

At its meeting on November 24, 2016, the Planning and Resources Committee reviewed and approved the proposed fees for the Centre for Continuing Education and the Faculty of Engineering. Details of the fees are contained in Attachment I of the circulated material.

It is recommended:

that the Board of Governors approve the 2017-18 Centre for Continuing Education Fees and the Faculty of Engineering Admission Supplemental Application Fee, as detailed in the attached proposals.

Board of Governors – FOR APPROVAL
December 15, 2016
November 15, 2016

To: Planning and Resource Committee

From: Budget Committee

Re: Fees: Centre for Continuing Education (CCE) Tuition Fees for 2017/18 and Faculty of Engineering Admission Supplemental Application Fee

On September 28, 2016, Budget Committee reviewed and approved the attached proposals 2017/18 Tuition Fees and Faculty of Engineering Admission Supplemental Application Fee for the Centre for Continuing Education.

The Budget Committee recommends:

that the Planning and Resource Committee approve, for recommendation to the Board of Governors, the 2017/18 Centre for Continuing Education Tuition Fees and the Faculty of Engineering Admission Supplemental Application Fee as detailed in the attached proposals.

Planning and Resource Committee – FOR APPROVAL
November 24, 2016
September 15, 2016

To: Budget Committee

From: Jacy Lee, AVP, Institutional Research and Analysis
Chair, University Student Fees Committee (USFC)

Subject: Fees – CCE and Faculty of Engineering Supplemental Application Fee

The USFC recommends for approval of the Budget Committee, the following fees that were presented to the USFC on September 12, 2016:

1) Centre of Continuing Education’s proposed tuition fees for 2017/18 (see CCE Proposed Tuition Fee Schedule - Appendix A) for:
   a. programs that lead to academic certificates and diplomas; and
   b. professional development programs

   With the exception of Health Informatics and Health Information Management where the proposed fees will increase by 3.8 per cent over previous year, the proposed 2017/18 fees for all current certificates and diplomas delivered by CCE will remain at the 2016/17 level (i.e. 0% increase). See Appendix B for an explanation on how fees are determined.

   There is a new Digital Marketing certificate program scheduled to be offered in January 2017 and its proposed fee is $708 per 3-unit course plus MAPS fee of $21 for a total of $729. (Please note that the other two new certificate programs listed in the attached Fee Table are separately addressed in the Memo dated September 14, 2016 to the Budget Committee.)

2) Admission Supplemental Application Fee for Engineering 1 Program (see Appendix C)

   The Faculty of Engineering is proposing an admission supplemental application process fee of $40 payable by all applicants applying for admission in September 2017 to the Engineering 1 and Engineering Co-op programs. Applicants applying through the Ontario University Application Centre (OUAC) will be notified to complete the admissions supplemental application. To be in time for the fall 2017 application cycle, this proposed fee must be approved before January 2017.

   Thank you.

   Encl. Attachments
## CCE Proposed Tuition Fee Schedule – 2017 2018

### Appendix A

<table>
<thead>
<tr>
<th>Units</th>
<th>Certificates and Diplomas</th>
<th>2016/2017 Tuition and % Increase</th>
<th>MAPS Fees</th>
<th>Total Fee</th>
<th>2017/2018 Tuition Fee</th>
<th>Percent Increase</th>
<th>MAPS Fees</th>
<th>Total Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5</td>
<td>Accounting</td>
<td>$438.50 (3.0%)</td>
<td>$10.50</td>
<td>$449.00</td>
<td>$438.50</td>
<td>0.0%</td>
<td>$10.50</td>
<td>$449.00</td>
</tr>
<tr>
<td>3</td>
<td>Accounting</td>
<td>$668.00 (3.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$668.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Accounting - online</td>
<td>$668.00 (3.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$668.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Addictions - In-Class (Weekly or Block)</td>
<td>$653.00 (2.4%)</td>
<td>$21.00</td>
<td>$574.00</td>
<td>$653.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$574.00</td>
</tr>
<tr>
<td>2</td>
<td>Addictions - In-Class (Weekly or Block)</td>
<td>$560.00 (2.8%)</td>
<td>$14.00</td>
<td>$574.00</td>
<td>$560.00</td>
<td>0.0%</td>
<td>$14.00</td>
<td>$574.00</td>
</tr>
<tr>
<td>2</td>
<td>Addictions - Practicum</td>
<td>$670.00 (2.5%)</td>
<td>$14.00</td>
<td>$684.00</td>
<td>$670.00</td>
<td>0.0%</td>
<td>$14.00</td>
<td>$684.00</td>
</tr>
<tr>
<td>3</td>
<td>Addictions - Self-Study</td>
<td>$623.00 (2.5%)</td>
<td>$21.00</td>
<td>$644.00</td>
<td>$623.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$644.00</td>
</tr>
<tr>
<td>2</td>
<td>Addictions - Self-Study</td>
<td>$530.00 (2.9%)</td>
<td>$14.00</td>
<td>$544.00</td>
<td>$530.00</td>
<td>0.0%</td>
<td>$14.00</td>
<td>$544.00</td>
</tr>
<tr>
<td>3</td>
<td>Business Admin - Risk Management Courses</td>
<td>$708.00 (0.0%)</td>
<td>$21.00</td>
<td>$729.00</td>
<td>$708.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$729.00</td>
</tr>
<tr>
<td>3</td>
<td>Business Admin (Mgmt Studies)</td>
<td>$668.00 (0.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$668.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Business Admin (Mgmt Studies) - Online</td>
<td>$848.00 (0.0%)</td>
<td>$21.00</td>
<td>$869.00</td>
<td>$848.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$869.00</td>
</tr>
<tr>
<td>3</td>
<td>Case Management</td>
<td>$778.00 (0.0%)</td>
<td>$21.00</td>
<td>$799.00</td>
<td>$778.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$799.00</td>
</tr>
<tr>
<td>3</td>
<td>Health Informatics</td>
<td>$798.00 (3.8%)</td>
<td>$21.00</td>
<td>$819.00</td>
<td>$798.00</td>
<td>3.8%</td>
<td>$21.00</td>
<td>$819.00</td>
</tr>
<tr>
<td>3</td>
<td>Health Information Management</td>
<td>$798.00 (3.8%)</td>
<td>$21.00</td>
<td>$819.00</td>
<td>$798.00</td>
<td>3.8%</td>
<td>$21.00</td>
<td>$819.00</td>
</tr>
<tr>
<td>3</td>
<td>Human Resources Management</td>
<td>$658.00 (3.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$658.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Human Resources Management - Online</td>
<td>$658.00 (3.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$658.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Marketing</td>
<td>$658.00 (5.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$658.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Marketing - Online</td>
<td>$658.00 (5.0%)</td>
<td>$21.00</td>
<td>$689.00</td>
<td>$658.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$689.00</td>
</tr>
<tr>
<td>3</td>
<td>Metallurgy - Online</td>
<td>$858.00 (0.0%)</td>
<td>$21.00</td>
<td>$879.00</td>
<td>$858.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$879.00</td>
</tr>
<tr>
<td>3</td>
<td>Public Relations</td>
<td>$858.00 (0.0%)</td>
<td>$21.00</td>
<td>$879.00</td>
<td>$858.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$879.00</td>
</tr>
<tr>
<td>3</td>
<td>Public Relations - Practicum</td>
<td>$858.00 (0.0%)</td>
<td>$21.00</td>
<td>$879.00</td>
<td>$858.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$879.00</td>
</tr>
<tr>
<td>3</td>
<td>Web Design &amp; Development</td>
<td>$678.00 (0.0%)</td>
<td>$21.00</td>
<td>$699.00</td>
<td>$678.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$699.00</td>
</tr>
<tr>
<td>3</td>
<td>Web Design &amp; Development - Practicum</td>
<td>$678.00 (0.0%)</td>
<td>$21.00</td>
<td>$699.00</td>
<td>$678.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$699.00</td>
</tr>
<tr>
<td>3</td>
<td>Web Design - Online</td>
<td>$778.00 (0.0%)</td>
<td>$21.00</td>
<td>$799.00</td>
<td>$778.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$799.00</td>
</tr>
<tr>
<td>3</td>
<td>CRA - Intro Course**</td>
<td>$878.00 (0.0%)</td>
<td>$21.00</td>
<td>$899.00</td>
<td>$878.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$899.00</td>
</tr>
<tr>
<td>3</td>
<td>CRA - Other Courses**</td>
<td>$868.00 (0.0%)</td>
<td>$21.00</td>
<td>$889.00</td>
<td>$868.00</td>
<td>0.0%</td>
<td>$21.00</td>
<td>$889.00</td>
</tr>
<tr>
<td>6</td>
<td>Ogwehohwe:eh**</td>
<td>$1,295.00 (1.2%)</td>
<td>$42.00</td>
<td>$1,337.00</td>
<td>$1,295.00</td>
<td>0.0%</td>
<td>$42.00</td>
<td>$1,337.00</td>
</tr>
</tbody>
</table>

### NEW PROGRAMS/COURSES

- 3 Community Engagement (2016F)
- 3 Canadian Payroll Management (2016 F)
- 3 Digital Marketing (2017 W)

### Notes:

1. **Clinical Research Associate (CRA) and Ogwehohwe:eh**: Please note that tuition is set by the Faculty for the CAR program and by Six Nations for the Ogwehohwe:eh program. Tuition is not set by CCE.
Date: September 12, 2016

To: McMaster University Fees Committee

From: Lorraine Carter, Director, Centre for Continuing Education

Re: Proposed Fees for 2017-2018

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CCE Proposed Tuition Fees

CCE offers two kinds of programs:

1) programs that lead to academic certificates and diplomas; and
2) professional development programs.

The fees information provided here is **strictly for courses and programs that lead to academic certificates and diplomas.**

In relation to its certificate and diploma programs, CCE is recommending increases in one area only: Health Informatics and Health Information Management. It is also proposing tuition fees for two new certificate programs: Leadership in Community Engagement and Digital Marketing. While CCE has a third new business-based certificate in Payroll Management, the tuition for courses in this program is the same as the tuition costs for other business programs.

In general, we are not recommending tuition increments since the University’s new systems (i.e., Mosaic) have been different impacts on students. For example, Mosaic requires students to do administrative work previously not required. To increase overall tuition in this context would not be fair to students.

A survey of the market, by program, continues to indicate that we are currently competitively positioned. Sample comparators are provided in the document as evidence of this fact.

**Pricing Strategy for Certificate and Diploma Courses**

When determining tuition fees, we consider the following:

- University-level programs are valued more highly than programs offered by college or
private education providers.
- Colleges offer options for those pursuing some professional certifications at significantly lower tuition fees.
- Increases in earning potential for graduates vary by program.
- Higher demand courses can support higher fees.
- Niche or unique programs can support higher fees.
- Different course formats sometimes warrant different fees.
- Affordability and accessibility, including for newcomers to Canada, is a consideration.
- Employer tuition assistance is more common for some programs.
- There is almost no government funding for continuing education students.
- The cost of running the programs is always a major consideration.

MAPS Fees

We always consider fees levied by the McMaster Association of Part-Time Students (MAPS) when establishing tuition fees for CCE courses. MAPS fees are included in the published fees for courses and are, therefore, considered to be part of tuition when market comparators are examined.

**MAPS fees, however, are not part of this approval process. They are provided here for information purposes only.**

MAPS has confirmed that there will be no increases in fees for 2017-2018.

Proposed Tuition Fees

Tuition fees may be unique to one program or may be aligned within clusters of programs. Proposed changes to programs or clusters of programs are described below. **As noted previously, the recommended fee includes the MAPS fee while the noted percentage increase is strictly for tuition.**

Addiction Education

No changes are recommended for 2017-2018. Minor increases for courses in this program were made last year with increases from 2.4% to 3.9% depending on the unit value of the course (two units or three units). Presently, the program is undergoing a review. Tuition changes may be appropriate once the review is completed. The Addiction Education program remains a niche program for CCE.

Business Programs

This cluster of programs includes Accounting, Human Resources Management, Business Administration, and Marketing.

Fees for similar programs from other institutions vary greatly. We have chosen to position ourselves slightly lower than the University of Toronto. U of T currently charges $745-795 for most business courses.

Last year, we implemented an increase of 3.0% or $20.00 per course to bring tuition to $689.00 per course. Given last year's increase, there will be no increase for 2017-2018. This tuition of $689 also applies to courses in CCE's new certificate program called Payroll Management.
Housed under the Diploma in Business Administration, three Risk Management courses make up the Risk Management Program (Certificate of Completion). The fees for these courses are slightly higher than fees for other courses in the Business Administration program at $729 per course and were determined in 2015. The higher tuition fee was based on demand and flexibility within market rates. No change is recommended for 2017-2018.

Case Management
No increase in fees is recommended. Since the program is being closed, it is not appropriate to increase fees. The cost remains $799 per course.

Health Information Management & Health Informatics
Fee adjustments are recommended for courses in these programs. The recommended tuition for three unit courses is $849 which represents a percentage increase of 3.8% over last year. Last year’s tuition was $819 for three-unit courses.

Tuition for two-unit courses which have been converted to three-unit courses this past year will be priced at the new tuition sum of $849.

Metallurgy of Iron and Steel
There is no competition for this online program from other institutions in Canada. Given a 4.9% increase last year, we are proposing no change for 2016-2017. The course fee would remain at $879 per course.

Web Design
The three-unit course fee will remain at $799. No increase is recommended.

A second program called Web Design and Development program continues to wind down. No change is proposed.

Digital Marketing
Digital Marketing is a new certificate program that will be launched in January 2017. The tuition fee for three-unit courses in the program is $729.

Community Engagement
Programming in community engagement is a new area for CCE. This fall (2016), CCE is launching a new certificate program called Leadership in Community Engagement. As a niche program with higher costs associated with its development and delivery, tuition is set at $849.

CCE Administered Programs
The Clinical Research Associate (CRA) and Ogwehoo:weh programs are programs that are administered by CCE. In the case of the CRA program, it is delivered by a faculty member who manages all aspects of the program except core administrative requirements. CCE takes care of these elements. No increase for the CRA is being recommended.

Ogwehoo:weh is a language program delivered off-site by Six Nations Polytechnic. Last year, Six Nations Polytechnic recommended a minor increase from $1280 to $1295 per course. No changes are recommended for 2017-2018. Fees in this program are higher because the courses are six unit courses.
Illustrative Market Survey Data

Although few competitors offer exact duplicates of McMaster’s CCE programs, we do assess the offerings of other universities, colleges, and professional associations. We also consider undergraduate courses as comparators and assess criteria including the following: length, equivalency against external standards, program type, relative value of the credential, and the cost of living in the community in which the program is provided.

Overall, fees continue to be comparable to undergraduate course fees in the Social Sciences at McMaster but significantly less than Business courses (this gap has widened in recent years). CCE’s proposed fees are similar to those of other university continuing education courses, and more expensive than those of colleges and professional association providers.

Based on information available on the McMaster web site, in Fall 2016, a McMaster third year (three unit) undergraduate course is $673.23 for a Social Sciences course (compared with $674.00 for CCE Addiction Education courses) and $983.13 for a Business course (compared with $689.00 for CCE Business courses).

The following provides a sample of current market comparators for some CCE Certificate and Diploma programs and courses:

<table>
<thead>
<tr>
<th>CCE Program</th>
<th>Comparator</th>
<th>Comparator Fees</th>
<th>CCE Fee for 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Cluster (includes Accounting, Business Admin, Marketing, HRM)</td>
<td>U of Toronto CE</td>
<td>$745-$795</td>
<td>$689 incl. MAPS fee</td>
</tr>
<tr>
<td></td>
<td>Ryerson CE</td>
<td>$605 to $674</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRPA (Human Resources Professional Association)</td>
<td>$395</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CPA Ontario</td>
<td>$500-$900</td>
<td></td>
</tr>
<tr>
<td>Addiction Education</td>
<td>Ryerson (Cert in Mental Health &amp; Addictions)</td>
<td>$573</td>
<td>$674.00 incl. MAPS fee</td>
</tr>
<tr>
<td></td>
<td>Georgian College (Addictions Treatment &amp; Prevention)</td>
<td>$7104 for full diploma inclass</td>
<td>$5,990 full diploma online</td>
</tr>
</tbody>
</table>

Student Fees

Last year, for 2016-2017, CCE instituted two minor changes to student fees. The application fee was raised...
from $49 to $59, and the transfer of credit fee was raised from $79 to $99. No fee adjustments are recommended for this year.

<table>
<thead>
<tr>
<th>Fee</th>
<th>2016-2017</th>
<th>2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Student</td>
<td>$39</td>
<td>$39</td>
</tr>
<tr>
<td>Application (for programs with an application process)</td>
<td>$59</td>
<td>$59</td>
</tr>
<tr>
<td>Transfer of Credit</td>
<td>$99</td>
<td>$99</td>
</tr>
<tr>
<td>Deferred Exam</td>
<td>$50</td>
<td>$50</td>
</tr>
<tr>
<td>Transfer to 2nd Diploma</td>
<td>$79</td>
<td>$79</td>
</tr>
</tbody>
</table>

Refund Policy

Beginning Spring 2017, CCE proposes to implement a new refund policy. It is described below.

For all in-person, online and online self-study courses:
- Full refund of fee up until day before (i.e., 11:59 the day before class starts) and 100% MAPS fee refund
- A 70% refund from the day of class start (12:01 am on start date) for a period of 0-14 days and 0% MAPS fee refund

The above policy will, in Spring 2017, replaces the present policy noted below:

For all in-person, online, and online self-study courses:
- 7 days or more before start date: 100% course fee refund and 100% MAPS fee refund
- 1 to 6 days before the start date: 80% course fee refund and 100% MAPS fee refund,
- 0-14 days after start date: 70% course fee refund and 0% MAPS fee refund
- 15 days after the start date: 0% course fee refund and 0% MAPS fee refund.
DATE: September 2, 2016

TO: Jacy Lee, Chair of University Student Fees Committee

FROM: Nancy Balfoort, Administration and Finance Director, Faculty of Engineering

RE: Admission Supplemental Application Fee for Engineering 1 Program

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**Brief Description of the Request**

The Faculty of Engineering will be implementing an admissions supplemental application for our Engineering 1 and Engineering 1 Co-op programs for students applying for admission in September 2017. All applicants will be required to complete this supplemental application process to be considered for admission and will be charged a fee of $40.

The applicants are not registered McMaster students. The fee is non-refundable. They must pay for the fee first before they are given access to complete the supplemental application. The supplemental application along with grades will be used to make an admission decision.

The admission supplemental application process was approved at Undergraduate Council in December 2015. At the time the vendor and the fees were not determined. The mandatory supplemental application is currently listed in the 2016-17 undergraduate calendar.

<table>
<thead>
<tr>
<th>Request category:</th>
<th>Other, please specify</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Admission Supplemental Application (potential McMaster Student. They are not registered McMaster students at the time they are paying the $40 fee).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If new program, is it intended to be MTCU funded?</th>
<th>Choose an item.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicate the proposed fee amount(s) by Fee Type: (Under Fee Type, please specify if the fees specified are program, course, term, unit, or annual fees)</th>
<th>Fee Amount ($)</th>
<th>Fee Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Tuition:</td>
<td>$40</td>
<td>Engineering 1 and Engineering 1 Co-Op</td>
</tr>
<tr>
<td>International Tuition:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Supplementary Fees:

<table>
<thead>
<tr>
<th>How fees will be charged? (Proposed program or annual fees that are charged or payable by term should preferably be divisible by 3.)</th>
<th>Once the student applies through Ontario University Application Centre (OUAC), they will be notified to complete the admissions supplemental application. They will have to complete the payment prior and then they will be given access to supplemental application site.</th>
</tr>
</thead>
</table>

Additional Notes, if applicable

**Brief Description of the Program or Issue**
Supplemental application process only applies to Engineering 1 and Engineering 1 Co-op applicants. They are not students registered at the university at the time the supplemental application is being completed.

**Rationale for Fees or Issue**

This fee will cover the annual expenses of administering this application process. We have a contract with KIRA Talent where they will be running the application processing and completing the assessment.

School of Nursing has an admission supplemental application and they are using a different vendor than Engineering. Their student application fee is $40. University of Toronto, Faculty of Engineering has the same supplemental application process as McMaster Engineering using KIRA Talent and the supplemental admission fee is $40.

Once we receive the applicant list from the Ontario University Application Centre (OUAC) we will invite the applicants to complete the supplemental application. They will be required to pay the $40 through Moneris and will then be given a link to the website to start the process. The fee is non-refundable.

**Proposed Timelines**

<table>
<thead>
<tr>
<th>Deadline for University Student Fees Committee Decision:</th>
<th>September, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rationale for requiring University Student Fees Committee decision by the above date:</td>
<td>Students begin to apply for admission at Ontario University Application Centre</td>
</tr>
<tr>
<td><strong>Please indicate effective start date (month/year) for new program/fees:</strong></td>
<td>January, 2017</td>
</tr>
<tr>
<td><strong>Need Board approval for fees by:</strong></td>
<td>September, 2016</td>
</tr>
</tbody>
</table>

**Additional Information**

*Please provide any other additional information. You may provide attachments. For new programs, please attach the completed Program Costing Template.*
November 30, 2016

To: Board of Governors

From: Planning and Resources Committee

Re: Supplementary Fee – Integrated Biomedical Engineering & Health Sciences

At its meeting on November 24, 2016, the Planning and Resources Committee reviewed and approved the proposed supplementary fee for the Integrated Biomedical Engineering and Health Sciences program. Details of the fees are contained in Attachment I of the circulated material.

It is recommended:

that the Board of Governors approve the supplemental application process fee for the Integrated Biomedical Engineering and Health Sciences (IBEHS) Program as detailed in the attached proposal.

Board of Governors – FOR APPROVAL
December 15, 2016
November 15, 2016

To: Planning and Resource Committee

From: Budget Committee

Re: Supplemental Fee - Integrated Biomedical Engineering and Health Sciences (IBEHS) Program

On October 26, 2016, Budget Committee reviewed and approved the attached proposal for Supplemental Application Process Fee – Integrated Biomedical Engineering and Health Sciences (IBEHS) Program.

The Budget Committee recommends:

that the Planning and Resource Committee approve, for recommendation to the Board of Governors, the Supplemental Application Process Fee for Integrated Biomedical Engineering and Health Sciences (IBEHS) Program as detailed in the attached proposal.

Planning and Resources Committee – FOR APPROVAL
November 24, 2016
October 17, 2016

To: Budget Committee

From: Jacy Lee, AVP, Institutional Research and Analysis
Chair, University Student Fees Committee (USFC)

Subject: Supplemental Application Process Fee – Integrated Biomedical Engineering Health Sciences 1 Program

The USFC recommends for approval of the Budget Committee, the following fee that were presented to the USFC on October 17, 2016:

Admission Supplemental Application Fee for Integrated Biomedical Engineering Health Sciences 1 Program

The Faculty of Engineering is proposing an admission supplemental application process fee of $40 payable by all applicants applying for admission in September 2017 to a new program pending Ministry approval, called Integrated Biomedical Engineering and Health Sciences (IBEHS) Program. Applicants applying though the Ontario University Application Centre (OUAC) will be notified to complete the admissions supplemental application. To be in time for the fall 2017 application cycle, this proposed fee must be approved before January 2017.

Further details are contained in the attached request to USFC.

Thank you.

Encl. Attachment
DATE: September 23, 2016

TO: Jacy Lee, Chair of University Student Fees Committee
FROM: Nancy Balfoort, Administration and Finance Director, Faculty of Engineering
RE: Admission Supplemental Application Fee for Integrated Biomedical Engineering Health Sciences I Program

Brief Description of the Request

The Faculty of Engineering and the Faculty of Health Sciences has created a new joint program called Integrated Biomedical Health Sciences program. The first year is a common first year and then it branches off into B.Eng.BME stream and B.H.Sc. stream in level 2. It is currently waiting for Ministry approval. A supplemental application will be part of the admission process. All applicants will be required to complete this supplemental application process to be considered for admission and will be charged a fee of $40.

The applicants are not registered McMaster students. The fee is non-refundable. They must pay for the fee first before they are given access to complete the supplemental application. The supplemental application along with grades will be used to make an admission decision.

The program and the admission supplemental application process were approved at Undergraduate Council in December 2015. At the time the vendor and the fees were not determined. The mandatory supplemental application is currently listed in the program proposal.

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Additional Notes, if applicable

**Brief Description of the Program or Issue**
Supplemental application process only applies to Integrated Biomedical Health Sciences I applicants. They are not students registered at the university at the time the supplemental application is being completed.

**Rationale for Fees or Issue**
This fee will cover the annual expenses of administering this application process. We have a contract with KIRA Talent where they will be running the application processing and completing the assessment.

We are using the same vendor as Engineering I and it will be the same assessment. If the student applies to both Engineering I and Integrated Biomedical Health Sciences I they only have to complete one assessment and pay the fee once. School of Nursing has an admission supplemental application and they are using a different vendor than Engineering. Their student application fee is $40. University of Toronto, Faculty of Engineering has the same supplemental application process as McMaster Engineering using KIRA Talent and the supplemental admission fee is $40.

Once we receive the applicant list from the Ontario University Application Centre (OUAC) we will invite the applicants to complete the supplemental application. They will be required to pay the $40 through Moneris and will then be given a link to the website to start the process. The fee is non-refundable.
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**Additional Information**

*Please provide any other additional information. You may provide attachments. For new programs, please attach the completed Program Costing Template.*
REPORT TO THE BOARD OF GOVERNORS FROM THE REMUNERATIONS COMMITTEE

i. Ratification of Tentative Agreement – Teaching Assistants

At its meeting on December 9, 2016, the Remunerations Committee reviewed and approved the tentative agreement between the University and the CUPE, Local 3906, Unit 1 representing Teaching Assistants. Details of the agreement are provided in Attachment I of the circulated report.

It is now recommended,

that the Board of Governors approve the tentative agreement between McMaster University and the CUPE, Local 3906, Unit 1 (Teaching Assistants) for a term commencing December 15, 2016, and expiring August 31, 2019, with terms outlined in the report from the Remunerations Committee.

Board of Governors: FOR APPROVAL
December 15, 2016
Request for Ratification of Tentative Agreement

between

McMaster University

and

CUPE Local 3906
Unit 1
(Teaching Assistants)

Prepared for: Board of Governors December 15, 2016
Background and Purpose

On December 2, 2016, the University’s Bargaining Team reached a tentative agreement within mandate with CUPE Local 3906, Unit 1, representing 2,580 Teaching Assistants.

Pursuant to a written Memorandum of Settlement, the parties agreed to each recommend to its principals the ratification of the tentative agreement. The CUPE Unit 1 bargaining unit ratified the tentative agreement on December 9, 2016. Also on December 9, 2016, the Remuneration Committee passed a motion recommending ratification of the tentative agreement by the Board of Governors.

A summary of the tentative agreement terms is provided below.

SUMMARY OF TERMS OF TENTATIVE AGREEMENT

Term:
- Approximately 3 years, effective from the date the Parties exchange notice of ratification and expiring August 31, 2019

Wages and Premiums:
- Effective the date the Parties exchange notice of ratification, average annual across-the-board as follows:
  - Year 1: Class A 0.75%; Class B 0.75%
  - Year 2: Class A 0.75%; Class B 1.25%
  - Year 3: Class A 0.75%; Class B 1.25%
- Effective on the date the Parties exchange notice of ratification, a 2.10% increase in the wage rate for both Class A & Class B to account for statutory holiday pay as part of the wage rate
- Lump Sum Payment of $200.00 for each employee payable on the 2nd regular pay date following the date of ratification
- A new stipend equal to half the regular hourly wage rate if a TA is required to mark an exam during the holiday closure, if the exam falls on or after December 22 and the work cannot be reasonably completed before the close of business on December 24
- Full back pay, instead of partial back pay, for an employee who is reinstated as a result of a successful academic appeal
- Payment for 6 hours of health and safety training for employees who work a compressed TA’ship of 260 hours in one academic term

Ancillary Benefits:
- Increased the University’s annual contribution to the CUPE Administered Benefit Plan, from $202,700 to $232,700 over the term of the agreement
• Increased the University’s annual contribution to the CUPE Administered Dental Plan by $203,642, including an increase in the University’s annual contribution to family dental coverage, from $12,000 to $24,000, in Year 2

• Increased the duration of pregnancy/parental leave top-up from 17 weeks to 19 weeks, and introduced a new option of a 4 week paid parental leave

• Removed the requirement for a minimum number of hours in a Class A assignment to qualify for the University’s contribution to the CUPE Administered Dental Plan, effective Year 2

• Introduced eligibility for the Employee Family Assistance Program, effective Year 2

Operational Highlights:

• Achieved administrative ease with respect to the application of the collective agreement

• Agreed to include statutory holiday pay within the wage rates

• Agreed to changes to the dental plan that places the administrative responsibilities with CUPE, and ensures the University’s obligations are fully compatible with Mosaic

• Aligned language, where appropriate, with similar language in other collective agreements (e.g. Discrimination and Harassment Policy)
As Board members know, the University has been engaged for some time in a Brand Marketing project intended to raise McMaster’s profile as a highly recognized research-intensive university, promote the University’s impact as a research-focused student-centered institution, and build upon McMaster’s reputation and visibility with government, industry and the broader community. Following the adoption of the positioning statement, “advancing human and societal health and well-being”, which was discussed and accepted across all Faculties, work on the associated brand platform is now well advanced. The creative agency selected by the University has developed two design concepts for the brand platform, which Board members will have the opportunity to review and discuss as part of a lunchtime presentation immediately following the Board meeting.

At the same time that we are working to promote McMaster’s strength and reputation as an individual institution, locally, nationally and internationally, the Council of Ontario Universities, which represents all of Ontario's publicly-assisted universities, has launched a “futuring” campaign entitled, “Creating Conversation for a Better Future”. Developed as a year-long conversation about the province’s future, the campaign is intended as a means of considering the complex challenges facing the citizens of Ontario, from disruptive technologies and artificial intelligence to demographic shifts and the impact of climate change, to inform a discussion about how Ontario’s universities can be effective and proactive partners in imagining and creating a brighter future for all Ontarians.

The Council of Ontario Universities is inviting everyone who shares an interest in the future: students, parents, alumni, employers, interested citizens and organizations, to join the conversation. Throughout the year a series of roundtable discussions, online chats, surveys, conferences and requests for submissions will invite Ontarians to think about their aspirations and concerns for the future, and how the province’s universities might work to address and support those things. The online survey includes questions about the specific skills that students and parents think graduates need to prepare them for the future, and asks for ideas and advice on issues such as how we might work together to build strong industries and jobs for the future, strengthen our growing service sectors, support our artists, protect our natural heritage, and promote good health within our population.

Findings will be made public throughout the year in a series of online postings, blogs and reports, culminating in a summit, which will focus on the ways in which universities can use their skills and talents as educators and researchers to support Ontario and all its citizens to prepare for and influence the changes and challenges that have an impact on our world. The overall goal is to consider and promote the important role that universities can and must play in building a positive future, whether through educating the next generation, expanding the bounds of knowledge through research, fostering entrepreneurship, contributing to community well-being, or developing Ontario’s stature internationally.
Every university has been tasked with gathering input within its own community, and our Public Affairs and Alumni Advancement teams are already working to publicize the campaign and engage the McMaster and broader Hamilton communities in the conversation. The online survey can be found at ontariosuniversities.ca and the conversation is also available on social media @futuringON and #futuring. Included with your Board packages members will find a promotional card, which highlights the campaign and promotes the importance of the conversation.

I welcome this campaign and the opportunities it brings to demonstrate the relevance and accessibility of universities, as well as highlighting our important role as community partners at the local and provincial levels and beyond. I look forward to many interesting discussions about our collective futures and the role that McMaster can play in shaping our success.

CAMPUS UPDATE

McMaster Economist wins Polanyi Prize
McMaster economist César Sosa-Padilla has been named one of this year's winners of the John Charles Polanyi Prize. Dr. Sosa-Padilla is an expert in international finance, macroeconomics, fiscal policy, sovereign debt and defaults.

McMaster Arts and Science Student named Rhodes Scholar
Arts & Science student Matthew Jordan has been named a Rhodes Scholar, one of 11 outstanding Canadian students – only two from Ontario – to earn the distinction this year. The Rhodes Scholarships are postgraduate awards which support students undertaking a course of study at Oxford University, UK.

Research

McMaster awarded six new CRCs to support Research Excellence
McMaster has been awarded six new Canada Research Chairs (CRCs) and three renewals, bringing a total of $8.9M in new funding from a federal program aimed at retaining and attracting research leaders. The nine Chairholders are dedicated to fields of study that range in scale from microbes and molecules to extragalactic stars, and from basic science to addressing complex social issues.

McMaster ranked among Canada's top Research Universities
McMaster has once again ranked among the country’s top research universities in the 2016 Research Infosource Inc. rankings. In research intensity, the University improved its position, placing second among Canada’s top research universities, averaging $358,300 per faculty member – nearly double the national average. With a total sponsored research income of $324.6 million, McMaster maintained its eighth overall position. Research Infosource also looked at total sponsored research income over the last 15 years, with McMaster securing some $4.6 billion, and ranking sixth overall, rivalling universities nearly double its size. During that same period, universities were ranked by the number of papers published in peer-reviewed scientific international journals, with McMaster placing sixth, publishing 36,469 papers.
Asthma Researcher receives International Honour
Dr. Malcolm Sears, a Professor of Medicine at McMaster and world-renowned for his influential research on asthma, has received the 2016 J. Allyn Taylor International Prize in Medicine. The award from the Robarts Research Institute of Western University is given to an individual or individuals who have made significant contributions to a field of basic or clinical research on a topic selected each year. This year the topic is chronic lung disease, including asthma and chronic obstructive pulmonary disease.

