



York University Board of Governors

Notice of Meeting

1 October 2024, 1:30 pm to 4:30 pm

Via Zoom

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I. CLOSED SESSION	
II. OPEN SESSION at 1:45 pm	
1. Chair's Items (P. Tsaparis) <i>1:45 pm</i>	
a. Report on Items Decided in the Closed Session	
b. Consent Agenda Approval	
c. Executive Committee (P. Tsaparis)	
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b. <u>Overview of 2024-2025 Goals and Priorities</u>	
c. Forward Action Plan	
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3. Academic Resources Committee (A. Di Domenico) <i>2:50 pm</i>	2
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a.	Governance Workshop for University Board Members	
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Board of Governors

Memorandum

To: Board of Governors

From: Paul Tsaparis, Chair

Date: 1 October 2024

Subject: **Action taken by the Executive Committee on behalf of the Board**

The Executive Committee dealt with six items of business since the last meeting of the Board of Governors. Pursuant to its authority under Article 3 Section 3.02 (d) (v) of the York University Board of Governors – Transitional Terms of Reference, approved:

- the appointment of Laina Bay-Cheng as Vice-President of Equity, People and Culture to serve until December 31, 2028.
- the appointment of David Peters as Interim Provost and Vice-President Academic starting September 1, 2024, for a period of 12 months ending August 31, 2025, with a possibility of extension.
- the appointment of Chris Ardern as Interim Dean of Health starting September 1, 2024, for a period of 12 months ending August 31, 2025, with a possibility of extension.
- the approval of collective bargaining mandates.
- the approval of negotiated settlement for the renewal of the collective agreement with International Union of Operating Engineers (IUOE) Local 772.
- the approval of negotiated settlement for the renewal of the collective agreement with York University Faculty Association (YUFA).

Report to the Board of Governors

at its meeting of October 1, 2024

The Academic Resources Committee met on September 13, 2024, and makes this report to the Board for information.

1. Provost's Items

Enrolment Update Fall 2024 – The Committee received an Enrolment Update where early enrolment projections for 2024-25 anticipate a decline in undergraduate eligible and visa students for Fall 2024 relative to targets set in October 2023, and relative to the Fall 2023 intake. Similar early projections were observed for Markham, with most universities in Ontario having a similar experience of decline in new visa students. Historical trends show that domestic undergraduate enrolment declined from 2018-19 to 2022-23, but increased in 2023-24, and is projected to grow in the outer years of the three year enrolment contract. The Committee heard about factors contributing to intake shortfalls, and actions being taken to address and respond to the trends.

Academic Division Priorities 2024-25 and York U Forward Action Plan Update - The Committee heard and discussed initiatives under the Forward Action Plan, which closely aligns with the Division's priorities for the upcoming year. The action plan consists of 17 projects divided into three important streams: Program Enhancement and Sustainability; Enrolment Recovery; and Administrative Projects.

Faculties of the Future Discussion Paper – a draft discussion paper of the Faculties of the Future project under the Forward Action Plan was shared with Committee for input. Members provided feedback and a revised discussion paper will form the basis for broad community engagement in the Fall.

2. Vice-President Research and Innovation Items

The Committee received a comprehensive update on research and innovation items where the vision is to double research productivity on traditional research metrics within the next five years, while also exploring and capitalizing on untapped research revenue sources. Untapped research revenue sources include new opportunities in entrepreneurship: supporting startups and innovators across various sectors; building research partnerships with industry and private sector entities to drive revenue; and increased focus on the commercialization of research through patents and licenses;

and optimizing our intellectual property assets to generate new revenue. Other areas include knowledge mobilization and pursuing international grant opportunities. Through these efforts, York aims to significantly enhance its research productivity, revenue, and global standing, establishing the University as a leading institution in the research community.

The Committee also heard about developments York is undertaking to advance its leadership in Disaster and Emergency Management (DEM), as disasters grow around the world. This includes the establishment of Canada's first ever PhD program in DEM which links academic study and professional experience to support the development of theories, methods, policies and practices in the field. In addition, York is proposing to host the CIFAL Annual Meeting at York in December to bring together experts, policymakers, and practitioners to work on in the areas of sustainable development, disaster and emergency management, diversity and inclusion, economic development, global health, and entrepreneurship collaborating on programs, training, and research.

An update on selected research accolades received by York researchers over the Summer term was also provided to the Academic Resources Committee, including:

- Funding from Sport Dispute Resolution Centre of Canada and the Canada Foundation for Innovation (CFI) for infrastructure in a wide range of research projects, including the use of AI in personalized medicine, Indigenous reconciliation through immersive technologies, a psychological study of spontaneous thought, and more.
- New faculty members elected to the Royal Society of Canada: Professor Kawakami (Psychology, Faculty of Health), Professor Clare (Biology, Faculty of Science), and Professor Hillier (Faculty of Health). Soliyana Yared, a 2024 graduate from Osgoode Hall Law School, received Justice Rosalie Silberman Abella Award.

Antonio Di Domenico
Chair



Board of Governors

Memorandum

To: Board of Governors

From: Antonio Di Domenico, Chair, Academic Resources Committee

Date: 1 October 2024

Subject: Intellectual Property Commercialization Policy

Recommendation:

The Academic Resources Committee recommends that the Board of Governors approve the Intellectual Property Commercialization Policy attached as Appendix A.

Background and Rationale:

In response to Ontario's Commercialization Mandate Policy Framework released by The Honourable Jill Dunlop on January 14, 2022, mandating post-secondary institutions to implement a commercialization policy, the Intellectual Property Commercialization Policy sets out York University's commitment to align its innovation framework with the provincial guidelines to enhance commercialization outcomes. This new Policy has undergone a robust review in consultation with key units within the University such as the Faculty of Graduate Studies, Joint Committee on Academic Affairs (JCOAA), Senate's Academic Policy, Planning and Research Committee, Council of Associate Dean's Research, President and Vice President Group, and the Office of the Counsel.

The Intellectual Property Commercialization Policy serves as a blueprint for improving intellectual property (IP) management and commercialization. It reflects a dedicated approach to nurturing innovation and entrepreneurship within the University while

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protecting the needs and interests of the University community and its research partners.

Main Elements of the Policy:

1. Commercialization Support and Accountability:

- Outlines the University's commitment to the management and protection of IP in a manner that maximizes commercialization opportunities, protects the needs and interests of the University community and its research partners, and provides net benefits to Ontario and Ontarians.
- Outlines the responsibilities of the Office of the Vice-President Research and Innovation (VPRI) in regard to providing supports and resources for the protection and management of IP.
- Outlines the responsibilities of the Commercialization unit in regard to receiving and evaluating Invention Disclosures for IP generated with University resources and supporting the protection of IP with commercialization potential.

2. Enhancing IP Education and Capacity:

- Reinforces the University's commitment to the ongoing development and enhancement of IP and commercialization resources and support members of the University community.
- Harmonizes IP and commercialization activities and resources across campus to ensure a unified and efficient approach that maximizes the potential of our innovations and research.

3. Disclosure Requirements:

- Encourages members of the University community who are owners of IP generated with or resulting from the use of University Resources to disclose IP to the Commercialization unit in order for the University to increase intellectual property capacity and invest in supports for the commercialization of IP.

4. Emphasis on Indigenous People's IP:

- Highlights the importance of respecting Indigenous IP rights and the principles of OCAP® (Ownership, Control, Access and Possession) in IP arrangements with

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First Nations. Additionally, when engaging in research or scholarly activities with Inuit and Métis, researchers are required to work with community leadership to determine how Indigenous Peoples' rights with respect to their IP will be protected.

Conclusion:

York University's Intellectual Property Commercialization Policy underscores a strategic commitment to harnessing IP for the benefit of Ontario's economic and social landscapes. It reflects a comprehensive strategy to protect IP rights, foster innovation, and ensure ethical considerations, particularly in handling Indigenous People's IP. This policy not only guides the University's commercialization efforts but also positions it as a leader in the dynamic Ontario innovation ecosystem. Any necessary procedures, guidelines, or agreements related to this Policy will be developed to support innovation and commercialization at York University, in alignment with the IP Commercialization Policy.



University Policy

Intellectual Property Commercialization Policy

Topic:	Financial and Operations
Approval Authority:	Board of Governors
Approval Date:	October 1, 2024
Effective Date:	November 1, 2024

1. Preamble

On July 17, 2020, the government of Ontario released the province's first Intellectual Property Action Plan to help Ontario become more strategic in its approach to generating, protecting, and commercializing intellectual property (IP). One of the key pillars of the action plan is a commitment to clarify the commercialization mandates of postsecondary institutions. On January 14, 2022, the Ministry of Colleges and Universities released a Commercialization Mandate Policy Framework to help advance this commitment. Through this framework, post-secondary institutions were mandated to implement a Commercialization Policy that articulates a commitment to generate, commercialize and protect intellectual property in a manner that provides a net benefit to Ontario and Ontarians.

This Policy sets out York University's commitment to recognizing the vital role of commercialization of intellectual property in fostering innovation, advancing knowledge, and benefiting society at large.

2. Purpose

The purpose of this Policy is to reaffirm York University's commitment to the creation and dissemination of intellectual property in a manner that maximizes commercialization opportunities, the impact of research, scholarship, and creative activities, promotes and prioritizes innovation and knowledge transfer, and creates economic impact and societal benefit to Ontario while preserving the academic freedom and interest of the University, its faculty, staff and students with the mission and values of the University.

3. Scope and Application

This Policy is applicable to all YU Contributors, as defined below, carrying out research, scholarship and creative activities in the course of their employment, association, or enrollment at the University using University facilities, equipment, funds or other resources.

The administration and commercialization of intellectual property arising from such research, scholarship and creative activities is governed by the provisions of this Policy as well as the Intellectual Property and Graduate Education Regulations¹ set out by the Faculty of Graduate Studies.

In the event of any conflict or inconsistency between this Policy and the collective agreements between York University and the York University Faculty Association or York University and the Osgoode Hall Faculty Association, such collective agreements shall prevail.

4. Definitions

Intellectual Property or IP: the result of intellectual or artistic endeavors produced collectively or individually by YU Contributors in their roles with the University. Ownership of IP can be attributed to one or more individuals. The substance of a lecture, whether delivered in the classroom or via other means, and records of such lectures do not constitute IP for the purposes of this Policy.

University Resources: all resources provided by the University either directly or indirectly to a YU Contributor, including, without limitation, any equipment, software, facilities, utilities, human resources, services or other supports. University services include, without limitation, the administration of funds and support received by the University in the form of grants, contracts and other support provided by the University or third parties such as government funders or industry sponsors. For the purposes of this Policy, use of University Resources commonly available, such as wireless networks, maker spaces, libraries and other spaces open to the public shall not be considered use of University Resources.

YU Contributor: a member of the University community, that includes University employees, whether administrative, professional or support including technicians, teaching and research assistants, teaching fellows employed by the University, or under contract to provide personal services for the University, faculty members,

¹ <https://www.yorku.ca/gradstudies/students/current-students/thesis-and-dissertation/intellectual-property/>

whether part-time, full-time, emeritus or adjunct status, students, whether enrolled at the University full or part-time, including undergraduate, graduate and visiting or exchange students from other institutions, post-doctoral fellows, whether employed by, cross-appointed to, or under contract to provide personal services for the University, and research grant employees affiliated with the University, that uses University Resources in the course of research and other creative activities.

5. Policy

5.1. Management and Protection of Intellectual Property

5.1.1 The University is committed to the management and protection of IP in a manner that maximizes commercialization opportunities, protects the needs and interests of the University community and its research partners, and provides net benefits to Ontario and Ontarians. Commercialization includes the assignment, licensing, manufacturing, or production of IP as well as the protection of IP, including, but not limited to, obtaining patent protection and copyright registration, with the goal of financial return. Examples of benefits to Ontario include, but are not limited to:

- a. translating research into action by supporting entrepreneurship, knowledge mobilization and commercialization to expand the reach of research in order to achieve greater societal impact;
- b. promoting contract research to bring funding and student training benefits to Ontario;
- c. pursuing partnerships with Ontario companies and organizations, as well as those seeking to expand their business in Ontario; and
- d. fostering partnerships with local incubators, accelerators, and regional innovation centres as well as local angel investor networks.

5.1.2 The Office of the Vice-President Research and Innovation (VPRI) provides supports and resources for the protection and management of IP, including to identify research with commercial potential, file patents and other forms of IP where indicated, and manage commercialization of IP including starting up companies where appropriate.

5.2. Increasing Intellectual Property Capacity

The University is committed to the ongoing development and enhancement of resources and support services to YU Contributors to increase the overall knowledge,

awareness, and capacity of IP to enable innovation activities. Currently, units at the University that provide dedicated IP and commercialization resources and supports include IP Innovation Clinic, Research Commons, YSpace, BEST Lab, Innovation York and Schulich Startups.

5.3. Guidance Relating to Commercialization

- 5.3.1 The University acknowledges that cooperation with collaborators including companies, incubators and accelerators, and research institutes in the broader innovation ecosystem is critical to maximizing commercialization opportunities. The University is committed to providing guidance for relevant individuals within the University regarding institutional engagement with the Ontario innovation ecosystem in a manner that seeks to provide a net benefit to Ontarians.
- 5.3.2 The VPRI's commercialization unit provides guidance relating to commercialization of IP to YU Contributors and as required to individuals within the University ecosystem.

5.4. Invention Disclosure

- 5.4.1 York University has an inventor-own policy as set out in the collective agreements between York University and the York University Faculty Association and York University and the Osgoode Hall Faculty Association, and the Intellectual Property and Graduate Education Regulations set out by the Faculty of Graduate Studies. In order for the University to increase intellectual property capacity and invest in supports for the commercialization of IP, YU Contributors who are owners of IP generated with, or resulting from the use of University Resources are encouraged to disclose IP to the commercialization unit.
- 5.4.2 The commercialization unit receives and evaluates Invention Disclosures for IP generated with University Resources and supports the protection and commercialization of IP that has commercialization potential. This unit also promotes commercialization as a key component of York's research enterprise and provides training for students and faculty members.

5.5. Intellectual Property of Indigenous Peoples

The University is dedicated to upholding Article 31.1 of the UN Declaration of Rights of Indigenous Peoples, recognizing Indigenous Peoples' rights to maintain, control, protect and develop their intellectual property over such cultural heritage, traditional knowledge and traditional cultural expressions. When engaging in research or

scholarly activities with First Nations, the principles of OCAP® (Ownership, Control, Access and Possession) will inform IP arrangements. Additionally, when engaging in research or scholarly activities with Inuit and Métis, researchers are required to work with community leadership to determine how Indigenous Peoples' rights with respect to their IP will be protected.

6. Roles and Responsibilities

6.1 The Vice-President Research and Innovation is responsible for:

- a. implementing this Policy;
- b. developing any necessary procedures, guidelines, or agreements related to this Policy.

6.2. In accordance with Section 5.4.1, YU Contributors are responsible for disclosing IP generated with University Resources to the commercialization unit, acting on behalf of the Vice President Research & Innovation, and choosing the commercialization strategy for their IP, either independently or by seeking the University's assistance.

7. Review

The VPRI is responsible for the review of this Policy every five years at a minimum and for recommending any revisions to the Board Academic Resources Committee.

Legislative history:	
Date of next review:	
Policies superseded by this policy:	
Related policies, procedures and guidelines:	Faculty of Graduate Studies Intellectual Property and Graduate Education Regulations Research Involving Human Participants (Policy) Indigenous Research Involving Human Participants Organized Research Units (Policy) Postdoctoral Researchers at York University, Policy on VPRI Processes and Guidelines for Revenue Sharing

Report to the Board of Governors

at its meeting of October 1, 2024

The External Relations Committee met on September 13, 2024, and makes this report to the Board for information.

1. Overview of 2024-25 Priorities – Advancement

The Committee received an overview of the 2024-25 priorities as it continues to advance the goals of the Impact Campaign. A key component to this is surpassing the annual fundraising target of \$65 million and advancing key initiatives like the School of Medicine, Markham Campus, and the Goldfarb Gallery. In terms of alumni engagement, the division aims to maintain or exceed the 12% engagement rate achieved the previous year by enhancing both local and global alumni engagement.

In terms of advancement communications, efforts will focus on engaging alumni and donors, promoting the University and highlighting the impact of donor contributions. Additionally, the Division will enhance systems, policies, and processes, including the launch of a new Advancement CRM this fall, to ensure efficient and effective advancement efforts across the University.

2. Overview of 2023-24 Priorities – Communications and Public Affairs

The Communications & Public Affairs (C&PA) division continues to strengthen York's positive reputation and meet its audiences where they are, whether on social media, on a website, reading news stories, or on campuses. Creating compelling content that serves the University and future community members and partners is a top priority. The Division has identified four priorities for 2024-25 in support of institutional priorities and providing core supports for Faculties and divisions:

- Improve York University's reputation and rankings.
- Support domestic and international recruitment and strategic enrolment management.
- Advancing top University priorities through all communications and marketing plans
- Continue to advance integrated and coordinated communications approach across the University.

3. Overview of 2024-25 Priorities Government and Community Relations & Protocol

The Government and Community Relations & Protocol (GCR&P) and Institutional Events teams is responsible for supporting the University's efforts to elevate its institutional reputation and the University's priorities through the implementation of strategic plans, enhancing connections with government, community, and important partners and organize high-quality events to celebrate and recognize important milestones. Key priorities for 2024-25 include:

- Advancing Government Relations – government engagement in support of the School of Medicine, advocating for financial sustainability measures with the province and advancing York's advocacy strategy and research priorities.
- Advancing Community Relations – supporting community engagement, particularly for the school of medicine, to complete a Community Relations and Community Engagement Strategic Plan, identifying and advancing strategic partnerships and support the Campus Vision Lands strategy.
- Advancing Partner Engagement - recommend a model to support, coordinate and facilitate key relationships with external organizations in support of the university's priorities.
- Continue to Implement the University's first Institutional Events Strategic Plan – celebrate key milestones and achievements to bring a sense of community and elevate the university's reputation.
- Support the Forward Action Plan - support internal efforts to increase community engagement, collaboration, and active participation among students, faculty, and staff in the Forward Action Plan initiatives.

Francesca Accinelli

Chair

Report to the Board of Governors

at its meeting of October 1, 2024

The Finance and Audit Committee met on September 16, 2024 and makes this report to the Board for information.

