
Thursday, June 5, 2025, 2:00 – 6:00 p.m.
Senate & Board Chamber, Brantford Campus
and virtual via Zoom

Present: Simon Chan (Chair), Janis Bomberry, Ling Chu, Rachel Dann, Scott Davey, Catharine Dutt, Paul Elliott, Chinyere Eni, Adam Grogan, Chantal Huinink, Abas Kanu, Lindsay Lawrence, Deb MacLatchy, Ken Maly, Robert McLeman, Avvey Peters, Jim Phillips, Patricia Polischuk, Michael Ras, Ken Seiling, Reina Stewart, Cynthia Sundberg, Doug Treleaven, Peter Urquhart, Jin Wang.

Regrets: Royce Bodaly, Shelley Boettger, Miguel Gonzalez, Kristine Lund, Ife Odeleye, Nadir Patel, Marc Richardson.

Secretariat: Ana Juhik, Anna Kornobis, Anne Lukin, Phil Marfisi.

A. OPEN SESSION

1. Call to Order, Simon Chan

- a. Declaration of Conflicts of Interest: None.
- b. Movement of Consent Items to the Main Agenda
The Chair noted that in addition to the agenda and minutes, items for approval included committee terms of reference, a report on educational costs, and the endowment spending rate for this fiscal year.

Motion (Patricia Polischuk/Cynthia Sundberg): That the Board of Governors approve the Consent items listed for approval under Item C.1.

- c. Year End Wrap and Thanks

The Chair thanked all current and outgoing members, as well as departing resource staff Lloyd Noronha and Anne Lukin. Ana Juhik will be taking on the role of supporting the Board. Mr. Chan summarized some of the issues addressed by the Board over this past year, including: fiscal challenges and a structural deficit; finalizing a move to the University Pension Plan; exploring strategic partnerships to develop or refresh needed facilities; and strategies for responsible investing and divestment requests, among many others.

2. Chair's Report and Meeting Roadmap, Simon Chan

The Chair commented on: six new Board members who will be joining the Board; supporting cybersecurity through a move to Laurier email addresses for all Board members and a mandatory transition to single-sign-on for the Board portal; and a request that all Board members respond to the annual Board survey which will be launched tomorrow.

3. **President's Report, Deb MacLatchy**

The President commented on: the Laurier Strategic Action Plan now ending its first year, with a progress report to come to the September Board meeting; a Brantford Campus Executive Committee which has set Vibrancy goals and re-established a Town & Gown Committee; a fund of \$500K available for proposals from faculty and staff for Brantford initiatives; an MOU with the Red Door Collective, an Indigenous group from Six Nations; the Waterloo State of the City held at the Lazaridis Hall in May; new legislation and its impact on universities, including assessing applications on merit, research security plans and red tape legislation, and a look at Board governance; and the search for the next VP: Student Affairs still underway, with David McMurray continuing to serve as interim VP until the search is completed.

STRATEGIC DISCUSSION/DECISION ITEMS

4. **Finance, Investments & Property Committee, Jim Phillips**

- a. 2025-2026 Budget, Lloyd Noronha / Heidi Northwood
- Board members received the written Budget Report for 2025/2026 and a presentation which focused on budget context, the operating budget, and a multi-year operating budget forecast. On April 22, it was announced that Laurier will receive approximately \$16M per year in additional funding over 3 years (possibly 5 years) to support current unfunded domestic STEM students. Before this announcement, staff were working with a \$20M structural deficit. A lot of the work has been done to ensure a balanced budget.

Key components of the budget build process have been shared with the Board. For this year, budget reduction targets were modest and set at 1% as part of strategy to remain competitive and preserve institutional strengths. The 2025/26 operating budget shows \$2.357M deficit and is being presented as a balanced budget through the continuation of limited austerity measures, appropriation of the Milton operating deficit, and the anticipated additional Batchelor of Education funding. The additional STEM funding has provided some relief over the next two years. However, the structural deficit hasn't been resolved. Multi-year projections reflect a growing structural deficit due to expenses that will continue to grow in excess of expected revenues. More work is needed to grow revenue and address cost structures to achieve long-term financial sustainability. The Ancillary Services budget is proposed to yield a surplus of \$4.2M for 2025/26.