Teaching and Learning

New Degree combines Engineering and Health Sciences
A new degree program that brings together Engineering and Health Sciences to solve real-world problems will launch at McMaster in September 2017. The first of its kind in Canada, the new Integrated Biomedical Engineering and Health Sciences Program (IBEHIS) will offer students a five-year biomedical program that integrates Engineering and Health Sciences, allowing multiple pathways to careers in health, engineering and entrepreneurship.

Sustainability Minor highlighted in report on Green Campuses
The Council of Ontario Universities has highlighted McMaster's Interdisciplinary Minor in Sustainability in its annual report on environmental sustainability at the province's universities. The report showcases the ways in which post-secondary institutions across Ontario are fighting climate change, building green communities and embedding the teaching of environmental issues into their curricula. McMaster's Minor was cited as an example of the interdisciplinary approach needed to tackle issues of climate change and sustainability. The program allows students to choose from more than 60 courses in a number of Faculties and provides the opportunity to meaningfully engage with communities both within and outside of McMaster.

McMaster launches new Minor in Community Engagement
Undergraduate students from all Faculties now have a formal pathway to learn the skills they need to make a difference in local, and even global, communities. McMaster now offers an Interdisciplinary Minor in Community Engagement aimed at teaching students the theory and principles of community engagement, while providing them with opportunities to gain hands-on experience working in a community setting.

ArtSci celebrates 35 years
Former faculty, staff and students descended on McMaster recently for the 35th anniversary of the Arts & Science program. The weekend kicked off with an opening reception at the University Club, featuring performances by Arts & Science alumni and students.
Community Engagement

**Thousands of children to benefit from Joyce Family Foundation Gift**
A $1.25M gift and matching program will support and expand the Children and Youth University program and its lectures and events. It also seeds a unique matching program that doubles any commitment of support to the program.

**Ontario Medal for Good Citizenship awarded to McMaster Alumnus**
Geography graduate and former teacher Ken Hall, 86, was recently given the Ontario Medal for Good Citizenship. The award recognizes individuals who, through exceptional long-term efforts, have made outstanding contributions to their communities. Throughout his life, Hall has been active in teaching, sport and environmentalism.

**Red Dresses blanket Campus to Raise Awareness of Missing Indigenous Women**
McMaster held a series of events on campus and participated in the REDress campaign as part of the National Day of Remembrance and Action on Violence Against Women. As part of the day, McMaster also commemorated a new plaque and white pine trees near L.R. Wilson Hall dedicated to the memory of missing and murdered Indigenous women.

**New “rapid response” Research Service combines McMaster Expertise with Community Needs**
The Research Shop, a new “rapid response” research service, taps into the skills of graduate students to provide public, non-profit and community organizations with the research assistance they need. Working with the Research Shop, public and community-based organizations can request a Rapid Research Review – a short, plain language report containing academic literature reviews, key interviews, and a survey of existing practices – completed within six to eight weeks.

**McMaster again named a Top Employer in the Hamilton-Niagara region**
McMaster has been named one of Hamilton-Niagara’s Top Employers for the second year in a row. Hamilton-Niagara’s Top Employers is an annual competition organized by the editors of Canada’s Top 100 Employers to recognize the Hamilton-Niagara employers that offer exceptional places to work.
REPORT TO THE BOARD OF GOVERNORS
FROM THE SENATE

a. Enrolment Report

The 2016-2017 Enrolment Report will be circulated for information at the Board of Governors meeting.

b. Establishment of the Computing Infrastructure Research Centre

At its meeting on December 14, Senate will be considering a recommendation from the University Planning Committee to establish the Computing Infrastructure Research Centre located at McMaster Innovation Park. Details of the proposal are contained in Attachment I of the circulated report.

It is now recommended,

that the Board of Governors approve the establishment of the Computing Infrastructure Research Centre, as outlined in Attachment I of the report from the Senate.

c. Proposal to Establish New Policy

i. Sexual Violence Policy and Hearing Procedures for Board-Senate Hearing Panel on Discrimination, Harassment and Sexual Violence

At its meeting on December 14, 2016, Senate will be reviewing a recommendation from the Senate Executive Committee to establish the new Sexual Violence Policy and related Hearing Procedures. Details of the proposal are contained in Attachment II-VI of the circulated report. Subject to Senate approval, the material is presented to the Board of Governors for review and approval.

It is now recommended,

that the Board of Governors approve the attached Sexual Violence policy, and accompanying Hearing Procedures, as contained in the report from Senate.
ii. **Proposed Revisions to Board By-laws**

On December 14, Senate will be reviewing a proposal to revise its by-laws related to the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Harassment. As the definition of Sexual Violence in the amended MTCU Act will include Sexual Harassment, it is proposed that the name of the Board-Senate Hearing Panel that hears such cases be revised accordingly. There is also one small item of clarification related to Senate’s appointment of a Chair and Vice-Chair. As this is a joint Board-Senate Panel, the same revisions are being recommended for the Board by-laws. The Board is being asked to waive the requirement that the changes be presented as Notice of Motion in order that the policies and related hearing procedures can all be aligned in time for the coming into force of the new legislation on January 1, 2017. Details of the proposal are contained in Attachment VII of the circulated material.

It is now recommended,

*that the Board of Governors waive the requirement for a Notice of Motion and approve proposed changes to the Board of Governors by-laws related to the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Harassment, as contained in Attachment VII of the report from Senate.*

Board of Governors: FOR APPROVAL/INFORMATION
December 15, 2016
October 21, 2016

TO: University Planning Committee

FROM: Robert Baker

RE: Computing Infrastructure Research Centre (CIRC) Proposal

The Committee on Research Institutes has reviewed the attached Proposal for the Computing Infrastructure Research Centre, as per the policies and guidelines.

The proposal has the unanimous support of the Committee on Research Institutes.

Please include this as an Agenda Item for the next University Planning Committee Meeting.

RLB:pb

Attach.

cc: David Wilkinson
    Ishwar Puri
    Doug Welch
    Helen Ayre
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1 EXECUTIVE SUMMARY

The Computing Infrastructure Research Centre (CIRC) will be a platform for transformative innovations in the design philosophy of data centres (DCs) and other forms of computing infrastructure (CI). The research thrusts of the centre will include the following elements of DCs: (1) intelligent thermal management, (2) holistic design approaches, (3) intelligent computing load distribution strategies, (4) autonomous and predictive maintenance, and (5) modular packaging solutions for deployment.

CIRC will house unique facilities, making it the first research centre of its kind in Canada and among a handful others worldwide. Most notable among these are two flexible DCs that are designed to probe the impacts of new technology on performance and resource utilization. This will equip an interdisciplinary team to (1) rapidly implement pilot studies and (2) exhaustively validate new technologies, thus delivering 21st century innovations to an industry that is plagued by archaic designs and other inadequacies inherited from previous generations of computer technology.

Various industry partners will enable seamless translation of research findings into commercial products. In particular, Cinnos Mission Critical Incorporated (CMCI), which is a McMaster spin-off startup venture, will provide continuous knowledge transfer to ensure research efforts are designed to derive maximum commercial impact of research findings.

The activities at CIRC are translational by design, including for education of the current and future workforce. It will leverage McMaster’s mission of excellence in experiential learning, delivering hands-on curricula to the next generation of McMaster engineering graduates and customized training workshops to industry personnel.

CIRC’s governance structure comprises (1) an Academic Director (AD) to authorize/approve projects and (2) the Executive Committee (EC) led by the Managing Director (MD) to develop work proposals and execute decisions by the director. An Advisory Committee, comprising academic and industry leaders, will aid the director(s). In addition, an outreach committee and a commercialization committee will serve the AD and EC in an advisory and decision support role.

The initial support for CIRC originates from substantial cash and in-kind contributions from CMCI and other industry partners, which are being leveraged to secure research grants from Federal and Provincial funding agencies. Other means of sustained revenue include (1) consulting services and (2) royalties.
2 DESCRIPTION OF THE CENTRE

2.1 Name & Branding
The centre will be named the Computing Infrastructure Research Centre (CIRC). The logo, presented alongside, is hereby proposed as secondary branding, to be used in accordance with McMaster's policy on the use of such vehicles.

2.2 Location
CIRC will be located at the McMaster Innovation Park in Suite 401A, collocating with CMCI, which is a McMaster spin-off startup venture. This is a pioneering model of university-industry collaboration that is designed to remove barriers between University research capabilities and its surrounding innovation ecosystem. It is anticipated to provide substantial benefits to its missions in both research and education, e.g., through accelerated translation of research for economic and societal impact, and by facilitating an immersive learning environment that strongly portrays real-life experiences. We expect this to serve as an exemplary model for effective industry-university collaborations in the future.

2.3 Objectives
CIRC is designed to be the world’s premiere centre for translational research and development of advanced, efficient and sustainable technologies in the field of CI. Further, CIRC will develop and deliver pioneering hands-on academic curricula to meet the growing needs of highly skilled personnel in the CI industry.

2.4 Proposed Activities

2.4.1 Research
Research thrusts at CIRC include: (1) holistic modeling of DCs, (2) intelligent thermal management approaches, (3) automated design tools, (4) intelligent resource management, (5) predictive maintenance, and (6) modular components for DC deployment. Their interrelations are illustrated in Figure 2.

Figure 2 Research Objectives The two on the left are fundamental engineering advances, which the three in the centre will exploit to develop market-ready technologies that address industry-wide deficiencies. The one on the right is a vehicle for rapid deployment of the technologies.
At the core of CIRC research will be an integrated computational model for DCs and other forms of CI. The model will be founded on physical laws and complemented with statistical algorithms that iteratively refine its accuracy using years of operational data sourced from a wide variety of DCs as well as real time data collected from various operating DCs. Such a model will enable the optimization of all events in the life-cycle of a DC, i.e., its design, installation, operation, maintenance and expansion. Efficacy of the optimization will be validated by pilot tests. A suite of software tools are anticipated to aid the CI industry in design, operation and maintenance of their facilities.

In addition, a plethora of disruptive technologies for DC components are envisaged, e.g., novel means for heat removal, intelligent control systems for load distribution and real-time data analysis for predictive maintenance. These components will foster a new paradigm of DC architecture, enabling highly profitable yet environmentally responsible computing practices.

CIRC's research ambitions will be realized by complementary informal groups comprising dedicated research scientists/engineers and technicians working in tandem with postdoctoral fellows, graduate and undergraduate students.

2.4.2 Education/Training
Several of the private sector partners have expressed an immediate need for skilled personnel capable of the design, operation and maintenance of CI. However, curricula addressing such needs are quite rare. To address these needs, CIRC will develop not for credit courses, workshops, and other informal programs, to be offered to both industry personnel and members of the McMaster community. The Centre will consider offering a Certificate of Completion for those who complete a set level of such activities.

Further to curricular education, CIRC will host approximately twelve graduate students (MSc/PhD) by the end of 2016, and the number is expected to increase thereafter. CIRC will also host undergraduate research interns every summer. Such students will gain hands-on training in CI design and operations and become conversant with the frontiers in scientific and technical developments relevant to the CI industry.

CIRC’s unique environment presents a novel model of education that is designed to evolve experiential learning to the context of the ever-changing societal landscape today. Students will get to witness the 21st century innovation economy in action. This will happen through a problem-based learning plan, featuring problems that are of considerable economic or societal value. The most profound differentiator to the education at CIRC is the holistic nature of the experience: students will be exposed to frequent interactions, e.g., with personnel in R&D, manufacturing, support, sales, marketing, supply-chain, customers, and consultants. Such experiences will stimulate seamless cross-pollination of ideas, which is difficult to emulate in a classroom environment, or even in project laboratories.

2.4.3 Industry Engagement
CIRC will serve its industry patrons through R&D and consulting services and by providing a forum for technology advancements. The CIRC team will couple research findings with business case studies, deployment logistics and competitive market strategies, providing a never-before envelope of services to industry patrons.
Further, CIRC will deliver customized training workshops to industry patrons for a fee. Such workshops are extremely useful for companies bringing new personnel on-board and promise to be a significant revenue source for CIRC.

3 RATIONALE FOR ESTABLISHING THE CENTRE

3.1 Background
Data centres (DCs) are a critical part of 21st century infrastructure. They house the ~75 million servers that ‘run’ our digital lives, and ~10 million new servers are sold every year. For the servers to operate, the DCs must house a plethora of supporting equipment, e.g., for cooling, power distribution and back up, networking, and fire suppression. Thus, in addition to selecting the best possible information technology equipment (ITE), a DC architect is tasked with interfacing the ITE to the available real-estate by selecting suitable supporting equipment and their appropriate interconnections. Currently, this involves an exceedingly complex year-long manual process. Thus, end-users typically requisition DCs to service ~10 years of anticipated business demand, and add a generous contingency. This leads to habitual excessive over design. Consequently, DCs typically run at ~15% of their design capacity, and on average waste ~90% of the energy consumed. These two inefficiencies translate, respectively, into exorbitant locked-in capital costs and operating expense for end-users. Considering that about 3% of the energy produced worldwide is consumed by DCs, this wastefulness is also an escalating energy crisis. Considering that much of electricity production still depends on fossil fuel combustion, this contributes to global greenhouse gas (GHG) emissions. Therefore, DC over-design is both fiscally and environmentally imprudent.

3.2 The Opportunity
The poor design of computing infrastructure stems from a classical disciplinary divide in Engineering: electrical engineers design the computer servers, computer scientists develop the software that manages their utilization, and mechanical engineers implement the systems for thermal management. Historically, integration between these three disciplines has been rare. CIRC bridges this gap by bringing dedicated personnel from each area under one roof. This will enable a holistic approach to the design of CI, enabling both incremental and disruptive innovation in the field. The availability of two flexible DCs will enable rapid pilot testing and exhaustive validation of the technologies; such infrastructure is unavailable elsewhere in Canada. Further, colocation with CMCI and close contact with other industry partners will enable seamless commercialization.

3.3 Alignment with the Strategic Priorities of McMaster University
3.3.1 Research Foci
CIRC will conduct research in the Information Technology sector, which is one of the six multi-disciplinary (cross-faculty) strategic areas identified in the 2012 Strategic Research Plan. Further, the research addresses a big environmental concern by reducing energy needs in one of the fastest growing verticals of its consumption. Simultaneously, it addresses an immediate market need, promising substantial commercial impact.

3.3.2 Research Capacity Building
CIRC will be home to two on-site DCs that are designed to examine the influence of new technologies on performance and energy consumption. They will enable seamless validation of novel technology through direct measurements. Further, two dedicated laboratories will be
developed for benchtop experiments: (1) the \textit{thermal management laboratory} for measuring the various thermal properties of materials and systems, and (2) the \textit{electrical testing laboratory} to probe electrical losses and health monitoring of CI. Thus, CIRC’s infrastructure is quite unique. \textbf{It is the first of its kind in Canada and is among very few others worldwide.} It promises transformational research activities and will attract the best of researchers and students from all over the world as direct participants or through strategic collaborations.

CIRC will initially host three dedicated research scientists/engineers, leading the three complementary research groups. In the long run, these individuals will serve as excellent candidates for assuming NSERC Industrial Research Chair positions at various levels. Such opportunities will be aggressively pursued in collaboration with the various private sector partners. This contributes to the sustainability of the various research programs to be hosted at CIRC.

CIRC will capitalize on opportunities from various funding agencies: (1) NSERC CRD grants will be used to match all cash and in-kind contributions from the sponsors, (2) an ORF-RE application is being prepared to leverage such contributions further, and (3) application for a CFI Innovation Fund and a matching ORF-RI award is planned to boost the infrastructure. Further, CIRC will explore avenues to attract funding from the Networks of Centres of Excellence.

3.4 Research Impact
CIRC will position McMaster and Hamilton as a hot bed for disruptive innovations in the rapidly growing DC & CI industry, attracting businesses and experts of international repute. Further, the research findings will be commercialized exclusively through Ontario based manufacturing, design and service organizations, furthering the innovation ecosystem in Hamilton.

4 PARTICIPANTS
4.1 Principal Investigator
Ishwar Puri, Professor, Department of Mechanical Engineering
\textit{Note:} The Vice President Research will appoint Professor Puri as the Acting Academic Director for the four-month period following the launch of the centre, during which time he will run a search for the Academic Director. Ordinarily, the director of a Faculty-based centre reports to the Dean of the Faculty. However, considering Prof. Puri is also the Dean of Engineering, the Academic Director will report to the Vice President of Research until another Academic Director is appointed or Prof. Puri is no longer the Dean of Engineering.

4.2 Co-Investigators
Douglas Down, Professor, Department of Computing and Software
Ranil Sonnadara, Managing Director, Research and High Performance Computing
Rong Zheng, Professor, Department of Computing and Software

4.3 Managing Director
Suvojit Ghosh, Department of Engineering Physics

4.4 Researchers, trainees, and students
The researchers, comprising group leaders of the three proposed research groups, technicians, postdoctoral fellows, graduate and undergraduate students will be members of the McMaster community.
4.5 Community Support
Many organizations in the local ecosystem have expressed interest in supporting CIRC. Notable participants comprise the Innovation Factory, enabling integration with the local innovation ecosystem, the Population Health Research Institute, through data on and access to their computing infrastructure, and the Department of Economic Development of the City of Hamilton, by integration with Hamilton’s innovation initiatives. Letters of support already availed are attached herewith.

4.6 Private Sector Partners
The following industry partners have committed contributions (cash and/or in-kind) to activities at CIRC:
1. Cinnos Mission Critical Incorporated, Hamilton, ON (founding partner)
2. Access Communications, Hamilton, ON
3. ClearCable Networks, Hamilton, ON.
4. Spectra Engineering, Toronto, ON.
5. Heroux Devtek, Toronto, ON.
6. Burloak Technologies, Dundas, ON.

4.7 Advisory Board
The following individuals have committed to serving on the Advisory Board of CIRC.
1. Michael Bauer, Scientific Director, SHARCNET & Professor, Department of Computer Science, Western University
2. Roop Mahajan, Director, Institute for Critical Technologies and Applied Science, Virginia Tech
3. Dimos Poulikakos, Professor, Laboratory of Thermodynamics in Emerging Technologies, ETH Zurich

4.8 Expansion of Membership
Immediate expansion is planned in the Advisory Board with particular focus on the inclusion of leaders from the CI industry. As CIRC expands, the board will recruit additional members who are of strategic interest to the centre’s growth, sustainability and impact. Additional research projects will also be sought through support from private sector partners, and the staff members expanded accordingly. Contributions from a number of potential private sector partners are being sought, and are anticipated shortly.

5 ORGANIZATIONAL STRUCTURE & GOVERNANCE
The Academic Director will be supported by an administrative team, consisting of the (1) Managing Director (MD), (2) an Executive Committee, (3) an Advisory Board, and in the future two committees focused on (4) knowledge translation and (5) intellectual property. The MD will be responsible for the overall execution of the activities required for supporting all in-house projects. The respective PIs of all projects will have oversight of the project activities.

5.1 Executive Committee (EC)
The EC will comprise the Academic Director (AD), who will serve as the EC chair, the three group leaders (described below), the Managing Director (MD), the PIs and co-PIs of the various projects being undertaken at CIRC, and a nominee from the Advisory Board. It will meet twice a month to monitor activities and discuss how to realign activities to ensure that research,
technical, and commercialization milestones are achieved as planned and the program goals are satisfied. The EC will propose realignment measures to the AD. Other EC responsibilities will include advising the MD on the day to day management of the centre, executing the AD’s decisions, planning for industry and international collaborations, reporting to the various sponsors, issuing recommendations regarding projects, and planning for the dissemination of research results, technology transfer and commercialization.

5.2 Managing Director (MD)
This role will be served by Dr. Suvojit Ghosh. Ghosh will be responsible for the day-to-day operation of the projects, e.g., managing personnel and resources to execute the objectives of the various projects. Other responsibilities of the MD include: (1) design and implementation of systems and procedures, such as personnel and fiscal decisions with the approval of AD, to manage complex projects and their integration, (2) organization of key meetings, (3) serve as the point of contact for all inward communications from external entities, such as industry and innovation partners, and, with the consent of the AD, provincial entities, e.g., concerning intellectual property, outreach and commercialization opportunities, (4) satisfying planned commercialization objectives and aggressively pursuing new avenues for project expansion and sustainability, and exploring technology transfer and commercialization opportunities, (5) human resource planning, hiring and training of new personnel affiliated with the many projects, (6) management and operation of laboratories, (7) maintaining current knowledge on upcoming funding opportunities and informing all stakeholders in a timely fashion and (8) monitoring of research accounts.

5.3 Advisory Board (AB)
The Advisory Board, which will be chaired by the AD, will assume a role of scientific and intellectual leadership for the guidance and development of the various projects and make recommendations on project direction and progress toward milestones. In order to do so, the AB will convene twice a year for a half-day event at CIRC premises. In order to ensure impartial evaluation, the AB will only comprise of individuals who hold an arm’s length relationship to the project. The AB will comprise seven national and international senior scientific and technical experts who present complementary backgrounds in R&D, technology translation, design, deployment and operation of DCs. The AB will evaluate the relevance of proposed activities, review the outcome of projects and their impact, provide additional technical direction, and advise on enhanced commercialization opportunities. Further, with consent of individual AB members, the MD will seek their mentorship for the young researchers, students and trainees. This mentorship, while voluntary, is critical to develop highly qualified personnel (HQP) for the DC industry.

5.4 Knowledge Translation and Communication Committee
Knowledge translation and communication is crucial to CIRC for building a Canadian innovation ecosystem in the DC industry. Thus, it is integrated into the mandate of CIRC through this committee. This committee will develop communication strategies with the ultimate goal to position Ontario as a leader in the rapidly growing industry of Data Centres management. Its responsibilities will include annual reports, newsletters, website development, and standardization of communication. The committee will comprise the MD, officials responsible for handling communications and outreach at the Faculty of Engineering at McMaster, and nominated members of the AB and EC (one each, on a rotating basis).
5.5 **Intellectual Property and Commercialization Committee**
This committee will monitor and manage the resulting intellectual property through: monitoring of scientific progress, fostering of dissemination of innovations, contributing to commercialization policies/procedures of CIRC and identification of potential new collaborations. The committee will comprise the MD, an official from the McMaster Industry Liaison Office, most likely to be Mr. Glen Crossley, and nominated member of the AB who holds a senior management role with an industry partner (on a rotating basis). Members from a regional innovation centre or business incubator (Innovation Factory/Communitech) or concerned industry patrons will be requested to volunteer if/when the need arises.

![Figure 3 Organization/governance structure of CIRC](image_url)

6 **REPORTING**
The centre will report annually to the Vice President of Research. The annual reports will describe the centre’s progress towards its mission, activities, growth plan and finances. In such communications, the centre will keep the Associate Dean of Research and the Director of Finances & Operations of the Faculty of Engineering fully apprised.

7 **SUSTAINABILITY**
The appetite for digital technologies will continue to grow exponentially in the foreseeable future. Thus, the collective demand for computing capacity of the planet will keep growing. This presents a continuous need to discover, invent, and innovate our computing machines, i.e., our DCs. The proposed work is designed to seed a long-term establishment that can service this need, and place Ontario at its focus. Our novel model for university-industry partnership is a major enabler in its sustenance and growth:

1. By collocating at the McMaster Innovation Park with Cinnos Mission Critical Inc. (CMCI), a McMaster-born rapidly growing company in the DC industry, we are in continuous contact with industry needs to ensure the relevance and impact of our research activities.
2. We have forged strategic partnerships with five other Ontario-based business serving the DC industry who collectively serve the entire industry value-chain.

3. As the various projects progress, we will grow this network to form a close-nit ecosystem of Ontario companies, which currently exist as scattered resources. Our program will assimilate them into a synergistic network in southern Ontario, specifically in the GTHA.

4. The strategic network will be complemented by the superior technologies translated out of our research, enabling them to compete with foreign businesses who currently dominate the global $100B+ industry.

These are fundamental differentiators of our unique impact realization strategy, and enables substantial revenues to the Ontario companies, as detailed in Section 21.

As the Ontario companies in our network prosper, their capacity to adopt advanced technologies will grow. Such technologies will be developed by our research program as sponsored projects using the unique and enabling on-site facilities that we create, which are the first of their kind in Canada and among very few others worldwide. Whenever appropriate, the team will capitalize on opportunities from various funding agencies: NSERC CRD grants will be used to match all cash and in-kind contributions from the sponsors, and an application for a CFI Innovation Fund and a matching ORF-RI award is planned to boost the infrastructure. Further, the team will explore avenues to attract funding from the Networks of Centres of Excellence. All of these combined provide a promising growth trajectory for our research capacity in the foreseeable future.
November 25, 2016

TO: Senate Executive

FROM: David S. Wilkinson, Provost and Vice-President (Academic)

RE: SEXUAL VIOLENCE POLICY

The Sexual Violence and Harassment Action Plan Act (Supporting Survivors and Challenging Sexual Violence and Harassment), 2016 requires all Ontario universities to create a stand-alone sexual violence policy, which must be operational by January 1, 2017. The attached draft policy is intended to establish an appropriate framework and tone to enable all disclosures and complaints of sexual violence to be handled in a respectful, fair and accessible way. The policy explicitly states the University’s commitment to doing so, outlines the internal and external supports and options available, the specific processes to be followed in handling complaints of sexual violence, and the responsibility for ongoing prevention, education and training initiatives.

As outlined in my Memo of October 31 to the campus community (copy attached), the draft policy is the result of an extensive process of discussion and consultation with a diverse range of students, faculty, staff and community partners. This process culminated in the draft policy being circulated broadly to the campus community with a request for feedback, as well as two further consultation sessions to enable students, faculty and staff with particular interest, expertise, or concerns to discuss the policy directly with the drafting team. A number of helpful and constructive comments, suggestions and questions were received in response to the request for feedback and I am grateful to those individuals and groups who took the time to consider the policy and provide their comments.

The drafting committee has reviewed the feedback received during the final consultation phase and has made a number of adjustments and revisions to the draft policy as a result. It has not been possible to incorporate all the suggestions received. Indeed, some of these run in opposite directions. However, the University is committed to monitoring and reviewing the operation of the policy and to identifying and addressing issues or concerns that arise following its implementation. The majority of the most recent adjustments are intended to improve the clarity of the policy, reduce ambiguity in the language, and ensure consistency. In addition, a number of more substantive revisions have been made, as specified below:

1. **Available Supports** – Additional wording has been added to the policy to clarify that both complainants and respondents will have the opportunity to access support and advice throughout the process. The Sexual Violence Assessment Team will monitor the safety of complainants and review the need for interim measures on an ongoing basis.
2. **Timelines** – In recognition of the sensitive and difficult nature of sexual violence complaints, the policy does not include specific deadlines. However, a statement outlining the University’s commitment to handling all such matters as expeditiously as possible has been added.

3. **Confidentiality** – The provisions relating to confidentiality, and the limits to confidentiality, particularly with regard to the reporting requirements of regulatory bodies and in the case of regulated health professionals, have been clarified. The University recognizes the sensitivity of these matters and the need to protect the identity of individuals making disclosures or bringing forward complaints wherever possible.

4. **Support Person** – The definition of “Support Person” has been broadened to include explicit reference to Elders. Survivors, complainants and respondents may choose to be accompanied by a Support Person at any time during the process.

5. **Provision of Information** – A revision has been made to clarify that respondents will receive written notification of the complaint made against them.

6. **Notification of Decision** – Additional wording has been added to clarify the findings that can be made and the information that will be provided to the complainant and the respondent following a decision. Although a blanket commitment to make information about sanctions available to complainants has not been included, the intention is to provide such information wherever possible and, in particular, to provide complainants with information about measures taken in response to concerns about their safety.

7. **Impact Statement** – To ensure that the complainant is not excluded from the final stages of the complaints process, the policy includes the opportunity for complainants to file an Impact Statement to be considered by the decision-maker in determining appropriate sanctions.

8. **Restorative Justice** – Voluntary participation in a restorative justice process has been included as a potential outcome of the complaint process.

9. **Conflict of Interest** – Additional wording has been added to clarify the relevant process in the event that a designated decision-maker under the policy has a conflict of interest.

10. **Hearing Procedures** – A document outlining the hearing procedures for those cases that proceed to a hearing before the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination has been prepared. The procedures are based on those contained in the *Discrimination, Harassment & Sexual Harassment: Prevention and Response* policy but with some revisions to reflect the sensitivity of the issues involved in sexual violence cases.

11. **Policy Review** - Since this is a new policy, the University is committed to monitoring its operation closely, and ensuring that appropriate training and education is put in place to support its successful implementation. The policy includes a commitment that an initial review will be undertaken within the first two years of its operation so that any required adjustments or updates can be taken account of promptly.

Prevention and training is clearly key to the successful implementation of this policy, both with regard to awareness-raising initiatives on campus and to ensure that all those involved in implementing the policy have the necessary training and expertise to be able to do so sensitively and effectively. The Equity and Inclusion Office has accordingly been given responsibility for overseeing regular and ongoing prevention, education and training initiatives, including drawing together a diverse group to coordinate such training and ensure that it is trauma-informed and attuned to the broader social context in which sexual violence occurs.
The introduction of the proposed Sexual Violence policy will necessitate a number of revisions to other policies, including the Student Code of Rights and Responsibilities and the Discrimination, Harassment & Sexual Harassment: Prevention and Response policy. The proposed adjustments to the Student Code have already been reviewed and approved by the Committee on Student Affairs and will be presented to Senate for approval on December 14. It is proposed to bring together a panel to review the Discrimination, Harassment & Sexual Harassment policy and recommend the changes needed to take account of the Sexual Violence policy early in the New Year. A separate recommendation for the establishment of this review panel is being submitted to the Senate Executive.

In addition, during the consultation process, an issue was raised with regard to the composition, and specifically the identity of the Chair, of the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Harassment, or a Tribunal constituted under it. The Panel is made up of faculty, staff and student members, with the Chair to be appointed by the Senate. It has been the Senate’s practice to appoint a faculty member as Chair of the Panel, but this is not enshrined as a requirement in the Senate By-laws. The University administration has no objection to an adjustment to specify that a faculty member should act as Chair and has asked the University Secretary to bring forward a recommendation for an appropriate revision to the By-laws at the same time that the recommendation for revisions to the Discrimination, Harassment & Sexual Harassment policy are presented.

As noted, the University is required to have a stand-alone Sexual Violence policy in place by January 1, 2017. I accordingly request that the Senate Executive approve the attached Sexual Violence policy, and accompanying Hearing Procedures, and recommend it to the Senate and Board of Governors for approval.

**Attachments:**
1. Updated Draft Sexual Violence Policy
2. Hearing Procedures for the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination
3. Memo to the Campus Community dated October 31, 2016
4. Updated List of Participants in the Development of the Policy
Complete Policy Title: Sexual Violence Policy

Approved by: Senate / Board of Governors

Date of Original Approval(s):

Responsible Executive: University Secretariat

Enquiries: University Secretariat

DISCLAIMER: If there is a Discrepancy between this electronic policy and the written copy held by the policy owner, the written copy prevails.
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SECTION I: INTRODUCTION

PURPOSE

1. The purpose of this Policy is to:
   a) articulate McMaster University's commitment to preventing and addressing Sexual Violence; and
   b) explain the options, policies, supports, and services that are available to all members of the McMaster University Community ("University Community") who are affected by Sexual Violence.

2. Links to a summary overview and guide to the Policy may be found on the Equity and Inclusion Office website.

MCMASTER'S COMMITMENT

3. All members of the University Community ("Community Members") have a right to study, work, and live in an environment that is free of Sexual Violence.

4. The University is committed to creating an environment in which Survivors feel able to disclose incidents of Sexual Violence and access support, accommodations and information. The University recognizes that enabling Survivors to confidentially disclose incidents of Sexual Violence enhances individual and community safety.

5. The University recognizes that making a Disclosure, filing a Complaint, or being the focus of allegations of Sexual Violence is difficult. Survivors, Complainants and Respondents will be treated with dignity and respect and will have access to appropriate support and assistance throughout.

6. When incidents are identified for the University's investigation and adjudication, the University is committed to providing a complaint process that is trauma-informed, timely and fair to all parties.

7. The University's approach to addressing Sexual Violence is designed in keeping with its commitment to inclusion and its support of diversity, and with the following key elements of current scholarship and practice knowledge:
   a) Sexual Violence can have negative and different effects on a Survivor's physical, mental, emotional, spiritual, and social health and wellbeing. The University recognizes the possible traumatic effects of Sexual Violence and is committed to providing appropriate and respectful emotional support, accommodations and information about the options available to Survivors;
   b) Individuals face different risks of Sexual Violence related to, among other factors, race, disability, Indigeneity, sexual orientation, gender identity and gender expression, religion, spirituality, age, citizenship and socio-economic status. The University is committed to ensuring that its supports and services are attuned to these systemic differences in order that all Community Members can access them and be received with care. The University will support Survivors in their decision-making about how best to proceed and ensure their own safety and integrity;
   c) Survivors of Sexual Violence may have different degrees of confidence in institutional services and remedies (e.g. courts, police, and official authorities) because of their associations of such institutions with sexism, colonialism, racism, and other forms of systemic oppression. For example, women from racially diverse and Indigenous communities may be reluctant to disclose Sexual Violence to institutional authorities due to concerns that racism may impact whether an institution will
take their disclosure or complaint seriously, or that their disclosure or complaint may reinforce racist beliefs about men from their communities. The University is committed to building confidence in its services, supports and remedies and responding to Sexual Violence in a manner that is fair and does not reproduce discriminatory dynamics.

POLICY REVIEW

8. The Policy will be reviewed annually for compliance with the Occupational Health & Safety Act. For all other purposes, the Policy will receive an initial review within two years. Thereafter it will be reviewed every three years in accordance with the Sexual Violence and Harassment Plan Act in a process inclusive of input from students, key university constituencies, women’s organizations and other community partners with expertise in Sexual Violence.

