

Committee Chairs' Oral Reports to the Board of Governors

Written summaries of the committee Chairs' oral reports to the Board of Governors from the meeting of 13 December 2019 are provided below for the following committees:

- Academic Resources
- Finance & Audit
- Governance & Human Resources
- Investment
- Land & Property

Academic Resources Committee

Reference Notes for the December 13, 2019 Board meeting

Information Items

President's Items

Reflecting on her recent trips abroad, President Lenton spoke about the importance of strengthening York's presence across the globe, with possible avenues including the expansion of the programming at our campuses in Hyderabad, India, and Costa Rica, and the establishment of partnerships with other universities. An example of the latter is York's participation in the Hemispheric Universities Consortium, which aims to foster collaborations among universities to generate solutions to key challenges facing the hemisphere and the world.

Enterprise Risk Monitoring Report

Like all committees of the Board, we took note of the Enterprise Risk Monitoring Report risks and trends, with Provost Philipps guiding us through the risks most closely aligned to our mandate. We did this at the beginning of our meeting to ground the discussion of our other agenda items in a risk context.

Provost's Items

Provost Philipps briefed the committee on the development of the University's third Strategic Mandate Agreement, the content of which was covered in her presentation to the full Board.

The Provost also provided updates on Markham Centre Campus planning and the University Academic Plan renewal process.

Vice-President Research and Innovation Items

Vice-President Wang delivered the VPRI Annual Report on Research, which covered research capacity building, success, celebration, innovation and upcoming activities. Highlights included:

- the prestigious honours and awards received by faculty members, including the Royal Society of Canada, Canada Research Chairs, York Research Chairs, and the internal President's Research Awards
- York's position in terms of publication outputs and research funding as compared to other Canadian universities, with the University receiving a record \$105M in research funding in the 2018 fiscal year
- successes in raising our research profile through a variety of communications initiatives which have translated into an increased number of online and print media mentions about York research

FINANCE & AUDIT COMMITTEE

Reference Notes for the December 2019 Board meeting

INFORMATION ITEMS

York University Markham Centre Campus Update

- The Markham Centre Campus project was approved at the October 8th Board of Governors meeting, with a total project budget of \$275.5M
- The University has continued to work with the Region of York to affirm its \$25M financial contribution.
- The release of a full RFP document for the procurement of a construction manager is anticipated for early January 2020.
- A high-level project schedule was shared, which anticipates a “doors-open” of the new Markham Centre Campus in September 2023.

Budget Update

The Committee received a budget update from the Provost and the VPFA. Some of the key items discussed were:

Enrolments

- While we have a shortfall on eligible (domestic) undergraduate enrolments of 1.2%, our enrolment is over expectations on visa students (total enrolments of new and continuing students). As a result, our total enrolment is down by less than 1%.
- In terms of graduate admissions, Masters students remain slightly below the goal, but there is positive movement towards the target and year-over-year growth. We are oversubscribed on the international masters and strong the doctoral category.
- From a Finance and Audit Committee perspective, enrolments seem to be translating into a strong budget position.

SMA3

- The first bilateral meeting between the University and the Ministry of Colleges and Universities took place on November 11.
- The University's approach will be designed to maximize funding and minimize risk of funding loss related to performance metrics.

External Review of SHARP Budget Model/ Budget Consultations

- The SHARP budget model has been reviewed by an external review team, which consulted with all faculties and administrative units. A draft report has been received and recommendations are being evaluated.
- Budget consultations are underway, and will inform budget development.

Bill 124: Protecting a Sustainable Public Sector for Future Generations Act, 2019

- Bill 124 received Royal Assent on November 7, 2019 and establishes three-year moderation periods during which salary increases are limited to one per cent.

Risk Monitoring Report

- The Committee received and discussed the Fall Enterprise Risk Monitoring Report, particularly those areas most relevant to Finance & Audit. Insight from the committee's discussion will be shared with the Executive Committee in its risk monitoring review.

Report of the Internal Auditor

- The Committee received a comprehensive Internal Audit Status report covering the period of September 1, 2019 – October 31, 2019. The department undertook eleven audit engagements in this time, of which four have been completed.
- A report on the status of prior audit corrective action recommendations was also received and reported on by the Director.

GOVERNANCE AND HUMAN RESOURCES COMMITTEE

Reference Notes for the 13 December 2019 Board meetings

In addition to the appointments matters addressed earlier in the meeting, the following items were discussed at the Committee's last meeting:

INFORMATION ITEMS

Governance

Vacancy Planning

- Several potential candidates were identified, with follow-up actions defined.
- With the pending appointment of a new governor today, and Bill Hatanaka completing his term on the Board, the vacancies remain 3.