Board members learned that Laurier has been invited to participate in and has applied for the Efficiency and Accountability Fund (EAF). The ministry is allocating funding to support third-party reviews to provide

universities with expert perspectives in identifying actions to increase efficiency of operations. The review is to conclude in December 2025.

To allow for discussion of financial risks related to the budget the open meeting was paused.

Motion (Peter Urquhart/Jim Phillips): to move the meeting *in camera*. Carried.

The meeting returned to the open session following the *in camera* discussion.

Motion (Chantal Huinink/Peter Urquhart): That on the recommendation of the Finance, Investments & Property Committee, the Board of Governors approve the 2025-2026 Budget, as proposed. Carried.

- b. Responsible Investment Targets, Shelley Boettger / Zeynep Danis
The previous targets for responsible investments were set in 2021, approved then by the Board to reduce carbon intensity by 40% in equities in the Endowment Fund by 2030 and establishing a Fossil Fuel Free Fund. Both commitments have been fulfilled.

The Climate Risk Management Working Group (CRMWG) was established in 2023 with a mandate to look at issues related to sustainability. One of their tasks was to develop the next iteration of responsible investment targets. Their work included a review of a sector scan of other PSE approaches, consideration of Laurier's current asset management structure and consideration of various options for future investments. With a lens of sustainability, CRMWG made recommendations (summarized in the Briefing Note) which were taken for consultation to the Investment Oversight Sub-Committee (IOC), who made suggestions for a few changes, to ensure flexibility in meeting targets. The Audit, Risk & Compliance (ARC), Finance, Investments & Property (FIP) and Development Committees were also consulted. CRMWG considered all input and recommended the targets as revised by IOC. The motion as originally included in the agenda was modified to change one word in recommendation #3 from "directed" to "recommended".

Motion (Robert McLeman/Doug Treleaven): That on the recommendation of the Finance, Investments & Property Committee, the Board of Governors approve the following Responsible Investment Targets:

1. **Setting a new target of 75% reduction in carbon intensity in equities from the 2019 base level in the Endowment and Sinking Fund by 2030;**

- 2. Reviewing the approach and targets every two years for feasibility;**

And to approve the following recommendations:

- 1. Pending Board approval of any potential reduction in the number of investment managers (subsequent to the transfer of the Pension Plan investment to the UPP), assign preference within the scoring evaluation to managers with a lower carbon intensity;**
- 2. Improve the disclosure of responsible investing reporting to the extent possible without compromising proprietary information of the investment managers;**
- 3. That management be recommended to utilize Hub International, as the University's investment consultant, to hold a session with the WLUFA Climate Action Committee to share further information on the carbon metric calculations in a manner that does not compromise any commercially confidential information of individual investment managers. Carried.**

5. Governance Committee, Paul Elliot

- a. Future Governance Structure for Climate Risk Oversight
CRMWG was established as a limited term working group for one year. The issues they considered as well as other matters related to sustainability continue to need attention, effort and oversight. CRMWG considered options and recommended a permanent Board Sustainability Sub-Committee, reporting to the Finance, Investment and Property (FIP) Committee. - and additionally, for elements of sustainability and climate risk to be added to all relevant Board Standing Committees' Terms of Reference. Following feedback and questions from members of FIP and ARC, more analysis was done, including a sector scan of how other institutions are approaching sustainability governance; a review of the Board's current oversight role in sustainability; a look at other areas of sustainability which did not fall under Board oversight; and a risk assessment. The Governance Committee carefully considered CRMWG's recommendation and further research in considering the most appropriate governance structure for climate risk oversight. Based on this information, the Governance Committee recommended a university-level sustainability committee - which is the most common model in the sector. This wider committee could consider strategic and operational matters, as well as those that are academically focused and administrative; with a membership that is more diverse

and engages members from across the University. This university committee could include a member of the Board and of Senate, which would help ensure appropriate oversight. Governance also concurred with CRMWG's recommendation to include elements of sustainability and climate risk in all relevant Board Standing Committees' Terms of Reference.