9. Student participation in the three-yearly policy review process will be coordinated by the Equity and Inclusion Office in partnership with the McMaster Student Union, and the McMaster Graduate Student Association, and will include the diverse working group charged in an ongoing way with advising on educational initiatives on Sexual Violence (see clause 11).

PREVENTION, EDUCATION, AND TRAINING

10. Prevention through education is a fundamental aspect of the University’s commitment to addressing Sexual Violence.

11. The Equity and Inclusion Office is responsible for convening a diverse working group comprised of on and off campus partners to coordinate regular and ongoing prevention, education, and training initiatives that include:

a) prevention, education and training initiatives that will be attuned to the broader social context in which Sexual Violence occurs and will include topics such as: addressing rape culture, creating a culture of consent, receiving and providing trauma-informed support, options following Sexual Violence, University and external resources for Survivors, Complainants and Respondents and their family and friends; and

b) training to support those with particular responsibilities related to this Policy will be provided on an ongoing basis, integrating an anti-oppressive and trauma-informed analysis of Sexual Violence.

12. The University Secretary, in consultation with the Director, Human Rights & Dispute Resolution (Equity and Inclusion Office), will ensure that the members of the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination receive training in the particular sensitivities surrounding Sexual Violence.

SCOPE OF THE POLICY

13. Unless otherwise specified in this Policy, the Policy and its provisions apply to all acts of Sexual Violence where the University has the jurisdiction to pursue, adjudicate, or take steps to safeguard the University community. All such acts of Sexual Violence are considered a violation of this Policy. The Policy applies to:

All Members of the University Community (“Community Members”)

a) Community Members include: students (graduate, undergraduate, and continuing education), staff, faculty, postdoctoral fellows, adjunct professors, visiting professors, sessional faculty, teaching
assistants, clinical faculty, medical residents, volunteers, visitors, and institutional administrators and officials representing McMaster University.

All University-related activities

b) University-related activities are activities (authorized and non-authorized) that occur on University premises or on non-University premises where there is a clear nexus to the working or learning environment at the University; and

All instances of Sexual Violence

c) all instances of Sexual Violence that have occurred or are occurring during University-related activities.

DEFINITIONS

14. For the purpose of interpreting this document:
   a) words in the singular may include the plural and words in the plural may include the singular;
   b) references to the role of an Associate Vice-President include the Assistant Vice-President and Chief Human Resources Officer where relevant.

15. All definitions in this Policy include, but are not limited to, the definitions articulated in the Ontario Human Rights Code and described in the Occupational Health and Safety Act and the Ministry of Training, Colleges and Universities Act.

16. Explanations of the various terms used in this Policy are set out in Appendix A: Definitions; a number of the key terms are also defined below:

   a) **Sexual Violence** means any sexual act or act targeting a person’s sexuality, gender identity or gender expression whether the act is physical or psychological in nature, that is committed, threatened or attempted against a person without a person’s consent, and includes sexual assault, sexual harassment, stalking, indecent exposure, voyeurism and sexual exploitation.

   b) **Consent** is defined as approval, given freely, willingly, and knowingly by each participant to sexual activity. It must be given through ongoing communication by words or actions, or both. It occurs continuously and moment to moment. Consent cannot be assumed. Consent cannot be given if a person’s ability to resist or consent is impaired. Consent may be compromised where individuals are in a position of power, trust and/or authority over the person whose consent is required.

   **CONSENT:**
   - should never be assumed or implied
   - is not silence or the absence of "no"
   - cannot be given if the person is impaired by alcohol or drugs, or unconscious
   - can never be obtained through threats or coercion
   - can be withdrawn at any time
   - cannot be given if the perpetrator abuses a position of trust, power or authority
   - cannot be given by anyone other than the person participating in the sexual activity

   Any type of sexual activity without consent is Sexual Violence. (Source: the Government of Ontario - Let's stop sexual harassment and violence website) This policy prohibits all forms of Sexual Violence.

   c) **Survivors** are individuals disclosing incidents of Sexual Violence.
d) **Complainants** are individuals who file a Complaint alleging a violation of the Policy for the University's response.

e) **Respondents** are those about whom allegations have been made in a complaint process.

f) **Accommodations** under this Policy are adjustments to individuals' academic, workplace or residence arrangements made to support them and/or enhance their safety (e.g. a change in assignment deadlines or tutorial group, a change in supervisory arrangements, a change in residence location).

**OPTIONS FOR DISCLOSING AND/OR REPORTING ALLEGATIONS OF SEXUAL VIOLENCE**

17. Community Members who believe there has been a violation of this Policy have a number of options available to them. The [Sexual Violence Response Coordinator](#)'s services, as well as supports and accommodations, are available to them, at any point in time, regardless of how they decide to proceed ([Section II: Supports](#)). Individuals may pursue one or more of the following options:

**Disclosure**

a) a Disclosure is made when an individual informs someone in the University community about an experience of Sexual Violence because they wish to access support, accommodations and/or information about their options;

**Complaint**

b) a Complaint is made when an individual notifies an [Intake Coordinator](#) of an allegation of Sexual Violence, and seeks the University's response;

**Criminal Report**

c) a Criminal Report is made when an individual files a report of Sexual Violence with a police service or with McMaster [Security Services](#). Filing a report with McMaster Security Services will result in a report to the [Hamilton Police Service](#); and/or

**Other Options**

d) Individuals may exercise other options external to this Policy (e.g. the grievance provisions of applicable collective agreements, provisions of the Occupational Health & Safety Act) or other options external to the University (e.g. through civil litigation or Ontario Human Rights Code provisions).

18. Individuals who file a Complaint, a Criminal Report, or pursue other options as outlined above, may be required to attend/participate in a hearing, either internal to the University, or external through arbitration, or criminal court, etc.
SECTION II: SUPPORTS (UNIVERSITY & COMMUNITY)

19. Survivors, Complainants, and Respondents are encouraged to make use of available supports (below) and resources (Appendix B).

SUPPORTS

20. Individuals who wish to make a Disclosure are encouraged to contact the Sexual Violence Response Coordinator.

Sexual Violence Response Coordinator

21. The Sexual Violence Response Coordinator will, as may be appropriate in the circumstances:
   a) respond to Disclosures of Sexual Violence by listening to the Survivor's needs and concerns;
   b) explain the supports and services that are available to the Survivor;
   c) explain the options available to the Survivor, and assist with navigating the option(s) they select;
   d) explain the limits to confidentiality regarding Disclosures and Complaints;
   e) facilitate workplace, academic, and/or residence Accommodations for the Survivor;
   f) refer the Survivor to University and/or community counselling, advocacy and/or medical services;
   g) activate the Sexual Violence Assessment Team to facilitate safety planning and to consider other University responses that may be necessary; and
   h) if an individual chooses to file a Complaint, the Sexual Violence Response Coordinator may assist in transitioning the matter to an Intake Coordinator so as to minimize the need for the individual to retell information, and may accompany the individual during the intake process.

22. Any Community Member who is the subject of an allegation of Sexual Violence is also encouraged to contact any of the offices below to ensure that they are in receipt of relevant information and services:
   - Equity and Inclusion Office (all community members)
   - Employee/Labour Relations (faculty and staff)
   - Student Support & Case Management (students)
   - Faculty of Health Sciences Professionalism Office (faculty, staff, and students in the Faculty of Health Sciences)
SECTION III: CONFIDENTIALITY

CONFIDENTIALITY (LIMITATIONS)

23. The University and its employees and agents will protect personal information and handle records in accordance with the Freedom of Information and Protection of Privacy Act and the Personal Health Information Protection Act, with the provisions of applicable collective agreements and, in the case of health care providers, in keeping with any professional obligations.

24. The University recognizes that confidentiality is a crucial consideration in creating an environment in which individuals feel able to disclose incidents of Sexual Violence and to access support, Accommodations, and information. The University will share identifying information only in circumstances where it is necessary in order to address safety concerns or to satisfy a legal reporting requirement. In such circumstances, the minimum amount of information needed to allow such concerns to be addressed, or to meet such requirements, will be disclosed. Such circumstances include those where:
   a) an individual is at risk of harm to self;
   b) an individual is at risk of harming others;
   c) there are reasonable grounds to be concerned with risk of future violence or the safety of the University and/or broader community;
   d) disclosure is required by law; for instance, suspected abuse of someone under the age of 16; or, to comply with the Occupational Health and Safety Act or with human rights legislation;
   e) evidence of the disclosed incident of Sexual Violence is available in the public realm (e.g. video shared publicly on social media); and/or
   f) to comply with the reporting requirements of regulatory bodies.

25. Some offices and Community Members have additional limitations to confidentiality because of their particular reporting requirements or professional obligations. For example:
   a) all regulated health professionals are obligated to report suspected sexual abuse of a patient by a regulated health professional to that professional’s governing body if this information is acquired during the course of their practice; and
   b) Special Constables in Security Services are required to investigate reports of domestic violence and to lay charges in all cases when there are reasonable grounds to believe an offence has been committed, regardless of whether the Survivor wishes to have further involvement with the legal process.

26. Procedural limits to confidentiality may also occur if the University is subject to legal proceedings that, in the opinion of the Provost and Vice-President (Academic) or the Vice-President (Administration), require the disclosure of information.

27. The importance of preserving the confidentiality of Complaints and any related proceedings will be explained to all parties as a necessary measure to protect the integrity of the proceedings.
SECTION IV: PROCEDURAL GUIDELINES

ACCOMPANIMENT / REPRESENTATION

28. Survivors, Complainants, and Respondents may be accompanied by a Support Person or an Advisor at any stage of any of the procedures outlined in this Policy. Any costs of accompaniment or representation are to be borne by the individual.

TIME LIMITATIONS FOR BRINGING FORWARD A COMPLAINT

29. There are no time limitations on bringing forward a Complaint. However, individuals are encouraged to report a Complaint at the earliest opportunity, as the longer the time lapse between the incident and the Complaint, the more difficult it becomes to investigate effectively. Once a Complaint is received, it will be dealt with as expeditiously as possible.

PROTECTION FROM REPRISAL

30. The University prohibits reprisal or threats of reprisal against any Community Member who, sincerely and in good faith, makes use of this Policy or participates in any process held under its jurisdiction. Any individual or body found to be making such reprisals or threats will be subject to sanctions under the appropriate policy (including this Policy, Discrimination, Harassment & Sexual Harassment: Prevention and Response policy, and the Code of Student Rights and Responsibilities) as circumstances dictate.

COOPERATION AND SELF-INCRIMINATION

31. It is possible that individuals questioned as witnesses, informants or bystanders about an alleged incident of Sexual Violence may, by cooperating responsibly with the University's processes, reveal their own infraction of a University regulation or code (e.g. alcohol use, unsanctioned use of University facilities). In such instances, and given the University's commitment to addressing Sexual Violence, every effort will be made to support individuals coming forward and, if appropriate and possible, take their cooperation into account if any sanction applies to their conduct.

SAFETY, SUPPORT, AND INTERIM MEASURES

Ongoing Safety and Support of All Parties

32. The Sexual Violence Assessment Team: considers, recommends, and/or coordinates Accommodations and/or Interim Measures as they relate to the parties involved in the matter; facilitates any safety planning; and considers other University responses that may be necessary.

33. At any stage in proceedings under this Policy it may be necessary to take Interim Measures in order to safeguard the environment of Survivors, Complainants, and/or Respondents. Interim Measures shall not be construed as evidence of either guilt or a finding of violation of this Policy, or as an affirmation of innocence/finding of non-violation of this Policy.

34. Interim Measures will be reviewed on an ongoing basis throughout the process to ensure they remain necessary and appropriate in the circumstances. Interim measures are temporary and do not extend beyond the final resolution of a Complaint.
35. The authority to approve Interim Measures will rest with the relevant decision-maker in line with the Respondent’s reporting structure, or their delegate (Clause 54).

36. Interim Measures may include, but are not limited to, the rearrangement of academic/employment responsibilities or oversight, the rearrangement of residence location (where possible), adjustments in University activities (e.g. attendance at guest lectures, social events), implementation of a No Contact Order, or implementation of a Persona Non Grata designation.

37. In the event an employee is directed to take an administrative leave as an Interim Measure, the conditions of the administrative leave shall accord with the terms of any applicable collective agreement. In the absence of an applicable collective agreement, the leave shall be without loss of pay or benefits. It is understood that an administrative leave as an interim measure is non-disciplinary and is designed to separate a person from a situation or another person until the matter has been resolved. During such period, the person can continue to access relevant University support services.

DATA GATHERING & RECORD KEEPING

38. The Equity and Inclusion Office is responsible for providing an annual anonymized, aggregate report on Disclosures, Accommodations, Complaints, Investigations, and all Outcomes and Sanctions to the Senate and the Board of Governors. Data for the report are collected, kept and maintained by the Equity and Inclusion Office and includes data provided to that office by Employee/Labour Relations, the Student Support & Case Management Office, and the Faculty of Health Sciences Professionalism Office. The purpose of the report is to:
   a) inform educational and preventive initiatives;
   b) identify situations where a University Initiated Investigation may be warranted (Section VI); and
   c) comply with government reporting requirements.

39. In fulfilling these requirements, utmost care will be taken to ensure that individuals’ identities are not compromised and that data gathering does not discourage individuals who wish to disclose from coming forward.

40. All notes, materials, investigation reports, and decisions, pertaining to Complaints will be kept by the relevant Intake Office for seven years. These records may be retained longer, subject to the discretion of the appropriate Director or decision-maker.
SECTION V: ROLES AND RESPONSIBILITIES

SEXUAL VIOLENCE RESPONSE COORDINATOR

41. The Sexual Violence Response Coordinator is responsible for:
   a) responding to Disclosures of Sexual Violence, providing Survivors with support, information about resources, and the options available to them;
   b) consulting with all relevant University and community stakeholders to ensure a consistently respectful and supportive response to Disclosures of Sexual Violence, and working closely with them to implement campus-wide anti-violence programming integrating an anti-oppressive and trauma-informed analysis of Sexual Violence; and
   c) when requested to do so by a Survivor, accompanying the Survivor to a meeting with the Intake Coordinator.

FACULTY AND STAFF

42. Faculty members and staff, acting in their capacity as supervisors within a Faculty, Academic Department, or Residence, and/or Workplace Supervisors are responsible for cooperating with the Sexual Violence Response Coordinator and/or the Intake Offices in the implementation of Accommodations and Interim Measures.

43. Faculty and staff and others, who are health care providers, are required to maintain the confidentiality of patient information disclosed during a medical interaction (e.g. doctors, nurses in Student Wellness Centre) in accordance with their professional obligations.

44. Members of the faculty and staff (with the exception of those identified in clause 43 above) who receive Disclosures must:
   a) inform individuals coming forward of the reporting requirements and limits to confidentiality that apply to them;
   b) contact the Sexual Violence Response Coordinator for guidance, and to report the Disclosure (without providing identifying information, unless the individual has given permission to do so); and
   c) refer the individual to the Sexual Violence Response Coordinator.

STUDENT LEADERS

45. Students in designated positions of responsibility and/or leadership who receive Disclosures must:
   a) inform individuals coming forward of the reporting requirements and limits to confidentiality that apply to them;
   b) contact the Sexual Violence Response Coordinator for guidance, and report the Disclosure (without providing identifying information unless the individual has given permission to do so); and
   c) refer the individual to the Sexual Violence Response Coordinator.
INTAKE COORDINATORS

46. The Intake Coordinators are responsible for the initial intake of Complaints, including ensuring the Complainant fully understands the procedures of the Policy and what may result from the decision to file a Complaint. The Intake Coordinators activate the Sexual Violence Assessment Team.

47. Intake Coordinators are located in the following offices:
   a) Equity and Inclusion Office (available to all Community Members, students, staff and faculty)
   b) Student Support & Case Management Office (available to students)
   c) Employee/Labour Relations (available to staff and faculty)
   d) Faculty of Health Sciences Professionalism Office (available to faculty, staff, and students in the Faculty of Health Sciences).

SEXUAL VIOLENCE ASSESSMENT TEAM

48. The Sexual Violence Assessment Team ("Assessment Team") is responsible for assessing every Complaint of Sexual Violence received by the University.

49. The Assessment Team will include: the Intake Coordinator, the Director, Human Rights & Dispute Resolution (or delegate), a Co-Chair of the Violence Risk Assessment Team (or delegate), and, as necessary in the circumstances, the Director, Employee/Labour Relations (or delegate), the Director, Student Support & Case Management (or delegate), and/or the Faculty of Health Sciences Professionalism Advisor (or delegate).

50. As necessary, and disclosing identities only on a need-to-know basis in order to appropriately respond to the matter, the Assessment Team may draw upon representatives of key services and/or departments (e.g. Director of Housing and Conference Services, Director of the Student Wellness Centre, Director of Security Services).

INVESTIGATORS

51. All Investigators appointed under this Policy, whether internal or external to the University, will have training and expertise in the area of Sexual Violence and a trauma-informed, anti-oppressive approach to investigation processes.

EQUITY & INCLUSION OFFICE

52. The Equity & Inclusion Office is responsible for: maintaining and reporting on data relating to Disclosures, accommodations and Complaints as set out in clauses 38-40; and coordinating the University’s preventive, educational and training initiatives and programs.

DIRECTOR, HUMAN RIGHTS & DISPUTE RESOLUTION

53. The Director, Human Rights and Dispute Resolution is responsible for working in close partnership with individuals and offices involved in implementing this Policy, including but not limited to: the Sexual Violence Response Coordinator, the Sexual Violence Assessment Team, Investigators, Associate Vice-Presidents, Assistant Vice-Presidents, Senior Administration, and the University Secretariat.
DECISION-MAKERS FOR INTAKE AND INVESTIGATIONS

54. The decision-makers under the intake and investigations procedures include, as applicable, the: Assistant Vice President and Chief Human Resources Officer; Associate Vice-President (Students and Learning) & Dean of Students; Associate Vice-President, Academic, (Faculty of Health Sciences); Vice-President (Administration); and Provost and Vice-President (Academic).

55. When Respondents fall under their jurisdiction, decision-makers are responsible for reviewing and responding to investigation reports (see Investigation Procedures).

56. When the line of authority is unclear, the Provost and Vice-President (Academic) or the Vice-President (Administration), as appropriate, will determine the appropriate individual in the line of authority.

57. Should there be a conflict of interest with an Associate Vice-President, the appropriate Vice-President shall assume the responsibilities of the Associate Vice-President under this Policy. Similarly, if that Vice-President is in a conflict then another Vice-President or the President shall act.

SENIOR ADMINISTRATION

58. The Senior Administration has overarching responsibility for maintaining a University environment in which Sexual Violence is unacceptable, for providing the resources required to support such an environment, and for ensuring the timely development and review of relevant policies through Senate and Board of Governors procedures.

59. In addition, the Senior Administration is responsible for enabling Community Members to function with the highest standards of integrity, accountability, and responsibility. Activities may include disseminating information about the University's expectations and providing education to all Community Members on issues related to rape culture and Sexual Violence.

ALL MEMBERS OF THE UNIVERSITY COMMUNITY

60. All members of the University Community are responsible for contributing to an environment that is free of Sexual Violence, for participating in education and training programs when appropriate, and for referring individuals disclosing Sexual Violence to the Sexual Violence Response Coordinator.
SECTION VI: INVESTIGATIONS

INTAKE AND INITIATION OF COMPLAINTS

61. If an individual wishes to file a Complaint of Sexual Violence for the University to address, they must contact an Intake Coordinator in the Equity and Inclusion Office, the Student Support & Case Management Office, Employee/Labour Relations, or Faculty of Health Sciences Professionalism Office. The Sexual Violence Response Coordinator may assist an individual in transitioning the matter to an Intake Coordinator so as to minimize the need for the individual to retell information, and may accompany the individual during the intake process.

62. The Intake Coordinator is responsible for:
   a) ensuring that Complainants are aware of the options available to them in seeking a response to the incident of Sexual Violence that they have experienced; and
   b) assisting Complainants in understanding what may be involved in, and what may result from, each of the options; and
   c) assisting the Complainant with completing a Complaint Intake Form, which includes a brief description of: what happened; who was involved in the incident; when it happened; where it happened; who (if anyone) saw or heard it happen, or saw or heard something of relevance prior to or after the alleged incident(s) of Sexual Violence.

63. The Intake Coordinator will activate the Sexual Violence Assessment Team.

64. Members of the Sexual Violence Assessment Team will assess the Complaint on an immediate and priority basis. Identities of the Complainant and/or Respondent will only be shared with the relevant Sexual Violence Assessment Team members on a need-to-know basis. During this assessment, the Sexual Violence Assessment Team may determine it is necessary to disclose identities on a need-to-know basis in order to administer the Policy.

65. The Sexual Violence Assessment Team reviews the Complaint in order to:
   a) confirm that it fits within the scope of the Policy;
   b) consider requirements pursuant to the Occupational Health and Safety Act;
   c) determine an appropriate and respectful way to inform the Respondent of the Complaint, and ensure that written details of the Complaint are provided;
   d) determine if an investigation is required, and, if so, set parameters accordingly, in consultation with the appropriate Associate Vice-President (including, for example, which University office to mobilize; internal or external investigator; timelines, mandate and scope for the investigation);
   e) consider and coordinate appropriate Accommodations and/or Interim Measures as they relate to all parties involved in the matter; and
   f) as necessary, draw upon representatives of relevant services or departments in order to appropriately respond to the matter.

66. The Sexual Violence Assessment Team will review any Interim Measures on an ongoing basis throughout the process to ensure they remain necessary and appropriate in the circumstances.
**Decision Not to Investigate**

67. In some circumstances a decision may be made not to investigate. The decision will be communicated in writing, with reasons, to the parties by the appropriate Associate Vice-President. The Complainant will be informed of their right to make a written request for review of the decision to the Vice-President to whom the Associate Vice-President reports.

**UNIVERSITY INITIATED INVESTIGATION**

68. Through data gathering on Disclosures and Complaints, the Sexual Violence Response Coordinator or Director, Human Rights & Dispute Resolution may become aware of situations where a University-initiated Investigation may be warranted, including, but not limited to circumstances where:
   a) repeated allegations are made about the conduct of the same individual and/or specific environment;
   b) allegations are made about the conduct of a Community Member by an individual who is not, or is no longer, a Community Member;
   c) the power differential in the alleged incident suggests the potential for a pattern of repeated Sexual Violence; and/or
   d) the University has a duty to investigate pursuant to the Occupational Health and Safety Act.

69. The Director, Human Rights & Dispute Resolution will consult with the Sexual Violence Assessment Team and the appropriate Associate Vice-President to determine whether an investigation is warranted.

70. Survivors may choose not to request an investigation by the University, and have the right not to participate in any investigation that may occur.

**INVESTIGATION PROCEDURES**

71. Investigations conducted under this Policy will follow the principles of procedural fairness. Respondents have the right to know the case against them, and to produce evidence and witnesses to the Investigator in response to any allegations.

72. The Investigator will impartially collect evidence and interview witnesses in relation to the Complaint. In consultation with the appropriate Director (or delegate), the Investigator has discretion to adjust the scope and the manner in which the investigation will be conducted in compliance with this Policy and the principles of procedural fairness.

73. All Community Members are expected to meet with the Investigator if requested to do so. Notwithstanding this expectation, the following applies:
   a) Survivors retain the right to decline to participate in any Investigation initiated by the University, regardless of whether or not they have been identified as a potential witness during the course of an Investigation; and
   b) health care providers and professionals will only be expected to provide information within the limits of their duty to patient confidentiality.

74. Complainants, Respondents and witnesses have the option of being accompanied by a Support Person or Advisor.
75. All those who meet with an Investigator are required to keep confidential the meeting and any information shared to ensure the integrity of the proceedings. Failure to do so could be considered a breach of privacy.

76. An individual who was not previously identified as a Respondent but who, during the course of an investigation, is identified as a potential Respondent will be notified and given an opportunity to meet the Investigator and to respond to any allegations.

**Voluntary Resolution**

77. In certain circumstances, a Complainant and Respondent may be willing to attempt a resolution of a Complaint at any time before the completion of an Investigation. Voluntary Resolution is not mandatory and may not be appropriate in all matters. See clause 97 Voluntary Resolution.
SECTION VII: ADJUDICATION AND DECISIONS

78. At the conclusion of an Investigation, the following procedures apply for adjudication and decision-making, dependent upon the constituency of the Respondent.

Student Respondent

79. The adjudication will be processed in accordance with the procedures in the Code of Student Rights and Responsibilities ("the Code"). If it is determined, on a balance of probabilities, that Sexual Violence occurred, sanctions will apply in accordance with the Code.

80. In matters where the sanctions do not include suspension, expulsion, or withdrawal (voluntary or involuntary), the Respondent may appeal the decision and/or the sanction(s) to the Associate Vice-President (Students and Learning) & Dean of Students.

81. In matters where the sanctions include a suspension, expulsion, or withdrawal (voluntary or involuntary), the Respondent may appeal the decision made by the Associate Vice-President (Students and Learning) & Dean of Students to the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination. (See Hearing Procedures for the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination).

Faculty Respondent

82. The investigation report will be reviewed by the Provost and Vice-President (Academic) (or delegate) to determine, on a balance of probabilities, if Sexual Violence has occurred. If it is so determined, the Provost will make recommendations regarding sanctions and/or remedies, and initiate a disciplinary process.

83. If the Respondent accepts the sanction(s) and/or remedies recommended by the Provost, the recommendations will be implemented and the matter will be closed.

Referral to Hearing

84. If the Respondent does not accept the recommendations, or the Provost believes that suspension from the University for a period of time is the appropriate sanction, the matter will be referred to a Tribunal of the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination (DHSH Tribunal) for a hearing.

85. At the hearing the Provost has the burden of proof to present evidence, and on a balance of probabilities, to satisfy the DHSH Tribunal that the alleged incident of Sexual Violence has occurred.

86. If it is determined by the Provost that Removal Proceedings should be initiated, the matter will be referred directly to the Procedures for Removal under the Tenure and Promotion Policy.

Staff Respondent

87. The investigation report will be reviewed by the Assistant Vice-President and Chief Human Resources Officer (or delegate) to determine, on a balance of probabilities, if Sexual Violence has occurred. If it is so determined, the matter will be referred to the Director, Employee/Labour Relations to initiate a disciplinary process.

88. The disciplinary decision in matters relating to Sexual Violence will be approved by the appropriate Vice-President (in line with the Respondent’s reporting structure) before being imposed.
89. In the case of a staff member who is a member of a union, the right to appeal the disciplinary decision is within the grievance and arbitration processes of the collective agreement.

90. In the case of a staff member who is not a member of a union (e.g., members of The Management Group, interim employees), and except in the case of termination, the staff member may submit a written appeal of the disciplinary decision to the Vice-President (Administration) (or delegate). In the case where the Respondent's reporting line is through to the Vice-President (Administration), the appeal will be made to another Vice-President.

**Community Member Respondent (not student, staff or faculty)**

91. When the Respondent is a Community Member but is not currently a student, staff, or faculty member, the investigation report will be reviewed by the Associate Vice-President related to the Respondent’s area of activity at the University. The relevant Associate Vice-President will determine, on a balance of probabilities, if Sexual Violence has occurred. If it is so determined, the Associate Vice-President will decide on the appropriate sanctions/remedies.

92. The Respondent may submit a written appeal of the decision and/or sanctions to the Vice-President to whom the Associate Vice-President reports.

**FINDINGS AND DECISIONS**

**No Finding of Violation of the Policy**

93. The Complainant and Respondent will receive a written decision from the relevant decision-maker, that will include:

a) the decision that there is No Finding of Violation of the Policy;
b) reasons for the decision; and
c) a summary outlining the findings.

**Finding of Violation of the Policy**

94. The Complainant and Respondent will receive a written decision from the relevant decision-maker, that will include:

a) the decision that there is a Finding of Violation of the Policy;
b) reasons for the decision;
c) a summary outlining the findings;
d) the Respondent will receive confirmation of any Interim Measures that will remain in place until sanctions are imposed;
e) the Complainant will receive information about any Interim Measures that have a direct impact on the Complainant, such as a no-contact order, that will remain in place until sanctions are imposed.

**Impact Statement**

f) the Complainant will be provided the opportunity to submit a written impact statement to the decision maker, within five business days of receipt of the written decision, to be considered in determining the appropriate sanction(s).
DETERMINATION OF SANCTIONS AND REMEDIES

95. The decision-maker shall consider the Complainant's impact statement, and any mitigating and/or contextual factors in determining/implementing appropriate sanctions and remedies, and the reasons shall be clearly articulated in writing to the Respondent and the Complainant as follows:
   a) the Respondent will be informed of all sanctions imposed;
   b) the Complainant will receive information about any sanctions/remedies taken by the University, within the constraints of relevant legislation. In all cases, information about any sanctions/remedies that have a direct impact on the Complainant will be provided to them.

96. Where required by a professional licensing body, the results of the investigation may also be communicated to that professional licensing body.
SECTION VIII: OUTCOMES AND SANCTIONS

OUTCOMES

Voluntary Resolution

97. In certain circumstances, a Complainant and Respondent may be willing to attempt a resolution of a Complaint at any time before the completion of an Investigation. Voluntary Resolution is not mandatory and may not be appropriate in all Sexual Violence complaints. The following conditions will apply when considering Voluntary Resolution as a viable option:
   a) there has been no admission of guilt and no findings have been made in the matter;
   b) the Complainant and the Respondent both agree with:
      i. attempting to reach a resolution;
      ii. the method of achieving resolution;
      iii. the terms of the final resolution; and
      iv. accepting that the agreed upon resolution is not a finding of guilt or breach of the Policy;
   c) a meeting between the Complainant and the Respondent will not be required; and
   d) a Voluntary Resolution may be facilitated by the appropriate Intake Office.

SANCTIONS

98. Sanctions are decided based on the merits of the case and shall be proportional to the severity of the offence. If there are mitigating and/or contextual factors in determining/implementing the sanction, the reasons shall be clearly articulated by the decision-maker.

99. The existence of any previous findings of Sexual Violence will be taken into account when sanctions are determined, and the severity of sanctions may be greater as a result. Sanctions may be used independently or in combination for any single violation and may be varied.

100. Sanctions may include, but are not limited to:
   a) written reprimand;
   b) inclusion of the decision in a specified file(s) of the Respondent, for a specified period of time;
   c) the exclusion of the Respondent from, or oversight during, one or more designated University activities or duties;
   d) a No Contact Order, which may include restrictions on: registration for specific classes, other academic or non-academic activities, or attendance at specific meetings or events; direct or indirect contact (including but not limited to in person, by phone, email, text, social media, through a third party etc.) with a specific individual or group of individuals;
   e) a Persona Non Grata (PNG) designation, which is given to an individual who is denied the privilege of entering designated portion(s) of the University's buildings or grounds. If PNG individuals are found or seen in the area they are denied, they will be subject to a charge by Security Services under the Trespass to Property Act;
   f) for student Respondents, all sanctions in the Code of Student Rights and Responsibilities for findings of Sexual Violence. These include, but are not limited to: behavioural contract, behavioural bond,
suspension, expulsion, and for students in Residence: residence probation, room transfer, denial of readmission, eviction;

g) for staff or faculty, **Suspension or Recommendation for Suspension**, as applicable;

h) for staff or faculty, **Dismissal or Recommendation for Removal**, as applicable.

**REMEDIES**

101. Remedies may include but are not limited to:

   a) mandatory referral to counselling;

   b) training or coaching; and/or

   c) Restorative Justice processes.

**SYSTEMIC AND PREVENTIVE INTERVENTIONS**

102. Investigations may reveal broader issues to be addressed whether or not a finding of Sexual Violence has been found. In such instances, appropriate educational and preventive intervention measures may be recommended by the Associate Vice-President.
APPENDIX A: DEFINITIONS

**Accommodations**
Accommodations under this Policy are adjustments to individuals’ academic, workplace or residence arrangements made to support them and/or enhance their safety (e.g. a change in assignment deadlines or tutorial group, a change in supervisory arrangements, a change in residence location).

**Advisor**
A person of the individual’s choice who acts in an advisory role during the complaint and investigation process (e.g. friend, family member, union representative, legal counsel). The Advisor may be present during Investigation interviews but may not participate as a representative. The Advisor may represent the individual at a Hearing before a Tribunal of the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination.

**Agent**
Anyone hired by the University or working on behalf of the University such as an external investigator or a physician or other health care professional.

**Balance of Probabilities**
Balance of Probabilities is the test to be met to show, by the weight of the evidence presented, that all of the facts necessary to make a determination that Sexual Violence has occurred, have a greater likelihood of being true than not.

**Complainant**
The individual who files a Complaint alleging a violation of the Policy for the University's response.

**Complaint**
A Complaint is made when an individual notifies an Intake Coordinator of an allegation of Sexual Violence and seeks the University's response.

**Confidentiality**
Refers to the obligation of an individual or organization to safeguard entrusted information. The practice of confidentiality includes obligations to protect information from unauthorized access, use, disclosure, modification, loss or theft. Confidentiality differs from anonymity in that the identity of the person making the Disclosure is known to the person receiving the Disclosure.

**Consent**
Consent is defined as approval, given freely, willingly, and knowingly by each participant to sexual activity. It must be given through ongoing communication by words or actions, or both. It occurs continuously and moment to moment. Consent cannot be assumed. Consent cannot be given if a person’s ability to resist or consent is impaired. Consent may be compromised where individuals are in a position of power, trust and/or authority over the person whose consent is required.