1. Budget and Enrolment Update

The Committee received an enrolment and budget update based on recent enrolment data as the impact of various internal and external forces, including the visa enrolment cap, ongoing tuition freeze amidst increasing competition is felt across the sector. The committee heard that contingency included in the 2024-25 budget is likely sufficient to cover potential shortfalls based on enrolment modelling but expects a negative impact on outer year revenues.

A High-level view of the 30/80/90 new revenue/reduced expenditure plan to achieve financial sustainability was provided -- it covers six distinct categories including operating expense savings, use of endowment income and various HR initiatives. The Committee noted that, in the absence of further enrolment growth beyond what is already built into the Rolling Budgets, the \$80M and \$90M gaps will increase requiring further actions. The Committee heard and discussed the various initiatives under the 17-point Action plan covering program enhancement and sustainability, enrolment recovery and administrative projects.

2. First Quarter Operating Results

The committee received for information the First Quarter Operating Results Report. Results are provided for the 3-month period ending 31 July 2024, with comparative information for the 3-month period ending 31 July 2023 and the 2024/25 approved budget. Some key first quarter results include:

- Actual expenditures for the first three months of 2024/25 were 23% of the 2024/25 budget, which is on target, and,
- The restructuring of the SMTF investment portfolio that was implemented in early 2023 has led to favorable investment income.

3. Risk Incident

The Committee received information details of a recent incident that occurred with a service provider to York University which impacted the endowment fund. Since the incident, an internal review found that York's systems were not compromised, and there was no unusual activity in the University's network that would have contributed to the incident. Progress is underway to recover from the incident and processes are being improved to require stricter protocols with the service provider. The Investments committee was also apprised of the incident.

4. Internal Audit Status Report

The Committee received a comprehensive Internal Audit Status report covering the period June 1, 2024 – August 31, 2024. During the period, the department undertook eleven audit engagements, of which six have been completed, and work continued with the development and implementation of the Enterprise Risk Management Initiative.

The committee noted that work is progressing on the management actions related to previously reported audit findings. Some 36% of the planned actions have been completed, and 56% are proceeding generally on schedule.

5. Other Items

The Committee received the Subcommittee on Digital Transformation information report and the subcommittee's work plan for 2024-25 under the consent agenda.

*Bobbi-Jean White
Chair*



Board of Governors

Memorandum

To: Board of Governors

From: Bobbi-Jean White, Chair, Finance and Audit Committee

Date: 1 October 2024

Subject: Building Information Integration System and Analytics Award

Recommendation:

The Finance and Audit Committee recommends that the Board of Governors approve the awarding of the Request for Proposal # P24-057 Building Information Integration System and Analytics to Blackstone Energy Services Ltd. with a total contract value of \$5.64M. This is also referred to as the Energy Management Information System (EMIS) project.

The total value of the EMIS solution implementation contract, including licensing, maintenance and support services for the initial three (3) year term from October 1, 2024, to September 30, 2027, is \$4.002M, exclusive of HST.

The total value of the York contract extensions to support the EMIS Licensing and Maintenance is \$1.64M (\$.041M/year), exclusive of HST, based on a four (4) year period, from October 1, 2027, to September 30, 2031.

Background

In July of 2022, York University applied to the Environment Canada and Climate Change (ECCC) through the Decarbonization Incentive Program (DIP) to fund the Building Information Integration and System Analytics Project, also known as an Energy Management Information System (EMIS). York was awarded \$2.08M or 40% of the total project budget of \$5.2M. York's \$3.12M (60%) funding was approved from the Energy Stabilization Fund⁽⁵⁾. The financial agreement with the ECCC was executed

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and a project start date of December 1, 2022 and a project completion date of March 31, 2026 were established.

The initiative is as follows: An Energy Management Information System (EMIS) will be installed and connected to the existing Building Automation System (JCI Metasys), as well as integrated with several other system platforms on campus. The EMIS will consist of metering, instrumentation, data integration, system integration, and controls. A cloud-based software with artificial intelligence (AI) will be installed to conduct analytics with the EMIS that will further optimize existing building energy control measures and operation, which will be performed in a way that maintains campus comfort while reducing the use of electricity, natural gas, district steam, and district chilled water resulting in reduced greenhouse gas emissions while minimizing utility costs. The EMIS will provide a ‘single pane of glass’ dashboard for all Campus Utility and green house gas (GHG) data in real-time and will be public facing to allow for use in experiential learning, sustainability efforts, and will assist in a better long-term view of our assets. This project will be foundational as the University moves to a carbon neutral future as well as providing very critical data for the Campus as a Living Lab initiative.

Current

In August 2023 a RFSQ was completed where three vendors were qualified to bid on the subsequent RFP: Blackstone Energy Services, Accenture Inc, and Schneider Electric.

In January 2024, the University issued a Request for Proposal (RFP P24-057) seeking a Building Information Integration System and Analytics solution from the three prequalified vendors. Blackstone Energy Services bid \$5.86M, Accenture Inc bid \$8.1M, and Schneider Electric was disqualified as they failed to meet some mandatory requirements of the RFP. Following a bid evaluation and negotiation completed in July 2024, the successful proponent was assessed to be **Blackstone Energy Services Ltd for a negotiated value of \$5.64M.**

The recommendation to award the contract to Blackstone is being presented to the Finance and Audit Committee as the overall contract value exceeds \$5M dollars.

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Financial Summary

This summary details the forecasted costs for acquisition, implementation, licensing, maintenance and support fees for the first 7 years of the new EMIS solution.

Table 1: Total costs for acquisition and implementation of the Building Information Integration System and Analytics solution.

Cost Description	Cost (\$M)
Implementation Costs (including Licensing, Maintenance and Support Services)	4.002
Total Implementation & Licensing (3-Year Term)	\$4.002
Ongoing Extension Costs (total 7-year Contract)	
Licensing Fees (Annual Fee)	0.168
Maintenance and Support Fees (Annual Fee)	0.241
Ongoing Extension Pricing (4-Year Term)	\$ 1.636
Grand Total	\$ 5.64

Table 2: Funding Sources

Entity	Cost (\$M)
ECCC Decarbonization Incentive Program	\$ 2.08
York University Energy Stabilization Fund ⁽¹⁾	\$ 3.12
Future Operational Budgets and/or Incentives	\$.44
Grand Total	\$ 5.64

Table 3: Funding source for solution implementation and licensing costs.

Cost	Cost Type	Budget Source	Amount (\$M)
Implementation	CapEx	One-Time-Only (OTO)	\$ 4.00
Licensing & Support	OpEx	Optional - Future Budget ⁽²⁾⁽³⁾⁽⁴⁾	\$ 1.64
		Total	\$ 5.64

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Notes:

1. Approved one time only transfer from the Energy Stabilization Fund of \$3.12M, February 5, 2023.
2. Solution Licensing & Support costs for the four (4) Optional Extension years of the initial 7-year term will be included in future budgets.
3. Blackstone Energy Solutions will work with York University to secure additional stacked incentives through the IESO Save On Energy Retrofit Custom Incentive Program and Enbridge Natural Gas Conservation Measure Incentive Program - \$142K and \$323K respectively.
4. This solution will reduce carbon emissions and the resultant carbon tax while also saving annual utility expenses. These expected savings will exceed the annual licensing and support fees.
5. In accordance with the University's Signing Authority Register, a briefing note was submitted to President Lenton in February 2023 to obtain approval to proceed with the University's plan to implement an energy management system with artificial intelligence capabilities. The total cost of the capital project exceeds \$5M (Table 1).

Report to the Board of Governors

at its meeting of October 1, 2024

The Governance and Human Resources Committee met on September 16, 2024, and makes this report to the Board for information.

1. Governance

Board Education Plan - In preparation for Board Education sessions for the 2024-2025 governance year, the Committee reviewed and discussed potential topics identified through board and committee feedback and recommendations from administration. The Committee was reminded that the goal of these sessions is to empower members to ask the right questions to deliver on their fiduciary duties. Based on the recommendations, the Committee narrowed down the topics for the upcoming sessions to Commercialization and an update to the Strategic Enrolment Strategy.

Board and Committee Terms of Reference Structure – One of the recommendations of the Auditor General of Ontario's (AGO) 2023 Audit is to *revise the Terms of Reference of the Board of Governor's Executive Committee*. York agreed to review the Terms of Reference of all Board committees and develop the Terms for the Board of Governors. To prepare a consistent structure for the review, Board Terms of other universities were reviewed and leading sources on the development of Board committee Charters were consulted. The proposed structure and elements of the Terms cover five parts: Authority, Purpose, Composition, Meetings and Mandate. Additional elements to the Board's Terms, which has overarching responsibilities and special operational parameters, was proposed and the Committee concurred with the recommendation.

Board Recruitment Update – The Committee received an update on Board recruitment initiatives following the approval of the Protocol on the recruitment, selection and appointment of members of the Board. Members were reminded of the process, the priority skills areas namely: (1) real estate, (2) investment, (3) government, community and donor relations, and (5) finance. The Committee provided feedback, reviewed the shortlist of candidates taking into consideration the criteria outlined in the Protocol, and determined the priority of candidate outreach.

Annual Board Assessment Survey – the Committee received and discussed an updated format of the Annual Board survey following Committee's request to improve and

streamline the survey. Members were requested to provide any additional feedback to the University Secretary by September 23.

The Committee was also informed that the process to select a new Chair of the Board is under way and that a call to nominate candidates for Chair-elect from among current external members, as well as qualities and attributes of the next Chair-elect should possess was sent to all members. The Chair, Governance & Human Resources approved a timeline to deliver the process before the end of year and the process follows the *Procedures Governing the Appointment of the Chair of the Board*, which was approved by the Board in 2020. This is the first time the process is being conducted under the revised Procedures.

2. Updates from the Division of Equity, People and Culture

The Committee received updates from the Division of Equity, People and Culture which highlighted the *Decolonizing, Equity, Diversity and Inclusion (DEDI)* symposium on September 17 to gather and engage the DEDI community of practice across the University. A key focus of the Division is work done to address the need for healing of different community groups through the *Supporting Open and Respectful Dialogues program*. In support of this, the Division is partnering with the VP Students, CHREI Executive Director, and Dean of Faculty of Graduate Studies to develop programming to support the York community through the anniversary of October 7 and will include gatherings, services, and learning opportunities to reflect and develop skills and opportunities for finding common ground and shared values as a diverse university community.

In support of the Financial Sustainability Action Plan, Human Resources is leading an effort to identify cost-saving measures. The priorities guiding the initiatives include: 1) maintaining the integrity and talents of York's diverse workforce; 2) preserving operations central to the University's core mission and future prospects; and 3) honouring collective agreements and equitable labour practices.

Indigenous Initiatives continue and include a gathering and feast for Indigenous community members in celebration of National Indigenous People's Day and month, and the annual Feast in the Forest Fundraiser by INDSPIRE. The Indigenous Peoples' Belonging Verification Policy for York University is in its final stages of completion. The Centre for Human Rights, Equity and Inclusion (CHREI) continues to host the Self-Reflection tool kit which has approximately 600 registrants.

The results of the CPM Performance and Merit Program Report is provided to the Committee annually and the results for 2023-24 is consistent with previous years. The

University remains committed to the CPM Compensation Framework as it addresses issues of fairness and internal equity, external market competitiveness, predictable progression through the range, and performance-based reward.

3. Other

The Committee received the WSIB Q1 Report, the Q2 Health and Safety Report and the AVP Changes Report.

*Helen Polatajko
Chair*



Board of Governors

Memorandum

To: Board of Governors

From: Helen Polatajko, Chair, Governance and Human Resources Committee

Date: 1 October 2024

Subject: 2024-2025 Board and Committee Workplans

Recommendation:

The Governance and Human Resources Committee recommends that the Board of Governors approve:

(1) the 2024-2025 Workplan for the following committees in Appendix A attached:

Academic Resources Committee

Executive Committee

External Relations Committee

Governance and Human Resources Committee

Finance and Audit Committee

Investment Committee

Land and Property Committee

Subcommittee on Digital Transformation

AND

(2) the Board of Governors Workplan for 2024-2025 Workplan in Appendix B attached.

Board of Governors

Rationale:

Recommendation 13 (a) of the December 2023 Auditor General of Ontario's (AGO) report on the Value-for-Money Audit on York's Operations and Capital was to *develop more extensive workplans incorporating all duties and responsibilities of the Board and committees and outlining when in the fiscal year they will be addressed.*

At present, York prepares an annual meeting schedule and a table of regularly recurring items of business. In response to the AGO recommendation, this will be augmented to identify annual reports/ items of business going forward to each committee for each Governance year, where one-off reports are added to Board and committee agendas as needed.

At the June 2024 Board cycle, each committee reviewed their respective inaugural Committee workplans and is now being brought to the Committee to :

- a. to review all Committee workplans and ensure items of business are consistent and align, and;
- b. review the Board workplan 's plan, which is composed of committee items of business that are to be elevated to the Board.

Going forward, Board and committee workplans will be reviewed at the May cycle, with all plans being approved by the Board in June to come into effect the following 1 July, as the process becomes more routine.



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

ACADEMIC RESOURCES COMMITTEE

September 2024

Chairs and Professorships (approval, as needed)

Cyclical Program Reviews – Report of the Joint Subcommittee on Quality Assurance (for information/ discussion, as needed)

Establishment and disestablishment of academic units, and organized research units (for approval, as needed)

IP and Commercialization Policy (for approval)

Preliminary Enrollment / Update (for information, discussion)

Priorities and Priorities Progress/ Report (for information, discussion)

Policy Update (approval, as needed)

November 2024

Chairs and Professorships (approval, as needed)

Cyclical Program Reviews – Report of the Joint Subcommittee on Quality Assurance (for information/ discussion, as needed)

Enrolment & Complement Update (for information/ discussion)

Enterprise Risk Monitoring Report (for information/ discussion)

Establishment and disestablishment of academic units, and organized research units (for approval, as needed)

Glendon Campus Vision and Strategy – Update (discussion / recommendation)

President's Report on Appointments, Tenure and Promotion (for approval)

Research Updates (for information, discussion)

Review of Committee Terms of Reference (for discussion)

Policy Update (approval, as needed)

February 2025

Annual Research and Innovation Report (for information, discussion)

Chairs and Professorships (approval, as needed)

Cyclical Program Reviews – Report of the Joint Subcommittee on Quality Assurance (for information/ discussion, as needed)

Establishment and disestablishment of academic units, and organized research units (for approval, as needed)

Preliminary Enrollment / Update (for information, discussion)

Research Updates (for information, discussion)

Policy Update (approval, as needed)

April 2025

Annual Strategic Research Plan Implementation Report (for information, discussion)

Chairs and Professorships (approval, as needed)

Committee Skills Matrix Review

Committee Workplan 2025-2026 – Annual Review (discussion)

Cyclical Program Reviews – Report of the Joint Subcommittee on Quality Assurance (for information/ discussion, as needed)

Enterprise Risk Monitoring Report (information, discussion)

Establishment and disestablishment of academic units, and organized research units (for approval, as needed)

Research Updates (for information, discussion)

President's Report on Appointments, Tenure and Promotion (for approval)

Policy Update (approval, as needed)
June 2025
Annual Committee Survey
Chairs and Professorships (approval, as needed)
Cyclical Program Reviews – Report of the Joint Subcommittee on Quality Assurance (for information/ discussion, as needed)
Establishment and disestablishment of academic units, and organized research units (for approval, as needed)
Research Updates (for information, discussion)
Policy Update (approval, as needed)
Priorities and Priorities Progress/ Report (for information, discussion)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

EXECUTIVE COMMITTEE

September 2024

- Appointment / Re-appointment - Senior Executive Team (approval, as needed)
- Appointment/ Re-appointment – Decanal (approval, as needed)
- Collective Bargaining Mandates (approval, as needed)
- Committee Chairs: Key Issues from Committee Meetings (information, discussion)
- Labour Relations Matters/ Negotiations (approval, as needed)
- Review of Committee Terms of Reference (for discussion)
- Skills Matrix - Board and Committee Review (information, discussion)
- Policy Update (approval, as needed)

November 2024

- Appointment / Re-appointment - Senior Executive Team (approval, as needed)
- Appointment/ Re-appointment – Decanal (approval, as needed)
- Collective Bargaining Mandates (approval, as needed)
- Committee Chairs: Key Issues from Committee Meetings (information, discussion)
- Enterprise Risk Monitoring Report (for information/ discussion)
- Labour Relations Matters/ Negotiations (approval, as needed)
- Policy Update (approval, as needed)

February 2025

Appointment / Re-appointment - Senior Executive Team (approval, as needed)

Appointment/ Re-appointment – Decanal (approval, as needed)

Collective Bargaining Mandates (approval, as needed)

Committee Chairs: Key Issues from Committee Meetings (information, discussion)

Labour Relations Matters/ Negotiations (approval, as needed)

Policy Update (approval, as needed)

April 2025

Appointment / Re-appointment - Senior Executive Team (approval, as needed)

Appointment/ Re-appointment – Decanal (approval, as needed)

Collective Bargaining Mandates (approval, as needed)

Committee Chairs: Key Issues from Committee Meetings (information, discussion)

Enterprise Risk Monitoring Report (for information/ discussion)

Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report (approval)

Labour Relations Matters/ Negotiations (approval, as needed)

Pension Fund Board of Trustees Appointments/Reappointments (approval, as needed)

Workplan - Annual Review (approval)

Policy Update (approval, as needed)

June 2025

Annual Committee Survey

Appointment / Re-appointment - Senior Executive Team (approval, as needed)

Appointment/ Re-appointment – Decanal (approval, as needed)

Appointment/ Re-appointment of External Members, non-academic, senate and student (approval)

Collective Bargaining Mandates (approval, as needed)

Committee Chairs: Key Issues from Committee Meetings (information, discussion)

Labour Relations Matters/ Negotiations (approval, as needed)

Pension Fund Board of Trustees Appointments/Reappointments (approval, as needed)

President's Performance and Compensation (in-camera)

President's Year End Progress Report (in-camera)

Senior Executive Performance and Compensation (in-camera)

Policy Update (approval, as needed)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

SUB-COMMITTEE ON DIGITAL TRANSFORMATION

September 2024

Cybersecurity Update (for information, discussion)

Sub-Committee Workplan (discussion)

Sub-Committee Terms of Reference – Review (for discussion)

SSRP Status Update (for information, discussion)

Significant DT Projects, as needed (for information, discussion)

Policy Update (approval, as needed)

November 2024

Enterprise Risk Monitoring Report (for discussion)

Institutional Project Portfolio Management (for information, discussion)

