

York University Faculty Association

Annual Trustees' Report

2016-17

Submitted by

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In keeping with Article 3.5 of the YUFA Constitution, two Trustees are elected at the Annual General Membership Meeting. They are responsible for reviewing policies and activities within YUFA over the past academic year. They are also able to make recommendations for policy review or change in activity. The report of the Trustees is thus one of the oversight mechanisms for our Association.

In preparation for the writing of this report, we examined the past year's (1 May 2016 – 30 April 2017) minutes of Executive Council, Stewards' Council, as well as those of the Annual Membership Meeting and General Membership Meetings. We also examined the audited Financial Report for 2016-17 which was made available in October 2017 and met with members of the Executive to clarify YUFA policies and initiatives.

It is our view that YUFA has fulfilled its obligations to its membership well. We commend the YUFA for its active work on many fronts in support of the membership and a better university. In the report we begin with a review of YUFA activities in 2016-2017, turn to methods of operation (communications and participation), proceed to an overview of the YUFA Trust and finish on YUFAs finances. Our approach to reporting has been to inform the membership about YUFAs practices and actions, an approach that has led to a somewhat longer Trustee report than has been customary.

A) Review of Activities

1. Governance

We applaud all elected and appointed members of YUFA for their tireless work defending collegial governance at York University in the face of the Employer's unilateral extension of management authority.

In the hopes of opening the search process for a new York University President to more meaningful consultation, YUFA conducted an online membership survey from Nov. 15-21, 2016. 896 members (57.7% of total membership) participated (<https://www.yufa.ca/yufa-poll-results-on-presidential-search/>). YUFA further worked with other campus unions in YU/Cross Campus Alliance to produce two communiqués on the presidential search and to speak to the Board of Governors (see posts at <https://www.yufa.ca/category/york-caa/>). We commend YUFA for these actions in support of participatory, transparent appointment processes. We echo the welcoming statement to President Lenton issued by the YU/Cross Campus Alliance in its support for her comments made after the announcement of her appointment on the need to engage “the entire community and in collegial discussion about the future direction for the University” (<https://www.yufa.ca/yufa-response-to-appointment-of-yorks-next-president/>).

At the 19 April 2017 YUFA AGM, our Association approved a motion calling for the reinstatement of the York University Advisory Committee on Responsible Investing (YUACRI) after its suspension by the Employer. YUACRI had been established by the President's Office in 2012 to advise on the integration of socially responsible investing into the management of York's \$413 million endowment fund. The suspension of YUACRI had occurred in clear response to its decisions of February and March 2017 to recommend the York Endowment Fund divest from 5 arms manufacturers and fossil fuels. The YUFA membership resists the erosion of collegial governance at all levels of University management.

YUFA's internal governance is increasingly characterized by approved written policies which apply to the Executive Committee, Stewards' Council, Committee Service, the Bargaining Team, communications, agreements with staff or third parties and sponsored conference guidelines. This has resulted in clarity about organizational standards at all levels of the Association. We applaud YUFA for being increasingly well managed through the institution of a regime for internal governance. This is an organizational achievement which benefits the membership, its representatives, staff and all who have dealings with YUFA.

2. Increased Co-operation with other Campus Unions

YUFA developed closer ties to other campus unions over the 2015-2016 year. The Association supported the Unite Here Food Service Workers in their first contract strike. Three members of Unite Here Food Service Workers were invited to speak at YUFAs March 2017 GMM, where they thanked our Association for our support during their successful job action. YUFA also acted as part of part of the York Cross-Campus Alliance, a network of employee and student groups at York University. The York Cross-Campus issued a joint statement in support of the demands of the Unite Here Food Service Workers. As mentioned above, the YU/Cross Campus Alliance further worked together to produce two communiques on the presidential search and to speak to the Board of Governors (see posts at <https://www.yufa.ca/category/york-caa/>). The increasing co-operation between YUFA, other campus unions and student organizations can be anticipated to assist the forthcoming round of collective bargaining when all unions will be at the table during the same year.