CONSENT:
• should never be assumed or implied
• is not silence or the absence of “no”
• cannot be given if the person is impaired by alcohol or drugs, or unconscious
• can never be obtained through threats or coercion
• can be withdrawn at any time
• cannot be given if the perpetrator abuses a position of trust, power or authority
• cannot be given by anyone other than the person participating in the sexual activity

Any type of sexual activity without consent is Sexual Violence. (Source: the Government of Ontario - Let's stop sexual harassment and violence website)

Criminal Report
Occurs when a person reports an experience of Sexual Violence to the police or to McMaster Security Services. Filing a report with Security Services will result in a report to the Hamilton Police Service.

Disclosure
When a Survivor informs someone in the University community that they have experienced Sexual Violence in order to access support, accommodations and/or information about their options.

Dismissal
Dismissal/termination proceedings for staff Respondents shall be dealt with in accordance with the established policies and procedures and by the terms of existing contracts of employment or collective agreements and the common law where applicable.

Employee
Where applicable, employee is used to refer to staff (see below) and faculty (see below).

Event (Authorized)
Authorized events are University scheduled or University approved activities, occurring on or off University premises, e.g. public lectures, performances, placements (co-op or clinical), athletic events, work or study-related conferences/training sessions, etc. These events can include work or study-related travel. Events that are approved under the Student Event Risk Management Policy, or Field Trips and Electives Policy are also authorized events.

Event (Non-authorized)
Non-authorized events are events that are not scheduled or approved by the University and may occur on or off University premises e.g. group trips that have not been approved under the Student Event Risk Management Policy, drinking games in residence, house parties, etc.

Expulsion
Expulsion applies to student Respondents and is the loss of all academic privileges at the University for an indefinite period.

Faculty
Faculty are defined as those academic teaching staff and senior academic librarians who are members of the McMaster University Faculty Association.

Interim Measures
Steps that are taken in order to safeguard the environments of individuals disclosing Sexual Violence and of individuals whose conduct is being questioned. Interim measures shall not be construed as evidence of either guilt or a finding of Sexual Violence, or as an affirmation of innocence or finding that no Sexual Violence occurred.

No Contact Order
Includes restrictions on: registration for specific classes, other academic or non-academic activities, or attendance at specific meetings or events; direct or indirect contact (including but not limited to in person, by phone, email, text,
social media, through a third party etc.) with a specific individual or group of individuals.

**Persona Non Grata (PNG)** A designation which is given to an individual who is denied the privilege of entering designated portion(s) of the University's buildings or grounds. If PNG individuals are found or seen in the area they are denied, they will be subject to a charge by Security Services under the Trespass to Property Act;

**Recommendation for Removal**
A recommendation for removal of a faculty Respondent shall be dealt with in accordance with Section VI of the *McMaster University Revised Policy and Regulations with Respect to Academic Appointment, Tenure and Promotion* and the common law where applicable.

**Recommendation for Suspension**
A recommendation for suspension of a faculty Respondent shall be dealt with in accordance with Section V of the *McMaster University Revised Policy and Regulations with Respect to Academic Appointment, Tenure and Promotion* and the common law where applicable. Suspension involves relieving the Respondent of their University duties and denying them access to University facilities and services for a stated period of time, and may be with or without pay and/or benefits as recommended by a Tribunal and determined by the President.

**Respondent**
Those about whom allegations have been made in a Complaint process.

**Restorative Justice**
Restorative Justice is an outcome following the determination of finding and focuses on restoring the losses suffered by Survivors, holding Respondents accountable for the harm they have caused, and building peace within communities. This process can be facilitated by the Equity and Inclusion Office.

**Senior Administration**
The President, Provost and Vice-President (Academic), Vice-President (Administration).

**Sexual Assault**
Any non-consensual sexual activity, including but not limited to touching, grabbing, kissing, fondling, and oral, anal, or vaginal penetration.

**Sexual and/or Gender-Based Harassment**
Sexual and/or gender-based harassment is:

a) Engaging in a course of vexatious comment or conduct because of sex, sexual orientation, gender identity or gender expression, where the course of comment or conduct is known or ought reasonably to be known to be unwelcome; or  
b) Making a sexual solicitation or advance where the person making the solicitation or advance is in a position to confer, grant or deny a benefit or advancement to the individual and the person knows or ought reasonably to know that the solicitation or advance is unwelcome.

**Sexual Violence**
Sexual Violence means any sexual act or act targeting a person's sexuality, gender identity or gender expression whether the act is physical or psychological in nature, that is committed, threatened or attempted against a person without a person's consent, and includes sexual assault, sexual harassment, stalking, indecent exposure, voyeurism and sexual exploitation.
Staff
Employees of the University including, but not limited to, The Management Group (TMG), Unionized Employees, Temporary/Casual, non-teaching staff, Sessional Faculty, Post-doctoral Fellows, and Clinical Faculty. Graduate students employed as Teaching Assistants may be treated as an employee, depending on circumstances (see the definition of "Worker" under the Occupational Health and Safety Act).

Student
A student is any individual recorded by the University Registrar as enrolled in an educational course of study recognised by the Senate and for whom the University maintains education records.

Supervisor
A person who has charge of a workplace or authority over a worker. See the Ministry of Labour guide “Who is a Supervisor” under the Occupational Health and Safety Act.

Support
The provision of resources appropriate to the individual and the circumstances. This may include access to the Student Wellness Centre, Employee Family Assistance Program, and/or McMaster Students Union (MSU). Support resources does not include the provision of legal counsel.

Support Person
A person of the individual’s choice who acts in a supportive role but is not an active participant in the process (e.g. friend, Elder, parent, religious advisor).

Survivor
Survivors are individuals disclosing incidents of Sexual Violence.

Suspension
Relieving the staff Respondent of their University duties and denying them access to University facilities and services for a stated period of time, and may be with or without pay and/or benefits. Suspensions shall be dealt with in accordance with established policies and procedures and by the terms of existing contracts of employment or collective agreements and the common law where applicable. For a student Respondent, suspension is the loss of all academic privileges at the University for a specified period of time and/or until imposed conditions are met. The student is eligible to return after this time but may be required to fulfill specified non-academic conditions upon return.

Violence Risk Assessment Team
The Violence Risk Assessment Team is a sub-committee of the Crisis Management Group. This team takes a multi-disciplinary approach to assessment, investigation, and response to reports of behaviour that is of potential concern or threat to the University community. The team is made up a diverse population of the campus including representation from Human Resources, Health and Safety, Academics, Dean of Students and Student Affairs.

Voluntary Resolution
Steps taken (e.g. arrangement of academic, work or living environment / conditions) to resolve a Complaint, with which both the Complainant and Respondent have agreed.
APPENDIX B: RESOURCES

The Sexual Violence Response Protocol is an information resource for Survivors and for all Community Members who have disclosed or may receive Disclosures of Sexual Violence. Additional resources include, but are not limited to:

Support for the University Community

- Equity and Inclusion Office
- Faculty of Health Sciences Professionalism Office
- Security Services
- Chaplaincy Centre

Additional Support for Students

- Student Wellness Centre (personal counselling and medical services)
- Student Support & Case Management (support and guidance about the Code of Student Rights and Responsibilities)
- Women and Gender Equity Network, McMaster Student Union (peer support and resources)
- MSU Peer Support Line (24 hour a day telephone support line, including legal advice and counselling)
- Graduate Students Association Health & Dental Plans (health benefits include access to psychological counselling in the community)

Additional Support for Staff and Faculty

- Union or Association
- Employee/Labour Relations
  - Employee and Family Assistance Program (access to professional counsellors, legal guidance and other supportive services available to staff and faculty)

Support in the Broader Community

- Good2Talk (24/7 phone support for students offered by professional counsellors)
- Sexual Assault Centre Hamilton & Area (SACHA)
- Sexual Assault/Domestic Violence Care Centre
- Hamilton Police Services – Victim Services Branch
- John Howard Society (for individuals in conflict with the law)
  - Elizabeth Fry Society (for individuals in conflict with the law)

Guidance about a Policy and/or Procedures

- Equity and Inclusion Office
- Employee/Labour Relations
- Student Support & Case Management
- University Secretariat

Independent Resource

- Ombuds Office (provides an independent, impartial, and confidential process through which members of the University community may pursue a just, fair and equitable resolution of a University related concern.)

Note: this resource list will be reviewed at least annually and updated as appropriate.
APPENDIX C: JURISDICTION

JURISDICTION

1. Nothing in this Policy is meant to supersede the terms and conditions of any collective agreement, or any other contractual agreement, entered into by the University and its employee groups. In the event that the provisions of this Policy contradict any such collective or contractual agreement, the collective or contractual agreement governs, to the extent of the contradiction.

2. To the extent that this Policy affects the terms and conditions of employment of faculty of the University, it may be subject to discussion and/or approval in accordance with the University policy entitled, *The Joint Administration/Faculty Association Committee to Consider University Financial Matters and to Discuss and Negotiate Matters Related to Terms and Conditions of Employment of Faculty*, revised by the Board of Governors on October 20, 1988 (the ‘Joint Administration/Faculty Association’ policy).

3. This Policy is not intended to supersede or interfere with the criminal justice system; all persons have the right to pursue legal avenues.

4. Should a Complainant, with respect to the subject matter of a Complaint dealt with under this Policy, seek redress under the *Ontario Human Rights Code*, the *Criminal Code*, the *Occupational Health and Safety Act*, the provisions of an applicable collective agreement, or through civil litigation, or any other forum external to the University, the appropriate Associate Vice-President, in consultation with the Director, Human Rights & Dispute Resolution, will determine in the circumstances whether proceedings under this Policy will be initiated. If proceedings under this Policy have already been initiated, the appropriate Associate Vice-President, in consultation with the Director, Human Rights & Dispute Resolution, will determine in the circumstances whether or not the proceedings under this Policy will:
   a) be permanently discontinued;
   b) be disallowed; or
   c) be suspended until proceedings in the external or other forum are concluded, although Interim Measures may be put in place to safeguard the environments of the parties involved.

5. Respondents in a Complaint procedure must be Community Members. If a person alleged to have committed Sexual Violence is not currently a Community Member, the University has no jurisdiction to pursue or adjudicate the incident. However, the University reserves the right to take whatever steps it considers appropriate to safeguard the University Community.
APPENDIX D: RELATED POLICIES AND LEGISLATION

This Policy is to be read in conjunction with the following policies, statements, and collective agreements. Any question of the application of this Policy or related policies shall be determined by the Provost and Vice President (Academic) or the Vice President (Administration) as appropriate, and in conjunction with the administrator of the other policy or policies. The University reserves the right to amend or add to the University’s policies and statements from time to time (this is not a comprehensive list):

- Academic Accommodation of Students with Disabilities
- Academic Freedom, Statement on
- Accessibility Policy
- Code of Conduct for Faculty
- Code of Student Rights and Responsibilities
- Complaint Resolution Procedure for TMG
- Conflict of Interest Guidelines: Undergraduate and Graduate Studies
- Discrimination, Harassment & Sexual Harassment: Prevention and Response
- Employment Accommodation, Policy and Procedures on
- Employee/Labour Relations – Collective Agreements
- Faculty General Grievance Procedure
- Freedom of Information and Protection of Privacy Act
- Ministry of Training, Colleges and Universities Act
- Ontario Human Rights Code
- Occupational Health and Safety Act
- Personal Health Information Protection Act
- Professional Behaviour Code for Graduate Learners, Health Sciences
- Professional Behaviour Code for Undergraduate Learners, Health Sciences
- Senate Resolutions re Group Conflict
- Senate Mediation Procedures
- Sexual Violence Response Protocol
- Statement on Building an Inclusive Community with a Shared Purpose
- Statement and Guidelines on Inclusive Communications
- Student Event Risk Management Policy
- Tenure and Promotion Policy
- Violence in the Workplace, Policy on
Community Members disclosing Sexual Violence have a number of options. The Sexual Violence Response Coordinator’s services are available to them regardless of how they decide to proceed. Individuals may pursue one or more of these options, which are not mutually exclusive.

**DISCLOSURE**
A Disclosure is made when an individual informs someone in the University community about an experience of Sexual Violence because they wish to access support, accommodations and/or information about their options.

**COMPLAINT**
A Complaint is when an individual notifies an Intake Coordinator of an allegation of Sexual Violence and seeks the University’s response. Intake Coordinators are in the Equity and Inclusion Office, the Student Support & Case Management Office, Employee/Labour Relations, or Faculty of Health Sciences Professionalism Office.

**CRIMINAL REPORT**
A Criminal Report is when an individual files a report of Sexual Violence with a police service or with McMaster Security Services. Filing a report with McMaster Security Services will result in a report to the Hamilton Police Service.

**OTHER OPTIONS**
Options external to the University (e.g. civil litigation or Ontario Human Rights Code provisions) or other options external to this Policy (e.g. grievance provisions of applicable collective agreements, provisions of the Occupational Health & Safety Act)

The University recognizes that confidentiality is a crucial consideration in creating an environment in which individuals feel able to disclose incidents of Sexual Violence and to access support, accommodations, and information. The University will share identifying information only in circumstances where it is necessary in order to address safety concerns or to satisfy a legal reporting requirement. In such circumstances, the minimum amount of information needed to allow such concerns to be addressed, or to meet such requirements, will be disclosed. Such circumstances include those where: an individual is at risk of harm to self; an individual is at risk of harming others; there are reasonable grounds to be concerned with risk of future violence or the safety of the University and/or broader community; disclosure is required by law; for instance, suspected abuse of someone under the age of 16; or, to comply with the Occupational Health and Safety Act or with human rights legislation; evidence of the disclosed incident of Sexual Violence is available in the public realm (e.g. video shared publicly on social media); and/or to comply with the reporting requirements of regulatory bodies.
COMPLAINT
Complainant notifies an Intake Coordinator (in the Equity and Inclusion Office, the Student Support & Case Management Office, Employee/Labour Relations, or Faculty of Health Sciences Professionalism Office) and seeks the University’s response. The Intake Coordinator shall ensure the Complainant is aware of the options available to them and assist the Complainant in understanding what may be involved in, and what may result from, each of the options.

INTAKE COORDINATOR
The Assessment Team is activated by the Intake Coordinator.

SEXUAL VIOLENCE ASSESSMENT TEAM
The Assessment Team will review and confirm: that it fits within the scope of the Policy; consider requirements pursuant to the Occupational Health and Safety Act; determine an appropriate and respectful way to inform the Respondent of the Complaint, and ensure that written details of the Complaint are provided; and determine if an investigation is required. The sharing of identifying information will be limited to only what is absolutely necessary in order to address safety concerns or to satisfy a legal reporting requirement.

Ongoing Safety & Support of All Parties
Assessment Team: considers, recommends, and/or coordinates Accommodations and/or Interim Measures as they relate to the parties involved in the matter; facilitates any safety planning; and considers other University responses that may be necessary.

Voluntary Resolution
In certain circumstances, a Complainant and Respondent may be willing to attempt a resolution at any time before the completion of an Investigation. Voluntary Resolution is not mandatory and may not be appropriate in all Complaints. The following conditions will apply when considering this as a viable option:
- there has been no admission of guilt and no findings have been made in the matter;
- the Complainant and the Respondent both agree with:
  - attempting to reach a resolution;
  - the method of achieving resolution;
  - the terms of the final resolution; and
  - accepting that the agreed upon resolution is not a finding of guilt or breach of the Policy;
- a meeting between the Complainant and the Respondent will not be required.

Investigation Will be initiated

Investigation NOT be initiated.

Complainant may make a written appeal of the AVP decision not to investigate. Appeal goes to the appropriate VP to decide.

ASSESSMENT TEAM
Sets the investigation parameters, in consultation with the appropriate Associate Vice-President (including, for example, which University office to mobilize; internal or external investigator; timelines, mandate and scope for the investigation).

INVESTIGATION
INVESTIGATION
The investigation and adjudication will be processed in accordance with the procedures in the Code of Student Rights and Responsibilities ("the Code").

ADMINISTRATIVE ADJUDICATION

NO FINDING OF VIOLATION OF THE POLICY

FINDING OF VIOLATION OF THE POLICY

IMPACT STATEMENT
Complainant may submit a written impact statement to the Adjudicator to be included in the determination of the appropriate sanction(s).

SANCTIONS DO NOT INCLUDE SUSPENSION, EXPULSION, OR WITHDRAWAL (VOLUNTARY OR INVOLUNTARY)

SANCTIONS INCLUDE SUSPENSION, EXPULSION, OR WITHDRAWAL (VOLUNTARY OR INVOLUNTARY)

APPEAL TO THE ASSOCIATE VICE-PRESIDENT (STUDENTS AND LEARNING) & DEAN OF STUDENTS

APPEAL HEARING BEFORE A TRIBUNAL OF THE BOARD-SENATE HEARING PANEL FOR SEXUAL HARASSMENT/ANTI DISCRIMINATION
STAFF RESPONDENT

INVESTIGATION

INVESTIGATION REPORT
The investigation report will be reviewed by the Assistant Vice-President and Chief Human Resources Officer to determine, on a balance of probabilities, if a violation of the Sexual Violence Policy has occurred. If it is so determined, the matter will be referred to the Director, Employee/Labour Relations to initiate a pre-disciplinary process.

NO FINDING OF VIOLATION OF THE POLICY

FINDING OF VIOLATION OF THE POLICY

IMPACT STATEMENT
Complainant may submit a written impact statement to the Director, Employee/Labour Relations, to be included in the determination of the appropriate sanction(s).

DISCIPLINARY PROCESS
Disciplinary process governed by the collective agreement where applicable, and in accordance with labour and employment laws. The disciplinary decision in matters relating to Sexual Violence will be approved by the appropriate Vice-President (in line with the Respondent’s reporting structure) before being imposed.

NON-UNION
In the case of a staff member who is not a member of a union (e.g., members of The Management Group, interim employees), and except in the case of termination, the staff member may submit a written appeal of the disciplinary decision to the Vice-President (Administration). In the case where the Respondent’s reporting line is through to the Vice-President (Administration), the appeal will be made to another Vice-President.

UNION
In the case of a staff member who is a member of a union, the right to appeal the disciplinary decision is within the grievance and arbitration processes of the collective agreement.
INVESTIGATION

INVESTIGATION REPORT
The investigation report will be reviewed by the Provost and Vice-President (Academic) (or delegate) to determine, on a balance of probabilities, if a violation of the Sexual Violence Policy has occurred. If it is so determined, the Provost will initiate a disciplinary process.

NO FINDING OF VIOLATION OF THE POLICY

INITIATION OF DISCIPLINARY PROCESS

IMPACT STATEMENT
Complainant may submit a written impact statement to the Provost to be included in the determination of the appropriate recommended sanction(s).

REFEERAL TO A REMOVAL HEARING
Provost determines that removal proceedings should be initiated, the matter will be referred directly to the procedures for removal under the Tenure and Promotion Policy.

PROVOST REFERS TO HEARING
If the Respondent does not accept the recommendations, or the Provost believes that suspension from the University for a period of time is the appropriate sanction, the matter will be referred to Hearing.

RESPONDENT ACCEPTS SANCTIONS.

HEARING BEFORE A TRIBUNAL OF THE BOARD-SENATE HEARING PANEL FOR SEXUAL HARASSMENT/ANTI DISCRIMINATION
At the hearing the Provost has the onus/burden of proof to present evidence, and on a balance of probabilities, to satisfy the Tribunal that the alleged incident of Sexual Violence has occurred.
Complete Policy Title: Hearing Procedures for the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Violence

Approved by: Date of Most Recent Approval:

Date of Original Approval(s): Supersedes/Amends Policy dated:

Responsible Executive: Enquiries:

DISCLAIMER: If there is a Discrepancy between this electronic policy and the written copy held by the policy owner, the written copy prevails.
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## SECTION II: INITIATION OF A HEARING

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SECTION I: BOARD-SENATE HEARING PANEL FOR DISCRIMINATION, HARASSMENT AND SEXUAL VIOLENCE

1. The Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence shall consist of six faculty members, three undergraduate students and three graduate students appointed by the Senate; and six staff members appointed by the Board of Governors. Student members shall serve for staggered two-year terms and faculty and staff members for staggered three-year terms. No member shall serve for more than two consecutive terms, but on the expiration of two years after having served the second of two consecutive terms, such person may again be eligible for membership on the Hearing Panel. In addition, the Chair of the Panel has the authority to appoint, on an ad hoc basis, faculty, staff and students who are not members of the Panel to serve on Tribunals as auxiliary Panel members (see Appendix B: Glossary of Terms).

2. The Chair and one Vice-Chair shall be appointed by the Senate from among the faculty members appointed by the Senate and one Vice-Chair shall be appointed by the Board of Governors from among the members appointed by the Board of Governors.

3. Members of the Hearing Panel will receive generic training provided by Human Rights and Equity Services in the particular sensitivities which surround discrimination and harassment, and Sexual Violence issues, in procedures which effect fair resolutions and in penalties and sanctions which are appropriate to the various breaches of Policy and which act as deterrents to further breaches of Policy.

4. The University Secretary, in consultation with the Director, Human Rights & Dispute Resolution (Equity and Inclusion Office), will ensure that the members of the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Violence receive training in the particular sensitivities surrounding Sexual Violence.

5. Training will not deal with specific cases currently before any Tribunal established under this Policy and is in no way meant to fetter the independence of any Tribunal member to decide any case on the basis of the evidence presented in that case and according to his or her conscience. Once identified as a Tribunal member, the University Secretary will provide additional training regarding the hearing procedures.

ESTABLISHMENT OF TRIBUNAL

6. When the University Secretary receives the Referral to Hearing/Formal Request for Hearing, the University Secretary shall forward to the Respondent and University Officer/Complainant a list of the members of the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence. The parties shall be given the opportunity to express, in writing, any objections they may have concerning any members of the Panel.
7. After careful consideration of any such objections, the Chair or a Vice-Chair of the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence shall select the members of the Tribunal. The Chair or a Vice-Chair shall approve the Tribunal Chair and Tribunal members and, through the University Secretary, shall so inform the Tribunal members, and the parties to the Hearing. When either party has objected to the Chair, a Vice-Chair shall rule on the objection and shall select the members of the Tribunal.

8. The Tribunal shall consist of three members who are without any reasonable apprehension of bias. The Tribunal shall be appointed by the Panel Chair (or a Vice-Chair) and shall be chosen from among the relevant and/or appropriate association/constituency members of the Hearing Panel.

9. If deemed necessary for Hearings involving multiple parties, the Panel Chair, in consultation with the Vice-Chairs, may appoint a five-member Tribunal.

10. A Tribunal Chair external to the University with legal training, expertise and experience in university matters may be appointed by the Panel Chair, in consultation with the Vice-Chairs, when:
   a) the University has been named as a Respondent; or
   b) a University Initiated Investigation has been referred to a Hearing (under the Discrimination, Harassment & Sexual Harassment: Prevention and Response Policy).
SECTION II: INITIATION OF A HEARING

APPLICABLE POLICIES

11. The Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence is responsible for the adjudication of hearings under the following policies:
    a) Discrimination, Harassment & Sexual Harassment: Prevention and Response
    b) Sexual Violence Policy
    c) Code of Student Rights and Responsibilities

DISCRIMINATION, HARASSMENT & SEXUAL HARASSMENT: PREVENTION AND RESPONSE

12. Hearings may be initiated under the Discrimination, Harassment & Sexual Harassment: Prevention and Response Policy, by the Associate Vice-President referring the matter to a Hearing, or by the original Complainant submitting a Formal Request for a Hearing.

Parties to the Hearing

13. Parties to Hearings shall include the:
    a) Initiating Party: the University Officer (when Referred to a Hearing by an Associate Vice-President) or the Complainant (when a Formal Request for Hearing has been filed); and
    b) Respondent (the individual or entity about whom allegations have been made).

Burden of Proof

14. At the hearing the Initiating Party has the burden of proof to present evidence, and demonstrate on a balance of probabilities, to satisfy the Tribunal that the alleged violation of the Discrimination, Harassment & Sexual Harassment: Prevention and Response Policy has occurred.

SUBMISSIONS

Referral to Hearing by an Associate Vice-President

15. Within five business days of making the decision to refer a matter directly to a Hearing, or confirming that the conditions for initiating a Hearing have been met, the Initiating Party shall deliver to the University Secretary:
    a) a cover letter referring the matter to a Hearing, that shall include:
       i. preference for an open or closed Hearing;
       ii. the recommended sanctions and/or remedies;
       iii. the names of witnesses to be called; and
       iv. the name of the Initiating Party's counsel/advisor (if applicable).
    b) the Investigation Dossier;
    c) any materials the Initiating Party wishes to submit to the Tribunal as evidence in support of their position.

16. If the University has been named as a Respondent at the complaint stage the University will be a Respondent at the Hearing.
17. The parties from the initial complaint stage may make a request to the Chair of the Tribunal (through the University Secretary) to be granted status at the Hearing (as a witness, party, or observer).

**Formal Request for Hearing from a Complainant**

18. When a Complainant does not accept the Investigation Outcome of No Violation of the Discrimination, Harassment & Sexual Harassment: Prevention and Response Policy, the Complainant shall *within fifteen business days of receipt* of the Associate Vice-President’s letter submit a Formal Request for Hearing Form to the University Secretary.

19. The Formal Request for Hearing Form shall include:
   a) preference for an open or closed Hearing
   b) the remedy/sanctions sought;
   c) the names of witnesses to be called;
   d) the name of the Initiating Party’s counsel or advisor (if applicable); and
   e) any materials the Initiating Party wishes to submit to the Tribunal as evidence in support of their position.

20. The University Secretary shall inform the Associate Vice-President that a Formal Request for Hearing has been filed. The Associate Vice-President shall provide a copy of the Investigation Dossier to the University Secretary and the University Secretary will forward a copy to the Complainant.

**SEXUAL VIOLENCE POLICY**

21. Hearings for faculty are initiated under the *Sexual Violence Policy* by the Provost and Vice-President (Academic) when the Respondent does not accept the recommendations of the Provost and Vice-President (Academic), or the Provost and Vice-President (Academic) believes that suspension from the University for a period of time is the appropriate sanction.

**Parties to the Hearing**

22. Parties to Hearings shall include the:
   a) Initiating Party (the Provost and Vice-President (Academic)); and
   b) Respondent (the individual or entity about whom allegations have been made).

**Burden of Proof**

23. At the hearing the Initiating Party has the burden of proof to present evidence, and demonstrate on a balance of probabilities, to satisfy the Tribunal, that the alleged violation of the *Sexual Violence Policy* has occurred.

**SUBMISSIONS**

24. Within *five business days* of making the decision to refer a matter directly to a Hearing, or confirming that the conditions for initiating a Hearing have been met, the Initiating Party shall deliver to the University Secretary:
   a) a cover letter referring the matter to a Hearing, that shall include:
      i. preference for an open or closed Hearing;
ii. the recommended sanctions and/or remedies;
iii. the names of witnesses to be called; and
iv. the name of the Initiating Party’s counsel/advisor (if applicable).
b) any materials the Initiating Party wishes to submit to the Tribunal as evidence in support of their position.

CODE OF STUDENT RIGHTS AND RESPONSIBILITIES

25. In matters related to Sexual Violence where the sanctions include a suspension, expulsion, or withdrawal (voluntary or involuntary), a student Respondent may appeal the decision made by the Associate Vice-President (Students and Learning) & Dean of Students (“Dean of Students”) to the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence.

26. The decision from a lower level stays in effect unless and until it is overturned on appeal. This means that submitting an appeal will not prevent the decision being appealed from being carried out.

Parties to the Hearing

27. Parties to Hearings shall include the:
   a) Initiating Party (the Student Respondent, who is appealing the decision of the Dean of Students); and
   b) Respondent (the Dean of Students, whose decision is being appealed).

Burden of Proof

28. At the hearing the Initiating Party has the burden of proof to present evidence, and demonstrate on a balance of probabilities, to satisfy the Tribunal, that the Dean of Students acted or decided the matter in an unfair, unreasonable or unjust way.

SUBMISSIONS

29. Within three weeks of receipt of the relevant decision the Initiating Party shall complete an Appeal Form and deliver it to the University Secretary. The application shall include the following information:
   a) a copy of the decision being appealed;
   b) a statement (description) of the appeal;
   c) the precise grounds for the appeal;
   d) the relief sought;
   f) preference for an open or closed Hearing
   g) the names of witnesses to be called;
   h) the name of the Initiating Party’s counsel or advisor (if applicable); and
   i) any materials the Initiating Party wishes to submit to the Tribunal as evidence in support of their position.
DISCLOSURE AND RESPONSE

30. Within **ten business days of receipt** of the Initiating Party’s submission, the University Secretary shall forward a copy to the Respondent.

31. Within **fifteen business days of receipt**, the Respondent shall deliver to the University Secretary the following information:
   a) a written reply to the Initiating Party’s submission;
   b) preference for open or closed Hearing;
   c) names of witnesses to be called;
   d) the name of Respondent’s counsel or advisor, if applicable; and
   e) any materials the Respondent wishes to submit to the Tribunal as evidence in support of their position.

32. The University Secretary shall within **five business days of receipt** forward a copy of this reply to the Initiating Party as appropriate.

33. No matter shall be placed before the Tribunal unless the parties have completed, to the satisfaction of the University Secretary, the requisite submissions as outlined above. The University Secretary shall notify the party of any deficiencies in the submission.
SECTION III: PROCEDURAL RULES FOR HEARINGS

PROCEDURAL RULES

34. All Hearings convened under this Policy follow the procedures detailed below, subject to the Tribunal exercising its discretion to adhere to a variation of the procedures, in the interest of procedural fairness.

35. The Hearing shall be conducted in accordance with the principles of procedural fairness, namely the right to receive notice, to be heard and to know the case against one. The Hearing shall follow the applicable procedural rules specified in the Statutory Powers Procedure Act, and set out in this Section. The Tribunal shall have the right to control its own process, and, in this regard, if the Tribunal determines that variations to the procedures would lead to a fair, just and efficient resolution of the Hearing, it has the power to make any Order in furtherance of this objective.

36. A Hearing is the final step the parties may take within the University.

37. The Tribunal has sole jurisdiction to hear and to make a final adjudication for Hearings under this Policy. In some instances a Hearing may involve matters outside the Tribunal’s jurisdiction and may require action by the President, such as decisions involving financial implications. In such instances, the Tribunal’s decision may take the form of a recommendation to the President, with the President maintaining the discretion to accept or deny such a recommendation.

Parties to the Hearing

38. Parties to Hearings shall include:
   a) the Initiating Party; and
   b) the Respondent.

Burden of Proof and Basis of Decision

39. At the Hearing the Initiating Party has the burden of proof, as described in Section II.

Administrative and Legal Support

40. Administrative support for the Tribunal will be provided by the University Secretary.

41. The Tribunal shall have independent legal counsel arranged by the University Secretary.

42. The University Secretary shall ensure that all members of the Tribunal receive appropriate training to discharge their responsibilities, including with regard to the particularities of cases involving Sexual Violence.

Notice of Hearing

43. A Hearing shall be commenced as soon as possible following the appointment of the Tribunal.

44. An attempt shall be made to schedule the Hearing at a time and place convenient for the Tribunal and for the parties to the Hearing. However, any party whose reasons for absence are not considered valid by the Tribunal’s Chair, or whose absence may cause unreasonable delay, shall be notified that the Tribunal will proceed in that party’s absence.
45. The parties shall be given reasonable, written notice of the Hearing.

46. Parties to the Hearing shall be given the opportunity to submit written or other documentary evidence prior to the Hearing and any such evidence shall be made available or be accessible to the members of the Tribunal and to all parties prior to the Hearing.

47. Prior to the Hearing, members of the Tribunal shall be provided with the Hearing Record that includes all materials submitted by the parties.

48. Members of the Tribunal must not hear evidence or receive representations regarding the substance of the case other than through the procedures described in this Policy.

Closed Hearings

49. Hearings are normally open to the public, but any party to the Hearing may request a closed (in camera) hearing. In the event of such a request, the Tribunal shall hear representations from all parties. In making its ruling, the Tribunal shall consider whether matters of an intimate financial or personal nature are to be raised, whether there is an issue of public safety involved, the desirability of holding an open hearing and other relevant circumstances. Due to the confidential nature of the issues, Hearings related to Sexual Violence shall be closed, unless the Tribunal rules otherwise on a request from a party.

50. The Tribunal shall make the decision on whether the Hearing shall be open or closed. If a request by one or both of the parties to close the Hearing is made prior to or during the Hearing of a case, the Chair of the Tribunal shall close the Hearing for the purpose of discussing the request. After listening to the arguments for closing, the Tribunal shall decide whether, in accordance with Section 9 (1) of the Statutory Powers Procedure Act, sufficient cause for closing exists. If not, the Hearing will be re-opened.

Other Parties

51. If other persons, in addition to the Initiating Party and the Respondent, have been specified or added as parties to the proceedings, the procedure described above shall be altered by the Tribunal to provide an opportunity for such additional parties to be heard in accordance with the principles of natural justice and procedural fairness.

Recess or Adjournment

52. The Tribunal may consider and grant a recess or an adjournment at the request of either party to allow them to review written or documentary evidence submitted at the Hearing.

53. The Tribunal may grant an adjournment at any time during the Hearing to ensure a fair hearing.

Evidence

54. Parties to the Hearing have the right to present evidence in support of their case to the Tribunal and to see any written or documentary evidence presented to the Tribunal.

55. The Tribunal has the power to require production of written or documentary evidence by the parties or by other sources.
56. The Tribunal has the power to rule on the admissibility of evidence.

**Witnesses**

57. Parties to the Hearing and the Tribunal have the right to call and question witnesses.

58. Any person appearing before the Tribunal as a witness shall be required to give evidence under affirmation or oath.

59. The Tribunal has discretion to limit the testimony and questioning of witnesses to those matters it considers relevant to the disposition of the case.