SSRP Status Update (for information, discussion)

Significant DT Projects, as needed (for information, discussion)

Policy Update (approval, as needed)

February 2025

SSRP Status Update (for information, discussion)

Significant DT Projects, as needed (for information, discussion)

Update on AG report recommendations (for information, discussion)

Policy Update (approval, as needed)

April 2025

Cybersecurity Update (for information, discussion)

Enterprise Risk Monitoring Report (for discussion)

SSRP Status Update (for information, discussion)

Significant DT Projects, as needed (for information, discussion)

Sub-Committee Skills Matrix Review

Sub-Committee Workplan 2025-2026 – Annual Review (discussion)

Policy Update (approval, as needed)

June 2025

Annual Committee Survey

SSRP Status Update (for information, discussion)

Significant DT Projects, as needed (for information, discussion)

Policy Update (approval, as needed)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

EXTERNAL RELATIONS COMMITTEE

September 2024

Overview of Annual Priorities (for information, discussion)

- Advancement
- Communications and Public Affairs
- Government and Community Relations & Protocol

Points of Pride (information)

Policy Update (approval, as needed)

November 2024

Division Updates (information, discussion)

- Advancement
- Communications and Public Affairs
- Government and Community Relations & Protocol

Enterprise Risk Monitoring Report (information, discussion)

Points of Pride (information)

Review of Committee Terms of Reference (for discussion)

Policy Update (approval, as needed)

February 2025

Division Updates (information, discussion)

- Advancement
- Communications and Public Affairs
- Government and Community Relations & Protocol

Community Relations & Engagement Strategic Plan (information, discussion)

Points of Pride (information)

Policy Update (approval, as needed)

April 2025

Division Updates (information, discussion)

- Advancement
- Communications and Public Affairs
- Government and Community Relations & Protocol

Brand/ Reputation Research (information, discussion)

Enterprise Risk Monitoring Report (information, discussion)

Committee Skills Matrix Review

Committee Workplan 2025-2026 – Annual Review (discussion)

Points of Pride (information)

Policy Update (approval, as needed)

June 2025

Overview of Annual Achievements (information, discussion)

- Advancement
- Communications and Public Affairs
- Government and Community Relations & Protocol

Points of Pride (information)

Policy Update (approval, as needed)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan FINANCE AND AUDIT COMMITTEE

September 2024

- Annual Report YU Pension Plan and Pension Fund (for information)
- Banking Resolution Update, as needed (for approval)
- Budget Update (for information, discussion)
- Capital Approvals (including SOM), as needed (for approval)
- Committee Terms of Reference – Review (for discussion)
- Fees - Tuition, New programs and/or changes as needed (for approval)
- Quarterly Operating Results (for information, discussion)
- Report of Internal Auditor (for information, discussion)
- Report of the Subcommittee on Digital Transformation (for information)
- Signing Authority Update, as needed (for approval)
- Student Referendum, Levy Changes , as needed (for approval)
- Policy Update (approval, as needed)

November 2024

- Annual Report on Insurance and Risk Management Services (for information)
- Annual Update on Conflict of Interest in Procurement (for information)
- Ancillary - Parking Rates (for approval)

Banking Resolution Update, as needed (for approval)

Budget Consultation Fall-Winter (for information, discussion)

Budget Update (for information, discussion)

Capital Approvals (including SOM), as needed (for approval)

Enterprise Risk Monitoring Report (for information, discussion)

External Audit Plan (for approval)

Fees - Meal Plan Rates (for approval)

Fees - Residence and Apartment Rates (for approval)

Fees - Tuition, New programs and/or changes as needed (for approval)

Quarterly Operating Results (for information, discussion)

Report of Internal Auditor (for information, discussion)

Report of the Subcommittee on Digital Transformation (for information)

Signing Authority Update, as needed (for approval)

Student Referendum, Levy Changes , as needed (for approval)

Summary of Insurance Coverage applicable to Board (for information)

Enterprise Risk Monitoring Report (for discussion)

Policy Update (approval, as needed)

February 2025

Annual CAUBO Investment Survey Results – Pension Fund (for information)

Annual Review of Debt Policy Ratios (included Credit Rating Report) (for information, discussion)

Banking Resolution Update, as needed (for approval)

Budget Update (for information, discussion)

Capital Approvals (including SOM), as needed (for approval)

Fees – Centrally Collected Ancillaries (for approval)

Fees - Tuition (for approval)

Quarterly Operating Results (for information, discussion)

Report of Internal Auditor (for information, discussion)

Report of the Subcommittee on Digital Transformation (for information)

Signing Authority Update, as needed (for approval)

Student Referendum, Levy Changes , as needed (for approval)

Update on AG report recommendations (for information, discussion)

Policy Update (approval, as needed)

April 2025

Banking Resolution Update, as needed (for approval)

Budget – Executive Learning Centre (for approval)

Budget - Operating and Ancillary for approval)

Capital Approvals (including SOM), as needed (for approval)

Enterprise Risk Monitoring Report (for information, discussion)

Fees - Tuition, New programs and/or changes as needed (for approval)

Internal Audit Plan (for approval)

Quarterly Operating Results (for information, discussion)

Report of Internal Auditor (for information, discussion)

Report of the Subcommittee on Digital Transformation (for information)

Signing Authority Update, as needed (for approval)

Student Referendum, Levy Changes , as needed (for approval)

Skills Matrix - Committee Review (for information, discussion)

Workplan – Annual Review (for approval)

Policy Update (approval, as needed)

June 2025

Annual Committee Survey

Appointment of External Auditor (for approval)

Auditor's Report on Student Association Financial Statement

Banking Resolution Update, as needed (for approval)

Budget Update (for information)

Capital Approvals (including SOM), as needed (for approval)

Consolidated Financial Statements (for approval)

External Audit Results (for information, discussion)

Fees - Tuition, New programs and/or changes as needed (for approval)

Report of Internal Auditor (for information, discussion)

Report of the Subcommittee on Digital Transformation (for information)

Signing Authority Update, as needed (for approval)

Student Referendum, Levy Changes , as needed (for approval)

Policy Update (approval, as needed)

/July/24

BOARD OF GOVERNORS

2024-2025 Annual Work Plan

GOVERNANCE AND HUMAN RESOURCES COMMITTEE

September 2024

Human Resources

- Annual CPM Performance and Merit Report (information)
- AVP Changes Report (information)
- Division of Equity, People & Culture Update (Information)
- Health and Safety Report (information)
- Labour Update (information)
- Quarterly WSIB Report (information, discussion)
- Smudging and Pipe Ceremony Policy (for approval)

Governance

- Appointment/ Vacancy Planning (discussion, approval as needed)
- Board and Committee Workplans 2024-2025 (For approval)
- Board Education Planning (information, discussion)
- Board Survey Results ((information, discussion)
- Code of Conduct (discussion, approval)
- Board and Committee Terms of Reference Structure (discussion, approval)

Policy Update (approval, as needed)

November 2024

Human Resources

- Division of Equity, People & Culture Update (Information)
- Health and Safety Report (information)
- Labour Update (information)
- Quarterly WSIB Report (information, discussion)

Governance

- Appointment/ Vacancy Planning (discussion, approval as needed)
- Board Education Planning (information, discussion)

Enterprise Risk Monitoring Report (information, discussion)
Policy Update (approval, as needed)

February 2025

Human Resources

- Division of Equity, People & Culture Update (Information)
- Health and Safety Report (information)
- Labour Update (information)
- Quarterly WSIB Report (information, discussion)

Governance

- Appointment/ Vacancy Planning (discussion, approval as needed)
- Board Education Planning (information, discussion)

Policy Update (approval, as needed)

Sexual Violence Policy Review (approval)

April 2025

Human Resources

- Annual Policy - Workplace Harassment (approval)
- Annual Policy -Healthy Workplace (approval)
- Annual Policy -Workplace Violence (approval)
- Annual Policy - Occupational Health & Safety (approval)
- Division of Equity, People & Culture Update (Information)
- Health Safety & Employee Well -Being Annual Report (information)
- Labour Update (information)

Governance

- Appointment/ Vacancy Planning (discussion, approval as needed)
- Board Education Planning (information, discussion)
- Skills Matrix – Committee Review (information, discussion)
- Committee Workplan – Annual Review (approval)

Enterprise Risk Monitoring Report (information, discussion)

Policy Update (approval, as needed)

June 2025

Human Resources

- Annual Employment Equity Report (information)
- Annual Report from the Centre for Sexual Violence Response, Support & Education (information)
- Division of Equity, People & Culture Update (Information)
- Employment Benefits & Usage Costs (information, discussion)
- Health & Safety Report (information)
- Labour Update (information)
- Quarterly WSIB Report (information)
- Pension Valuation Report (information, discussion)

Governance

- Annual Committee Survey
- Appointment/ Re-appointment of External Members (approval)
- Appointments - Non-Academic; Senate; Student (approval)
- Appointment/ Vacancy Planning (discussion, approval as needed)

Policy Update (approval, as needed)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

INVESTMENTS COMMITTEE

September 2024

CAUBO Investment Survey Results (for information)

Endowment Fund Dashboard (for information)

Quarterly Endowment Fund Investment Performance Summary (for information)

Quarterly Operating Fund Performance Summary (for information)

Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP) (for approval, as needed)

Revisions to Short Medium-Term Fund SIPP Guidelines, if any (for approval, as needed)

Review of Sinking Fund (for information, discussion)

Semi-Annual Monitoring Report (6 month report) (for information)

Treasury Report (for information)

Policy Update (approval, as needed)

November 2024

Quarterly Endowment Fund Investment Performance Summary (for information)

Quarterly Operating Fund Performance Summary (for information)

Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP) (for approval, as needed)

Revisions to Short Medium-Term Fund SIPP Guidelines, if any (for approval, as needed)

Treasury Report (for information)

Policy Update (approval, as needed)

February 2025

Annual Investment Review (Calendar year end return) (for information, discussion)

Committee Skills Matrix Review

Committee Workplan 2025-2026 – Annual Review (discussion)

Endowment Fund Dashboard (for information)

Quarterly Endowment Fund Investment Performance Summary (for information)

Quarterly Operating Fund Performance Summary (for information)

Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP) (for approval, as needed)

Revisions to Short Medium-Term Fund SIPP Guidelines, if any (for approval, as needed)

Treasury Report (for information)

Update on AG report recommendations (for information, discussion)

Policy Update (approval, as needed)

June 2025

Annual Committee Survey

Annual Sustainable Investing Update (for information)

Annual Investment Report (for information)

Committee Skills Matrix Review

Committee Workplan 2025-2026 – Annual Review (discussion)

Endowment Distribution Accrual Rate – Annual (for approval)

ESG Scorecard (for information, discussion)

Quarterly Endowment Fund Investment Performance Summary (for information)

Quarterly Operating Fund Performance Summary (for information)

Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP) (for approval, as needed)

Revisions to Short Medium-Term Fund SIPP Guidelines, if any (for approval, as needed)

Policy Update (approval, as needed)

Treasury Report (for information)



BOARD OF GOVERNORS

2024-2025 Annual Work Plan LAND AND PROPERTY COMMITTEE

September 2024

- Approvals, Land and Property, as needed, including SOM (for approval)
- Capital Construction Report (for information, discussion)
- Contract Updates, as needed (for information)
- Committee Terms of Reference – Review (for discussion)
- Deferred Maintenance, 5 year plan (for approval)
- Sustainability Strategy (for information / input).
- Policy Update (approval, as needed)

November 2024

- Approvals, Land and Property, as needed, including SOM (for approval)
- Capital Construction Report (for information, discussion)
- Contract Updates, as needed (for information)
- Enterprise Risk Monitoring Report
- Glendon Campus Vision and Strategy – Update (discussion / recommendation)
- Policy Update (approval, as needed)

February 2025

Approvals, Land and Property, as needed, including SOM (for approval)

Capital Construction Report (for information, discussion)

Contract Updates, as needed (for information)

Major Capital Priorities (for approval)

Update on AG report recommendations (for information, discussion)

Policy Update (approval, as needed)

April 2025

Approvals, Land and Property, as needed, including SOM (for approval)

Capital Construction Report (for information, discussion)

Committee Skills Matrix Review

Committee Workplan 2025-2026 – Annual Review (discussion)

Contract Updates, as needed (for information)

Enterprise Risk Monitoring Report (for information, discussion)

Policy Update (approval, as needed)

June 2025

Annual Committee Survey

Approvals, Land and Property, as needed, including SOM (for approval)

Capital Construction Report (for information, discussion)

Contract Updates, as needed (for information)

Policy Update (approval, as needed)

/July/24



BOARD OF GOVERNORS

2024-2025 Annual Work Plan

September 2024

For Approval:

- Board and Committee Workplans 2024-2025
- IP and Commercialization Policy

For Information:

- Annual Report YU Pension Plan and Pension Fund
- Points of Pride

As needed:

- Chairs and Professorships
- Establishment and disestablishment of academic units, and organized research units
- Banking Resolution Update
- Capital Approvals (including SOM)
- Fees - Tuition, New programs and/or changes
- Signing Authority Update
- Student Referendum, Levy Changes,
- Approvals, Land and Property, including SOM
- Appointment / Re-appointment - Senior Executive, Decanal, Pension Fund Board, Mid-Term Interim Officers
- Policy Update

November 2024

For Approval:

- President's Report on Appointments, Tenure and Promotion
- Ancillary - Parking Rates
- External Audit Plan
- Fees - Meal Plan Rates
- Fees - Residence and Apartment Rates
- Smudging and Pipe Ceremony Policy

For Information:

- Points of Pride

As needed:

- Chairs and Professorships
- Establishment and disestablishment of academic units, and organized research units
- Banking Resolution Update
- Capital Approvals (including SOM)
- Fees - Tuition, New programs and/or changes
- Signing Authority Update
- Student Referendum, Levy Changes
- Appointment/ Vacancy Planning
- Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP)
- Revisions to Short Medium-Term Fund SIPP Guidelines, if any
- Approvals, Land and Property, including SOM
- Appointment / Re-appointment - Senior Executive, Decanal, Pension Fund Board, Mid-Term Interim Officers
- Policy Update

February 2025

For Approval:

- Fees – Centrally Collected Ancillaries
- Fees - Tuition
- Major Capital Priorities
- Sexual Violence Policy Review

For Information:

- Points of Pride

As needed:

- Chairs and Professorships
- Establishment and disestablishment of academic units, and organized research units
- Banking Resolution Update
- Capital Approvals (including SOM)
- Fees - Tuition, New programs and/or changes

- Signing Authority Update
- Student Referendum, Levy Changes
- Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP)
- Revisions to Short Medium-Term Fund SIPP Guidelines, if any
- Approvals, Land and Property, including SOM
- Appointment / Re-appointment - Senior Executive, Decanal, Pension Fund Board, Mid-Term Interim Officers
- Policy Update

April 2025

For Discussion, Approval:

- President's Report on Appointments, Tenure and Promotion
- Budget – Executive Learning Centre
- Budget - Operating and Ancillary
- Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report
- Enterprise Risk Monitoring Report (discussion, closed session)
- Policy Update
 - Annual Policy - Workplace Harassment
 - Annual Policy -Healthy Workplace
 - Annual Policy -Workplace Violence
 - Code of Conduct

For Information:

- Points of Pride

As needed:

- Chairs and Professorships
- Establishment and disestablishment of academic units, and organized research units
- Banking Resolution Update
- Capital Approvals (including SOM)
- Fees - Tuition, New programs and/or changes
- Signing Authority Update
- Student Referendum, Levy Changes
- Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP)
- Revisions to Short Medium-Term Fund SIPP Guidelines

- Approvals, Land and Property , including SOM
- Appointment / Re-appointment - Senior Executive, Decanal, Pension Fund Board, Mid-Term Interim Officers

June 2025

For Discussion, Approval:

- Appointment of External Auditor
- Board and Committee Workplans
- Board and Committee Meeting Schedule
- Endowment Distribution Accrual Rate – Annual
- Appointment / Re-appointment - Board

For Information, Action:

- Annual Committee Survey
- Annual Employment Equity Report
- Annual Report from the Centre for Sexual Violence Response, Support & Education
- Student Representatives Roundtable Annual Report - Student Presentation

As needed:

- Chairs and Professorships
- Establishment and disestablishment of academic units, and organized research units
- Banking Resolution Update
- Capital Approvals (including SOM)
- Consolidated Financial Statements
- Fees - Tuition, New programs and/or changes
- Signing Authority Update
- Student Referendum, Levy Changes
- Appointment/ Reappointment of Members
- Revisions to the Endowment Fund Statement of Investment Policies and Procedures (SIPP)
- Revisions to Short Medium-Term Fund SIPP Guidelines, if any
- Approvals, Land and Property, including SOM
- Appointment / Re-appointment - Senior Executive, Decanal, Pension Fund Board, Mid-Term Interim Officers
- Policy Update

Report to the Board of Governors

at its meeting of October 1, 2024

The Investment Committee met on September 17, 2024, and makes this report to the Board for information.

1. CAUBO 2023 Investment Survey Results

The Committee received the results of the 2023 Investment Survey from the Canadian Association of University Business Officers (CAUBAO), which compares fund performance, market value, asset mix, and manager allocation as of calendar year end and provides a means to benchmark against the peer universe of Canadian university endowments and pension funds. The committee noted that York's endowment fund performance ranked 3rd out of 18 funds over 10 years while its pension fund performance ranked 1st of the 12 funds in its CAUBO peer group over 10 years.

2. Risk Incident

The Committee was apprised of a recent incident that occurred with a service provider to York University which impacted the endowment fund, as was outlined by the Chair of Finance and Audit.

3. Private Assets Report

The Committee received a report on the Endowment Fund's exposure to private assets. Following the approval of the strategic asset allocation mix in September 2023 the mix of 20% real assets allocation, 10% allocation to private debt, and 10% allocation to private equity is being executed. The report discussed the opportunities and challenges in various asset classes and serves as a basis for discussion and prioritizing future allocation priorities for the Endowment Fund for 2024-25.

4. Sustainable Investing Update

The Committee received for information the draft Sustainable Investing Report 2023 which demonstrates the University's ongoing commitment to report to the York community and builds on earlier reports. The committee provided advice to Administration on the 2023 draft which included preliminary information about the Social and Governance aspects and performance of the portfolio.

Board of Governors – Investment Committee

For the year ended, the Fund has made significant strides in aligning its portfolio with sustainable practices, achieving notable reductions in carbon emissions and in enhancing financial returns. The Fund will continue to engage actively with fund managers and prioritize ESG integration to enhance risk-adjusted returns and support sustainable business practices. York University will continue to make capital commitments and deploy assets to impact funds that have sustainable investment goals.