Motion (Chantal Huinink/Michael Ras): That on the recommendation of the Governance Committee, the Board of Governors approve elements of sustainability and climate risk to be added to all relevant Board Standing Committees' Terms of Reference; and appoint a member of the Board to serve on a University-wide Sustainability Committee, should one be established. Carried.

FOR DECISION

6. **Audit, Risk & Compliance Committee**, Catharine Dutt

a. Pension Plan Audited Financial Statements

An annual external audit of the financial statements of the assets of the WLU Pension Plan is required by legislation. KPMG audited the Plan statements for the calendar year 2024 and noted no significant adjustments and has received all necessary confirmations. The Plan assets crossed the \$1B threshold this year, with a 12% return year over year. Legal and actuarial fees increased due to additional work preparing for the transition to the University Pension Plan (UPP). Benefits to Plan members and transfers out of the plan increased with the number of new retirees. Fees paid to investment managers rose, as they are tied to increased assets and higher returns. Growth in equity markets positively impacted the Plan assets.

Motion (Doug Treleaven/Jim Phillips): That on the recommendation of the Audit, Risk and Compliance Committee, the Board of Governors approve the Audited Financial Statements of the Wilfrid Laurier University Pension Plan for the year ended December 31, 2024, and authorize any two members of the Board of Governors to sign the financial statements as evidence of such approval. Carried.

FOR DISCUSSION

7. **Governance Committee**, Paul Elliott

a. Notice of Proposed Amendment to Board By-Law #1

This item incorporates the formal notice to the Board as required of proposed changes coming for the By-Law # 1. The changes will

document previously approved delegations of authority, and the Board will see the amended wording in September for approval.

8. **Other Business:** The President thanked the members of CRMWG for the hard work done over this past year, to move the University forward in the key area of climate risk management.

The AVP, Governance & Policy noted that evaluation surveys for each Board committee are available in the portal and members are asked to provide their feedback.

B. IN CAMERA SESSION

Motion (Cynthia Sundberg/Peter Urquhart): to move the meeting *in camera*. Carried.

C. CONSENT ITEMS

The Agenda, Minutes and items noted for Approval were approved by consent during Item A.1.b.

1. Items for Approval

- a. Agenda
- b. Minutes, Board of Governors, April 24, 2025
- c. Course Cost Report in Compliance with Provincial Educational Cost Directive

Motion: That on the recommendation of the Audit, Risk & Compliance Committee, the Board of Governors approve the 2024/2025 Education Costs Report for submission to the province.

- d. Audit, Risk & Compliance Committee Terms of Reference

Motion: That on the recommendation of the Audit, Risk and Compliance Committee, the Board of Governors approve the Terms of Reference for the Audit, Risk & Compliance Committee, as revised.

- e. Governance Committee Terms of Reference

Motion: That on the recommendation of the Governance Committee, the Board of Governors approve the Terms of Reference for the Governance Committee, as revised.

- f. Endowment Spending Rate

Motion: That on the recommendation of the Finance, Investments and Property Committee, the Board of Governors approve the following for all endowment funds:

- a. The inflation adjustment factor be set at 2.2%, and
- b. The spending rate be set at up to 3% with the option of an additional spending allocation of up to 5% for endowments with a stabilization account valued at greater than 20% of market value.

2. Items for Information

- a. Updates on Recent Activity of the Standing Committees

- b. Report on Senate Activities, April 7 and May 21, 2025
- c. Q1 Summary, Investment Performance – Hub International
- d. 2024-2025 Annual Sustainability Report
- e. Pension Plan Annual Brochure

Note: If you need assistance or have a question about this agenda or the Board of Governors, please contact the University Secretariat office, by email to lauriersecretariat@wlu.ca.