60. **Parties are responsible for contacting their own witnesses; for making all arrangements for witnesses to attend the Hearing;** for paying any costs associated with their appearance before the Tribunal; and for absorbing the costs of any legal counsel attending on their behalf.

61. The Tribunal Chair has the power to compel an unwilling witness to attend, and parties may contact the University Secretary to request the Chair’s assistance in this regard. The power to compel a witness is derived from the *Statutory Powers Procedure Act*. An unwilling witness may be compelled by the Chair under summons to testify where the written request by the party for the summons demonstrates the witness' testimony is relevant and related to the alleged facts of the case.

62. Other than parties, witnesses are present in the Hearing room only during the time they are testifying.

**Representation**

63. Parties to the Hearing have the right to represent themselves, or be advised/represented by, for example, a friend, colleague, union representative, or advisor, or legal counsel. The costs of any representation are to be borne by the party retaining such representation.

64. The Tribunal shall have independent legal counsel arranged through the University Secretary.

**Recording**

65. The Hearing shall be recorded for convenience purposes only. Any malfunction of the recording device or subsequent loss of the recording shall not invalidate, in any way, the related Hearing. The recording shall be held in confidence by the University Secretary for the duration of the Hearing, and will be disposed of in a secure manner after the release of the Tribunal's decision.

**Similar Questions of Fact or Policy**

66. If two or more proceedings before the Hearings Panel involve the same or similar questions of fact or Policy, the Chair of the Panel, after seeking written input from the parties, may decide:
   a) to consolidate the proceedings or any part of them; or
   b) to hear the proceedings at the same time; or
   c) to hear the proceedings one immediately after the other.
Appropriate procedures

67. The principles and procedures described in this Section shall apply to all proceedings before the Tribunal. Tribunals shall not be charged with investigative duties.

68. Where any procedural matter is not dealt with specifically in this Policy or the Procedural Rules for Hearings, the Tribunal may, after hearing submissions from the parties, establish an appropriate procedure.

69. Any procedural requirement contained in this Policy or in the Rules may be waived with the consent of the Tribunal and of all the parties.

ORDER OF THE HEARING

70. The first item of business for the Tribunal shall be to determine whether the Hearing shall be closed.

71. At the outset of the Hearing, the Chair shall:
   a) identify the nature of the case;
   b) review the order of the Hearing;
   c) note for the record the documentary information submitted by the parties to the Hearing, including any preliminary or procedural orders;
   d) note the names of the witnesses for each party;
   e) confirm the likely dates for sitting and the projected length of the Hearing;
   f) raise, or request the parties to raise, any and all preliminary issues concerning composition of the Tribunal and other unaddressed procedural matters; and
   g) proceed to deal with any matters raised in (f) above before the commencement of the substantive portion of the Hearing, by either proceeding directly to the Hearing or considering and rendering a decision on matters raised in (f) above.

72. The Initiating Party is the first party heard. The Initiating Party’s opening statement shall contain a brief description of their case and the recommended sanctions and remedies or relief sought (as appropriate).

73. Following the completion of the Initiating Party’s opening statement, the Respondent may present their opening statement at that time, or may defer until completion of the Initiating Party’s case.

74. Following the Respondent’s opening statement (if presented) the Initiating Party presents their case.
   a) The Initiating Party’s case presents the evidence relating to their case, which may include any or all of the following:
      i) Initiating Party’s oral testimony;
      ii) oral testimony of Initiating Party’s witnesses; and
      iii) documents or other evidence in support of this testimony (if admissible).
   b) Questioning of the Initiating Party and their witnesses by the Respondent and/or by the Tribunal occurs at the close of each person’s testimony.
75. Following the completion of the Initiating Party’s case, the Respondent may present their opening statement if they elected to defer until the completion of the Initiating Party’s case.

76. The Respondent’s opening statement shall contain a brief reply to the Initiating Party’s case, outlining the main points of their case.

a) The Respondent’s case presents the evidence to support their defence, which may include any or all of the following:
   i) Respondent’s oral testimony;
   ii) oral testimony of Respondent’s witnesses; and
   iii) documents or other evidence in support of this testimony (if admissible).

b) Questioning of the Respondent and their witnesses by the University Officer/Complainant and/or by the Tribunal occurs at the close of each person’s testimony.

77. The Initiating Party and their witnesses may have the right to offer testimony or other evidence in reply to the issues raised in the Respondent’s case.

78. **After this point in the Hearing, no new evidence or witnesses may be introduced.**

79. The parties are entitled to make closing arguments, and to summarize briefly the main points of their cases, in the following order:
   a) Initiating Party
   b) Respondent
   c) Initiating Party

80. The Tribunal may alter the order described above in the interest of fairness to any or all of the parties.

81. While procedural fairness is essential, the Tribunal reserves its right to direct, curtail or encourage the organisation of witnesses, testimony and evidence in the interests of enhancing the clarity, relevance and efficiency of the proceedings.

**DELIBERATIONS BY THE TRIBUNAL**

82. Following the formal Hearing, the Tribunal shall deliberate in closed session and shall reach a decision. After deliberation and decision in closed session solely with members of the Tribunal is complete, the Tribunal may solicit the assistance of the University Secretary and the Tribunal’s legal counsel regarding the precise form or wording of any order and reasons for judgement to support its decision.

83. For Hearings regarding violations of the *Sexual Violence Policy* and the *Code of Student Rights and Responsibilities*, the Tribunal shall consider the Complainant’s impact statement, and any mitigating and/or contextual factors in determining appropriate sanctions and remedies, and the reasons for the decision shall be clearly articulated in writing to the parties.
TRIBUNAL DECISION

84. The Tribunal’s decision shall be final and shall include:
   a) the membership of the Tribunal;
   b) the background of the file;
   c) a summary of the case of the Initiating Party and the Respondent;
   d) the Tribunal’s findings of fact;
   e) the Tribunal’s decision and the reasons for the decision; and
   f) any sanctions and/or remedies recommended by the Tribunal, as applicable.

85. The Tribunal shall supply a written report of its decision with reasons to the University Secretary, who, in turn, shall distribute a complete copy thereof to:
   a) the parties;
   b) the President;
   c) the Director, Human Rights and Dispute Resolution;
   d) to such other individuals as the Tribunal deems appropriate and/or necessary.

86. The Tribunal may order that the Complainant (as identified in the applicable policies – see Section II) may receive a redacted copy of the Tribunal’s Decision, for the purpose of receiving information about any sanctions/remedies taken by the University, within the constraints of relevant legislation. In all cases, information about any sanctions/remedies that have a direct impact on the Complainant will be provided to them.

87. Where required by a professional licensing body, the results of the investigation may also be communicated to that professional licensing body.

88. At the discretion of a tribunal, public reports or statements may be issued identifying the Respondent: following a Hearing, when a Respondent is exonerated and wishes that fact to be known publicly.

89. Hearing files shall be retained by the University Secretary for seven years after the completion of the hearing, after which they will be disposed of in a secure manner. The Tribunal's Decision shall be kept permanently.

RECOMMENDATION OF THE TRIBUNAL

90. Apart from its duty under these procedures to hear and decide the matters properly brought before it, any Tribunal may make recommendations or suggestions to University bodies or members. Such recommendations are offered for informational purposes and shall be distinct and separate from the decision.
APPENDIX A: SANCTIONS AND REMEDIES

SANCTIONS

1. Sanctions are decided based on the merits of the case and shall be proportional to the severity of the offence. If there are mitigating and/or contextual factors in determining/implementing the sanction, the reasons shall be clearly articulated by the decision-maker.

2. The existence of any previous findings of Sexual Violence will be taken into account when sanctions are determined, and the severity of sanctions may be greater as a result. Sanctions may be used independently or in combination for any single violation and may be varied.

3. Sanctions may include, but are not limited to:
   a) written reprimand;
   b) inclusion of the decision in a specified file(s) of the Respondent, for a specified period of time;
   c) the exclusion of the Respondent from, or oversight during, one or more designated University activities or duties;
   d) a No Contact Order, which may include restrictions on: registration for specific classes, other academic or non-academic activities, or attendance at specific meetings or events; direct or indirect contact (including but not limited to in person, by phone, email, text, social media, through a third party etc.) with a specific individual or group of individuals;
   e) a Persona Non Grata (PNG) designation, which is given to an individual who is denied the privilege of entering designated portion(s) of the University's buildings or grounds. If PNG individuals are found or seen in the area they are denied, they will be subject to a charge by Security Services under the Trespass to Property Act;
   f) for staff or faculty, Suspension or Recommendation for Suspension, as applicable;
   g) for staff or faculty, Dismissal or Recommendation for Removal, as applicable.

REMEDIES

4. Remedies may include but are not limited to:
   a) mandatory referral to counselling;
   b) training or coaching; and/or
   c) Restorative Justice processes.
APPENDIX B: GLOSSARY OF TERMS

Advisor
A person of the individual’s choice who acts in a supportive or advisory role (e.g. union representative, friend). The Advisor may represent the individual at a Hearing before a Tribunal of the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Violence.

Auxiliary Panel Members
The Chair of the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence has the authority to appoint, in exceptional circumstances and on an ad hoc basis, faculty, staff and students who are not members of the Board to serve on tribunals as supplementary Panel Members.

Balance of Probabilities
Balance of Probabilities is the test to be met to show, by the weight of the evidence presented, that all of the facts necessary to uphold the Initiating Party’s case have a greater likelihood of being true than not.

Complainant
The individual who files a Complaint alleging a violation of a Policy for the University’s response.

Dismissal
Dismissal/termination proceedings for staff Respondents shall be dealt with in accordance with the established policies and procedures and by the terms of existing contracts of employment or collective agreements and the common law where applicable.

Expulsion
Expulsion applies to student Respondents and is the loss of all academic privileges at the University for an indefinite period.

Hearing (Open/Closed)
An open hearing is where spectators and members of the public may be present. A closed hearing is closed to all but those who have a specific right to be present.

Initiating Party
The Initiating Party is the individual who is initiating the Hearing or Appeal. For Hearings under the Discrimination, Harassment & Sexual Harassment: Prevention and Response Policy, the Initiating Party is the University Officer (when Referred to a Hearing by an Associate Vice-President) or the Complainant (when a Formal Request for Hearing has been filed). For Hearings under Sexual Violence Policy, the Initiating Party is the Provost and Vice-President (Academic). For Appeal Hearings under the Code of Student Rights and Responsibilities the Initiating Party is the Student Respondent, who is appealing the decision of the Dean of Students.

Interim Measures
Steps that are taken in order to safeguard the environments of individuals disclosing Sexual Violence and of individuals whose conduct is being questioned. Interim measures shall not be construed as evidence of either guilt or a finding of Sexual Violence, or as an affirmation of innocence or finding that no Sexual Violence occurred.
No Contact Order
Includes restrictions on: registration for specific classes, other academic or non-academic activities, or attendance at specific meetings or events; direct or indirect contact (including but not limited to in person, by phone, email, text, social media, through a third party etc.) with a specific individual or group of individuals.

Persona Non Grata (PNG)
A designation which is given to an individual who is denied the privilege of entering designated portion(s) of the University's buildings or grounds. If PNG individuals are found or seen in the area they are denied, they will be subject to a charge by Security Services under the Trespass to Property Act;

Recommendation for Removal
A recommendation for removal of a faculty Respondent shall be dealt with in accordance with Section VI of the McMaster University Revised Policy and Regulations with Respect to Academic Appointment, Tenure and Promotion and the common law where applicable.

Recommendation for Suspension
A recommendation for suspension of a faculty Respondent shall be dealt with in accordance with Section V of the McMaster University Revised Policy and Regulations with Respect to Academic Appointment, Tenure and Promotion and the common law where applicable. Suspension involves relieving the Respondent of their University duties and denying them access to University facilities and services for a stated period of time, and may be with or without pay and/or benefits as recommended by a Tribunal and determined by the President.

Respondent
The individual or entity who is responding to the Initiating Party’s case.

Restorative Justice
Restorative Justice is an outcome following the determination of finding and focuses on restoring the losses suffered by Survivors, holding Respondents accountable for the harm they have caused, and building peace within communities. This process can be facilitated by the Equity and Inclusion Office.

Student
A student is any individual recorded by the University Registrar as enrolled in an educational course of study recognised by the Senate and for whom the University maintains education records.

Support Person
A person of the individual's choice who acts in a supportive role but is not an active participant in the process (e.g. friend, Elder, parent, religious advisor).

Suspension
Relieving the staff Respondent of their University duties and denying them access to University facilities and services for a stated period of time, and may be with or without pay and/or benefits. Suspensions shall be dealt with in accordance with established policies and procedures and by the terms of existing contracts of employment or collective agreements and the common law where applicable. For a student Respondent, suspension is the loss of all academic privileges at the University for a specified period of time and/or until imposed conditions are met. The student is eligible to return after this time but may be required to fulfill specified non-academic conditions upon return.
This Policy is to be read in conjunction with the following policies, statements, and collective agreements. Any question of the application of this Policy or related policies shall be determined by the Provost and Vice President (Academic) or the Vice President (Administration) as appropriate, and in conjunction with the administrator of the other policy or policies. The University reserves the right to amend or add to the University’s policies and statements from time to time (this is not a comprehensive list):

- Academic Freedom, Statement on
- Code of Conduct for Faculty
- Code of Student Rights and Responsibilities
- Conflict of Interest Guidelines: Undergraduate and Graduate Studies
- Discrimination, Harassment & Sexual Harassment: Prevention and Response
- Employment Accommodation, Policy and Procedures on
- Freedom of Information and Protection of Privacy Act
- Ministry of Training, Colleges and Universities Act
- Ontario Human Rights Code
- Occupational Health and Safety Act
- Personal Health Information Protection Act
- Senate Resolutions re Group Conflict
- Senate Mediation Procedures
- Sexual Violence Policy
- Sexual Violence Response Protocol
- Statement on Building an Inclusive Community with a Shared Purpose
- Statement and Guidelines on Inclusive Communications
- Tenure and Promotion Policy
- Violence in the Workplace, Policy on
October 31, 2016

TO: Campus Community

FROM: David S. Wilkinson, Provost and Vice-President (Academic)

RE: SEXUAL VIOLENCE POLICY

Further to my previous Memo sent in March, I now attach an updated version of the draft Sexual Violence Policy, which has been substantially revised and updated. The revised draft takes account of feedback received during the earlier consultation process, as well as the formal regulations accompanying the Sexual Violence and Harassment Action Plan Act (Supporting Survivors and Challenging Sexual Violence and Harassment), 2016, which were not released until after the last draft was circulated, as well as subsequent guidance and advice developed by the Council of Ontario Universities. It also takes into account the recent restructuring of the Office of Human Rights and Equity Services into the Equity and Inclusion Office.

The initial development of the policy was guided by a small steering committee in collaboration with a large working group (see Appendix), which included a wide range of perspectives, experience and roles in relation to the policy and the issues: 1) students representing diverse groups and communities; 2) staff and offices with responsibilities for conduct, discipline, policy-making, legal matters; 3) staff and faculty knowledgeable and engaged with issues of gender-based violence, with employment and governance issues on campus and in related support and service roles; and 4) community partners in the Violence Against Women sector. The revised policy is informed by the feedback received from those extensive consultations, as well as by legal and operational considerations related to the provincial regulations, and is grounded in relevant research and practice-based knowledge of the differing impacts of sexual assaults on diverse communities.

The Sexual Violence and Harassment Action Plan Act requires all Ontario universities to create a stand-alone sexual violence policy, which must be operational by January 1, 2017. The updated draft reflects McMaster’s commitment to preventing and addressing sexual violence, and to promoting and supporting an inclusive environment in which all members of our diverse community have the right to study, work and live in an environment free of sexual violence.

What We Heard: Key Issues Arising from the Consultation Process

- The policy should be user-friendly and easily navigable and should cover all aspects of Sexual Violence as specified in the Sexual Violence and Harassment Action Plan Act.
• The policy should clearly articulate the University’s commitment and approach to handling disclosures and complaints of sexual violence and should acknowledge and explicitly recognize the systemic issues at play.
• The policy should clearly identify the various supports available to survivors, both on and off campus.
• Prevention and training should be prioritized, both with regard to awareness raising initiatives on campus and to ensure that all those involved in implementing the policy have the necessary training and expertise to be able to do so through a trauma-informed lens.
• The support/advice/confidential disclosure functions should be separated from the intake and investigation of formal complaints to create, so far as possible, a “safe” place for survivors to disclose and to seek advice and support.
• Confidentiality should be preserved wherever possible. The goal is to create an environment that allows survivors to feel comfortable making a disclosure and enables them to maintain control of the process and the steps taken, so far as possible.
• The pathways available to survivors, including in relation to the Code of Student Rights and Responsibilities and other intersecting policies, should be clearly defined.
• The process for undertaking investigations should be clearly outlined. All investigators must have expertise in dealing with sexual violence complaints.
• The policy should allow for alternative dispute resolution or voluntary resolution methods to be employed where appropriate.
• Complainants and respondents should be treated fairly and respectfully, and support should be available to them at all stages of the process.
• Information about the outcome of a complaint should be provided to both complainants and respondents.
• The policy should be subject to regular review, including an initial review two years after its implementation.

What We’ve Done: Key Changes Made to the Draft Policy

• The language of the policy has been simplified and it has been revised to include all aspects of Sexual Violence as defined in the Sexual Violence and Harassment Action Plan Act. This will require some revisions to the University’s Discrimination, Harassment & Sexual Harassment: Prevention and Response policy, which will be made as soon as practicable. Establishing a single policy covering all aspects of Sexual Violence is intended as a more easily navigable and accessible approach.
• The University’s commitments have been clearly stated at the beginning to set the tone and expectations for implementation of the policy. This includes specific acknowledgement of the underlying systemic issues.
• The policy includes a list of internal and external supports available to members of the campus community, which will be updated from time to time.
• The Equity and Inclusion Office has been given responsibility for overseeing regular and ongoing prevention, education and training initiatives, including drawing together a diverse group to coordinate such training and ensure that it is trauma-informed and attuned to the broader social context in which sexual violence occurs.
• The role of the Sexual Violence Response Coordinator has been clarified and separated from the intake process relating to formal complaints. The services of the Sexual
Violence Response Coordinator are available to survivors throughout the process, and whether or not a formal complaint is made.

- The commitment to confidentiality has been more clearly stated and the situations where confidentiality cannot be guaranteed (in cases of concerns about personal safety or the safety of other members of the campus community, or legal requirements, for example) have been clarified.
- The options and potential pathways available to survivors have been more clearly articulated, with a distinction drawn between disclosures/requests for support and information, and internal complaint procedures. The policy now outlines three separate avenues following completion of an investigation, for student, staff and faculty respondents, respectively. This approach recognizes the different contractual arrangements that govern each constituency’s relationship with the University and is integrated with existing procedures for decision-making such as the Code of Student Rights and Responsibilities, applicable collective agreements, or the Tenure and Promotion policy.
- A Sexual Violence Assessment Team has been established to review all formal complaints and determine, in consultation with the appropriate Associate Vice-President, if an investigation is required. The Team will also coordinate any appropriate accommodations or interim measures that may be needed.
- The policy specifically allows for voluntary resolution where both parties are in agreement as to the approach to be taken. The nature of the voluntary resolution is left open to allow for a variety of approaches depending on the nature of the complaint and the identities of the parties.
- The University’s commitment to maintaining a fair and respectful approach is specified, along with the available supports that can be accessed throughout the process.
- Following completion of an investigation, a written notice of the decision, including a summary of the findings, the reasons for the decision, and (to the extent legally possible) any corrective measures taken by the University, will be provided to both complainants and respondents.
- The Sexual Violence and Harassment Action Plan Act requires the University to review the policy at least once every three years. The policy provides for an initial review after two years, followed by regular three-yearly reviews.

In general the updated draft is intended to set an appropriate framework and tone to enable all disclosures and complaints of sexual violence to be handled in a respectful, fair and accessible way. The University is committed to monitoring the operation of the policy and ensuring that appropriate training and education is put in place to ensure its successful implementation. The policy will be accompanied by a set of Hearing Procedures for the Board-Senate Hearing Panel for Sexual Harassment/Anti-Discrimination, which will be based on the procedures currently contained in the University’s Discrimination, Harassment & Sexual Harassment: Prevention and Response policy. For sexual violence cases, the Procedures will include some provisions that recognize the particularity and sensitivity of the issues involved.

**Next Steps**

Any final comments on the draft policy can be submitted to policy@mcmaster.ca. Members of the campus community who wish to provide comments are requested to do so by no later than **November 18, 2016**. The final version of the policy will then be submitted to the Senate and
Board of Governors for approval at the meetings of the governing bodies in December. The policy will take effect on January 1, 2017, as required by the Sexual Violence and Harassment Action Plan Act.

**Attachments:**
1. Draft Sexual Violence Policy
2. List of Participants in the Development of the Policy
SEXUAL VIOLENCE POLICY DEVELOPMENT

A. Participants in Sexual Assault Policy Development, 2015-2016:

1) **STEERING COMMITTEE:**
   Jane Aronson, Professor, School of Social Work & PACBIC Chair
   Amber Dean, Assistant Professor, Department of English & Cultural Studies
   Meaghan Ross, Sexual Violence Response Coordinator
   Vilma Rossi, Senior Program Manager, Human Rights & Equity Services
   Michelle Poirier, Human Rights Specialist, Human Rights & Equity Services
   This core group was supplemented by a dedicated drafting committee responsible for reviewing the feedback received and preparing the final draft policy:
   Michelle Bennett, Hearings Officer & Freedom of Information and Protection of Privacy (FIPPA) Coordinator
   Allison Drew-Hasling, Director, Student Support & Case Management
   Pilar Michaud, Director, Human Rights and Dispute Resolution
   Maggie Pooran, Associate Director, Employee/Labour Relations

2) **WORKING GROUP IN FOUR CLUSTERS** (met in December, February and April)
   i) **Students:**
   - McMaster Students Union, Women & Gender Equity Network
   - Gender Studies & Feminist Research
   - Muslim Students Association
   - McMaster Hillel (Jewish Students Association)
   - McMaster Students Union, Queer Student Community Centre
   - Indigenous students
   - CUPE Equity
   - President’s Advisory Committee on Building an Inclusive Community Violence Against Women/Gender Based Violence Working Group
   - Non-affiliated graduate students
   - NEADS
   - UnitedinColour
   ii) **Staff / offices with responsibility for conduct, policy making, legal matters:**
   - AVP, Dean of Students
   - Office Human Rights & Equity Services
   - Employee/ Labour Relations
   - Security Services
   - Risk Assessment Team
   - Housing
   - Ombuds
   - Student Conduct
   - Residence Life
iii) Staff and faculty engaged with issues of sexual violence/university governance

- Registrar’s Office, Indigenous recruitment
- UNIFOR Women’s Advocate
- Indigenous Studies
- Indigenous Education Council
- School of Social Work
- Civil Engineering
- Anti-Violence Network, Chaplaincy
- McMaster University Faculty Association
- Student Wellness
- Athletics & Recreation
- School of Graduate Studies

iv) Community partners in the Violence Against Women sector

- Sexual Assault Centre of Hamilton (SACHA)
- YWCA Hamilton
- Hamilton Health Sciences Sexual Assault Care Centre

B. Campus Community Members or Constituencies Receiving a Copy of the Draft Policy for Feedback, March 2016:

President
Vice-Presidents
Associate Vice-Presidents: Faculty; Academic in Faculty of Health Sciences; Students and Learning (and Dean of Students); Graduate Studies (and Dean of Graduate Students); Assistant Vice President/Chief Human Resource Officer
Faculty Deans
Employee/Labour Relations
Environmental & Occupational Health Support Services
Human Rights and Equity Services
Ombuds
McMaster University Faculty Association
TMG Committee
Collective Bargaining Units (via Director, Employee Labour Relations)
McMaster Students Union (as this policy relates to undergraduate students)
Graduate Students Association (as this policy relates to graduate students)
McMaster Association of Part-time Students (as this policy relates to part-time students)
Academic Integrity Officer
Chaplaincy Centre
President’s Advisory Committee on Building an Inclusive Community
Residence Life
Security Services
Student Accessibility Services
Student Conduct and Community Services
In addition to the meetings listed above, informal discussions were held and feedback received from a variety of groups including: the Presidents and Vice-Presidents’ Group, MSU Executive, GSA Executive, MUFA Executive, Director of Human Rights and Equity Services, Assistant Vice President Human Resources, Manager Safety and Risk Management, Director of Security, the Associate Vice-President (Academic) Health Sciences, the Associate Vice-President (Faculty), the Associate Vice-President (Students and Learning) and Dean of Students, the Ombuds, and the University Secretary. Advice and input was also received from external independent legal counsel.

C. Final Consultation Process, October/November 2016:
The groups listed above also received a copy of the updated draft policy in October 2016. At the same time, the policy was posted on the Provost’s website and highlighted on the Daily News and in the McMaster Update with a request for feedback. Two further consultation sessions were also held during November: the first focused on students; and the second on faculty and staff. Written feedback via the policy@mcmaster.ca email address was also received from a variety of individuals and groups across the campus, which was then reviewed by the drafting committee and, where possible, incorporated into the draft policy.
the capacity of Observer.

(5) The Chairs and/or Vice-Chair(s) of the Standing Committees of the Board may appoint observers and consultants to the Standing Committees of the Board. This Section 12 shall apply to all such persons so appointed.

13. The Board and each of its Standing Committees shall have access to such legal, financial and other advice as may be required from time to time to enable the duties of the Board and its Standing Committees to be properly discharged.

14. The Board shall appoint annually at its Annual Meeting its member(s) to the Senate for a term of three years.

15. Unless otherwise specified, the Board shall elect members to committees to serve for a period of one year or until their successors are elected or appointed.

(1) The President and the Chair and Vice-Chair(s) of the Board shall be ex officio members of all committees of the Board except that the President shall not be a member of the Audit Committee, the Human Resources Committee, the Board-Senate Research Misconduct Hearings Panel and the Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence Harassment, and the Chair and Vice-Chair(s) of the Board shall not be members of the Board-Senate Hearing Panel for Sexual Harassment and Anti-Discrimination and the Board-Senate Research Misconduct Hearings Panel.

(2) The following committees shall be Standing Committees of the Board provided that it may from time to time appoint other committees for any purpose within its powers:

- Audit;
- Executive and Governance;
- Planning and Resources Committee;
  - Investment Pool Committee;
- Nominating;
- Pension Trust;
- Committee on University Advancement;
- Remunerations;
- University Planning Committee;
  - Budget Committee;
- Human Resources;
  - Human Resources Advisory Panel;
- Board-Senate Research Misconduct Hearings Panel;
- Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Violence Harassment.

(3) Normally, it is expected that members attend committee meetings in person. At the discretion of the Chair however, a member(s) who is (are) unable to attend in person may participate in that meeting by such means of telephone or other communication facilities that permit all members to communicate
Members of the Panel shall be appointed for staggered renewable three-year terms. The Chair and one Vice-Chair of the Panel shall be appointed by Senate from among the tenured faculty members; one Vice-Chair shall be appointed by the Board of Governors from among the staff members. In addition, the Chair of the Panel has the authority to appoint, on an ad hoc basis, faculty, staff and student who are not members of the Panel to serve on Hearings Committees as auxiliary Panel members. For meetings of the Panel that do not relate to a specific case, fifteen members of the Panel constitute a quorum.

The Board-Senate Research Misconduct Hearings Panel shall:

1. receive all cases of alleged research misconduct referred to it and arrange the adjudication of them in accordance with the procedures outlined in the Research Integrity Policy and approved by the Senate and the Board of Governors, and

2. when deemed appropriate, review the policy and procedures relating to academic ethics and allegations of research misconduct and make recommendations to the Senate and the Board of Governors on policy changes or new policies deemed necessary by the Panel. The hearing of any case referred to the Panel shall be conducted before a Hearings Committee, established according to the procedures outlined in the Research Integrity Policy.

The conduct of hearings before a Hearings Committee of the Board-Senate Research Misconduct Hearings Panel shall be in accordance with the procedures outlined in the Research Integrity Policy.

(k) BOARD-SENATE HEARING PANEL FOR DISCRIMINATION, HARASSMENT AND SEXUAL HARRASSMENT

The Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Harassment Violence shall consist of six faculty members, three undergraduate students and three graduate students appointed by the Senate; and six staff members appointed by the Board. The Chair and one Vice-Chair shall be appointed by the Senate from among the faculty members appointed by the Senate, and one Vice-Chair shall be appointed by the Board from among the members appointed by the Board. Student members shall serve for staggered two-year terms and faculty and staff members for staggered three-year terms. No member shall serve for more than two consecutive terms, but on the expiration of two years after having served the second of two consecutive terms, such person may again be eligible for membership on the Hearing Panel. In addition, the Chair of the Panel has the authority to appoint, on an ad hoc basis, faculty, staff and students who are not members of the Panel to serve on Hearings Committees as auxiliary Panel members. For meetings of the Panel that do not relate to a specific case, ten members of the Panel constitute a quorum.
The Board-Senate Hearing Panel for Discrimination, Harassment and Sexual Violence Harassment shall:

1. receive all Referrals to Hearing/Formal Requests for a Hearing and arrange for their adjudication in accordance with the relevant procedures approved by the Senate and the Board, and

2. when deemed appropriate, review the policy and procedures relating to discrimination, harassment, and/or sexual harassment violence and make recommendations, through the Senate Executive Committee, to the Senate and the Board on policy changes or new policies deemed necessary by the Panel.

The hearing of any case shall be before a Tribunal, consisting of three members of the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Harassment Violence. These members shall be free of conflict of interest and shall be chosen by the Chair, or a Vice-Chair as appropriate, of the Hearing Panel in accordance with procedures approved by the Senate and the Board.

Hearings before a Tribunal of the Board-Senate Hearing Panel for Discrimination, Harassment, and Sexual Harassment Violence shall be conducted in accordance with the procedures approved by the Senate and the Board.

16. At any meeting of the Board or of any committee of the Board, changes in remuneration of employees of the University shall be deemed not to be a proposed contract within the terms of Section 8, subsection 16 of the 1976 Act.

17. From time to time, as required, the Board shall appoint five of its members to a Board-Senate Committee to Recommend a President, one of whom shall be from those appointed under Section 8 (1) (d) of the 1976 Act, one member from those elected under Section 8 (1) (i), one member from those elected under Section 8 (1) (f), and two members shall be from among the persons elected or appointed under Sections 8 (1) (b), 8 (1) (c) or 8 (1) (j) of the 1976 Act.

BY-LAW NO. 2

being a by-law relating to the elections to the Board.

1. The term of office of each of the members to be elected under Section 8 (1) (b) of the 1976 Act shall end on June 30th of the last year of the designated term for which the member was elected so that the terms of not more than four members shall expire in any one year;

2. The candidates for election under Section 8 (1) (b) of the 1976 Act shall be nominated by the Nominating Committee of the Board or by individual members of the Board, provided that nominations of candidates by individual members shall be filed with the Chair of the Nominating Committee not
REPORT TO THE BOARD OF GOVERNORS
FROM THE
PLANNING AND RESOURCES COMMITTEE

i. Athletics and Recreation Complex – Project Approval

On November 24, 2016, the Planning and Resources Committee approved a proposal from the administration related to an expansion of McMaster’s athletics and recreation complex. The recommendation includes two components, 1.a. and 1.b., each of which is conditional on the results of a student referendum related to fees to fund the project. Details of the project are contained within attachment I of the report from the Planning and Resources Committee.

It is now recommended,

that the Board of Governors approve components of the Athletics and Recreation Phase 1 Space Expansion, involving 1a) expansion to the Pulse and an additional gym (62,814 GSF of both new and renovated space), and 1b) additional student community space (an additional 40,000 GSF) totaling 102,814 GSF of both new and renovated space supported by an approved 40 year Central Bank Loan at the University’s weighted average cost of capital (currently 5.75%); for which the business case and Central Bank loan approvals are contingent upon a successful January 2017 student fees referendum supporting either the total project (both 1a and 1b) at a total project cost of $59.5 million, inclusive of net HST, or only the Pulse and additional gym (1a only) at a project cost of $33.7 million, inclusive of net HST.

Board of Governors: FOR APPROVAL
December 15, 2016
Athletics & Recreation Complex Expansion
Business Case
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Authority Signatures

Include the signatures of the project executive sponsor and other project sponsors, indicating that they agree with the proposed business case.

_________________________                ____October 12, 2016________
Executive Sponsor              Date
David Wilkinson
Provost and Vice-President (Academic)

_________________________                ___October 12, 2016________
Project Sponsor Date
Sean Van Koughnett
Associate Vice-President (Students & Learning
and Dean of Students

_________________________                  ___October 12, 2016        ___
Project Sponsor  Date
Glen Grunwald
Director, Athletics & Recreation
Business Case Conclusion & Recommendations

Approve an expansion and addition to the McMaster Athletics & Recreation Complex, which supports the vision and redevelopment strategy contained in a study prepared by Perkins + Will as part of McMaster’s initiative to enhance the student experience and meet capacity needs.

Support this Business Case prepared for the University Planning Committee, Planning and Resources Committee, and the Board of Governors regarding a Phase 1 (more specifically Phase 1a and 1b detailed in later sections) projects based on a student fee funding model to support student athletic and recreation additions/enhancements and to provide additional student learning space whereby post construction operating costs will be supported by the University as common space costs distributed to activity units (Faculties) using the budget model. This Business Case is based on a 40-year Central Bank loan funded by student fees, and some community revenues. Student fees in this business case are subject to a January 2017 undergraduate student referendum, thus governance approvals are contingent on the vote outcome.