5. Other Items of Business

The Committee received under consent the Investment Performance Summary Report (31 July 2024), the Endowment Fund Dashboard (30 June 2024), the Aon Monitoring Report (30 June 2024), the Annual Investment Report (31 December 2023) and the Treasury Report (31 March 2024).

*Mary Traversy
Chair*

Report to the Board of Governors

at its meeting of October 1, 2024

The Land and Property Committee met on September 16, 2024 and makes this report to the Board for information.

1. Sustainability Strategy

The Committee received for information a presentation on the 2030 Sustainability Strategy which has been drafted to follow the current Sustainability Strategy published in 2017. The 2030 Sustainability Strategy, which will be published this fall, reflects York's leadership in the sector, and is consistent with institutional priorities.

Following consultations, the 2030 Sustainability Strategy builds on York's Sustainability Framework and maintains York's approach to a broad interpretation of sustainability while providing more focused recommendations and greater accountability for advancing York's environmental sustainability objectives. Consistent with the previous strategy, the strategic goals are organized into three categories: people, knowledge and place.

2. Capital Construction Report

a. Keele and Glendon Campuses

The Committee received an update on approved capital projects as of August 30, 2024 detailing milestone dates and the status of financial commitments and expenditures. Based on the Statistics Canada Building Cost index, the inflationary material cost volatility and material delivery schedules have stabilized, except for electrical switchgear which continues to have a long lead time ranging from 45 to 90 weeks.

The committee received highlights on two major capital projects currently under construction at Keele:

Project	Target Completion	Approved Budget
Neuroscience Facility at Sherman Science Research Centre	2025	\$54.50 M
Goldfarb Gallery	Fall 2024	\$13.50 M

b. Markham Campus

The construction of the Markham campus reached required completion levels and municipal occupancy permits were issued for all of the rooms and spaces to enable York to commence the Fall 2024 academic term. Details on the construction status and schedule to achieve substantial performance of the project was provided.

Consistent with previous reports, the project costs continue to track well against the revised total project budget amount of \$330.5M. The transfer title of the campus lands to the University is in progress, where the City of Markham consented to align this milestone with the issuance an occupancy permit. Committee noted that this is the last stand alone report for Markham and going forward it will be folded in together with the Keele and Glendon campus report.

3. Deferred Maintenance Annual Five-Year Plan (DCRM Five Year Plan)

The Committee received for information a report covering data and planning for buildings in the Keele and Glendon campuses. The Current Replacement Value (CRV) for the buildings and site infrastructure totals \$4.8B for the Keele and Glendon campuses. Data about facilities conditions and the required DCRM is currently being migrated to the new database mandated by the province. The committee also received heat maps capturing the current Facility Condition Index (FCI) providing a visual overview of the campuses. FCI refers to the cost of the outstanding DM for a building versus the CRV of the building and is useful to establish when it may no longer be viable to invest in an existing infrastructure repair as the facility may be prohibitive to repair and should be decommissioned. The committee noted that approximately 40% of building assets are greater than 60 years old.

In response to the Auditor General recommendation that a formal strategy be developed and implemented to reduce the deferred maintenance backlog, a multi-year plan is being developed with a five-year schedule for development.

As part of the Forward Action Plan, the University has identified Space Optimization as one component to meet the related objectives of maintaining space that is required, releasing excess space to avoid operating and renewal costs, and providing space that is conducive to realizing the University's mission, the UAP, and support other Forward Action Plan activities. A full space audit has been completed at Glendon and AMPD. Additional audits are underway for Health and Science. This space information, the new COU space standards guidelines and additional DCRM planning will inform the development of the long-range DCRM plan.

*Ken Silver
Chair*

Board of Governors

Memorandum

To: Board of Governors

From: Ken Silver, Chair, Land and Property Committee

Date: 1 October 2024

Subject: Purchase of Land in Costa Rica

Recommendation

The Land and Property Committee recommends that the Board of Governors approve the acquisition by York University's Costa Rica affiliate corporation, 3-102-600245 S.R.L., of two adjacent parcels of land comprised of 1271 square metres located in Las Nubes, Costa Rica for the purchase price of USD\$60,000, for the purpose of constructing a new Casita Azul library to support the Las Nubes EcoCampus.

Background

The Las Nubes project began in the 1990s and encompasses and integrates several things: a mature cluster of academic programs, built on generous private and institutional support; deep relationships and long-term community partnerships; a commitment to academic innovation in experiential education and community-based research; and the “EcoCampus” which includes the Las Nubes Biological Reserve, the unique Lilian Meighen Wright Centre, and the Casita Azul library.

The Casita Azul library is part academic library, part resources centre, and part community hub. It is located within the Alexander Skutch Biological Corridor which has a population of 3000 people spread across seven communities. Casita Azul is the expanding hub of community outreach for the Las Nubes EcoCampus. It serves York University researchers, faculty, and a growing body of students in the Las Nubes Study Abroad Program to connect with local communities and develop collaborative initiatives.

In contrast to the lands owned by the University, Casita Azul is accessible by public transit and foot for community members. It serves as a place for reciprocal benefit in research, teaching and learning as well as a place for community engagement where York students and researchers can connect, learn with and from the local communities. Casita Azul's work advancing the United Nations Sustainable Development Goals in the community has amassed a wealth of social capital that supports research and teaching at the EcoCampus.

Rationale

Casita Azul is currently located in a small, one-room space on the second floor of a building owned by a local community group. To date, this space has been provided rent-free. As the Study Abroad program at the EcoCampus continues to grow, and the community demands on Casita Azul have also expanded, the space occupied by Casita Azul can no longer adequately provide the services demanded of it.

The space occupied by Casita Azul is limited to 45 square metres, comfortably seating 15 people, with a maximum occupancy of 25. It is no longer able to accommodate Las Nubes Study Abroad minimum class size of 25 students, along with accompanying community members. It is a single room that does not allow for simultaneous concurrent events and, with growing class sizes, does not meet Costa Rican health and safety standards for our uses of the space. The purchase of this land provides a permanence and commitment to the Casita Azul and allows for a platform to raise philanthropy to fund a future building in Las Nubes.

Las Nubes transportation and civil infrastructure is currently being expanded, and property values are increasing because of this development. Acquiring two adjacent parcels of land at the gateway to Las Nubes Biological Reserve and within walking distance of the current Casita Azul building is key to establishing a long-term presence, social commitment to education and community partnerships while protecting the biodiversity of the Las Nubes Biological Reserve.

The Property

The two adjacent parcels of land measure a total of 1,271 square meters (13,680 square feet) (the “Option Lands”) and are strategically located near the Las Nubes EcoCampus and less than 150 metres from the current Casita Azul (See Appendix A). The Option Lands are of interest to the Libraries as a building site for the future Casita Azul library. The library will include classrooms and an auditorium that converts into two additional classrooms to accommodate expanding teaching needs for the community and the EcoCampus. The Option Lands are owned by Sandra Vargas Arias (the “Seller”), who is interested in selling the land because the University’s intention would be to make the library available to the

surrounding community. The Option Lands are currently vacant land with some municipal services at the roadway.

Risks & Risk Mitigation

An agreement has been negotiated with the Seller providing the University with an option to exercise a right to acquire the Option Lands on or before October 15, 2024 (the “Option Agreement”). The Option Agreement sets out certain due diligence activities the University may undertake to satisfy itself that the Option Lands are suitable for the University’s purposes prior to exercising the option to purchase. Local professional engineering and law firms have been engaged to ensure the land and the zoning is compatible with the University’s intended use.

Financial

In consideration for the option grant in the Option Agreement, the Seller has been paid a non-refundable option fee in the amount of USD\$5,000 to hold the land until October 15, 2024, to allow the University to conduct the required due diligence.

Pursuant to the terms of the Option Agreement, if the University elects not to exercise the option to acquire the Option Lands by October 15, 2024, the Option Agreement is terminated without further liability or obligation other than the forfeiture of the USD\$5,000 deposit. If the University elects to acquire the Option Lands, an additional USD\$55,000 is due and payable to the Seller upon closing (total purchase price of USD\$60,000 minus the USD\$5,000 option fee already paid).

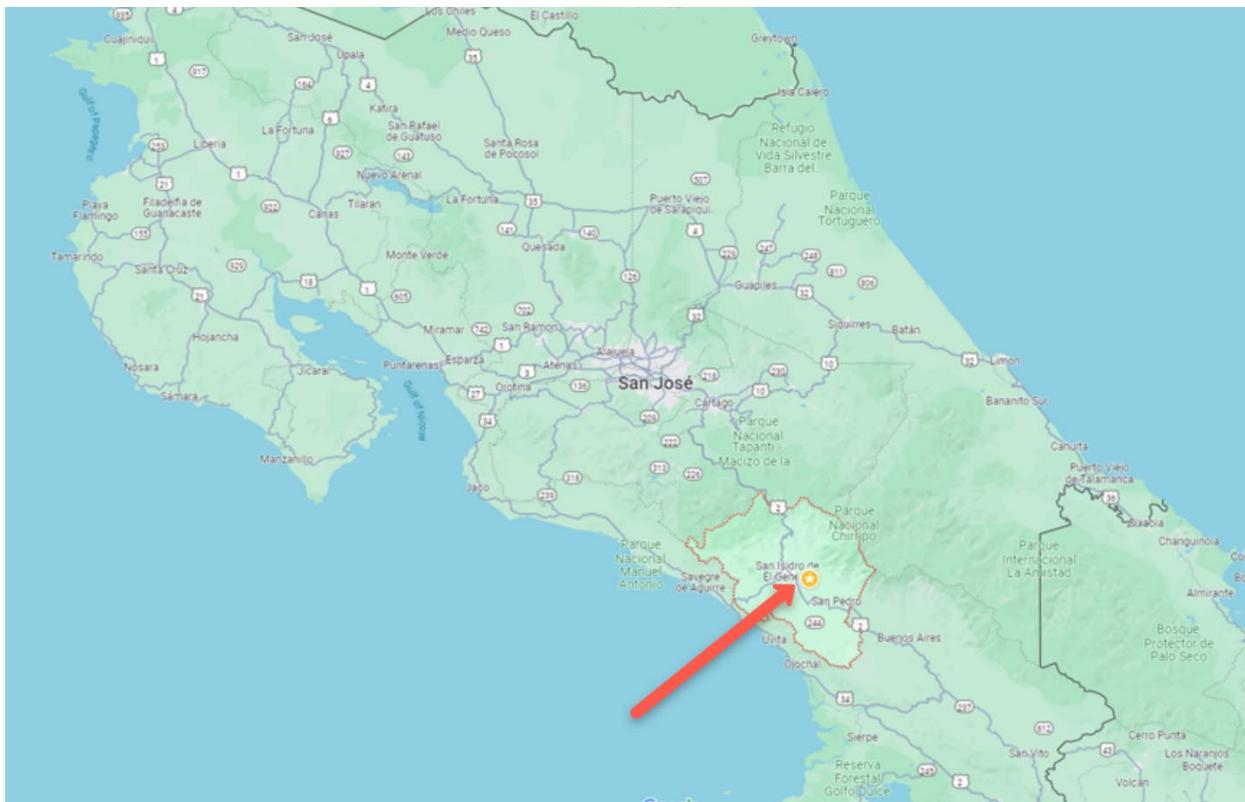
The funds for the two parcels of land and the requisite acquisition costs are being funded by York University Libraries, and funds are in place for the acquisition.

Attachment – Appendix A – Maps of the Area and Property

Appendix A

Maps of the Area and Property

Casita Azul is located in the community of Santa Elena, Perez Zeledon, in the Southwest part of Costa Rica, with the closest major city being San Isidro de El General.



Santa Elena is the largest of the seven communities located within the Las Nubes Biological Corridor on the highest mountain in Costa Rica, Mount Chirripo. The main road in Santa Elena has been recently paved and is accessible by public transportation.

Board of Governors



New property in relation to current Casita Azul and surrounding communities.

Board of Governors



Borders of property and measured distance from the existing Casita Azul to the 2 adjacent properties (143.38m).

York University Board of Governors Minutes

Meeting: Open Session, 25 June 2024

In person in Room 524 Kaneff Tower and via videoconference

Present:	Regrets:	Others:
Paul Tsaparis, Chair Francesca Accinelli Sheraz Arshad Marie-Hélène Budworth Joanie Cameron Pritchett (zoom) Stefanie Lamonaca Caputo Antonio Di Domenico (zoom) David Garg Uma Gopinath Ruth Green Konata Lake Loretta Lam Rhonda Lenton Sham Madhok Ariana Mah Carole Malo Dee Patterson Helen Polatajko Eugene Roman Nar Singh Nadine Spencer (zoom) Mary Traversy Bobbi White <i>Pascal Robichaud, Secretary</i> <i>Leikha M. Bisera, Assistant Secretary</i>	Ken Silver Kathleen Taylor	Marcia Annisette Amir Asif Anthony Barbisan Laina Bay-Cheng Christine Brooks-Cappadocia Priyanka Debnath Krista Davidson Trevor Farrow Susana Gajic-Bruyea Aïssata Hann Margaret Kierylo Julie Lafford Weiling Li Alice MacLachlan Ijade Maxwell Rodriques Carol McAulay Kim McLean Oluwakemi Oke Sonya Pettinella Lisa Philipps Nona Robinson Christine Silversides Louise Spencer Doug Bergeron – via zoom (external) Michael Giudice Naomi Ierullo Harshit Jaiswal Elaine MacRae, Governance Coordinator Pam Persaud, Assistant Secretary Cheryl Underhill, Senior Asst. Secretary Michelle Roseman, Admin Assistant Alexander Munin, IT

II. Open Session

1. Chair's Items

The Chair welcomed Governors and community members to the 485th meeting of the Board of Governors of York University and read the Land Acknowledgement.

York University Board of Governors - Minutes

Appreciation was extended to Marie-Hélène Budworth, Joanie Cameron Pritchett and Ariana Mah who are completing their two-year terms on the Board this month. Recognition was also given to departing external members, Konata Lake and Kimberly Murray, who are stepping down from the Board at the end of the month.

The Chair then congratulated Lorretta Lam who received the *Champion of Diversity Award* 2022-2023 from the Ontario Ministry of Citizenship and Multiculturalism in recognition of her work to promote immigrant success, economic growth, cultural diversity, and inclusion in Ontario.

The Chair extended thanks and appreciation to all governors for their continued commitment and contributions to the University this past year. Despite the challenges in the sector brought about by externalities, the Chair reminded members of the accomplishments the University achieved culminating with convocation and a time to celebrate.

Members were reminded that that a board photo will take place after the meeting followed by the Hail and Farewell dinner.

a. Report on Items decided during the closed session

The Chair reported the items decided in the Closed Session, as set out below:

- the appointment of Dean Rui Wang as Dean of Science effective 1 January 2025 and ending 30 June 2025;
- Appointment of Doug Bergeron as external member for a four-year term to start July 1, 2024;
- Appointment of Ingrid Minott as external member for a four-year term to start July 1, 2024;
- Appointment of Harshit Jaiswal as Undergraduate Student member for a two-year term beginning 1 July 2024;
- Appointment of Michael Giudice as a Senate member, for a two-year term beginning 1 July 2024; and,
- Appointment of Naomi Ierullo, as a Non-Academic Employee member for a two-year term beginning 1 July 2024.
- To investigate financing options and the project delivery methodology for the York University School of Medicine and for the Project Committee to commence preliminary steps to secure consultants for the pre-design of the SoM to have the building operational by summer 2028, noting that this is a parallel process with Senate and subsequent updates and required approvals will be brought to the Board.

York University Board of Governors - Minutes

The Board approved the minutes of the April 30, 2024, meeting under the consent agenda.

2. Executive Committee

The Chair reported that the Committee received an update from the President, as well as updates on the Auditor General of Ontario Value for Money Audit and labour relations, discussed the Board Executive workplan for 2024-25 and, and reviewed key issues from this Board cycle's meeting.

a. Action Taken on Behalf of the Board

The Chair reported that since the last meeting of the Board of Governors, the Executive Committee dealt with one item of business related to labour relations on behalf of the Board, pursuant to its authority under Article VI.4.(e) of the Board By-laws.

b. Amendments to the General By-laws of the Board of Governors and Transitional Terms of Reference

At the April 30, 2024 Board meeting, a notice of intent to amend the current General By-Laws of the Board of Governors was received to comply with the Ontario Not-for-Profit Corporations Act, 2010 and to align with established and best governance practices. The recommendation is to approve the amended By-Laws of the Board of Governors and the Transitional Terms of Reference.

It was duly agreed that the Board of Governors approve the amended General By-Laws of the Board of Governors attached as Appendix A and the Transitional Terms of Reference attached as Appendix B.

3. President's Items

a. Appointment: Mid-Term Interim Officers of the University (For Information)

President Lenton reported on the appointment of mid-term interim officers of the University:

- Michele Johnson, Interim Dean, Faculty of Liberal Arts & Professional Studies, from 1 July, 2024 through 30 August, 2024

Interim appointments are made in accordance with the authority vested to the President on November 27, 2023, by resolution of the Board of Governors pursuant to Sections (13)(2)(d) and (10)(c) of the York University Act (1965).

York University Board of Governors - Minutes

a) Year-End Retrospective & Looking Forward

President Rhonda Lenton welcomed members and delivered the *Year-End Retrospective* presentation and reported on the priorities of the *University Academic Plan* (UAP), highlighting progress and accomplishments made during the academic year, despite a number of factors impacting the financial sustainability of the sector. The President spoke to the evolving challenges in higher education and the plan to advance the UAP forward.

The President reflected on the initiatives including developments related to *21st Century Learning* and advancing the future of education through new and enhanced programs in Markham and Glendon campuses, the School of Medicine as well as strengthening research excellence and fostering innovation in support of *Knowledge for the Future*. Focus on enhancing student experience and strengthening Strategic Enrolment Management (SEM) were underscored together with progress in the Internationalization and Global Engagement strategy and partnerships that are continuously developed locally and internationally.