3. Research-Based Teaching Load Reduction Program

We commend YUFA for bargaining a research-based teaching load reduction program (research release) Article 18.15 in the collective agreement that grants a 0.5 teaching release to faculty in the professorial stream in units with a 2.5 teaching load, deemed research active. We recognize that implementing this provision, specifically determining unit criteria for the program acceptable to Deans, was met with considerable difficulty and delays. We acknowledge the concerted effort by YUFA to clarify the implementation process by filing a grievance, and for staffing the Dispute Resolution Panel as per Article 18.15 with YUFA representation to establish unit criteria. We note that in spite of an understanding by YUFA that this is a two-year program in which faculty choose one of the years to take course release, the university administration is treating this academic year (2017-18) as if it is the start of a new process.

Recommendation 1

We recommend YUFA continue to pursue the demand following the process agreed upon in bargaining for a maximum 2.0 course teaching load for eligible faculty that is the standard at a number of universities in Ontario. We further recommend posting teaching load policy of Ontario universities on the YUFA website to inform members of comparative teaching load norms.

4. Grievance Processing

We note that YUFA is involved in over 100 grievances spanning a range of complaints including disputes over departmental hiring recommendations, tenure and promotion decisions, workplace accommodations, benefits (e.g. Long Term Disability), Appendix 0 (graduate

supervision), banking of courses, and many others. We recognize that some of the complaints relate to violations around collegial decision-making denoting a shift in the university environment from a decade ago. We acknowledge the commitment by the Executive Officers, particularly the Chief Stewards, and the staff responsible for processing these complaints. We also acknowledge the important role of YUFA in the copyright clearance lawsuit at the federal court. We commend YUFA for issuing regular grievance updates on the YUFA website that educate members about the ongoing disputes that directly impact service to the university.

5. Staff

We commend the diligent work of the CUPE 1281 staff that assist the YUFA with administrative details and responsibilities on a day-to-day basis. We note that the YUFA Executive has engaged in meaningful discussion with the staff to clarify their roles and responsibilities, and that significant headway was achieved over the past year to improve staff relations including devising organizational staff policies to help resolve misunderstandings, internal conflict and avoid labour relations disputes.

Recommendation 2

We recommend the CUPE 1281 Collective Agreement (a public document) be posted on the YUFA website to encourage greater awareness of the membership concerning staff roles and responsibilities.

6. Faculty and Graduate Bistro Club

In the past year YUFA joined with the Green Campus Co-op to establish a Faculty Grad Bistro, called et al., to be located in the southwest corner of the Ross Building (formerly the Grad Pub). We commend YUFA's support for this initiative given membership concerns about the absence of a Faculty Club at the York main campus, and the need to provide a communal gathering space for faculty and graduate students to socialize. We support YUFA's decision to contribute to a start-up fund to renovate the space, provide new equipment for the kitchen, and purchase new furniture. We are also heartened to see YUFA members involved in committees planning the operation of the Bistro such as devising an affordable menu ideally sourced from suppliers providing sustainable/organic, local and fair trade food.

7. Campus Safety

Campus safety is of growing concern given the rising number of violent incidents and cases of harassment occurring on the Glendon and Keele campuses; there is the potential for a higher

number of incidents to occur when the subway opens. We applaud YUFA's participation in the Community Safety Council and in its newly formed Working Group on Faculty Safety.

Recommendation 3

We recommend YUFA publicize its involvement in developing a campus safety agenda and to encourage greater participation of YUFA members in campus safety activities. We also would encourage small group discussions at YUFA meetings on campus safety (see B 2 below) to gather information from faculty about their experiences in the classroom and elsewhere on campus.

B) Methods of Operation

1. YUFA Website and Communications

The current YUFA website (<https://www.yufa.ca/>) which became operational in March 2015 was wisely envisioned as a device to enhance members' participation in YUFA and to publicize YUFAs organizational practice and deliberations. We support this vision for the YUFA website and would like to see it carried through more fully. We also commend YUFA for its increasing use of photographs and video communications posted to our website. These help engage members in the work of our Association.

When the present YUFA website (<https://www.yufa.ca/>) went active, the prior website (www.yuga.org) was not taken down, resulting in confusion for the membership, particularly in the first year of the new website's operation. Considerable data from the old website has not been migrated to the new one.