Recommendation:

That the Planning and Resources Committee and the University Planning Committee approve, for recommendation to the Board of Governors, components of the Athletics and Recreation Phase 1 Space Expansion, involving 1a) expansion to the Pulse and an additional gym (62,814 GSF of both new and renovated space), and 1b) additional student community space (an additional 40,000 GSF) totalling 102,814 GSF of both new and renovated space supported by an approved 40 year Central Bank Loan at the University’s weighted average cost of capital (currently 5.75%); for which the business case and Central Bank loan approvals are contingent upon a successful January 2017 student fees referendum supporting either the total project (both 1a and 1b) at a total project cost of $59.5 million, inclusive of net HST, or only the Pulse and additional gym (1a only) at a project cost of $33.7 million, inclusive of net HST.

Support a student referendum to the full-time undergraduate students scheduled for January 2017 asking for a continuation and an increase to the existing DBAC fee to achieve Phase 1a and 1b projects (expanded Pulse, new gym and student community space) representing $59.5 million in capital costs and 100% of the athletic and recreation (Pulse and Gym) operating costs; this increase will be levied to students at the time of completion in 2020/21.

Note: Students will be provided with two options at time of referendum: 1a) approve the Pulse and Gym expansion along with the elimination of the Pulse membership fee and an increase to the A&R Activity fee, or 1a) plus 1b) approve an addition to the student community space. Appendices are provided to demonstrate the operating costs (proforma revenues and expenses) for 1a only and 1a and 1b together. In addition to proformas, loan amortization schedules, operating costs, and cash outflows are provided. Regardless of referendum outcome the conservative proforma analysis support both options, with a preference or stronger financial result with 1a and 1b combined.
Executive Summary

In 2016, Perkins + Will Architects, in association with Councilman Hunsaker, Smith + Anderson, Turner & Townsend, were engaged by McMaster University Athletics & Recreation (A&R) to identify redevelopment strategies and convey a short- and long-term vision for growth for the entire McMaster Athletics & Recreation Complex (ARC) in support of our student experience. The goal of the project is an enhanced experience for all students addressing specific needs associated with student well-being, recreation and intercollegiate athletics. Since 2007, when the David Braley Athletic Centre (DBAC) was opened, the student population has more than doubled. The need for redevelopment strategies is a direct response to the challenges of aging facilities and not meeting current or growing needs and expectations of our students. The current lack of capacity has resulted in overcrowding and an inability to provide quality varsity and recreational programming; this has a significant negative impact on the student experience. Working with the consultants a number of opportunities to maximize the use of the A&R footprint for increased capacity and new functionality within the complex have been identified.

Our vision is to be the healthiest campus in Canada where health and fitness become core to daily student life. The ARC strategy includes the delivery of additional and needed comfortable student spaces, allows for diversity and inclusiveness, integrates academics and athletics, enhances and connects student learning with physical activity and engagement space, expands recreational programming, and provides quality performance facilities. In August 2016, the consultants provided a final report that identified four potential phases totalling $159.8 million. The fourth phase (student residence) recommended by Perkins+Will has not been incorporated as part of the long-term strategy nor included in this business case. Construction costs for the first 3 phases totalling $139 million are included in Table 1.

Table 1: Redevelopment Phases ARC Strategy

<table>
<thead>
<tr>
<th>Phase 1 - $50.8 million*</th>
<th>a) David Braley Athletic Centre (DBAC) Pulse Fitness Expansion and Additional Gym, totalling 62,814 Gross Square Feet (GSF) at a construction cost of $21.3 million</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>b) Ivor Wynne Centre (IWC) Student Community Space Expansion, totally 40,000 GSF at a construction cost of $18.3 million</td>
</tr>
<tr>
<td></td>
<td>Deferred phase 1 items (for later consideration)**:</td>
</tr>
<tr>
<td></td>
<td>c) Pool Renovations: Upgrades to existing pool associated with 7,220 GSF at a construction cost of $2.9</td>
</tr>
</tbody>
</table>
### Phase 1 – $4 million

| d) Major Retrofitting: Lockers, storage expansion, new corridor affecting 45,600 GSF at a construction cost of $8.3 million |

### Notes:

*Construction costs adjusted for inflation to the date of tender (2018).

**1c) is physically adjacent to 1b), and construction costs were estimated based on completing both projects at the same time. Completing 1c) after 1b) will impact its construction costs and the accessibility of the facility during the renovation period. If funds become available, consideration should be given to completing 1c) at the same time as 1b).*

### Phase 2 - $50.3 million

| a) New Pool affecting 97,000 GSF at a construction cost of $42.23 million |
| b) New Student Gym and major retrofitting totalling 23,190 GSF at a construction cost of $8.1 million |

### Phase 3 – 37.9 million

| a) New Field House & High Performance Centre totalling 111,000 GSF at a construction costs of $25.8 million |
| b) Covered Parking totalling 71,700 GSF at a construction cost of $12.1 million |

A copy of the Facility Assessment and Master Plan study referred to is a separate attachment that complements this business case and is available upon request.

Based on the business case analysis, **it is recommended that we proceed with both Phase 1a and 1b of the redevelopment strategy, or at minimum Phase 1a**, the final determination following Board of Governors approval will be contingent on the January 2017 student referendum results. The referendum asks undergraduate students to increase student fees, including an increase to the A&R Activity fee and elimination of the Pulse user fee.
An executive summary of these projects are as follows:

**Pulse Fitness and Gym Expansion**: The current Pulse Fitness space is limited in size and at peak hours the Pulse is unable to accommodate members resulting in some members having to wait for others to finish their workout prior to being let in. The plan is to double the size of the Pulse to accommodate all students and most other members at all times. The current gyms are also in high demand and heavily used. These constraints have impacted A&Rs ability to meet demands to support recreation, intramurals, varsity, social, and community sports. This phase 1 project plan is to build one additional Gym at this time to meet these demands. The Pulse Fitness and Gym renovations affect 62,814 GSF representing both new and renovated space. The Pulse Fitness and Gym are key staples of healthy living on campus and is positively correlated with student satisfaction and improved health conditions.

**Student Community Space Expansion**: There is currently insufficient student community and informal collaborative space for students on campus. The McMaster University Student Centre (MUSC) remains overcrowded and over utilized despite recently providing increased seating. The ARC Student Community Space Expansion will support collaborative student life space needs and promote healthy active living. The space will potentially feature multi-purpose event spaces for students, a peer support centre (run by the McMaster Student Union (MSU)), multi-faith space, food collective centre, recreational practice space (dance groups, marching band), movie theatre (for clubs and services), nap centre/student lounge space, and un-programmed collaborative student space where students can work on projects, study or just eat and socialize with friends. This space will amount an additional 40,000 GSF.

**Section 1: The Strategic Context**

1 Business Needs and Desired Outcomes

1.1 Strategic Environment

1.1.1 Organizational Overview

McMaster University is committed to a transformative approach to advancing human and societal health and wellbeing, meaning as the institution delivers on its social obligations, both through the discovery, communication and preservation of knowledge and through the production of thoughtful, creative and resilient global citizens, it will also undergo significant changes to itself. These changes must relate to the University’s commitment to “developing a distinctive, personalized, engaging and sustainable student experience” and should focus on institutional values, including:

The Cultivation of Human Potential: “We are an institution devoted to the cultivation of human potential, which we believe cannot be realized by individuals in isolation from one another, from their history or their imagined future, from the society which surrounds them, or from the physical universe which sustains them.” (Forward With Integrity, p. 4)
**Diversity and Inclusion:** “The importance of promoting and supporting diversity within our student body is also crucial; our campus must be a welcoming and supportive environment for all students, whether they come from overseas or more locally, and regardless of their ethnic origin, background, gender, sexual orientation, religious beliefs, or political alliances.” (Forward With Integrity: The Next Phase, p. 5)

**Learning Outside of the Classroom:** “Experiential components deliver obvious benefits in terms of the quality of the learning experience and the level of engagement felt by students.” (Forward With Integrity, p. 7)

**Social Learning:** “[The] quality and richness of our life together on this planet is the point of education. This physical space is therefore highly significant; it is literally the ground of our coming together and the emblem of our deeper commonality, kinship and shared aspirations.” (Patrick Deane, Spring 2016 Convocation Speech)

**Partnerships with Students:** “Since the good of students, graduate as well as undergraduate, is at the heart of this initiative, students must be drawn even more deeply into [the University’s] discussions…” (Forward With Integrity, p. 14)

**Student Health and Wellbeing:** “We envision a community that recognizes improving the health of our campus is a shared commitment. We strive to foster a healthy, supportive and inclusive educational environment and one of our primary goals is to create a culture of caring and support: ‘we care for the whole student and we care for one another’. We as a campus recognize that student well-being and good student mental health are critical foundations for student success.” (Student Mental Health & Well-Being Strategy)

The Athletics & Recreation Major Expansion Project arises from and responds to each of these institutional values. The Project was developed in partnership with students, for students—the McMaster Students Union has been involved in all stages of planning and will continue to support the Project through its execution by providing input and guidance on the use, design and eventual governance of the space. The Project focuses on inclusion of all students with varying backgrounds and abilities, delivering on the University’s commitment to create an environment that is welcoming and supportive of all students and that celebrates the abundance of our community. The Project creates more opportunities for co-curricular, social learning by increasing the space available on campus for sports and recreational activities, and it makes student-led initiatives in un-programmed space more possible. The Project focuses on accessibility and healthy active living, which contribute to improved student experiences, better mental health and wellbeing.
1.1.2 Detailed Description of the Business Need & Drivers for Change

Pulse Fitness and Gym Expansion

Student interest in athletic and recreational space at McMaster University exceeds the capacity of existing facilities on campus. According to the National Student Affairs Professional Association’s (NAPSA) Recreation Benchmarking Study conducted in 2014 (742 respondents for McMaster University), both users (64%) and non-users (36%) of the facilities indicated that overcrowding was a problem and that accessibility to the space needed improvement. Respondents indicated the need for more cardio and fitness classes (67%) and more weights (63%).

The NAPSA survey responses were reinforced by Perkins + Will Architects as they conducted tours and interviews with staff while developing a facility assessment and master plan study in 2016. The study observed, “Sharing undersized facilities is a challenge to meet the needs of all students, varsity teams, faculty, staff, and the community.” While initial designs for the current facilities were based on an undergraduate enrolment of 14,600 students, McMaster University now has over 22,000 undergraduates—the added volume puts pressure on the facilities, especially during peak workout times (11:00 am – 8:00 pm). With over 10,000 undergraduate Pulse members in the 2015/2016 academic year, it is no surprise that student enrollment has outpaced the capacity of existing facilities.

The proposed expansion (1a) will increase space available for fitness programming by a factor of 2.2. The current gross square footage will be increased from 17,575 to 39,301 GSF and will provide three additional group exercise spaces. The new space will make it possible to create different equipment zones overlooking the football field, thus increasing user access to cardio machines and weights. The Business Plan includes $1.5M for new equipment in this space.

In addition to overcrowding at the Pulse, the current facilities struggle to meet student needs for gym space. Sport Hall and Burridge Gym are both programmed over 80% of the time, meaning they are in use for varsity practices, intramurals, recreational drop-ins and occasional external rentals. These numbers increase to over 90% during peak hours (8 am – 10 pm). When the gyms are not occupied by formal programming, they are open for and consistently used as recreational time. The addition of a new gym is included in the proposed expansion (1a), which will add 12,833 GSF to the Project.
The proposed expansion and renovation will not only improve the quality of services available for current users but will also increase capacity and thus encourage participation amongst current non-users. Additionally, by eliminating the existing Pulse membership fee and instead applying a reduced amount to the existing A&R compulsory fee for all students, the cost per student to access the Pulse will decrease from $144 per eight months per student (current Pulse membership) to $105 per year per student (proposed increase to the Activity Fee). This, too, should increase participation and responds to feedback from the NAPSA survey highlighting affordability as a deterrent to participation for 47% of non-users.

The elimination of the existing membership fee for the Pulse and replacement with an increase to the mandatory Athletics & Recreation Activity Fee will be presented along with a proposed continuation of and increase to the existing David Braley Athletic Centre Fee in the January 2017 MSU referendum. **Note: The proposed expansion will not be able to proceed without the approval of these fee increases by the undergraduate student body.**

**Student Community Space Expansion**

McMaster University is in need of additional unprogrammed student space. In a 2016 survey conducted by the MSU, 80% of the 273 respondents indicated a need for new space to study, work on projects, eat and socialize. Additionally, the MSU has identified a list of student needs that cannot be accommodated due to a lack of available space. The establishment of a peer support centre, a multi-faith prayer room, napping pods, an event/entertainment space, an entrepreneurship incubator and an off-campus student lounge will be considered as part of the detailed design phase.

The McMaster University Student Centre (MUSC) opened in 2002 to address student needs for unprogrammed space, but it was designed for a student population of 15,000 undergraduates; as mentioned above, undergraduate enrolment is now well over 22,000. Recent renovations to the MUSC and other spaces on campus have increased seating and study space for students—the MUSC spent over $1.1M on renovations in the summer of 2016, which increased seating capacity in the building by 180 seats. While changes like these alleviate some of the pressure for study and social space, the gap between campus resources and the needs of a growing student population remains significant and demands a large-scale, student-led solution.
The proposed student community space (1b) will add 40,000 GSF to the Athletics & Recreation Complex. Initial planning for the space has been conducted in partnership with the MSU. Leading up to the January 2017 referendum, the MSU and University will publish an informational website and campaign describing the nature of the Project and inviting feedback on the concept. If the referendum passes (1a and 1b), a committee with representatives from both the University and the MSU will be established to build detailed plans for the space and to codify its management.

1.1.3 Business Outcomes – Financial Highlights

Detailed Operating Revenue and Cost analysis (proformas) are provided in the Appendices. A summary of the Capital Costs are provided in Table 2 below. Note: at the time of producing this business case for governance approvals a review was initiated to determine whether any Ivor Wynne deferred maintenance funding could be used to reduce the capital project cost of the student community space funded by fees in this model. The review will occur in parallel to governance approvals being requested, however should be known by January 2017 (the time of the referendum); if a capital cost reduction is possible a governance update will be provided showing the impact of a DM investment on the Phase 1a and 1b mortgage.

<table>
<thead>
<tr>
<th>Table 2: Capital Project Costs</th>
<th>Phase 1a DBAC Expansion (new and renovated)</th>
<th>Phase 1b Student Community Space (new)</th>
<th>Phase 1a and 1b DBAC Expansion + Student Community Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Square Feet</td>
<td>$62,814</td>
<td>$40,000</td>
<td>$102,814</td>
</tr>
<tr>
<td>Construction Costs (note 1)</td>
<td>$21,339,751</td>
<td>$18,300,525</td>
<td>$39,640,276</td>
</tr>
<tr>
<td>Soft Costs (note 2)</td>
<td>$5,548,335</td>
<td>$4,758,137</td>
<td>$10,306,472</td>
</tr>
<tr>
<td>Subtotal Construction</td>
<td>$26,888,086</td>
<td>$23,058,662</td>
<td>$49,946,748</td>
</tr>
<tr>
<td>Furniture and Equipment (note 3)</td>
<td>$5,767,950</td>
<td>$1,830,053</td>
<td>$7,598,003</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$32,656,036</td>
<td>$24,888,714</td>
<td>$57,544,750</td>
</tr>
<tr>
<td>Bridge Financing Costs (note 4)</td>
<td>$1,066,165</td>
<td>$851,992</td>
<td>$1,918,157</td>
</tr>
<tr>
<td>Total Capital Costs</td>
<td>$33,722,201</td>
<td>$25,740,706</td>
<td>$59,462,908</td>
</tr>
<tr>
<td>Construction Cost /Sq. Ft</td>
<td>$339.73</td>
<td>$457.51</td>
<td>$385.55</td>
</tr>
<tr>
<td>Total Capital Cost</td>
<td>$536.86</td>
<td>$643.52</td>
<td>$578.35</td>
</tr>
</tbody>
</table>
Notes:

Construction costs provided by Turner & Townsend – August 2016. Estimate includes a 15% gross up for the General Contractor Fee. Includes insurance, mobilization, demolition. Construction costs increased by 3% per year to construction.

Soft Costs based on 26% of capital costs and includes administration costs, contingency, other contracts (hazardous materials, IT, security, signage, etc.), professional services, permit fees, Net HST.

Pulse & Gym and Student Community Space – Pulse and Gym furniture and equipment is based on 20% of capital costs plus $1.5 million for cardio equipment. Student space is based on 10% of capital costs.

Bridge financing costs based on 2% of estimated cash flows during construction period.

Phase 1a Pulse Fitness and Gym Expansion Only:

Revenue generation will come from the existing DBAC fee charged to students and an increased fee to be implemented when the new expansion is complete in 2020/21. Undergraduate students currently pay an existing fee of $141.60 per full-time unit load or $4.72 per unit to finance the previous 2007 capital expansion and half of the operating costs. This mortgage is projected to be paid in 2023 resulting in $104 per full time unit load becoming available for the expansion, pending positive results from the January 2017 student referendum to continue and increase the existing DBAC levy. This Business Case assumes that this levy will continue along with an increase to this levy to support the proposed Pulse and Gym space expansion (to be approved January 2017 for implementation in 2020/21) of $59.10 per full-time unit load or $1.97 per unit when the expansion is completed and ready for use by students.

Students will be responsible for paying 100% of the facilities and operating costs associated with the Pulse and Gym expansion estimated at $1.8 million annually (refer to Appendix 1a Proforma).

Revenue generated from community memberships of $50,000 per year will continue to be committed to the Business Case and are reasonably assumed over the 40 year proforma appendix analysis.

Central bank loan re-payments represent 40% of running costs during the first 9 years of the business case (reflecting a 40-year loan period). Facilities operating costs have been incorporated into the plan and are consistent to the charges for other buildings on campus. Additional staffing, supplies, and required equipment have also been included in addition to bridge financing costs. The total cost for this expansion is $33.9 million (as shown in Table 2 above).
Phase 1b Student Community Space Expansion in addition to the Pulse Fitness and Gym Expansion:

Students will be provided with an option to fund the Student Community Space Expansion in addition to the Phase 1a Pulse Fitness and Gym Expansion. Revenue generation will continue to come from the existing DBAC fee charged to students and an additional fee increase implemented upon the completion of the expansions in 2020/21. The Business Case assumes that this levy will continue to support the proposed expansion in addition to an increase of $118.50 per full-time unit load or $3.95 per unit in 2020/21. Additional staffing, supplies and required furniture have been included in addition to bridge financing costs. The total cost of this expansion is $26 million for a combined expansion total of $59.5 million (as shown in Table 2 above).

Students will be responsible for paying 100% of the facilities and operating costs for 1a) expansion estimated at $1.9 million annually commencing in 2022 (refer to Appendix 1a and 1b Proforma).

The expanded student space will be treated as University Student “Common Space” under the budget model resulting in the operating costs of the space being distributed to Faculties. The consolidated fully loaded impact approximates $1.1 million in University supported contribution annually commencing in 2022 (noting costs in 2021 are not based on 12 months of operation), (refer to Appendix 1a and 1b Proforma).

Refer to Graph 1 below for the split in operating cost support based on the above:

![Expansion Operating Cost Support](image)
1.2 Strategic Fit

1.2.1 Pulse Fitness and Gym Expansion

In addition to some benefits already highlighted, the proposed expansion aligns with President Deane’s mission of personal growth and enhancement of the undergraduate experience and student success.

The proposed expansion aligns with A&R’s vision of “striving for excellence” by providing the opportunity for all students to have access to participate in sports, exercise and maintain a healthy lifestyle, as a result, we help create one of the healthiest campus’ in the world. The Student Community Space Expansion supports our vision for facilitating student learning, engagement and collaboration outside of the classroom, while accommodating the diverse needs of our students and community.

The proposed expansion opens access to the student body further aligning to the University’s branding directions of health, promoting healthy lifestyles, mental health and wellness, and physical activity integrated in each student’s learning years at McMaster.

1.2.2 Prioritized Requirements (High Level)

The Athletics and Recreation team have reviewed all options proposed by the consultant’s report and have evaluated highest level needs as items that address current capacity constraints. This means other items, some that have been on our capital plan for several years like the swimming pool, have not been recommended at this time. Ideally third party funding opportunities will arise to address items deferred (refer to Table 3 Priority Summary):

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Priority</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>DBAC Pulse Expansion and Gym</td>
<td>High</td>
<td>Recommended</td>
</tr>
<tr>
<td>1b</td>
<td>IWC Student Community Space Expansion</td>
<td>High</td>
<td>Recommended</td>
</tr>
<tr>
<td>1c</td>
<td>Pool Renovations</td>
<td>Med</td>
<td>Deferred</td>
</tr>
<tr>
<td>1d</td>
<td>Major Retrofitting</td>
<td>Med</td>
<td>Deferred</td>
</tr>
<tr>
<td>2a</td>
<td>New Pool</td>
<td>Med</td>
<td>Deferred</td>
</tr>
<tr>
<td>2b</td>
<td>New Student Gym &amp; Major Retrofitting</td>
<td>Med</td>
<td>Deferred</td>
</tr>
<tr>
<td>3a</td>
<td>New Field House &amp; High Performance Centre</td>
<td>Med</td>
<td>Deferred</td>
</tr>
<tr>
<td>3b</td>
<td>Covered Parking</td>
<td>Low</td>
<td>Deferred</td>
</tr>
<tr>
<td>4</td>
<td>Student Residence</td>
<td>Low</td>
<td>Deferred</td>
</tr>
</tbody>
</table>
1.2.3 Key Assumptions

Key assumptions were made to develop the business case proformas including:

☑ Conservative student growth: incorporating 80% of the planned undergraduate growth targeted 2016 to 2021 supporting the LLC business case, then a 0.5% UG student growth rate from 2022 to 2024, and 0% thereafter;

☑ Fee Inflation rate of 1.5% per year (typically fees increase between 1.25% and 3% per year);

☑ Cost escalation or inflation of 2.0% per year until 2040, then 2.5% thereafter (consistent with multi-year financial projection outlook and historical trends);

☑ Facilities operating costs based on the University budget model cost per square foot inflated per year using the cost escalation assumption; and

☑ Mortgage Central Bank Loan rate will equal the University’s approved weighted average cost of capital (currently 5.75%).

Other costs such as total capital project costs come from facilities (refer to Table 2), amortization schedule, total mortgage costs, net present value analysis, proforma modelling, cash flows, simple payback period, and project impact to McMaster Net Asset position come from both Student and Financial Affairs.

1.3 Scope

1.3.1 Boundaries

The scope of this project is very clearly defined. It will include Phase 1a Pulse Fitness and Gym Expansion and Phase 1b the Student Community Space and exclude any remaining phases, including upgrades to the current pool environment as identified by the consultants. It will also exclude, at this time, any major retrofitting for potential new study space, classroom space, storage expansion and locker layout and expansion also included in Phase 1.

Although the redevelopment plan addressed two options for the pool (Phase 1c– Repair and Phase 2a – New Build) there is no financing strategy to support either. The study concluded that the IWC Pool requires significant investment to improve its physical and environmental quality. Repair of the pool tanks and room repair is estimated at $3.2 million while the cost of a new pool is estimated at $42.2 million. Repurposing the existing pool into potential study space and the build of an additional gym would add $8.1 million to the cost. Overall, a new pool build remains the preferred option. Athletics and Recreation is currently working with Government Relations on securing funding from the federal government’s Canada New Building Fund in support of this initiative. In addition, at this time there is no plan for additional locker rooms due to funding constraints. To support this initiative, we are exploring
potential fundraising opportunities that would allow for naming options. Due to the uncertainty of additional external revenue sources Phases beyond 1a and 1b are deferred and not included in the current Business Case. Athletics and Recreation will, however, continue to pursue grants and donor funds in these areas.

Business plans to support the additional phases of the redevelopment strategy will be developed as funding sources are identified, which will go to Planning and Resources Committee for approval at a future date.

Section 2: Analysis and Recommendation

2 Preliminary Options Analysis

2.1 List the Possible Options

Option 1 – Phase 1a Pulse Fitness and Gym Expansion Only (62,814 GSF)

Option 2 – Phase 1a and 1b: Pulse Fitness and Gym (62,814 GSF) and Student Community Space (40,000 GSF)

Both options will involve the elimination of the Pulse user fee and increase to the A&R Activity fee.

2.1.1 The Status Quo

The baseline status quo means no space expansions, resulting in maintaining the Pulse and gym designed for an undergraduate enrolment of 14,600 students in 2007. Continued overcrowding will worsen based on targeted growth plans to support LLC and pressure for un-programmed student community space will only increase. Students may vote to approve the Pulse and Gym Expansions only as the two options presented leaving us the challenge to further accommodate un-programmed space in our existing buildings to respond to student common space demands.

2.2 Screening of Options

Refer to Table 4 below:

<table>
<thead>
<tr>
<th>Screening Criteria</th>
<th>Status Quo</th>
<th>Option 1: 1a</th>
<th>Option 2: 1a and 1b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic fit and business needs</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Potential achievability</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Potential affordability</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Supports Student Common Space Needs</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Cost of Additional University “Common Space”</td>
<td>No Change</td>
<td>No change</td>
<td>$1.1 million</td>
</tr>
</tbody>
</table>
2.3 Advantages and Disadvantages of Options

Refer to Table 5 summary below:

<table>
<thead>
<tr>
<th></th>
<th>Status Quo</th>
<th>Option 1: 1a</th>
<th>Option 2: 1a and 1b</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advantages</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No additional student space</td>
<td>No additional student space</td>
<td>Connects physical health &amp; learning space</td>
<td></td>
</tr>
<tr>
<td>Pulse remains overcrowded</td>
<td>Pulse expanded</td>
<td>No additional student space</td>
<td></td>
</tr>
<tr>
<td>Affordable</td>
<td>Affordable with fees</td>
<td>Affordable with fees</td>
<td></td>
</tr>
<tr>
<td>Financially viable</td>
<td>Financially viable with fees</td>
<td>Financially viable with fees</td>
<td></td>
</tr>
<tr>
<td>No change to fees needed</td>
<td>Change to fees $1.97/unit</td>
<td>Change to fees $3.95/unit</td>
<td></td>
</tr>
<tr>
<td>No Athletics &amp; Recreation mortgage by 2023</td>
<td>Medium new long-term mortgage</td>
<td>Large new long-term mortgage</td>
<td></td>
</tr>
<tr>
<td>Positive Impact to Net Assets</td>
<td>Temporary draw down of net assets $55M</td>
<td>Temporary draw down of net assets $60M</td>
<td></td>
</tr>
</tbody>
</table>

2.4 Recommendation

Based on the screening criteria along with the advantages and disadvantages of each option it is **recommended that Phase 1a and 1b be approved** by Planning and Resource Committee, for approval by the Board of Governors, contingent on the outcome of the student referendum. However, if the referendum results support only 1a it is recommended that Planning and Resource Committee approve Phase 1a, for approval by the Board of Governors. **Overall, Phase 1a and 1b are optimal to meeting both physical health needs and access to facilities for the students, as well as providing additional greatly needed common space for students.**
Section 3: Management and Capacity

3 Managing the Investment

3.1 Governance and Oversight

Athletics and Recreation successfully run the Pulse and gym areas using an existing infrastructure and trained professional staff. The Student Community Space Expansion will be a collaborative effort between the University (Student Affairs/Athletics & Recreation) and the MSU. A Memorandum of Understanding will be prepared between the MSU and the University outlining the guiding principles for the operations and usage of the space and potential revenue generation strategies. If this project is approved by students via referendum in January 2017, a detailed functional design will be initiated by McMaster and the MSU and involving significant student input.

3.1.1 Contracting and Procurement

The Phase 1a only or ideally the combined 1a and 1b project, if approved, will follow the normal capital projects approach. The project will be overseen by Facilities Services using a project account for the approved cost. The approvals for awards will follow the execution of instruments by-law obtaining Planning and resource Committee (PRC) approval for any items over $2 million and further Board of Governors approval for items over $10 million. The cash flow requirements during construction and the final Central Bank loan upon completion will be managed by Financial Affairs. The status of the loan and repayments are disclosed annually to the PRC on the Central Bank Loan report.

3.1.2 Implementation Plan

The Associate Vice-President (Students & Learning) & Dean of Students and the Director of Athletics & Recreation have worked very closely with the MSU to identify expansion priorities in support of student life and promoting a healthy lifestyle. The Business Case to support components of Phase 1 have been reviewed and endorsed by the MSU. Athletics and Recreation, with the MSU, will commence a communication and campaign strategy for the referendum once approval for the Business Case is received from the University Planning Committee. The referendum will take place in January 2017 during the MSU presidential election campaigns. Once the levy is approved work with the MSU will be initiated on the functional design of the Student Community Space, including any new programming ideas. Planning will occur in 2017 with construction commencing in 2018 and completion by September 2020.
3.1.3 Project Review Strategy
There will be ongoing review and monitoring of this major expansion project by Facilities Services in collaboration with Athletics and Recreation to ensure that the project remains in scope and the budget is met. Changes in scope may be required if the budget cannot be met.