4. Presentation: Student Representative Roundtable Annual Report

The Board received a report on the activities of the *Student Representative Roundtable* in 2023-2024. The Roundtable actively discussed and participated in consultations on the following:

- Food insecurity
- Funding concerns and support for international students
- TUUS: space use
- Rebuilding campus and student life
- Community safety and campus involvement
- On- and off campus housing concerns
- Convocation budget and ancillary fees
- Mental health support

5. Academic Resources Committee

Antonio Di Domenico spoke to the Committee's written report included in the package providing updates on enrolment projections, progress on international student diversification, indicators used to measure Glendon's performance, medical school planning and ongoing progress towards the University's 17-Point Action Plan. In addition, the Committee received a comprehensive update on research and innovation items including recent research successes, the research partnership strategy, and external revenues raised to support implementation of the research partnership strategy and enhancing York's innovation ecosystem such as

York University Board of Governors - Minutes

Intellectual Property Ontario (IPON) and Ontario Vehicle Innovation Network (OVIN). An overview of the *IP Commercialization Policy* and Research Commons activities were provided.

6. External Relations Committee

Francesca Accinelli provided the committee update and referred to the Committee report, which highlighted accomplishments made in the past year under Government and Community Relations & Protocol, Advancement and from Communications and Public Affairs, noting the interconnectedness and the focus on priorities. The committee also received the key performance indicators for York's agency of record for brand, advertising and media planning.

7. Finance and Audit Committee

Bobbi-Jean White highlighted key items in the Committee's report: receipt of the Audit Results from the external auditors, the report on student organizations financial statements, as well as a comprehensive internal audit status report. In addition, the committee received an update on budget and enrolment and the importance of focusing on strategic enrolment management and the 17-action plan, and an update on the School of Medicine capital project where both Senate and the Board processes will need to align for a 2028 launch.

a. Appointment of External Auditors

Ms. White noted the documentation and that an annual assessment of the service quality was undertaken, and administration is satisfied with the services provided.

It was duly agreed that the Board of Governors approve the reappointment of Ernst & Young LLP as the auditor for the University for the fiscal year 2024-25.

b. Consolidated Financial Statements for Year Ended April 30, 2024

The report noted the external auditors expressed their unqualified opinion that the consolidated financial statements were present fairly, in all material respects, the consolidated financial position of the University as at April 30, 2024, and its consolidated results of operations and its cash flows for the year ended.

It was duly agreed that the Board of Governors approve the consolidated financial statements for the year ended 30 April 2024 in Appendix B of the report.

c. Tuition Fee Increases for Psychology and Economics Programs

The recommendation for a tuition fee increase follows a review among Ontario universities offering similar programs which show that York's international tuition fees for these programs are lower than the average for similar programs at peer institutions. The recommendation

York University Board of Governors - Minutes

brings the fees up to par with the average charged for similar programs at peer institutions in Ontario.

It was duly agreed that the Board of Governors approve the international tuition fee increases for the Psychology and Economics programs as follows:

- a) Psychology offered through the Faculty of Health – International tuition fees for entering students in 2024-25: \$36,621.54 per year (\$1,220.72 per credit) and for entering students in 2025-26: \$39,368.16 per year (\$1,312.27 per credit).**
- b) Economics (including Business Economics and Financial & Business Economics) offered through the Faculty of Liberal Arts & Professional Studies (LA&PS) - International tuition fees for entering students in 2024- 25: \$36,791.87 per year (\$1,226.40 per credit)**

8. Governance and Human Resources Committee

Konata Lake reported on the key items of business discussed by the Committee which included the receipt of the Pension Valuation Results as of December 31, 2023, key updates from the Division of Equity, People and Culture, including reports on employment and equity and employment benefits usage. With respect to governance, Mr. Lake spoke to work undertaken to review the membership complement, identify key areas of need, and noted that all committees have reviewed and approved their respective committee workplans for the 2024-2025 governance year. In the fall, the Committee will review all committee workplans and recommend their approval to the Board, including a workplan for the full Board.

a. Investment Committee Terms of Reference

A recommendation to revise the Terms of Reference of the Investment Committee follows discussions held at the Investment Committee to reflect existing practices in the field.

It was duly agreed that the Board of Governors approve the revised Investment Committee Terms of Reference, attached as Appendix B.

9. Investment Committee

Mary Traversy spoke to the Committee's report where the committee approved a private debt manager following the revised Target Asset Mix Policy, as well as a new infrastructure manager which follows a commitment to improve the sustainability profile of the Endowment Fund. The committee also discussed the ESG Scorecard for the Endowment Fund for the year ended December 31, 2023.

York University Board of Governors - Minutes

a. Endowment Distribution Accrual Rate 2023-24

It was duly agreed that the Board approve a 2024-25 distribution accrual rate of \$4.74 per unit, being an increase of \$0.18 per unit rate over the 2023-24 distribution accrual rate of \$4.56 per unit.

10. Land and Property Committee

On behalf of the Chair of the Land and Property Committee, Paul Tsaparis spoke to the Committee's report to the Board which covered an update on developments in the Keele and Markham campuses noting that the Markham campus is rapidly approaching the major milestones of occupancy permit and overall project substantial completion.

a. The Quad Student Housing – Phase 3 – Development Plan and Delegation of Authority to Develop the Lease

A recommendation for the development plan of Phase 3 of the Quad Student Housing was considered including a recommendation to delegate to the President the authority to execute a development lease.

It was duly agreed that the Board of Governors give authority to the President of York University to execute a development lease in conformity with the terms of the Master Development Agreement (MDA) executed in September 2013 between York University and student housing developer Forum Campus Suites (FCS), for the third phase of purpose-built student housing to be constructed on the east and west sides of Haynes Avenue, south of The Pond Road.

11. Other Business

There was no other business.

12. In Camera Session

An *In Camera* Session was held. No decisions were taken.

Paul Tsaparis, Chair _____

Pascal Robichaud, Secretary _____

Board of Governors

Memorandum

To: Board of Governors

From: Bobbi-Jean White, Chair, Finance and Audit Committee

Date: 1 October 2024

Subject: Annual Report on York University Pension Plan and Fund

The York University Pension Plan and Fund continues to achieve its objective by providing its members with retirement income and generating positive returns over the long term.

The Pension Plan paid out \$149.3M in 2023 (2022 - \$157.8M) in monthly pensions, termination benefits, and death benefits. The University contributions into the pension fund totaled \$48.3M in 2023 (\$47.9M in 2022).

The valuation results at December 31, 2023 show an increase in the going-concern funded status from a deficit of \$11.2M to a surplus of \$141.0M at the end of 2023, due to very strong pension fund performance in 2023. The 2023 valuation is not required to be filed; however, it has been filed to lock in these good results for the next 3 years.

2023 was a very good year in the markets, with the pension fund earning a net return of 12.9% for the year (-9.6% for 2022). The long-term returns for the pension fund continue to be strong at 8.3% net p.a. over the 10 years ending December 31, 2023. The market value of the Pension Fund was \$3.40B at the end of 2023.

The Pension Fund's investment strategy has been successful over the years and the Fund has met its objectives over the long term. To ensure continued success into the future, the investment policies and portfolios are continually reviewed to ensure risk is appropriately managed and the Fund remains well diversified as it grows. In 2023, the Pension Investment Policy was modified to reduce Equity from 50% to 40%, increase Alternative Credit from 10% to 15%, and increase Infrastructure from 10% to 15%.

Board of Governors - Finance and Audit Committee

These changes were made reflect changes in the expected future returns and risk for the asset classes in the Policy. New investments continue to be made in real estate and infrastructure.

The effective communication of Pension policies, investment results, and benefit information is of great importance to our Plan membership. In 2023, a project was completed to refresh, expand, and update the Pension Investments webpage. The new webpage includes information on fund investment strategy, asset allocation, risk management, performance results, and links to additional fund and plan information for York Pension Plan members.

The importance of sustainable investing continues and is a fundamental aspect of the pension fund investment policies. The pension fund has ~\$140 million invested in renewable and sustainability focused assets in our infrastructure portfolios. These assets are focused on decarbonization and transitioning the economy to net-zero carbon production. A measure of carbon emissions accepted in the investment industry is the WACI (Weighted Average Carbon Intensity) score. The Sustainability Scorecard report shows a WACI score for equities of 72 tonnes of CO₂ emissions, which is below the Paris Accord objective (94.5), 46% below the benchmark, and a decrease of 68% since this measure was first assessed in 2016. The pension fund and its investment managers continue to augment reporting in this area to ensure investments are sustainable and to identify areas for further research or potential concern.

In accordance with the York University Pension Plan and Fund Terms of Reference and Pension Reporting Policy, the attached report is comprised of the annual reporting requirements for the Board of Governors from the Vice-President Finance and Administration and from the Pension Fund Board of Trustees.

Included in this report are the following documents:

- Annual Report from the Vice-President Finance and Administration, including:
 - Funding Valuation Summary as at December 31, 2023, prepared by the actuary
- Annual Report from the Pension Fund Board of Trustees, including:
 - Signing Authority Register
 - Statement of Investment Policies and Procedures



YORK UNIVERSITY

PENSION PLAN

2023 Annual Report

from the

Vice-President Finance & Administration

for the

Board of Governors

September 2024

Introduction

York University is both the Plan Sponsor and the legal Plan Administrator of the York University Pension Plan and acts as both employer and fiduciary with respect to the pension plan and is responsible for its overall management. To discharge its duties, the University acts through the Board of Governors which has delegated specific Plan administration tasks to the Vice-President Finance & Administration who, in turn, has delegated tasks to employees of the University and to various agents that have been retained to assist in carrying out duties in respect to the Plan.

Annual Report Requirements

This is the annual report from the Vice-President Finance & Administration to the Board of Governors as per the Pension Reporting Policy of the Terms of Reference for the York University Pension Plan & Fund. This report provides the required information to the Board of Governors to support the Board's monitoring and oversight responsibilities as outlined in the Terms of Reference.

Achievement of Plan Mission

The Plan Mission, as stated in the Terms of Reference for the York University Pension Plan & Fund, is:

“The York University Pension Plan was established by York University to provide pension benefits to its faculty and staff. The Plan’s purpose is to provide a high standard of pension benefits, at a reasonable cost, as an essential element of the University’s compensation policy. The Plan’s assets provide security that benefit entitlements will be paid.”

This objective has been achieved. In 2023 the pension plan provided \$149.3M in pension, death, and termination benefits (\$157.8M in 2022). The University contributions into the pension fund totaled \$48.3M in 2023 (\$47.9M in 2022).

The Plan membership at the end of 2023 was 4,942 active members (4,807 in 2022), 3,231 retirees (3,109 in 2022), and 1,847 terminated members (1,835 in 2022) with deferred pensions.

At the end of 2023, the market value of the York University Pension Fund was \$3.40B (\$3.07B at the end of 2022).

Actuarial Valuation Results, Assumptions, and Funded Status of the Plan

An actuarial valuation report is required by legislation to be filed with the provincial regulators at least every three years. The last filing was the actuarial valuation report at December 31, 2021, filed in September 2022.

2023 was a year of good performance for the Pension Fund, improving the going concern position of the Plan. The 2023 valuation resulted in a surplus of \$141.0M, up significantly from the small deficit of \$11.2M last year.

Due to this significant improvement, senior management has decided that the actuarial valuation report at December 31, 2023 will be filed shortly in 2024. The contribution requirements will change as per these valuation results, and will then remain in effect until the next report is filed.

The funded status of the plan on a wind-up basis (which assumes the University becomes insolvent and the pension plan is wound up) improved significantly with a surplus of \$289.2M (surplus of \$165.0M in 2022). The solvency ratio also improved to 109% (2022 - 106%). As per the regulations, if the solvency ratio is better than 85%, no special payments are required.

For more details, see the attached Funding Valuation Summary as at December 31, 2023 prepared by Aon, the Plan actuary.

Summary of Contributions

The table below shows the actual contributions that were made into the Pension Fund for 2022 and 2023, and the estimated expected contributions for 2024:

	2024 (\$ millions est.)	2023	2022
Employer:			
Money purchase contributions	\$ 40.6	\$ 41.2	\$ 39.8
Minimum guarantee contributions	8.6	7.0	8.1
Special payments to fund deficit	0.0	0.0	0.0
Employees:			
Regular contributions	\$ 40.6	39.9	38.7

Board of Governors - Finance and Audit Committee

Additional voluntary contributions	0.7	0.7
Transfers in from other plans	1.3	2.5
Total	\$ 89.8	\$ 90.2

Changes to the Plan Text and Funding Policy

There were no changes to the plan text in 2023.

Legal and Regulatory Requirements

The Pension Plan has been administered in accordance with the terms of the Plan and legislative requirements.

Pension legislation requires the Plan Administrator to provide information to individual pension plan members as well as to the regulators. The legislation specifies the documents to be provided, the specific information to be provided in the documents, and the time frame in which these are to be provided.

Each plan member must receive an annual pension statement, and a statement in the event of a termination, death, retirement, or marriage breakdown. These statements have been provided in accordance with legislative requirements and within the specified time frames.

The legislation requires that the following documents be filed with the regulators:

- Annual Information Return
- Audited financial statements
- Income tax return
- Actuarial report at least every three years
- Plan registration, plan amendments, and notice of plan termination or wind-up, as applicable

The required documents have been filed in accordance with legislative requirements, including the required information and payments, as applicable, and within the specified time frames.

Employer and employee contributions have been remitted to the custodian as required and within the specified time frames.

York University Pension Plan

Funding Valuation Summary as at December 31, 2023 and Related Developments

Background

York University arranges for annual valuations of the pension plan. While valuations are performed annually, valuations are not required to be filed with the regulators every year. The last filed valuation report was as of December 31, 2021, and that report was valid for three years.

The December 31, 2023 valuation has been completed for information purposes and will be filed by September 30, 2024. The next required filing would be as of December 31, 2026.

Actual minimum contribution requirements for 2024 to 2026 are based on the filed report as at December 31, 2023 until a new valuation report is filed.

Valuation Highlights

The highlights of the December 31, 2023 actuarial valuation of the plan are as follows:

- Valuation results as at December 31, 2023 show an improvement in the going-concern funded position mainly due to a favourable fund return (12.8781% for 2023). The solvency position also strengthened as at December 31, 2023 primarily due to the same reason.
- Going concern funded status improved from a deficit of \$11.2 million at December 31, 2022 to a surplus of \$141.0 million at December 31, 2023.
- The Hypothetical Plan Wind-Up position of the plan improved from an estimated surplus of \$165.0 million at December 31, 2022 to a surplus of \$289.2 million at December 31, 2023.
- Based on the December 31, 2023 valuation results, the 2024 actuarial cost of benefits (excluding employee contributions) amount to \$49.2 million or 121.2% of employee contributions versus 117.4% of employee contributions for 2024 as per the last filed valuation as at December 31, 2021.
- The going concern assumptions as at December 31, 2023 were unchanged from the December 31, 2022 and December 31, 2021 valuation. In particular, the discount rate assumption remained at 5.75%.
- The Provision for Adverse Deviations (“PfAD”), which is a required margin under Ontario funding regulations, decreased to 7.85% from 8.82% for the December 31, 2023 valuation. The decrease was primarily due to a change in allocation towards equities during 2023.
- For members who retired prior to January 1, 2015, the pensions payable were adjusted by 0.2731% effective January 1, 2024 based on a 4-year moving average of 6.2895%.

- For members retiring on or after January 1, 2015, the pensions payable were adjusted effective January 1, 2024 reflecting a 5-year moving average fund return incorporating backfill at 6% and, so, actual increases vary by cohort of retirees and beneficiaries, as shown in the following table:

Cohort	Moving Five-Year Average	Cumulative Decrease at January 1, 2023	Pension Adjustment at January 1, 2024
2015 - 2017			
Retirements	8.2221%	-0.4768%	1.6095%
2018 Retirements	8.2221%	0.0000%	2.0963%
2019 Retirements	6.2315%	-1.0338%	0.0000%
2020 Retirements	4.4406%	-2.7023%	0.0000%
2021 Retirements	3.9764%	-3.1347%	0.0000%
2022 Retirements	7.3412%	0.0000%	1.2653%

- The active membership in the plan increased from 4,807 as at December 31, 2022 to 4,942 as at December 31, 2023.
- The number of retirees receiving pension benefits from the Plan increased by 122 to 3,231.

Financial Position on Going Concern Basis (000's)

	December 31, 2023	December 31, 2022	December 31, 2021
Market Value of Assets	\$ 3,396,700	\$ 3,066,100	\$ 3,465,000
Less: Money Purchase Accounts	1,520,300	1,374,000	1,555,900
Defined Benefit Assets	\$ 1,876,400	\$ 1,692,100	\$ 1,909,100
Pensioner Liability	1,642,473 ¹	1,585,420 ¹	1,617,613 ¹
Other Member Minimum Guarantee Liability	92,927 ¹	117,880 ¹	68,287 ¹
Total Accrued Liability	\$ 1,735,400	\$ 1,703,300	\$ 1,685,900
Excess/(Unfunded Liability)	\$ 141,000	\$ (11,200)	\$ 223,200

¹ Incorporates the PfAD under the revised Ontario funding rules (7.85% as at December 31, 2023, 8.82% as at December 31, 2022 and 8.3% as at December 31, 2021)

Appendix – Significant Actuarial Assumptions on Going Concern Basis

Interest Rate	5.75% per year (net of investment expenses only)
Salary Scale	Active Members: 4.00% per year Disabled Members: 2.00% per year Suspended Members: 0.00% per year
Increase in YMPE	3.00% per year
Increase in Maximum Pension Limits	Limits prescribed up to 2024 and indexed at 3.00% per year starting in 2025
Mortality	80% CPM2014 Public Sector Mortality Table with generational improvements using MI-2017 Scale
Retirement Age	Rates apply from ages 55 to 70 based on plan experience study performed in 2019
Termination Rate	Rates apply up to age 54 based on plan experience study performed in 2019
Conversion Basis	80% CPM2014 Public Sector Mortality Table with generational improvements using MI-2017 Scale (unisex 55% male and 45% female) with 6% interest rate
Administrative Expenses	\$1,200,000
Non-reduction Reserve	Post January 1, 1992 special non-reduction reserve contribution account plus further levy against money purchase accounts at retirement reduced by subsidized “excess interest” pension benefits
Deferred Indexing Reserve	Reflects projected future change in pension related to past returns for members who are retired
Retirement Reserve	Established to mitigate future retirement losses due to conversion basis different from valuation basis



YORK UNIVERSITY PENSION FUND

2023 Annual Report
from the
Pension Fund Board of Trustees
for the
Board of Governors

September 2024



Introduction

York University is both the Plan Sponsor and the Plan Administrator of the York University Pension Plan. The Board of Governors has appointed a Pension Fund Board of Trustees (BoT) to discharge the Fund investment duties. These Trustees are appointed following nominations from employee groups, the Administration, and the Board of Governors. The Trustees have delegated tasks to a Pension Fund Investment Committee (PFIC), to employees of the University, and to external professional service providers who have been retained to assist them in carrying out their duties in respect of the Fund.