The current YUFA website has archival capacity which is underused. Policies for online archiving of our organizational history need to be developed and implemented to enhance our historical memory and to improve organizational accessibility and transparency.

Recommendation 4

We recommend that the yufa.org website be taken down and data migrated to the currently active website. We further recommend a formal policy for archiving YUFA documents be established and written into the YUFA By-Laws.

In the period 2001-2012 summaries of the YUFA Executive Committee meetings were made available on the YUFA website (<http://www.yufa.org/exec/index.html>). This posting of these summaries was halted in 2012-2013.

Recommendation 5

We recommend that the summaries of YUFA Executive Committee meetings be reinstated. This would help promote an informed membership and promote organizational transparency in our Association.

Recommendation 6

We recommend that all available Trustee reports be posted to the YUFA website (<https://www.yufa.ca/>).

Recommendation 7

The organizational records of the YUFA Trust and YUFA Foundation from inception should be made available on the YUFA website (<https://www.yufa.ca/>) so that they become YUFAs institutional responsibility to maintain in good order and accessible to the YUFA membership. We commend the YUFA Trust and Foundation for its many years of diligent service on behalf of YUFA members whose annual donation has provided the basis for their excellent work.

2. Membership Participation

Organized labour has long pondered ways to encourage member attendance and engagement. YUFA too has pondered, as do we here.

We note that a number of nominations for positions within YUFA are often unfilled and that Stewards' positions in quite a few Departments with smaller programs are vacant. However, we note that the 19 April 2017 AGM marking the 40th anniversary of YUFAs founding was well attended, with many staying afterwards. We also acknowledge the lecture by Dr. Melinda Smith on equity in the university, sponsored by the Race Equity Caucus, was very well attended indicating that there is strong interest by the members in this issue.

Recommendation 8

To promote greater membership involvement we recommend that invited speakers on current topic areas continue to be sponsored.

Recommendation 9

We recommend small group discussions and briefings precede YUFA general meetings, with topics publicized in advance and members asked to sign up ahead of time. This would create an occasion for more sustained and informal discussion than found on the floor of general meetings. It is a means of reaching out to members who are interested, but who have not been involved in the work of our Association. The possibility of holding meetings at the grad/faculty bistro might be considered, with members given vouchers for a roti and soft drink equivalent.

C) YUFA Trust

We commend the YUFA Trust for its 35 years of work in promoting accessibility to higher education for high school students in the Jane-Finch region, establishing scholarships for students at York University and funding projects in support of YUFA members' collective needs. We regret that most YUFA members know little about the important work of the Trust which the Association founded in 1982 and has funded annually since that time. We give a brief sketch of its history here for the YUFA membership.

The YUFA Trust was established in 1982 through a joint agreement of YUFA and 4 Trustees. It is a Trust that was established by YUFA with members' money and funded in the years since 1982 with members' money. The 1982 Agreement defined the core purpose of the YUFA Trust as follows: "The Trust Fund exists for the purpose of providing benefits of any kind whatsoever to or for the welfare of the Faculty Members which may include donations to the YUFA Foundation in the name of Faculty Members"

(https://yuarfl.files.wordpress.com/2015/05/yufa_trust.pdf).

Since its inception the YUFA Trust has annually received the Employment Insurance rebate, currently in the \$120,000 range, from YUFA members. Between 1982 and 30 April 2016 transfers into the YUFA Trust on the rebates of employment insurance premiums amounted to \$1,936,934 (YUFA Trust Fund, Draft Financial Statements, April 30, 2016, p. 6 available at <https://www.yufa.ca/wp-content/uploads/2016/11/Trust-AGM-meeting-materials-2016.11.09.pdf>).

The YUFA Foundation, which we mention here only to the extent it is funded by the YUFA Trust, had been established in 1980 (two years prior to the inception of the YUFA Trust). It is a charitable Foundation which aims to "promote the purposes and objectives of York University generally, including the advance of learning and the dissemination of knowledge and the intellectual, spiritual, moral, cultural and physical development of its members and the betterment of society" (YUFA Foundation, Financial Statements, April 30, 2015, p. 5 available at <https://www.yufa.ca/wp-content/uploads/2015/03/150430-YUFAF-combined-annual-report-and-financial-statements.pdf>).