3.2 Risk Management Strategy
3.2.1 Risk Summary

<table>
<thead>
<tr>
<th>Risk</th>
<th>Probability</th>
<th>Impact</th>
<th>Mitigation</th>
<th>Contingency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student enrollment targets are not met</td>
<td>Low</td>
<td>Low because 80% of planned growth has been</td>
<td>AVP (Students &amp; Learning) &amp; Dean of Students is responsible for managing</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>used until 2021, only 0.5% growth 2022</td>
<td>enrollment targets. If necessary reduced revenues will be managed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>to 2024, and 0% thereafter for the 40 year</td>
<td>through cost reductions</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>schedule</td>
<td></td>
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</tr>
<tr>
<td>Students do not support any of the options</td>
<td>Low</td>
<td>Low because the AVP (Students &amp; Learning)</td>
<td>There are no mitigation strategies. This project will not move ahead</td>
<td>N/A</td>
</tr>
<tr>
<td>presented for fee increases</td>
<td></td>
<td>&amp; Dean of Students has worked collaboratively</td>
<td>without student approval</td>
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<tr>
<td></td>
<td></td>
<td>with the MSU to ensure that needs are being</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>met</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project cost runs over budget</td>
<td>Medium</td>
<td>Medium because the scope would be</td>
<td>The budget will be closely monitored for scope and budget</td>
<td>15%</td>
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<tr>
<td></td>
<td></td>
<td>readjusted to reduce cost.</td>
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<tr>
<td>Project is not completed on time</td>
<td>Medium</td>
<td>New fee collection may need to be</td>
<td>Facilities Services will monitor and manage timeline using contract</td>
<td>None</td>
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<tr>
<td></td>
<td></td>
<td>pushed out another year</td>
<td>recourse for delay where possible</td>
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</table>

3.3 Performance Measurement Strategy
- NASPA Recreation Benchmarking Survey Comparison
- National Intramural-Recreational Sports Association (NIRSA) metrics in comparison to other universities
- Increase in Usage Statistics by non-users – more students adopt a healthier life-style
- Waiting time for use of the Pulse and equipment is reduced, less crowding
- Student Community Space is used to meet diverse needs of students in leisure and learning activities
- The MUSC is less crowded as students gravitate to the new Student Community Space
- Increased engagement by off-campus students
- Student Satisfaction Surveys
- Increased retention
Appendix 1a (Pulse Expansion and Additional Gym Only)
### Appendix 1a (Pulse Expansion and Additional Gym Only) Proforma 2015 - 2023

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<td>1-Sep-2021</td>
<td>1-Sep-2022</td>
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<td>-1</td>
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<td>DBAC Annual Fee increase (typically between 1.25% to 3.00%)</td>
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<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
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<td>Students (FTE) - 2014-2015</td>
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<td>20,113</td>
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<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
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<td>Total Capital Cost</td>
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#### Income (Annual)

- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $2,762,000
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $2,790,800
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $2,848,000
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $2,976,954
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $3,109,137
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $3,244,615
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $3,383,457
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $3,451,380
- **Student Fees (Existing DBAC Capital Fee) - Undergrad:** $3,520,667

#### Outflow Expenses (Annual)

- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710
- **Mortgage Payable (Existing DBAC):** $1,531,710

- **Facilities Cost (Existing DBAC):** $633,000
- **Facilities Cost (Existing DBAC):** $929,755
- **Facilities Cost (Existing DBAC):** $984,719
- **Facilities Cost (Existing DBAC):** $1,027,455
- **Facilities Cost (Existing DBAC):** $1,048,004
- **Facilities Cost (Existing DBAC):** $1,068,964
- **Facilities Cost (Existing DBAC):** $1,090,343
- **Facilities Cost (Existing DBAC):** $1,112,150
- **Facilities Cost (Existing DBAC):** $1,134,393

- **Equipment Provision:** $173,333
- **Equipment Provision:** $260,000
- **Equipment Provision:** $265,200
- **Equipment Provision:** $268,500
- **Equipment Provision:** $281,110

- **Strengthening:** $183,333
- **Strengthening:** $204,000
- **Strengthening:** $208,080
- **Strengthening:** $211,004
- **Strengthening:** $217,004
- **Strengthening:** $217,004

- **Supplies & Maintenance:** $133,333
- **Supplies & Maintenance:** $204,000
- **Supplies & Maintenance:** $208,080
- **Supplies & Maintenance:** $211,004
- **Supplies & Maintenance:** $217,004
- **Supplies & Maintenance:** $217,004

- **Mortgage Payable (DBAC Expansion):** $2,164,710
- **Mortgage Payable (DBAC Expansion):** $2,461,465
- **Mortgage Payable (DBAC Expansion):** $2,516,429
- **Mortgage Payable (DBAC Expansion):** $2,559,165
- **Mortgage Payable (DBAC Expansion):** $2,579,714
- **Mortgage Payable (DBAC Expansion):** $2,600,674
- **Mortgage Payable (DBAC Expansion):** $2,614,961
- **Mortgage Payable (DBAC Expansion):** $2,614,961
- **Mortgage Payable (DBAC Expansion):** $2,614,961

- **Net Surplus or Deficit:** $760,290
- **Net Surplus or Deficit:** $495,135
- **Net Surplus or Deficit:** $498,571
- **Net Surplus or Deficit:** $587,129
- **Net Surplus or Deficit:** $701,149
- **Net Surplus or Deficit:** $812,466
- **Net Surplus or Deficit:** $548,226
- **Net Surplus or Deficit:** $548,226
- **Net Surplus or Deficit:** $548,226

- **Outstanding Mortgage Balance, end of year (40-year):** $33,752,599
- **Outstanding Mortgage Balance, end of year (40-year):** $33,505,361
- **Outstanding Mortgage Balance, end of year (40-year):** $33,243,907
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515
- **Outstanding Mortgage Balance, end of year (40-year):** $33,023,515

| McMaster University Net Asset Improvement or Reduction | $2,229,809 | $1,469,519 | -$947,384 | -$475,813 | $111,316 |-$821,466 | $1,630,567 | $1,802,373 | -$34,584,267 | -$35,023,515 |

---

Business Case | [Athletics: Recreation | Space Expansion]
### Appendix 1a (Pulse Expansion and Additional Gym Only) Proforma 2024 - 2032

#### Appendix 1a Proforma

**New DBAC Expansion - Pulse, Gym, Studio Space**

<table>
<thead>
<tr>
<th>5.75% - 40 year term</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
<th>2032</th>
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<td></td>
<td>1-Sep-2023</td>
<td>1-Sep-2024</td>
<td>1-Sep-2025</td>
<td>1-Sep-2026</td>
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<td>1-Sep-2028</td>
<td>1-Sep-2029</td>
<td>1-Sep-2030</td>
<td>1-Sep-2031</td>
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<tr>
<td>DBAC Annual Fee increase (typically between 1.25% to 3.00%)</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
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<td>1.5%</td>
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</tr>
<tr>
<td>Student Growth Assumption</td>
<td>0.5%</td>
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<tr>
<td>Cost Inflation</td>
<td>2.00%</td>
<td>2.00%</td>
<td>2.00%</td>
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<td>2.00%</td>
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<td></td>
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</tr>
<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4.72</td>
<td>$157.15</td>
<td>$159.51</td>
<td>$161.90</td>
<td>$164.33</td>
<td>$166.80</td>
<td>$169.30</td>
<td>$171.84</td>
<td>$174.42</td>
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<tr>
<td>Expansion Capital Fee - New DBAC Expansion Only</td>
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<td>$61.80</td>
<td>$62.73</td>
<td>$63.67</td>
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<td>$65.59</td>
<td>$66.58</td>
<td>$67.57</td>
<td>$68.59</td>
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<tr>
<td>Existing DBAC Capital Fee - Grad (per term) - 2016-2017</td>
<td>$12.19</td>
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<td></td>
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</tr>
<tr>
<td>Students (FTE) - 2014-2015</td>
<td></td>
<td>22,852</td>
<td>22,852</td>
<td>22,852</td>
<td>22,852</td>
<td>22,852</td>
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<tr>
<td>Incremental Facilities Cost - New DBAC Expansion</td>
<td>$1,034,856</td>
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</tr>
<tr>
<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
<td>$62,814</td>
<td></td>
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<tr>
<td>Total Capital Cost</td>
<td>$33,722,201</td>
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</table>

#### Income Revenue (Annual)

| Student Fees (Expansion Capital Fee) - Undergrad | $1,412,268 | $1,433,452 | $1,454,954 | $1,476,778 | $1,498,930 | $1,521,414 | $1,544,235 | $1,567,398 | $1,590,909 |
| Graduate Student Fees (Existing DBAC Capital Fee) - Grad | $134,396 | $137,084 | $139,826 | $142,622 | $145,475 | $148,384 | $151,352 | $154,379 | $157,467 |
| Community Membership | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 |
| Total Revenue | $5,188,008 | $5,265,750 | $5,344,672 | $5,424,791 | $5,506,126 | $5,586,695 | $5,672,517 | $5,757,612 | $5,843,998 |

#### Outflow Expenses (Annual)

| Mortgage Payable (Existing DBAC) | $1,157,081 | $1,180,223 | $1,203,827 | $1,227,904 | $1,252,462 | $1,277,511 | $1,303,061 | $1,329,123 | $1,355,705 |
| Facilities Cost (Existing DBAC) | $1,098,197 | $1,120,161 | $1,142,564 | $1,165,416 | $1,188,724 | $1,212,498 | $1,236,748 | $1,261,483 | $1,286,713 |
| Facilities Cost (DBAC Expansion) | $270,504 | $275,914 | $281,432 | $287,061 | $292,802 | $298,658 | $304,631 | $310,724 | $316,939 |
| Equipment Provision | $291,832 | $297,669 | $303,622 | $309,695 | $315,889 | $322,206 | $328,650 | $335,223 | $341,928 |
| Staffing | $212,242 | $216,486 | $220,816 | $225,232 | $229,737 | $234,332 | $239,019 | $243,799 | $248,675 |
| Supplies & Maintenance | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 |
| Total Costs | $5,200,860 | $5,261,457 | $5,323,266 | $5,386,312 | $5,450,619 | $5,516,210 | $5,583,114 | $5,651,356 | $5,720,963 |

#### Net Surplus or Deficit

| $-12,852 | $4,293 | $21,405 | $38,479 | $55,508 | $72,485 | $89,403 | $106,256 | $123,035 |

#### Ending Appropriations (Positive or Negative)

| $-2,229,809 | $-1,792,470 | $-1,788,177 | $-1,766,772 | $-1,728,292 | $-1,672,784 | $-1,590,999 | $-1,510,896 | $-1,404,640 | $-1,281,605 |

#### Outstanding Mortgage Balance, end of year (40-year)

| $32,967,420 | $32,675,034 | $32,365,836 | $32,038,859 | $31,693,081 | $31,327,421 | $30,940,735 | $30,531,815 | $30,099,382 |

#### McMaster University Net Asset Improvement or Reduction

| $34,759,889 | $34,463,211 | $34,132,608 | $33,767,151 | $33,365,865 | $32,927,720 | $32,451,631 | $31,956,455 | $31,380,587 |
## Appendix 1a (Pulse Expansion and Additional Gym Only) Proforma Continued 2033-2041

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**DBAC Annual Fee increase (typically between 1.25% to 3.00%)**

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<th>Fee Increase</th>
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**Student Growth Assumption**

<table>
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<th>Year</th>
<th>Fee Increase</th>
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<td>2033</td>
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<td>2.00%</td>
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<tr>
<td>2037</td>
<td>2.00%</td>
</tr>
<tr>
<td>2038</td>
<td>2.00%</td>
</tr>
<tr>
<td>2039</td>
<td>2.00%</td>
</tr>
<tr>
<td>2040</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

**Cost Inflation**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>2.00%</td>
</tr>
<tr>
<td>2017-2018</td>
<td>2.00%</td>
</tr>
<tr>
<td>2018-2019</td>
<td>2.00%</td>
</tr>
<tr>
<td>2019-2020</td>
<td>2.00%</td>
</tr>
<tr>
<td>2020-2021</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

**Expansion Capital Fee - New DBAC Expansion Only**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>1.5%</td>
</tr>
<tr>
<td>2017-2018</td>
<td>1.5%</td>
</tr>
<tr>
<td>2018-2019</td>
<td>1.5%</td>
</tr>
<tr>
<td>2019-2020</td>
<td>1.5%</td>
</tr>
<tr>
<td>2020-2021</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Existing DBAC Capital Fee - Grad (per term) - 2016-2017**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>1.5%</td>
</tr>
<tr>
<td>2017-2018</td>
<td>1.5%</td>
</tr>
<tr>
<td>2018-2019</td>
<td>1.5%</td>
</tr>
<tr>
<td>2019-2020</td>
<td>1.5%</td>
</tr>
<tr>
<td>2020-2021</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Students (FTE) - 2014-2015**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2015</td>
<td>1.034,856</td>
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</tbody>
</table>

**New DBAC Expansion - Pulse & Gym Expansion Size (sq ft)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>62,814</td>
</tr>
</tbody>
</table>

**Total Capital Cost**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>33,722,201</td>
</tr>
</tbody>
</table>

**Incoming Revenue (Annual)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$4,106,307</td>
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<tr>
<td>2017-2018</td>
<td>$4,167,901</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$4,230,420</td>
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<td>2019-2020</td>
<td>$4,293,876</td>
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<tr>
<td>2020-2021</td>
<td>$4,358,284</td>
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<tr>
<td>2021-2022</td>
<td>$4,423,658</td>
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<tr>
<td>2022-2023</td>
<td>$4,490,013</td>
</tr>
<tr>
<td>2023-2024</td>
<td>$4,557,364</td>
</tr>
<tr>
<td>2024-2025</td>
<td>$4,625,724</td>
</tr>
</tbody>
</table>

**Outflow Expenses (Annual)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$1,382,819</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$1,410,476</td>
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<tr>
<td>2018-2019</td>
<td>$1,438,685</td>
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<tr>
<td>2019-2020</td>
<td>$1,467,459</td>
</tr>
<tr>
<td>2020-2021</td>
<td>$1,496,808</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$1,526,744</td>
</tr>
<tr>
<td>2022-2023</td>
<td>$1,557,279</td>
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<td>2023-2024</td>
<td>$1,588,425</td>
</tr>
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<td>2024-2025</td>
<td>$1,628,135</td>
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</table>

**Net Surplus or Deficit**

<table>
<thead>
<tr>
<th>Year</th>
<th>Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$139,733</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$156,342</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$172,853</td>
</tr>
<tr>
<td>2019-2020</td>
<td>$189,262</td>
</tr>
<tr>
<td>2020-2021</td>
<td>$205,555</td>
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<tr>
<td>2021-2022</td>
<td>$221,726</td>
</tr>
<tr>
<td>2022-2023</td>
<td>$237,764</td>
</tr>
<tr>
<td>2023-2024</td>
<td>$253,661</td>
</tr>
<tr>
<td>2024-2025</td>
<td>$249,532</td>
</tr>
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</table>

**Ending Appropriations (Positive or Negative)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$2,229,809</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$2,858,530</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$3,481,157</td>
</tr>
<tr>
<td>2019-2020</td>
<td>$4,103,784</td>
</tr>
<tr>
<td>2020-2021</td>
<td>$4,726,413</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$5,349,042</td>
</tr>
<tr>
<td>2022-2023</td>
<td>$5,971,671</td>
</tr>
<tr>
<td>2023-2024</td>
<td>$6,594,300</td>
</tr>
<tr>
<td>2024-2025</td>
<td>$7,216,930</td>
</tr>
</tbody>
</table>

**Outstanding Mortgage Balance, end of year (0-year)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$29,642,084</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$29,158,491</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$28,647,092</td>
</tr>
<tr>
<td>2019-2020</td>
<td>$28,106,288</td>
</tr>
<tr>
<td>2020-2021</td>
<td>$27,534,387</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$26,929,602</td>
</tr>
<tr>
<td>2022-2023</td>
<td>$26,309,041</td>
</tr>
<tr>
<td>2023-2024</td>
<td>$25,613,706</td>
</tr>
<tr>
<td>2024-2025</td>
<td>$24,898,482</td>
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</table>

**McMaster University Net Asset Improvement or Reduction**

<table>
<thead>
<tr>
<th>Year</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>$-30,783,956</td>
</tr>
<tr>
<td>2017-2018</td>
<td>$-30,144,022</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$-29,459,768</td>
</tr>
<tr>
<td>2019-2020</td>
<td>$-28,729,701</td>
</tr>
<tr>
<td>2020-2021</td>
<td>$-27,952,246</td>
</tr>
<tr>
<td>2021-2022</td>
<td>$-27,125,735</td>
</tr>
<tr>
<td>2022-2023</td>
<td>$-26,248,411</td>
</tr>
<tr>
<td>2023-2024</td>
<td>$-25,318,415</td>
</tr>
<tr>
<td>2024-2025</td>
<td>$-24,353,658</td>
</tr>
</tbody>
</table>
## Appendix 1a (Pulse Expansion and Additional Gym Only) Proforma 2042 - 2050

### New DBAC Expansion - Pulse, Gym, Studio Space

<table>
<thead>
<tr>
<th>5.75% - 40 year term</th>
<th>2042</th>
<th>2043</th>
<th>2044</th>
<th>2045</th>
<th>2046</th>
<th>2047</th>
<th>2048</th>
<th>2049</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-Sep-2041</td>
<td>1-Sep-2042</td>
<td>1-Sep-2043</td>
<td>1-Sep-2044</td>
<td>1-Sep-2045</td>
<td>1-Sep-2046</td>
<td>1-Sep-2047</td>
<td>1-Sep-2048</td>
<td>1-Sep-2049</td>
</tr>
<tr>
<td>DBAC Annual Fee increase (typically between 1.25% to 3.00%)</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
</tr>
<tr>
<td>Student Growth Assumption</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Cost Inflation</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
<td>$4,725</td>
</tr>
<tr>
<td>Expansion Capital Fee - New DBAC Expansion Only</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
<td>$1,975</td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Grad (per term) - 2016-2017</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
<td>$12,195</td>
</tr>
<tr>
<td>Students (ITE) - 2014-2015</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
<td>$22,852</td>
</tr>
<tr>
<td>Incremental Facilities Cost - New DBAC Expansion</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
<td>$1,034,856</td>
</tr>
<tr>
<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
<td>62,814</td>
</tr>
<tr>
<td><strong>Total Capital Cost</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
<td><strong>$33,722,201</strong></td>
</tr>
</tbody>
</table>

### Income (Annual)

| Student Fees (Existing DBAC Capital Fee) - Undergrad | $4,695,110 | $4,765,536 | $4,837,020 | $4,909,575 | $4,983,218 | $5,057,967 | $5,133,836 | $5,210,844 | $5,289,006 |
| Student Fees (Expansion Capital Fee) - Undergrad | $1,846,315 | $1,874,010 | $1,902,120 | $1,930,652 | $1,959,612 | $1,989,606 | $2,018,841 | $2,049,123 | $2,079,860 |
| Graduate Student Fees (Existing DBAC Capital Fee) - Grad | $193,837 | $198,683 | $203,650 | $208,742 | $213,960 | $219,309 | $224,792 | $230,412 | $236,172 |
| Community Membership | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 |
| **Total Revenue** | **$6,875,262** | **$6,888,230** | **$6,992,790** | **$7,098,968** | **$7,206,790** | **$7,316,282** | **$7,427,469** | **$7,540,379** | **$7,655,039** |

### Outflow Expenses (Annual)

| Mortgage Payable (Existing DBAC) | $1,668,839 | $1,710,559 | $1,753,323 | $1,797,157 | $1,842,085 | $1,888,138 | $1,935,341 | $1,983,725 | $2,033,318 |
| Facilities Cost (Existing DBAC) | $1,583,911 | $1,623,509 | $1,664,067 | $1,705,699 | $1,748,342 | $1,792,050 | $1,836,851 | $1,882,773 | $1,929,842 |
| Equipment Provision | $390,143 | $399,897 | $409,894 | $420,142 | $430,645 | $441,414 | $452,447 | $463,758 | $475,352 |
| Staffing | $420,905 | $431,427 | $442,213 | $453,268 | $464,600 | $476,215 | $488,120 | $500,323 | $512,831 |
| Mortgage Payable (DBAC Expansion) | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 | $2,171,004 |
| **Total Costs** | **$6,540,914** | **$6,650,162** | **$6,762,141** | **$6,876,919** | **$6,994,567** | **$7,115,156** | **$7,238,760** | **7,365,454** | **$7,495,315** |
| **Net Surplus or Deficit** | **$244,348** | **$238,068** | **$230,649** | **$222,047** | **$212,223** | **$201,126** | **$188,709** | **$174,925** | **$159,724** |
| **Ending Appropriations (Positive or Negative)** | **$2,229,809** | **$789,172** | **$1,027,340** | **$1,257,889** | **$1,479,339** | **$1,692,162** | **$1,893,287** | **$2,081,997** | **$2,256,922** | **$2,416,645** |
| **Outstanding Mortgage Balance, end of year (40-year)** | **$24,142,132** | **$23,342,292** | **$22,496,462** | **$21,601,996** | **$20,656,098** | **$19,655,812** | **$18,598,008** | **$17,479,381** | **$16,296,433** |
| McMaster University Net Asset Improvement or Reduction | **$13,352,960** | **$12,315,052** | **$11,238,572** | **$10,122,057** | **$9,063,937** | **$8,762,524** | **$8,516,012** | **$8,212,460** | **8,187,783** |
### Appendix 1a (Pulse Expansion and Additional Gym Only) Proforma Continued 2051-2060

<table>
<thead>
<tr>
<th>New DBAC Expansion - Pulse, Gym, Studio Space</th>
<th>2051</th>
<th>2052</th>
<th>2053</th>
<th>2054</th>
<th>2055</th>
<th>2056</th>
<th>2057</th>
<th>2058</th>
<th>2059</th>
<th>2060</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.75% - 40 year term</td>
<td>31</td>
<td>32</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>36</td>
<td>37</td>
<td>38</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>DBAC Annual Fee increase (typically between 1.25% to 3.00%)</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Student Growth Assumption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Inflation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4.72</td>
<td>$234.91</td>
<td>$238.44</td>
<td>$242.01</td>
<td>$245.64</td>
<td>$248.72</td>
<td>$249.33</td>
<td>$253.07</td>
<td>$256.78</td>
<td>$260.72</td>
</tr>
<tr>
<td>Expansion Capital Fee - New DBAC Expansion Only</td>
<td>$1.97</td>
<td>$92.38</td>
<td>$93.76</td>
<td>$95.17</td>
<td>$96.60</td>
<td>$98.05</td>
<td>$99.52</td>
<td>$101.01</td>
<td>$102.53</td>
<td>$104.06</td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Grad (per term) - 2016-2017</td>
<td>$12.19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incremental Facilities Cost - New DBAC Expansion</td>
<td></td>
<td>$1,034,856</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
<td>62,814</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capital Cost</td>
<td>$33,722,201</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inflow Revenue (Annual)</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees (Existing DBAC Capital Fee) - Undergrad</td>
<td>$5,368,342</td>
<td>$5,448,867</td>
<td>$5,530,600</td>
<td>$5,613,559</td>
<td>$5,697,762</td>
<td>$5,783,228</td>
<td>$5,869,977</td>
<td>$5,958,027</td>
<td>$6,047,397</td>
<td>$6,138,108</td>
</tr>
<tr>
<td>Student Fees (Expansion Capital Fee) - Undergrad</td>
<td>$2,111,058</td>
<td>$2,142,724</td>
<td>$2,174,865</td>
<td>$2,207,488</td>
<td>$2,240,600</td>
<td>$2,274,309</td>
<td>$2,308,322</td>
<td>$2,342,947</td>
<td>$2,378,091</td>
<td>$2,413,763</td>
</tr>
<tr>
<td>Graduate Student Fees (Existing DBAC Capital Fee) - Grad</td>
<td>$242,076</td>
<td>$248,128</td>
<td>$254,331</td>
<td>$260,690</td>
<td>$267,207</td>
<td>$273,887</td>
<td>$280,734</td>
<td>$287,753</td>
<td>$294,947</td>
<td>$302,320</td>
</tr>
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<td>Community Membership</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$7,771,476</td>
<td>$7,889,719</td>
<td>$8,009,796</td>
<td>$8,131,736</td>
<td>$8,255,569</td>
<td>$8,381,325</td>
<td>$8,509,034</td>
<td>$8,638,726</td>
<td>$8,770,435</td>
<td>$8,904,191</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Outflow Expenses (Annual)</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Payable (Existing DBAC)</td>
<td>$2,084,151</td>
<td>$2,136,254</td>
<td>$2,189,661</td>
<td>$2,244,402</td>
<td>$2,300,512</td>
<td>$2,358,025</td>
<td>$2,416,976</td>
<td>$2,477,400</td>
<td>$2,539,335</td>
<td>$2,602,819</td>
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<tr>
<td>Facilities Cost (Existing DBAC)</td>
<td>$1,978,088</td>
<td>$2,027,540</td>
<td>$2,078,229</td>
<td>$2,130,184</td>
<td>$2,183,439</td>
<td>$2,238,025</td>
<td>$2,293,976</td>
<td>$2,351,325</td>
<td>$2,410,108</td>
<td>$2,470,361</td>
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<tr>
<td>Equipment Provision</td>
<td>$487,236</td>
<td>$499,416</td>
<td>$511,902</td>
<td>$524,699</td>
<td>$537,817</td>
<td>$551,262</td>
<td>$565,044</td>
<td>$579,170</td>
<td>$593,649</td>
<td>$608,490</td>
</tr>
<tr>
<td>Staffing</td>
<td>$525,652</td>
<td>$538,793</td>
<td>$552,263</td>
<td>$566,070</td>
<td>$580,222</td>
<td>$594,727</td>
<td>$609,595</td>
<td>$624,835</td>
<td>$640,456</td>
<td>$656,468</td>
</tr>
<tr>
<td>Supplies &amp; Maintenance</td>
<td>$382,933</td>
<td>$391,850</td>
<td>$401,646</td>
<td>$411,687</td>
<td>$421,979</td>
<td>$432,529</td>
<td>$443,342</td>
<td>$454,426</td>
<td>$465,786</td>
<td>$477,431</td>
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<tr>
<td>Mortgage Payable (DBAC Expansion)</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
<td>$2,171,004</td>
</tr>
<tr>
<td>Total Costs</td>
<td>$7,628,423</td>
<td>$7,764,858</td>
<td>$7,904,706</td>
<td>$8,048,047</td>
<td>$8,194,973</td>
<td>$8,346,572</td>
<td>$8,499,937</td>
<td>$8,658,160</td>
<td>$8,820,359</td>
<td>$8,986,572</td>
</tr>
</tbody>
</table>

| Ending Appropriations (Positive or Negative) | $2,229,809 | $2,559,699 | $2,664,559 | $2,789,651 | $2,873,340 | $2,933,936 | $2,969,688 | $2,978,785 | $2,959,351 | $2,909,447 | $2,827,066 |
| Outstanding Mortgage Balance, end of year (40-year) | $15,045,466 | $13,722,568 | $12,333,603 | $10,844,198 | $9,279,727 | $7,625,299 | $5,875,741 | $4,025,584 | $2,069,042 | $0 |

**Cost Inflation**

- **5.75% - 40 year term**
- **1.5% - 1.5% - 1.5% - 1.5% - 1.5% - 1.5% - 1.5% - 1.5% - 1.5% - 1.5%**

**Inflow Revenue (Annual)**

- **Student Fees (Existing DBAC Capital Fee) - Undergrad**
- **Student Fees (Expansion Capital Fee) - Undergrad**
- **Graduate Student Fees (Existing DBAC Capital Fee) - Grad**
- **Community Membership**
- **Total Revenue**

**Outflow Expenses (Annual)**

- **Mortgage Payable (Existing DBAC)**
- **Facilities Cost (Existing DBAC)**
- **Equipment Provision**
- **Staffing**
- **Supplies & Maintenance**
- **Mortgage Payable (DBAC Expansion)**
- **Total Costs**

**Ending Appropriations (Positive or Negative)**

- **Positive or Negative**
- **Cost Inflation**

**Outstanding Mortgage Balance, end of year (40-year)**

- **Cost Inflation**

**McMaster University Net Asset Improvement or Reduction**

- **Cost Inflation**

---

**Business Case | [Athletics: Recreation | Space Expansion]**
Appendix 1a Amortization Schedule

**Appendix 1a Pulse Expansion and Additional Gym Loan Amortization Schedule**

- **Interest rate**: 5.75%
- **Loan period**: 40 Years

<table>
<thead>
<tr>
<th>Month</th>
<th>Opening Balance</th>
<th>Interest</th>
<th>Payment</th>
<th>Closing Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 1,2021</td>
<td>$33,722,201</td>
<td>$1,939,027</td>
<td>$2,171,004</td>
<td>$33,490,224</td>
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<tr>
<td>Oct 1,2022</td>
<td>$33,490,224</td>
<td>$1,925,688</td>
<td>$2,171,004</td>
<td>$33,244,908</td>
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<tr>
<td>Oct 1,2023</td>
<td>$33,244,908</td>
<td>$1,911,582</td>
<td>$2,171,004</td>
<td>$32,985,486</td>
</tr>
<tr>
<td>Oct 1,2024</td>
<td>$32,985,486</td>
<td>$1,896,665</td>
<td>$2,171,004</td>
<td>$32,711,147</td>
</tr>
<tr>
<td>Oct 1,2025</td>
<td>$32,711,147</td>
<td>$1,880,891</td>
<td>$2,171,004</td>
<td>$32,421,035</td>
</tr>
<tr>
<td>Oct 1,2026</td>
<td>$32,421,035</td>
<td>$1,864,209</td>
<td>$2,171,004</td>
<td>$32,114,240</td>
</tr>
<tr>
<td>Oct 1,2027</td>
<td>$32,114,240</td>
<td>$1,846,569</td>
<td>$2,171,004</td>
<td>$31,789,805</td>
</tr>
<tr>
<td>Oct 1,2028</td>
<td>$31,789,805</td>
<td>$1,827,914</td>
<td>$2,171,004</td>
<td>$31,446,715</td>
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<tr>
<td>Oct 1,2029</td>
<td>$31,446,715</td>
<td>$1,808,186</td>
<td>$2,171,004</td>
<td>$31,083,897</td>
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<tr>
<td>Oct 1,2030</td>
<td>$31,083,897</td>
<td>$1,787,324</td>
<td>$2,171,004</td>
<td>$30,700,217</td>
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<tr>
<td>Oct 1,2031</td>
<td>$30,700,217</td>
<td>$1,765,262</td>
<td>$2,171,004</td>
<td>$30,294,476</td>
</tr>
<tr>
<td>Oct 1,2032</td>
<td>$30,294,476</td>
<td>$1,741,932</td>
<td>$2,171,004</td>
<td>$29,865,404</td>
</tr>
<tr>
<td>Oct 1,2033</td>
<td>$29,865,404</td>
<td>$1,717,261</td>
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<td>$29,411,661</td>
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<tr>
<td>Oct 1,2034</td>
<td>$29,411,661</td>
<td>$1,691,171</td>
<td>$2,171,004</td>
<td>$28,931,828</td>
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<tr>
<td>Oct 1,2035</td>
<td>$28,931,828</td>
<td>$1,663,580</td>
<td>$2,171,004</td>
<td>$28,424,404</td>
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<tr>
<td>Oct 1,2036</td>
<td>$28,424,404</td>
<td>$1,634,403</td>
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<td>$27,887,803</td>
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<tr>
<td>Oct 1,2037</td>
<td>$27,887,803</td>
<td>$1,603,549</td>
<td>$2,171,004</td>
<td>$27,320,348</td>
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<tr>
<td>Oct 1,2038</td>
<td>$27,320,348</td>
<td>$1,570,920</td>
<td>$2,171,004</td>
<td>$26,720,264</td>
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<tr>
<td>Oct 1,2039</td>
<td>$26,720,264</td>
<td>$1,536,415</td>
<td>$2,171,004</td>
<td>$26,085,676</td>
</tr>
<tr>
<td>Oct 1,2040</td>
<td>$26,085,676</td>
<td>$1,499,926</td>
<td>$2,171,004</td>
<td>$25,414,598</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Month</th>
<th>Opening Balance</th>
<th>Interest</th>
<th>Payment</th>
<th>Closing Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 1,2041</td>
<td>$25,414,598</td>
<td>$1,461,339</td>
<td>$2,171,004</td>
<td>$24,704,934</td>
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<tr>
<td>Oct 1,2042</td>
<td>$24,704,934</td>
<td>$1,420,534</td>
<td>$2,171,004</td>
<td>$23,954,463</td>
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<tr>
<td>Oct 1,2043</td>
<td>$23,954,463</td>
<td>$1,377,382</td>
<td>$2,171,004</td>
<td>$23,160,841</td>
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<tr>
<td>Oct 1,2044</td>
<td>$23,160,841</td>
<td>$1,331,748</td>
<td>$2,171,004</td>
<td>$22,321,586</td>
</tr>
<tr>
<td>Oct 1,2045</td>
<td>$22,321,586</td>
<td>$1,283,491</td>
<td>$2,171,004</td>
<td>$21,434,073</td>
</tr>
<tr>
<td>Oct 1,2046</td>
<td>$21,434,073</td>
<td>$1,232,459</td>
<td>$2,171,004</td>
<td>$20,495,528</td>
</tr>
<tr>
<td>Oct 1,2047</td>
<td>$20,495,528</td>
<td>$1,178,493</td>
<td>$2,171,004</td>
<td>$19,503,017</td>
</tr>
<tr>
<td>Oct 1,2048</td>
<td>$19,503,017</td>
<td>$1,121,423</td>
<td>$2,171,004</td>
<td>$18,453,437</td>
</tr>
<tr>
<td>Oct 1,2049</td>
<td>$18,453,437</td>
<td>$1,061,073</td>
<td>$2,171,004</td>
<td>$17,343,506</td>
</tr>
<tr>
<td>Oct 1,2050</td>
<td>$17,343,506</td>
<td>$997,252</td>
<td>$2,171,004</td>
<td>$16,169,753</td>
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<tr>
<td>Oct 1,2051</td>
<td>$16,169,753</td>
<td>$929,761</td>
<td>$2,171,004</td>
<td>$14,928,510</td>
</tr>
<tr>
<td>Oct 1,2052</td>
<td>$14,928,510</td>
<td>$858,389</td>
<td>$2,171,004</td>
<td>$13,615,896</td>
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<tr>
<td>Oct 1,2053</td>
<td>$13,615,896</td>
<td>$782,914</td>
<td>$2,171,004</td>
<td>$12,227,806</td>
</tr>
<tr>
<td>Oct 1,2054</td>
<td>$12,227,806</td>
<td>$703,099</td>
<td>$2,171,004</td>
<td>$10,759,901</td>
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<tr>
<td>Oct 1,2055</td>
<td>$10,759,901</td>
<td>$618,694</td>
<td>$2,171,004</td>
<td>$9,207,591</td>
</tr>
<tr>
<td>Oct 1,2056</td>
<td>$9,207,591</td>
<td>$529,436</td>
<td>$2,171,004</td>
<td>$7,566,024</td>
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<tr>
<td>Oct 1,2057</td>
<td>$7,566,024</td>
<td>$435,046</td>
<td>$2,171,004</td>
<td>$5,830,066</td>
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<tr>
<td>Oct 1,2058</td>
<td>$5,830,066</td>
<td>$335,229</td>
<td>$2,171,004</td>
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<td>$3,994,291</td>
<td>$229,672</td>
<td>$2,171,004</td>
<td>$2,052,959</td>
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<tr>
<td>Oct 1,2060</td>
<td>$2,052,959</td>
<td>$118,045</td>
<td>$2,171,004</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total Interest & Payments over term**

- **$53,117,955**
- **$86,840,156**
## Appendix 1a Incremental Operating Costs

### Pulse & Gym

<table>
<thead>
<tr>
<th>Net Expansion Space</th>
<th>39,301</th>
<th>sq.ft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>$0.76</td>
<td>$29,869</td>
</tr>
<tr>
<td>Logistics and Mall Services</td>
<td>$0.38</td>
<td>$14,934</td>
</tr>
<tr>
<td>Custodial Services</td>
<td>$2.13</td>
<td>$83,711</td>
</tr>
<tr>
<td>Facilities Maintenance Service</td>
<td>$3.00</td>
<td>$117,903</td>
</tr>
<tr>
<td>Design &amp; construction</td>
<td>$0.36</td>
<td>$14,148</td>
</tr>
<tr>
<td>Grounds</td>
<td>$0.45</td>
<td>$17,685</td>
</tr>
<tr>
<td>Facilities Central Admin OH</td>
<td>$1.39</td>
<td>$54,628</td>
</tr>
<tr>
<td>Utilities</td>
<td>$11.01</td>
<td>$432,704</td>
</tr>
<tr>
<td>Renovation Contingency</td>
<td>$0.46</td>
<td>$18,078</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Total Costs</th>
<th>$19.94</th>
<th>$783,662</th>
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</thead>
<tbody>
<tr>
<td>Deferred Maintenance</td>
<td>$4.88</td>
<td>$191,789</td>
</tr>
<tr>
<td>Total Facilities Rate today</td>
<td>$24.82</td>
<td>$975,451</td>
</tr>
<tr>
<td>With Inflation to 2021</td>
<td>$1,034,856</td>
<td></td>
</tr>
<tr>
<td>Year 2021 = 8 / 12s</td>
<td>$689,904</td>
<td></td>
</tr>
</tbody>
</table>

### Construction Cost Cashflow Schedule - Pulse/Gym Only

<table>
<thead>
<tr>
<th>Costs</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>26,888,086</td>
<td>1,344,404</td>
<td>2,688,809</td>
<td>16,132,852</td>
<td>32,656,036</td>
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<tr>
<td>Furniture</td>
<td>5,767,950</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bridge Financing</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Costs</td>
<td>$1,371,292</td>
<td>2,770,011</td>
<td>16,510,909</td>
<td>13,069,989</td>
<td>33,722,201</td>
</tr>
</tbody>
</table>

Estimated Cash outflow %
- 2016/17 - 5%
- 2017/18 - 10%
- 2018/19 - 60%
- 2019/20 - 25%
Appendix 1a and 1b Pulse Expansion and Additional Gym, plus Student Space Expansion
Appenidix 1a and 1b (Pulse Expansion and Additional Gym, plus Student Space Expansion) Proforma 2015-2023

