Published on *University of Toronto Faculty Association* (https://www.utfa.org)

Report from UTFA's Representative on the Employee Sponsor Committee (ESC) of the University Pension Plan (UPP) and Chair of UTFA's Pension Committee, 2021-2022

April 15, 2022

The University Pension Plan (UPP) was launched on July 1, 2021. The pensions of new hires as of that date are covered by the UPP rules. The UPP is governed by the Board of Trustees (BoT) and the Joint Sponsors (JS). The JS comprises the Employee Sponsor Committee (ESC) and the Employer Sponsor Committee (ERSC). Please see this year's updated UPP organizational chart for a brief explanation of the roles of the UPP boards.

For detailed information on the plan, please see the member handbook on the UPP website.

During 2021–2022, the ESC continued to work on building the plan. Activities and initiatives included the following: providing feedback to the BoT on member engagement sessions and surveys in November 2021 and March 2022; negotiating participation agreements for new plan entrants and processing related documentation; developing guidelines for new plan entrants; meeting with the BoT Chair and CEO for updates on the development of Responsible Investing (RI) approaches, on staff hires, and on administrative infrastructure and systems; meeting with unrepresented plan members (university administrators without union or equivalent representation); meeting with unions with no seats on the ESC; and communicating with OCUFA on pensions.

News:

- On January 1, 2022, faculty in the Trent University faculty pension plan, staff at the University of Guelph Faculty Association, staff at the UPP, and staff at UTFA joined the UPP. See the member handbook for a complete list of employers in the plan.
- On March 8, 2022, the BoT expanded on its RI policy by announcing new emissions reduction targets: net-zero by 2040 and interim targets for 2025, 2030, and 2035. Note that the BoT is not committing to blanket divestment but thus far has sought to develop an engagement approach.

The ESC will seek more clarity on the emissions reduction initiative and greater transparency in terms of plan investments.
- As of April 1, 2022, all plan investments will have moved over to the BoT's control.
- The UPP is responsible for preparing annual actuarial valuations and is in the process of doing so for January 1, 2022.

The terms of reference for the UTFA Pension Committee were significantly revised and updated in December, and facilitated the election of a Committee that is "sufficiently knowledgeable, competent, and engaged vis-à-vis the UPP that it can provide helpful discussion and advice to the Committee as a whole/ESC representative and represent the views of Council and the UTFA membership in its deliberations." It is intended that "all Committee members should be able to: 1) recognize the diverse and varied perspectives of the UTFA membership in the Committee's deliberations on pensions and the advice it provides the Chair and others at UTFA; 2) help UTFA communicate its members' needs and wants to the UPP Employee Sponsor Committee and Board of Trustees; and, 3) disseminate accurate and timely information on pensions to the Executive, Council, and as appropriate, to the UTFA membership."

Since its election, the Committee offered detailed feedback on two drafts of the BoT RI survey that resulted in substantial change to the survey. The Committee is actively committed to RI, even though Committee discussions represent a range of views. While the Committee encourages the decarbonization of the portfolio, it recognizes the importance of social and governance aspects of RI. In February, Paul Downes gave a presentation on sample RI language in which Paris Agreement–aligned approaches were central. Other speakers will be invited to speak to the Committee on an array of issues in the coming months. Legal advisor to the ESC, Murray Gold, will speak to the Committee on the fiduciary responsibility of the BoT.

I would like to thank the members of the UTFA Pension Committee for their hard work and devotion to the success of the UPP: Joseph Carens, Paul Downes, Erica Kim, Lisa Kramer, James Mason, Jun Nogami, Marcin Pęski, Maureen Stapleton, and Terezia Zorić. My thanks and gratitude to Louis Florence, Mary Alice Guttman, and Brian McDonagh, who cycled off the Committee in 2021. I would also like to thank Hugh Mackenzie, UTFA's appointee on the Board of Trustees. UTFA staff continue to play an important support role, and I wish to recognize and thank Crystal Doyle, Kathy Johnson, Chris Penn, and Nicole Ptinis.

Cynthia Messenger
Chair, UTFA Pension Committee
UTFA Representative, UPP Employee Sponsor Committee

Source URL (modified on Apr 24 2026):https://www.utfa.org/content/report-utfa-s-representative-employee-sponsor-committee-esc-university-pension-plan-upp-3