The combined contribution of the YUFA Trust to the YUFA Foundation (1982-2015) was \$2.5 million. The YUFA Foundation had obtained matching funds and investment income on the transfer from the YUFA Trust. The YUFA Trust Fund, Report of Trustees, 2015-2016, states that), the YUFA Foundation monitored a total endowment fund of \$6.8 million dedicated to scholarships and bursaries, a sum that had been transferred to the York University Endowment Fund (<https://www.yufa.ca/wp-content/uploads/2016/11/Trust-AGM-meeting-materials-2016.11.09.pdf>).

The YUFA Trust has, with the approval of the YUFA membership at general meetings, funded educational equity projects which aim to secure access to higher education for those affected by systemic barriers. Since 2002 the Trust has funded the Advance Credit Experience which has enabled students at Westview Centennial School to take a half-course for credit at York University. This project has included a variety of educational supports for the high school students enrolled in the program. In 2004 the YUFA membership approved a \$252,500 donation for a direct entry program at York University for students from the Jane-Finch community. With matching funds, the YUFA Trust was able to multiply the YUFA members' donation into an endowment fund of \$2.1 million which is included in \$6.8 million endowment monitored by the YUFA Foundation. The YUFA Trust has supported other educational initiatives which include the Summer Literacy Camp (funded 2005-2013) and the ongoing Transition Year Program, which is directed to adults (19+) who have "previously experienced social and financial barriers to accessing the formal education system" (YUFA Trust Fund, Report of Trustees 2015-2016, p. 2).

We commend the YUFA Trust for its commitment to access to higher education, particularly its local community initiatives for racialized students at York's borders. These local community initiatives from the Advance Credit Experience to the Transition Year Program and the Summer Literacy Camp represent a distinguished contribution to social unionism. This program of funding has marked an engagement with social justice outside the workplace and involved labour practices beyond collective bargaining. The seed funding provided by YUFA members has been well and imaginatively managed by the YUFA Trustees.

Recommendation 10

We recommend that the YUFA Trust be recognized for its distinguished service to YUFA through an appropriate award.

Recommendation 11

We recommend that Paul, Evans, the person who has contributed the most to the work of the YUFA Trust since its inception in 1982, receive an individual award for distinguished service to YUFA.

As noted above, the YUFA membership knows little about the work of the YUFA Trust. In part this is due to the practice of holding YUFA Trust meetings after the end of YUFA general meetings. This practice has predictably led to poor attendance by YUFA members. The April 2017 YUFA AGM, however, wisely included the YUFA Trust AGM as part of the agenda. The discussion identified an important lack of consensus about the powers of the YUFA membership over the YUFA Trust.

The 1982 agreement which established the YUFA Trust gave the YUFA membership two important powers. Put simply, YUFA members have the power to elect Trustees and to approve expenditures of the Trust. These are significant areas of accountability and input by YUFA members.

The 1982 Trust agreement at 2.3(e) states that:

“The expenditure of monies by the Trustees as provided in Article 2.02(a) and (g) shall be exercised only after a majority of the Association members voting at an annual or general meeting of the Association have approved the said expenditure, or a majority of the Association members voting in a mail ballot authorized by the Association have approved the said expenditure. The Trustees may exercise all other powers as set out in Article 2.02 other than (a) and (g) without such approval, and the Trustees may make necessary expenditures incidental thereto.” (https://yuarfl.files.wordpress.com/2015/05/yufa_trust.pdf).

Under the terms of the 1982 YUFA Trust agreement it would thus appear that the administrators of the YUFA Trust do not have the power to approve monetary expenditures, but rather to propose expenditures to the YUFA membership. However, in the 19 April 2017 YUFA AGM, the YUFA Trust representative appeared to claim that the Trust has final approval of its monetary expenditures. A conflict in the interpretation of the 1982 Agreement has thus arisen.