<table>
<thead>
<tr>
<th>Appendix 1a and 1b Proforma</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Completion of Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>New DBAC Expansion - Pulse, Gym, Studio Space + Student Community Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Central Bank Loan Rate = Weighted Average Cost of Capital</td>
<td>5.75%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assumptions:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DBAC Capital Fee increase (likely 1.25% to 3% per year depending on market/CPI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Growth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Inflation</td>
<td>2.00%</td>
<td>2.00%</td>
<td>2.00%</td>
<td>2.00%</td>
<td>2.00%</td>
<td>2.00%</td>
<td></td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4.72</td>
<td>$139.80</td>
<td>$141.60</td>
<td>$143.72</td>
<td>$145.88</td>
<td>$148.07</td>
<td>$150.29, $152.54, $154.83</td>
</tr>
<tr>
<td>Expansion Capital Fee - New DBAC Expansion Only + Student Community Space</td>
<td>$3.95</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Existing DBAC Capital Fee - Grad (per term) - 2016-2017</td>
<td>$12.19</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students (FTO) - 2014-2015</td>
<td></td>
<td>19,963</td>
<td>20,113</td>
<td>20,713</td>
<td>21,313</td>
<td>21,913</td>
<td>22,513, 22,626, 22,739</td>
</tr>
<tr>
<td>Incremental Facilities Cost - New DBAC Expansion</td>
<td>$1,034,856</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incremental Facilities Cost - Student Community Space</td>
<td>$1,053,262</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
<td>62,814</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Community Space (sq ft)</td>
<td>40,000</td>
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<td></td>
</tr>
<tr>
<td>Total Capital Cost</td>
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<td></td>
</tr>
</tbody>
</table>

**Incoming Revenue (Annual)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>University Central Bank Loan Rate = Weighted Average Cost of Capital</td>
<td>5.75%</td>
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<tr>
<td>Assumptions:</td>
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<tr>
<td>DBAC Capital Fee increase (likely 1.25% to 3% per year depending on market/CPI)</td>
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<tr>
<td>Student Growth</td>
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<tr>
<td>Cost Inflation</td>
<td>2.00%</td>
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</tr>
<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4.72</td>
<td>$139.80</td>
<td>$141.60</td>
<td>$143.72</td>
<td>$145.88</td>
<td>$148.07</td>
<td>$150.29, $152.54, $154.83</td>
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<tr>
<td>Expansion Capital Fee - New DBAC Expansion Only + Student Community Space</td>
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<tr>
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<td>19,963</td>
<td>20,113</td>
<td>20,713</td>
<td>21,313</td>
<td>21,913</td>
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<tr>
<td>Incremental Facilities Cost - New DBAC Expansion</td>
<td>$1,034,856</td>
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<tr>
<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
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<tr>
<td>Student Community Space (sq ft)</td>
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**Outflow Expenses (Annual)**

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<td>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</td>
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<tr>
<td>Student Community Space (sq ft)</td>
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<tr>
<td>Total Capital Cost</td>
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### Appendix 1a and 1b (Pulse Expansion and Additional Gym, plus Student Space Expansion) Proforma 2024-2032

#### New DBAC Expansion - Pulse, Gym, Studio Space + Student Community Space

<table>
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<tr>
<th>University Central Bank Loan Rate = Weighted Average Cost of Capital Assumptions:</th>
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<th>2025</th>
<th>2026</th>
<th>2027</th>
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<th>2030</th>
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<td>1-Sep-2030</td>
<td>1-Sep-2031</td>
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<tr>
<td><strong>DBC Capital Fee increase (likely 1.25% to 3% per year depending on market/CPI)</strong></td>
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<tr>
<td><strong>Student Growth</strong></td>
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<td><strong>Cost Inflation</strong></td>
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<tr>
<td><strong>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</strong></td>
<td>$57,043</td>
<td>$4,505</td>
<td>$95,062</td>
<td>$58,151</td>
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<tr>
<td><strong>Expansion Capital Fee - New DBAC Expansion Only + Student Community Space</strong></td>
<td>$95,062</td>
<td>$5,405</td>
<td>$105,062</td>
<td>$63,151</td>
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<tr>
<td><strong>Existing DBAC Capital Fee - Grad (per term) - 2016-2017</strong></td>
<td>$12,19</td>
<td>$950</td>
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<td><strong>Students (FTE) - 2014-2015</strong></td>
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<tr>
<td><strong>Incremental Facilities Cost - New DBAC Expansion</strong></td>
<td>$1,034,856</td>
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<tr>
<td><strong>Incremental Facilities Cost - Student Community Space</strong></td>
<td>$5,03,262</td>
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<tr>
<td><strong>New DBAC Expansion - Pulse &amp; Gym Expansion Size (sq ft)</strong></td>
<td>62,814</td>
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<tr>
<td><strong>Student Community Space (sq ft)</strong></td>
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<tr>
<td><strong>Total Capital Cost</strong></td>
<td>$59,462,908</td>
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</table>

#### Inflow Revenue (Annual)

| Student Fees (Expansion Capital Fee) - Undergrad | $2,831,704 | $2,874,180 | $2,917,293 | $2,961,052 | $3,005,468 | $3,050,550 | $3,096,308 | $3,142,753 | $3,189,894 |
| Graduate Student Fees (Existing DBAC Capital Fee) - Cost infl. Inc. rate | $134,396 | $137,084 | $139,826 | $142,622 | $145,475 | $148,384 | $151,352 | $154,379 | $157,467 |
| Community Memberships (Static over 40 years conservative) | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 | $50,000 |
| **University Student "Common Space" Budget Model Space Cost Distributed** | | | | | | | | | |
| **Total Revenue** | $7,725,174 | $7,846,562 | $7,969,897 | $8,095,209 | $8,222,531 | $8,351,895 | $8,483,336 | $8,616,887 | $8,752,581 |

#### Outflow Expenses (Annually)

| Mortgage Payable (Existing DBAC) | $1,157,081 | $1,180,233 | $1,203,827 | $1,227,904 | $1,252,462 | $1,277,511 | $1,303,061 | $1,329,123 | $1,355,705 |
| Facilities Cost (Existing DBAC) | $1,098,197 | $1,120,161 | $1,142,564 | $1,165,416 | $1,188,724 | $1,212,498 | $1,236,748 | $1,261,483 | $1,286,713 |
| Equipment Provision | $374,544 | $382,035 | $389,676 | $397,469 | $405,418 | $413,527 | $421,797 | $430,233 | $438,838 |
| Staffing | $291,832 | $297,669 | $303,622 | $309,695 | $315,889 | $322,206 | $328,650 | $335,223 | $341,928 |
| Supplies & Maintenance | $212,242 | $216,486 | $220,816 | $225,232 | $229,737 | $234,332 | $239,019 | $243,799 | $248,675 |
| **University Student "Common Space" Budget Model Space Cost Distributed** | | | | | | | | | |
| **Total Costs** | $8,079,792 | $8,164,825 | $8,251,558 | $8,340,026 | $8,430,263 | $8,522,305 | $8,616,188 | $8,711,948 | $8,809,624 |

| Net Surplus or Deficit | -$354,618 | -$318,263 | -$281,661 | -$244,817 | -$207,732 | -$170,410 | -$132,852 | -$95,062 | -$57,043 |
| Outstanding Mortgage Balance, end of year (based on 40-year Mortgage) | $57,680,101 | $57,168,540 | $56,627,564 | $56,055,483 | $55,450,506 | $54,810,744 | $54,134,195 | $53,418,744 | $52,662,156 |
| McMaster University Net Asset Improvement or Reduction | -$60,961,600 | -$60,768,302 | -$60,508,986 | -$60,181,723 | -$59,784,479 | -$59,315,128 | -$58,771,429 | -$58,151,041 | -$57,451,494 |
## Appendix 1a and 1b (Pulse Expansion and Additional Gym, plus Student Space Expansion) Proforma 2033-2041

### New DBAC Expansion - Pulse, Gym, Studio Space + Student Community Space

**University Central Bank Loan Rate = Weighted Average Cost of Capital** (5.75%)

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<th>1-Sep-2033</th>
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<td>18</td>
<td>19</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>DBA Capital Fee increase (likely 1.25% to 3% per year depending on market/CIPI)</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
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<tr>
<td>Student Growth</td>
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<tr>
<td>Cost Inflation</td>
<td>2.00%</td>
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<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
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<td>$4,179.69</td>
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<td>$190.71</td>
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<td>Students (ITE) - 2014-2015</td>
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<tr>
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<td>$59,462,908</td>
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### Appendix 1a and 1b Proforma

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<th>2036</th>
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<th>2041</th>
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<td>$4,496,490</td>
<td>$4,320,807</td>
<td>$4,105,604</td>
<td>$3,850,886</td>
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<td>$51,015,963</td>
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<td>$49,175,019</td>
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<td>$47,116,279</td>
<td>$45,997,298</td>
<td>$44,813,976</td>
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<td>$55,804,432</td>
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<td>$50,102,903</td>
<td>$48,664,662</td>
<td>$47,139,062</td>
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Appendix 1a and 1b (Pulse Expansion and Additional Gym, plus Student Space Expansion) Proforma 2042-2050

<table>
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<th>2044</th>
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<th>2046</th>
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<tbody>
<tr>
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<td>1-Sep-2045</td>
<td>1-Sep-2046</td>
<td>1-Sep-2047</td>
<td>1-Sep-2048</td>
<td>1-Sep-2049</td>
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</tr>
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<tr>
<td>Assumptions:</td>
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<td>23</td>
<td>24</td>
<td>25</td>
<td>26</td>
<td>27</td>
<td>28</td>
<td>29</td>
<td>30</td>
</tr>
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<tr>
<td>Student Growth</td>
<td></td>
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<td></td>
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<tr>
<td>Cost Inflation</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
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<tr>
<td>Existing DBAC Capital Fee - Undergrad (per unit) - 2016-2017</td>
<td>$4,722,000</td>
<td>$4,765,536</td>
<td>$4,837,020</td>
<td>$4,909,575</td>
<td>$4,982,218</td>
<td>$5,057,967</td>
<td>$5,133,836</td>
<td>$5,210,844</td>
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<td>Expansion Capital Fee - New DBAC Expansion Only + Student Community Space</td>
<td>$193,837</td>
<td>$198,683</td>
<td>$203,650</td>
<td>$208,742</td>
<td>$213,960</td>
<td>$219,309</td>
<td>$224,792</td>
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<td>Community Memberships (Static over 40 years conservative)</td>
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<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
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<tr>
<td>University Student &quot;Common Space&quot; Budget Model Space Cost Distributed</td>
<td>$1,612,082</td>
<td>$1,652,384</td>
<td>$1,693,694</td>
<td>$1,736,036</td>
<td>$1,779,437</td>
<td>$1,823,923</td>
<td>$1,869,521</td>
<td>$1,916,259</td>
<td>$1,964,166</td>
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<td>Total Revenue</td>
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<td>$11,139,307</td>
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<tr>
<td>Mortgage Payable (Existing DBAC)</td>
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<td>Facilities Cost (Existing DBAC)</td>
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<td>$1,710,559</td>
<td>$1,753,323</td>
<td>$1,797,157</td>
<td>$1,842,085</td>
<td>$1,888,138</td>
<td>$1,935,341</td>
<td>$1,983,755</td>
<td>$2,033,318</td>
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<td>$1,664,097</td>
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<td>$1,836,851</td>
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<td>$1,779,437</td>
<td>$1,823,923</td>
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<td>$343,745</td>
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<tr>
<td>Outstanding Mortgage Balance, end of year (based on 40-year Mortgage)</td>
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Business Case | [Athletics: Recreation | Phase 1 Space Expansion]
### Appendix 1a and 1b (Pulse Expansion and Additional Gym, plus Student Space Expansion) Proforma 2051-2060

#### New DBAC Expansion - Pulse, Gym, Studio Space + Student Community Space

<table>
<thead>
<tr>
<th>Year</th>
<th>DBAC Capital Fee (Existing DBAC)</th>
<th>Student Fees (Existing DBAC)</th>
<th>Student Fees (Expansion DBAC)</th>
<th>Graduate Student Fees (Existing DBAC)</th>
<th>Total Capital Cost</th>
<th>Incremental Facilities Cost</th>
<th>Total Revenue</th>
<th>Deficit</th>
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<tbody>
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<td>5,368,342</td>
<td>$11,677,706</td>
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<td>$2,189,661</td>
<td>13,844,504</td>
<td>$500</td>
<td>$11,906,520</td>
<td>$31</td>
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<td>2052</td>
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<td>$11,906,520</td>
<td>$2,351,325</td>
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<td>2053</td>
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<td>14,218,594</td>
<td>$700</td>
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<td>$800</td>
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<tr>
<td>2055</td>
<td>5,697,762</td>
<td>$12,574,420</td>
<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
<td>$31</td>
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<tr>
<td>2056</td>
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<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
<td>$31</td>
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<tr>
<td>2057</td>
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<td>$13,058,546</td>
<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
<td>$31</td>
</tr>
<tr>
<td>2058</td>
<td>5,958,027</td>
<td>$13,309,296</td>
<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
<td>$31</td>
</tr>
<tr>
<td>2059</td>
<td>6,047,297</td>
<td>$13,559,927</td>
<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
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</tr>
<tr>
<td>2060</td>
<td>6,138,108</td>
<td>$13,810,558</td>
<td>$2,861,010</td>
<td>$2,355,490</td>
<td>14,466,340</td>
<td>$900</td>
<td>$14,589,504</td>
<td>$31</td>
</tr>
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</table>

#### Incremental Facilities Cost - New DBAC Expansion

- Undergrad Fees: $2,229,809
- Grad (per term): $1,916
- Proforma 2051-2060

### Total Capital Cost

- $5,462,908

#### Income Revenue (Annual)

<table>
<thead>
<tr>
<th>Source</th>
<th>2051</th>
<th>2052</th>
<th>2053</th>
<th>2054</th>
<th>2055</th>
<th>2056</th>
<th>2057</th>
<th>2058</th>
<th>2059</th>
<th>2060</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees (Existing DBAC Fee) - Undergrad</td>
<td>$5,368,342</td>
<td>$5,448,867</td>
<td>$5,530,600</td>
<td>$5,613,559</td>
<td>$5,697,762</td>
<td>$5,783,228</td>
<td>$5,869,977</td>
<td>$5,958,027</td>
<td>$6,047,297</td>
<td>$6,138,108</td>
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<tr>
<td>Student Fees (Expansion Capital Fee) - Undergrad</td>
<td>$4,223,270</td>
<td>$4,296,325</td>
<td>$4,360,770</td>
<td>$4,426,181</td>
<td>$4,492,574</td>
<td>$4,559,963</td>
<td>$4,628,362</td>
<td>$4,697,787</td>
<td>$4,768,254</td>
<td>$4,839,778</td>
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<tr>
<td>Community Memberships (Static over 40 years conservative)</td>
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<td>$248,128</td>
<td>$254,331</td>
<td>$260,690</td>
<td>$267,207</td>
<td>$273,887</td>
<td>$280,734</td>
<td>$287,753</td>
<td>$294,947</td>
<td>$302,320</td>
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<tr>
<td>University Student &quot;Common Space&quot; Budget Model Space Cost Distributed</td>
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<td>$2,063,602</td>
<td>$2,115,192</td>
<td>$2,168,071</td>
<td>$2,222,273</td>
<td>$2,277,830</td>
<td>$2,334,776</td>
<td>$2,393,145</td>
<td>$2,452,974</td>
<td>$2,514,298</td>
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</table>

#### Total Revenue

- $11,906,520

#### Outflow Expenses (Annual)

<table>
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<th>2052</th>
<th>2053</th>
<th>2054</th>
<th>2055</th>
<th>2056</th>
<th>2057</th>
<th>2058</th>
<th>2059</th>
<th>2060</th>
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</thead>
<tbody>
<tr>
<td>Mortgage Payable (Existing DBAC)</td>
<td>$2,084,151</td>
<td>$2,136,254</td>
<td>$2,189,661</td>
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<td>$2,358,025</td>
<td>$2,416,976</td>
<td>$2,477,400</td>
<td>$2,539,335</td>
<td>$2,602,819</td>
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<td>Facilities Cost (Existing DBAC)</td>
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<td>$2,078,229</td>
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<td>$2,183,439</td>
<td>$2,238,025</td>
<td>$2,293,976</td>
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<td>$2,410,108</td>
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<td>Equipment Provision</td>
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<td>$744,670</td>
<td>$763,286</td>
<td>$782,368</td>
<td>$801,928</td>
<td>$821,976</td>
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<td>$609,595</td>
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<td>$640,456</td>
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<td>Supplies &amp; Maintenance</td>
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<td>$432,529</td>
<td>$443,342</td>
<td>$454,426</td>
<td>$465,786</td>
<td>$477,431</td>
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<tr>
<td>University Student &quot;Common Space&quot; Budget Model Space Cost Distributed</td>
<td>$2,013,270</td>
<td>$2,063,602</td>
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<td>$2,393,145</td>
<td>$2,452,974</td>
<td>$2,514,298</td>
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</table>

#### Total Costs

- $11,486,254

#### Net Surplus or Deficit

- $420,266

#### Ending Position - appropriation

- $2,229,809

#### Outstanding Mortgage Balance, end of year (based on 40-year Mortgage)

- $26,223,868

#### McMaster University Net Asset Improvement or Reduction

- $20,277,108

### Business Case | [Athletics: Recreation | Space Expansion]
## Appendix 1a and 1b Amortization Schedule

### Appendix 1a and 1b Pulse Expansion, Additional Gym Loan, and Student Community Space Expansion Amortization Schedule

| Interest rate | 5.75% |
| Loan period   | 40 Years |
| Payment amount| $3,828,166.64 |

<table>
<thead>
<tr>
<th>Month</th>
<th>Opening Balance</th>
<th>Interest</th>
<th>Payment</th>
<th>Closing Balance</th>
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<th>Payment</th>
<th>Closing Balance</th>
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<tr>
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<tr>
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<tr>
<td>38</td>
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<td>591,114</td>
<td>3,828,167</td>
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<tr>
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<td>208,151</td>
<td>3,828,167</td>
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### Appendix 1a Incremental Operating Costs

<table>
<thead>
<tr>
<th>Net Expansion Space</th>
<th>39,301</th>
<th>sq.ft</th>
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</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>$0.76</td>
<td>$29,869</td>
</tr>
<tr>
<td>Logistics and Mail Services</td>
<td>$0.38</td>
<td>$14,934</td>
</tr>
<tr>
<td>Custodial Services</td>
<td>$2.13</td>
<td>$83,711</td>
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<tr>
<td>Facilities Maintenance Service</td>
<td>$3.00</td>
<td>$117,503</td>
</tr>
<tr>
<td>Design &amp; construction</td>
<td>$0.36</td>
<td>$14,148</td>
</tr>
<tr>
<td>Grounds</td>
<td>$0.45</td>
<td>$17,685</td>
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<tr>
<td>Facilities Central Admin OH</td>
<td>$1.39</td>
<td>$54,628</td>
</tr>
<tr>
<td>Utilities</td>
<td>$11.01</td>
<td>$432,704</td>
</tr>
<tr>
<td>Renovation Contingency</td>
<td>$0.46</td>
<td>$18,078</td>
</tr>
<tr>
<td>Total Facilities Rate today</td>
<td>$19.94</td>
<td>$783,662</td>
</tr>
</tbody>
</table>

Deferred Maintenance $54.88 $191,789
Total Facilities Rate today $24.82 $975,451

With inflation to 2021 $1,034,856
Year 2021 = 8 / 12s $689,904

### Appendix 1b Incremental Operating Costs

<table>
<thead>
<tr>
<th>Expansion Space</th>
<th>sq ft</th>
<th>40,000</th>
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</thead>
<tbody>
<tr>
<td>Buildings</td>
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<td>$30,400</td>
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<td>Logistics and Mail Services</td>
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<td>$2.13</td>
<td>$85,200</td>
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<td>Facilities Maintenance Service</td>
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<td>$120,000</td>
</tr>
<tr>
<td>Design &amp; construction</td>
<td>$0.36</td>
<td>$14,400</td>
</tr>
<tr>
<td>Grounds</td>
<td>$0.45</td>
<td>$18,000</td>
</tr>
<tr>
<td>Facilities Central Admin OH</td>
<td>$1.39</td>
<td>$55,600</td>
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<td>Utilities</td>
<td>$11.01</td>
<td>$440,400</td>
</tr>
<tr>
<td>Renovation Contingency</td>
<td>$0.46</td>
<td>$18,400</td>
</tr>
<tr>
<td>Total Facilities Rate</td>
<td>$19.94</td>
<td>$797,600</td>
</tr>
<tr>
<td>Deferred Maintenance</td>
<td>$4.88</td>
<td>$195,200</td>
</tr>
<tr>
<td>Total Facilities Rate</td>
<td>$24.82</td>
<td>$992,800</td>
</tr>
<tr>
<td>With Inflation to 2021</td>
<td>$1,033,262</td>
<td></td>
</tr>
<tr>
<td>Year 2021 = 8 / 12s</td>
<td>$702,174</td>
<td></td>
</tr>
</tbody>
</table>

### Appendix 1a and 1b Combined Operating Costs

<table>
<thead>
<tr>
<th>Net Expansion Space</th>
<th>79,301</th>
<th>sq.ft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>$0.76</td>
<td>$60,269</td>
</tr>
<tr>
<td>Logistics and Mail Services</td>
<td>$0.38</td>
<td>$30,134</td>
</tr>
<tr>
<td>Custodial Services</td>
<td>$2.13</td>
<td>$168,911</td>
</tr>
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<td>Facilities Maintenance Service</td>
<td>$3.00</td>
<td>$237,503</td>
</tr>
<tr>
<td>Design &amp; construction</td>
<td>$0.36</td>
<td>$28,548</td>
</tr>
<tr>
<td>Grounds</td>
<td>$0.45</td>
<td>$35,685</td>
</tr>
<tr>
<td>Facilities Central Admin OH</td>
<td>$1.39</td>
<td>$110,228</td>
</tr>
<tr>
<td>Utilities</td>
<td>$11.01</td>
<td>$873,104</td>
</tr>
<tr>
<td>Renovation Contingency</td>
<td>$0.46</td>
<td>$36,478</td>
</tr>
<tr>
<td>Total Facilities Rate today</td>
<td>$19.94</td>
<td>$1,581,262</td>
</tr>
<tr>
<td>Deferred Maintenance</td>
<td>$4.88</td>
<td>$386,989</td>
</tr>
<tr>
<td>Total Facilities Rate today</td>
<td>$24.82</td>
<td>$1,968,751</td>
</tr>
<tr>
<td>With Inflation to 2021</td>
<td>$2,088,117</td>
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<tr>
<td>Year 2021 = 8 / 12s</td>
<td>$1,392,078.20</td>
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</table>
## Appendix 1a and 1b Cash Flow

### Cashflow Schedule - Pulse and Student Space

<table>
<thead>
<tr>
<th>Costs</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>49,946,748</td>
<td>2,497,337</td>
<td>4,994,675</td>
<td>29,968,049</td>
<td>20,084,690</td>
</tr>
<tr>
<td>Furniture</td>
<td>7,598,003</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bridge Financing</td>
<td></td>
<td>2%</td>
<td>49,947</td>
<td>150,839</td>
<td>702,271</td>
</tr>
<tr>
<td>Total Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Estimated Cash outflow %

- 2016/17 - 5%
- 2017/18 - 10%
- 2018/19 - 60%
- 2019/20 - 25%
Recap of Detailed Assumptions

Sources of Revenue

1. **Student Fees (Existing DBAC Capital Fee) – Undergraduates**: The existing DBAC fee approved in 2003 will continue to be a significant source of revenue for the Pulse and Gym expansion once the existing DBAC mortgage is paid in 2023. The current DBAC fee of $141.60 ($4.72 per unit) is assumed to grow at a rate of 1.5% throughout the 40 year proforma period. The annual mortgage payment associated with the previous DBAC expansion is $1,531,710 and once retired (in 2023) all fees, along with other revenues will be pooled to cover operating costs and the new mortgage related to the Phase 1 approved expansion scope.

2. **Student Fees (Expansion Capital Fee) – Undergraduates**: 

   **Option 1**: **Phase 1a DBAC Expansion Only** - The cost of the Pulse and Gym expansion only totals $33.9 million. An increase to the current DBAC fee of $59.10 ($1.97 per unit) will be implemented in year 2021 after completion if this option is successful in the student referendum. This fee will increase by CPI yearly.

   **Option 2**: **Phase 1a and 1b DBAC Expansion + Student Community Space** - The cost of the Pulse and Gym expansion in addition to the Student Community Space totals $59.4 million. An increase to the current DBAC fee of $118.50 ($3.95 per unit) will be implemented in year 2021 after completion if this option is successful in the referendum. This fee will increase by CPI yearly.

3. **Graduate Student Fees (Existing DBAC Capital Fee) – Graduates**: Graduate students pay $12.19 per term per student. Total fees projected in 2017 total $117,000. This fee is assumed to increase at the same rate as cost inflation.

4. **Community Membership** – An amount of $50,000 will be allocated from Community memberships yearly to assist in the financing of the plan.

5. **Rental Income** – this revenue line has been left blank for both sets of proforma’s. Although rental income is possible it is difficult to predict and the year-over-year variability of this income makes it more conservative to leave out of the projections. If rental (or event) income were substantial it would be determined by Athletics and Recreation, in conjunction with Student Affairs, on how best to apply those funds. For rental income generated through the Student Community Space, the partnership MOU between MSU and the University will articulate how
these funds will be applied (either to programs or additional loan repayment to accelerate loan retirement).

6. University Contribution – Facilities Operating Costs

Option 1: The cost of the yearly Facilities Operating costs relating to the Pulse and the Gym will be paid entirely by students and are included in the Business Case. There is no impact to the University budget.

Option 2: The cost of the yearly facilities operating costs relating to the Pulse and the Gym will continue to be paid by the students and are included in the business plan. The facilities operating costs relating to the Student Community Space “common space” will be distributed to activity units in the Budget Model (activity units are Faculties). This amount is estimated to be $1.1 million commencing in 2022.

Expenditures

1. Mortgage Payable (Existing DBAC): $1,531,710 payable is allocated to the existing DBAC mortgage based off a previously approved 15-year amortization schedule. This mortgage will be paid off by year 2023, with the final year payable equal to $646,163.

2. Facilities Operating Costs

   Existing DBAC Expansion (2007) - The Business Case incorporates 50% of the facilities operating costs for the existing DBAC expansion. Students agreed to pay 50% of these costs with the University paying the other 50%. These costs will continue to be paid by the existing DBAC fee estimated at $984 thousand in 2017.

   Pulse and Gym Expansion – The Business Case incorporates 100% of the facilities operating costs relating to Pulse Gym Expansion. The calculation is based on the incremental space addition of 39,301 GSF. The proposal being brought forward to students includes full payment of these costs estimated at $1 million. These costs have been incorporated in the calculation for the increase needed in the DBAC fee.

   Student Community Space – The Business Case incorporates 100% of the facilities operating costs relating to the Student Space Community Space as a University funded cost.
3. **Incremental Operating Costs (Pulse and Gym Expansion):** Incremental costs associated with the expansion of the Pulse and gym. Below are the expenses that are anticipated to increase in year 2021.

   i. **Staffing:** Additional $275,000 is anticipated in staffing expenses which will increase at the (cost) inflationary rate of 2.0% per year.

   ii. **Supplies and Maintenance:** Additional $200,000 is anticipated in supplies and maintenance expenses which will increase at the (cost) inflationary rate of 2.0% per year.

   iii. **Equipment Replacement:** An annual provision of $260k is included under Option 1 relating to DBAC Expansion. This annual provision is increased to $360k under Option 2.
Health, Safety and Risk Management Report to the Board of Governors


The Health, Safety and Risk Management (HSRM) unit of Human Resources Services incorporates Environmental and Occupational Health Support Services (EOHSS), Employee Health Services (EHS) and works in cooperation with the Organizational Development unit. Together, we strive to promote the health, safety, wellness and engagement of all McMaster employees.

Executive Summary

- The Ministry of Labour visited campus on three occasions during the reporting period. No orders issued.
- McMaster’s employee mental health programming is being expanded to include new on-line training courses in mental health awareness,
- McMaster is in a WSIB rebate position based on our NEER performance from 2011 to 2015, and will receive a rebate of $251,463.

1. Training and Loss Prevention Initiatives

- As part of the University’s commitment to providing a healthy and safe working and learning environment, EOHSS initiated the requirement for all participants in the Take Our Kids to Work Day to complete the Ministry of Labour Health and Safety worker orientation training. This required employee training, initiated in July 2014, was legislated by the MOL in order to minimize injuries, especially those of workers who have just started work and in some cases, their very first job. This training was an opportunity to highlight safety training as an important component of the work experience.

- Members of EOHSS and Security Services have completed its annual review of the Violence in the Workplace Policy as required under the Occupational Health and Safety Act (OHSA).

- EOHSS has also completed the annual review of the Harassment and Sexual Discrimination Policy as required under the Occupational Health and Safety Act.

- HSRM is preparing the December issue of the Workplace Wellbeing newsletter. Articles include: the importance of incident reporting, holiday safety tips, ways to reduce slips, trips and falls in the winter months, ergonomic tips, information on drones and requirement for certificate from Transport Canada and promotion of the updated RMM 801 on fieldtrips, student placements and field activities. Newsletters can be found on the Working at McMaster website: http://www.workingatmcmaster.ca/eohss/prevention/HSRM-Newsletter/index.php
2. **Government Relations and External Inspections/Audits**

- The Ministry of Labour (MOL) was contacted as a result of a student who fractured their ankle in the gym while using a piece of equipment. A review of the incident was conducted. No further action required by MOL.

- The MOL was contacted in September to report an occupational illness claim was filed by an employee. The University completed an investigation to review the employee’s claim, and notice was filed with the MOL in accordance with the reporting requirements outlined in section 52(2) of the Occupational Health and Safety Act (OHSA). The MOL Inspector attended campus and issued a Field Report. No orders were issued.

- The MOL Inspector attended campus in October to complete a site visit of the University Greenhouse as part of a blitz into elevated work platforms in farm sectors. No equipment of this type is in use or located in the Greenhouse. A field visit report was completed with no orders issued.

3. **Employee Health Services Summary**

3.1 **Critical Injuries**

There was one critical injury of a student reported during this period as per section 2 of this report.

3.2 **Lost Time Update**

Employee Health Services (EHS) continues to collaborate with departments and faculties to reduce employee lost time as a result of workplace injuries. Proactive strategies for early and safe return to work are encouraged to minimize lost time.

Despite these efforts, there has been a slight increase in lost time days to date in 2016 versus the same time period in 2015, as depicted below:

- January 1, 2015 – October 31, 2015: 206.5 lost time days
- January 1, 2016 -- October 31, 2016: 214 lost time days

3.3 **NEER Status Update**

The University recently received the New Experimental Experience Rating (NEER) Status report for 2016 from the Workplace Safety and Insurance Board (WSIB). This report assesses McMaster’s performance based on our lost time and healthcare claim costs from 2015, 2014, 2013, and 2012.

EHS has worked with an external WSIB consulting firm over the last several years to help proactively manage WSIB costs, and has worked closely with supervisors to minimize claims costs. These actions have helped to minimize lost time and decrease
claim costs. As a result of these efforts and strategies McMaster is in a rebate position with a WSIB NEER rebate for 2016 of $251,463.30.

3.4 Mental Health Strategy

In 2014-15 Human Resources Services began partnering with Student Affairs to develop a collaborative, comprehensive mental health strategy for all staff, faculty and students. Student Affairs leads all student related programming, with Human Resources providing education and programming for employees. This partnership has enabled a holistic approach to mental health programming on campus. A summary of services provided to students, faculty and staff is available here: http://www.workingatmcmaster.ca/link.php?link=OD:mentalhealthmcmaster

As part of this initiative, Mental Health First Aid (MHFA) training for staff and faculty began in August of 2015, and continues to be offered monthly by the Occupational Health Nurses in EHS. A total of 157 individuals have now been trained in MHFA.

A new on-line Mental Health Awareness training programming is now in development in partnership with Student Affairs in order to meet the varied needs of faculty and staff. Training will be available as part of McMaster’s employee training programming, and as part of the new McMaster Online Resource Essentials.

4. Workplace Wellness Initiatives

The Organizational Development (OD) team fosters a supportive work environment that promotes employee development, engagement, recognition and wellness. Organizational wellness is supported by addressing the 13 psychosocial factors related to the National Standard of Canada for Psychological Health & Safety in the Workplace.

Since the last report, the OD team has focused on providing and promoting a variety of employee wellness strategies aimed at helping faculty and staff thrive in their personal and professional lives, including:

- Launched a new 6 hour financial literacy course that focuses on teaching financial basics like creating a budget, savings strategies, and debt reduction; these programs address stress related to personal finances
- Supported National Financial Literacy Month by organizing five one-hour workshops and targeted communications to improve understanding of personal finances
- Created and distributed monthly communications focusing on topics and supports related to McMaster Employee & Family Assistance Plan and health promotion topics such as influenza
- Co-led the submission of a new research funding grant with Dr. Allison Williams focusing on building e-tools for caregiving employees relating to mental health (to be launched in 2017)
Partnered with the Ontario Health Study research team to host two local study clinics and promote their health research to McMaster employees

Further details about workplace wellness initiatives can be found at: http://www.workingatmcmaster.ca/healthy-workplace/index.php

Glossary:

- New Experimental Experience Rating (NEER): The Workplace Safety & Insurance Board’s NEER plan recognizes an organization’s health and safety performance (based on its accident cost experience) and adjusts premiums accordingly through refunds and surcharges. When determining claims costs for the refund or surcharge calculation, NEER takes into account overhead costs and the future costs of benefits relating to the claim. The University’s status is determined by comparing its performance to other organizations in the same industry.