Annual Report Requirements

This is the annual report from the Pension Fund Board of Trustees to the Board of Governors as per the Pension Reporting Policy that is part of the Terms of Reference for the York University Pension Plan & Fund. This report contributes to effective communication between the Pension Fund Board of Trustees and the Board of Governors.

In the Terms of Reference, the Pension Reporting Policy states that:

“Annually, the Board of Governors shall receive a written report from the Pension Fund Board of Trustees covering the following items:

- a) Achievement of the Fund objectives;
- b) Summary of approved changes to the Statement of Investment Policies and Procedures, other investment policies, and membership of the Pension Fund Board of Trustees and the PFIC made during the year, as applicable;
- c) Compliance of the Pension Fund Board of Trustees with the Trust Agreement and the Terms of Reference;
- d) The audited Financial Statements for the Pension Fund.”

Achievement of Fund Objectives

	2023	4 years	5 years	10 years
Gross Fund Return	13.2%	6.8%	8.7%	8.7%
Net Fund Return	12.9%	6.3%	8.2%	8.3%
Benchmark Return	12.9%	6.0%	8.0%	8.1%
CPI	3.4%	3.8%	3.5%	2.6%

2023 Annual Report from Pension Fund Board of Trustees to Board of Governors

The Return Considerations, as per Section V of the Statement of Investment Policies and Procedures, are as follows:

The Fund is expected to achieve over moving four to five-year periods a return, at least equal to a composite benchmark, rebalanced monthly, made of passive investments in appropriate market indices according to the Investment Policy Portfolio, plus an added value for active management where applicable.

This objective has been achieved; the Fund outperformed the benchmark return over the four and five-year periods ending December 31, 2023. Also, the volatility of the Fund return is lower than the volatility of the benchmark returns, and the Fund has a higher risk-adjusted return than the benchmark (as measured by the Sharpe Ratios) over the 5-year period ending December 31, 2023.

Pension Fund Board of Trustees

Changes to the Membership, and Compliance with the Terms of Reference

Membership

The Terms of Reference state that the term of office for Trustees shall be three years, with retiring members eligible for reappointment, to a maximum term of 9 years. In 2023 the following people became new members or were re-appointed to the Pension Fund Board of Trustees:

<u>New/Reappointed Trustee</u>	<u>Replaced</u>	<u>Nominated by</u>
Mary Traversy	Jacques Demers	Board of Governors
Mario Verrilli	Mary Catherine Masciangelo	President
George Klar	Paul Battistuzzi	President
Sonny Day	Reappointed	YUSA
Melanie Cao	Reappointed	YUFA
Frank D'Agostino	Reappointed	CUPE 1356
Colleen Ferreira	Jason Springer	CUPE 1356-01

The membership of the Pension Fund Board of Trustees at the end of 2023 was as follows:

<u>Trustee</u>	<u>Nominated by:</u>
Mary Traversy, Chair	Board of Governors
Dee Patterson	Board of Governors
Mario Verrilli	President

2023 Annual Report from Pension Fund Board of Trustees to Board of Governors

George Klar	President
Sonny Day	YUSA
Tammy Paglia	YUSA
Melanie Cao	YUFA
Shanker Trivedi	YUFA
Adam Parachin	OHFA
Frank D'Agostino	CUPE 1356
Colleen Ferreira	CUPE 1356-01
Bruno Bellissimo	YURA

with 4 vacant positions.

Officers

Mary Traversy was appointed Chair on July 1, 2023.

Vice-Chair position remained vacant throughout 2023.

Leona Fields, Director, Pension Fund continued as Secretary throughout 2023.

Meetings

The Pension Fund Board of Trustees met 4 times in 2023 on March 21, June 6, September 19, and December 5. A quorum was present at all meetings. An attendance summary is below. Minutes were recorded for all meetings and are available for viewing in the Pension Investments Office.

Trustees	Meeting Attendance	
	No.	%
Jacques Demers, Chair	2 of 2	100
Mary Traversy, Chair	2 of 2	100
Dee Patterson	3 of 4	75
Mary Catherine Masciangelo	3 of 3	100
Mario Verrilli	1 of 1	100
Ran Lewin	2 of 2	100
Sonny Day	1 of 3	33
Tammy Paglia	3 of 4	75
Melanie Cao	4 of 4	100
Shanker Trivedi	3 of 4	75
Adam Parachin	4 of 4	100
Frank D'Agostino	4 of 4	100
Bruno Bellissimo	4 of 4	100
Colleen Ferreira	2 of 2	100
George Klar	1 of 2	50
Jason Springer	0 of 2	0

Changes to the Membership of the Pension Fund Investment Committee (PFIC)

Andy Greene and Betsy Yeung were reappointed on April 1, 2023, and George Klar was reappointed on July 1, 2023. Jacques Demers retired from PFIC on June 30, 2023. The committee membership at the end of the year was as follows:

Guy Burry, Chair	External expert
Andy Greene	External expert
George Klar	York University Finance Professor
Dee Patterson	External expert, Pension Trustee, Board of Governors
Pauline Shum-Nolan	York University Finance Professor
Don Walcot	External expert
Betsy Yeung	External expert

Changes to Statement of Investment Policies & Procedures (SIP&P) and Other Investment Policies

An updated SIP&P was approved in December 2023, reflecting the change to the Investment Policy Portfolio of a reduction in Equity from 50% to 40%, an increase in Alternative Credit from 10% to 15%, and an increase in Infrastructure from 10% to 15%. The minimum and maximum allowable ranges for all asset classes were also adjusted accordingly.

An updated Statement of Investment Principles was approved in December 2023, to reflect the above asset mix change.

Other Approvals

Real Assets: In September 2023, BoT approved an investment of USD\$40 million be made to Oaktree Real Estate Opportunities Fund IX.

Pension Fund Financial Statements: In March 2023, the BoT approved the audited financial statements for the Pension Fund at December 31, 2022.

Signing Authority Register: In June 2023, the BoT approved the Signing Authority Register with a minor change to a position title.

2023 Annual Report from Pension Fund Board of Trustees to Board of Governors

PFIC Re-appointments: BoT approved the reappointments of Andy Greene and Betsy Yeung effective April 1, 2023, and George Klar effective July 1, 2023.

Pension Fund Operating Budget: In December 2023, the BoT approved the 2024 Pension Fund operating budget for investment expenses.

Monitoring

During 2023, the Pension Fund Board of Trustees met their monitoring requirements by receiving the 2022 Annual Report from PFIC for the BoT as well as quarterly reports at each BoT meeting. Actual expenses compared to budget were reported to the BoT each quarter.

Audited Financial Statements

The Financial Statements for the Pension Fund at December 31, 2023, audited by Ernst & Young, are attached.

Attachments

Statement of Investment Policies and Procedures as at December 31, 2023
Audited Financial Statements for the Pension Fund as at December 31, 2023

**York University Pension Fund
Signing Authority Register**

June 2023

	Description	Approval Authority	Execution Signatories ¹
Payments from the Pension Fund			
Reimbursement to York University for pension expenses ²	Fees for investment management, custodial, consulting, legal, audit, and pension administration services; salaries and benefits for pension staff, annual regulatory filing fees, and other misc expenses	As per the Pension Fund Operating Budget approved annually by the Pension Fund Board of Trustees	Director, Pension Fund or Assistant Vice-President, Finance & CFO and Director, Pension Fund or Assistant Vice-President, Finance & CFO or Treasurer or Comptroller or Vice-President, Finance & Administration
Investment Instructions ³	Capital calls, rebalancing, currency hedging settlements, global markets documentation	As per the Statement of Investment Policies & Procedures and/or Manager Mandates	Director, Pension Fund or Assistant Vice-President, Finance & CFO and Director, Pension Fund or Assistant Vice-President, Finance & CFO or Treasurer or Comptroller or Vice-President, Finance & Administration
Benefit Payments ⁴	Initial pension payment, lump sum payments	As per the terms in the Pension Plan text	Manager, Pension & Benefits or Pension Administration Specialist or Pension & Benefits Support Specialist and Manager, Pension & Benefits or Pension Administration Specialist or Pension & Benefits Support Specialist or Director, Pension Fund or Treasurer
Documents and Agreements⁵			
Investment Policy Documents	Statement of Investment Policies and Procedures, Investment Beliefs	Pension Fund Board of Trustees	Chair, Pension Fund Board of Trustees and Director, Pension Fund
Pension Fund Financial Statements	Audited Financial Statements	Pension Fund Board of Trustees	Chair, Pension Fund Board of Trustees and Vice President, Finance & Administration
Manager Mandates	Includes investment guidelines and constraints, performance expectations, reporting requirements	Sub Committee on Investment Performance	Chair, Sub-Committee on Investment Performance and Director, Pension Fund

cont'd...

York University Pension Fund Signing Authority Register

June 2023

New third party agreements with York University for pension investment services, under jurisdiction of Pension Fund Board of Trustees ⁶	Investment Management Agreements, other contracts	Pension Fund Board of Trustees	Director, Pension Fund or Assistant Vice-President, Finance & CFO and Director, Pension Fund or Assistant Vice-President, Finance & CFO or Vice-President, Finance & Administration
Contracts related to investments in private Limited Partnerships	Limited Partnership Agreements, Subscription Agreements, Side Letter Agreements, other related contracts	Pension Fund Board of Trustees	Director, Pension Fund or Assistant Vice-President, Finance & CFO and Director, Pension Fund or Assistant Vice-President, Finance & CFO or Vice-President, Finance & Administration

¹ Two different signatories are required for everything

² Expenses paid out of CIBC Mellon operating account

³ Transfers between CIBC Mellon investment manager accounts

⁴ Paid from CIBC Mellon operating account

⁵ Does not involve any payments out of the Pension Fund

⁶ Pursuant to Supply of Services Agreement between York University and the Pension Fund Board of Trustees (June 2010)



**YORK UNIVERSITY PENSION FUND
Ontario PBA Reg. No. 0329763**

**STATEMENT OF INVESTMENT POLICIES
AND PROCEDURES**

Amended in October 2023

Approved and adopted by York University Pension Fund Board
of Trustees on December 5, 2023

A handwritten signature in black ink that appears to read 'Mary'.

Mary Traversy
Chair, Pension Fund Board
Of Trustees

A handwritten signature in black ink that appears to read 'L. Fields'.

Leona Fields
Director, Pension Fund

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Section I – Introduction

- 1.1 This document constitutes the Statement of Investment Policies and Procedures (“the Policy”) applicable to the assets held in respect of the York University Pension Plan (“the Plan”). The Plan was established by York University (“the University”), to provide retirement benefits for the Members.
- 1.2 The purpose of this Policy is to formulate those investment policies, guidelines and monitoring procedures that are appropriate to the needs and objectives of the York University Pension Fund (“the Fund”), in a manner conforming to the rules in the Act. With regards to this Policy, references to the term “Act” mean the Pension Benefits Act, Ontario and related regulations.
- 1.3 This Policy may be changed or modified at any time by action of the York University Pension Fund Board of Trustees (“Board of Trustees”).
- 1.4 This Policy is augmented by other documents, including the Statement of Investment Principles, and the Terms of Reference & Pension Reporting Policy for the York University Pension Plan and Fund.

Section II – Overview of the Fund

- 2.1 The purpose of the Fund is to secure the pension benefits of the Plan’s members.
- 2.2 The Plan is a defined contribution Plan with a defined benefit minimum guarantee. Pension benefits at retirement are determined by the contributions made by the member and on behalf of the member by the University, and the investment performance of the Fund over a member’s working lifetime, with a minimum guaranteed benefit determined by a final average salary formula.
- 2.3 To the extent that the Fund does well, all Plan members benefit. If the fund performs poorly, then active members are protected through the minimum guarantee formula. Pensions in pay for retired members are adjusted annually by the excess of a moving average of Fund returns over 6%, and are protected through a guarantee that this adjusted pension will never be reduced.
- 2.4 Contributions into the Fund are made by the Plan members and the University. For the foreseeable future, the Fund is expected to experience net cash outflows greater than inflows. The current Fund investments provide sufficient liquidity to meet this cash requirement.

Section III – Governance and Administration

- 3.1 In fulfilling its responsibilities, the University acts through its Board of Governors. The Board of Governors may delegate to or otherwise utilize employees of the University where appropriate. The Board of Governors has appointed a Pension Fund Board of Trustees (the “Trustees”) to oversee the Fund. The Trustees have delegated tasks to the Pension Fund Investment Committee (the “Committee”), to employees of the University, and to various agents that have been retained to assist them in carrying out their duties in respect of the Fund. The University shall retain responsibility and utilize suitable personnel for such activities and monitor the activities undertaken by the selected personnel.
- 3.2 The University may rely on independent experts for certain aspects of the Fund's operations where expert knowledge is required or where a perceived or actual conflict of interest exists.
- 3.3 Neither the Trustees, the Committee, nor any employee of the University shall select securities on behalf of the Fund. The Trustees will select Investment Managers (“Managers”), Pooled Funds, Segregated Funds, or short-term deposits for the Fund.
- 3.4 Particulars of the Manager Mandates, portfolios and performance objectives of the Managers are contained under separate cover.
- 3.5 To the extent the Fund invests in Pooled Funds, each Manager will provide a copy of the Manager's own investment policy for their specific Pooled Funds.
- 3.6 The Trustees shall appoint one or more Custodians (the “Custodian”) for all or part of the Fund assets. Any Custodian shall be a trust company registered in Canada or an insurance company authorized to underwrite life insurance in Canada. All investments and assets of the Fund shall be held by a custodian.
- 3.7 The Fund's financial statements shall be audited by an independent auditor at least annually.

Section IV – Asset Classes Eligible for Investment

4.1 From time to time, and subject to this Policy, the Fund may invest in any or all of the following asset categories and subcategories of investments either directly or through Pooled Funds or exchange traded funds that hold these investments:

(a) **“Equity”**

- Public or private securities which represent ownership in a company listed on recognised Canadian, foreign, and emerging markets stock exchanges including, but not limited to, common shares, convertibles, instalment receipts, depositary receipts, exchangeable shares, share purchase warrants, limited partnership units, income trusts, and preferred shares;
- Units in real estate investment trusts.

(b) **“Fixed Income”**

- Bonds, real return bonds, debentures, notes, or other debt instruments of domestic, and foreign issuers;
- Asset-backed securities;
- Mortgage-backed securities;
- Securitized credit, loans, debt-related assets, or other non-traditional credit;
- Convertible or other hybrid debt instruments;
- Term deposits or similar instruments of licensed trust companies and banks.

(c) **“Real Assets (Real Estate or Infrastructure)”**

- Open or closed-end pooled funds structured as participating debentures, or shares of corporations or limited partnerships formed to invest in real assets
- Investments in securities of publicly traded real estate companies and publicly traded real estate investment trusts (“REITs”) or Infrastructure are considered Equity and not Real Assets.

(d) **“Cash and Cash Equivalents”**

- Deposits with banks or trust companies with a term to maturity of one year or less;
- Money market securities with a term to maturity of one year or less;
- Floating rate notes.

(e) **“Derivatives”**

- May be used to hedge (i.e., reduce), fully or partly, any investment risk, including market, interest rate, credit, liquidity, and currency risk; or
- To replicate direct investments in the underlying assets or groups of assets (e.g., indices) so as to achieve some advantage of lower cost, transactional ease, or market exposure.

Section V – Return Considerations

5.1 The Fund is expected to achieve over moving four to five-year periods a return, at least equal to a composite benchmark, rebalanced monthly, made of passive investments in appropriate market indices according to the Investment Policy Portfolio, plus an added value for active management where applicable.

Section VI – Asset Allocation Guidelines

6.1 Over complete market cycles the allocation is expected to stay within the following ranges:

Asset Class	Investment Policy Portfolio (% of total fund)	Minimum	Maximum
Equity	40%	35%	55%
Total Equity	40%	35%	55%
Global Fixed Income ¹	15%	5%	20%
Canadian Fixed Income	20%	15%	25%
Cash	0%	0%	10%
Total Debt	35%	30%	40%
Real Estate	10%	0%	35%
Infrastructure	15%	0%	
Total Real Assets²	25%	0%	35%

¹ Global Fixed Income funds valued in foreign currency will be 100% hedged to Canadian dollars

² Real Asset funds valued in foreign currency will be 50% hedged to Canadian dollars

6.2 Cash and Cash Equivalents may also be held from time to time on a short-term, temporary basis or as defensive reserves within the portfolios for each asset class at the discretion of each Manager within the constraints prescribed by that Manager's mandate, and for the purposes of this section such Cash and Cash Equivalents shall be included in that respective asset class

6.3 The Fund's asset mix will be monitored on a frequent basis. Should the asset mix deviate outside the above ranges, corrective action will be taken to bring the asset mix back within the range as soon as practicable. Action may be taken to bring the asset mix closer to the Investment Policy Portfolio at any time. Real Assets are, by their nature, illiquid and may not be able to be rebalanced immediately; however, the objective remains to methodically move the allocations to within the investment policy ranges as soon as practicable.

Section VII – Portfolio Diversification and Constraints

- 7.1 The Fund shall be diversified by investment category, company, region, industry, currency and country as deemed appropriate by the Committee.
- 7.2 An investment in any security of, or a loan to, a person, any associated persons or affiliated corporations shall not be made directly or indirectly, if:
 - (a) 10% or more of the total market value of the Plan assets has already been lent or invested, in total, to or in the person, the associated persons or the affiliated corporations; or
 - (b) 10% or more of the total market value of the Plan assets would be lent or invested, in total, to or in the person, the associated persons or the affiliated corporation as a result of the loan or investment.
- 7.3 The Fund shall comply with all quantitative constraints documented in the Act, and all investments shall be made in accordance with the Code of Ethics and Standards of Practice of the CFA Institute.
- 7.4 The Fund will be managed to maintain sufficient liquidity to fund benefit payment outflows or other obligations for the Plan as needed. Consideration will be given to liquidity needs when structuring the portfolios for the Fund.
- 7.5 In respect of the Equity portfolios of the Fund:
 - (a) Holdings include public or private securities which represent ownership in a company, partnership or trust;
 - (b) Holdings shall be diversified by company, region, industry, currency and country; however, consideration may be given to the relative sizes of economic activity and stock market capitalization.
- 7.6 In respect of the Fixed Income portfolios of the Fund:
 - (a) All holdings in Global Fixed Income shall be diversified by company, region, industry, and country; however, consideration may be given to the relative size of the opportunity set in different countries. The overall average credit quality of the Fixed Income portfolios shall be at least DBRS "BBB(low)" or equivalent. If, at any quarter-end, the average credit quality is below the

minimum indicated above, rebalancing will be done over the subsequent quarter to bring the average credit quality to at least the required minimum.