Human Resources

Labour Relations Update

- The Committee received a confidential update on labour relations.
- With recent settlements having been reached with CUPE 1356-2 and YUSA 2 – as reported earlier – there are no collective agreements being bargained this academic year.
- The Committee had a preliminary discussion of the implications of Bill 124, *Protecting a Sustainable Public Sector for Future Generations Act, 2019*, on the recently completed collective agreements.

Bill 124, *Protecting a Sustainable Public Sector for Future Generations Act, 2019*

- Bill 124 received Royal Assent on November 7, 2019 and establishes three-year moderation periods during which salary increases are limited to one per cent.
- The salary moderation period does not override current collective agreements.
- All expired collective agreements that are up for renewal after June 5, 2019, are subject to the moderation requirements of the Act.

Risk Monitoring Report

- The committee reviewed the Enterprise Risk Monitoring Report and had the opportunity to discuss the items most relevant to Governance and Human Resources.

INVESTMENT COMMITTEE

Reference Notes for the 8 October 2019 Board meeting

The Investment committee meets off-cycle of the Board. It met most recently on September 17th.

INFORMATION ITEMS

Implementation the Unconstrained Fixed Income Restructuring

Flowing from the changes in the Endowment Fund asset mix, the Committee approved the appointment of new investment managers and mandates to implement the new portfolios, contingent on the Board's approval of the revisions to the *Statement of Investment Policies and Procedures* (proceeding to the Board for approval at the 13 December meeting). After a thorough search process - led by an Investment Subcommittee Working Group which included several members of the Investment Committee - *Manulife Strategic Fixed Income (C\$) Strategy* and *Phillips, Hager & North (PH&N) Bespoke Multi Asset Credit Fund of Funds Strategy* were selected for the Fixed Income allocation.

Sustainable Investing and the Endowment Fund: Exploring Approaches

In 2006, the Board of Governors endorsed the Investment Committee's Socially Responsible Investing (SRI) initiative, and asked the Committee to proceed with the initiative on a "steady and progressive" course. The University has done just that, taking several steps to advance its commitment since 2008.

Most recently, in Fall 2018, the *Statement of Investment Policies and Procedures* was revised to add a comprehensive *Statement of Beliefs for Sustainable Investing*. Last spring, the Committee reported to the Board on the University's inaugural *Annual Report on Responsible Investing*.

At its meeting last month, in November, an educational session on sustainable investing was facilitated to highlight various approaches being taken in this field. The session included:

- an overview of policies related to sustainable investing at Canadian universities, with a focus on institutions integrating Environmental, Social, and Governance (ESG) practices
- a presentation and discussion from *Greenchip Financial* on "Blue Chip Investing in the Green Economy"

Information on sustainability initiatives being implemented by the Federation of Canadian Municipalities, and reflections from the World Ocean Council's *2019 Sustainable Ocean Summit* were also planned for the meeting; they will be re-scheduled for a future meeting to further the University's goals in this realm.

Standing Monitoring Reports

The Investment Committee also received the standing summary reports on the investment performance of the Endowment Fund and a Treasury report, both as of 30 September 2019.

LAND & PROPERTY COMMITTEE

Reference Notes for the December 2019 Board meetings

INFORMATION ITEMS

York University Markham Centre Campus Update

- The Markham Centre Campus project was approved at the last meeting of the Board in October, with a total project budget of \$275.5M.
- The critical path is sustained toward the targeted timelines
- The University has continued to work with the Region of York to affirm its \$25M financial contribution, and with the City of Markham to “revive” York’s initial site plan application and continue with the various approval processes, including re-opening York’s building permit application initially filed in May 2018.
- A high-level project schedule was shared, which anticipates a “doors-open” of the new Markham Centre Campus in September 2023.
- Work to finalize the academic programs to be housed there and their space needs has moved along nicely since October; adjustments to the interior floor designs are being identified; detailed design planning will commence in the new year, with final costings expected in spring
- An RFP for the procurement of a construction manager is anticipated for early January 2020; expecting to break ground in early summer
- The three defined design themes of access, sustainability and indigeneity that were incorporated into the original design of the building remain with the interior adjustments made; at the committee’s request, an articulation of what those design themes mean and how they have been incorporated into the building is being prepared for review

Capital Construction Update Report

- The Committee received a capital construction report dated to October 31, 2019.
- New capital projects – including those approved by the Board today - will be added to the projects lists for progress and budget monitoring, specifically:
 - o Washroom Renewal
 - o Classroom Renewal
 - o Glendon Window Replacement
 - o School of Continuing Studies building
 - o Central Utilities (CUB) Electrical Service Renewal project
 - o York University Art Gallery project
- A utilization optimization study of classroom space is being done due to an increasing need for more class space; data from that exercise will be ready for assessment by the summer

ERM Risk Monitoring Report

- The Committee had a thorough discussion of those categories on the Enterprise Risk Monitoring Report that align with its mandate.