There was further uncertainty at the April 2017 YUFA AGM regarding who was chairing the YUFA Trust meeting as an item on the agenda. It was not clear whether the YUFA President chaired the 19 April 2017 meeting of the YUFA Trust or whether the Chair of the YUFA Trust Fund had that responsibility. On the basis of the Trust agreement, the YUFA President is arguably the official chair of the meeting when decisions are made on how to spend the money of the YUFA Trust or when elections of Trustees are conducted. Those activities take place at YUFA general meetings. The lack of certainty about who was chairing the YUFA Trust item on the April 2017 YUFA AGM led to discussion about whether a motion from the floor about an expenditure was allowable. Clearly, the underlying issues need to be resolved to move forward in a productive way.

We call attention to the fact that the core function of the YUFA Trust, the welfare of faculty members, that is, all YUFA members, occupies a third level in the monetary expenditures of the YUFA Trust. We note that establishing funds for the benefit of members occurs routinely among professional associations. The YUFA Trust throughout its existence has funded initiatives in the area of its core purpose, but its main funding has been directed to improving access to tertiary education at York University. Reviewing the YUFA Trust Fund Draft Financial Statements dated April 30, 2016 (the most recent available to us), we are surprised to observe that the budget category “Contributions and benefits provided for faculty members” includes

expenditures on Advanced Credit Experience and the Coordinator for the Advanced Credit Experience, which are part of the Trust Fund's local educational initiatives. The contribution to the York University Retired Faculty and Librarians Benefits Trust Fund is appropriately included as a benefit to members. An overestimation of the contributions and benefits to members has occurred in the financial reporting.

Recommendation 12

At the present time, there is a need for YUFA members to review the agreement which established the YUFA Trust, now 35 years old, and reflect on its future direction. We recommend a Task Force be formed to consider the next generation of YUFA Trust activities. We recommend that the Task Force be appointed by the YUFA Executive Committee after consultation with the YUFA Trust and with the ratification of the Stewards' Council.

We suggest the Task Force be mandated to engage the YUFA membership and report in writing to the Executive Committee. Its terms of reference should include discussion of and recommendations concerning:

- the core purpose(s) of the YUFA Trust
- the present and projected needs of YUFA members, including research, communications and publications (inclusive of newsletters/magazines about York University/higher education)
- clarification of governance questions including but not limited to the powers of the YUFA Trust and the YUFA membership and methods of report to the YUFA membership at general meetings
- policy on the relation between YUFA Trust and special levies (approved by the YUFA membership and paid for by deductions from individual salaries)
- the question of the YUFA Trust's organizational records (now on a private website)

What YUFA chooses to fund over the next generation is of course a decision that rests with YUFA members. We strongly hope that YUFA members will support continued funding for the YUFA Trust's brilliant initiatives which have promoted access to higher education for York University's racialized neighbours.

D) YUFA Finances

The YUFA Financial Statements for 2016-2017 show that YUFA's Operating Fund (which covers the day-to-day expenses of the Association) was \$149,312 at year end. The Operating Fund thus continued its pattern of declining balances begun in 2014-2015. In April 2016 the Operating Fund had contained a balance of \$509,425. The reduction of the Operating Fund in

2016-2017 is mainly attributable to three liabilities: a \$150,000 contribution to the Faculty Grad Bistro Club, \$255,400 of accrued employee benefits (up from \$86,200 in April 2016) and an additional \$280,641 for staff salaries and benefits. The expenses for the Bistro Club are financed by a loan from the YUFA Trust repayable over 3 successive annual payments of \$35,000 paid for by YUFA members through a special levy. An additional \$25,000 was donated to the Bistro Club by the YUFA Trust. Accrued employee benefits to staff are comprised of commitments for vacation pay, severance payments and post-retirement benefits. A number of post-retirement benefits first became payable in 2015-2016, with their total value projected over the benefit holders' lifetimes and written off in 2016 Financial Statements. The increase in staff salaries and benefits was due to the payment of salaries and benefits while staff were on sick leave plus the cost of short-term replacements.

Counterbalancing these increases in liability, YUFA achieved major cost reductions in the areas of professional fees (for legal and financial support), release time and stipends (accrued prior to their abolition). Expenditures across these three areas during 2016-2017 amounted to \$305,810 less than in the previous fiscal year.