- 7.7 In respect of the Real Asset portfolios of the Fund:
 - (a) No direct holdings in real assets are permitted.
 - (b) The portfolio will be diversified by industry, company, region and country; however, due to the illiquid nature of these asset classes it may take time to build out this diversification.
- 7.8 In respect of Cash and Cash Equivalents of the Fund or any Pooled Fund, deposits with banks or trust companies must be rated “A” or better or be with institutions that have a long-term rating of “A” or better.
- 7.9 In respect of Derivatives:
 - (a) Derivatives may be used only to:
 - (i) create an asset mix position within the ranges and among the asset classes set out in this Policy;
 - (ii) adjust the duration and/or credit exposure of the Fixed Income portfolio;
 - (iii) replicate the investment performance of a recognized capital market index or the impact of changes in interest rates;
 - (iv) create an exposure to securities that are otherwise permitted under this Policy;
 - (v) manage the currency exposure of foreign assets; or
 - (vi) reduce risk as part of a hedging strategy.
 - (b) Derivatives may not be used to create exposures that would not otherwise be permitted under this Policy or which would be outside the limits under this Policy had the exposure been obtained in the cash markets.
 - (c) All collateral held in connection with any Derivative shall comply with the requirements of this Policy for Cash and Cash Equivalents.
 - (d) Any Manager investing in Derivatives must determine the market value of that Manager’s exposures on a daily basis.
- 7.10 Environmental, Social, and Governance (“ESG”) factors are incorporated into the investment policies. Sustainable Investing considerations provide a consistent framework for all aspects of Fund investment, management, and oversight. ESG

factors are very broad in nature and can have a material impact on the performance of the Fund over the long term. They are important considerations for the Fund's management. The Fund's Sustainable Investing Principle and Rationale include:

- (a) The key Environmental risk faced by the Fund is currently climate change and, at a macro level, the Fund will focus on the risks and opportunities associated with a transition to a low-carbon economy. The Fund manages this long-term megatrend by considering the impact of the transition to a low-carbon economy on asset class returns as an important input when making investment decisions, selecting investment products or retaining investment managers
- (b) From a Social perspective, the Fund will seek to make a positive societal impact, without diverging from its fiduciary responsibility, while considering the practical limitations of its size and internal resources. Diversity of fiduciaries is beneficial and typically encapsulates gender, sexual orientation, and race; it may extend to other areas including languages, training, educational backgrounds, demographics and other factors.
- (c) From a Governance perspective, the focus on diversity is applied to the internal governance structure of the Fund and is a fundamental expectation of any external providers. Participation in industry groups and working with like-minded investors expands the Fund's resources and reach and is expected to affect change and improve outcomes for all investors by engaging investment managers, industry professionals, other investors, and regulators, by expanding the impact the Fund can have on the industry.

Section VIII – Loans and Borrowing

- 8.1 No part of the Fund assets shall be loaned to any party other than:
 - (a) by purchasing securities which otherwise meet the requirements of this Policy; or
 - (b) through a securities lending program operated by the Custodian or through investment in an Investment Fund that lends securities in accordance with applicable legislation and the securities lending agreement.
- 8.2 Unless otherwise stated in the Manager's Mandate or Investment Policy, money shall not be borrowed on behalf of the Fund and the Fund assets shall not be pledged or otherwise encumbered in respect thereof.
- 8.3 The Fund's Managers may use short-selling.

Section IX – Valuation of Investments

- 9.1 Investment in marketable securities through Segregated Funds shall be valued by the Custodian no less frequently than daily at their market value at that time.
- 9.2 The Fund's investments in Pooled Funds holding publicly traded securities shall be valued according to the unit values published by the Managers. The Custodian shall be responsible for requesting and recording the unit values on a timely basis.
- 9.3 If a market valuation of an investment is not readily available, an estimate of fair value shall be supplied by the Manager to the Custodian no less frequently than quarterly. Such fair value may be determined by reference to the most recent expert appraisal or by other means such as discounted cash flow or comparison with similar assets which are publicly traded. In all cases the methodology should be applied consistently over time and consistent with generally accepted accounting standards, where applicable.

Section X – Conflicts of Interest & Related Parties

10.1 Conflicts of Interest

- (a) If a member of the Board of Trustees, Committee, any agent of or advisor to the Fund, or any person employed in the investment of the Fund assets has or acquires any material interest, direct or indirect, in any matter in which the Fund is concerned or may benefit materially from knowledge of, participation in, or by virtue of an investment decision or holding of the Fund, the person involved shall, as soon as practicable, disclose this conflict of interest to the Chair of the Board of Trustees or, if the Chair is involved, disclosure should be made to the Vice-Chair of the Board of Trustees. The Chair or Vice-Chair, as the case may be, shall then immediately advise all members of the Board of Trustees, and the Board of Trustees shall decide upon a course of action. Any such person will thereafter abstain from any decision making with respect to the area of conflict, unless otherwise determined by unanimous decision of the remaining members of the Board of Trustees.
- (b) Every disclosure of interest under this Section shall be recorded in the minutes of the relevant Board of Trustees meeting.
- (c) The failure of a person to comply with the procedures, described in this Section, shall not of itself invalidate any decision, contract or other matter.
- (d) The Board of Trustees shall satisfy itself that an appropriate policy regarding conflicts of interest exists and is followed by any Manager.

10.2 **Related Party Transactions**

Any transactions with a Related Party as defined by the Act are not permitted except as follows:

- (a) The transaction is required for the operation or administration of the Fund and be on terms and conditions that are not less favourable to the Fund than market terms and conditions at the time of the transaction, and does not involve the making of loans to, or investments in, the Related Party; or
- (b) The transaction involves loans to, or investments in, a Related Party that are
 - (i) selected by a Manager acting independently within a Pooled Fund that complies with applicable requirements in the Act; and
 - (ii) such investments will be considered nominal or immaterial and constitute in the aggregate less than 5% of the market value of that Pooled Fund. In assessing whether the value of a transaction is nominal or immaterial, two or more transactions with the same Related Party shall be considered as a single transaction.
- (c) Managers shall provide their internal policies and guidelines on Conflict of Interest and personal trading.

Section XI – Voting Rights

- 11.1 The responsibility of exercising and directing voting rights acquired through the Fund's investments shall normally be delegated to the Manager, who shall be required at all times act prudently and in the best interests of the beneficiaries.
- 11.2 The Managers shall maintain a record of how the Fund's voting rights have been exercised and provide a copy of such record annually.
- 11.3 The Managers shall be required to advise the Committee and provide details in advance of the vote when the Manager has acquired on behalf of themselves and their clients securities to which are attached 10% or more of the voting rights of that class of securities.
- 11.4 The Committee reserves the right to direct, or override, the voting decisions of a Manager, if in its view such action is in the best interests of the Fund and its beneficiaries.
- 11.5 It is recognized, however, that the above constraints and policy on voting rights may not be enforceable to the extent that part of the Fund assets is invested in Pooled

Funds. Nonetheless, the Manager of a Pooled Fund shall be required to act prudently and in the interests of such Pooled Fund and its investors, and shall be required to provide a copy of that Pooled Fund's voting rights policy to the Committee.

Section XII – Monitoring

12.1 The Fund, Managers, and service providers shall be monitored on a regular basis, as defined in the Pension Reporting Policy and the Ongoing Monitoring Principles. These monitoring policies and principles are contained under separate cover.

Section XIII – Policy Review

13.1 This Policy will be reviewed and affirmed at least annually, and whenever a major change is apparent or necessary. Such review may be prompted by:

- (a) A change in the benefit design of the Plan;
- (b) A revision to the expected long-term trade-off between risk and reward on key asset classes;
- (c) A change in the funded status of the Plan, or the demographics of the Plan membership;
- (d) A shift in the financial risk tolerance of the University;
- (e) Shortcomings of the Policy that emerge in its practical operation;
- (f) Changes in liquidity requirements, investment beliefs, available investment products, or governance;
- (g) Changes in applicable legislation; or
- (h) Any other developments considered relevant by the Trustees or the University.

13.2 Any amendment of this Policy will be filed with the Fund actuary and with the Financial Services Regulatory Authority of Ontario within 60 days of such amendment.

Section XIV – PfAD Target Allocations

14.1 Changes to Ontario pension regulations include the requirement for a Provision for Adverse Deviation (PfAD) in the actuarial valuation calculation. The PfAD provides for additional contributions into the Fund, which will be higher where the Plan has an allocation to investments in asset classes that are deemed to be riskier than investment grade fixed income assets. The new regulation prescribes a percentage of fixed income exposure for various asset categories, and requires the target allocation for relevant asset categories to be included in the SIP&P.

14.2 Table A below specifies the relevant investment categories and target asset allocation solely for purposes of determining the PfAD for the Plan. This Section does not require regular rebalancing to match the target asset allocation in Table A, nor does it impose any restriction on the Policy Allocation and stated ranges in Section 6.1. References to category numbers in the Investment Category column refer to the investment categories listed in section 76(12) of Ontario Regulation 909 under the Act.

TABLE A
PfAD Target Asset Allocation

Investment Category	Target Asset Allocation	PfAD treatment
Real estate	10%	50% fixed income
Non-Canadian stocks other than investments referred to in categories 1 to 12	40%	0% fixed income
Canadian bonds and debentures (other than investments referred to in categories 1 to 12) that meet one of the minimum credit ratings in Table B	20%	100% fixed income
Non-Canadian bonds and debentures (other than investments referred to in categories 1 to 12) that meet one of the minimum credit ratings in Table B	3%	100% fixed income
Non-Canadian bonds and debentures (other than investments referred to in categories 1 to 12) that do not meet any of the minimum credit ratings in Table B.	12%	50% fixed income
Investments other than investments referred to in categories 1 to 16	15%	50% fixed income

TABLE B
Minimum Credit Rating Table

Credit rating agency	Rating - bond market securities	Rating - money market securities
DBRS	BBB	R-2 (middle)
Fitch Ratings	BBB-	F-3
Moody's Investors Service	Baa3	P-3
Standard & Poor's	BBB-	A-3



York University Endowment Fund

Annual Investment Report Board of Governors - Investment Committee

For Year Ended December 31, 2023

York University Endowment Fund

Annual Investment Report For Year Ended December 31, 2023

The Endowment Fund (the Fund) is a pool of commingled assets held for the endowments in long-term investments. The endowments are permanent gifts and bequests to York University from donors, enhanced where eligible with matching capital provided by University and government programs. Annual distributions are generated by the Fund investments mainly for support of scholarships and academic chairs.

The Fund is governed by objectives and constraints as documented in the Statement of Investment Policies and Procedures (SIP&P). The Board annually approves the SIP&P and any changes to the investment strategy or asset mix as proposed by the Investment Committee. The Investment Committee oversees the investments, portfolio managers, and implementation of investment strategy.

The Fund assets are allocated for investment to fifteen portfolio managers, each assigned with distinct mandates. All mandates are actively managed.

The Fund in Review - 2023

The market value of the Fund as of December 31, 2023, was \$615.0M, an increase of \$64.3M relative to the December 31, 2022, valuation of \$550.7M. The increase in 2023 was the net effect from combined inflows, outflows, and appreciation. The inflow of \$12.2M in contributed capital was offset by outflows that include fund expenses of \$5.7M and fund distributions of \$16.2. The appreciation was due to the market value of the fund increasing by \$74.6.

Distributions to support endowment beneficiaries form the greatest part of withdrawals. Over the past nine years, \$146.1M has been directed specifically to the purposes established by the University's donors.

The Fund one-year rate of return as of December 31, 2023, was 13.7%, compared to the returns of -10.9% and 9.1% for the one-year periods ending December 31, 2022, and 2021, respectively. The Fund performance for 2023 lagged the benchmark one-year rate of return of -14.2% by 0.5%.

The Fund four-year rate of return of 6.6% (as of December 31, 2023) beat the annualized benchmark performance of 6.2% by 41 basis points (bp), for the same period.¹

Market returns were positive in 2023 as the global equity benchmark, the Morgan Stanley Capital International All Country World Index (MSCI ACWI), gained 18.9% in Canadian dollar terms in 2023 with leadership coming from a narrow group of technology companies known as the magnificent seven (Microsoft, Amazon, Meta, Apple, Alphabet, Nvidia, and Tesla). In contrast to the MSCI ACWI, the US benchmark S&P 500 index returned 22.9% in 2023 while the MSCI EAFE (Europe, Australasia, and the Far East) 15.7%, and Canada's S&P/TSX Composite returned 11.8%.

Fixed income markets bounced back in 2023 after a poor 2022 due to rapid central bank rate increases. All benchmark Canadian fixed income indices had positive returns from the short to the long end of the yield curve. For example, the FTSE Canada Universe Bond index returned 6.7%, the FTSE Canada Long Term Overall Bond index returned 9.5%, and the FTSE Canada 91 Day TBill index returned 4.7%.

In 2023, the US dollar (USD) index futures lost 1.9% year over year, trailing the 8.2% return in 2022. Over the long term, economic fundamentals drive exchange rates but over the short term, sentiment and mean reversion to fair value could entail further depreciation. Much will depend on the strength of the US economy in 2024.

The Fund has underperformed the benchmark since 2021. In 2023, the underperformance was 0.5%, for 2022, 0.9%, 2021, 1.4%. Prior to that, the Fund outperformed the benchmark in 2020 by 5.4%. The benchmark has a 60% weighting in the global equity index (MSCI ACWI) and the Fund has consistently undershot the global equity weighting since 2021 as the portfolio has been incorporating private assets into the mix. This underweighting is permitted under the guidelines of the Statement of Investment Principles and Procedures as the allocation to private assets evolves. The Fund was 1st quartile in its peer group with returns in the 11th percentile for 2023. The Fund's percentile ranking against peers was 3rd quartile over 2 years and 3 years, and 2nd quartile over 4, 5 and 10 years.

The currency hedging strategy had a marginally positive impact and increased the value of total fund by 2 basis points (bp) in 2023. During 2023, the Canadian dollar (CAD) appreciated slightly versus the USD year over year, going from 1.3540 to 1.32503 CAD/USD from 2022 to 2023.²

¹ The four-year annualized return of the Fund is 6.61% beating the benchmark of 6.20% by 0.41% or 41 bp. All returns have been rounded off to 1 decimal within the report.

² On December 31, 2022, 1 USD bought 1.3540 CAD, on December 31, 2023, 1 USD bought 1.32503 CAD.

Direct expenses charged to the Fund for investment management, custody, performance measurement and investment consulting services during calendar 2023 were \$5.7 million for a total expense ratio of 0.93%. For 2023 total expenses were \$1.3 million higher (2022 expenses were \$4.3 million). Investment management fees are charged based on assets under management. For calendar year 2021, the expenses were 0.53% of average assets under management, but in 2022, those fees rose to 0.74%. This was due to capital calls on real assets. Depending on the infrastructure fund, fees may be based on committed rather than invested capital, therefore initial fees can be disproportionately large relative to invested capital. Capital calls for private assets typically follow a “J-curve” and as the allocation to private assets rise, the total expense ratio is expected to rise until the private assets begin returning capital.³ The initial capital calls for new infrastructure managers occurred in Q4 2022. The trend for expense ratios observed in previous years are as follows: 2022 (0.74%), 2021 (0.57%), 2020 (0.57%), 2019 (0.43%), 2018 (0.59%) and 2017 (0.61%).

The balance of this Report reviews the investments, asset mix and manager allocations. Performance of the Fund to December 31, 2023, is reviewed in absolute, relative, and comparative terms. The Investment Committee’s activities conducted during calendar 2023 are summarized in the final section.

Asset Mix

The Policy asset mix (Figure 1) summarizes the asset class weights that the Fund was managed to, throughout 2023.

Policy Asset Mix		
<u>Asset Class</u>	<u>Target</u>	<u>Weight</u>
Equities		
Global	<u>60%</u>	60%
Fixed Income		
Global Fixed Income	20%	
Global High Yield Bonds	<u>10%</u>	30%
Real Assets*		
Real Estate	<u>10%</u>	10%
Global Infrastructure		

³ For private assets like infrastructure and private equity, the J Curve represents the tendency of private funds to post negative returns in the initial years as those funds are in the “investing phase” and they deploy capital and charge fees. There are typically increasing returns in later years when the investments mature – this is called the harvesting phase.

The Policy asset mix, determined through a periodic process involving an asset-liability study that incorporates projections for capital markets returns over a ten-year horizon, is selected for its expected ability to meet the Fund's investment objective of funding endowment commitments each year, into perpetuity. The asset mix is geared to provide income to the University for the annual payouts to support endowed spending and to preserve the value of endowed capital.

*The Fund's SIP&P lists the strategic target mix as equities at 50%, and real assets at 20%. Since there is a phase-in period for the real assets' allocation, the benchmark weight will be held at 10% until the exposure has been fully developed to at or near 20%, at which time the 20% benchmark weight shall apply. This approach is consistent with clause 6.6 of the SIP&P which states "During the phase-in period for the Real Assets asset class, the current Benchmark weight will be held at 10% until the exposure has been fully developed to at or near 20%, at which time the 20% Benchmark weight shall apply. The offset weight during the phase-in period will be applied to equity classes."

The Fund's actual asset mix compared to the Policy target weights effective throughout 2023, including currency overlay, as of December 31, 2023, is shown below in Figure 2.

Actual Versus Target Asset Class Weights - December 31, 2023							
Asset Class	Market Value (\$Mil)	Actual Weight	Target Weight	Over/Under			
Equities							
Global	358.2	\$ 358.2	58.2%	58.2%	60.0%	60.0%	-1.8% -1.8%
Real Assets							
Real Estate	53.3	53.3	8.7%	8.7%	10.0%	10.0%	-1.3% -1.3%
Global Infrastructure	32.1	32.1	5.2%	5.2%	0.0%	0.0%	5.2% 5.2%
Fixed Income							
Global Fixed Income	105.8		17.2%		20.0%		-2.8%
Global High Yield Bonds	57.4		9.3%		10.0%		-0.7%
Short-Term Investments	6.2	169.4	1.0%	27.5%	0.0%	30.0%	1.0% -2.5%
Currency Hedge	2.0	2.0	0.3%	0.3%	0.0%	0.0%	0.3% 0.3%
		\$ 615.0		100.0%		100.0%	

Asset class weights are permitted to vary within a range of +/- 5% of the target weights and are rebalanced periodically back to the target when necessary. The 1.0% allocation to short-term investments was for the purpose of liquidity management in anticipation of future distributions and capital calls that occurred in 2023.