The value of the YUFA Defence Fund increased incrementally between April 2016 (\$1,344,306) and April 2017 (\$1,362,917), as did the Arbitration Fund (\$167,896 in April 2016, \$170,220 in April 2017). However, the YUFA Defence Fund – a strike fund - fell considerably below the roughly \$2.9 million needed for strike pay to members.

The YUFA membership moved to resolve the progressive decline in the Operating Budget and the size of the YUFA Defence Fund by approving a dues increase from 1.1% to 1.25% of salary on April 30, 2017 (69.2% in favour). The increase will be used to to gradually increase the Operating Fund, the YUFA Defence Fund and the Arbitration Fund. Stewards Council recently passed By-Law amendments which direct gradual, multi-year top ups to these 3 YUFAs investment funds (see Figure 1 below).

FIGURE 1
YUFA Fund Targets under By-Law 5

Fund	Target as % of operating budget (3 yr average)	Resulting dollar target
Operating Fund	37.5%	\$ 937,500
Defense Fund	155.0%	\$ 3,875,000
Arbitration Fund	7.5%	\$ 187,500
TOTAL - all funds		\$ 5,000,000

Rationale:

Operating fund: The target of 37.5% is the approximate historical average

Defense Fund: A target of 155% would be almost \$400,000 above the \$3,480,000 the Defense Fund would need to pay 80% of members half of their net income (including employer's pension contribution) over a five week strike.

Arbitration Fund: The target of 7.5% is roughly the historical average.

Source: Stewards Council

COMMENT: Figure 1 links increases in investment funds with the YUFA operating budget averaged over the previous 3 years. By way of example, if the average operating budget were \$2.2 million, the Defence Fund target would be roughly \$3.4million, and so on for the other investment funds.

The audited YUFA Financial Statements (2016-2017) observe that “YUFA is the custodian of a fund held by York University in the amount of \$3,206,778. This balance Arose from the refund of Long Term Disability premiums paid by members of YUFA over the past number of years. As the refunds are required to be used for the benefit of the members, and no Membership vote has yet been held to determine that use, the funds are considered to be held in trust for of the members and are not available for use by YUFA.”

The LTD Premium rebate has now been transferred to a YUFA cost centre, but the funds may not be used until the YUFA membership has decided what will be done with its money, a sum larger than the annual YUFA budget. This is clearly a huge decision for YUFA, the most significant economic decision in a generation, and is included in the proposed agenda for the 30 October 2017 GMM. As Trustees we cannot but think that the LTD rebate comprises a fine and entirely welcome *deus ex machina* for YUFAs budgetary problems.

Recommendation 13: YUFA Defence and YUFA Arbitration Fund Investments

The audited 2016-2017 financial statements show the Defence Fund and the Arbitration Fund were invested exclusively in fixed income funds: bonds and GICs. The investment income was 1.38%. As the Canadian inflation rate was 1.4% in August 2017, the investment strategy resulted in a rate of return roughly equal to inflation. By way of comparison, the York University Pension Plan had a gross return of 6.3% in the first 6 months of 2017.

Roughly 4 years ago the YUFA accountant observed this pattern of weak returns on YUFA investments and suggested more diversified but secure holdings, possibly preferred shares or high interest savings accounts, which are compatible with pension-style investments. The advice is all the more timely now that the Association has approved a dues increase to top up the Defence Fund. Members' money must be prudently invested. We note that the YUFA Trust has already placed some of its holdings in preferred shares, a valuable expertise proximate to YUFA.

We recommend the formation of an *ad hoc* committee to advise on YUFAs investment strategy. We suggest it report to the membership through the Executive at a general meeting of the Association.

Recommendation 14: Cap on Extra-budgetary Expenditures

Labour unions commonly set caps on extraordinary, extra-budgetary expenditures to protect their membership against costs which might lead to significant indebtedness. We recommend that the YUFA By-Laws be amended to add a restriction on extraordinary, extra-budgetary expenditures at an amount to be determined by the Executive Committee and ratified by Stewards' Council. Expenditures over the mandated amount should go to the YUFA membership for approval.