The managers, their mandates, market values and fund weights are shown in Figure 3. The satellite funds are managed by C- Worldwide, Baillie Gifford, Morgan Stanley, Lazard, Fiera (Harris Oakmark), Blackcreek, and Unigestion where all equity managers have equal target allocations 8.57% each. The currency hedge applies to 50% of the USD and EUR exposure contained in high yield bonds, global real estate and infrastructure. The passive overlay is composed of liquid three-month foreign exchange forward contracts and reported on a marked-to-market basis.

Figure 3

Specialty Mandates and Asset Allocations - December 31, 2023

<u>Investment Manager</u>	<u>Mandate</u>	<u>Market Value (\$ Mil)</u>	<u>Weight</u>
Equities			
C Worldwide	Global Equity	53.2	8.6%
Baillie Gifford	Global Equity	48.6	7.9%
Morgan Stanley	Global Equity	53.1	8.6%
Lazard	Global Equity	53.0	8.6%
Fiera	Global Equity	49.4	8.0%
Unigestion	Global Equity	49.0	8.0%
Black Creek	Global Equity	51.9	8.4%
Real Estate			
Bentall Green Oak	Canadian Real Estate	36.3	5.9%
Landmark VIII	Global Real Estate	17.0	2.8%
Global Infrastructure			
Copenhagen	Global Infrastructure	3.0	0.5%
Brookfield	Global Infrastructure	15.3	2.5%
Quinbrook	Global Infrastructure	13.8	2.2%
Fixed Income			
Manulife	Global Fixed Income	50.6	8.2%
PH&N	Global Fixed Income	55.2	9.0%
Stone Harbor	Global High Yield Bonds	57.4	9.3%
TD Asset Management	Short-Term Investments	6.2	1.0%
TD Asset Management	Currency Hedge	2.0	0.3%
		<u>\$ 615.0</u>	<u>100.0%</u>

Performance Objectives

The Fund's return objective is quantified in the form of a performance benchmark, which is a weighted composite of specified capital markets indices. Each asset class is assigned a specific index or index-relative target for performance measurement and evaluation. Real assets comprise real estate and global infrastructure. For real estate, the target benchmark is Canadian CPI + 4% for Landmark VIII and Bentall Green Oak. For global infrastructure, the target benchmark is Canadian CPI + 6% for Brookfield Global Transition Fund (BGTF), Copenhagen Infrastructure Partners Energy Transition Fund (CIP ETF) and Quinbrook Infrastructure Partners Net Zero Power Fund. For the global

unconstrained fixed income (UFI) mandates, there are two benchmarks: (i) Bloomberg Barclays Global Aggregate Corporate (CAD hedged) for Manulife's strategic fixed income strategy; (ii) 75% Bloomberg Barclays Global Aggregate Corporate (CAD hedged) + 25% FTSE Canada Short Term Overall Bond Index for PH&N's bespoke fixed income strategy.

The performance benchmark in effect throughout 2023, follows in Figure 4.

Figure 4

Performance Benchmark 2023

<u>Asset Class</u>	<u>Weight</u>	<u>Index</u>
Global Equities	60%	MSCI ACWI
Real Estate	10%	Canadian CPI + 4%
Global Infrastructure	0%	Canadian CPI + 6%
Global Fixed Income	20%	Bloomberg Barclays Multiverse PH&N Benchmark
Global High Yield Bonds	10%	Citigroup High Yield Market Capped

The Fund's return objective is to meet or exceed the four-year annualized benchmark return on a rolling basis. As new asset classes are introduced into the Fund, the performance benchmark will be reassessed due to the nature of private assets and the length of the investment / capital call stage. In addition, while some of the benchmark indices are replicable in the market, others are not, and Canadian CPI + benchmarks cannot be replicated. A possibility to replace the current benchmark will be to measure the fund against an annual target return and reference portfolio.

Fund performance is expressed as a total rate of return, gross of fees, in Canadian dollars. Fund rates of return are calculated by an independent performance measurement provider, CIBC Mellon.

Evaluating Absolute Performance

Performance evaluation is conducted on a monthly basis. The total fund rate of return is compared to the return of the composite benchmark and reported for intervals spanning one month to ten years. A formal performance evaluation is conducted semi-annually, for review by the Investment Committee, that focuses on one-year and four-year returns against benchmarks and longer term against policy objectives of exceeding spending targets. The results of individual portfolios and managers are reviewed, incorporating comparisons to performance statistics for portfolio risk and return and to the objectives and targets specified in each of the manager mandates.

Figure 5, below, presents the Fund's performance record for 2023, and successive annualized periods out to eleven years (2013-2023), providing a snapshot of the longer-term success of the investment program.

Figure 5

Endowment Fund Long-Term Performance

	Annualized Returns for Periods Ended December 31, 2023									
	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	6 Yrs	7 Yrs	8 Yrs	9 Yrs	10 Yrs
Fund	13.7%	0.6%	3.4%	6.6%	8.5%	6.8%	7.0%	7.1%	6.9%	7.2%
Benchmark	14.2%	1.4%	4.3%	6.2%	8.2%	6.6%	6.9%	7.2%	7.2%	7.5%
	-0.5%	-0.8%	-1.0%	0.4%	0.2%	0.2%	0.2%	-0.1%	-0.3%	-0.4%

In absolute terms, on a ten-year annualized basis, the 7.2% performance of the Fund has covered the sum of the approximated real spending target of 3.5%, expenses of 1%, and historical inflation of 2.5%. The inflation approximation will be reassessed in consideration of a future target rate and reference portfolio.

The Endowment Fund's investment program is fluid and developed in response to shifts in the investment environment, changes in cash flows and evolving risks (e.g., market, regulatory, climate) affecting various components of the Fund. The Investment Committee has concentrated on revisiting the target asset mix that aligns with the investment objectives of preserving capital through a range of capital market outcomes and providing annual distributions for inflation-adjusted spending.

Measuring Relative Performance

Figure 6, below, shows annual one-year returns for eleven years, 2012 to 2022, and the four-year annualized return to December 31, 2022 relative to the Policy benchmark approved by the Board, that prevailed for each of those past years. Currency strategy was introduced as an integral element of investment strategy in 2010.

Figure 6

Endowment Performance - Annual Returns

	One-Year Returns as at December 31											Annualized Four Years
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2020-23
Fund	13.7%	-10.9%	9.1%	16.9%	16.2%	-1.3%	8.6%	7.7%	5.0%	9.7%	17.3%	6.6%
Benchmark	14.2%	-10.0%	10.5%	11.5%	16.3%	-1.3%	8.7%	9.4%	7.1%	10.6%	18.1%	6.2%
	-0.5%	-0.9%	-1.4%	5.4%	-0.1%	0.0%	-0.1%	-1.6%	-2.1%	-0.9%	-0.8%	0.4%

The one-year total rate of return as of December 31, 2023 for the Fund and its

benchmark were respectively 13.7% and 14.2%.⁴ Excluding the impact of currency hedging, they were 13.5% and 14.2%.⁵ The global high yield bonds portfolio and the global real estate portfolio are hedged 50% of their USD exposure. There is also 50% EUR hedge for one of the global infrastructure managers, Copenhagen Infrastructure Partners. During this year, the hedge increased total return by 0.19%.

In 2023, the Fund trailed its benchmark by 0.5%. While the global equity portfolio, which accounts for 60% of the Fund, beat its respective benchmark by 1.7%, the actual weight of equities within the Fund was 58.2% rather than 60%. Real estate was a drag on fund returns with a return of -6.8% while the real estate benchmark of Canadian CPI + 4% was 8.7%.

Over four years to December 31, 2023, the annualized return for the Fund was 6.6% beating the Policy benchmark four-year annualized return of 6.2% by 42bp.⁶

Capital market returns for the indexes composing the performance benchmark for the past four calendar years and annualized for the four-year period are shown in Figure 7.

	Index Returns (CAD)					Annualized <u>Four Years</u>	
	Annual Returns				<u>2020-23</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>			
Equity Indices							
MSCI ACWI (All Countries)	18.9%	-12.4%	17.5%	14.2%		8.7%	
Fixed Income Indices							
Bloomberg Barclays Multiverse	3.2%	-9.9%	-5.3%			N/A	
PH&N Benchmark	7.4%	-12.0%	-0.8%			N/A	
Citigroup High Yield Market Capped	10.6%	-4.4%	4.3%	3.7%		3.4%	
Real Estate Indices							
CPI+4%	7.1%	10.8%	4.2%	5.0%		6.7%	

Review of Comparative Performance

Aon provides data for comparison in the form of a peer group of Balanced Funds. Comparative performance results for one-year and multi-year periods ended December 31, 2023, are presented in Figure 8, below.

⁴ More precisely, 13.6959 % for the hedged return, and 14.2057 % for the hedged benchmark

⁵ More precisely, 13.5099 % for the unhedged return, and 14.2057 % for the unhedged benchmark

⁶ More precisely, 4-year hedged return was 6.6143% vs. 4-year benchmark return of 6.1956%, a difference of 0.4187%

The Balanced Funds group is provided for comparison as constituents are most likely to have common asset mix characteristics with the Endowment Fund. Differences in investment strategy arise from constituent funds' unique purpose, investment objectives and philosophy, size, and program resources. These lead to variation in investment holdings and divergences in returns among members constituting the peer group members. In terms of magnitude of divergence from the median, asset mix typically has the highest impact, followed by active management, and currency strategy.

Figure 8

Total Fund - Comparative Analysis as of December 31, 2023

	Annual Returns (%)				Annualized Returns (%)			
	2023	2022	2021	2020	2 Yrs	3 Yrs	4 Yrs	10 Yrs
Percentile Rank								
5th (highest)	15.7	-3.0	18.5	14.2	3.7	8.0	8.2	8.1
25th	12.1	-5.8	15.2	10.8	2.3	6.6	7.0	7.4
50th (median)	10.9	-7.9	13.1	9.2	1.0	4.8	6.2	7.1
75th	10.4	-9.4	11.7	8.1	0.5	3.9	5.1	6.6
95th (lowest)	7.6	-13.0	9.3	5.0	-1.1	2.6	3.7	5.6
Comparative								
York University	13.7	-10.9	9.1	16.9	0.6	3.4	6.6	7.2
Quartile Rank	Q1	Q4	Q4	Q1	Q3	Q4	Q2	Q2

The statistics presented above in Figure 8, exclude outlier returns that fall outside the range between 5th and 95th percentiles.

The Fund's one-year rate of return of 13.7%, ranked in the 11th percentile (first quartile) in 2023, an improvement from the 81st percentile (fourth quartile) ranking in 2022. The focus of the Fund's strategy remains long term. Since 2012, the Fund has ranked in the first quartile against peers in 2012, 2018, and 2020, and second quartile in 2013, 2016, and 2019.

While the Fund's bias remains toward equities, and the strategic asset mix was reviewed in 2023 with an eye to achieving similar returns at a lower level of risk going forward. The current strategic target asset mix targets a 50% weighting in global equities and 20% weighting in real assets. The future target mix, which will take time to implement, has an additional weighting to private debt (10%) in lieu of global high yield bonds, and private equity (10%) in lieu of public equity.

Endowments Growth

Over the eleven years since 2013, the market value to book value (MV-BV) ratio has ranged from a low of 1.56 in 2013 to a high of 2.19 in 2021. As of the end of 2023, the Endowment Fund capital (book value) has expanded by \$42.8M due to net

contributions, while market value has grown by \$209.7M, through a combination of contributed capital, investment income, and capital appreciation. The market value accounts for (i.e., is net of) distributions for endowed spending and investment expenses.

Figure 9

Pooled Endowments - Growth (\$ Millions)

	<u>Market Value</u>	<u>Book Value*</u>	<u>MV-BV Ratio</u>
December 31, 2023	615.0	303.3	2.03
December 31, 2022	550.7	293.2	1.88
December 31, 2021	632.7	288.8	2.19
December 31, 2020	594.3	284.8	2.09
December 31, 2019	512.9	280.3	1.83
December 31, 2018	464.2	276.6	1.68
December 31, 2017	476.7	271.4	1.76
December 31, 2016	438.8	269.2	1.63
December 31, 2015	410.7	253.2	1.62
December 31, 2014	434.1	264.9	1.64
December 31, 2013	405.3	260.5	1.56

* Donations and Matching Funds

Endowment Fund book value constitutes the historical value of capital received from donors, plus the historical value of capital matches from government and University matching programs. The endowment accounting, and record keeping for book value and market value of individual endowments, is performed by CIBC Mellon and BNY Mellon, on a unitized market valuation system basis. The unitization of the Endowment Fund was approved on April 11, 2014, and introduced on May 1, 2014.

The change in the market value of the Fund during calendar 2023, shown in Figure 10, illustrates the effects of cashflows and earnings during the year.

Figure 10**Change in Total Fund Market Value (\$ Millions)**

Market Value, December 31, 2022	\$550.7
Contributions:	
Donations	12.2
Reinvested Distributions	-
Withdrawals:	
Regular Distributions	(16.2)
Special Distributions	-
Fund Expenses	(5.7)
Earnings:	
Investment Income and Market Appreciation	<u>74.6</u>
Net Change	<u>64.3</u>
Market Value, December 31, 2023	\$ 615.0

During the last nine calendar years, \$146.1 million has been distributed from the Fund to endowment account beneficiaries. The conversion to the unitized market value system for accounts and the smoothed banded inflation methodology for calculating annual distribution has increased the amounts of the annual distribution as seen in Figure 11, from 2015-16 and on. The amount in 2015-16 was larger due to the exceptional distribution of \$3.5 million. The new spending model has resulted in a greater share of Fund earnings being made available for key spending toward beneficiary purposes, mainly the support of student scholarships and bursaries, and Academic Chairs.

Figure 11

**Distributions to
Endowment Beneficiaries**

Annual Distributions

\$ Million

2023-24	18.2
2022-23	16.7
2021-22	16.2
2020-21	16.1
2019-20	16.6
2018-19	16.1
2017-18	14.9
2016-17	13.9
2015-16	17.4
 Cumulative	 <hr/>
	\$ 146.1

To track the market value, unit holdings, and historical values of each individual endowment, the University uses the services of an external provider of specialized endowment fund accounting (BNY Mellon). At fiscal year-end, April 30, 2023 there were 2,309 individual endowed accounts under management.

Oversight

The Investment Committee conducts activities in accordance with its terms of reference and the Board-approved SIP&P. The Committee provides advice and oversight to the Board and the University regarding investment responsibilities for all invested funds, including both endowed and non-endowed assets, with the exception of the Pension Fund and Student Investment Fund.⁷ Activities include regular monitoring of assets and performance, oversight and selection of portfolio managers, development of investment strategy and asset mix, review of fund expenses, and quarterly reporting to the Board. The Committee undertakes further initiatives as deemed timely, and in the best interests of the Endowment Fund and its beneficiaries.

Investment Committee Activity – 2023

During 2023, activities undertaken by the Investment Committee and Administration included:

- Approval of Quinbrook Infrastructure Partners III Net Zero Power Fund for

⁷ See Investment Committee's Terms of Reference here <https://www.yorku.ca/secretariat/board-of-governors/investment-committee/>

- an infrastructure allocation
- Approval of new asset mix for the Fund following an asset mix review
- Review and approval of new policies for Endowment Fund (i.e., SIP&P).
- Approval of sinking fund investment strategy recommendation
- Commencement of private debt search
- All the investment managers continued to provide compliance reports confirming that their investments were following their mandates and the SIP&P.
- Approval of Sustainable Investing Report 2022.
- Maintaining a 2023-24 payout rate of \$4.56 per unit for purpose of monthly accrual of distribution during fiscal 2024-25. The payout rate is set by the Investment Committee in advance for accrual in the leading fiscal period and the distribution occurs early in the following fiscal period. Payout amounts by year have increased since 2014 as indicated in the table below.

Fiscal Year End	Unit Value (FYE)	Accrual Distribution Rate	Yield
April 30, 2023	\$130.0788	\$4.56/unit	3.51%
April 30, 2022	\$124.2999	\$4.35/unit	3.50%
April 30, 2021	\$136.7113	\$4.35/unit	3.18%
April 30, 2020	\$113.4797	\$4.23/unit	3.73%
April 30, 2019	\$115.4543	\$4.17/unit	3.61%
April 30, 2018	\$109.6943	\$4.08/unit	3.72%
April 30, 2017	\$111.6046	\$4.02/unit	3.60%
April 30, 2016	\$98.2817	\$3.96/unit	4.03%
April 30, 2015	\$106.8879	\$3.96/unit	3.70%
April 30, 2014	\$100.0000	\$3.90/unit	3.90%

Points of Pride



York University is a leading international teaching and research university and a driving force for positive change.

1 YORK SHOWCASES GROWING STRENGTH IN DISASTER AND EMERGENCY MANAGEMENT

The new Victor Phillip Dahdaleh Advanced Disaster, Emergency and Rapid Response Simulation ([ADERSIM](#)) Lab opened this summer thanks to a \$2 million gift from The Victor Dahdaleh Foundation and \$1.45 million from the Ontario Research Fund. To further establish its leadership, York also launched a first of its kind PhD program in Disaster & Emergency Management.

3 YORK SHINES WITH NEW AI TOOL THAT SUPPORTS THE UNIVERSITY COMMUNITY

York's IT innovation team has developed and launched an award-winning Generative AI platform called YU AURA (Automated University Resource Assistants). AURA offers superior value to counterparts like ChatGPT, with better security, reliability and cost efficiency. The platform has an exciting future that will improve the way York students, faculty and staff use and engage with university data.

2 YORK RANKED 35TH IN THE WORLD IN 2024 TIMES HIGHER EDUCATION (THE) IMPACT RANKINGS

York's top global ranking is on the rise. The University jumped five spots, to 35th in the world in 2024, despite stiff competition from more than 2,100 universities working to make progress against the UN Sustainable Development Goals (SDGs). York also rose to number two in the world for zero poverty (SDG 1) and number one in Canada for reduced inequalities (SDG 10).

